MEDIA RELEASE

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# Mt Watson Drilling Result

## Highlights

Assay results have been received from diamond drilling at Mt Watson. The most significant intercept is 3 m at 0.37% Cu from a downhole depth of 36 m.

## Assay Results

Ishine International Resources Ltd (Ishine) is pleased to announce recent assay results from diamond drilling conducted at the Mount Watson Copper Project (the Project) during late 2013 and early 2014.

The Project is a joint venture between Ishine (70%) and Kabiri Resources Pty Ltd (30%).

The Project is situated approximately 120 km north of Mt Isa in north-west Queensland and comprises two tenements (EPM15933 and EPM15986) covering an area of 103.6 $km^2$. The tenements surround the Mt Watson copper mine (not on the Ishine tenements) which produced 8.08 Mt at an average grade of 0.9% Cu.

Seven diamond drillholes (totalling 921.80 m) were drilled on tenement EPM15986 on previously identified versatile time domain electromagnetic survey (VTEM) anomalies 5 km to the south-west and along strike of the Mt Watson copper mine. Table 1 lists the drillhole coordinates and drilling orientation. Figure 1 shows the drillhole locations.

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**Table 1 Drillhole Collars**

| Drillhole | Easting (m) | Northing (m) | Elevation (m) | Depth (m) | Azimuth (°) | Dip (°) |
|---|---|---|---|---|---|---|
| ZK7-3 | 7811578 | 379740 | 283 | 100.10 | 120 | 60 |
| ZK7-4 | 7811578 | 379742 | 283 | 121.35 | 300 | 60 |
| ZK32-1 | 7810286 | 377326 | 242 | 140.60 | 245 | 60 |
| K32-2 | 7810305 | 377364 | 243 | 189.30 | 245 | 60 |
| K35-1 | 7810725 | 377103 | 238 | 81.05 | 260 | 60 |
| ZK31-1 | 7810092 | 377400 | 243 | 118.30 | 245 | 60 |
| ZK31-2 | 7810136 | 377473 | 244 | 171.1 | 245 | 60 |

The target anomalies exist in a large fold structure believed to be favourable for hosting mineralisation analogous to that found and mined nearby at Mt Watson.

Intervals of mineralisation and other intervals of interest were selectively sampled at one metre intervals from the diamond core. 346 diamond core samples were submitted to Bureau Veritas Amdel for preparation (Mt Isa, Queensland) and analysis (Cardiff, Newcastle, New South Wales). Each sample was dried, crushed and split to approximately 200 grams then pulverised in an LM5 ring mill to 85% passing 75 microns. Each sample was assayed for copper, lead and zinc using induced coupled plasma optical emission spectrometry (ICP-OES).

A number of zones of low order anomalous copper (Cu) with grades up to 5,950 ppm Cu were intersected. All results above 1,000 ppm Cu are reported in Table 2.

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## Table 2 Anomalous Copper Assays

| Drillhole | Depth From (m)[1] | Depth To (m)[1] | Cu (ppm) | Pb (ppm) | Zn (ppm) |
|---|---|---|---|---|---|
| ZK32-1 | 21 | 22 | 1,350 | 7 | 18 |
| | 22 | 23 | 1,350 | 6 | 14 |
| | 23 | 24 | 1,050 | 21 | 27 |
| | 26 | 27 | 1,700 | 20 | 48 |
| | 27 | 28 | 3,850 | 23 | 43 |
| | 28 | 29 | 1,700 | 22 | 39 |
| | 29 | 30 | 2,550 | 23 | 31 |
| | 30 | 31 | 1,950 | 23 | 31 |
| | 31 | 32 | 2,100 | 19 | 39 |
| | 32 | 33 | 4,400 | 28 | 37 |
| | 33 | 34 | 1,900 | 17 | 36 |
| | 36 | 37 | 4,500 | 22 | 42 |
| | 37 | 38 | 4,050 | 12 | 39 |
| | 38 | 39 | 2,600 | 14 | 50 |
| | 41 | 42 | 2,350 | 18 | 22 |
| | 42 | 43 | 1,400 | 14 | 24 |
| | 46 | 47 | 3,050 | 165 | 130 |
| | 47 | 48 | 2,050 | 25 | 27 |
| | 48 | 49 | 1,450 | 82 | 56 |
| | 52 | 53 | 1,250 | 16 | 17 |
| ZK32-2 | 25 | 26 | 4,600 | 30 | 1 |
| ZK35-1 | 1 | 2 | 1,900 | 10 | 28 |
| | 2 | 3 | 1,250 | 5 | 22 |
| | 3 | 4 | 5,950 | 115 | 96 |
| | 7 | 8 | 1,000 | 15 | 17 |

[1] Intersections are downhole measurements

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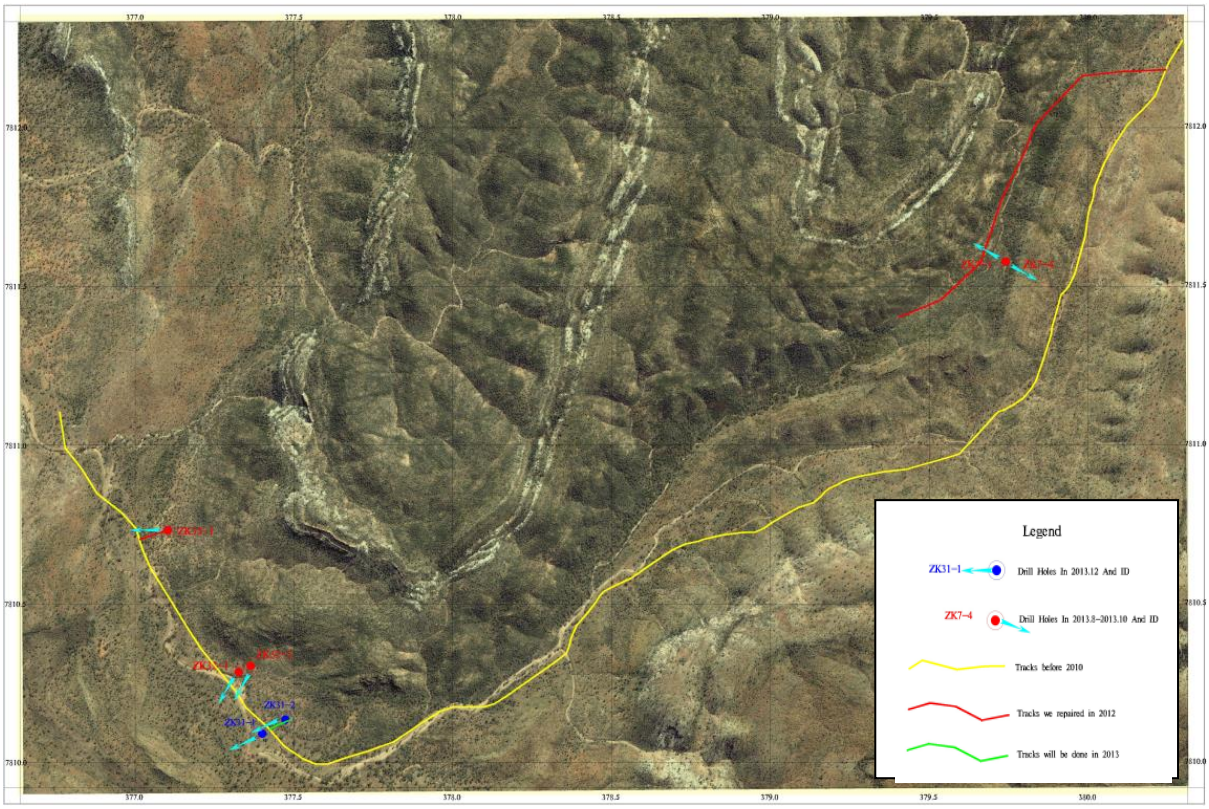
## Figure 1 Location of 2013 Drilling




Scale 1:5000

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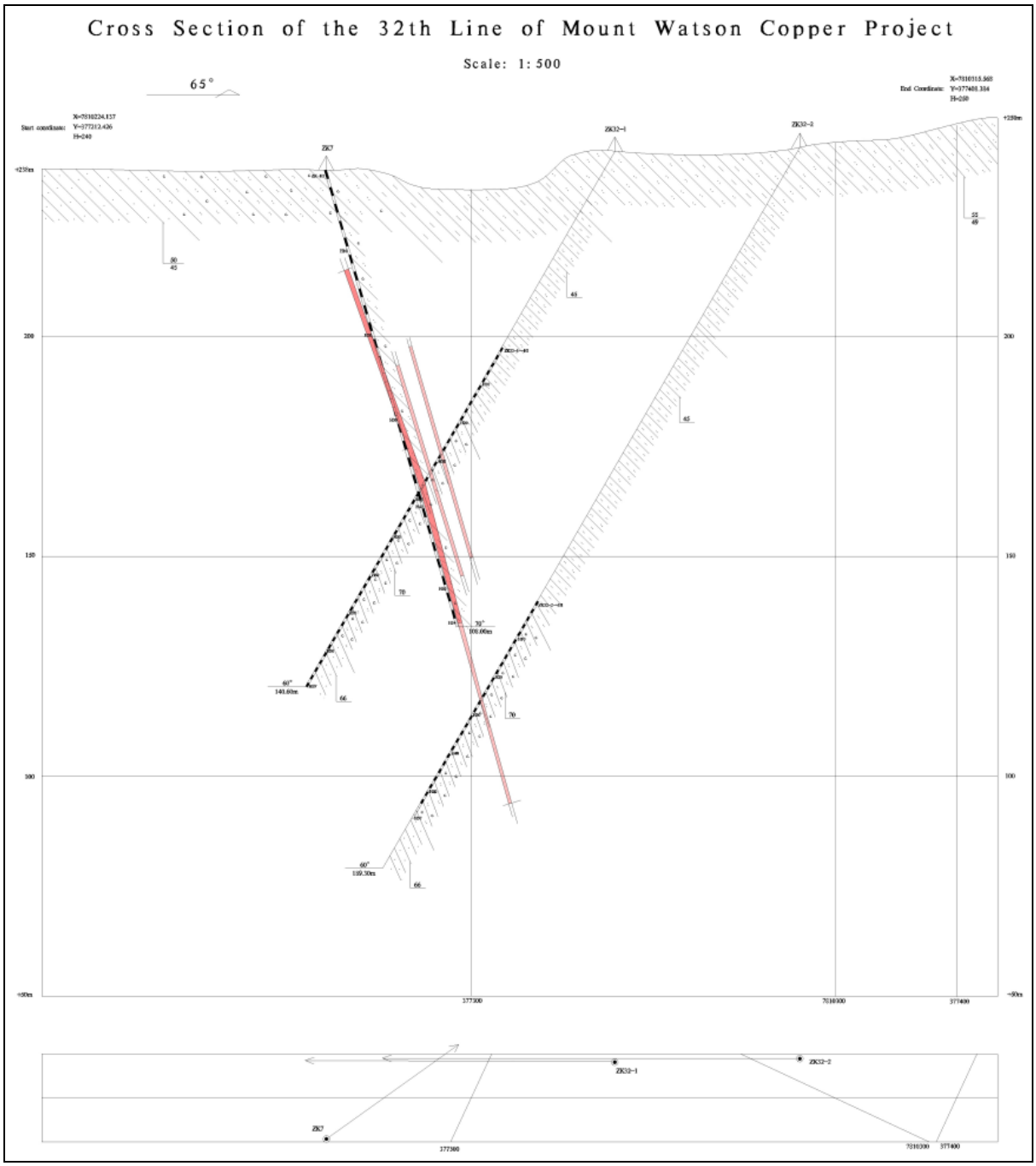
**Figure 2 Cross Section**




Ishine is assessing the results of the drilling programme and a plan for exploration in 2014 on tenements EPM15986 is still to be determined.

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## JORC Code Compliance Statement

The information in this announcement relating to exploration results was compiled by Mr Dean Carville who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Carville is a full-time employee of AMC Consultants Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Carville consents to the inclusion of this information in the form and context in which it appears.

**Section 1 Sampling Techniques and Data**

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* | Seven diamond drillholes were drilled for a total of 921.80 m.<br>The holes were predominantly drilled at azimuths between 245° and 300° at a dip of 60° at a nominal spacing of 200 mE by 100 mN. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | Drillhole collars were set out by hand held GPS.<br>Downhole surveying was completed by the drilling contractor.<br>Diamond core was half-core sampled at nominal one-metre intervals. |
| | *Aspects of the determination of mineralisation that are Material to the Public Report.* | Diamond core was drilled using triple tube techniques at HQ (63.5 mm) and NQ sizes (47.6 mm) and sampled at nominal one metre intervals.<br>Diamond samples were submitted to Bureau Veritas Amdel (Mt Isa, Queensland) for sample preparation (drying, crushing, splitting and pulverizing) and analysis. Each sample was assayed for copper, lead, zinc, silver and nickel using induced coupled plasma optical emission spectrometry (ICP-OES). |

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| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Drilling techniques*** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | Diamond core was drilled using triple tube techniques at HQ (63.5 mm) and NQ sizes (47.6 mm).<br>Diamond core was not orientated. |
| ***Drill sample recovery*** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | Diamond core recovery was not assessed. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | Diamond drilling utilized triple tube techniques to assist with maximizing core recovery. |
| | *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | No assessment of sample recovery and grade was undertaken. |
| ***Logging*** | *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | Diamond core has not been geologically or geotechnically logged. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | Diamond core has not been geologically or geotechnically logged. |
| | *The total length and percentage of the relevant intersections logged.* | Diamond core has not been geologically or geotechnically logged. |
| ***Sub-sampling techniques and sample preparation*** | *If core, whether cut or sawn and whether quarter, half or all core taken.* | Diamond core was half-core sampled using an electric core saw at nominal one-metre intervals. |
| | *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* | All samples were diamond drill core. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | The sample preparation techniques employed follow industry best practice. Samples are dried before crushing and splitting to form a 200 gram subsample. The subsample was pulverized in a LM5 ring mill to 85% passing 75 microns. |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | Certified reference materials and blanks were not used to monitor the analytical laboratory's precision and accuracy.<br>12 field duplicate samples were collected from the diamond core. |
| | *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* | Assessment of duplicate sampling results showed a reasonable correlation between original and duplicate assay results. |

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| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | Current industry standard sampling is used. |
| ***Quality of assay data and laboratory tests*** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | Samples were analysed by Bureau Veritas Amdel using ICP-OES. |
| | *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* | All samples were analysed ICP-OES. |
| | *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | Certified reference materials and blanks were not used to monitor the analytical laboratory's precision and accuracy. Assessment of 12 field duplicate sampling results showed a reasonable correlation between original and duplicate assay results. |
| ***Verification of sampling and assaying*** | *The verification of significant intersections by either independent or alternative company personnel.* | No verification of significant intersections has been undertaken. |
| | *The use of twinned holes.* | No twin holes have been drilled. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | Primary data has been recorded on paper logs. Assay results are received from the laboratory in PDF format. |
| | *Discuss any adjustment to assay data.* | No adjustments to assay data have been made. |
| ***Location of data points*** | *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* | Drillhole collars were set out by hand held GPS<br>Downhole surveying was completed by the drilling contractor.<br>mapping and geophysical anomaly |
| | *Specification of the grid system used.* | The grid system used in WGS84. |
| | *Quality and adequacy of topographic control.* | Topographic control has been established using GPS. |
| ***Data spacing and distribution*** | *Data spacing for reporting of Exploration Results.* | Drilling tested the regional structure at a spacing of 200m east by 100m north. |
| | *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* | Drilling is at an exploration level only and no Mineral Resource has been estimated. |
| | *Whether sample compositing has been applied.* | Sample compositing has not been applied to the exploration results. |

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| ***Orientation of data in relation to geological structure*** | *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* | Drilling has been executed perpendicular or at a high angle to the regional structure. Sampling bias is not expected. |
| | *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | The orientation of drilling with respect to mineralization is not expected to introduce any sampling bias |
| ***Sample security*** | *The measures taken to ensure sample security.* | Diamond core samples are collected by a geologist. Core trays containing the remaining half of core are stored at the property of the landowner. All samples submitted to the laboratory are accompanied by appropriate documentation. Bureau Veritas Amdel has reported no discrepancies upon receipt of the samples. All samples are sorted and identified with a unique laboratory LIMS code during sample preparation. |
| ***Audits or reviews*** | *The results of any audits or reviews of sampling techniques and data.* | No audits or reviews have been undertaken. |

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**Section 2: Reporting of Exploration Results**

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* | The Mt Watson Project (the Project) is located approximately 120 km northern of Mt Isa in north-west Queensland. The project comprises two exploration tenements EPM15933 and EPM15986 covering an area of 103.6 $km^2$.<br>The Project is a joint venture between Ishine International Resources (Ishine) (70%) and Kabiri Resources Pty Ltd (30%).<br>There are no registered Native Title Claims. |
| | *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | The tenement is in good standing and no known impediments exist. |
| ***Exploration done by other parties*** | *Acknowledgment and appraisal of exploration by other parties.* | The tenements surround the Mt Watson copper mine (not on the Ishine tenements) which produced 8.08 Mt at an average grade of 0.9% Cu.<br>Ishine is unaware of previous exploration on tenements EPM15933 and EPM15986. |
| ***Geology*** | *Deposit type, geological setting and style of mineralisation.* | Ishine drilling targeted geophysical anomalies to the south-west and along strike of the Mt Watson copper mine.<br>Mineralisation at the Mt Watson copper mine is hosted within the Surprise Creek Formation, occurring along a prominent northwest fault zone in sheared and altered siltstone and carbonaceous shale. |
| ***Drill hole Information*** | *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>*easting and northing of the drill hole collar*<br>*elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>*dip and azimuth of the hole*<br>*down hole length and interception depth*<br>*hole length.* | Seven diamond holes were drilled. |
| ***Data aggregation methods*** | *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* | All assay results are attached. |
| | *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such* | All assay results are attached |

| Drillhole | Easting (m) | Northing (m) | Elevation (m) | Depth (m) | Azimuth (°) | Dip (°) |
|---|---|---|---|---|---|---|
| ZK7-3 | 7811578 | 379740 | 283 | 100.10 | 120 | 60 |
| ZK7-4 | 7811578 | 379742 | 283 | 121.35 | 300 | 60 |
| ZK32-1 | 7810286 | 377326 | 242 | 140.60 | 245 | 60 |
| K32-2 | 7810305 | 377364 | 243 | 189.30 | 245 | 60 |
| K35-1 | 7810725 | 377103 | 238 | 81.05 | 260 | 60 |
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| | *aggregations should be shown in detail.* | |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | No metal equivalent values are reported. |
| ***Relationship between mineralisation widths and intercept lengths*** | *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* | The mineralised horizon strikes in which direction for approximately 200 m and dips for approximately 100 m at 70º at an azimuth of 65º. The mineralized horizon is 1.45m thick on average and has an average copper grade of 0.43%. |
| ***Diagrams*** | *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | A cross section is attached. |
| ***Balanced reporting*** | *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | All significant results for drilling conducted during 2013 are attached |
| ***Other substantive exploration data*** | *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | No other data has been collected |
| ***Further work*** | *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* | Further work has not yet been planned. |
| | *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | Further work has not yet been planned. |

**For further information, please contact:**

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