

ASX ANNOUNCEMENT

28 April 2017

March 2017 Quarterly Activities Report

Highlights

- **Four diamond drill holes completed at Lomero project, Spain**
- **Lomero gold-rich massive sulphide deposit extended downwards**
- **\$1.44 million raised via share placement and rights issue**

Winmar Resources Ltd (**Winmar**) (ASX: WFE) is pleased to provide the following summary of activities undertaken during the January to March quarter of 2017.

The exploration activities undertaken during the quarter relate to the Lomero gold-silver-copper-zinc project (**Lomero**) located in Andalucia, Spain, where Winmar is earning up to a 70% interest. The Lomero gold-rich massive sulphide deposit was mined until 1984. The historic production amounted to 2.6 million tonnes (Mt) at average grades of 5 g/t gold and 1.2% copper. Lomero is located just 8 km west of the operating 4.4 Mt per year MATSA copper mine and treatment facility operated by Trafigura and Mubadala.

Initial drill campaign commenced at Lomero

Winmar's initial drill campaign at Lomero was designed to test four targets peripheral to the high-grade eastern lobe of the deposit and, in addition, obtain fresh samples of mineralisation for subsequent metallurgical test-work.

Drilling commenced on 8 February. Four diamond drill holes (**DDH**) for a total 1,079m were completed within the quarter.

Hole ID	Collar mE	Collar mN	Collar Elev	Collar Dip	Collar Azimuth	Length
DDH	ED50	ED50	mRL	degrees	UTM	m
L17-84	682,700.1	4,186,945.8	351.6	-70.7	182.1	342.0
L17-85	682,821.2	4,186,838.6	360.7	-60.6	179.9	192.0
L17-86	682,902.1	4,186,849.5	352.4	-70.0	178.7	210.0
L17-87	682,799.8	4,187,018.8	336.0	-72.1	184.5	335.0

DDHs L17-84, L17-86 and L17-87 were drilled into target positions peripheral to the known mineralisation and DDH L17-85 was drilled inside it to obtain fresh sulphide material for metallurgical test-work.

As announced on 21 March, DDH 17-87 intersected 8.0m of sulphide mineralisation, comprising 2.7m of massive sulphide and 5.3m of semi-massive sulphide, based on visual examination. Assay results are awaited. The intercept in L17-87 is located more than 80m (vertical) below the deepest mine level and 40m (vertical) below the intercept in the 1989 Outokumpu DDH TH-1, which intersected 2.0m of massive sulphide averaging 3.5 g/t gold and 7.0% zinc.

Two additional DDH were completed subsequent to the quarter. DDH L17-88 targeted a position 90m down dip of the new massive sulphide intercept recorded in L17-87. DDH L17-89 targeted a position below the western lobe of the deposit.

\$1.44m raised via Share Placement and Fully Underwritten Rights Issue

During the quarter, Winmar successfully raised \$1.44m in capital via a share placement and a fully underwritten 1-for-4 rights issue at an issue price of 0.4 cents per share. Perth-based firm DJ Carmichael Pty Ltd acted as the lead manager and underwriter for the raise.

Raising Type	Completed	Shares Issued	Cash Raised
Share Placement	20 February 2017	70,000,000	\$280,000
Rights Issue - Shareholders	13 March 2017	175,379,979	\$701,520
Rights Issue - Underwriters	15 March 2017	115,634,513	\$462,538
Total		361,014,492	\$1,444,058

Corporate activities

Winmar undertook a number of corporate activities during the quarter, both in relation to its existing arrangements on the Lomero project and the potential acquisition of additional projects within the region. At present, the eventual outcome of these activities is uncertain.

Events subsequent to the end of the quarter

As stated above, two additional DDHs were completed into targets located below the Lomero deposit. The assay results for these and the other drill holes will be reported as soon as they become available.

As announced on 12 April, Winmar commenced a ground geophysical survey over the entire Lomero Investigation Permit. The geophysical method employed in the survey is Audio Magnetotellurics (AMT), which maps variations in subsurface resistivity and may indicate the presence of a concealed metallic sulphide deposit. The geophysical contractor has recently reported that the survey is obtaining good clean data.

Winmar will begin a down-hole electromagnetic (DHEM) survey of its six diamond drill holes when the AMT survey is completed.

Together, the results of the drill hole assays, down-hole hole geophysics and tenement-wide geophysics will guide the planning for the forthcoming Year 2 programme.

Interest in mining tenements at the end of the Quarter

Project	Lease	Commodity	Locality	Interest
Lomero ¹	IP 14977	Au-Ag-Cu-Zn	Andalucia, Spain	0%
Hamersley ²	M47/1450	Iron Ore	Western Australia	70%

1. Winmar's interest in Lomero is via a Joint Venture Agreement signed with Kimberley Diamonds Ltd on 17 August 2016. The JVA provides for Winmar to earn up to 70% in the project by spending EUR 5.4 million over three years to 12 May 2019.
2. Winmar's interest in the Hamersley Iron Ore Project is by way of an unincorporated joint venture with Lockett Fe Pty Ltd, a subsidiary of Cazaly Resources Ltd.

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Compliance Statement

The information in this announcement pertaining to Exploration Results was modified from the report titled "New drill intercept extends Lomero deposit downwards", released on 21 March 2017, and available to view at www.asx.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in that announcement.