

# Drilling Update

## Redcliffe Project – Leonora WA

### Announcements Office

Australian Securities Exchange Limited,  
Sydney  
14 November 2011

## High Grade Gold at Kelly Prospect – up to 223g/t

- Single metre split sample assays have been received for Kelly Prospect RC drilling.
- Individual assays up to (two hundred and twenty three) 223g/t.
- Many intervals show upgraded gold assays over indications from composite sampling, including high grade gold intercepts:
  - 15m @ 8.04g/t inc. 6m @ 17.32g/t.
- Other intercepts from 1m split results included:
  - 15m @ 2.28g/t; and
  - 13m @ 2.12g/t.

Pacrim Energy Limited advise that single metre assay results have been received from the recently completed programme of fifteen RC holes for 1,614 metres at the north of the Kelly Prospect within the Redcliffe Gold Project.

This programme successfully achieved the aim of infilling and extending previously identified zones of gold mineralisation to a vertical depth of approximately 100 metres in an area that had included a number of higher than usual (+5g/t) individual gold assays.

The results from five metre composite samples (as released 6 October 2011) confirmed broad zones of mineralisation with numerous significant broad gold intercepts, including 87 metres averaging 0.78g/t (GDRC 333) that contained a higher grade zones of 10 metres averaging 4.79g/t. Composite sampling involves a portion of each metre sample being taken and combined to provide an overview of the presence of gold mineralisation. This identifies intervals requiring individual single metre (splits) for assay.

The Company's technical personnel have observed that the current sampling has returned higher gold grade intercepts from individual assays than evident in composite results, including up to 223.8g/t, along with several plus +10g/t assays.

The following is a summary of down-hole intercepts that are +10 gramme metres and +1g/t from single metre results;

- 5 metres @ 4.61g/t** from 24 to 29 metres in GTRC333.
- 2 metres @ 112.6g/t** from 38 to 40 metres including **1 metre @ 223.8g/t** in GTRC333.
- 15 metres @ 8.04g/t** from 63 to 78 metres including **6 metres @ 17.32g/t** in GTRC333.
- 2 metres @ 5.77g/t** from 24 to 26 metres in GTRC328.
- 15 metres @ 2.28g/t** from 62 to 77 metres including **2 metres @ 10.01g/t** GTRC328.
- 4 metres @ 3.10g/t** from 17 to 21 metres in GTRC331.
- 9 metres @ 1.57g/t** from 41 to 50 metres in GTRC332.
- 13 metres @ 1.00g/t** from 69 to 82 metres in GTRC334.
- 16 metres @ 1.23g/t** from 47 to 63 metres in GTRC335.
- 13 metres @ 2.12g/t** from 58 to 71 metres in GTRC336.
- 11 metres @ 1.82g/t** from 52 to 63 metres in GTRC341.

(A full table of results is included later in this release)

Individual assays from high grade gold intercepts in hole GTRC 333 are shown below to illustrate the strength of the zone of mineralisation:

From	To	Gold Assay g/t
38m	39m	<b>223.8</b>
39m	40m	<b>1.46</b>
63m	64m	<b>2.03</b>
64m	65m	<b>0.67</b>
65m	66m	<b>4.29</b>
66m	67m	<b>18.83</b>
67m	68m	<b>36.76</b>
68m	69m	<b>3.00</b>
69m	70m	<b>34.44</b>
70m	71m	<b>6.58</b>
71m	72m	<b>2.71</b>
72m	73m	<b>1.02</b>
73m	74m	<b>1.98</b>
74m	75m	<b>3.98</b>
75m	76m	<b>1.34</b>
76m	77m	<b>1.63</b>
77m	78m	<b>1.32</b>

From 63 to 78m down-hole, **15m @ 8.04g/t** includes from 65 to 71m, **6m @ 17.32g/t**.

Approx. surface

Lateralsed / soil  
Silicified felsic schist hardpan

500mRL

Highly weathered  
Highly weathered cream  
clays after felsic schist

Approx. base of  
complete oxidation

Transition zone  
Partial oxidised felsic schist

Approx. base of  
partial oxidation

Fresh  
Fresh felsic schist  
incl. silicification  
carbonate alteration  
+/- quartz/carbonate veining  
& minor pyrite

ank = ankerite alteration

4m @ 1.58g/t

2m @ 2.50g/t

4m @ 3.10g/t

5m @ 0.97g/t

5m @ 4.61g/t

2m @ 112.6g/t

9m @ 1.57g/t

3m @ 0.83g/t

5m @ 1.17g/t

15m @ 8.04g/t  
including 6m @ 17.32g/t

6m @ 0.78g/t

4m @ 1.11g/t

Gold (g/t)

- +0.5
- > 5
- Mineralisation generally +0.5g/t lower cut

REDCLIFFE PROJECT  
**Kelly North Prospect**  
Interpreted Cross Section  
6842340mN  
14 November 2011 GDA 94 Zone 51

Section looking North +/-10m  
Drill hole intercept, metres at g/t gold



## Kelly RC Drilling 2011 Single Metre Split Assays

DHID	East	North	Area	Az/Dip	From	To	Intercept	g/t gold
<b>GTRC328</b>	358054	6842390	270/-60	100	13	14	1m	@ 1.19
					24	26	<b>2m</b>	<b>@ 5.77</b>
					47	48	1m	@ 1.01
					54	56	2m	@ 1.99
					62	77	<b>15m</b>	<b>@ 2.28</b>
					72	74	<b>inc 2m</b>	<b>@ 10.01</b>
<b>GTRC329</b>	358070	6842390	270/-60	114	5	10	5m	@ 1.20
					48	52	4m	@ 0.72
					54	57	3m	@ 1.57
<b>GTRC330</b>	358086	6842390	270/-60	120	15	17	2m	@ 2.04
					51	52	1m	@ 1.11
					58	64	6m	@ 0.85
					71	72	1m	@ 1.33
<b>GTRC331</b>	358059	6842340	270/-60	102	4	5	1m	@ 1.64
					8	12	4m	@ 1.58
					17	21	<b>4m</b>	<b>@ 3.10</b>
					32	33	1m	@ 2.35
					35	36	1m	@ 3.29
					56	57	1m	@ 1.37
<b>GTRC332</b>	358074	6842340	270/-60	100	13	15	2m	@ 2.50
					24	29	5m	@ 0.97
					41	50	9m	@ 1.57
					54	57	3m	@ 0.83
					79	89	10m	@ 0.71
<b>GTRC333</b>	358089	6842340	270/-60	114	24	29	<b>5m</b>	<b>@ 4.61</b>
					38	40	<b>2m</b>	<b>@ 112.6</b>
					63	78	<b>15m</b>	<b>@ 8.04</b>
					65	71	<b>inc 6m</b>	<b>@ 17.32</b>
					96	100	4m	@ 1.11
					103	105	2m	@ 1.95
<b>GTRC334</b>	358070	6842290	270/-60	100	17	23	6m	@ 1.33
					41	42	1m	@ 1.56
					69	82	<b>13m</b>	<b>@ 1.00</b>
					86	87	1m	@ 1.07
<b>GTRC335</b>	358085	6842290	270/-60	100	23	27	4m	@ 1.49
					30	31	1m	@ 2.10
					38	39	1m	@ 3.62
					47	63	<b>16m</b>	<b>@ 1.23</b>
<b>GTRC336</b>	358100	6842290	270/-60	114	19	20	1m	@ 1.70
					45	51	6m	@ 1.60
					58	71	<b>13m</b>	<b>@ 2.12</b>
					78	81	3m	@ 1.20
					93	97	4m	@ 0.93
<b>GTRC337</b>	358115	6842290	270/-60	120	109	111	2m	@ 1.52
					36	37	1m	@ 1.21
					46	47	1m	@ 1.76

## Kelly RC Drilling 2011 Single Metre Split Assays (continued)

DHID	East	North	Area	Az/Dip	From	To	Intercept	g/t gold
<b>GTRC338</b>	358130	6842290	270/-60	108	65	67	2m	@ 0.77
<b>GTRC339</b>	358070	6842240	270/-60	100	30	31	1m	@ 2.62
					35	36	1m	@ 2.49
					38	40	2m	@ 1.01
					42	44	2m	@ 0.86
					52	58	6m	@ 0.79
					65	69	4m	@ 0.98
<b>GTRC340</b>	358085	6842240	270/-60	100	25	26	1m	@ 2.02
					52	63	<b>11m</b>	<b>@ 1.82</b>
					94	95	1m	@ 1.31
<b>GTRC341</b>	358100	6842240	270/-60	120	53	60	7m	@ 1.18
					63	64	1m	@ 1.96
					69	75	6m	@ 0.88

Grid GDA 94 Zone51, Collar locations GPS/tape and compass survey. Assays by Kalassay 50g Fire Assay, **Bold** +10 gramme.metres, 0.5g/t lower cut, no upper cut, max 1m internal waste.

### Kelly Prospect - Background

The Kelly Prospect has been identified as a large gold mineralised system within the Redcliffe Gold Project where RC drilling has to date been undertaken over a strike length of one kilometre and AirCore drilling to the south has extended the mineralised zone a further kilometre. The Redcliffe Project is located approximately 40km to the east of Leonora, Western Australia.

Kelly is a large exploration target with potential to deliver significant (multi million) tonnages of mineralised material. The size and extent of mineralisation continues to be assessed by the Company in working toward adding substantially to the existing gold resource base at the Redcliffe Project.

Primary gold mineralisation host is felsic schist with intensely silicified and bleached alteration zones with a core of carbonate and silica flooding with accessory pyrite. Secondary mineralisation is interpreted to occur in supergene enrichments in the oxidised zones.

Intensely weathering occurs to a vertical depth of approximately 50 metres, below which, slightly elevated copper commonly demarks a transition zone to around 80m vertical depth below which fresh rock occurs.



**Rodney Foster** (BSc Geology)  
 CEO/Chairman

*The information in this report, as it relates to Exploration Results and Resource Estimates, is based on information compiled and/or reviewed by Rodney Foster who is a Member of The Australasian Institute of Mining and Metallurgy. Rodney Foster is the CEO/Chairman of the Company. He has sufficient experience which is 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rodney Foster consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*