1 November 2016

Mineral Resources Statement as at 30 June 2016

Maiden Sulphate of Potash (SOP) JORC Mineral Resource Estimate[1]:

- Using *total* porosity[2] (*for industry comparison purposes only*), total in-situ Inferred Mineral Resource Estimate of 70 million tonnes of SOP at 8.05 kg/m^3 including a high-grade zone: 40 Mt of SOP at 9.03 kg/m^3
- Using specific yield[3] (*drainable* porosity), Inferred Mineral Resource Estimate of 18.4 million tonnes of SOP at 8.05 kg/m^3 including a high-grade zone: 10.5 Mt of SOP at 9.03 kg/m^3

This statement details the Mineral Resource Estimate of Goldphyre Resources ("Goldphyre") as at 30 June 2016. The Mineral Resource estimates are grouped by deposit which form part of the Lake Wells Project in Western Australia. No Ore Reserves have been reported for these deposits.

Lake Wells Potash Project - Mineral Resource Estimate

In compliance with internationally recognised reporting standards that include a brine standard, Goldphyre has reported its Resource estimate using **specific yield**, or **drainable porosity**. The Company believes this is an accurate estimate of the maximum potentially abstractable volume of brine in the aquifers.

Goldphyre has also reported its Resource estimate using total porosity, which estimates the total amount of in-situ brine in the aquifer. This allows observers to more easily make a comparison between Goldphyre's Resource estimate and estimates made by other companies that choose not to disclose their resource estimates using specific yield.

The Mineral Resource (JORC 2012 Code compliant), which has been measured taking into account potential future economic abstraction, has been classified as Inferred (Table 1) and is estimated at 18.4 Mt at 8,050 mg/L (8.050 kg/m^3) Sulphate of Potash (SOP). A high-grade zone occupying the western part of the Lake Wells Potash Project (LWPP), has an Inferred estimate of 10.5 Mt at 9,028 mg/L (9.028 kg/m^3) SOP.

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[1] Refer to ASX announcement 29 June 2016 'Maiden SOP Resource Estimate'. That announcement contains the relevant statements, data and consents referred to in this announcement. Apart from that which is disclosed in this document, Goldphyre Resources Limited, its directors, officers and agents: 1. Are not aware of any new information that materially affects the information contained in the 29 June 2016 announcement, and 2. State that the material assumptions and technical parameters underpinning the estimates in the 29 June 2016 announcement continue to apply and have not materially changed.

[2] Total porosity does not give any consideration to the recoverability of the brine containing the Sulphate of Potash minerals

[3] Specific yield reflects the maximum potentially abstractable volume of Sulphate of Potash, in compliance with NI43-101, the only CRIRSCO reporting code to include a brine standard.

Mineral Resource Estimate Summary

Inferred Resource for GPH Lake Wells Potash Brine (JORC compliant, taking account of Potential Future Economic Abstraction)						
Hydrogeological Unit	**Volume of Aquifer**	**Specific Yield**	**Drainable Brine Volume**	**K Concentration (mg/L)**	**SOP Grade (mg/L) (K * 2.23)**	**SOP Resource**
	Mm^3	**Mean**	**Mm^3**	**Weighted Mean Value**	**Weighted Mean Value**	**Mt**
Western High Grade Zone						
Surficial Aquifer	5,207	16%	833	3842	8568	7.1
Clay Aquitard	4,947	6%	297	4,244	9464	2.8
Basal Sand Aquifer	222	23%	51	4,539	10121	0.5
Sub Total (Mm^3/Mt)	***10,376***		***1181***	***4049***	***9028***	***10.5***
Eastern Zone						
Surficial Aquifer	3,435	16%	550	3428	7644	4.2
Clay Aquitard	2,833	6%	170	3,329	7423	1.3
Basal Sand Aquifer	231	23%	53	3,330	7426	0.4
Sub Total (Mm^3/Mt)	***6,499***		***773***	***3381***	***7540***	***5.9***
Southern Zone						
Surficial Aquifer	1,296	16%	207	2742	6115	1.3
Clay Aquitard	1,901	6%	114	2,620	5842	0.7
Basal Sand Aquifer	82	23%	19	2,871	6401	0.1
Sub Total (Mm^3/Mt)	***3,279***		***340***	***2674***	***5963***	***2.1***
Total						
Surficial Aquifer	9,937	16%	1383	3555	7929	12.6
Clay Aquitard	9,682	6%	467	3657	8155	4.7
Basal Sand Aquifer	535	23%	123	3761	8387	1.0
Total *(Mm^3/Mt)*	**20,154**		**1972**	**3610**	**8050**	**18.4**
Inferred Resource based on modelled aquifer volume, mean specific yield and weighted mean K concentrations (derived from modelling)						

Table 1: Inferred Mineral Resource estimate measured using Specific Yield (drainable porosity)[4]

Annual Statement of Mineral Resources

The Annual Statement of Mineral Resources as at the 30 June 2016 presented in this Report has been prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (the JORC Code 2012) and ASX listing Rules.

Goldphyre is not aware of any new information or data that materially affects the information included in this Annual Statement and confirms that the all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

[4] Rounding may affect sub-totals and totals in all tables.

Mineral Resources Corporate Governance

Due to the nature, stage and size of Goldphyre's existing operations, the Board believes there would be no efficiencies gained by establishing a separate mineral reserves and resources committee responsible for reviewing and monitoring Goldphyre's processes for estimating mineral resource and ore reserves and for ensuring that the appropriate internal controls are applied to such estimates. However, Goldphyre ensures that any mineral reserve and ore resource estimations are prepared by competent geologists and are reviewed independently and verified including estimation methodology, sampling, analytical and test data. Goldphyre reports mineral reserves and resources estimates in accordance with the 2012 JORC Code.

Competent Person's Statement

The information in the announcement that relates to Mineral Resources is based on information that was compiled by Mr Jeffery Lennox Jolly. Mr Jolly is a principal hydrogeologist with AQ2, a firm that provides consulting services to the Company. Neither Mr Jolly nor AQ2 own either directly or indirectly any securities in the issued capital of the Company. Mr Jolly has over 30 years of international experience. He is a member of the AusIMM and the International Association of Hydrogeologists. Mr Jolly has experience in the assessment and development of palaeochannel groundwater resources, including the development of water supplies in hypersaline palaeochannels in Western Australia. His experience and expertise is such that he qualifies as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves". Mr Jolly consents to the inclusion in this report on the matters based on his information in the form and context in which it appears.

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Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.