8 July 2014

Fast Facts — ASX: JAL

Share Price Range (6mths)	$0.15 - $0.25
Shares on issue	189,665,619
Options ($0.15 -$0.20)	10,976,390
Market Capitalisation	~$30M

Major Shareholders (As at July 7, 2014)

Macquarie Bank	10.5%
Pershing Aus Nom P/L	5.0%

Directors & Management

David Fawcett (Chairman)
Art Palm (Executive Director & CEO)
Jeff Bennett (Non Executive Director)
Steve van Barneveld (Non Exec Director)

Key Projects

Crown Mountain Coal Project
Elk Valley Coalfield, Canada
Dunlevy Coal Project
Peace River Coal Field, Canada

Investment Highlights

- ✓ Positioned in world class metallurgical coalfields
- ✓ Significant development expertise on board with successful track record
- ✓ Modern rail and port facilities
- ✓ Strong financial position

Newsflow / Catalysts

Dunlevy exploration starts	Q3 2014e
Dunlevy initial expl results	Q3 2014e
Crown Mtn PFS completion	Q3 2014e
Crown Project Description filed	Q3 2014e

Contact Details

Australia
L2, 79 Hay Street, Subiaco WA, 6008
P +61 (8) 9200 4473
F +61 (8) 9200 4463
E admin@jamesonresources.com .au

Canada
S8, 1199 West Hastings, Vancouver
P +1 (604) 629-8605

Positive Preliminary Prefeasibility Results Crown Mountain Coking Coal Project

Highlights

- **Key mining parameters determined to-date are consistent with the 2013 Preliminary Economic Assessment (PEA).**
- **Projected plant yields fall within the 40 to 60 percent range estimated in the PEA: approximately 59 percent in the North Block, 55 percent in the East Block, and 48 percent in the South Block, for a property-wide average of 52 percent.**
- **Clean strip ratio ranges from 7.05 to 9.79:1 during the first 5 years, averaging 10.23:1 over the mine life.**
- **Average production level will be within the upper half of the PEA's estimated 1.3 – 1.9 million clean tonnes per annum.**
- **Mine planning has sequenced the low ratio and higher yield North Block for initial production, followed by the East Block and then the South. This sequence will optimize project payback.**
- **These initial results reinforce Jameson's intent to continue to fast-track Crown Mountain into the Environmental Assessment process, concurrent with the exploration program now underway at the Company's Dunlevy project.**

Jameson Resources ("Jameson" or the "Company") is pleased to provide this update on the ongoing PFS. Norwest Corporation ("Norwest") has determined several key mining parameters which can now be released. There are no material changes in these parameters versus the PEA. The economic analysis process remains in-progress and will be completed over the next few weeks.

The mine has been designed to produce at an average of 1.7 million tonnes annually over the life of mine, with early year (North Block) output peaking at approximately 2 million tonnes.

Norwest estimates 84 percent of total mine production will be hard coking coal, with the balance a low-to-mid volatile PCI product.

Indications are that the PFS will verify the conclusions contained in the PEA and continue to show Crown Mountain as a high potential coking coal project.

Jameson remains committed to fast-track the required field activities to support entering the Environmental Assessment process later this year.

PFS Details

Jameson commissioned Norwest to perform the PFS for Crown Mountain in December 2013. That process is well underway, with several key parameters now identified.

Despite the widespread price reductions in the coking coal industry, the number of resource tonnes in the mine plan (excluding the inferred resources of the Southern Extension) remained essentially unchanged versus the PEA. This is a function of the attractive (low) strip ratio.

The PFS tonnage excludes the 23.7 million inferred resource tonnes the PEA estimated for the Southern Extension. Jameson still views the Southern Extension as a high potential area worthy of further exploration, but has elected to exclude any inferred resources from the PFS. Work-in-progress on the PFS will ultimately identify reserve tonnes, but for the time being all tonnes are still expressed as resources.

Full results will be released once the PFS has been completed over the next few weeks.

The Company continues to believe Crown Mountain is a valuable project with predominantly a hard coking coal product (coal quality results have been previously released). Field activities continue to be performed with the objective of entering the Environmental Assessment (EA) process later this year.

As the value of Crown Mountain becomes apparent by the PFS, exploration is commencing on the Company's other main asset, the Dunlevy metallurgical coal project in NE British Columbia. Drilling at Dunlevy will commence in less than 2 weeks, with initial results available shortly thereafter.

Jameson management is excited about the Company's future as its two high potential projects continue to advance.

The pages which follow form an integral part of this announcement.

On Behalf of the Board of Directors,

Art Palm
Chief Executive Officer

ASX LISTING RULE 5.16 DISCLOSURE AND COMPLIANCE STATEMENT

The results and underlying assumptions for the PEA were reported to ASX on 17 April 2013 in an ASX announcement entitled "PEA Confirms Potential Robust Economics on Crown Mountain Coal Project" and further detailed in the 2013 Annual Report to Shareholders. In addition, updated coal quality results were reported to ASX on 14 March 2014 in an ASX announcement entitled "Positive Property-Wide Coal Quality, Crown Mountain Coking Coal Project".

Included in the above-referenced documents was key information with respect to how production targets were determined. The production targets identified in the PFS are not materially different from those identified in the PEA. The Company is not aware of any material changes to the assumptions, technical parameters, and engineering methodology supporting the estimates in the relevant market announcements. Further, the production targets are underpinned by the estimated resources contained in the 14 March 2014 announcement and restated below in Table 1. Those resources have been prepared by a competent person in accordance with the requirements of Appendix 5A of the 2012 JORC Code.

RESOURCE AREA	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)	Measured, Indicated & Inferred (Mt)
North Block	8.0	6.0	14.0	0	14.0
South Block	60.9	0	60.9	0	60.9
Southern Extension	0	0	0	23.7	23.7
TOTAL	**68.9Mt**	**6.0Mt**	**74.9Mt**	**23.7Mt**	**98.6Mt**

Table 1: Crown Mountain Resource 2014 (Effective March 11, 2014)

Note: Data for Table 1 was prepared in accordance with provisions of NI 43-101 and presented above in accordance with the JORC Code (2012 Edition), Clause 26.

From the above 98.6 million resource tonnes, 100 percent of the inferred category, 23.7 million tonnes, has been excluded from consideration of production targets in the PFS. Thus, 74.9 million tonnes of resource, consisting of 68.9 million (92 percent) measured and 6.0 million indicated (8 percent) tonnes formed the basis of the engineering work performed by Norwest.

The attached "JORC Code, 2012 Edition – Table 1" contains significant detail in addition to the previously cited ASX announcements.

Until the PFS is completed, the amount of reserves, if any, has not been determined. Further, the PFS will estimate the capital required to construct and operate the project (the PEA capital estimate is contained in the 17 April 2013 announcement).

Competent Person Statements

Exploration and Laboratory Testing

The information in the report to which this statement is attached that relates to exploration and laboratory testing results is based on information compiled by Mr. Art Palm P.Eng., a Competent Person who is a Member of a Recognised Professional Organisation (RPO) included in a list that is posted on the ASX website from time to time, being the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Palm is a full time employee of Jameson Resources Limited and has sufficient experience that 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Palm consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr. Palm holds the following securities in Jameson Resources Limited: 1,350,000 Ordinary Shares, 3,000,000 performance rights and 83,333 $0.15 options expiring 30 September 2014.

Mineral Resource

The information in this document that relates to the revised Mineral Resource estimate in Table 1 is based on information compiled for a new Technical Report (in preparation following the completion of the PFS) by Mr. Geoff Jordan P.Geo., who is a Member of a Recognised Overseas Professional Organisation (ROPO) included in a list promulgated by the ASX from time to time, being the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Jordan is an employee of Norwest Corporation and 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jordan consents to the inclusion in the document of the matters based on his information in the form and context in which it appears.

About Jameson Resources Limited

Jameson Resources Limited (ASX:JAL) is a junior resources company focused on the acquisition, exploration and development of strategic coal projects in western Canada. The Company has a 90% interest in the Crown Mountain coal project, and a 100% interest in the Peace River coal projects located in British Columbia. Jameson's tenement portfolio in British Columbia is positioned in coalfields responsible for the majority of Canada's metallurgical coal exports and are all close to railways connecting to export facilities.

To learn more, please contact the Company at +61 89200 4473, or visit: **www.jamesonresources.com.au**

Forward Looking Statements

This announcement contains "forward-looking statements". Such forward-looking statements include, without limitation: estimates of future earnings, the sensitivity of earnings to commodity prices and foreign exchange rate movements; estimates of future production and sales; estimates of future cash flows, the sensitivity of cash flows to commodity prices and foreign exchange rate movements; statements regarding future debt repayments; estimates of future capital expenditures; estimates of resources and statements regarding future exploration results; and where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to commodity price volatility, currency fluctuations, increased production costs and variances in resource or reserve rates from those assumed in the company's plans, as well as political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Reverse circulation ("RC") and large diameter core ("LDC") drilling was used to collect samples. • RC samples were collected on 0.5m intervals as soon as coal zones were reached. Drilling was stopped between each sample for dewatering and to allow accurate interval separation. • Sample bags were assigned hole and individual sample numbers, zipped tied and stored in heavy duty plastic tubs for transportation to laboratory. • For LDC drilling, all coal seams ≥0.5m were sampled. The entire coal zone was sampled and bagged for analysis. Rock partings ≥0.5m were sampled and bagged separately. • A suite of geophysical logs, including density, gamma, neutron, temperature and drill hole deviation were run both within drill pipe on all holes and in the open hole where ground conditions permitted.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• In 2012 Jameson Resources Limited ("Jameson") undertook an exploration drilling program which included 40 reverse circulation drill holes for a total of 5,707m. • In 2013 Jameson undertook an exploration drilling program which included a total of 6 RC drill holes for 796m and 7 LDC (150mm) core holes for 853m using standard tube. • LDC holes were twinned from existing 2012 and 2013 RC pilot holes. Holes were drilled vertical. The majority of the hole was cored. Certain sections of thick interburden (sandstone) were hammer

Criteria	JORC Code explanation	Commentary
		drilled. • RC holes were drilled using a conventional face hammer, PDC or tri-cone drill bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Core recovery from the LDC was excellent - overall greater than 95%. Prognosis depth to coal seams was known from the geophysical log of the RC pilot hole. The driller was advised prior to reaching top of seam. Core catcher tools were used through less competent coal zones to ensure maximum recovery. • For the majority of LDC holes all of the coal seam recovered was submitted to laboratory for coal quality test work • 2012 RC samples were largely wet and passed over a static 100 mesh screen. 2013 RC samples were passed over a 325 mesh vibrating screen to ensure the vast majority of fine coal was retained and dewatered as much as possible. • Sample was collected in polywoven cloth bags on 0.5 metre intervals.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core was photographed immediately following separation of split barrel at rig and also following mark-up. • Core was geologically and geotechnically logged before sampling and shipment to lab. • RC holes were geologically logged. • Holes were geophysically logged as described in the section above. • All geophysical tools were calibrated by the logging Company (Century Wireline) using their internal calibration procedures. • Geophysical logs are analysed extensively and used to confirm and correct geological logs. Validation of geological logs against geophysics is undertaken to ensure accuracy.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All core coal samples were bagged and placed into heavy duty plastic tubs on site before being transported to Birtley Coal & Minerals ("Birtley") in Calgary for coal quality test work. • Roof and floor dilution samples were also collected and sent to laboratory for test work. • Core samples from the roof and floor along with selected zones of interburden have been retained for metal leaching and acid rock drainage analysis. The British Columbia Ministry of Energy and Mines requires this data as part of the environmental approvals process. • All remaining core sample (non-coal) was retained in wooden boxes and has been retained on pallets at each drill site within project area. • The majority of RC sample collected through the coal zones was retained. • Birtley complies with Australian Standards for sample preparation and sub-sampling. • The collection of LDC ensured sufficient bulk sample was retained for all the required coal quality test work.
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.* • *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.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Birtley adheres to ASTM and ISO preparation and testing specifications and has Quality Control processes in place. • Birtley adopts standard quality control procedures and have participated in the International Canadian Coal Laboratories Round Robin Series (CANSPEX) since its inception. • Geophysical tools were calibrated by the logging Company Century Wireline using their internal calibration procedures.
Verification of sampling	• *The verification of significant intersections by either independent or alternative company personnel.*	• Many levels of analysis results verification are included in the ASTM standards relating to coal quality analysis.

Criteria	JORC Code explanation	Commentary
and assaying	• *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All LDC holes are twinned holes from RC pilot holes drilled in 2012 and 2013 by Jameson. All holes have geophysical logs. • Sample and coal quality results were verified by Jameson and Norwest Corporation before being reported or used in the resource model. • All analytical data is provided by the coal laboratory and reviewed by external consultants for comments and reporting. No adjustments are made to any coal quality data: they are reported as received from the laboratory. • Coal quality data is stored in electronic format (Microsoft Excel) and then transferred to a database retained by Norwest Corporation in Calgary.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All Jameson drill hole and trench locations are positioned by external professional contract surveyors Garrett Winkel Land Surveying Ltd both prior to and on completion of drilling campaign. • Holes are surveyed in UTM NAD83 CSRS datum with geodetic (sea level) elevation. • LIDAR topographic survey data with a 1m by 1m spacing was used to create gridded topographical surface.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill holes were nominally spaced at 150m in the North Block where geology is classified as Complex and at 250-300m spacings in the South Block where geology is classified as moderate. • A total of 12 trenches were constructed using a back hoe. Coal seams exposed were surveyed and provided additional data points used to confirm the geological model. • The data spacing is considered sufficient to give accurate control to the resource model and give the required confidence to the resource areas. • Coal quality samples were individually analysed. Individual samples

Criteria	JORC Code explanation	Commentary
		from coal intervals from the 2013 drill campaign were subsequently composited on a seam basis.
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.* • *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 and spacing of the drilling grid is deemed to be suitable to detect geological structures and coal seam continuity within the resource area.
Sample security	• *The measures taken to ensure sample security.*	• Core when removed from the borehole remains in the core splits until identified and photographed. • All coal sample is then bagged and labelled both internally and externally, then placed in heavy duty sealed plastic tubs. • Samples are transported to laboratory on a hole by hole basis at the completion of each drill hole. A list of samples is created and a receipt is provided by the local courier. • All of the un-sampled core is placed in heavy duty sealed wooden boxes and placed on pallets, strapped with metal banding and stored on-site.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Jameson together with Norwest Corporation, Birtley Coal & Minerals Laboratory and other independent consultants were responsible for implementing and developing the sampling techniques and data capture. • Birtley adheres to ASTM and ISO preparation and testing specifications and has Quality Control processes in place. • All drill hole and analytical data is stored and retained by Norwest Corporation in a database. Jameson has retained copies of all analytical reports and data in excel format

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Jameson through its wholly owned Canadian subsidiary NWP Coal Canada Ltd ("NWP Coal") has a 100% interest in the five granted coal licenses and one coal licence application covering the Crown Mountain project. The licenses 418150, 418151, 418152, 418153, 418154 and 418430 (Application) cover a combined area of 3,563 ha. • NWP Coal acquired the coal license rights from Robert J Morris in 2011. On completion of the transaction, Jameson has acquired a 90% interest in the property, the remaining 10% being retained by Mr Robert J Morris as an undivided 10% interest (non-profit sharing) • Jameson holds an option to acquire the remaining 10% interest. The option agreement requires that Jameson pay an annual rental fee of C$100,000. If Jameson elects to exercise the option and acquire the remaining 10% interest in the property it is obliged to pay Mr Robert J Morris a fee of C$2,000,000 which may take the form of a series of staged payments. • The only other payment that the property is subject to is the annual rental fee of C$18,116 and the statutory production royalties to the BC Provincial government. • The licences are in good standing and Jameson is unaware of any impediments to the security of tenure.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• In 1969, Crowsnest Industries Ltd. completed a drilling program of 11 holes for a total of 1,668.m. Geophysical logs and survey data of the hole collars are the only records that remain from this drill program. • In 1979, Crowsnest Resources Ltd / Shell Canada completed a drilling program of 7 holes for a total of 901m. Core drilling was attempted in two shallow holes. • In 1980 and 1981, exploration using other methods was completed • Only minimal coal quality data was available from the historical

Criteria	JORC Code explanation	Commentary
		exploration programs.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Crown Mountain Coal project lies within the Elk Valley coal field in southeast British Columbia, Canada. • The property is divided into three structural domains with separate geological attributes. The domains are referred to as the North Block, South Block, and Southern Extension. The Crown Mountain thrust fault ("CMF") separate the North Bock from the South Block and Southern Extension. • Coal seams are hosted within the Jurassic to Lower Cretaceous Mist Mountain Formation. The coal bearing Mist Mountain Formation is underlain by the Morrissey Formation which includes the regional cliff forming Moose Mountain Member. • Drilling has intersected three principal seams, named 8 Seam, 9 Seam and 10 Seam. The 8 and 10 Seams consist of three major plies. The term major seam has been defined to include all seven seams in order to distinguish them from other coal horizons referred to as rider seams. • The seven major seams have combined average net coal zone thickness of 35.32m in the North Block, 15.04m in the South Block and 14.79m in the Southern Extension.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the*	• At Crown Mountain a total of 71 holes have been drilled on site. A total of 40 holes were drilled by Jameson in 2012, and a total of 13 holes in 2013. Some of the holes were drilled as angle holes. • All of the holes excluding CMR79-104 were used in the 2012 resource model. In addition, 12 trenches, 39 outcrop points with coal description and 203 outcrop points with dip and dip direction data were used in the 2012 resource model. • A full list of the drill holes used in the 2012 resource estimate including easting, northing, RL, dip and azimuth, down hole depth and coal zone combined thickness and hole length is presented at the end of Table 1.

Criteria	JORC Code explanation	Commentary
	information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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 aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• For Crown Mountain a minimum coal thickness of 0.5m and a maximum non-separable parting thickness of 0.5m was used for coal and waste discrimination • The compositing of the Reverse Circulation (RC) samples was done by checking the thicknesses and depths of the recorded sample intervals against the depths on the geophysical logs. The sample intervals were then corrected to the logs, where needed. The composites of the 0.5m samples were assembled based on the sample description and the seam limits of the coal interval from the geophysical logs. • The compositing of the core samples was completed in a similar manner as the RC samples; the first step was to adjust the sample depths to those of the geophysical logs and then prepare the composites based on sample description, seam limits of the coal interval from the geophysical logs, and, additionally, from information on the core photographs. Separable and non-separable partings greater than a thickness of approximately 20cm were sampled independently from the coal. Depending on the parting thicknesses they were included or excluded in the composites. Selected rock parting, roof, and floor samples were analyzed separately from the coal.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All 2013 holes were drilled vertical. Drill holes had a natural tendency to deviate from vertical because of the varying dips of strata and also variance in competency between coal seams and harder sandstone partings. • Any bias in apparent thickness was eliminated using geophysical logs. • Differentiation of coal of mineable thickness from separable waste intervals is based on true thickness. Using the down-hole survey for each drill hole, in combination with footwall polylines of each seam,

Criteria	JORC Code explanation	Commentary
		an algorithm was used to convert down-hole lengths into true thickness for each of the intervals in a given coal zone.
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.*	• Formal resource and other technical reports containing diagrams drawn to JORC listed requirements have been prepared by independent consulting firm, Norwest Corporation. • Diagrams include location maps, drill hole location plans and appropriate sectional views. • Jameson has also prepared diagrams for external reporting according to JORC listed requirements.
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.*	• Norwest completed a resource estimate for Crown Mountain based on Jameson's 2012 drilling campaign. The resource estimate was released in February 2013 and expressed the opinion that the majority of Crown Mountain coal is expected to be hard coking coal similar to that shipped from neighbouring mines. • Norwest also identified the need to perform additional exploration, including bulk sampling, before definitive clean coal quality (and plant yield) can be determined. Results from the coal quality test work from the 2013 drilling campaign are largely complete.
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.*	• Crown Mountain seams appear to have more non-separable partings than nearby mines, plant yield may be below the prevailing yields of 60 to 70 % in the Elk Valley. • Some groundwater has been encountered in drill holes. Five ground water monitoring stations (piezometers) have been installed in selected drill holes. In addition a well has been installed in one of the drill holes in the North Block to monitor water volumes. • As a requirement of the Environmental Assessment, significant rock core and cuttings have been collected from the 2013 drilling campaign to assess potential metal leaching and acid rock drainage issues.

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Jameson has commenced a pre-feasibility study following revision of the geological model. • Further drilling will be required to upgrade the resource status in the Southern Extension from Inferred to Indicated.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section. This section is subject to change following update of existing geological model and resource estimation on receipt of all outstanding analytical results.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Data is recorded manually onto log sheets in the field. Information is entered into the Norwest database. Data correction and validation checks are undertaken both internally and by external consultants before the data is used for modelling purposes.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Jameson has undertaken several site visits during the year including being present for the duration of the 2012 and 2013 drilling programs. • Several reviews were conducted of the field procedures and sampling practices, and they were deemed to be of an acceptable industry standard at the time of the visit. • The Vice President of independent consultants Norwest Corporation undertook several site visits in 2012 and 2013
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource*	• Geological interpretation of stratigraphy and seam continuity is at a stage where confidence is high. • An improved interpretation of the overall strata has been undertaken based on the 3D geological model which has been updated with 2013 exploration data.

Criteria	JORC Code explanation	Commentary
	estimation. • *The factors affecting continuity both of grade and geology.*	
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Crown Mountain property is divided into two distinct structural domains separated by a northerly trending thrust fault or CMF. There are three prospects within the project area, the "North Block" which is positioned above the CMF and the "South Block" and "Southern Extension" which are both below the CMF. • Strike lengths for each of the three prospects are; North Block – 1.5km, South Block - 4.4km and Southern Extension – 4.1km. • The major seams in the North Block are structurally bound within a south plunging syncline, extending from surface to a maximum depth of 155m. Coal seams in the South Block and Southern Extension extend from surface to a maximum depth of 150m and are structurally bound within a dip slope monoclinal setting.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.*	• The resource model for the Crown Mountain project was developed using Mintec's geological modelling and mine planning software, Minesight®. This system is widely used throughout the mining industry for digital resource model development. • The selected block size was based on the density of the drill hole dataset as well as the requirements for the mining selectivity of this deposit, in this case being 25m x 25m x 5m. • The Geological Type is classified as "Moderate" in the South Block and Southern Extension and "Complex" in the North Block. • Thickness models were prepared for the seven major seams 8 upper, 8 middle, 8 lower, 9, 10 upper, 10 middle and 10 lower plus the Rider Seams where appropriate. • The depth limit for the potential surface mineable resource was based on a vertical cut-off ratio limit of approximately 20:1 m3/tonne, at the discretion of the Qualified Person. • Seam specific coal densities were used for the conversion of in-place

Criteria	JORC Code explanation	Commentary
	• *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	volumes to in-place tonnes, with the average being 1.56 g/cc. • The resource areas include a provision at the coal outcrop to allow for oxidation and weathering of the coal near the surface. The oxidation limit ranges from 10 m to 30 m. • Coal thicknesses were determined from drill hole intersections on the property, as well as from geophysical logs.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnages are reported on an As Received Basis with natural moisture included. The moisture content is determined from the results of Proximate Analysis laboratory testing.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The resource estimate was made using a minimum thickness of 0.5 m. The estimate was used to define potential surface mineable coal in the individual seams and the results were planned for use in examining different mining options.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The targeted coal seams at Crown Mountain are suitable for open-cut operations using the truck/shovel mining method. It is expected that the mining conditions at Crown Mountain will be very similar to those at the nearby mines which also use the truck/shovel method.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of*	• In January 2013, the coal quality aspects of Crown Mountain were reviewed by independent consultants Kobie Koornhof Associates Inc. using public data from historic exploration, regional quality studies and data from the adjacent coal mines. They concluded that in the absence of detailed quality data which would allow a definitive classification of these coals, and based on the information available, the coking coals from Crown Mountain are considered to be similar in

Criteria	JORC Code explanation	Commentary
	the basis of the metallurgical assumptions made.	quality or very close to, the premium Canadian coking coals. • Norwest Corporation made recommendations in February 2013 to undertake a LDC drilling program to obtain bulk sample for washability test work to determine plant yield as well as develop a definitive understanding of the coking properties of clean coal product. • Results from the LDC test work have been completed by various laboratories (CANMET, Birtley, SGS, CoalTech, and Pearson) and are being incorporated into the PFS.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• The Preliminary Economic Assessment ("PEA") study shows open-pit mining will commence from the North and advance southwards to the Southern Extension over a 24 year mine life. Waste will be placed as either back fill as mining is completed or delivered to a West Dump adjacent to the South and North pits. • The PEA shows the wash plant facility will be located on the west side of the North Pit. It is proposed to deliver plant refuse to the West Dump. • The greatest potential impacts of surface mining are likely to be those that affect surface water. In mines developed some years ago in similar physical locations with such topographical constraints, it was the accepted practice in waste dump areas to construct rock drains in the core of the dump as a means to conveying run-off. This method is no longer acceptable for water management since precipitation and runoff waters still interact with mined materials and can thus dissolve substances that occur in those rocks. These affects can cause the surface waters to acquire elevated levels of chemicals beyond those of the original water state. Thus the mine design will require that a water impoundment system be employed that minimizes this interaction while ensuring that all mine-affect waters can be treated prior to release. • Environmental baseline studies are well advanced with the BC MOE required two year monthly water sampling and quality test work

Criteria	JORC Code explanation	Commentary
		scheduled for completion in April 2014. • Hydrological studies including the installation of several down-hole ground water monitoring stations were completed in conjunction with the LDC drilling program in September 2013. • Interburden rock samples for the purpose of geochemical analysis to evaluate the potential for metal leaching and acid rock drainage have been retained.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Seam specific coal densities were used for the conversion of in-place volumes to in-place tonnes, with the average being 1.56 g/cc.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Resource Estimate has been prepared in accordance with the requirements of the Canadian National Instrument (NI) 43-101 and the CIM Definition Standards. NI 43-101 is the Canadian equivalent of the JORC Standard. • The mineral resources are classified as to the assurance of their existence into one of three categories JORC equivalent categories Measured, Indicated and Inferred. The category to which a resource is assigned depends on the level of confidence in the geological information available (CIM Definition Standards –GSC Paper 88-21).
Audits or	• *The results of any audits or reviews of Mineral Resource estimates.*	• An internal Company review of the Resource and the associated

Criteria	JORC Code explanation	Commentary
reviews		Technical Reports have been undertaken prior to public release of this information for 2013 and is in progress for the 2014 reports.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The Categories were considered acceptable by the Qualified Person during the classification of the resources. • The accuracy of resource estimates is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment by the Qualified Person. • Based on the historical, 2012 and 2013 drill hole data, the resource estimate is considered reasonable. • Additional data and analysis available subsequent to the 2013 Resource Estimate estimates has necessitated revisions. These revisions will be included in the Technical Report in preparation. • There is no guarantee that all or any part of the estimated resources will be recoverable

Section 4 Estimation and Reporting of Ore Reserves

This section is not addressed as no Coal Reserves have been determined at this stage of investigations.

Section 5 Estimation of Diamonds and Gems

This section is not addressed as no diamonds or other gemstones are reported for this EPC.

Drill Hole Data

Hole Name	Dip	Azm	Lease	Prospect	Hole Type	Coal Zone Combined Net Thickness (m)	Geological Model	Core Diameter	Geophysical Tools Run	Total Depth (m)	Year Drilled
CM12-01-CH	Vertical	-	418150	North	LDC	32.89	YES	150mm	CDRGNVT	152	2013
CM11-12-CH	Vertical	-	418150	North	LDC	15.42	YES	150mm	CDRGNVT	73	2013
CM13-15	Vertical	-	418151	East	RC	8.8	YES	n/a	CDRGNVT	139	2013
CM13-15-CH	Vertical	-	418151	East	LDC	10.22	YES	150mm	CDRGNVT	124	2013
CM11-11-CH	Vertical	-	418151	North	LDC	13.67	YES	150mm	CDRGNVT	126	2013
CM13-06	Vertical	-	418151	North	RC	4.95	YES	n/a	CDRGNVT	54	2013
CM13-17	Vertical	-	418151	South	RC	8.35	YES	n/a	CDRGNVT	194	2013
CM11-22-CH	Vertical	-	418151	South	LDC	15.74	YES	150 mm	CDRGNVT	126	2013
CM13-25	Vertical	-	418151	South	RC	12	YES	n/a	CDRGNVT	115	2013
CM13-25-CH	Vertical	-	418151	South	LDC	10.89	YES	150mm	CDRGNVT	102	2013
CM11-19-CH	Vertical	-	418151	South	LDC	18.55	YES	150 mm	CDRGNVT	150	2013
CM13-20	Vertical	-	418151	South	RC	11.85	YES	n/a	CDRGNVT	158	2013
CM13-19	Vertical	-	418151	South	RC	4.5	YES	n/a	CDRGNVT	136	2013
CM11-02	50	60	418150	North	RC	27.1	YES	n/a	CDRGNV	174	2012
CM11-04	Vertical	-	418150	North	RC	19.45	YES	n/a	CDRGNV	184	2012
CM11-12	Vertical	-	418150	North	RC	14.8	YES	n/a	CDRGNV	116	2012
CM11-03B	50	265	418150	North	RC	23.6	YES	n/a	DGN	125	2012
CM11-03A	Vertical	-	418150	North	RC	31.9	YES	n/a	CDRGNV	186	2012
CM11-07	Vertical	-	418150	North	RC	18.8	YES	n/a	CDRGNV	163	2012
CM11-02B	Vertical	-	418150	North	RC	22.8	YES	n/a	CDRGNV	144	2012
CM11-11	Vertical	-	418151	North	RC	14.25	YES	n/a	CDRGNV	142	2012
CM11-08	Vertical	-	418150	North	RC	2.85	YES	n/a	CDRGNV	82	2012
CM11-22	Vertical	-	418151	South	RC	14.8	YES	n/a	CDRGV	166	2012
CM11-14	Vertical	-	418151	South	RC	17.1	YES	n/a	DGN	136	2012
CM11-18	Vertical	-	418151	South	RC	13.25	YES	n/a	DGNV	109	2012
CM11-16C	Vertical	-	418151	South	RC	13.8	YES	n/a	DGN	111	2012
CM11-20	Vertical	-	418151	South	RC	12.1	YES	n/a	CDRGNV	131	2012
CM11-19	Vertical	-	418151	South	RC	14.5	YES	n/a	CDRGNV	172	2012
CM11-17	Vertical	-	418151	South	RC	19.35	YES	n/a	DGN	169	2012
CM12-21	Vertical	-	418151	South	RC	0	YES	n/a	DGN	160	2012
CM11-21	Vertical	-	418151	South	RC	6.65	YES	n/a	DGN	62	2012
CM11-15	Vertical	-	418151	South	RC	11.8	YES	n/a	CDRGNV	141	2012
CM11-22B	50	75	418151	South	RC	13.35	YES	n/a	CDRGNV	160	2012
CM12-18	Vertical	-	418151	South	RC	9.7	YES	n/a	CDRGNV	231	2012
CM12-01A	Vertical	-	418150	North	RC	30.9	YES	n/a	CDRGNV	178	2012
CM12-01B	50	265	418150	North	RC	29.2	YES	n/a	CDRGNV	148	2012
CM12-09	Vertical	-	418150	North	RC	13.05	YES	n/a	CDRGNV	163	2012
CM12-10	Vertical	-	418150	North	RC	29.25	YES	n/a	CDRGNV	172	2012
CM12-17	Vertical	-	418151	South	RC	10.45	YES	n/a	CDRGNV	148	2012
CM12-19	Vertical	-	418151	South	RC	9.85	YES	n/a	CDRGNV	182.5	2012
CM12-28	Vertical	-	418151	South	RC	12.45	YES	n/a	CDRGNV	142	2012
CM12-29	Vertical	-	418151	South	RC	3	YES	n/a	n/a	64	2012
CM12-25	Vertical	-	418151	South	RC	2.8	YES	n/a	CDGN	133	2012
CM12-24	Vertical	-	418151	South	RC	0	YES	n/a	CDRGNV	157	2012
CM12-31	Vertical	-	418153	North	RC	16.95	YES	n/a	DGN	100	2012
CM12-16	Vertical	-	418151	North	RC	14.1	YES	n/a	DGN	82	2012
CM12-06	50	256	418150	North	RC	22.15	YES	n/a	CDRGNV	175.5	2012
CM12-04	Vertical	-	418150	North	RC	24.25	YES	n/a	DGN	181	2012
CM12-34A	Vertical	-	418154	Southern Exte	RC	17.5	YES	n/a	CDRGV	118	2012
CM12-34B	60	60	418154	Southern Exte	RC	17	YES	n/a	DGN	109	2012
CM12-33B	65	60	418151	Southern Exte	RC	4.6	YES	n/a	CDRGNV	123	2012
CM12-36B	70	60	418154	Southern Exte	RC	0	YES	n/a	CDRGV	75	2012
CM12-38B	50	60	418151	Southern Exte	RC	4.55	YES	n/a	DGNV	192	2012
CMD79-101B	Vertical	-	418150	North	Core	14.62	YES	Hole dia. 4 3/4"	DGN	45.2	1979
CMD79-105B	Vertical	-	418151	South	Core	4.5	YES	Hole dia. 5 1/2"	DGN	66.3	1979
CMR69-25	Vertical	-	418150	North	Rotary	25.9	YES	n/a	n/a	152.7	1969
CMR69-26	Vertical	-	418150	North	Rotary	22.12	YES	n/a	GN	147.2	1969
CMR69-27	Vertical	-	418151	South	Rotary	9.9	YES	n/a	GN	141.4	1969
CMR69-28	Vertical	-	418151	South	Rotary	13.71	YES	n/a	GN	126.8	1969
CMR69-29	Vertical	-	418151	South	Rotary	18.32	YES	n/a	GN	121.6	1969
CMR69-30	Vertical	-	418151	South	Rotary	8.3	YES	n/a	n/a	134.1	1969
CMR69-31	Vertical	-	418151	South	Rotary	11.75	YES	n/a	GN	189.6	1969
CMR69-32	Vertical	-	418151	South	Rotary	13.48	YES	n/a	GN	140.2	1969
CMR69-33	Vertical	-	418150	North	Rotary	20.34	YES	n/a	GN	189.6	1969
CMR69-34	Vertical	-	418151	South	Rotary	11.2	YES	n/a	GN	164	1969
CMR69-35	Vertical	-	418151	South	Rotary	12.19	YES	n/a	GN	161.2	1969
CMR79-101	Vertical	-	418150	North	Rotary	23.22	YES	n/a	CDRG	201.2	1979
CMR79-102	Vertical	-	418151	South	Rotary	6.2	YES	n/a	CDRGN	265	1979
CMR79-103	Vertical	-	418151	South	Rotary	9.62	YES	n/a	DGN	138.8	1979
CMR79-104	Vertical	-	418151	South	Rotary	4.8	NO	n/a	DG	140.5	1979
CMR79-106	60	250	418150	North	Rotary	15.8	YES	n/a	DGN	54	1979

Note - Geophysical Tools

C	Caliper
D	Density
R	Resistivity
G	Gamma
N	Neutron (through pipe)
V	Deviation
T	Temperature