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ASX Release

Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

MARKET UPDATE

- **Applications for additional highly prospective tenements**
- **Aeromagnetic survey at Fraser Range tenements**
- **Upcoming fieldwork at Plumridge and Fraser Range**

The Directors of Fraser Range Metals Group Limited (the **Company** or **Fraser Range**) are pleased to provide a market update of the Company's activities.

The Company has applied for two exploration licenses (E39/1731 and E39/1734) that adjoin the existing Plumridge Project (**Figure 1**). The licenses cover a combined 832km² of the highly prospective Fraser Range Zone, including the Fraser Range metamorphic belt, which hosts the Sirius Resources (ASX:SIR) Nova discovery (10.2mt @ 2.4% Ni, announced 20 March 2013) to the southwest.

Commenting on the new applications, Managing Director Simon King stated "These two additional tenements doubles the Company's permit area in the Fraser Range province and will provide economies for exploration over a large and contiguous area. We are very excited about exploring for concealed nickel sulphide deposits in this area, particularly given the high success rate using geophysics to identify prospective geology and nickel deposits at the nearby Nova discovery."

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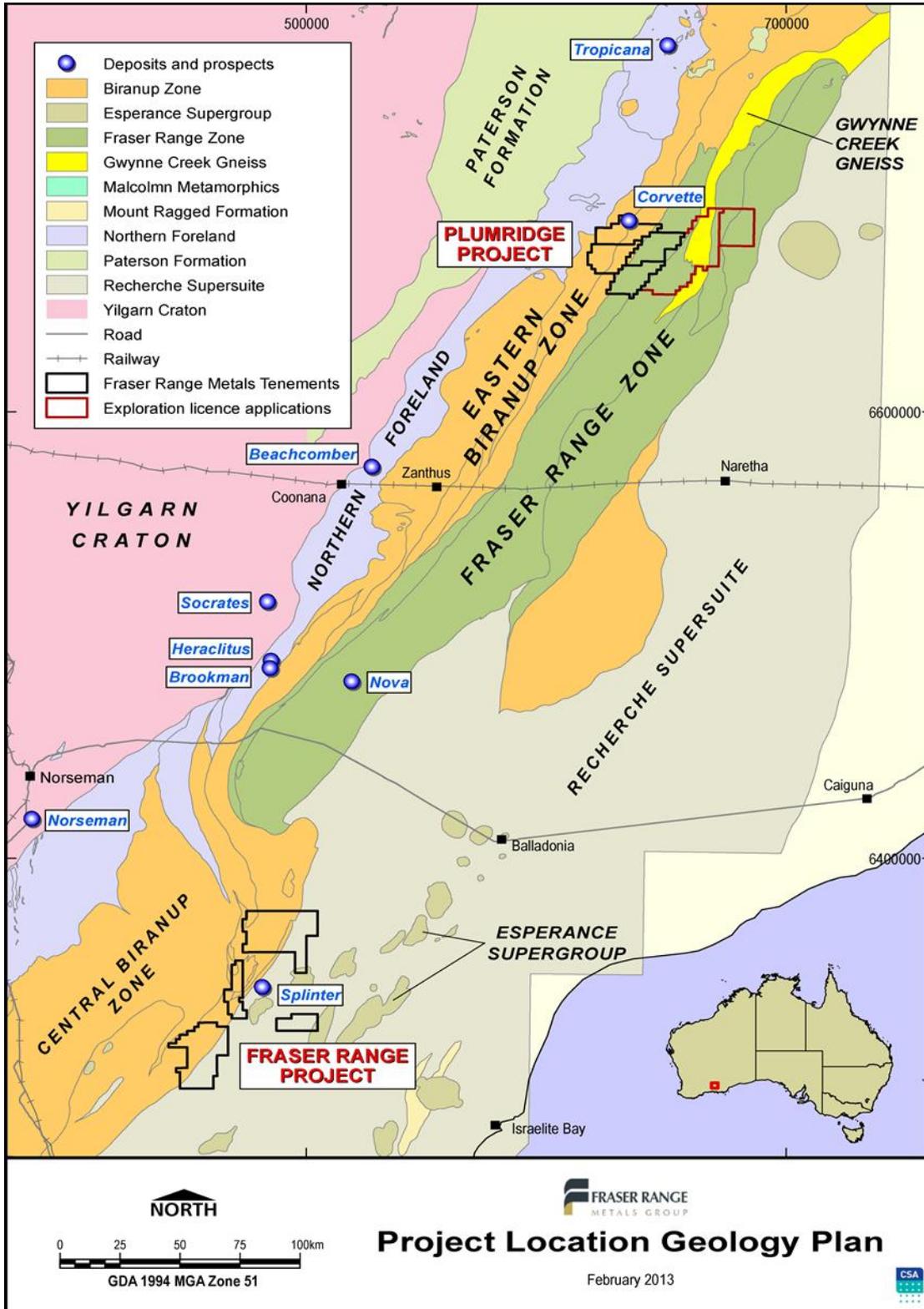


Figure 1 - Simplified Regional Geology of the Eastern Albany Fraser Orogen

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About Plumridge and Plumridge East

The Plumridge and Plumridge East Projects (1,664km² in aggregate) are situated approximately 280km east-northeast of Kalgoorlie and are located within the Proterozoic Albany-Fraser Orogen on the eastern edge of the Yilgarn Craton (**Figure 1**).

The northwestern tenements of the project cover high-grade metasediments and granitoids of the Eastern Biranup Zone, potentially including reworked Archaean material. The southeastern portion of the project overlies mafic/ultramafic granulites of the Fraser Zone, including the Fraser Range Metamorphics. A number of major faults cut across the project area, providing potential conduits for mineralised fluids or fertile intrusions.

The Company's consultants have received the final VTEM data from the survey completed in January from the contractor and are currently processing and interpreting the data. It is expected that the interpretation, targeting and ranking of targets will be completed towards the end of April 2013.

Fraser Range Update

During Q1 2013 the Company contracted an aeromagnetic survey over part of the Fraser Range project area. The results of the survey will provide the Company with a better understanding of the various structures and potential controls on mineralisation in the survey area. Interpretation of the magnetics, radiometrics and all other public domain data is currently underway.

Upcoming exploration

At Plumridge, once the VTEM survey interpretation is completed, the highest priority anomalous responses that have been identified will be followed up with ground EM surveys to generate accurate plate models that can be targeted with RC percussion and/or core drilling. Aircore drilling to assist in ranking the anomalies may be undertaken depending on the number and nature of the targets identified.

At Fraser Range, planning is underway to implement reconnaissance exploration activities over a range of areas and targets within the project. Aircore traverses targeting gold and uranium are planned, together with a series of orientation geochemical programmes.

ENDS

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Graham M. Jeffress, RPGeo, who is a Member of the Australian Institute of Geoscientists. Mr Jeffress is employed by CSA Global Pty Ltd, independent resource industry consultants. Mr Jeffress 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'. Mr Jeffress consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. All parties have consented to the inclusion of their work for the purposes of this announcement.

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