

70m GRAPHITE-BEARING SHALE INTERSECTION AT SKOGTRASK

HIGHLIGHTS

- Graphite-bearing pelitic shales encountered in drillhole Boss-2 in maiden drill program
- Relogging of core confirms intersection of at least 70m via visual inspection
- Assays confirm average grade of mineralisation is 6.85% C_G on the representative samples totaling 28m with assays up to 11.7%
- Graphite mineralisation represents additional discovery opportunity at Skogtrask Project where Ni-sulphides and IOCG-type deposits initially targeted
- Revised interpretation of electromagnetic data has revealed additional very high conductance conductors, considered highly prospective for graphite exploration
 - Two strongest EM anomalies each have a strike extent of at least 700m
 - Interpreted extension to the east beyond the perimeter of the current ground TEM survey
- Project is proximal to deep water port - 15 kms from the Skogtrask Project and other important infrastructure such as power and water

Boss Resources Limited (ASX: BOE) ("Boss" or the "Company") is pleased to announce that it has received assay results for intervals of the graphite mineralisation intersected by drillhole Boss-2 at the Skogtrask Project located in northeast Sweden. (Fig. 1). 28 m of representative samples of the graphitic shales, from a total of 70m visually identified, were submitted for assay to determine grade in advance of any further testing.

28m of samples from the 70m of graphitic core (increased from the original 50m following relogging) were initially sent for assay to determine the grade of mineralisation. Results have confirmed an average grade of mineralisation of 6.85% Graphitic Carbon (C_G) with mineralisation up to 11.7% (see Table 1) and are deemed by Boss's geologists to be representative of the whole interval.

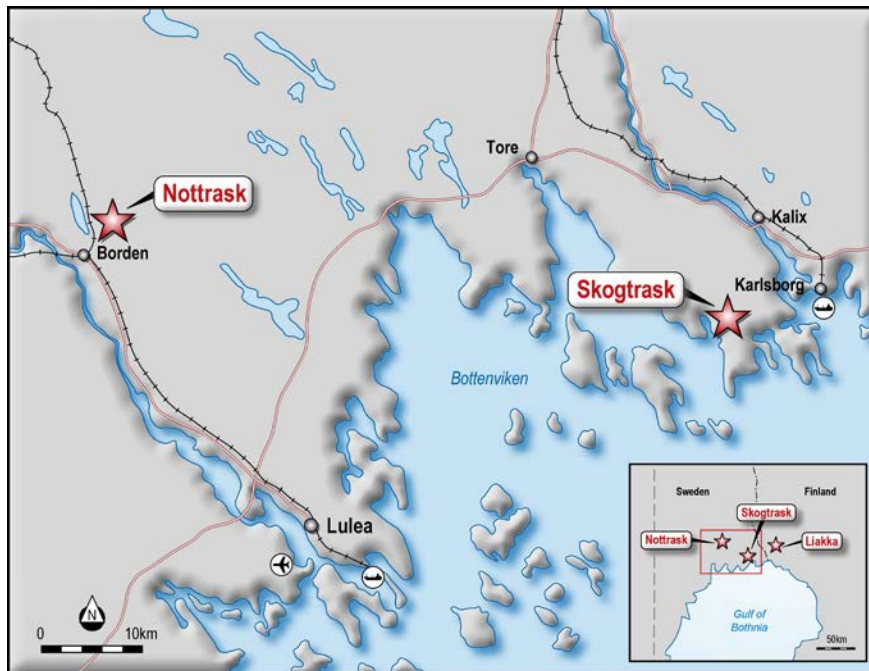


Figure 1: Skogtrask project location map

Graphite bearing pelitic shales (Fig. 2) were encountered in the interval from 240.3m to 310.5m in drillhole Boss-2 of the Company's maiden drill program conducted on the Skogtrask Project in July 2014. The drill program was designed to test depth extensions of existing Ni/Cu mineralisation and to intersect electromagnetic conductors (EM) identified from the Company's detailed moving loop time domain electromagnetic (TEM) survey. Boss-2 was oriented to intersect the strongest part of the EM conductor down dip of historic mineralisation, and the source of this TEM anomaly was explained by the presence of the graphitic shales which were initially identified on visual inspection of the core.



Figure 2. Drill core samples of the graphite mineralisation (graphite-bearing pelitic shales) intersected drillhole Boss-2



True thickness of the graphite-bearing sequence is not known due to the end of hole remaining mineralised with the graphite-bearing unit remaining open at a depth of 310.5m. Analysis of the downhole EM supports this interpretation.

Boss is currently exploring in the Skogtrask area for Ni-Cu sulphides associated with mafic-ultramafic intrusions and Cu-Au-Fe mineralisation of IOCG type. The discovery of the graphite mineralisation represents an additional exploration opportunity for the Company in the license area, allowing Boss to diversify the exploration programmes and increasing the overall prospectivity of the area for discovery of the economically viable mineralisation. Recent work by Talga Resources Ltd has shown that some graphite occurrences in northern Sweden are commercially significant for graphite and graphene production (see ASX: TLG 17 October 2014).

Geological background

Graphite mineralisation was discovered within the metasedimentary sequence that hosts differentiated mafic-ultramafic intrusions at the Skogtrask area. The geological setting is not dissimilar to that of Talga Resources Ltd. Graphite-bearing pelitic shales are located approximately 50-60m from the contact with the gabbroic intrusion and coincide with one of the main EM conductors.

Rocks located immediately at the contact with intrusion are graphite-free sandstone and flysch (Fig. 3). Both drillholes from the Company's maiden drill program intersected this unit. Drilling in hole Boss-2 continued until the drillhole reached the C2-3 conductor which proved to be the graphite-bearing pelitic shales. Drillhole Boss-1 was stopped earlier, approximately 40m after intersecting the contact of intrusion, and therefore it possibly did not reach the graphitic unit (Fig. 3). It is likely that the graphitic shales continue to the surface (Fig. 3), however because of lack of outcrops this is yet to be confirmed.



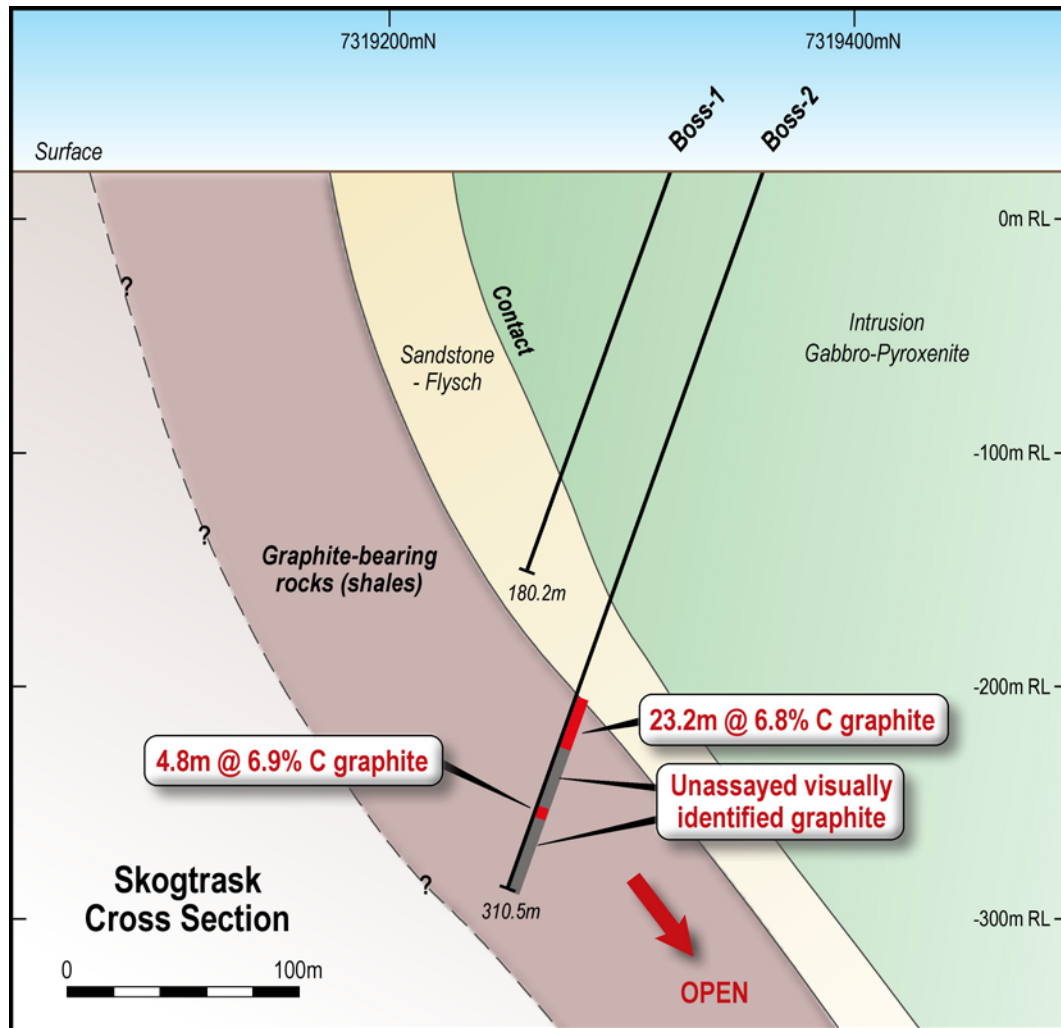


Figure 3. Geological interpretation of the Skogtrask project cross-section showing distribution of the main rock types

Assessment of the graphite potential at the Skogtrask Project

Geophysical exploration by Boss using ground fixed loop EM technique has identified several strong conductors in the metasedimentary sequence (Fig. 4a). The conductive plates are distributed as three stratiform bands which are coincident with the magnetic anomalies (Fig. 4a).

Based on the stratiform geometry of the EM anomalies in the metasedimentary sequence, they are interpreted as an intercalation of siltstones and pelitic shales containing graphite and sedimentary sulphides (pyrite and pyrrhotite), intruded by later mafic dikes (Fig. 4b). This interpretation is in accordance with the recent drilling results (Fig. 3). Strike length of the interpreted beds varies from 1 to 2.5 km and thickness is interpreted as being of the order of 100m (Fig. 4b).

It is likely that intensity of the EM anomalies may reflect the concentration and/or purity of the graphite in the rocks. This is particularly relevant to the EM anomalies which are not accompanied



by a strong magnetic response suggesting that the sedimentary rocks in that place do not contain magnetic sulphides (i.e. lacking monoclinic pyrrhotite).

In order to prioritise EM anomalies, the Boss team have reprocessed the fixed loop TEM data. Reprocessing has been done to accentuate those conductors with significant conductance-thickness, strike length and down dip extent. Two main anomalies were identified, both located in the eastern part of the license area (Fig. 5). The anomalies are approximately 700m long and have 450 to 500m depth extent and represent the main targets for graphite exploration at Skogtrask (Fig. 5). Both anomalies are interpreted as continuing to the east beyond the current perimeter of the EM survey

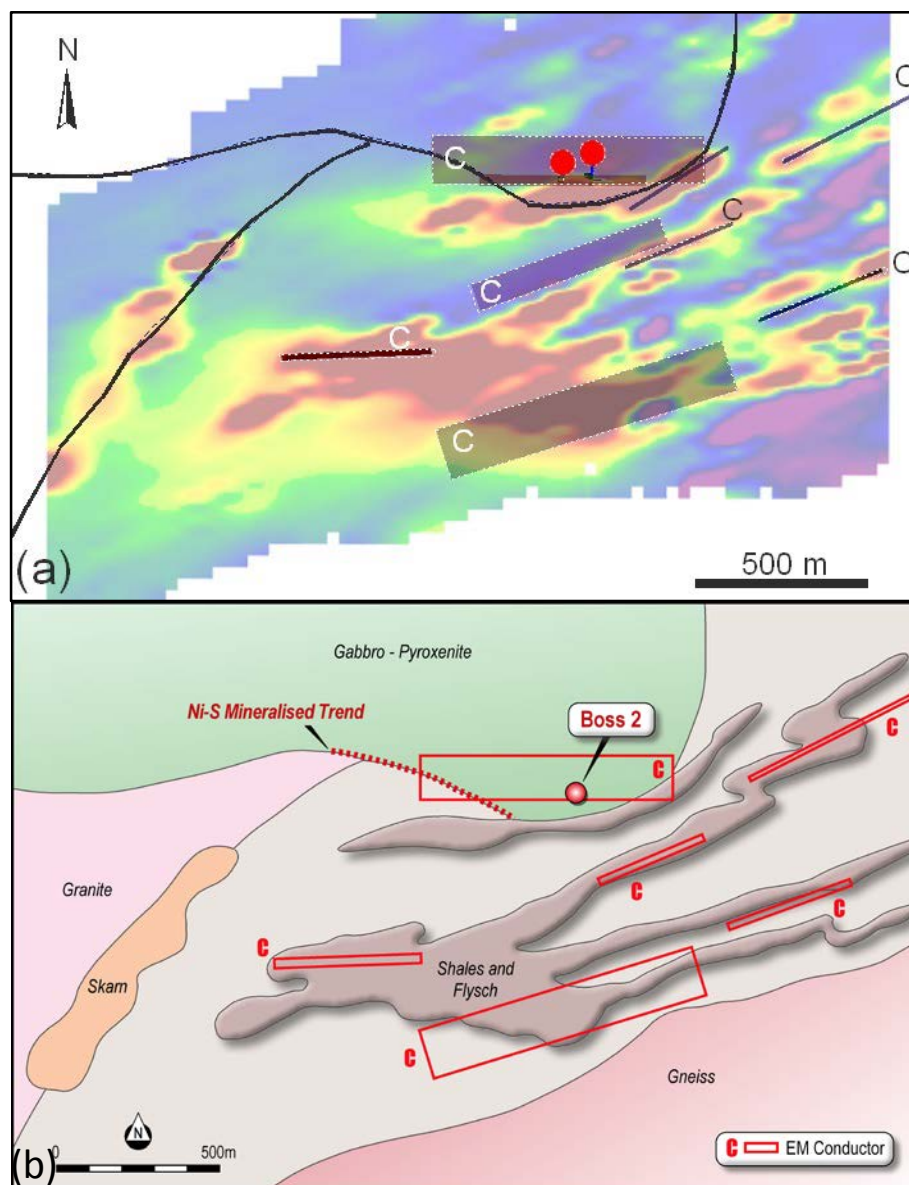


Figure 4. (a) EM conductors denoted by C letter on magnetic map. Contacts of the intrusive rocks are the same as on the geological map. Red dots denote the drill holes Boss-1 and 2; (b) geological interpretation.

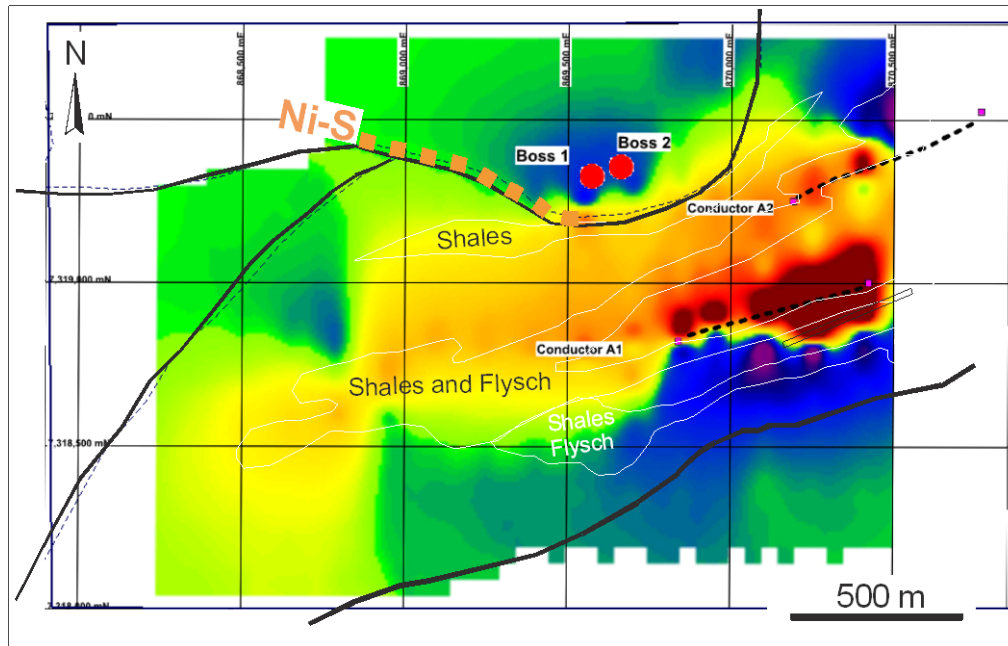


Figure 5. Revised image of the TEM data (881 milliseconds after primary field turn off) showing the highest ranked conductivity anomalies. Geological contacts the same as on the Figure 4b.

Project Infrastructure

The Skogtrask Project is located 9 km south of the regional centre of Kalix within a region that is reliant on forestry and mining for its economy. The Project is close to road, rail and power access with deep water port infrastructure approximately 15km from site. The project is within 2 hours drive from Outokumpu's Ferrochromme industrial centre.

Further Work

Boss has commenced follow up mineralogical studies in order to characterise the graphite and estimate its commercial value. Boss will also submit the remaining core for assaying.

Boss Technical Director, Peter Williams says in respect of the phase 1 drill program at Skogtrask:

"Both holes drilled by Boss at its Skogtrask Project have hit mineralisation, be it of a different nature. The graphite mineralisation exhibits some interesting and perhaps commercial possibilities, especially given the recent results from Talga Resources, who are drilling TEM anomalies 100 kms to the north. The highest conductance TEM anomaly is to the south of Boss 2 intercept, and represents an obvious and simple target to complete a low cost quick drill test. The target has added impetus due to its close proximity to port and the pleasing support from the Swedish government and local landowners."



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About Boss Resources Limited

Boss Resources is a well funded junior exploration company with a highly skilled exploration team. Boss recently announced a new strategy to use highly innovative technology and skills to rapidly evaluate projects in highly prospective yet under explored mineralised jurisdictions. Boss is currently exploring 3 highly prospective projects in Scandinavia, the Liakka Ni/Cu Project in Finland and Skogtrask and Nottrask Ni/Cu Projects in Sweden (Fig. 1). All projects have intersected shallow semi-massive sulphide mineralisation in historical drilling and are located close to extensive existing infrastructure allowing low cost rapid evaluation. Boss has also entered into a joint venture with Gryphon Minerals Ltd whereby Gryphon is sole funding exploration on Boss' highly prospective gold projects in Burkina Faso to a decision to mine. This enables Boss to retain exposure to its gold assets whilst focusing its efforts on its other projects.

Boss remains fully funded with approximately \$2 million to enable it to continue exploration on its existing projects in Scandinavia.

Competent Person Statement

The information in this report that relates to exploration results is based on and fairly represents information compiled by Dr Marat Abzalov, Executive Director – Geology of Boss Resources Ltd and Mr Peter Williams, Technical Director of Boss Resources Ltd. Dr Abzalov is a Fellow of The Australasian Institute of Mining and Metallurgy (FAusIMM) and he has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity 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 Williams is a member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and the activity 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”. Dr Abzalov and Mr Williams consent to the inclusion in the report of the matters based on information in the form and context in which it appears. Information previously reported to the ASX has not materially changed and was initially reported as follows:

- *Ground geophysics and TEM Results: 16 April 2014, 29 April 2014 and 8 May 2014*
- *Drill Program: 29 July 2014 and 28 August 2014*



Appendix 1

Assay Results

Table 1: Graphite grade of the black shales intersected by the drill hole BOSS-2 at the Skogtrask project

SAMP No	From	To	Length	C graphite %
211967	236.8	239.2	2.4	5.54
211968	239.2	240.4	1.2	3.67
211969	240.4	243	2.6	6.8
211970	243	245.1	2.1	5.89
211971	245.1	247.1	2	4.99
211972	247.1	248.2	1.1	5.2
211973	248.2	250.2	2	6.17
211974	250.2	251.3	1.1	7.45
211975	251.3	252.3	1	8.09
211976	252.3	254.4	2.1	6.69
211977	254.4	256.4	2	6.21
211978	256.4	258	1.6	11.65
211979	258	260	2	10.7
not sampled	260	286.5		
211980	286.5	288.55	2.05	6.57
211981	288.55	290.3	1.75	7.59
211982	290.3	291.3	1	6.37
not sampled	291.3	310.5		
	310.5	mineralisation open at the bottom		
(C graphite%) length weighted average = 6.85				



Appendix 2

Table 1 of Appendix 5A (JORC Code)

The below information is provided in respect to the drilling of graphite mineralisation results at the Skogtrask Project, Sweden. Characteristics of the Ni-Cu sulphide mineralisation at the Skogtrask was reported on 28 August, 2014.

Section 1: Sampling Techniques and Data

Criteria	Drilling Results
Sampling techniques	<p>NQ size drill core was cut on half using the stationary diamond saw at the ALS lab in Mala, Sweden. Sample length maintained within the interval 1 – 2.5 m.</p> <p>Carbon determination was made at ALS lab in Dublin, Ireland, using a standard technique, referred as C-IR18. The method includes leaching of carbonate using HCl (50%), removing of the organic carbon by roasting and determining the C (graphite) by LECO furnace.</p>
Drilling techniques	Diamond core drilling, Modern drill rig was used, equipped with electronic systems for optimising the drilling conditions and maintaining the good core recovery. Rig is equipped with a conventional wireline system for recovery core.
Drill sample recovery	Core recovery was excellent, in the range of 98 - 100%. Recovery at the mineralised intervals were 100%.
Logging	<p>The entire core was logged by highly experienced nickel geologist. All core was photographed, including the photos of the core trays and detailed close up photos of representative samples.</p> <p>Drill core was oriented which has allowed to qualitatively measure the orientation of the footwall contact of the intrusion.</p> <p>Logging was supported by portable XRF, which was used for systematic assays of the host rocks, which has improved the diagnostics of the intrusive rocks based on their MgO and SiO₂ ratios.</p> <p>Portable XRF was also used for checking the Ni and Cu tenor of the sulphides.</p>
Sub-sampling techniques and sample preparation	A standard sample preparation protocol of ALS was used. Reference code is PREP-31Y. Crushing entire sample to 2 mm (70% pass), riffle split 1000g, pulverise to 75microns (85% pass).
Quality of assay data and laboratory tests	3 certified standards were used by ALS lab in the same batch with the BOSS samples
Verification of sampling and assaying	Two check measurements were made by ALS (Dublin) using the lab duplicates.
Location of data points	<p>Drill hole collars have been surveyed using hand held GPS. Downhole survey was made using Gyro. This is non-magnetic instrument, which is operated using the gyroscopic principles for estimation of the true azimuth.</p> <p>This instrument, which is uses a gyroscopic principles for measuring azimuth of the drill hole, is a best practice approach. It is in particular important when surveyed rocks contain ferromagnetic minerals, such as monoclinic pyrrhotite and magnetite, which are abundant at the Skogtrask project.</p>





Criteria	Drilling Results
Data spacing and distribution	Distance between the two holes drilled is 100m. Graphite mineralisation is still open at the both ends. Footwall contact also not defined because drillhole BOSS-2 was stopped in the graphitic bed.
Orientation of data in relation to geological structure	Drillhole collars are distributed along the strike of mineralisation and drilled at the angle of 70° dip to south (180° Azi). Footwall contact, measured in the drillholes, is dipping to the north and 65 – 70°. Therefore, the drillholes intersect contact of the intrusion sedimentary rocks at the angle of 45-40°.
Sample security	<p>Samples were cut by BOSS Resources geologist and handed over to the lab personnel, from hand to hand. Pulps will be send by post to BOSS Resources and will be safely stored at the company premises.</p> <p>Remaining drill core is stored in the shed of a local land owner at the Skogtrask area. Storage is safe and reliable because family constantly living in that homestead.</p>
Audits or reviews	Duplicate samples are available for audit on request.

Section 2: Reporting of Exploration Results

Criteria	Drilling Results
Mineral tenement and land tenure status	Skogtrask nr 1 (License ID: 2012:170) and Skogtrask nr 2 (License ID: 2012:171) exploration permits are 100% held by Subiaco Aktiebolag (Subiaco Ab), which is in JV with Boss Resources. The permits are located in Norrbotten county, Kalix municipality. The licenses were approved by Bergsstaten (The Swedish Mining Authority) 21 November 2012 and the expiry date is 21 November 2015. The license gives the holder sole right for exploration.
Exploration done by other parties	<p>The Skogtrask prospect was discovered and explored in 1970s by Swedish Geological Survey. The SGU study has included geological mapping of 1:50,000 scale and related to this geochemical and geophysical surveys which were of a regional scale.</p> <p>The survey has led to drilling of 12 drill holes with average depth of 62.7 metres.</p> <p>Graphite mineralisation was never tested by the past explorers</p>
Geology	<p>(1) The Ni-Cu sulphide mineralisation is magmatic type associated with the large differentiated intrusion of a gabbro – gabbro norite – pyroxenite - peridotite.</p> <p>Our drilling results clearly shows that Skogtrask intrusion hosts Ni-S mineralisation along the footwall contact of the intrusion. Both types, disseminated and massive sulphide accumulations are found at the contact.</p> <p>Breccia textures of the semi-massive sulphide mineralisation suggests that mineralisation have been tectonically re-mobilised and displaced along the fault planes.</p> <p>This can create small and discontinuous lens of Ni-S sulphides mineralisation and locally creating a larger and higher grade bodies. E.g. 1A shoot at Perseverance mine, Western Australia.</p> <p>Increasing of a grade and Ni-tenor toward the west will be studied I more details and used for exploration targeting for next drilling at Skogtrask.</p> <p>(2) Graphite mineralisation reported in this ASX announcement is metamorphosed organic carbon bearing shales, mostly pelites and less commonly siltstones.</p>



Criteria	Drilling Results																					
Drill hole information	<table><tr><th>BHID</th><th>EAST_SWE99</th><th>NORTH_SWE99</th><th>RL</th><th>EOH</th><th>Azi</th><th>Dip</th></tr><tr><td>BOSS-01</td><td>869578.12</td><td>7319327.47</td><td>18.86</td><td>180.20</td><td>180</td><td>-70</td></tr><tr><td>BOSS-02</td><td>869667.08</td><td>7319356.21</td><td>18.22</td><td>310.50</td><td>180</td><td>-70</td></tr></table>	BHID	EAST_SWE99	NORTH_SWE99	RL	EOH	Azi	Dip	BOSS-01	869578.12	7319327.47	18.86	180.20	180	-70	BOSS-02	869667.08	7319356.21	18.22	310.50	180	-70
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Data aggregation methods	Length weighted average was estimated for the sampled part of the drill hole.																					
Relationship between mineralisation widths and intercept widths	<p>The down the hole length of intersection obtained by BOSS-2 is 70.2m. The hole is drilled at the angle of 45° toward the geological contacts. Therefore, the true thickness of mineralisation is approximately 55-60 m.</p> <p>However, the drilling was stopped when drillhole was still in the graphitic shales therefore the currently drill defined thickness is conservative and actual thickness can be significantly larger.</p>																					
Diagrams	Map and cross-section showing location of the drill holes and intersected mineralisation are included into the report, together with representative photos of the mineralisation.																					
Balanced reporting	Reporting of the exploration results is made in a Balanced Reporting style. The ASX announcements contain map and cross-section showing actual location and geometry of the total magnetic anomalies, their relationships with known outcrop of the massive sulphides, drill holes intersecting the sulphide mineralisation and geological contacts of the mineralised mafic-ultramafic intrusion.																					
Other substantive exploration data	<p>Several strong EM conductors exists in the metasedimentary sequence that contains graphitic shales. The conductive plates are grouped into three stratiform bands which are coincident with the magnetic anomalies. Based on the statiform geometry of the EM anomalies in the metasedimentary sequence they are interpreted as intercalation of siltstones and pelitic shales containing graphite and sedimentary sulphides (pyrrhotite). Strike length of the interpreted beds varies from 1 to 2.5 km, thickness approximately.</p> <p>In order to prioritise EM anomalies the BOSS Resources has reprocessed the fixed loop TEM data, in order to accentuate the conductors with significant conductance-thickness, strike length and down dip extent. Two main anomalies were identified in the eastern part of the license area, which was not drilled. The anomalies are approximately 700m long and 450 to 500m deep and represent the main targets for graphite exploration at Skogtrask.</p>																					
Further work	Mineralogical study of the graphite has commenced. Emphasis will be made on estimation of the flotation capabilities of the graphite, characterisation of the graphite grain size, chemistry of the graphite flotation concentrate and possibly amenability for production of graphene.																					