

22 August 2016

ASX ANNOUNCEMENT

## DRAIG TO ACQUIRE BELLEVUE GOLD PROJECT, WA

### HIGHLIGHTS

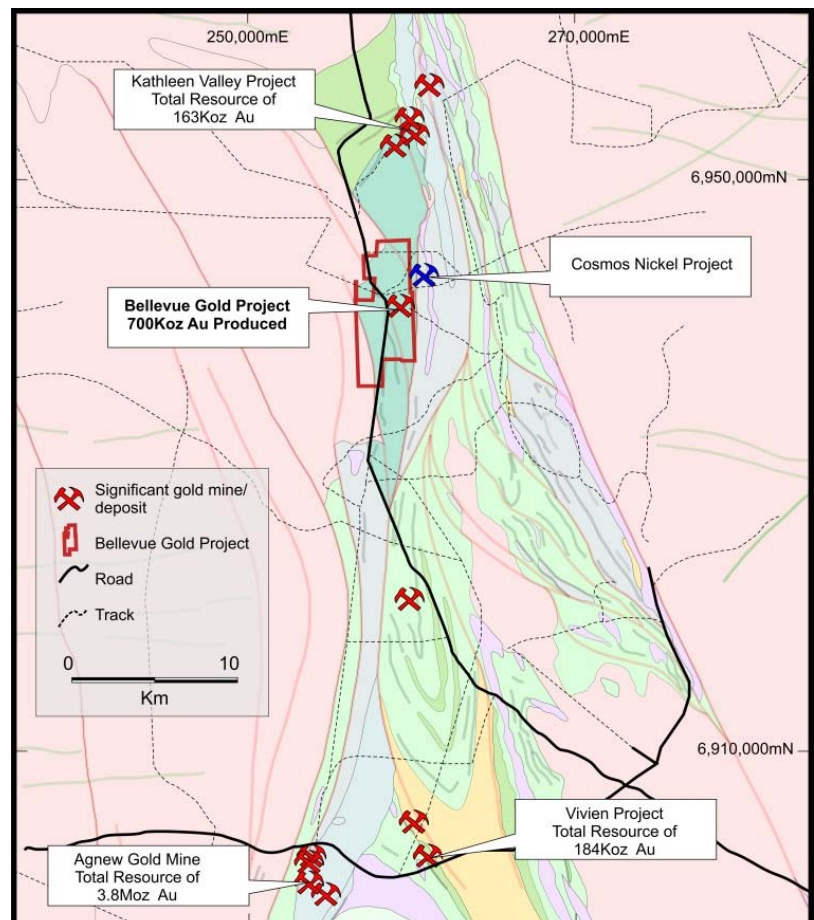
- Agreement for acquisition of historical high grade gold mine 40km north of Leinster
- Located in a world class mineral province with significant near mine infrastructure in place
- Project area covers 27km<sup>2</sup> over three granted mining leases and one exploration licence proximal to Ramelius and Gold Fields mining operations
- Historical production of over 750,000oz gold
- Last significant exploration conducted in 1990's and sold by Barrick in 2003 due to no "Barrick sized targets"
- Multiple untested near mine and down dip EM conductors require follow up drilling
- Draig looking to target resource growth through the application of modern exploration techniques to a significant historical WA producer

Draig Resources Limited (ASX: DRG) is pleased to announce the execution of an agreement for the acquisition of the Bellevue Gold Project, located 157km north west of Laverton in Western Australia.

Bellevue sits within a high-grade gold district that includes Ramelius' Kathleen Valley (KV) and Vivien projects, which are both 7km north, and 35km south of Bellevue respectively.

Having reviewed the exploration potential of the project, Draig believe Bellevue will provide a significant opportunity to apply modern exploration techniques to a historically significant Western Australian gold mine that is poorly understood and under explored.

Draig's first pass exploration program will primarily focus on further understanding the role of



the Highway fault and its relationship with historical resources as well as its association with potential down dip extensions to the Bellevue main lode. Conjecture exists to whether this fault displaces mineralisation or is part of the mineralising fluid pathway. Draig believes that through the use of modern EM systems to target the mineralisation which is associated with pyrrhotite, extensions to the significant mineralisation previously mined at Bellevue main, can be delineated. In addition, this exploration philosophy will be applied to the surrounding project area to determine the potential of hosting similar Bellevue style targets.

EM technology has since vastly improved with the introduction of higher powered transmitters, use of electro magnetics to detect highly conductive mineralisation and vastly improved delivery mechanisms. Draig believes utilising these new technologies will provide a significant opportunity in identifying and validating extensions to the current Bellevue ore body as well as identifying regional targets for follow up drilling.

The significant drilling results at Southern Belle, which includes historical intersections of **4.4m by 22.87g/t** and **1.4m @ 33.08g/t** are currently being evaluated to determine its size potential in conjunction with a review of historical open pits.

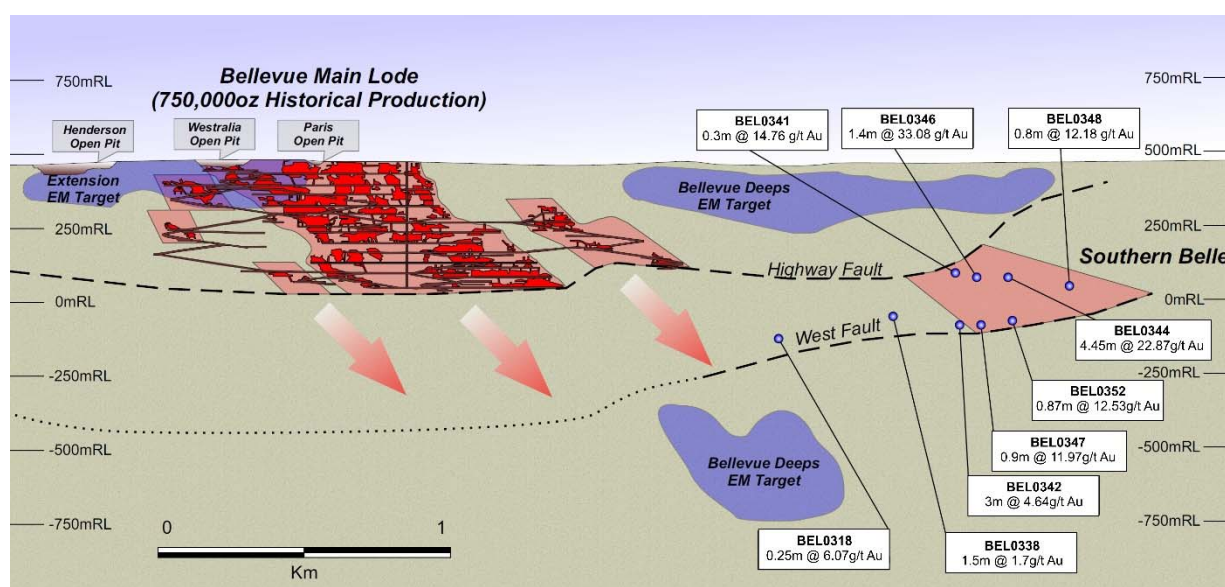


Figure 1: Bellevue Long Section

## Acquisition Terms

Draig Resources Limited has entered into a Binding Heads of Agreement (HoA) with Golden Spur Pty Ltd (Golden Spur) and each of its shareholders for the acquisition of 100% of Golden Spur. Golden Spur holds a 100% interest in the Bellevue Gold Project (tenements M36/24, M36/25, M36/299, E36/535).

Completion of the transaction is conditional on the receipt of all necessary Draig shareholder approvals. If this condition precedent is not satisfied on or before 20 November 2016 either party may terminate the agreement. Draig intends dispatching a notice of meeting to its shareholders shortly, and completing the transaction over the next two months.

The material terms of the HoA are as follows:

- **Consideration:** 60,000,000 Draig shares, to be issued to the shareholders of Golden Spur or their nominees. Each shareholder of Golden Spur will receive 12,000,000 Draig Shares or 7.2% of the capital post issue but pre capital raise (see below).
- **Repayment of loans:** Draig to repay loans owing by Golden Spur to its shareholders, capped at A\$821,000 in full and final satisfaction of the loans.
- **Royalty:** Draig has agreed to pay a A\$25 per ounce royalty capped at 100,000oz of production payable to the Golden Spur shareholders.
- **Assumed Liability:** Draig through the acquisition of Golder Spur will assume a liability to Xstrata Nickel of \$1,000,000.
- **Formal Agreement:** Although the HoA is binding, the parties have agreed to enter into a more formal share sale agreement on terms consistent with the HoA.

**Representations and warranties:** The parties provided representations and warranties which are considered standard of an agreement of this nature.

Draig has also agreed to pay the facilitators of the transaction a fee in association with the acquisition of the Project. Draig has agreed to issue to facilitators who are unrelated to the Company, 15,000,000 Draig shares.

Draig will also issue 15,000,000 options to advisors exercisable at \$0.05 before 31 August 2019. Of these options 10,000,000 were previously approved at a shareholders meeting on 24 February 2016 but not issued.

### **Proposed Capital Raise**

Subject to shareholders' approval, Draig propose to raise up to \$1.2 million through the issue of 60,000,000 shares at 2 cents each to fund the acquisition and fund further project development. Draig has received firm commitments for this amount.

**For more information, please contact:**

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**Disclaimer:**

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally, beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

**Competent Persons Statement:**

The information in this announcement that relates to Bellevue Project Exploration Results is based on information compiled and fairly represented by Mr Robert Jewson, Managing Director of Geonomics Australia Pty Ltd, who is a Member of the Australian Institute of Geoscientists. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

**Table 1: Drilling Intercepts Southern Belle**

Hole	Type	Max Depth	Dip	Easting	Northing	RL	Azimuth	From	To	Interval	Au g/t
BEL0318	DDH	753	-64	258,841	6,938,642	463.02	90.55	627.4	627.65	0.25	6.07
BEL0338	DDH	626	-69.2	258,978	6,938,244	490.03	88.55	566.8	568.3	1.5	1.7
BEL0341	DDH	648	-71	259,030	6,938,044	460.09	96.55	308.2	308.5	0.3	14.76
BEL0342	DDH	750	-81	259,029	6,938,044	460.02	94.55	516.3	519.3	3	4.64
BEL0344	DDH	762.1	-87.2	259,213	6,937,846	460.38	83.55	389.35	393.8	4.45	22.87
BEL0346	DDH	488	-75	259,130	6,937,946	460.21	87.55	408.8	410.2	1.4	33.08
BEL0347	DDH	669.3	-87.6	259,129	6,937,946	460.16	90.55	582.1	583	0.9	11.97
BEL0348	DDH	678.5	-68.2	259,081	6,937,645	462.31	92.95	465.75	466.55	0.8	12.18
BEL0352	DDH	699.5	-79	259,083	6,937,846	461	88.55	556.3	557.17	0.87	12.53

## JORC CODE, 2012 EDITION – TABLE 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Comments
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<p>Samples were taken from Surface and Underground Diamond Drill Core and RC/RAB chips, with surface drilling in the Main Bellevue lode is predominantly angled at -65° towards 90° (MGA azimuth). Drill spacing is highly variable although the database averages an 80m x 80m spacing. A total of 1,367 Surface and Underground Diamond, 1,180 RC, 87 AC and 600 RAB Holes for 208, 988m drilling completed.</p> <p>The majority of Diamond and RC holes were drilled pre 1998 with down hole surveys recorded in the database. The Metadata is relating to these surveys is limited although it is considered appropriate to industry standards for the time. Collar surveys were measured off local grids referenced in annual exploration reports</p>

Criteria	JORC Code explanation	Comments
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p>As this data was based entirely on data provided by previous project operators, the following information has been sourced from Annual Exploration reports provided to the Department of Mines and Petroleum of Western Australia: - RC drilling was sampled at 1m intervals, with 4m composites obvious in the database, resplit where anomalous values were returned. Diamond sampling was selectively sampled to logged mineralised intervals (usually at &lt;1m lengths) and exploration reports show assays were conducted by external laboratories although no reference was made to sample method, preparation or sample weight.</p> <p>MERGED INTO PREVIOUS TABLE</p>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<p>All drilling reported in this announcement is a combination of RAB, RC and Diamond Drilling undertaken by previous operators of the project. As such information relating to all drilling specifics (hammer sizes ect.) has not been accurately preserved.</p>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<p>As drilling was undertaken by previous project operators- No records of sample recoveries were located in exploration reports or on the original logs during the validation process</p> <p>As drilling was undertaken by previous project operators- No records of Measures taken to maximise sample recovery and ensure representative nature of the samples were recorded, although it is obvious that RC samples were collected at 1m intervals and Diamond core was sampled to geological intervals</p>



Criteria	JORC Code explanation	Comments
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	No sample bias has been reported in annual exploration reports of previous project operators
<i>Logging</i>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>All RC and diamond drill holes have been logged and detail lithology. Grain size, weathering, texture and mineralogy have been recorded in certain generations of drilling but are not consistent throughout the database</p> <p>Logging has been conducted both qualitatively or quantitatively with logging codes assigned to all intervals and descriptions of lithologies, alteration and mineralisation of interest. No percentages estimates on veining, weathering, quartz and numeric scale of hardness have been retained given the age of the data</p> <p>The entire length of all RC and Diamond drill holes have been lithologically logged in full</p>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>No record of the diamond drill holes was located of the core being 1/4 or 1/2 core sampled. Downhole sample intervals were cut to geological contacts</p> <p>No record of the drill cuttings being riffled, tube sampled or rotary split were recorded nor whether samples were wet or dry.</p> <p>Diamond core was sampled at intervals usually not greater than 1 metre with no sample weight reference retained</p> <p>Given the age of the data used that all drilling was undertaken by previous operators, accurate records of QA/QC have been difficult to locate. Frequent repeat samples have been noted in analytical reports although procedures relate to how the repeat samples were selected could not be located</p> <p>As mentioned above, Frequent repeat samples have been noted in analytical reports although procedures relate to how the repeat samples were selected could not be located</p> <p>No sample sizes were recorded</p>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations</li> </ul>	<p>The assay methods used are designed to measure total gold in the sample. The laboratory procedures are appropriate for the testing of gold given the nature of mineralisation style. 50g charges were used in Fire Assays</p> <p>Not used for grade reporting or interpretation</p>

Criteria	JORC Code explanation	Comments
	<p>factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<p>Given the age of the data, Quality Controls were mainly focused on the use of repeats standards and blanks by the Analysing Laboratory</p>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p>No record of independent verification exists</p> <p>No twinned holes were recorded in the database</p> <p>Drilling predates the widespread use of field base data loggers. Grades reported in this announcement were cross referenced with original logs and assay reports in annual exploration reports</p> <p>No adjustments were made to assay data presented in this report</p>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p>No reference to survey accuracy has been made in exploration reports, however collar locations match registered exploration plans and surface disturbances from aerial photography</p> <p>Holes were drilled on a local grid, the "BMA Grid" and have subsequently been converted to MGA94z51</p> <p>A surveyed Digital Terrain model was provided by Xstrata which was used to define the current working surface. This survey covers both the neighbouring Cosmos Nickel project and the Bellevue tenure. The surface is generally flat with multiple small open pits across the tenure. The topographic control is sufficient for the stage of project advancement at present.</p>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>No new exploration results reported- drill spacing is highly variable throughout the project</p> <p>The drill spacing and spatial distribution of assay results is sufficient to support the JORC classification of material contained within this report and appropriate for the nature and style of mineralisation being reported.</p> <p>No Sample compositing applied</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<p>The majority of surface drilling is perpendicular to the strike of the ore body although some of the deeper holes become slightly less than perpendicular at depth. Underground drilling was dictated by availability of drill cuddies rather than orientation to the ore body.</p>



Criteria	JORC Code explanation	Comments
	<ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	No- samples potentially inducing bias have been identified at present. Further drilling in accordance with industry best practices is required to determine if any sampling bias exists relative to the historical drilling data.
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	No record has been kept relating to the security of the samples taken by previous operators
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	No record of audits or reviews by previous operators has been located

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>The Bellevue Gold Project consists of tenements M36/0299, M36/0024, M36/0025, E36/0535. Draig Resources Limited and Golden Spur Pty Ltd have entered a Binding Heads of Agreement for the sale of the Bellevue Gold Project. Under the Agreement, Draig will pay Golden Spur A\$821k in cash up front and 60 million ordinary Draig shares. The consideration payable also includes an AUD\$25 per ounce royalty capped at 100,000oz of production payable to Golden Spur and the assumption of a liability payable to Xstrata.</p> <p>Completion of the sale of the Project and all final regulatory approvals is expected to occur over the next two months (October 2016). The parties have also agreed to negotiate in good faith the Formal Agreement with a view to executing the as soon as possible.</p> <p>M36/0299, is a granted Mining Leases and is valid until 21/04/2036. M36/0024, is a granted Mining Leases and is valid until 16/01/2028. M36/0025 is a granted Mining Leases and is valid until 16/01/2028. E36/053 is a granted Exploration Licence and is valid until 22/09/2016. At this time the tenement is believed to be in good standing. There are no known impediments to obtaining a licence to operate, other than those set out by statutory requirements which have not yet been applied for.</p>
<i>Exploration done by other parties</i>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>All work referenced in this announcement has been undertaken by previous project operators and is deemed appropriate to industry standards at the time of operation. The majority of the material work undertaken at the project has been reported under the "Bellevue Joint Venture"</p>

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> <li>· Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The Bellevue tenements are located in the northern part of the late Archaean Norseman-Wiluna belt. At this latitude the Norseman-Wiluna belt comprises a highly attenuated belt of late Archaean stratigraphy only about 10 kilometres in width, with crosscutting Proterozoic dolerite dykes and sediments which are Quaternary in age. The origin of the late Archaean stratigraphy is widely accepted as being a product of accretion of island arcs and island back arc spreading centres at a convergent margin (Barley, 1989). Granites which sandwich the belt show signs of assimilating the greenstone sequence along the contacts (Shugg, 1994). It may be that the flanking granites do not all belong to the one generation and that older basement gneisses are also present. The greenstones are dominated by a north-northwest striking sequence of tholeiitic pillow basalts, known as the Mt Goode Basalt. Along their eastern margin the tholeiites interfinger with a sequence of felsic sandstones and conglomerates that host several narrow mafic and ultramafic units, including the Mt Goode Dunite. A second succession of basalts, sediments, and ultramafics is then repeated further to the east. All of these rock units have been regionally metamorphosed to amphibolite facies with the possible exception of the youngest granite intrusions and rocks in the centre of the belt, which may have been metamorphosed at slightly lower grade conditions. The gold occurs as very fine free-milling grains associated with sulphides in, a quartz breccia in footwall and hanging wall lodes, and within mylonitic basalt in ore shoots.</p>
Drill hole Information	<ul style="list-style-type: none"> <li>· A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>o easting and northing of the drill hole collar</li> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> </ul> </li> </ul>	<p>The drill holes reported in this announcement have the following parameters applied:</p> <p>Eastings and Northings are MGA94z51</p> <p>RL is AHD</p> <p>Dip is the inclination of the hole from horizontal (i.e. a hole drilled vertically down from the surface is -90°) . Azimuth is reported in degrees as the direction towards which the hole is drilled.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>o down hole length and interception depth</li>   <li>o hole length.</li>   <li>· If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. Interception depth is the distance down the hole as measured along the drill trace. Intersection width is the downhole distance of an intersection as measured along the drill trace.</p> <p>Hole length is the distance from the surface to the end of the hole, as measured along the drill trace.</p> <p>All results relating to the drill sections provided have been stated including "No significant intercepts". Inclusion of all historic data was over 150 pages long and would make the tables too large to reasonably include although data included is representative of all drilling data.</p>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>· In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>· Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>· The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>No upper or lower grade truncations have been applied</p> <p>Sample lengths from RC/RAB drilling are all 1m lengths. As diamond core is cut to geological boundaries and incorporates shorter intervals, length weighted averaging has been used to make 1m downhole composites.</p> <p>No Metal equivalence is reported.</p>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>· These relationships are particularly important in the reporting of Exploration Results.</li> <li>· If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>· If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<p>The intersection width is measured down the hole trace and is not the true width. Cross sections provided in the announcement allow the relationship between true and down hole width to be viewed.</p> <p>Drill holes are drilled perpendicular to the low angle Trident shear hosting mineralisation. The geometry of the mineralisation has been confirmed by structural measurements taken from diamond drill core</p> <p>All drill results within this announcement are downhole intervals only. True width is not known and will be calculated from further diamond drilling.</p>

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	A plan view and long section have been provided in this announcement
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	All reported results are representative.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	No other exploration data is considered meaningful and material to this announcement.
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<p>Pending the outcomes of preliminary exploration targeting and economic studies, strategic infill holes will be drilled to define area's currently outside of resource classification and obtain oxidation profiles, Specific Gravity, metallurgical and geotechnical samples.</p> <p>Future drilling areas have not currently been defined. An exploration targeting program will commence upon completion of the collation and verification of historical drilling information. Further releases will be made to market relating to the completion of this review.</p>