ACN 119 484 016

CLASSIC MINERALS LTD

CORPORATE STRUCTURE

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

Shares: 206,025,213
Options: 44,390,353

Share price: $0.065 (at 29/10/2013)
Option price: $0.016 (at 29/10/2013)

BOARD & MANAGEMENT

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

INVESTMENT

Tenements cover an area of 380 km^2 in the highly-prospective Eastern Goldfields and Fraser Range provinces of WA.

Flagship Fraser Range Project in WA is 40 km from Sirius Resources' Nova and Bollinger discoveries.

Experienced board and management team.

CONTACT

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INVESTOR RELATIONS

NWR Communications
Caitlin Harris
Tel: 0422 216 641
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Cannings Purple
Warrick Hazeldine, Greg Galton
Tel: 08 6314 6300
www.canningspurple.com.au

September Quarterly Activities Report

- Conductors with potential sulphide drilling targets identified at the Company's flagship Fraser Range Project, Western Australia
- 5,000m initial reverse circulation (RC) drill program commenced
- Stage One of the program complete
- Drilling into 11 of 12 EM targets complete (seven high priority and four medium)
- Mineralisation intersected in all high-priority holes
- 1.95% Cu intersected over 1m at 103-104m in FRRC001, at target A2
- Anomalous zinc and copper values were present in targets A13, A8, A4, A7, A1 A17 and A6. Anomalous Zn was present in target A18
- Anomalous nickel was present in A1, A3 and A7
- Anomalous gold was intersected in targets A4 and A8, which also has anomalous silver
- Mixed sulphides intersected ranging from trace (<1%) up to 5%
- Follow up Stage 2 RC holes now being drilled; 14 RC holes for 2200m

December Quarter

- Stage Two RC drilling program to commence
- This is planned as 14 RC holes for 2200m, with additional holes drilled where significant mineralisation is intersected.
- Follow up down-hole electromagnetic (DHEM survey) will be conducted on most holes to allow better geophysical interpretation of the conductors, and to verify that the conductors have been intersected.

Perth-based mineral exploration company Classic Minerals Limited (ASX: CLZ) is pleased to report on its activities at the company's projects in Western Australia for the September 2013 Quarter.

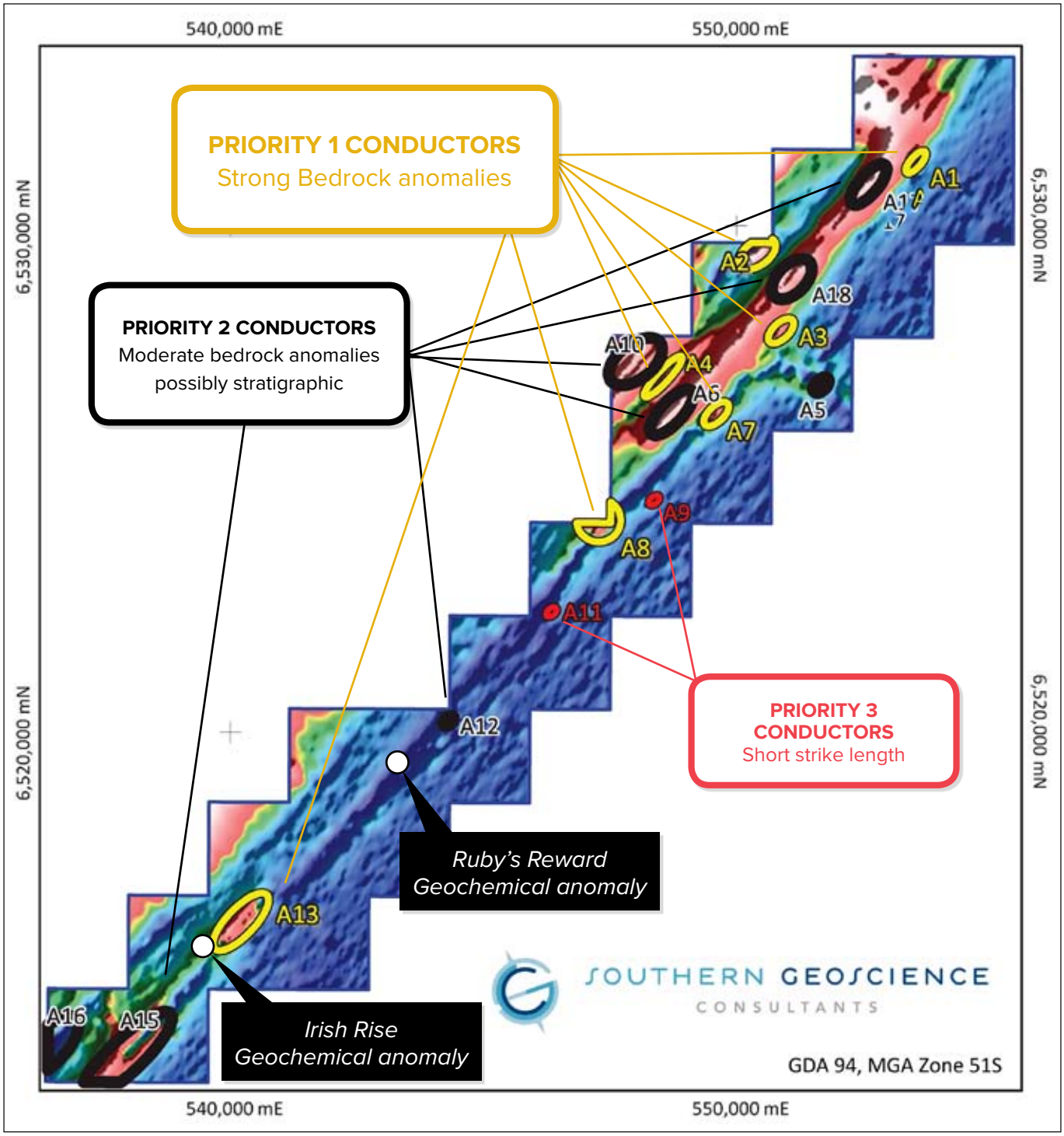


Figure 1: High and medium priority targets

Fraser Range Project, Western Australia

The Fraser Range project (E28/1904) is situated approximately 40km north-east of Sirius Resources NL (ASX: SIR) Nova and Bollinger Ni - Cu discoveries and is the Company's focus.

Geochemical sampling undertaken pre-IPO returned surface outcrops with highly anomalous values up to 1229ppm Cu, 650ppm Ni, 1776ppm Zn, 1720ppm Pb, 1400ppm Co and 5.99ppm Ag.

5000m Reverse Circulation (RC) Drill Program

During the quarter Classic completed stage one of an initial 5000m reverse circulation (RC) drilling program to follow up on flown electromagnetic survey (VTEM) targets identified last quarter, with most having follow up ground EM surveys. Phase one involved drilling seven high and four medium EM conductor targets.

The seven holes into high-priority targets were tested with downhole electromagnetic surveys (DHEM) with a loop at surface, to better delineate the EM conductors, and this has shown that some conductors are in slightly different positions to that interpreted from VTEM and ground EM lines. This has resulted in some holes not intersecting the centre of the EM conductor target, being closer to the edges. Follow up Stage 2 RC holes are now being drilled and are planned to intersect the better defined targets.

Mineralisation was intersected in all the high priority holes, FRRC001-007, as shown in Table 2 below. As expected, the analyses reported polymetallic results, but much of the highly sheared disseminated sulphides is probably pyrite as most of the copper, zinc and nickel values are less than the visually logged percentage of sulphides, which range from a trace (<1%) to 1-2% and occasionally up to 5%. The exception is the 1 metre zone at 103-104m in hole FRRC001 in target A2, where 1.95% copper was reported by analysis.

Table 1. Stage 1 RC Drillholes

Hole Number	Target Number	Northing MGA	Easting MGA	Dip	Azimuth Deg True	Depth Metres
FRRC001	A2	6529480	550410	-60	131	170
FRRC002	A13	6516125	540080	-60	131	118m
FRRC003	A8	6523990	547245	-60	310	135m
FRRC004	A4	6526895	548505	-60	310	135m
FRRC005	A7	6526375	549705	-60	131	125m
FRRC006	A3	6528060	550800	-60	131	154m
FRRC007	A1	6531280	553515	-60	131	110m
FRRC008	A17	6530450	552305	-60	311	140m
FRRC009	A18	6529015	550945	-60	131	180m
FRRC010	A6	6526555	548885	-60	131	140m
FRRC011	A10 west	6527465	547850	-60	311	145m
FRRC012	A10 east	6527210	548155	-60	131	150m
Total						**2235m**

Table 2: Anomalous Intersections in Analyses of Stage 1 RC Drilling at Fraser Range

A2 Target	FRRC001				
Depth	**Cu ppm**	**Zn ppm**	**Ni ppm**		**Host Rock**
102-103m	920	398	6		Gneiss
103-104m	19500	1100	20		Gneiss
Range	**30-19500**	**86-1100**	**4-70**		**Gneiss**

A13 Target	FRRC002				
Depth	**Cu ppm**	**Zn ppm**	**Ni ppm**		**Host Rock**
57-58m	332	610	150		Gneiss
58-59m	302	1090	118		Gneiss
62-63m	298	576	128		Gneiss
64-65m	470	544	178		Gneiss
89-90m	180	832	60		Gneiss
95-96m	284	530	108		Gneiss
98-99m	258	672	88		Gneiss
99-100m	260	504	98		Gneiss
100-101m	224	505	83		Gneiss
Range	**26-470**	**62-1090**	**4-178**		**Gneiss**

A8 Target	FRRC003				
Depth	**Au ppb**	**Ag ppm**	**Cu ppm**	**Zn ppm**	**Host Rock**
88-89m	83	5.5	371	464	Gneiss
89-90m	135	7	349	532	Gneiss
90-91m	263	6.5	284	688	Gneiss
92-93m	50	3	170	686	Gneiss
93-94m	156	2	54	350	Gneiss
Range	**1-263**	**0.5-7**	**12-371**	**98-688**	**Gneiss**

A4 Target	FRRC004				
Depth	**Au ppb**	**Ag ppm**	**Cu ppm**	**Zn ppm**	**Host Rock**
74-75m	31	1.5	310	876	Gneiss
75-76m	4	1	205	634	Gneiss
81-82m	4	1	163	546	Gneiss
82-83m	21	1.5	292	890	Gneiss
89-90m	3	1.5	313	582	Gneiss
90-91m	4	1.5	291	594	Gneiss
91-92m	2	2.5	432	654	Gneiss
92-93m	4	2	337	412	Gneiss
93-94m	10	1.5	354	582	Gneiss
94-95m	7	1	246	566	Gneiss
95-96m	13	2	328	484	Gneiss
Range	**1-31**	**0.5-2.5**	**28-432**	**82-890**	**Gneiss**

A7 Target	FRRC005				
Depth	**Cu ppm**	**Zn ppm**	**Ni ppm**	**Mo ppm**	**Host Rock**
80-81m	1100	360	488	33.5	Gneiss
81-82m	1330	556	464	32	Gneiss
82-83m	399	556	170	10.5	Gneiss
Average	943	491	374	25.3	Gneiss
Range	**20-1330**	**146-556**	**28-488**	**2-33.5**	**Gneiss**

A3 Target	FRRC006				
Depth	**Cu ppm**	**Zn ppm**	**Ni ppm**		**Host Rock**
110-115m	61	134	362	5m composite sample	Gneiss
115-120m	33	110	404	5m composite sample	Gneiss
120-121m	30	102	404		Gneiss
121-122m	24	120	464		Gneiss
Range	**11-234**	**82-208**	**8-464**		**Gneiss**

A1 Target	FRRC007				
Depth	**Cu ppm**	**Zn ppm**	**Ni ppm**		**Host Rock**
77-78m	272	516	102		Gneiss
78-79m	352	746	112		Gneiss
95-96m	183	180	432		Gneiss
96-97m	278	174	774		Gneiss
97-98m	423	140	1200		Gneiss
98-99m	188	144	826		Gneiss
99-100m	426	134	1780		Gneiss
100-101m	571	140	1590		Gneiss
101-102m	368	136	934		Gneiss
Range	**47-571**	**132-746**	**54-1780**		**Gneiss**

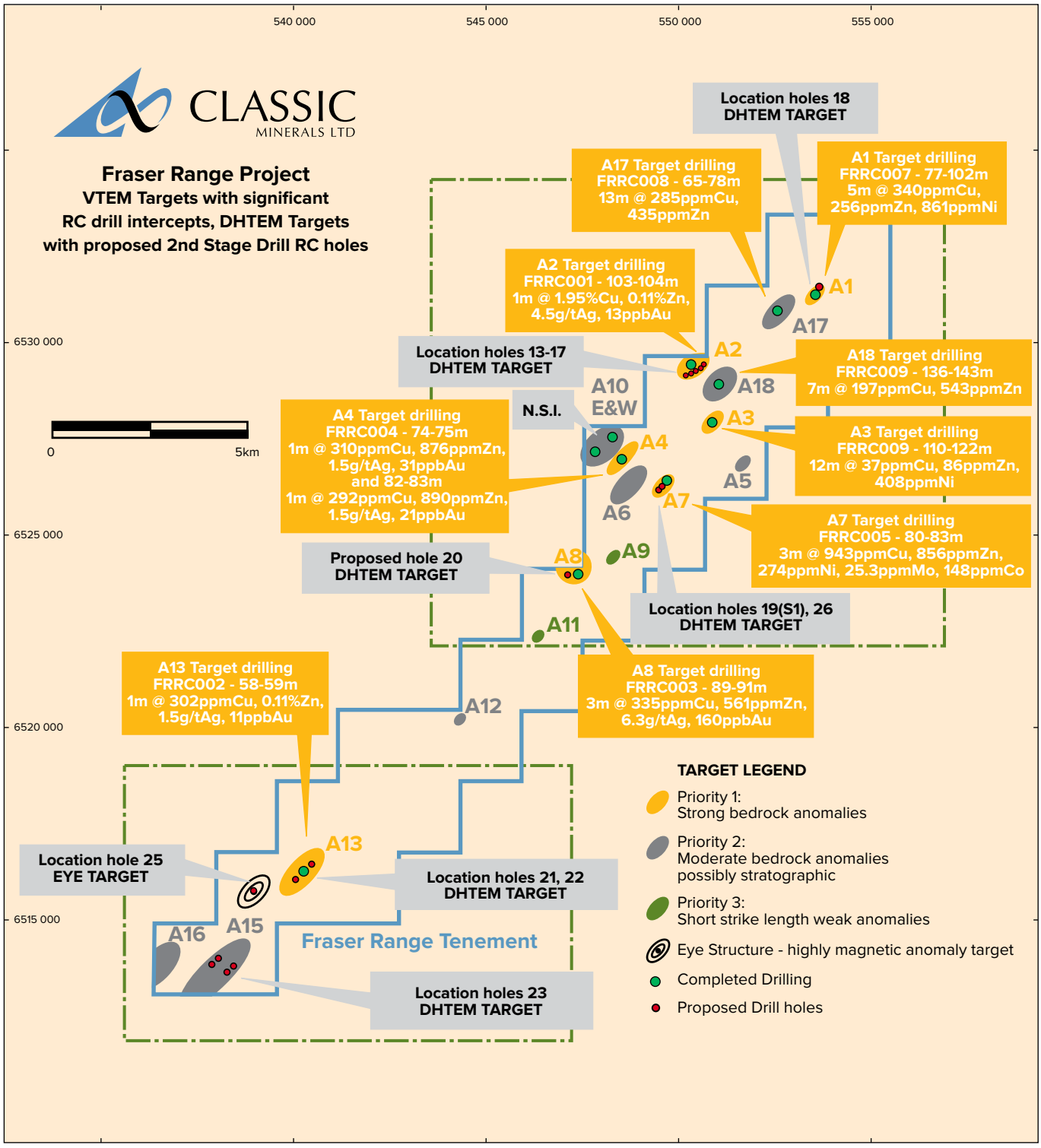
A17 Target	FRRC008				
Depth	**Cu ppm**	**Zn ppm**			**Host Rock**
55-56m	200	518			Gneiss
65-66m	576	182			Gneiss
72-73m	119	995			Gneiss
73-74m	349	256			Gneiss
74-75m	325	470			Gneiss
75-76m	355	238			Gneiss
76-77m	254	276			Gneiss
77-78m	303	542			Gneiss
Range	**22-576**	**46-995**			**Gneiss**

A18 Target	FRRC009				
Depth	**Cu ppm**	**Zn ppm**			**Host Rock**
136-137	180	594			Gneiss
137-138	240	569			Gneiss
138-139	273	518			Gneiss
139-140	157	448			Gneiss
140-141	227	536			Gneiss
141-142	120	492			Gneiss
142-143	185	646			Gneiss
Range	**19-273**	**116-646**			**Gneiss**

A6 Target	FRRC010				
Depth	**Cu ppm**	**Zn ppm**			**Host Rock**
20-25m	147	594	5metre composite sample		Gneiss
25-30m	260	528	5metre composite sample		Gneiss
35-40m	273	500	5metre composite sample		Gneiss
96-97m	226	590			Gneiss
97-98m	323	564			Gneiss
108-109m	391	296			Gneiss
109-110m	213	512			Gneiss
110-111m	238	498			Gneiss
111-112m	217	508			Gneiss
112-113m	214	462			Gneiss
113-114m	210	516			Gneiss
114-115m	170	458			Gneiss
115-120m	282	680	5metre composite sample		Gneiss
120-125m	220	518	5metre composite sample		Gneiss
Range	**36-391**	**86-680**			**Gneiss**

A10 West	FRRC011
No significant intersections	

A10 East	FRRC012
No significant intersections	



Stage 1 RC Drill holes

Target A2

The DHEM interpretation of FRRC001 at target A2, which the geophysicists consider a potential massive sulphide target, indicated that the hole had intersected the EM conductor at about 103m, where the copper sulphide above was intersected. This was also confirmed by the spike in conductivity as detected by the resistivity log, and shown in the graphic conductivity log below. However, the hole intersected towards the north end of the EM conductor, which extends for at least 200m south west, and step out RC holes are planned at 100m and 200m to the southwest to further delineate any mineralization. The latter hole will have DHEM conducted to further define the extent to the southwest. The host rock is sheared gneiss with abundant garnets, which indicate a high metamorphic grade.

Target A13

At target A13, which is 1000m long, hole FRRC002 intersected minor highly sheared disseminated mixed sulphides, mainly pyrite, which were also detected by the resistivity probe as conductive zones. Anomalous zinc and copper values were present in these zones as shown in Table 2. The nickel values are shown for comparison, and are not significant. The DHEM interpretation showed the EM conductor was intersected, but the interpretation is limited to 200m distance. Step out holes 100m along strike to the NE and SW will be drilled and further DHEM undertaken.

Target A8

At target A8, hole FRRC003 is shown by the DHEM interpretation to have narrowly missed the top of the SW corner of the EM conductor, which is now interpreted to extend for 200m to the NE.

However, the hole still intersected anomalous gold, silver, zinc and copper values, which are highly encouraging, especially as background levels for gold are less than 5ppb. A follow up RC is planned 100m NE to intersect the middle of the better defined EM conductor. Better values may be found when the conductor target is intersected.

Target A4

At target A4, hole FRRC004 is shown by DHEM to have intersected the EM conductor off centre and the hole intersected minor sulphides, mainly pyrite, within a 32m zone from 74m to 96m downhole, with supporting conductivity measurements at 90-96m from the resistivity log. The analyses reported anomalous zinc and copper values, and a few weakly anomalous gold values which had low silver values associated. No follow up holes will be drilled at this time.

Target A7

At target A7, FRRC005 is shown by DHEM to have intersected the northern edge of the EM conductor and intersected disseminated minor sulphides at 80-83m. This is supported by a strong conductivity peak at this downhole depth. The analyses reported anomalous copper, zinc, nickel, molybdenum and cobalt, as shown in Table 2. However the revised geophysical interpretation shows the target as a conductor with a fault in the middle, and the southern area offset west a short distance. A new RC hole is planned during Stage 2(October 2013) into the centre of the northern block of the conductor, and if this hole intersects significant mineralisation, then a second RC hole will be drilled into the centre of the southern part of the conductor.

Target A3

At target A3, FRRC006 intersected anomalous nickel values to 464ppm from 110m to 122m. Zinc and copper values are at background levels. Resampling of the two 5m composite samples as 1m samples will be done to better identify the anomalous nickel zones.

Target A1

At target A1, FRRC007 is shown by DHEM to have narrowly missed the southwest end of the revised EM conductor, having passed about 15m below. However the hole intersected a minor zone of 2m of anomalous zinc to 746ppm at 77-79m, and this zone has a good conductivity peak. More significantly, there is a 7m wide zone from 95m to 102m downhole of anomalous nickel, with values up to 1780ppm. A new RC hole is planned for Stage 2 (October 2013) intersect the centre of the revised conductor.

Targets A17, A18 and A6

Targets A17, A18, and A6 lie along a major 5km long VTEM conductor, and this was considered unlikely to be due to the presence of sulphides but more likely due to a conductor such as graphite or banded magnetite. One hole was drilled at each of the targets to identify the conductor minerals, and as expected FRRC008 at A17 and FRRC009 at A18 intersected graphite. However both holes also intersected minor sheared sulphide zones with anomalous zinc and copper values at A17, and anomalous zinc at A18, as shown in Table 2. Hole FRRC010 atA6 also intersected minor zinc values within a shallow zone from 20-40m, and within 96 to125m downhole, but with gaps in these zones as shown in Table 2. Follow up holes will be drilled at a future date, after more promising targets have been drilled.

Target A15

Target A15 lies adjacent to the 'eye' structure and south west along strike from the largest rock chip polymetallic anomaly in the south of the tenement. Two planned RC holes have now been relocated to shorten the hole lengths to 190m and 210m, which is achievable by RC, rather than having to drill the lower part as expensive diamond coring.

The Magnetic "EYE"

The 'eye' structure has a strong aeromagnetic anomaly in the centre, and this is not an EM conductor. Magnetic modelling by the consultant geophysicists suggests that the oval anomaly, which is 500m long, 230m wide and 50m thick from 73m depth, is sub-horizontal and not thick for the size. A similar eye structure was drilled by Sirius Resources and resulted in the discovery of the Nova nickel copper deposit.

The magnetic anomaly is associated with a dome-type structure, and the source material is probably magnetite, and may represent the serpentinised portion of a mafic-ultramafic intrusion. If so it has potential for an orthomagmatic nickel sulphide prospect. One RC hole is planned at -70 degrees to 160m downhole depth, and if the target model above is correct, will be followed by DHEM surveying to detect deeper conductors at the base of the intrusion which might be pooled nickel sulphides.

Doherty's Project (M57/619)

Doherty's Project (M57/619) is located within the Barrambie Greenstone Belt approximately 65km north of Sandstone and 600km northeast of Perth in the East Murchison Mineral Field, Western Australia.

During the quarter Classic entered a deed of variation and exercise of option (Deed) with Golden West Resources Limited (ASX: GWR) to vary the terms of the option agreement to acquire the Doherty's Project (M57/619) (Project) and exercise the option to acquire the Project.

The Deed varies the acquisition terms as follows:

- Varying the expenditure requirement, a condition precedent to exercising the option, from $200,000 to $86,000
- Increasing the tenement interest acquired from 90% to 100%
- Amending the purchase price from $80,000 to $80,000 and 570,000 fully paid ordinary shares in Classic Minerals Limited.

Classic has exercised its option to acquire the Project.

ACN 119 484 016

CLASSIC MINERALS LTD

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.

Other projects include Doherty's Gold Project in the East Murchison region of WA, Mt Maitland Project in the Murchison region, which is prospective for uranium, and Cowarna Rocks near Kalgoorlie, which has detrital iron ore potential.

The company listed on the ASX in May 2013 and is focused on increasing shareholder value through exploration success at its West Australian projects.

Further details of the company's projects can be found at www.classicminerals.com.au

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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sheldon Coates consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

Cowarna Rocks Project E28/2238

During the quarter Classic Minerals acquired the exclusive marketing rights for Iron Ore over the Exploration Licence E28/2238 from Guide Resources Pty Ltd.

Under the terms of this Agreement, Classic Issued 5 Million shares and $225,000 as Consideration to Guide Resources Pty Ltd for these Rights and Guide will pay Classic Minerals 30% of the revenue from the sale of iron ore.

Corporate

Option Entitlement Issue

On 20 August 2013, the Company announced a non-renounceable Option Entitlement Issue to raise $1,005,126 before expenses of the issue. Shareholders as at 28 August 2013 ("Record Date") were entitled to receive one Option exercisable at 20 cents on or before 30 June 2015 for every two fully paid ordinary shares held. Shareholders were required to pay $0.01 each for the Options.

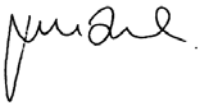
During the quarter, the Company received $445,203 and will seek to raise further monies in the next quarter via the 'shortfall'.

Change of Address

Classic changed its principal place of business during the quarter. The Company's office is now located at:

Level 1, Suite 7, 30 Hasler Road
Osborne Park, WA 6017
Tel: +61 (0) 8 94453008

As at September 30 2013, Classic has $617,000 cash at bank.



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