

ASX ANNOUNCEMENT

10th November 2014

ASX: PML

EM SURVEY COMMENCES AT DUNNSVILLE NICKEL PROSPECT

Highlights

- **Gap Geophysics to commence high-power ground EM survey today**
- **Survey to initially focus on verifying source of GEOTEM conductor at Southern High Priority Target**
- **Comprehensive geological mapping program and gossan search will be carried out in concert with EM survey**

Parmelia Resources Limited (ASX: PML) advises that Gap Geophysics will today commence a high-power, deep-penetrating moving-loop electromagnetic ('MLEM') survey over the Southern and Northern high priority nickel-sulphide exploration targets at the Dunnsville Nickel Prospect located within its Jaurdi Hills Project 50km north-west of Coolgardie, Western Australia.

The survey is expected to take 2 to 3 weeks to complete and is carried out using a high-power Gap GeoPak MLTX-200 transmitter generating a current of approximately 140 amps through a 200m by 200m transmitter loop, a SMARTem24 receiver and an EMIT three-component Fluxgate receiver sensor. Line spacing is 200m closing to 100m in proximity to the Southern Target GEOTEM anomaly and along-line receiver station spacing is 50m. Gap's 'deep-looking', high-sensitivity SAMSON receiver may also be used for a portion of the survey if warranted.

The program is initially focused on verifying the source of the GEOTEM conductor co-incident with anomalous Ni-Cu-Co-PGE regolith geochemistry at the Southern Target followed by the Northern Target with consideration given to testing for conductivity responses at other targets identified along the Jaurdi Ultramafic Belt depending on exploration success at the high priority targets. Core Geophysics is appointed to interpret the results from the survey.

A comprehensive geological mapping program and search for surface expressions of nickel-sulphide mineralisation ('gossans') within the Jaurdi Ultramafic Belt commenced yesterday and will be carried out in concert with the EM survey.

Refer to Figure 1 for a map of the MLEM survey area.

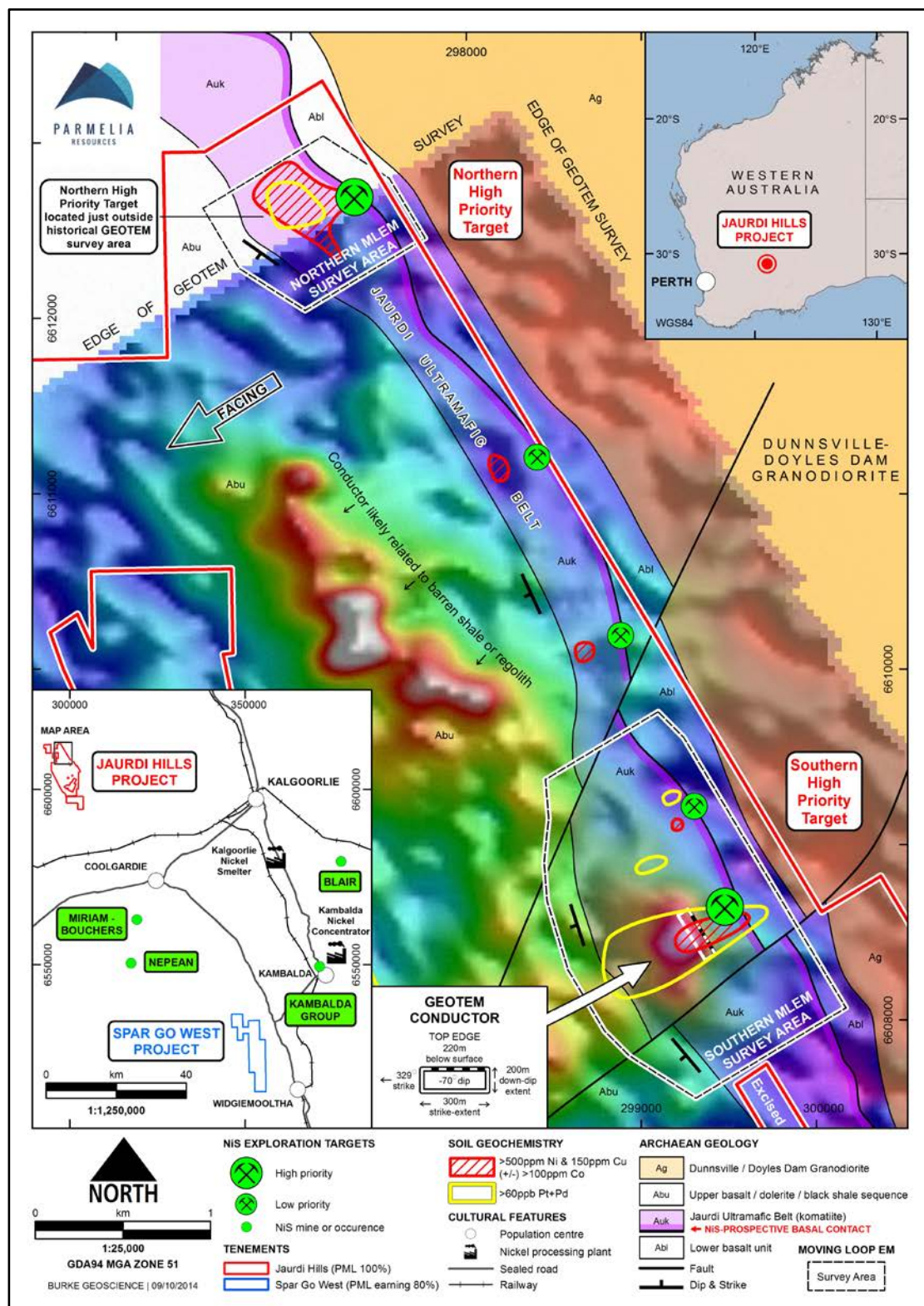


Figure 1 – Map of proposed Dunnsville Nickel Prospect MLEM program featuring exploration targets, nickel-copper +/- cobalt soil anomalies, platinum + palladium soil anomalies and the Southern Target GEOTEM conductor overlaid on simplified geology and GEOTEM Z-axis B-field Channel 20 (18.6 millisecond) imagery. White and red shading = high conductivity. Blue and purple shading = low conductivity. Channel 20 is the latest channel recorded in the GEOTEM survey. Refer to PML ASX releases dated 30/07/2014 and 10/09/2014 respectively for details of the historical soil sample and GEOTEM survey results depicted in this diagram.

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