

ASX Announcement

Visible Gold Metal and Silver Indicates High Grades at Las Opeñas Gold Project

The Board of Directors of Dark Horse Resources Limited (Dark Horse, ASX: DHR) is pleased to announce new positive discoveries from recent exploration at the Las Opeñas Gold Project in Argentina.

HIGHLIGHTS:

- Visible Gold metal and Silver sulfosalts as vuggy quartz fillings were identified in rock chips from a particularly significant Presagio West vein breccia zone.
- This vein breccia zone contains sulphides, chalcedonic quartz and vuggy texture and is up to 70 meters in width. An adjacent vein breccia at Presagio West, which was previously diamond channel sampled, contained 0.8m with 17.9 g/t Gold, 225 g/t Silver, and 1.0m with 2.4 g/t Gold, 597g/t Silver (refer ASX release 26 July 2019).
- Dark Horse has identified another greenfield vein breccia system discovery in the far north of the lease, named 'Zora Target'. Over 350m outcropping of breccia were sampled, with more exploration to be done in the coming month.



Figure 1: Las Opeñas visible gold from Presagio West, the next drill program location.



SIGNIFICANT VEIN BRECCIA DISCOVERY WITH VISIBLE GOLD AND SILVER AT PRESAGIO WEST

Within Presagio West, Dark Horse geologists have identified visible Gold metal and Silver sulfosalts, which is very encouraging, being a strong indication of high grade Gold and Silver mineralization. Samples have been sent to the laboratory for confirmation. The mineralized sulfosalts are vuggy quartz fillings, identified from rock-chip samples (**Figure 2**).

The visible Gold and Silver was found in a particular East-West vein breccia zone at Presagio West, which has a large maximum width of 70 meters. This particular vein contains the best development of multiple chalcidonic sulfides. The area is partially covered by alluvial sediment and therefore more breccia and stockwork could be present below this cover. The vein is partially oxidized with granite clast and vuggy texture, and contains Galena (Lead Sulphide), Sphalerite (Zinc Sulphide), Pyrite, and the visible Gold metal and Silver sulfosalts. Advanced individual vein breccias with widths up to 7m demonstrates multiple rich hydrothermal pulses, providing a high chance that anomalous Gold-Silver mineralisation will be discovered at depth in next drilling program.

Further channel sampling is being carried out at this location to comprehensively test the area. The Presagio West vein breccias are the next target for drilling at Las Opeñas (**Figures 3 and 4**). Three priority holes will test the particular vein with visible Gold and Silver sulfosalts.

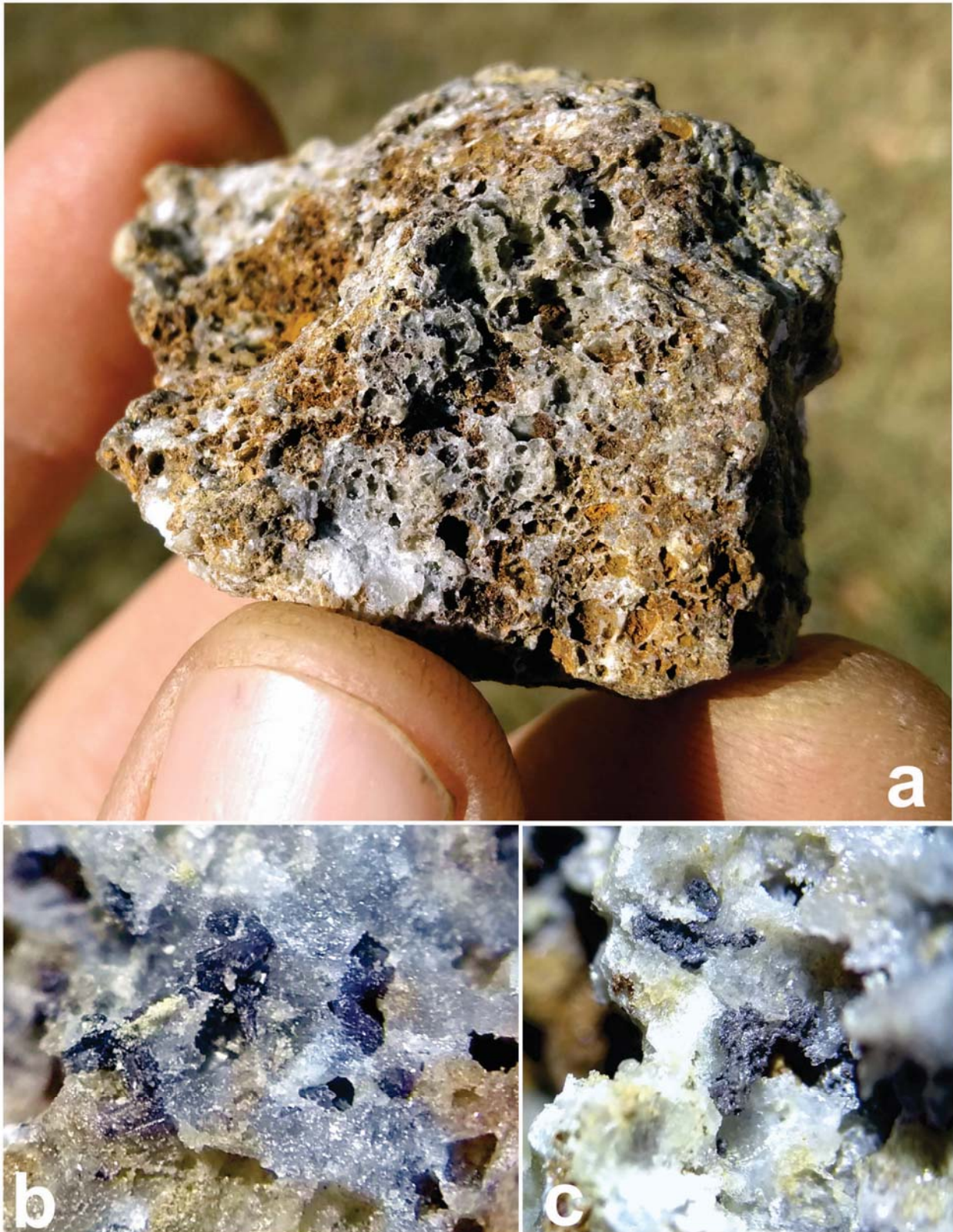
Presagio is the largest target of Las Opeñas Gold Project to date and has a total strike length of 3.7km. It is comprised of Presagio West, Presagio, Presagio Sur and Presagio East. Over six (6) parallel vein breccias have been recognized with very high-grade Gold and Silver assays.

NEW VEIN BRECCIA SYSTEM DISCOVERY – ZORA TARGET

Another greenfield vein breccia discovery in the far north of the Las Opeñas lease has been termed, 'Zora Target' (**Figure 4**). Zora is an East-West vein breccia with similar characteristics to Presagio. Over 350m of Zora outcrop breccia was sampled, and more exploration will be undertaken as it is open in all directions.

Zora was discovered via satellite image research combined with structural knowledge accumulated from Dark Horse's exploration of the Las Opeñas Property. A new corridor of more of than 3km has been identified for detailed ground exploration. The initial 350 meters mapped to date in the west part of the corridor has shown mineralized breccia (sulfide chalcidonic breccia) with strong Alunite alteration. Now exploration is focused on the eastern part of the corridor.

The large area between Zora and Presagio is yet to be investigated, but the Company intends to include this area in its future work program.



a) Vuggy quartz chips from Presagio target; b and c) Silver sulfosalts as vug filling.

Figure 2: Visible Silver sulfosalts at Presagio West, Las Opeñas.

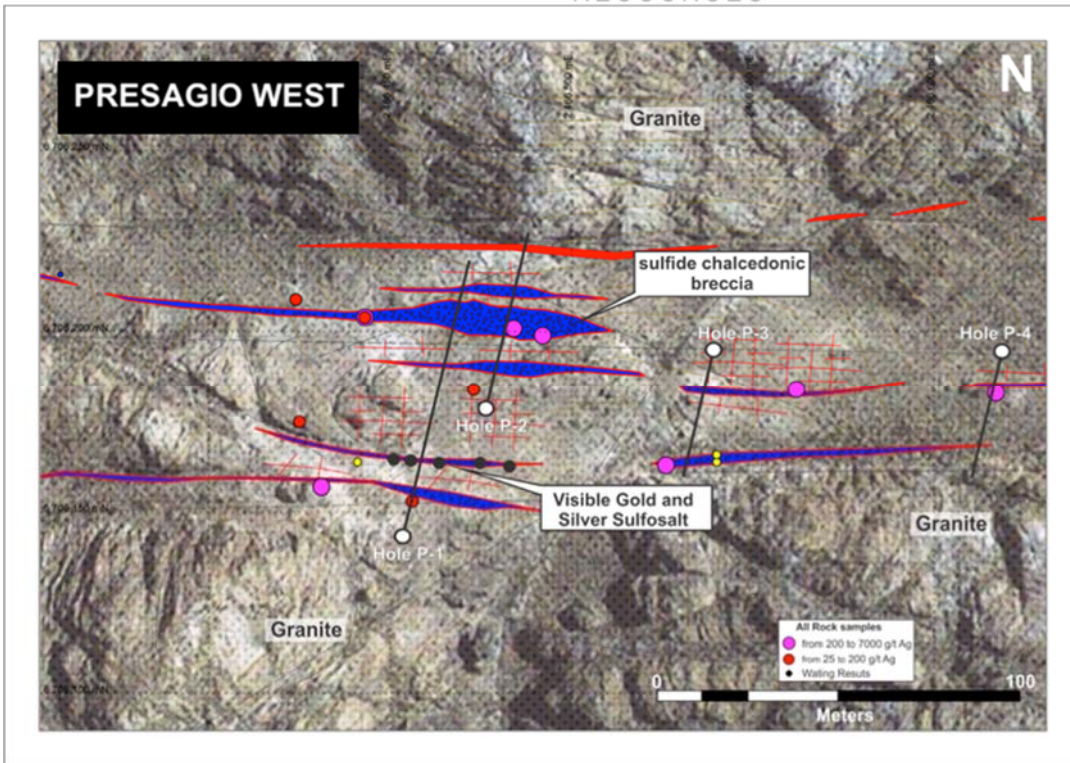


Figure 3: Visible Gold and Silver sulfosalts location at Presagio West, Las Opeñas.

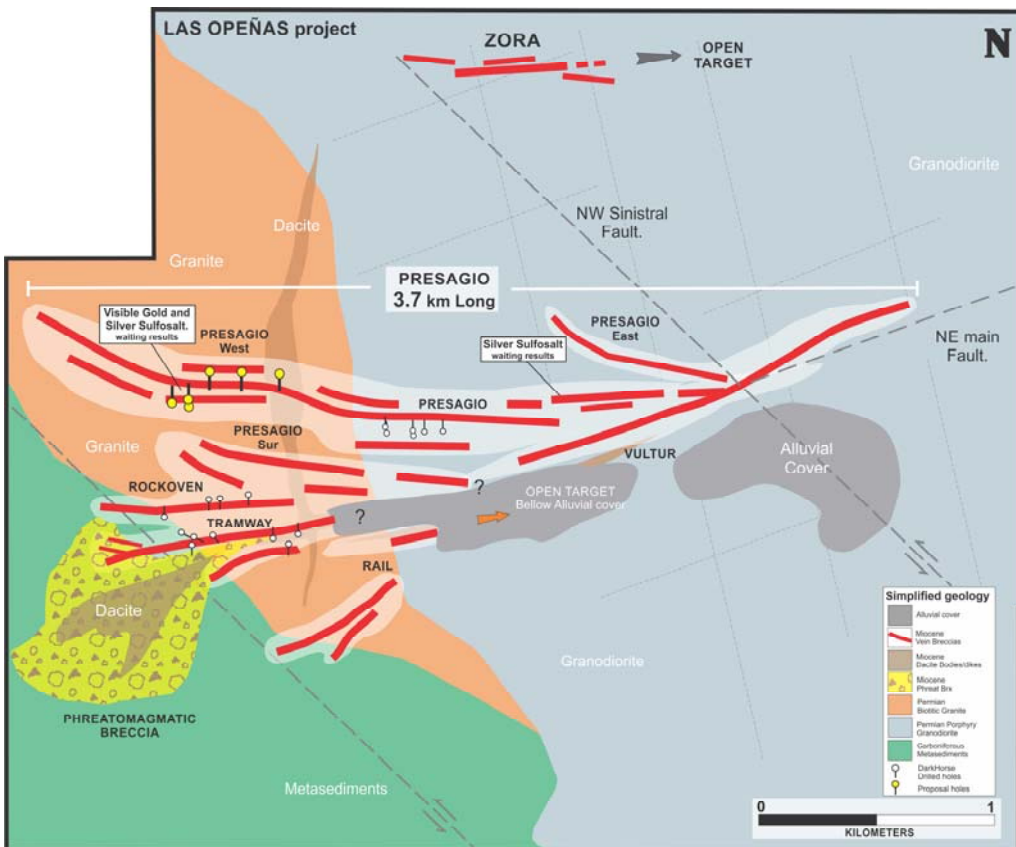


Figure 4: Las Opeñas vein breccia targets and location of the various prospects including Presagio and Zora.



On behalf of the Board
Mr Karl Schlobohm
Company Secretary

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About Dark Horse Resources

Company website: <http://www.darkhorseresources.com.au>
Follow us on Twitter: [@ASX_DHR](https://twitter.com/ASX_DHR)

Dark Horse Resources Ltd is a publicly listed mineral resource company (ASX: DHR), with a particular focus on Argentina. It has invested in four gold and lithium projects, which include Cachi Gold Project, Las Opeñas Gold Project, San Jorge Lithium Brine Project and Central Argentina Lithium Spodumene Project.



Cachi Gold Project

A 46,892ha lease package in Santa Cruz Province. A prime geographical location e.g. Cerro Negro and Cerro Vanguardia with high value precious metal assays from surface exploration, and a detailed drilling program in planning for the summer of 2019/2020.

Las Opeñas Gold Project

Bordering the Indio Belt, where there are multi-million-ounce third-party gold deposits e.g. Veladero and Pascua Lama. DHR undertook first phase drilling in March-April 2019 confirming high grade mineralised zones. Recent surface sampling has further confirmed location of widespread high-grade zones.

San Jorge Lithium Brine Project

A group of 15 contiguous Exploration Licences totalling 36,600 hectares over the San Francisco salar and basin in Catamarca province. The nucleus of the salar is 7,000 hectares in an area with elevated lithium concentrations e.g. Hombre Muerto, Maricunga. Completion of this project acquisition deal is currently subject to the finalization of due diligence.

Central Argentina Lithium Spodumene Project

DHR discovered and on 5 March 2018 reported superior assay results of Li₂O from individual representative surface samples up to 2.3% Li₂O (commercially significant deposits are above 1%). A potential lithium spodumene province.



The primary objectives of these projects are to:

- Discover and define several multi-million ounce gold deposits.
- Define substantial lithium resources, mine spodumene and brine, and produce high grade lithium products for the domestic and international battery and electronic markets.

Dark Horse also has a power generation subsidiary, Dark Horse Energy and a substantial holding (circa 30%) in Australian-based and ASX-listed oil and gas exploration company Lakes Oil NL (ASX:LKO).

The Board believes that it will be successful in the short to medium term in defining Company making projects for which it will add value through further exploration and resource definition, with commercialisation options to be reviewed on a case by case basis upon maiden resource definition.

Competent Persons Statement

The information herein that relates to Exploration Targets and Exploration Results is based information compiled by Mr Jason Beckton, who is a member of The Australian Institute of Geoscientists. Mr Jason Beckton is a Director of Dark Horse Resources Ltd.

Mr Beckton has more than fifteen years experience which is relevant to the style of mineralisation and types of deposits being reported and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 Dark Horse Resources Limited

LAS OPENAS PROJECT - EXPLORATION PROGRAM REPORTING - DARK HORSE RESOURCES

Section 1: Sampling Techniques and Data

RockChip Sampling

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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. 	<ul style="list-style-type: none"> Stratified random chip sample across outcrop trend, collecting 3-4Kg of material Sampling by qualified Geologists
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Not Applicable
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Not Applicable
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource 	<ul style="list-style-type: none"> Field description of outcrop with reference to lithology, alteration, mineralization and structure

Criteria	JORC Code explanation	Commentary
	<p><i>estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Not Applicable
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Samples are analyzed by Alex Stewart Laboratories • Sample preparation of fine crush, riffle split and ring pulverizing of 1kg to 85% < 75µm. • Pulps are analyzed using method codes Au4-30 & ICP-MA-39; a 30g fire assay with an AA finish and a 39 element determination using an aqua-regia digestion with ICP-AES determination. • OREAS® Standards are inserted in the sample sequence at the rate of 1 in 40.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Laboratory CSV files are merged with location data files using unique sample numbers as the key. • No adjustments made to assay data
Location of data points	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Samples are located using handheld GPS receivers. • UTM projection Gaus_Kruger_(CIZ2)

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • Specification of the grid system used. • Quality and adequacy of topographic control. 	
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <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> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Stage 1 Exploration Sampling only • No compositing has been applied.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <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> 	<ul style="list-style-type: none"> • Samples are collected transverse to the strike of the outcrop. • No bias is believed to be introduced by the sampling method.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples are hand delivered to the laboratory
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Internal review of methodology is undertaken regularly by senior company personnel.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																								
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <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> • <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> 	<ul style="list-style-type: none"> • Dark Horse Resources Ltd, through subsidiaries and contractual rights, holds rights to the Las Openas tenements with Genesis Minerals (Argentina) SA <table border="1"> <thead> <tr> <th><i>Payment Scheme</i></th> <th><i>Payments USD</i></th> <th><i>Payments DHR shares</i></th> <th><i>DHR Equity Earn</i></th> </tr> </thead> <tbody> <tr> <td>Signing Fee</td> <td>US\$50,000</td> <td></td> <td>0%</td> </tr> <tr> <td>1 year from start date</td> <td>US\$110,000</td> <td>20,000,000</td> <td>25%</td> </tr> <tr> <td>2 year from start date</td> <td>US\$110,000</td> <td>30,000,000</td> <td>51%</td> </tr> <tr> <td>3 year from start date</td> <td>US\$110,000</td> <td>40,000,000</td> <td>75%</td> </tr> <tr> <td>Extra payment for another 20%</td> <td>US\$500,000</td> <td></td> <td>95%</td> </tr> </tbody> </table>	<i>Payment Scheme</i>	<i>Payments USD</i>	<i>Payments DHR shares</i>	<i>DHR Equity Earn</i>	Signing Fee	US\$50,000		0%	1 year from start date	US\$110,000	20,000,000	25%	2 year from start date	US\$110,000	30,000,000	51%	3 year from start date	US\$110,000	40,000,000	75%	Extra payment for another 20%	US\$500,000		95%
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		<p>Should Dark Horse elect not to increase its share to 95%, each party will fund the project based on their then current equity positions. If it progresses to a 95% level of equity, Dark Horse has a call option for the vendor to convert the remaining 5% equity and the NSR at an agreed price (to be independently valued) for cash or equivalent DHR shares at the discretion of DHR. Dark Horse is also required to make a series of expenditure payments on the project totaling U\$1.4 million over three years as follows:</p> <table border="1"> <thead> <tr> <th><i>Expenditure</i></th> <th><i>Amount US\$</i></th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>U\$250,000</td> </tr> <tr> <td>Year 2</td> <td>U\$350,000</td> </tr> <tr> <td>Year 3</td> <td>U\$800,000</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • There are no known impediments to exploration in the current area of operations. 	<i>Expenditure</i>	<i>Amount US\$</i>	Year 1	U\$250,000	Year 2	U\$350,000	Year 3	U\$800,000
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<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Teck Minerals discovered the property in a modern sense in 2005. Significant surface sampling was completed by Teck with 912 rock chips samples taken. • Teck farmed the rights out to Genesis Minerals Ltd, an ASX listed company. Genesis completed two drill programs in 2012 and 2014 focused on a phreato magmatic breccia of the style of Salares Norte in Chile. No significant results were returned from the drill program but Teck did recommend deeper drilling on the untested margins of an altered dacitic dome. 								
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Epithermal veins –. The presence of breccia style veins is targeted including Presagio vein which has been identified and sampled during the intial program of Teck carried out in 2006. • Preato magmatic or possible High Sulphidation mineralisation – was the principal target of Teck and Genesis, seeking systems such as Salares Norte (Goldfields Mineral Resource 2015 26.8Mt @ 3.9g/t Au and 48g/t Ag for 3.3 MoZ Au and 42 MOz Ag.) This remains a target of Dark Horse. 								

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> • 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"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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. 	<ul style="list-style-type: none"> • Not Applicable
Data aggregation methods	<ul style="list-style-type: none"> • 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. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Raw sample results reported. No averaging. No cutting.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • 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'). 	<ul style="list-style-type: none"> • Not Applicable
Diagrams	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Sample Location map included in discussion

Criteria	JORC Code explanation	Commentary
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Full sample listing included.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not Applicable – stage 1 exploration
<i>Further work</i>	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Follow-up mapping and sampling in progress