ACN 119 484 016

CLASSIC MINERALS LTD

18 FEBRUARY 2014

CLASSIC ACCELERATES EXPLORATION ACROSS FRASER RANGE DISCOVERIES

Highlights:

- ***Completion of DHEM and Ground EM has extended conductor model at Mammoth Nickel Discovery***
- ***Further drilling has extended Alpha Copper Deposit***
- ***Additional targets now identified in 3km long "hot zone" between Mammoth and Alpha***
- ***$1.5M capital raising has boosted exploration programme***
- ***New drilling campaign to commence this week focusing on eight targets around Mammoth hot zone***

Classic Minerals (**ASX: CLZ**) will commence its Stage 4 drilling programme at the Mammoth Nickel Discovery this week following the results of geophysical surveys that have doubled the known extent of the conductor at Mammoth and also identified four new targets in a 3km long "hot zone" between Mammoth and Classic's Alpha Copper Deposit on the Fraser Range.

Down-hole electromagnetics (DHEM) and ground EM were conducted through January to test for strike and depth extension to the Mammoth conductor model as well as potential feeder structures in the area. The results clearly indicate that Mammoth continues to plunge to the north east to over 240m in strike length where it has then reached the limit of the geophysics used.

A further detailed review of the aeromagnetics and VTEM has highlighted three new magnetic targets around Mammoth and an additional conductor making nine priority targets in close proximity. Further drilling and ground EM has also extended the Alpha Copper Deposit to over 500m strike.

CORPORATE STRUCTURE

ASX Code: CLZ- CLZO
ABN: 77 119 484 016

Shares: 209,770,570
Options: 101,137,607

Share price: $0.078 (at 17/2/2014)
Option price: $0.02 (at 17/2/2014)

BOARD & MANAGEMENT

Justin Doutch, Managing Director
Stanislaw Procak, Non-Executive Director
Kent Hunter, Company Secretary and Non-Executive Director

ABOUT CLASSIC MINERALS

Classic Minerals (ASX: CLZ) is a Perth-based mineral exploration Company focused on advancing its Fraser Range project E28/1904, in Western Australia. The Fraser Range Project is approximately 40km northeast of Sirius Resources' NL (ASX: SIR) Nova and Bollinger nickel-copper discoveries, and has historic nickel-copper-zinc soil anomalies.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Sheldon Coates, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Sheldon Coates is employed by Iron Resources Pty Ltd who is a consultant to Classic Minerals Ltd. Mr Sheldon Coates has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and 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 Sheldon Coates is a shareholder in Classic Minerals and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

CONTACT

Level 1
7/30 Hasler Road
Osborne Park WA 6017

PO Box 487
Osborne Park WA 6917

Phone: 08 94453008
Fax: 08 92428295

W: www.classicminerals.com.au
E: admin@classicminerals.com.au

INVESTOR RELATIONS

Neil Le Febvre. P: 08 9468 0255

18 FEBRUARY 2014

"We've undertaken a considerable amount of geophysics work with DHEM and ground EM over the past 6 weeks to build a up a really strong picture not just of the depth and strike potential at Mammoth but also to the surrounding area which is shaping up as a hot zone for exploration," said Classic Minerals Managing Director Justin Doutch.

"A review of magmatic sulphide-rich nickel copper deposits by the US Geological Survey concluded that they typically occur in clusters, and many contain multiple mineralised zones, so our strategy in this region is to test the targets in close vicinity to Mammoth and Alpha as well as continuing to build those discoveries as this will help us obtain a far greater understanding of the potential we have in the region."

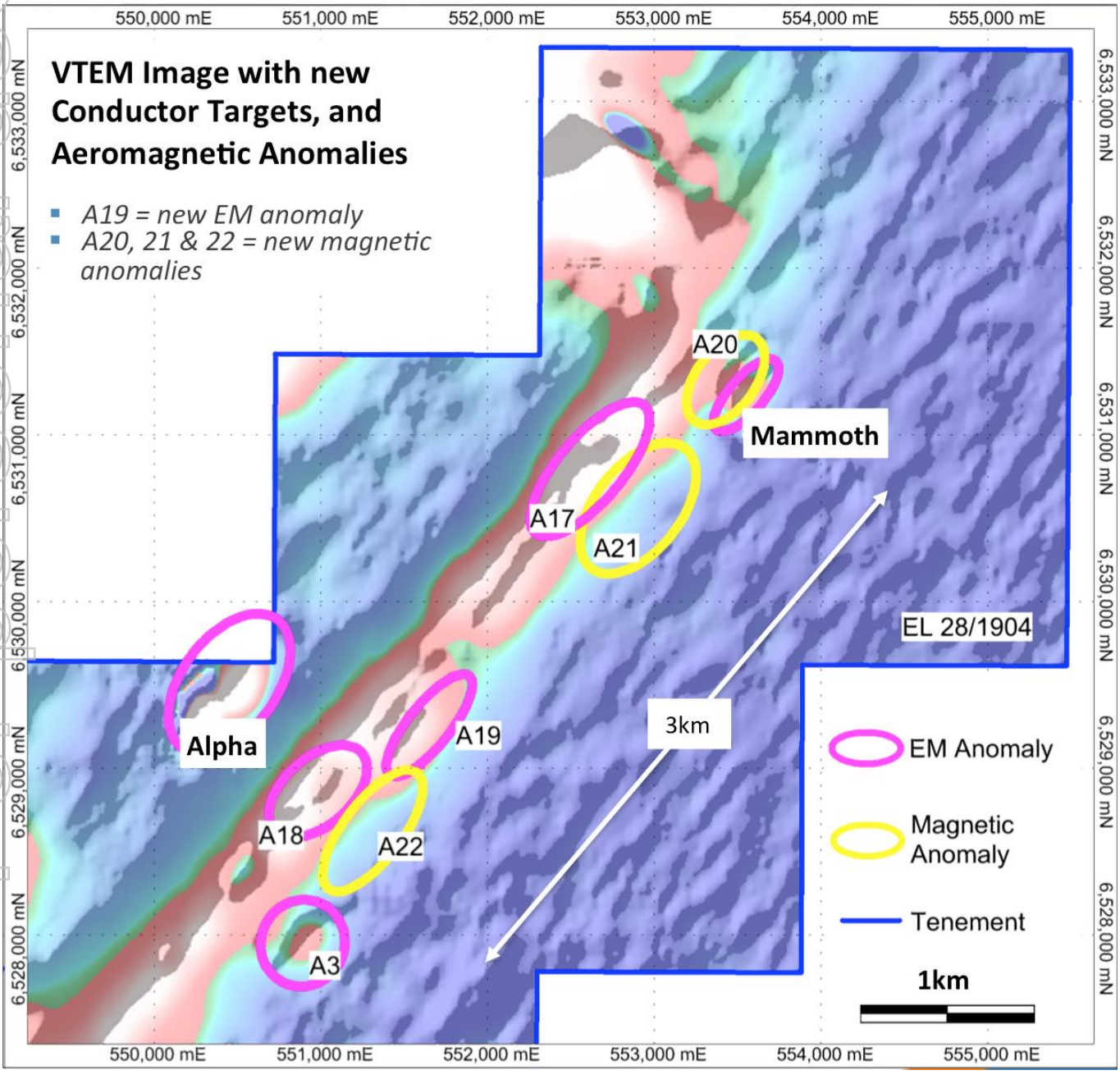

Figure 1: VTEM image showing existing and new conductor targets and aeromagnetic anomalies to be tested in next rounds of drilling.

Classic's exploration strategy will now focus on the eight priority targets emerging in this hot zone.

Mammoth Nickel Copper Discovery

Down-hole electromagnetics (DHEM) and ground electromagnetics has doubled the known length of the conductor model at Mammoth which is now believed to extend in excess of 240m plunging to north east where it has reached the limit of the geophysics used.

The mineralisation is sub vertical and may well extend below the 300m depth limit of the geophysics. A series of holes are planned to intersect the plunging mineralized zone to test for strike and depth extension as well as potential feeder structures.

Drilling to date has intersected thick zones of mixed sulphides including visible nickel and copper sulphides from disseminated through to semi-massive style up to 23m thick downhole and close to surface. The strongest intercept to date is 2m @ 1.0% Ni from 106m.

Alpha Copper Deposit

Drilling to complete the Stage 3 campaign in January has extended the known mineralised zone at Alpha to over 500m long by 100m wide. 5 new holes stepped out to north east, with all holes continuing to intersect sulphides and hole FRRC061 returning a 12m thick sulphide zone estimated from 5% - 25% sulphides. Analysis on all holes is pending. Alpha remains open to north and east. Best intercepts to date at include 1m of 1.95% Cu from 104m (FRRC001) and drilling has intersected up to 20% sulphides in some samples with zones up to 12m thick. Further rounds of RC drilling are planned Alpha to continue to test the depth, width and plunge.

A17

A significant target zone is now building between Mammoth and Alpha, with the A17 conductor being the largest in size. A detailed review of the VTEM has highlighted two parallel conductors of approximately 700m in length running through A17, 400m south west of Mammoth. An initial exploratory RC hole in August 2013 missed the target and the subsequent review has refined the conductor position whilst identifying a second parallel conductor. New holes are now planned to test the two highly conductive zones.

New Aeromagnetic Anomalies – A21 and A20

Two new magnetic anomalies have also been identified after a further detailed review of the aeromagnetics. This includes A21 which is a 700m long magnetic anomaly running parallel to the east of A17 and 600m along strike, south west from Mammoth; and A20, a 200m long magnetic anomaly 200m to west of Mammoth.

These two magnetic anomalies are not conductors but may be blebby to disseminated sulphides with the potential for Pyrrhotite deposits of Ni, Cu, Zn as pyrrhotite is often magnetic and is the major sulphide at

Mammoth and Alpha. They are therefore considered to be highly prospective given their adjacency to Mammoth and A17. Both target areas will be drill tested in the immediate planned drilling programme.

A18, A19 and A22

A new conductor, A19, has also been identified parallel to Alpha and target A18. The new conductor is in a similar position to Mammoth with the potential for new sulphide mineralisation. To the south, a further large magnetic anomaly, A22, has been identified. A18, A19 & A22 will all be drill tested commencing in the Stage 4 programme.

Background to Classic's Exploration Success on the Fraser Range Projects

Classic listed on the ASX in May 2013. After flying VTEM over the whole tenement in June it identified 18 conductors across the tenement. Three rounds of RC drilling have subsequently been completed since August 2013, with each delivering increasing exploration success which has seen the business accelerate the pace of its original planned exploration.

Stage 1 drilling returned excellent copper intersections at the Alpha Copper Deposit conductor, including a discovery hole of 1.95% Cu intersected over 1m.

Stage 2 drilling in October subsequently drill tested Alpha to identify a mineralized zone over 200m long and over 60m wide with drilling intersecting up to 20% sulphides in some samples with zones up to 12m thick. Drilling 5km to the north east at Mammoth also delivered an intercept of a 16m thick anomalous nickel zone.

Stage 3 drilling in December resulted in the discovery of a large new nickel-copper mineralized horizon close to surface at Mammoth, with strong, visible sulphides in holes up to 23m thick and best intercepts including a two metre wide sulphide intercept of 1.0% Ni from just 106m. This is the deepest intersection to date at Mammoth. RC drilling to date has stepped out over 160m along strike with all holes returning visible sulphides.

Following its Placement announced to ASX last week to raise $1.5m, Classic is now well positioned to be able to accelerate exploration across the 3km long hot zone now developing on its Fraser Range tenement.

Justin Doutch
Managing Director
Phone: (08) 9445 3008
justin@classicminerals.com.au