

## QUARTERLY ACTIVITIES REPORT As at 31 December 2017

Dateline Resources Limited (“the Company” or “Dateline” or “DTR”) is pleased to present its Activities Report for the Quarter ended 31 December, 2017.

Project	Number	Ownership	Location
Udu	SPL1387	100%	Fiji
Udu	SPL1396	100%	Fiji
Udu	SPL 1506	100%	Fiji
Udu	SPL 1507	100%	Fiji
Gold Links Permitted Mine	34 Patented Claims	100%	Colorado USA
Gold Links Permitted Mine	20 Unpatented Claims	100%	Colorado USA
Lucky Strike Permitted Mine and Mineral Hill Historic Mine	19 Patented Claims	100%	Colorado USA

### **Gold Links**

#### **Development and Exploration**

During the December 2017 quarter, the company revised the plan to develop the decline to reach an existing raise and create a second means of egress. The revised plan requires the installation of a new escapeway rather than the rehabilitation of the existing raise and will lessen the distance of decline development.

The development of the decline has progressed and is approximately 20 metres away from the site where the new second escapeway will be installed. Under Mine Safety and Health Administration (MSHA) rules no mining can take place until a second method of egress is established.

An exploration program includes channel sampling and close spaced drilling from underground was commenced in the September quarter of 2017, continued throughout the December Quarter. The objective of this program is to get an understanding of the distribution of grade in a 100metre section of approximately 3000sqm area the Company has targeted for near term exploration and development. This information will enable the Company to better the plans.

This program is expected to be completed by mid-February 2018 at which stage the data will be analysed and the company will advise the market of the outcome of the program.

#### **Permitting**

The Colorado Department of Health has approved our permit application for the loading of ore at surface. Prior to obtaining approval, all ore that was planned to be used in the commissioning of the Lucky Strike Mill had to be loaded underground.

## **Compliance**

MSHA (The US Mine Safety and Health Administration) conducted their quarterly site visit and no citations were issued.

## **Sacramento**

A desktop review of the historical exploration data that was conducted by Ivory Oil in the 1980's has led to the development of a surface drilling program to test the existence of the Sacramento vein to 100ft below the last known workings and to twin (replicate) the unverified results reported by Ivory Oil of drill hole DH-2 which purported to intersect 1.1metres of 64 grams of gold per tonne. If successful, this would form the foundation of a step out drilling program to identify the extent of the mineralisation of the Sacramento Zone

## **Lucky Strike Mill**

### **Mill Commissioning**

- During the December quarter, work was carried out on the mill with a view to commence commissioning as soon as possible. Whilst auditing the individual components of the mill, it was discovered that a critical part needed replacing. Notwithstanding, we have stockpiled approximately 1,200 tonnes of low grade commissioning ore onsite but due to the extended lead time to get the replacement part the mill was not commissioned in December. The company will provide an update to the market in February.

### **Permitting**

- During the December quarter the company received approval from the Department of Mines, Reclamation and Safety (DRMS) to be registered as the owner of the Lucky Strike Mill.

The company sought an amendment to its milling permit that would enable the company to toll treat ore from the Gold Links mine and other nearby smaller mining operations. The amendment was granted in November 2017.

### **Toll treating**

- Discussions have commenced with several parties that have stockpiled ore and are desirous of shipping the ore to our lucky Strike Mill for processing. The company is assessing the offers on a case by case basis and these discussions may materialise into toll treating agreements in the March or June quarter.

## **Compliance**

- MSHA (The US Mine Safety and Health Administration) conducted their quarterly site visit to the Lucky Strike Mill and no citations were issued.

## **Mineral Hill and Lucky Strike Prospects**

- During the quarter, the company conducted a desktop review of the historical data on the Lucky Strike and the Mineral Hill mines from reports dating up to 1985-1986

The key findings of the review are as follows;

### **Lucky Strike Mine – Permitted to extract 70,000 tonnes per annum**

- Mined via a shaft down to 220ft (~70m) and over 600ft (~200m) on strike
- Average grade mined was between 12-15 grams per tonne
- Mineralisation is contained in quartz vein with clear distinction between hanging and footwall
- Mining abandoned in the 1980's when the price of gold was low and the grades meant that mining was sub-economic

### **Recommendations from Review of Lucky Strike Mine historical reports**

- In the Northern Hemisphere summer, conduct drilling program to test the down-dip extension of the vein below the 220ft (~70m) level.
- If mineralisation is confirmed below the 220ft level, commence development of a plan that may be implemented to produce ore at the Lucky Strike mine which will create additional feed for the Lucky Strike mill that is located <50m from the existing shaft

### **Mineral Hill – Historical Mine not currently permitted for mining**

The Mineral Hill reports suggest that the claims host several veins that outcrop at surface and the company intends on testing the veracity of the report in June/July 2018 by conducting surface trenching and a bulk sampling program

Both the Lucky Strike and the Mineral Hill prospects were historical mines and are now owned by Dateline. The properties are adjoining and make up part of the company's freehold land holdings in Gunnison County Colorado

## **Udu – Fiji**

In the December Quarter, core samples were collected from site and sent for metallurgical test work. We expect the test work to establish if the Udu ore is amenable to separation and floatation and if it is, we would actively seek a JV partner that is interested in completing a PFS for a 500,000tpa mining operation at Udu

## **Finance**

During the December quarter the company raised \$1,815,165 to be used in its development, exploration and mill commissioning works program. A further \$500,000 was raised by way of loan funds during December 2017 and January 2018.

## **Further Information**

The company will provide further updates during the March Quarter as we complete our drilling program and mill commissioning

For more information, visit [.www.datelineresources.com.au](http://www.datelineresources.com.au)

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