

## High-grade gold mineralisation extended at Fountain Head by new drilling

- **High-grade gold continues in assays from the Fountain Head Project, NT**
- **Significant results include:**
  - **16m @ 1.37 g/t Au from surface in FHRC074, including**
    - **1m @ 8.39 g/t Au from 5m**
  - **2m @ 4.04 g/t Au from 21m, and**
  - **5m @ 3.96 g/t Au from 107m in FHRC076 (Tally Ho lode), including**
    - **2m @ 9.17 g/t Au from 110m**
- **First diamond tail completed to test the down-plunge extent of the Tally Ho gold lode has identified mineralisation a further 100 metres along strike, with assays due in September**
- **Second diamond tail underway to test the potential for a significant depth extent to Tally Ho gold mineralisation**
- **Aim is to define additional resources to incorporate into PNX's Hayes Creek zinc-gold-silver project**

PNX Metals Limited (**ASX: PNX**) is pleased to announce that high-grade gold assays have been received from a further five reverse circulation drill holes at its Fountain Head gold project in the Pine Creek region of the Northern Territory. The new results were received from drilling to test extensions to the mineralised vein systems associated with the Fountain Head and Tally Ho gold lodes.

Significant results (Table 1) include:

- **16m @ 1.37 g/t Au from surface in FHRC074 (Fountain Head), including;**
  - **1m @ 8.39 g/t Au from 5m**
- **2m @ 4.04 g/t Au from 21m; and**
- **5m @ 3.96 g/t Au from 107m in FHRC076 (Tally Ho lode), including**
  - **2m @ 9.17 g/t Au from 110m**

The Fountain Head Mineral Leases are located less than 15km from PNX's flagship Hayes Creek zinc-gold-silver project and as well as containing a number of high-grade gold prospects, they also provide the preferred site for the proposed Hayes Creek processing plant.

The aim of current drilling programs at Fountain Head and Moline<sup>1</sup> is to define additional economic mineralisation with the potential to complement and enhance the Hayes Creek development through extending the life of the proposed mining operation. The opportunity also exists to define new, potentially standalone resources.

### **Extension to Tally Ho Lode System**

The 5m @ 3.96 g/t Au intercept from 107m in drill hole FHRC076 is interpreted as an extension of the Tally Ho lode with the result suggesting a steepening of the lode structure, a concept not tested by previous drilling. The recently completed diamond drill FHRC077D was drilled to enhance this theory and intersected a sulphide-rich quartz vein system over approximately 20m that is situated 100m along strike from FHRC076 with assays pending (Figure 2).

The Tally Ho lode is the higher grade of the two historically mined zones at Fountain Head and its extension is a significant outcome for this drill program.

### **Mineralisation at Surface**

Numerous lower grade intersections have been returned from drilling and are highly encouraging due to their position at or near-surface. For example, immediately north of the historic open pit FHRC076 intersected 12m @ 0.96 g/t Au (including 1m @ 7.5 g/t) from 10m; FHRC074 intersected 16m @ 1.37 g/t Au (including 1m @ 8.39 g/t) from surface a further 250m along strike to the north-west; and FHRC075 intersected 3m @ 1.18 g/t from 2m. These results bode well for extending the pit along strike and mineralisation remains open to the north-west and at depth.

The remaining assays from the program relate to drilling of a previously untested 500m-long >1g/t gold-in-soils anomaly located approximately 1.5km from the historic mining area interpreted as displaying the same trend as the Tally Ho mineralisation. These results are due shortly.

### **PNX Managing Director James Fox said:**

*"The results received to date highlight the potential to increase gold resources within our portfolio. Extending the strike of the Tally Ho lode by over 100 metres is a significant outcome for our first drill program at Fountain Head, and if gold grades in mineralisation identified in the first diamond drill hole reflect those of historic drilling, then the size and scale of the deposit could increase significantly."*

*"The aim of drill programs currently underway at Fountain Head and at Moline in particular, are to identify additional resources that can be incorporated into the Hayes Creek project in order to augment the economics and extend the mine life of the project."*

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<sup>1</sup> See PNX ASX release 07 August 2018

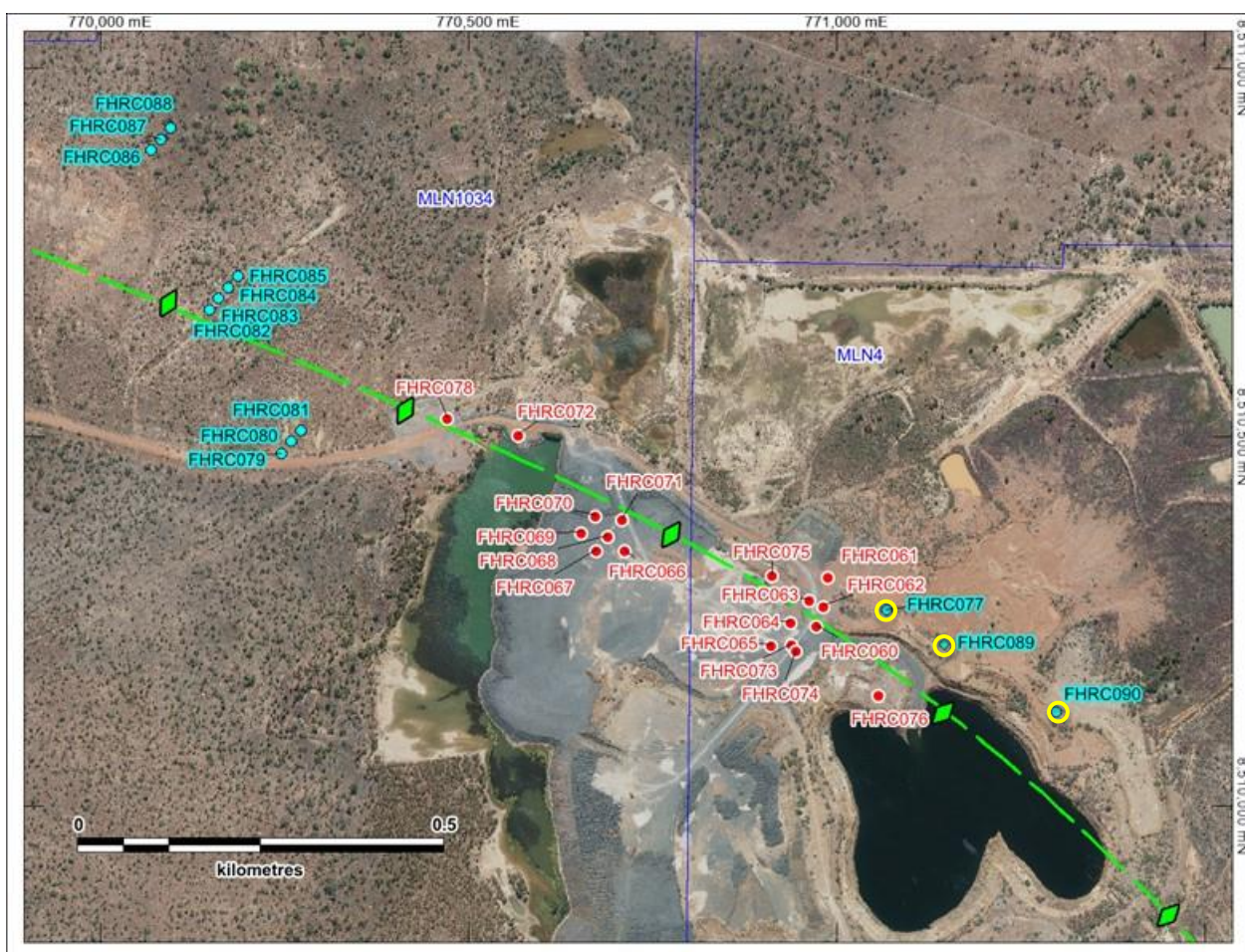


Figure 1: Image shows historic Fountain Head and TallyHo mining area situated on granted MLs and location of PNX drill holes. Red = assays received and reported, Blue = awaiting assays, Yellow = diamond tail and awaiting assays. Green line is the Fountain Head Anticline that is thought to control mineralisation

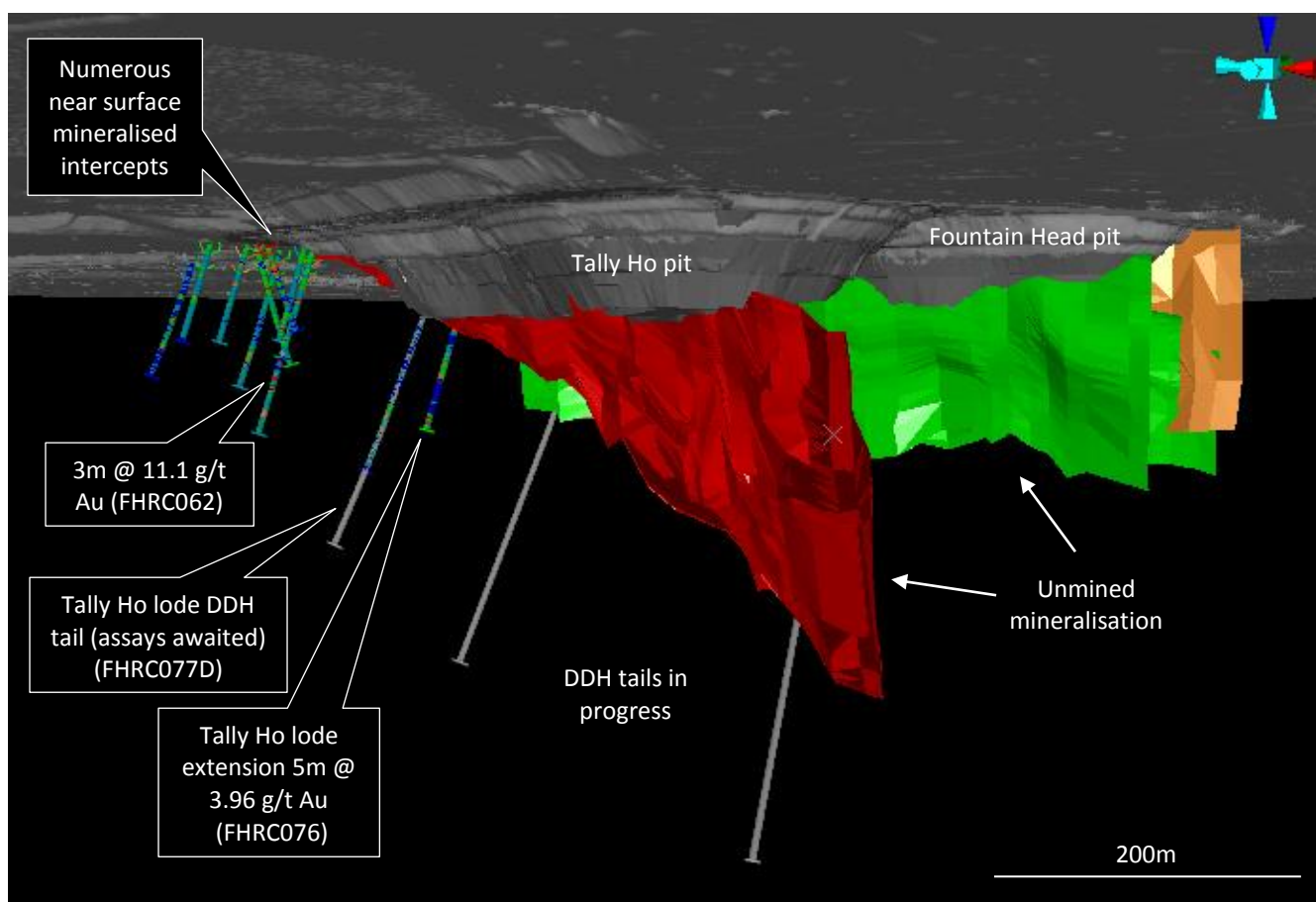


Figure 2: Isometric view of mineralisation (modelled from historic drilling) looking approximately north-east from below surface showing Tally Ho lode (red), Fountain Head lodes (green/orange), and PNX drill holes. The limited extent of historic mining is also shown.

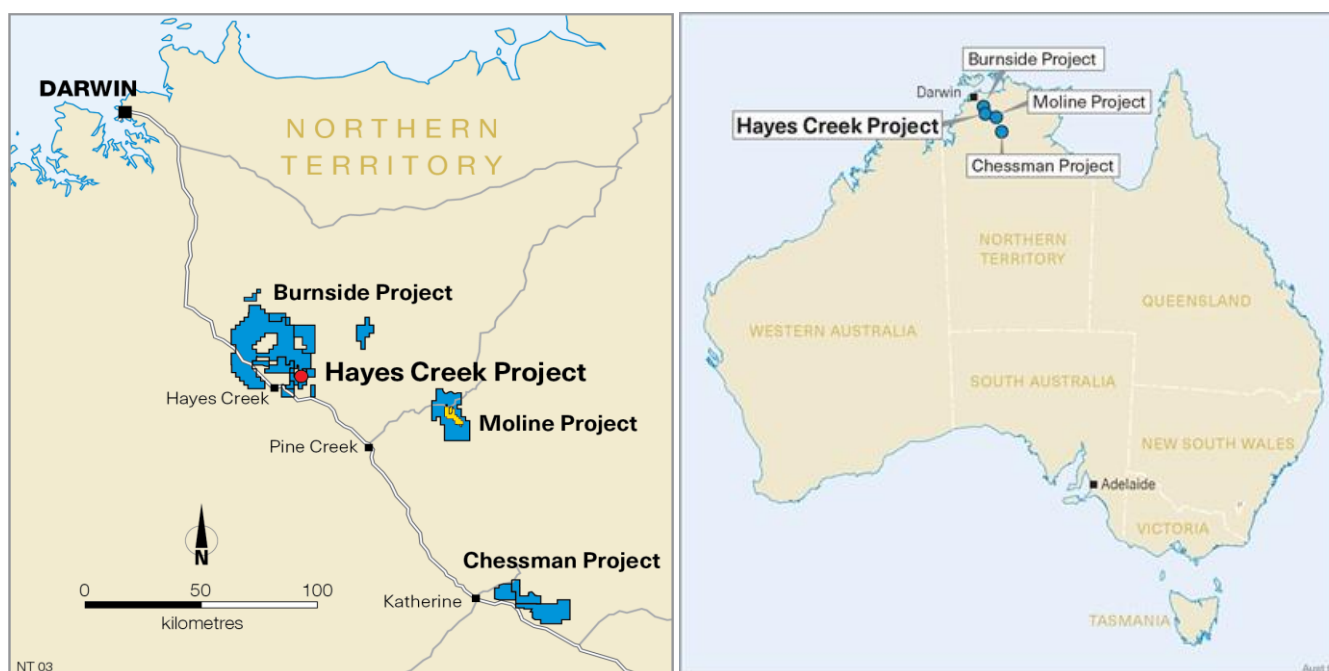


Figure 3: NT Project locations

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**Competent Person's Statement**

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Bennett, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Bennett has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity being undertaken 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 Bennett is a full time employee of PNX Metals Ltd and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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For further information please visit the Company's website [www.pnxmetals.com.au](http://www.pnxmetals.com.au) or contact us:

James Fox

Managing Director & CEO

Telephone: +61 (0) 8 8364 3188



**Table 1 – 2018 PNX Drill hole assay summary Fountain Head project** (Yellow = drilling with assays reported, White = assays pending, Blue = assays previously reported) Significant results reported are those assaying at least 1.00 g/t Au over a 1m interval or greater. Note: All intersections are downhole widths as orientations are not confirmed. True widths will likely be less than downhole widths.

Hole ID	Type	East MGA	North MGA	RL	Dip	Azi MGA	Total Depth		From	To	Interval (m)	Au (g/t)	Comment
FHRC060	RC	770972	8510245	106	-60	220	66		58	60	2	2	
FHRC061	RC	770988	8510311	106	-60	220	78		8	10	2	1.29	
FHRC062	RC	770982	8510272	106	-60	220	132		37	38	1	1.06	
								and	82	83	1	1.17	
								<b>and</b>	<b>93</b>	<b>96</b>	<b>3</b>	<b>11.1</b>	
								<b>incl</b>	<b>95</b>	<b>96</b>	<b>1</b>	<b>29.3</b>	
								and	99	100	1	2.3	
FHRC063	RC	770962	8510280	106	-60	220	100		15	16	1	1.99	
FHRC064	RC	770937	8510250	106	-60	220	66	NSI					
FHRC065	RC	770911	8510219	106	-60	220	66		36	38	2	2.53	
FHRC066	RC	770712	8510348	102	-60	220	84	NSI					
FHRC067	RC	770673	8510348	96	-60	220	66		65	66	1	2.41	EOH mineralisation - requires deepening
FHRC068	RC	770689	8510367	96	-60	220	90	NSI					
FHRC069	RC	770653	8510371	97	-60	220	90	NSI					
FHRC070	RC	770663	8510382	97	-60	220	120		20	21	1	2.53	
								and	28	29	1	1.21	
								and	<b>83</b>	<b>84</b>	<b>1</b>	<b>28.0</b>	
								and	94	95	1	1.01	
FHRC071	RC	770708	8510395	96	-60	220	120		70	72	2	1.35	
FHRC072	RC	770568	8510504	98	-60	220	102		<b>29</b>	<b>30</b>	<b>1</b>	<b>10.9</b>	
								and	38	39	1	1.45	
FHRC073	RC	770938	8510220	109	-65	40	84		2	8	6	2.05	
								and	31	32	1	1.29	
FHRC074	RC	770944	8510212	106	-60	40	60		0	16	16	1.37	From Surface
								<b>incl</b>	<b>5</b>	<b>6</b>	<b>1</b>	<b>8.39</b>	
								and	39	40	1	3.68	
FHRC075	RC	770912	8510313	103	-60	220	90		2	5	3	1.18	
								and	47	48	1	1.01	
FHRC076	RC	771057	8510151	95	-60	220	114		21	23	2	4.04	
								and	41	42	1	2.52	
								and	84	85	1	2.40	
								and	107	112	5	3.96	
								<b>incl</b>	<b>110</b>	<b>112</b>	<b>2</b>	<b>9.17</b>	
FHRC077	RCDD	771067	8510265	106	-55	220	168		55	56	1	1.24	Pre-collar for Diamond Hole
FHRC078	RC	770471	8510527	99	-60	220	128		94	95	1	1.31	Numerous zones <0.5g/t Au
FHRC079	RC	770246	8510478	102	-60	220	54	Assays Pending					
FHRC080	RC	770259	8510494	102	-60	220	48	Assays Pending					
FHRC081	RC	770272	8510509	102	-60	220	48	Assays Pending					
FHRC082	RC	770146	8510677	102	-60	220	54	Assays Pending					

FHRC083	RC	770162	8510693	102	-60	220	60	Assays Pending	
FHRC084	RC	770180	8510708	102	-60	220	54	Assays Pending	
FHRC085	RC	770193	8510720	102	-60	220	78	Assays Pending	
FHRC086	RC	770069	8510889	102	-60	220	48	Assays Pending	
FHRC087	RC	770082	8510904	102	-60	220	48	Assays Pending	
FHRC088	RC	770095	8510920	102	-60	220	48	Assays Pending	
FHRC089	RCDD	771168	8510245	106	-55	220	150	Assays Pending	Pre-collar for Diamond Hole
FHRC090	RCDD	771298	8510127	102	-55	215	96	Assays Pending	Pre-collar for Diamond Hole

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples are derived reverse circulation (RC) chips which are cone-split for sampling</li> <li>All core and chips have been geologically logged by the onsite geologist</li> <li>Sampling interval match geological boundaries for core and are at 1m intervals for RC chips</li> <li>Sample weights were typically 2-3 kg</li> <li>Magnetic susceptibility measurements were taken using KT-10 meter</li> <li>Field portable XRF measurements taken for 34 elements (Ca, Ti, V, Cr, Mn, Fe, Co, Ni, Cu, Zn, As, Rb, Sr, Zr, Mo, Ag, Cd, Sn, Sb, W, Hg, Pb, Bi, Th, U, Pd, S, Ba, K, Cs, Sc, Se, Te, and Au) using an Niton XL3T 950 device</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>All RC drilling was from surface with 5.25” bit with a face sampling hammer. Drilling was carried out by May Drilling Pty Ltd, Northern Territory using a truck mounted EDM2000 and auxiliary compressor</li> <li>A Relfex downhole survey instrument was used to take single shot positional surveys approximately every 30m downhole</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Sample recovery was estimated visually by inspecting the size of the sample collected, and recorded in the geological log at 1m intervals. Recovery of insitu regolith and fresh rock was excellent. Recovery of the waste dump material on which some holes were collared at surface was poor, but will have no impact on future mineral resource estimates.</li> <li>No relationship has yet been established between sample recovery and grade. The vast majority of RC samples were dry, but when samples became wet, there was unavoidable loss of fines (typically 5-10% of the sample weight). This has the possibility of introducing a</li> </ul>



Criteria	JORC Code explanation	Commentary
		sample bias. Geological logs include the wet or dry nature of the sample
Logging	<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>	<ul style="list-style-type: none"> <li>All core has been geologically logged by the onsite geologist,</li> <li>All RC chips have been geologically logged by the onsite geologist at 1m intervals and chip trays have been retained and photographed</li> <li>Log fields include lithology, colour, grainsize, texture, veining, sulphide mineralisation, alteration, strength, recovery and sample moisture</li> <li>Logs have been aided by the use of magnetic susceptibility and portable XRF measurements on each metre sample</li> </ul>
Sub-sampling techniques and sample preparation	<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>	<ul style="list-style-type: none"> <li>All samples were cone split. The splitter was blown with compressor air and cleaned at the end of each rod (6m) to reduce sample contamination. All 1m samples collected were sent to the laboratory for assay</li> <li>Duplicate field samples were taken each 25<sup>th</sup> sample by using a dual outlet on the cone splitter to check representivity of sample</li> <li>Individual samples are placed in individual sample bags and clearly identified prior to submission to the laboratory for assay</li> <li>The sample sizes are typical for the RC drilling method but caution is warranted given reports of coarse gold during historical mining operations</li> </ul>
Quality of assay data and laboratory tests	<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 factors applied and their derivation, etc.</li> <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>	<ul style="list-style-type: none"> <li>Samples were submitted to Northern Australian Laboratories (NAL) in Pine Creek, Northern Territory</li> <li>After crushing and pulverizing to – 100 microns, each sample is roll mixed on a rubber mat after pulverizing, a barren flush is pulverized between each sample. A sub-sample of the pulverized sample is submitted for conventional fire assay for gold (FA50).</li> <li>PNX submitted certified reference materials and duplicates samples every 25<sup>th</sup> sample and also submitted blank quartz material to check laboratory analytical and sample preparation quality at a rate of 3 blanks per 100</li> <li>NAL have internal QAQC procedures, including certified reference materials, duplicates and blanks, results of which are reviewed by NAL prior to reporting to PNX</li> <li>Visual assessment of the standards, blanks and duplicates shows</li> </ul>

Criteria	JORC Code explanation	Commentary
		that a high degree of confidence can be placed in the accuracy and precision of the assay data
Verification of sampling and assaying	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No twinned holes have been carried out yet.</li> <li>No external laboratory assays have been carried out yet</li> <li>All logging has been carried out using standardised logging codes to professional standards. All geological, geotechnical and sampling information has been entered into a digital database which has been validated for sample overlaps and missing data</li> <li>All hard copies of information are stored in a secure compound at site. Digital copies are held on site and at PNX's Adelaide office on a backed-up server</li> <li>No adjustments to assays have been made. Where gold assay data has been repeated by the lab, the average value has been reported in the significant intersection calculations.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Downhole surveys have been collected by at approximate 30m intervals downhole and manually adjusted where magnetic interference is encountered</li> <li>The drill collars were located using a Garmin GPS Map 60 hand-held GPS unit and verified using a second unit. The drill hole locations are considered accurate to within 5m and will be picked up with differential GPS prior to resource estimation. All coordinates are quoted using the GDA94 datum and projected to MGA zone 52</li> <li>Topography has been accurately measured using a drone survey over the area in 2014</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>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.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The drill spacing of this program is irregular, due to the different purposes for drilling, which include exploration, extension and infill</li> <li>The sample spacing in many instances will be sufficient to establish the grade continuity of mineralised zones although no attempt to do so has commenced</li> <li>RC samples are collected at routine 1 metre downhole intervals, which is appropriate for RC drilling and for the thickness of the known mineralisation</li> <li>No sample compositing has been carried out</li> </ul>
Orientation of data in	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering</i></li> </ul>	<ul style="list-style-type: none"> <li>Most drill holes are oriented to intersect mineralisation close to perpendicular to the interpreted orientation of the main zone of</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>relation to geological structure</i>	<p><i>the deposit type.</i></p> <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<p>mineralisation. The mineralisation may be folded in some areas, which could result in the possibility of drill holes being not optimally orientated.</p> <ul style="list-style-type: none"> <li>Any biasing effect is yet to be determined</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Logging, and sampling has been carried out by PNX personnel who are always on site during drilling, and samples are submitted to the laboratory by the same people</li> <li>No third parties have been allowed access to the samples</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits have been carried out at this point</li> </ul>

## 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>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Fountain Head deposit is located within MLN4 and MLN1034, which are currently held by Newmarket Gold Holdings Pty Ltd (a subsidiary of KL Gold Ltd), but are part of a purchase agreement whereby PNX will have 100% ownership (pending Ministerial approval refer ASX release 31/1/2018). KL Gold retain a 2% net smelter royalty over any precious metals</li> <li>The deposit and drilling is situated within Perpetual Pastoral Lease 01111 NT Portion 695 and 1344 known as Ban Ban Station. PNX have an access agreement with the Station</li> <li>The Mineral Leases are in good standing and no known impediments exist</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Previous mining at Fountain Head has consisted of small scale mining of quartz reefs and alluvials from 1886 sporadically up to 1989. In 1995, Dominion Mining Ltd carried out trial open pit mining at Fountain Head. The Tally Ho lodes were discovered in 2006 and the deposits were mined to approximately 50m below surface by GBS in 2007-2008, producing approximately 1.13Mt @ 1.65 g/t for 60,200oz</li> <li>A large database of historical exploration data exists, starting with Australian Coal and Gold (1984), Zapopan (1987-91), Destiny Prospecting (1987-88), NT Gold Mining (1988-89), Dominion (1994),</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Northern Gold (1997), Burnside Operations (2004) and GBS (2006-2008). No exploration work has been done since GBS went into administration in 2008</p> <ul style="list-style-type: none"> <li>In 2016, Newmarket updated the mineral resources under the Canadian NI43-101 code, and concluded a total of 73,200oz remained at Fountain Head and Tally Ho, and that with very limited deeper drilling that potential remained both at depth and along strike</li> </ul>
Geology	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation at Fountain Head occurs as conformable and crosscutting lodes within mudstones, greywakes and phyllite units of a NW /SE striking anticline that plunges to the SE. The lithological units are believed to belong to the Mount Bonnie Formation, within the South Alligator Group. Gold mineralisation is hosted by sub vertical shear related stock-works, fracture zones in grey-wackes and saddle reefs at lithological contacts. Most of the resource is in the hinge zone of the anticline with gold grade rapidly tapering off down dip on the limbs</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Refer to table and diagram in main announcement for drill summary details</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Reported results are interval length weighted</li> <li>No high cut-off grades have been applied</li> <li>Reported intersections are classified as significant if they occur at a minimum of 1 g/t Au, although mining cut-offs may be significantly lower or higher, depending on the depth of the intersection</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• All significant intersections are quote as downhole widths</li> <li>• Due to the folded nature of some mineralised zones, and unknown geometry of extensions to mineralisation, there is no clear relationship yet between intersected width and true width</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to the main body of this announcement</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All matters of importance have been included</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All relevant information has been included</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Further work will be assessed once all the assays have been received</li> <li>• Diagrams will be generated when all information is received and assessed</li> </ul>