

ASX Announcement December Quarterly Activity Statement

ASX: CLZ ACN 119 484 016

29th January 2016

Highlights

- **Newexco report boost Classic's confidence in its Fraser Range project**
- **Newexco issue their exploration recommendations**
- **Appointment of Non-Executive Director**

Overview

Classic Minerals surges ahead with new confidence encouraged by Newexco's latest comprehensive report confirming that "The Mammoth deposit is the only known significant deposit of Ni-Cu mineralisation outside the Nova-Bollinger system".

Newexco reports that "Classic Minerals licence E28/1904 straddles the strategic domain boundary between the Arid Basin to the northwest and the Fraser Zone to the southeast enhancing the prospectivity of the area. The Mammoth deposit is the only known significant deposit of Ni-Cu mineralisation outside of the Nova- Bollinger system. While the grades at Mammoth are low in comparison to Nova this does not diminish its significance. Further work is recommended to investigate Mammoth along strike and at depth with DHEM and if warranted additional drilling that will seek to detect higher grade and thicker zones of gabbro associated Ni-Cu mineralisation.

Based on a comprehensive assessment of geophysical and geological data from its first two years of exploration, Classic Minerals Ltd is finalising plans for further on ground research to enable it to prioritise key targets for a drilling program to take place in the second half of the financial year.

Exploration Recommendations

Planned MLEM and Geochemistry on Five Key Areas

An orientation soil survey programme which commenced in November 2015, targeting the Mammoth Ni Cu discovery and test the response of an actual Ni-Cu system in the Fraser Range environment. The work undertaken was to take samples approximately every 50-100m apart over 3 lines that transect the up-dip extent of the Mammoth mineralisation. If successful in the unequivocal detection of a Ni-Cu system then this reconnaissance technique shall be applied with confidence to other target areas with the objective of discovering new previously undetected geochemical anomalism related to bedrock Ni-Cu sulphides.

Following on from the above exercise, if it is successful in detecting the Mammoth Ni Cu discovery, Newexco propose that geochemical soil sampling surveys shall be undertaken concurrently with the MLEM initially at twice the line density. Exact locations within the five new areas will be finalised in advance of the proposed MLEM surveys. Classic has been advised that the collection of these samples will be quite efficient as the sampler can work in tandem with the EM crew as they survey the MLEM lines.



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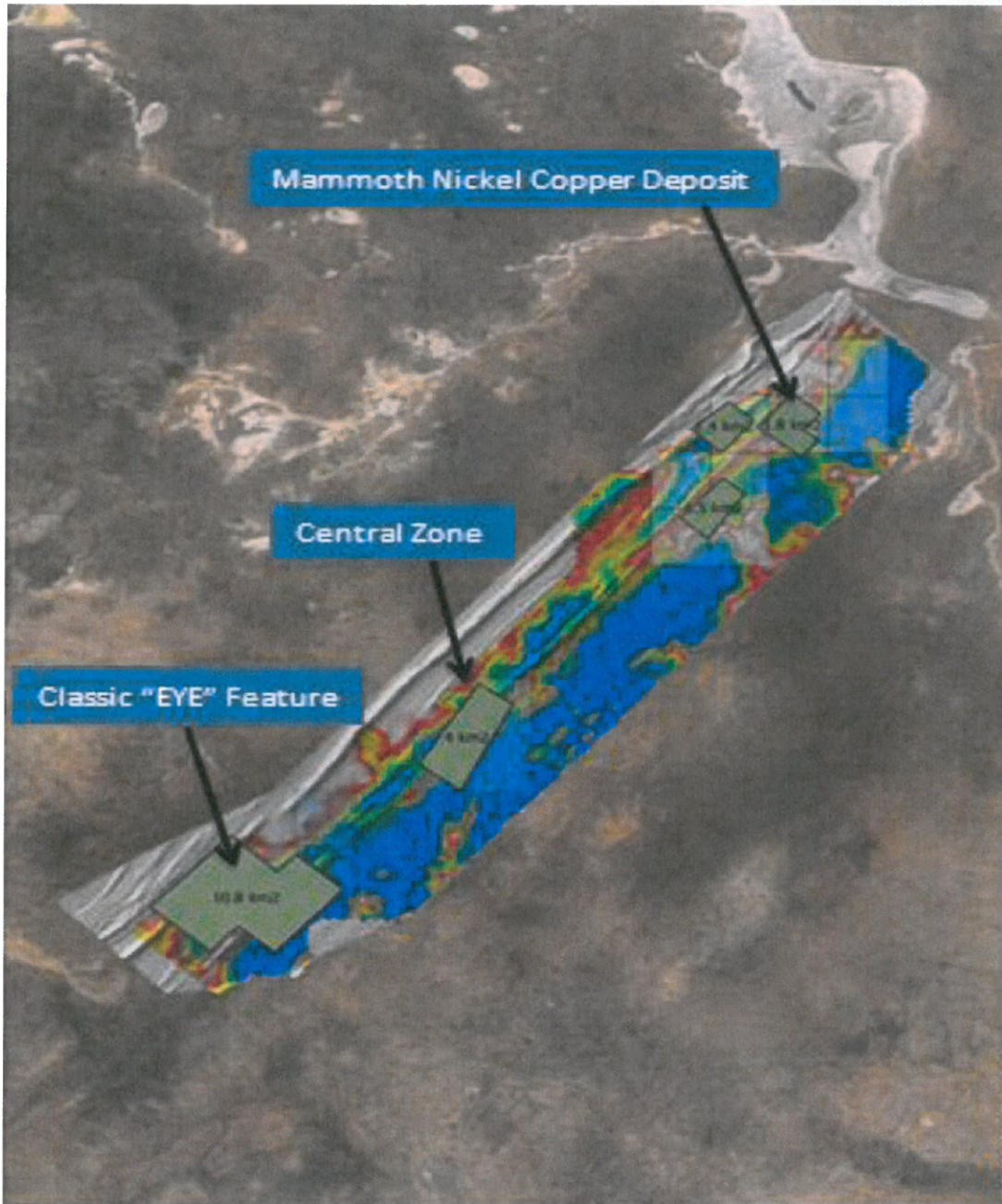
Previous exploration has confirmed that Classic Minerals Fraser Range project has considerable potential to host a high grade nickel copper deposit as the Mammoth occurrence is the only known significant Ni-Cu mineralisation outside the Nova-Bollinger system. Airborne and ground based geophysical surveys have been successful in the detection of numerous anomalies that require follow-up work with ground based EM surveys seeking quality bedrock conductors for drill testing. A geochemical survey will be undertaken as part of the initial stage to help discriminate the barren conductors from those mineralised with potentially economic Ni-Cu sulphides. A number of holes that require DHEM or resurveying with DHEM are situated within the five key areas of interest.

Newexco's involvement in the recent major copper discovery at Sandfire/Talisman JV Project - Monty's, had huge success by way of revisiting previous exploration areas with DHEM and MLEM. Classic believes that Newexco's application of a similar approach in the Fraser Range will revitalise exploration and increase the probability of discovering new mineralisation.

Results from the work completed are being analysed and reviewed, further recommendations are now being discussed with Newexco and the company will update shareholders once the information is available.

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Appointment of a Director

Classic Minerals Limited (ASX Code: CLZ or the "Company") is pleased to announce that Mr Lu Ning Yi has been appointed as a Non-Executive Director of the Company. Mr Yi who resides in Victoria and has extensive business connections in Australia and the Asia Pacific region, especially greater China. Mr Yi brings over 30 years of hands-on experience dealing with businesses in China and abroad. Over the years, Mr Yi has proven his unique business insight and expertise in the identification and realisation of funding opportunities in the resources, commodities, and financial investment sectors.

Retirement of Director

The Company advises that Non-Executive Director Mr Stan Procak has retired from the board. Mr Procak was one of the Company's original Directors and Classic Minerals Limited would like to take this opportunity to thank Stan for his ongoing support throughout the years and his contribution to the successful ASX listing of Classic Minerals Limited. We would also like to wish Stan and his family the very best for the future.

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