# OAR RESOURCES LIMITED

*ACN 009 118 861*

16 February 2021 **ASX Announcement**

# HIGH-GRADE HALLOYSITE WITH KAOLINITE CONFIRMED BY AIR-CORE DRILLING TEST WORK AT GIBRALTAR PROJECT, SA

**HIGHLIGHTS:**

- **Test work on samples from the maiden air-core drilling program at the Company's 100% owned Gibraltar Project has confirmed the presence of kaolinite and high-grade halloysite; with halloysite reported in 24 of the 59 holes drilled (40%)**
- **Results include up to 20% Halloysite at the end of one line, with results remaining open in all directions. Best results include:**
    - *GBAC023: 3m @ 19.6% halloysite, 42.4% Kaolinite from 26m*
    - *GBAC053: 1m @ 12.6% halloysite, 28.7% kaolinite from 23m*
    - *GBAC019: 3m @ 10.1% halloysite, 45.9% Kaolinite from 11m*
    - *GBAC012: 13m @ 5.3% halloysite, 80.9% Kaolinite from 13m*
    - *GBAC035: 12m @ 4.8% halloysite, 77.4% Kaolinite from 30m*
- **Approval to extend drilling to the north has been received from the SA Department of Energy and Mining, with additional work programs to infill and extend drilling to the south, east and west submitted, pending approvals**
- **An aggressive follow up drill campaign has commenced planning and is anticipated to commence in March 2021, aimed at expanding the footprint of this emerging deposit**

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**Oar Resources Limited** (**ASX: OAR**) (**"OAR"** or **"the Company"**) is pleased to advise that results from its maiden air core program at the Company's 100% owned Gibraltar Halloysite project ("**Gibraltar**" or "**the Project**"), on the Eyre Peninsula of South Australia (**SA**) have been now been received; with results confirming the presence of kaolinite in all holes sampled, and **high-value halloysite** in 24 of the 59 or 40% holes drilled (***Figure 1***).

The high proportion of Halloysite samples within the program gives the Company encouragement it can improve on this very exciting initial discovery, given the location of the Gibraltar exploration tenement proximate to other known Halloysite mineralisation in the area (***Figure 3***).

Detailed X-Ray Diffraction ("**XRD**") and Scanning Electron Microscope ("**SEM**") analysis of clay particles has shown high-grade halloysite, with grades up to ***20%*** in one drill hole located at the end of a line of drilling, with no drilling to the west or south of this high-grade intersection. The Company believes it has identified a high-grade halloysite zone at which further drilling could improve the resource potential of this exciting discovery.

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Similarly, an additional high-grade halloysite ***(>10%)*** zone has been identified in the last hole of a 'scout' line of drilling approximately 2 kilometres to the south (***Figure 2***), where additional drilling will also be concentrated.

Significant composite results from the Gibraltar Project are presented in the table below (***Table 1***), with a full list of drillhole collar details and sample analyses provided in Appendix 1.

The first phase drilling campaign was designed around a single halloysite occurrence in drilling noted from an historic report. Based on this single comment, the maiden drilling campaign, comprising 2,044 metres drilled was completed comprising a northern block of drilling on a nominal 100m x 100m grid pattern around the historic drill hole, widening out to 200m x 200m drill pattern to the south, and two 'scout' lines of drilling further to the south again (***Figure 1).***

Having recently received final approvals from the South Australian Department of Energy and Mining, the Company now intends to commence an aggressive second drill campaign to extend the "halloysite zone" with sufficient results to be able to advance to a maiden resource calculation for the project. The Company is fully funded to complete this next phase drilling program and with a suitable drilling contractor already identified, drilling is anticipated to commence in March 2021.

The current area of drilling covers an area of just 5km$^2$ of the total 317km$^2$ area of the Gibraltar Project tenement EL6505 (***Figure 3***), which provides the Company with the dominant land position in the region.

Logging of drill cuttings showed the development of a consistent layer of kaolinitic saprolite in the northern area, with several deeply incised channels containing lignite clays encountered on the scout lines to the south. Test work has confirmed strong kaolin development within the saprolite with over 85% kaolin detected in a number of samples[1].

Detailed test work undertaken by the CSIRO, the University of SA and Bureau Veritas included size fraction analysis to determine the percentage of sample reporting to the -45 micron size fraction; XRF analysis to determine $Fe_2O_3$, $Al_2O_3$, $Ti_2O_3$ and $SiO_2$ content; XRD and SEM to determine clay mineral species (halloysite and kaolinite), and reflectance analysis.

Results from the XRD and SEM analysis for the high-value halloysite mineral has highlighted specific 'pods' where halloysite has developed within the kaolinite material, with these pods remaining open in all directions (***Figure 2***). Significant composite results from the Gibraltar Project are presented in the table below (***Table 1***), with a full list of drillhole collar details and sample analyses provided in *Appendix 1*.

[1] See table 3, Appendix 1 for full details

| Hole ID | From (m) | To (m) | Int (m) | -45um (%) | Fe2O3 (%) | Al203 (%) | TiO2 (%) | SiO2 (%) | Kaolinite (%) | Halloysite (%) | Reflectance (ISO-B) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| GBAC002 | 36 | 38 | 2 | 48.0 | 3.5 | 35.7 | 0.8 | 48.0 | 84.0 | 3.0 | 67.9 |
| GBAC005 | 16 | 24 | 8 | 37.3 | 3.8 | 33.1 | 1.2 | 47.5 | 70.1 | 6.4 | 34.4 |
| GBAC007 | 16 | 20 | 4 | 23.7 | 0.9 | 35.9 | 1.2 | 47.5 | 86.9 | 2.1 | 65.3 |
| GBAC008 | 13 | 16 | 3 | 43.6 | 0.6 | 35.7 | 1.2 | 48.4 | 82.3 | 0.7 | 64.9 |
| GBAC012 | 13 | 26 | 13 | 48.59 | 1.61 | 35.54 | 1.04 | 48.02 | 80.9 | 5.3 | 42.8 |
| GBAC017 | 21 | 23 | 2 | 21.66 | 2.13 | 25.70 | 1.15 | 57.26 | 44.4 | 4.6 | 43.6 |
| GBAC018 | 10 | 17 | 7 | 34.82 | 18.23 | 26.23 | 1.00 | 38.69 | 58.5 | 1.0 | 20.5 |
| GBAC019 | 11 | 14 | 3 | 34.13 | 16.10 | 27.10 | 0.89 | 40.89 | 45.9 | 10.1 | 18.8 |
| GBAC020 | 13 | 16 | 3 | 46.15 | 1.37 | 34.60 | 0.82 | 49.33 | 78.6 | 3.4 | 65.6 |
| GBAC021 | 22 | 31 | 9 | 44.34 | 0.62 | 36.94 | 0.04 | 47.73 | 79.9 | 7.8 | 61.5 |
| GBAC023 | 26 | 29 | 3 | 39.40 | 14.50 | 27.40 | 1.15 | 42.19 | 42.4 | 19.6 | 49.8 |
| GBAC024 | 26 | 33 | 7 | 39.15 | 1.84 | 32.27 | 1.17 | 51.16 | 73.1 | 1.2 | 38.8 |
| GBAC026 | 16 | 19 | 3 | 47.77 | 1.10 | 35.60 | 0.90 | 47.93 | 84.4 | 1.6 | 59.9 |
| *and* | 23 | 27 | 4 | 45.23 | 2.76 | 33.60 | 0.89 | 47.70 | 76.8 | 3.2 | 65.2 |
| GBAC028 | 24 | 26 | 2 | 41.85 | 1.97 | 35.90 | 0.99 | 46.93 | 84.9 | 1.1 | 69.5 |
| GBAC030 | 12 | 16 | 4 | 32.82 | 21.80 | 24.50 | 0.92 | 37.39 | 47.9 | 1.1 | 58.7 |
| GBAC031 | 14 | 16 | 2 | 33.53 | 0.55 | 35.50 | 1.12 | 48.66 | 80.1 | 2.9 | 69.5 |
| *and* | 20 | 22 | 2 | 41.67 | 0.81 | 35.80 | 0.96 | 48.16 | 83.9 | 1.1 | 53.5 |
| GBAC032 | 24 | 36 | 12 | 37.80 | 1.77 | 35.20 | 1.21 | 47.29 | 78.5 | 3.2 | 58.9 |
| GBAC035 | 30 | 42 | 12 | 39.00 | 1.15 | 34.60 | 1.55 | 48.23 | 77.4 | 4.8 | 61.3 |
| GBAC048 | 20 | 22 | 2 | 29.36 | 1.46 | 32.00 | 1.16 | 52.51 | 60.7 | 8.8 | 66.0 |
| GBAC052 | 24 | 26 | 2 | 35.56 | 1.66 | 30.80 | 1.13 | 53.09 | 57.9 | 8.6 | 67.2 |
| GBAC053 | 23 | 24 | 1 | 26.52 | 1.93 | 29.10 | 0.56 | 53.27 | 28.7 | 12.6 | 58.9 |
| GBAC054 | 22 | 23 | 1 | 41.40 | 1.08 | 34.80 | 0.91 | 48.90 | 83.7 | 1.0 | 55.3 |
| GBAC055 | 24 | 27 | 3 | 26.12 | 1.11 | 30.40 | 1.31 | 52.91 | 51.8 | 4.8 | 59.9 |
| GBAC059 | 18 | 21 | 3 | 37.68 | 0.89 | 34.90 | 1.95 | 48.08 | 71.0 | 6.4 | 62.4 |

***Table 1**: Significant halloysite intersections[2] - Gibraltar Halloysite Project, South Australia*

The test work results have confirmed very good percentage of kaolin in the -45um size fraction (***Table 3***). The XRF analysis has shown moderately high $Fe_2O_3$ content which has resulted in a discolouration of some of the kaolinite clays to a cream/ white colour. While this has no apparent detrimental effect on the high-value halloysite grades, the reflectance of the kaolinite is reduced as a result of this iron oxide staining, with the ISO-B value inversely proportional to the $Fe_2O_3$ content.

Clear spatial trends in the $Fe_2O_3$ distribution can be seen in the data from this initial drilling, indicating that the discolouration of the kaolinite may also be confined to distinct pods; suggesting that additional drilling may define areas of lower iron, and hence brighter kaolinite clays.

Halloysite is a rare derivative of Kaolinite that commands a significantly higher contract price in industrial applications. The Company will therefore focus its efforts on determining the Halloysite mineralisation component as a priority over the Kaolinite found at Gibraltar. Halloysite has potential in multiple applications which include controlled release drug delivery, carbon capture[3], premium

[2] Significant intersection selection criteria are based on halloysite occurrence only. (i.e. >0.0% halloysite in composite sampling)

[3] Nature.com March 2015

medical grade ceramics, and given its purity, an excellent feedstock for High Purity Alumina ("**HPA**") production which fetches between US$5000/t[4] (3N 99.9% Aluminium Oxide) and US$30,000/t[4] (4N 99.99% Aluminium Oxide) used in smart phone screens and has a projected Compound Annual Growth Rate ("**CAGR**") circa 29.9%.

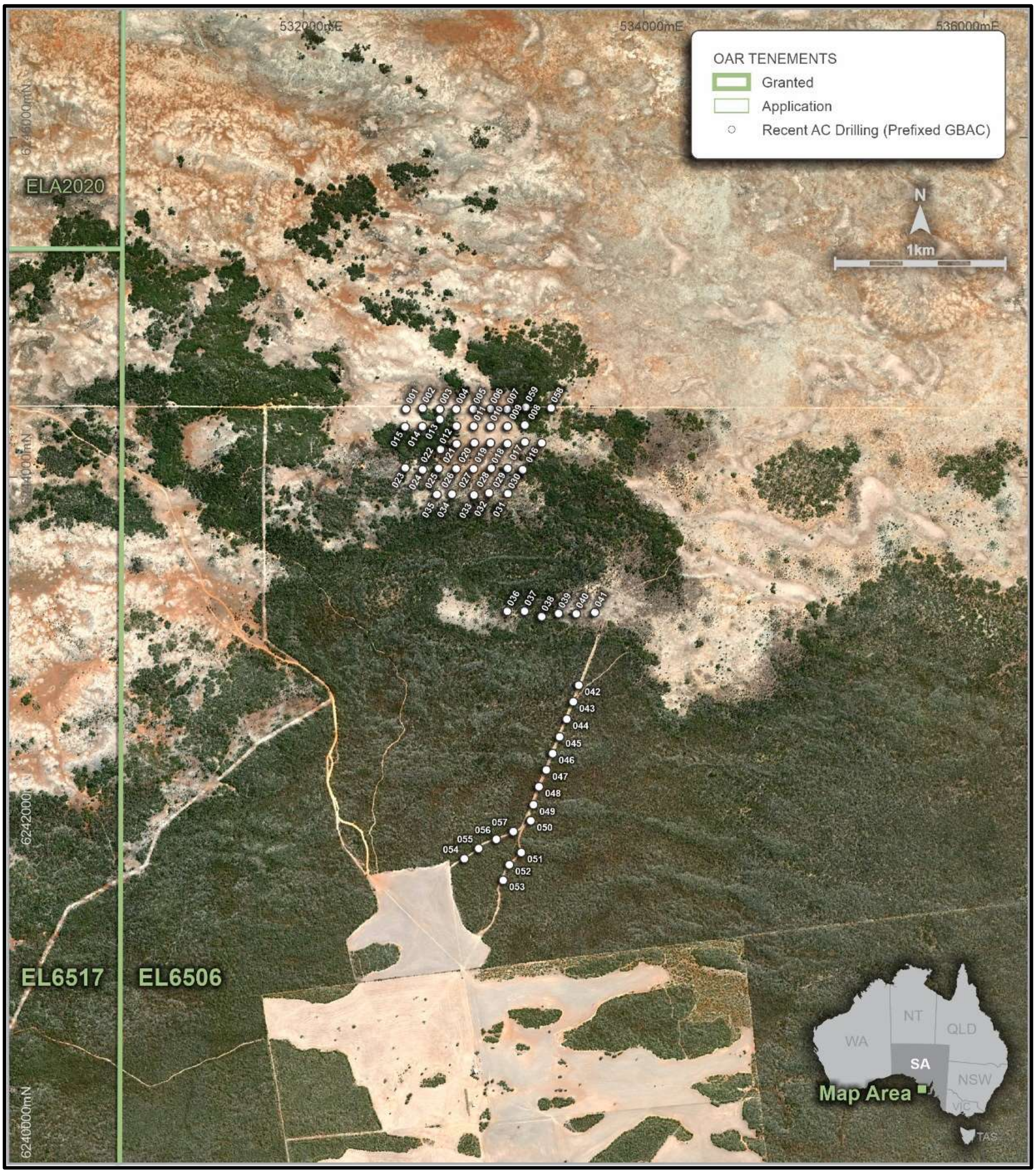


***Figure 1**: OAR's Gibraltar Project air code drill collar Location Plan*

[4] 2018 CRU Consulting High-purity alumina market outlook

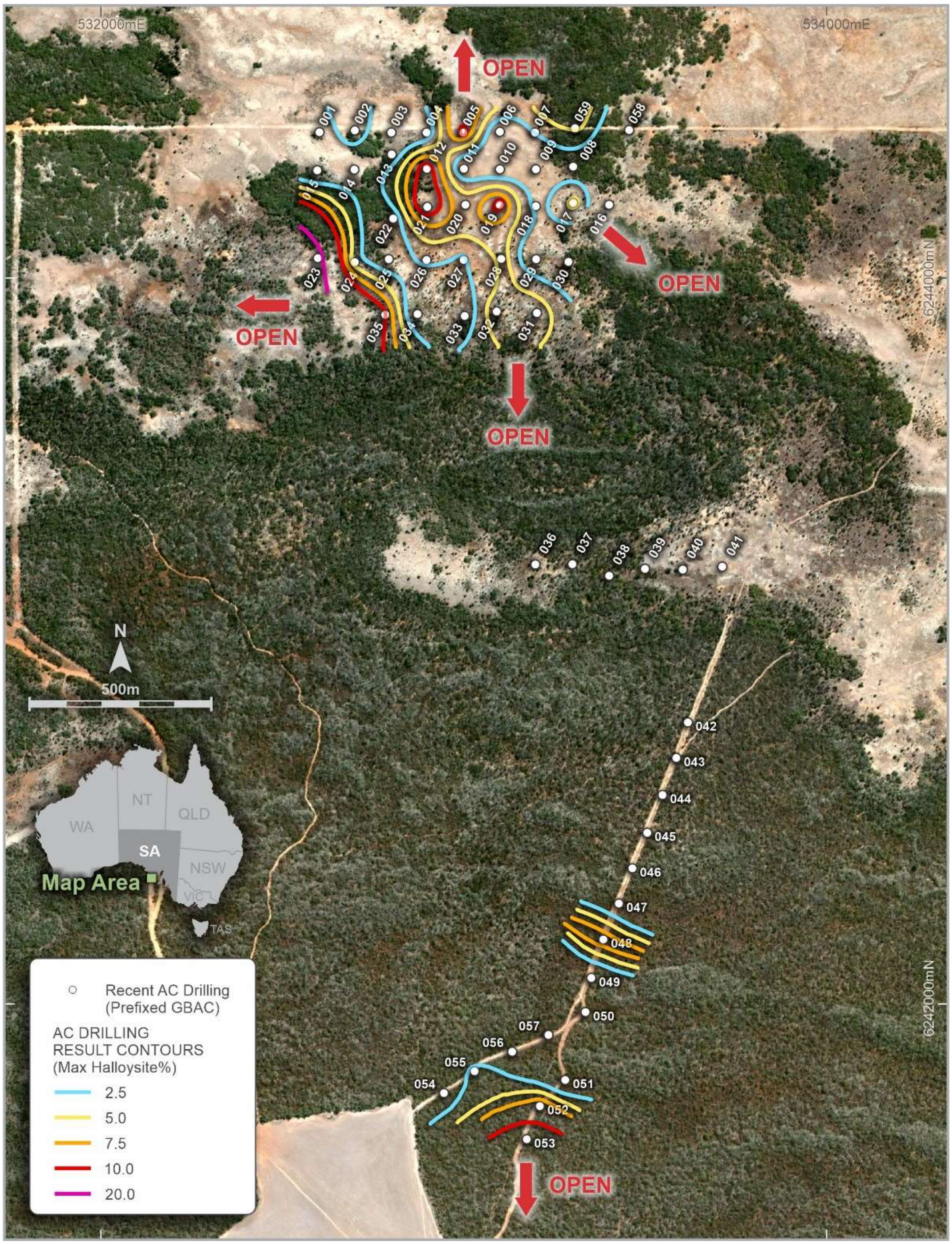


***Figure 2**: OAR's Gibraltar Project - AC Drilling area showing maximum down-hole halloysite grade contours*

**Oar Resources GM of Exploration Mr Tony Greenaway commented**: "These results from the maiden air core drilling program at our Gibraltar Project are extremely pleasing, having confirmed the presence of the high-value halloysite mineral within the kaolinitic saprolite. Our test work results are showing multiple pods within the kaolinite where halloysite is present. Our highest-grade result of 20% halloysite occurred in the last hole of a line of drilling, with no drilling to the west or south, leaving this high-grade pod completely open in those directions."

“This drilling program was undertaken on the basis of a single comment noting halloysite in a historic report; the fact that we now have halloysite confirmed in 24 of the 59 holes drilled is an excellent result and gives the Company a high degree of confidence in the potential of the Gibraltar Project’. We will now look to extend out drilling to the north, south east and west with over the coming months. This new drilling campaign will be fast tracked to allow OAR to move into resource definition as quickly as possible”

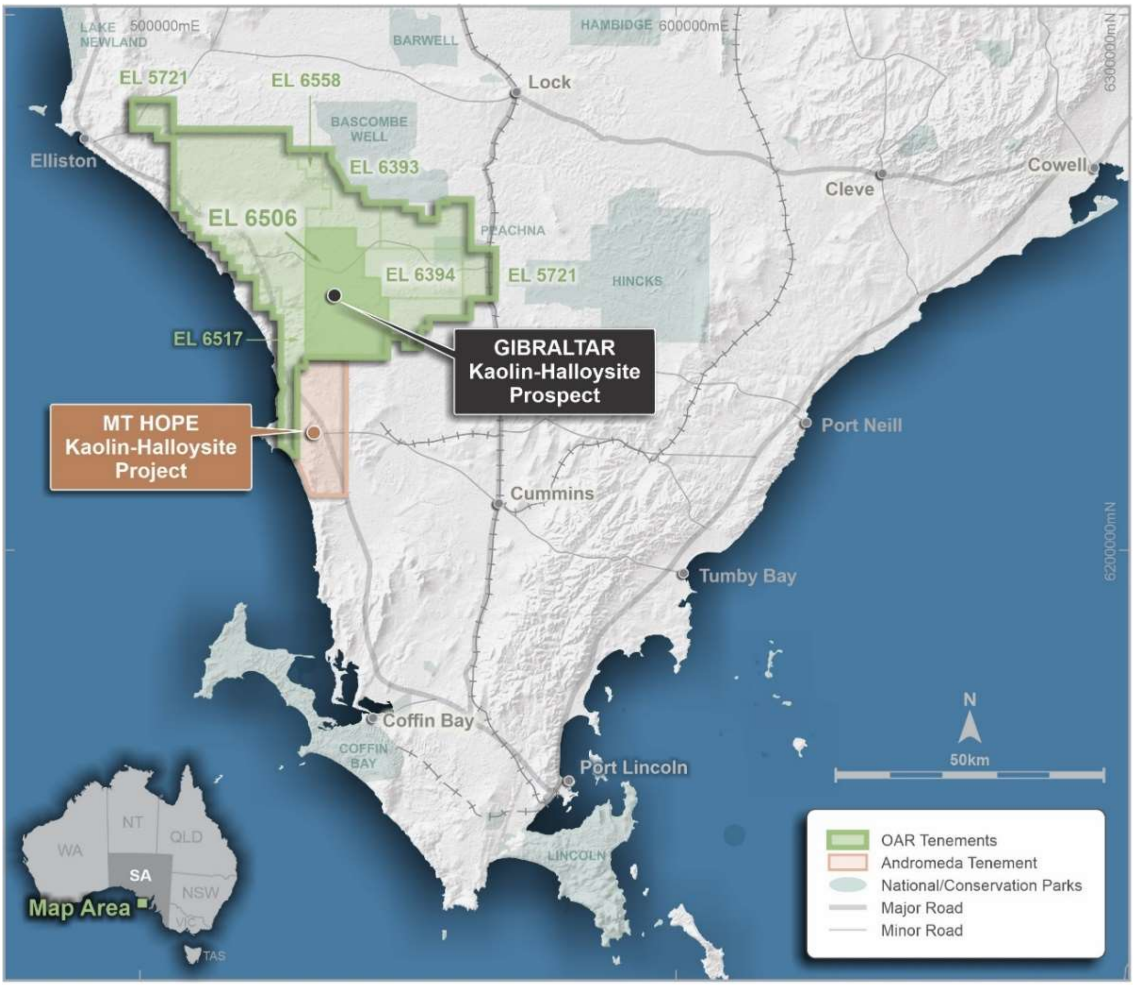


***Figure 3**: OAR’s Gibraltar Project Location plan*

***“This Announcement has been authorised for release to ASX by the Board of Oar Resources Limited”***

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## About Oar Resources Limited

*Oar Resources Limited is an ASX listed precious metals explorer and aspiring producer. Oar has acquired 100% of the Alpine Resources gold exploration projects in the highly prospective gold province of Nevada, United States, also ranked the third best mining jurisdiction in the world. The three projects are in an area that hosts several multi-million-ounce deposits. Oar's Peruvian subsidiary Ozinca Peru SAC, owns a CIP Gold lixiviation plant, strategically located proximal to thousands of small gold miners in Southern Peru. Oar has also acquired 100% of Australian Precious Minerals Pty Ltd, holder of the Crown Project in Western Australia. Crown is situated near the Julimar polymetallic discovery. Oar, through its wholly owned subsidiary Lymex Tenements Pty Ltd holds a number of tenements on the South Australian Eyre Peninsular which are considered highly prospective for kaolinite and halloysite mineralisation, graphite, iron ore and other commodities.*

## Forward Looking Statement

*This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Oar Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Oar Resources Ltd operates, and beliefs and assumptions regarding Oar Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Oar Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Oar Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.*

## Competent Person's Statement

*The information in this Announcement for Oar Resources Limited was compiled by Mr. Anthony Greenaway, a Competent Person, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Greenaway is an employee of Oar Resources Limited. Mr Greenaway has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity to 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, Mineral Resources and Ore Reserves.' Mr Greenaway consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

# APPENDIX 1

***Table 2**: Drill-hole Information Summary Gibraltar Halloysite Project, South Australia*

*Details and co-ordinates of drill-hole collars for air-core drillholes completed for the recent drilling campaign at the Gibraltar Halloysite Project, South Australia.*

| Hole ID | East (m) | North (m) | RL (m) | Dip (deg) | Azi (deg) | EOH (m) | Comments |
|---|---|---|---|---|---|---|---|
| **GBAC001** | 532603 | 6244402 | 43 | -90 | 360 | 34.0 | |
| **GBAC002** | 532700 | 6244407 | 39 | -90 | 360 | 44.0 | |
| **GBAC003** | 532801 | 6244401 | 34 | -90 | 360 | 40.0 | |
| **GBAC004** | 532898 | 6244401 | 29 | -90 | 360 | 32.0 | |
| **GBAC005** | 532999 | 6244401 | 27 | -90 | 360 | 27.0 | |
| **GBAC006** | 533100 | 6244403 | 23 | -90 | 360 | 33.0 | |
| **GBAC007** | 533197 | 6244401 | 20 | -90 | 360 | 36.0 | |
| **GBAC008** | 533302 | 6244307 | 21 | -90 | 360 | 39.0 | |
| **GBAC009** | 533199 | 6244300 | 20 | -90 | 360 | 33.0 | |
| **GBAC010** | 533100 | 6244300 | 22 | -90 | 360 | 30.0 | |
| **GBAC011** | 533001 | 6244301 | 24 | -90 | 360 | 28.0 | |
| **GBAC012** | 532899 | 6244301 | 28 | -90 | 360 | 33.0 | |
| **GBAC013** | 532802 | 6244341 | 35 | -90 | 360 | 30.0 | |
| **GBAC014** | 532699 | 6244299 | 41 | -90 | 360 | 51.0 | |
| **GBAC015** | 532597 | 6244297 | 44 | -90 | 360 | 19.0 | Hole Not Sampled |
| **GBAC016** | 533401 | 6244202 | 20 | -90 | 360 | 36.0 | |
| **GBAC017** | 533302 | 6244207 | 20 | -90 | 360 | 29.0 | |
| **GBAC018** | 533199 | 6244198 | 20 | -90 | 360 | 23.0 | |
| **GBAC019** | 533099 | 6244202 | 21 | -90 | 360 | 18.0 | |
| **GBAC020** | 533005 | 6244202 | 23 | -90 | 360 | 28.0 | |
| **GBAC021** | 532900 | 6244196 | 26 | -90 | 360 | 45.0 | |
| **GBAC022** | 532806 | 6244164 | 30 | -90 | 360 | 39.0 | |
| **GBAC023** | 532598 | 6244055 | 43 | -90 | 360 | 34.0 | |
| **GBAC024** | 532700 | 6244044 | 39 | -90 | 360 | 41.0 | |
| **GBAC025** | 532794 | 6244052 | 33 | -90 | 360 | 41.0 | |
| **GBAC026** | 532898 | 6244050 | 29 | -90 | 360 | 39.0 | |
| **GBAC027** | 533000 | 6244050 | 24 | -90 | 360 | 39.0 | |
| **GBAC028** | 533104 | 6244053 | 21 | -90 | 360 | 39.0 | |
| **GBAC029** | 533200 | 6244052 | 22 | -90 | 360 | 33.0 | |
| **GBAC030** | 533289 | 6244045 | 22 | -90 | 360 | 24.0 | |
| **GBAC031** | 533202 | 6243904 | 24 | -90 | 360 | 35.0 | |
| **GBAC032** | 533091 | 6243908 | 25 | -90 | 360 | 48.0 | |
| **GBAC033** | 533003 | 6243896 | 28 | -90 | 360 | 39.0 | |
| **GBAC034** | 532873 | 6243901 | 35 | -90 | 360 | 33.0 | Hole Not Sampled |

| Hole ID | East (m) | North (m) | RL (m) | Dip (deg) | Azi (deg) | EOH (m) | Comments |
|---|---|---|---|---|---|---|---|
| **GBAC035** | 532784 | 6243899 | 39 | -90 | 360 | 48.0 | |
| **GBAC036** | 533198 | 6243211 | 31 | -90 | 360 | 36.0 | Hole Not Sampled |
| **GBAC037** | 533300 | 6243212 | 28 | -90 | 360 | 30.0 | Hole Not Sampled |
| **GBAC038** | 533401 | 6243180 | 27 | -90 | 360 | 48.0 | |
| **GBAC039** | 533500 | 6243199 | 25 | -90 | 360 | 39.0 | |
| **GBAC040** | 533604 | 6243197 | 24 | -90 | 360 | 49.0 | |
| **GBAC041** | 533713 | 6243205 | 22 | -90 | 360 | 63.0 | Hole Not Sampled |
| **GBAC042** | 533618 | 6242776 | 27 | -90 | 360 | 39.0 | Hole Not Sampled |
| **GBAC043** | 533586 | 6242672 | 27 | -90 | 360 | 27.0 | Hole Not Sampled |
| **GBAC044** | 533548 | 6242576 | 29 | -90 | 360 | 30.0 | Hole Not Sampled |
| **GBAC045** | 533506 | 6242472 | 31 | -90 | 360 | 39.0 | Hole Not Sampled |
| **GBAC046** | 533465 | 6242374 | 32 | -90 | 360 | 39.0 | |
| **GBAC047** | 533428 | 6242277 | 33 | -90 | 360 | 36.0 | |
| **GBAC048** | 533385 | 6242178 | 36 | -90 | 360 | 28.0 | |
| **GBAC049** | 533352 | 6242072 | 38 | -90 | 360 | 26.0 | Hole Not Sampled |
| **GBAC050** | 533336 | 6241978 | 38 | -90 | 360 | 24.0 | Hole Not Sampled |
| **GBAC051** | 533280 | 6241791 | 39 | -90 | 360 | 30.0 | Hole Not Sampled |
| **GBAC052** | 533210 | 6241719 | 41 | -90 | 360 | 27.0 | |
| **GBAC053** | 533174 | 6241628 | 43 | -90 | 360 | 26.0 | |
| **GBAC054** | 532946 | 6241755 | 44 | -90 | 360 | 26.0 | |
| **GBAC055** | 533030 | 6241815 | 42 | -90 | 360 | 30.0 | |
| **GBAC056** | 533134 | 6241869 | 39 | -90 | 360 | 29.5 | Hole Not Sampled |
| **GBAC057** | 533234 | 6241915 | 38 | -90 | 360 | 27.0 | Hole Not Sampled |
| **GBAC058** | 533456 | 6244408 | 22 | -90 | 360 | 36.0 | Hole Not Sampled |
| **GBAC059** | 533307 | 6244413 | 23 | -90 | 360 | 39.0 | |

***Table 3***: Full geochemical results for composite samples from air-core drillholes at the Gibraltar Halloysite Project, South Australia.

| Hole ID | From (m) | To (m) | Int (m) | -45um (%) | Fe2O3 (%) | Al203 (%) | TiO2 (%) | SiO2 (%) | Kaolinite (%) | Halloysite (%) | Brightness (ISO-B) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *GBAC001* | 28 | 32 | 4 | 38% | 1.7 | 33.9 | 1.2 | 48.1 | 84.0 | 0.0 | 60.6 |
| *GBAC001* | 32 | 33 | 1 | 37% | 1.5 | 35.4 | 0.7 | 48.3 | 85.0 | 0.0 | 72.5 |
| *GBAC002* | 26 | 28 | 2 | 46% | 0.8 | 35.7 | 1.3 | 48.6 | 87.0 | 0.0 | 62.2 |
| *GBAC002* | 28 | 32 | 4 | 41% | 1.2 | 35.9 | 0.4 | 48.8 | 86.0 | 0.0 | 59.2 |
| *GBAC002* | 32 | 36 | 4 | 43% | 1.2 | 35.2 | 0.8 | 48.3 | 85.0 | 0.0 | 63.7 |
| *GBAC002* | 36 | 38 | 2 | 48% | 1.1 | 35.7 | 0.8 | 48.0 | 84.0 | 3.0 | 67.9 |
| *GBAC003* | 24 | 26 | 2 | 47% | 1.0 | 35.6 | 1.0 | 48.7 | 87.0 | 0.0 | 67.4 |
| *GBAC003* | 26 | 30 | 4 | 42% | 3.1 | 33.9 | 1.2 | 47.7 | 83.0 | 0.0 | 55.9 |
| *GBAC003* | 30 | 34 | 4 | 41% | 3.5 | 33.7 | 1.1 | 48.1 | 83.0 | 0.0 | 44.0 |
| *GBAC003* | 34 | 38 | 4 | 33% | 1.4 | 33.1 | 1.4 | 50.3 | 76.0 | 0.0 | 41.8 |
| *GBAC004* | 16 | 20 | 4 | 40% | 7.3 | 31.4 | 1.0 | 46.5 | 77.0 | 0.0 | 55.5 |
| *GBAC004* | 20 | 24 | 4 | 26% | 19.1 | 24.8 | 0.9 | 40.3 | 46.0 | 0.0 | 37.2 |
| *GBAC005* | 16 | 20 | 4 | 41% | 1.3 | 34.8 | 1.2 | 49.1 | 80.4 | 1.6 | 24.3 |
| *GBAC005* | 20 | 24 | 4 | 33% | 6.4 | 31.4 | 1.3 | 45.9 | 59.8 | 11.2 | 44.5 |
| *GBAC006* | 15 | 19 | 4 | 39% | 1.5 | 34.8 | 1.1 | 49.0 | 83.0 | 0.0 | 52.6 |
| *GBAC006* | 19 | 23 | 4 | 41% | 1.3 | 35.4 | 1.2 | 48.0 | 86.0 | 0.0 | 45.2 |
| *GBAC006* | 23 | 27 | 4 | 42% | 1.9 | 35.3 | 1.1 | 47.7 | 86.0 | 0.0 | 63.6 |
| *GBAC006* | 27 | 31 | 4 | 40% | 1.4 | 34.7 | 1.0 | 48.8 | 83.0 | 0.0 | 63.1 |
| *GBAC007* | 12 | 16 | 4 | 40% | 0.8 | 34.8 | 1.4 | 48.7 | 82.0 | 0.0 | 58.5 |
| *GBAC007* | 16 | 20 | 4 | 47% | 0.9 | 35.9 | 1.2 | 47.5 | 86.9 | 2.1 | 65.3 |
| *GBAC007* | 20 | 21 | 1 | 44% | 1.7 | 35.5 | 1.2 | 47.4 | 88.0 | 0.0 | 70.2 |
| *GBAC008* | 13 | 16 | 3 | 44% | 0.6 | 35.7 | 1.2 | 48.4 | 82.3 | 0.7 | 64.9 |
| *GBAC008* | 16 | 20 | 4 | 35% | 0.9 | 34.7 | 1.2 | 49.2 | 78.0 | 0.0 | 58.4 |
| *GBAC008* | 20 | 24 | 4 | 31% | 1.7 | 33.5 | 1.3 | 49.9 | 74.0 | 0.0 | 64.7 |
| *GBAC008* | 24 | 26 | 2 | 31% | 2.5 | 32.2 | 1.6 | 49.9 | 69.0 | 0.0 | 73.7 |
| *GBAC009* | 12 | 16 | 4 | 41% | 1.3 | 35.8 | 1.1 | 47.5 | 87.0 | 0.0 | 66.5 |
| *GBAC009* | 16 | 20 | 4 | 39% | 1.1 | 35.1 | 1.4 | 47.9 | 83.0 | 0.0 | 57.1 |
| *GBAC009* | 20 | 24 | 4 | 36% | 1.4 | 35.3 | 1.7 | 47.4 | 84.0 | 0.0 | 50.6 |
| *GBAC009* | 24 | 25 | 1 | 36% | 0.8 | 35.4 | 1.7 | 47.5 | 83.0 | 0.0 | 60.4 |
| *GBAC010* | 14 | 17 | 3 | 45% | 0.9 | 36.6 | 1.2 | 47.3 | 89.0 | 0.0 | 58.4 |
| *GBAC010* | 17 | 20 | 3 | 43% | 1.0 | 35.9 | 1.2 | 48.5 | 86.0 | 0.0 | 56.3 |
| *GBAC010* | 20 | 23 | 3 | 41% | 2.6 | 34.1 | 1.1 | 48.5 | 81.0 | 0.0 | 59.1 |
| *GBAC010* | 23 | 26 | 3 | 39% | 2.1 | 34.9 | 1.5 | 47.3 | 84.0 | 0.0 | 67.3 |
| *GBAC011* | 10 | 14 | 4 | 42% | 1.1 | 35.7 | 1.0 | 48.1 | 83.0 | 0.0 | 73.5 |
| *GBAC011* | 14 | 18 | 4 | 41% | 3.6 | 33.1 | 1.5 | 47.7 | 77.0 | 0.0 | 65.9 |
| *GBAC011* | 18 | 22 | 4 | 40% | 7.7 | 30.0 | 1.3 | 46.4 | 68.0 | 0.0 | 49.8 |
| *GBAC011* | 22 | 24 | 2 | 36% | 9.6 | 28.4 | 1.4 | 45.8 | 61.0 | 0.0 | 56.7 |
| *GBAC012* | 13 | 15 | 2 | 38% | 1.3 | 35.3 | 1.3 | 50.3 | 82.1 | 1.9 | 64.9 |
| *GBAC012* | 15 | 19 | 4 | 54% | 1.4 | 35.8 | 1.3 | 48.1 | 85.8 | 1.2 | 45.2 |
| *GBAC012* | 19 | 20 | 1 | 54% | 2.5 | 35.6 | 0.8 | 47.3 | 79.4 | 9.6 | 33.0 |
| *GBAC012* | 20 | 24 | 4 | 48% | 2.0 | 35.4 | 0.8 | 47.1 | 78.2 | 7.8 | 30.3 |
| *GBAC012* | 24 | 26 | 2 | 47% | 1.4 | 35.5 | 0.9 | 47.7 | 76.0 | 10.0 | 45.6 |

| Hole ID | From (m) | To (m) | Int (m) | -45um (%) | Fe2O3 (%) | Al203 (%) | TiO2 (%) | SiO2 (%) | Kaolinite (%) | Halloysite (%) | Brightness (ISO-B) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *GBAC013* | 20 | 22 | 2 | 41% | 1.1 | 33.8 | 1.3 | 49.4 | 83.0 | 0.0 | 63.5 |
| *GBAC013* | 22 | 26 | 4 | 40% | 2.1 | 33.3 | 1.3 | 49.5 | 80.0 | 0.0 | 58.0 |
| *GBAC013* | 26 | 29 | 3 | 40% | 2.1 | 33.5 | 1.2 | 50.0 | 82.0 | 0.0 | 48.8 |
| *GBAC014* | 33 | 37 | 4 | 48% | 1.6 | 36.2 | 1.0 | 48.1 | 87.0 | 0.0 | 50.8 |
| *GBAC014* | 37 | 41 | 4 | 44% | 2.3 | 34.0 | 1.4 | 48.1 | 83.0 | 0.0 | 56.0 |
| *GBAC014* | 41 | 45 | 4 | 41% | 2.2 | 34.2 | 1.2 | 48.7 | 84.0 | 0.0 | 63.5 |
| *GBAC015* | Hole Not Sampled | | | | | | | | | | |
| *GBAC016* | 16 | 20 | 4 | 36% | 1.0 | 34.1 | 1.3 | 49.9 | 79.0 | 0.0 | 56.2 |
| *GBAC016* | 20 | 22 | 2 | 45% | 0.8 | 36.4 | 0.7 | 49.0 | 86.0 | 0.0 | 53.3 |
| *GBAC017* | 13 | 17 | 4 | 44% | 2.0 | 35.5 | 1.5 | 47.5 | 88.0 | 0.0 | 57.1 |
| *GBAC017* | 17 | 21 | 4 | 32% | 1.2 | 33.4 | 1.5 | 49.0 | 79.0 | 0.0 | 58.5 |
| *GBAC017* | 21 | 23 | 2 | 22% | 2.1 | 25.7 | 1.2 | 57.3 | 44.4 | 4.6 | 43.6 |
| *GBAC018* | 10 | 14 | 4 | 37% | 13.6 | 27.6 | 1.1 | 41.3 | 64.1 | 0.9 | 24.2 |
| *GBAC018* | 14 | 17 | 3 | 32% | 24.4 | 24.4 | 0.9 | 35.2 | 50.9 | 1.1 | 15.6 |
| *GBAC019* | 11 | 14 | 3 | 34% | 16.1 | 27.1 | 0.9 | 40.9 | 45.9 | 10.1 | 18.8 |
| *GBAC020* | 11 | 13 | 2 | 39% | 1.2 | 35.0 | 1.0 | 48.6 | 81.0 | 0.0 | 37.1 |
| *GBAC020* | 13 | 16 | 3 | 46% | 1.4 | 34.6 | 0.8 | 49.3 | 78.6 | 3.4 | 65.6 |
| *GBAC021* | 14 | 18 | 4 | 49% | 2.4 | 35.1 | 0.6 | 47.3 | 86.0 | 0.0 | 59.1 |
| *GBAC021* | 18 | 22 | 4 | 40% | 2.8 | 33.7 | 0.9 | 48.5 | 78.0 | 0.0 | 51.5 |
| *GBAC021* | 22 | 24 | 2 | 42% | 0.7 | 36.5 | 0.1 | 48.6 | 83.1 | 2.9 | 47.2 |
| *GBAC021* | 24 | 28 | 4 | 37% | 0.7 | 36.6 | 0.1 | 47.4 | 71.5 | 14.5 | 63.1 |
| *GBAC021* | 28 | 31 | 3 | 55% | 0.5 | 37.7 | 0.0 | 47.7 | 89.0 | 2.0 | 69.0 |
| *GBAC022* | 17 | 21 | 4 | 41% | 2.3 | 34.7 | 1.1 | 48.6 | 84.0 | 0.0 | 70.4 |
| *GBAC022* | 21 | 24 | 3 | 44% | 1.5 | 35.8 | 1.0 | 48.3 | 88.0 | 0.0 | 59.1 |
| *GBAC023* | 26 | 29 | 3 | 39% | 14.5 | 27.4 | 1.2 | 42.2 | 42.4 | 19.6 | 49.8 |
| *GBAC024* | 26 | 30 | 4 | 41% | 1.8 | 32.1 | 1.1 | 52.0 | 71.5 | 1.5 | 46.9 |
| *GBAC024* | 30 | 33 | 3 | 37% | 1.9 | 32.5 | 1.3 | 50.0 | 75.3 | 0.7 | 28.0 |
| *GBAC025* | 21 | 25 | 4 | 47% | 2.2 | 34.1 | 1.4 | 48.1 | 85.0 | 0.0 | 55.8 |
| *GBAC025* | 25 | 29 | 4 | 45% | 1.6 | 34.9 | 1.2 | 48.1 | 87.0 | 0.0 | 59.1 |
| *GBAC026* | 16 | 19 | 3 | 48% | 1.1 | 35.6 | 0.9 | 47.9 | 84.4 | 1.6 | 59.9 |
| *GBAC026* | 19 | 23 | 4 | 49% | 1.0 | 35.4 | 1.2 | 48.2 | 85.9 | 0.1 | 62.9 |
| *GBAC026* | 23 | 27 | 4 | 45% | 2.8 | 33.6 | 0.9 | 47.7 | 76.8 | 3.2 | 65.2 |
| *GBAC027* | 12 | 16 | 4 | 22% | 1.0 | 31.9 | 1.0 | 53.3 | 72.0 | 0.0 | 66.8 |
| *GBAC027* | 16 | 20 | 4 | 35% | 1.3 | 33.3 | 1.1 | 51.2 | 78.0 | 0.0 | 63.3 |
| *GBAC027* | 20 | 24 | 4 | 43% | 2.4 | 34.0 | 0.9 | 48.9 | 78.0 | 0.0 | 56.8 |
| *GBAC027* | 24 | 27 | 3 | 39% | 2.2 | 33.5 | 0.7 | 49.8 | 76.0 | 0.0 | 65.6 |
| *GBAC028* | 12 | 16 | 4 | 44% | 0.6 | 35.9 | 0.8 | 48.7 | 84.0 | 0.0 | 57.0 |
| *GBAC028* | 16 | 20 | 4 | 40% | 0.8 | 35.7 | 1.1 | 49.0 | 82.0 | 0.0 | 55.4 |
| *GBAC028* | 20 | 24 | 4 | 36% | 1.3 | 34.9 | 1.2 | 48.3 | 82.0 | 0.0 | 56.9 |
| *GBAC028* | 24 | 26 | 2 | 42% | 2.0 | 35.9 | 1.0 | 46.9 | 84.9 | 1.1 | 69.5 |
| *GBAC029* | 13 | 17 | 4 | 37% | 0.9 | 35.8 | 1.1 | 48.1 | 85.0 | 0.0 | 72.4 |
| *GBAC029* | 17 | 21 | 4 | 39% | 1.1 | 35.1 | 1.3 | 48.6 | 82.0 | 0.0 | 65.2 |
| *GBAC029* | 21 | 25 | 4 | 32% | 1.2 | 34.6 | 1.3 | 48.6 | 79.0 | 0.0 | 58.2 |
| *GBAC030* | 12 | 16 | 4 | 33% | 21.8 | 24.5 | 0.9 | 37.4 | 47.9 | 1.1 | 58.7 |
| *GBAC031* | 14 | 16 | 2 | 34% | 0.6 | 35.5 | 1.1 | 48.7 | 80.1 | 2.9 | 69.5 |

| Hole ID | From (m) | To (m) | Int (m) | -45um (%) | Fe2O3 (%) | Al203 (%) | TiO2 (%) | SiO2 (%) | Kaolinite (%) | Halloysite (%) | Brightness (ISO-B) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *GBAC031* | 16 | 20 | 4 | 38% | 0.9 | 35.4 | 1.1 | 48.6 | 84.0 | 0.0 | 58.5 |
| *GBAC031* | 20 | 22 | 2 | 42% | 0.8 | 35.8 | 1.0 | 48.2 | 83.9 | 1.1 | 53.5 |
| *GBAC031* | 22 | 26 | 4 | 37% | 1.2 | 34.6 | 1.3 | 48.5 | 82.0 | 0.0 | 27.6 |
| *GBAC032* | 24 | 28 | 4 | 40% | 2.1 | 35.7 | 0.8 | 47.3 | 80.8 | 3.2 | 52.4 |
| *GBAC032* | 28 | 32 | 4 | 41% | 0.7 | 36.1 | 1.4 | 47.2 | 83.0 | 2.0 | 63.3 |
| *GBAC032* | 32 | 36 | 4 | 33% | 2.5 | 33.8 | 1.4 | 47.3 | 71.7 | 4.3 | 61.1 |
| *GBAC033* | 18 | 21 | 3 | 49% | 2.0 | 36.4 | 1.0 | 46.7 | 87.2 | 0.0 | 52.3 |
| *GBAC033* | 21 | 25 | 4 | 45% | 1.0 | 36.0 | 1.0 | 48.0 | 86.6 | 0.0 | 62.7 |
| *GBAC034* | Hole Not Sampled | | | | | | | | | | |
| *GBAC035* | 30 | 34 | 4 | 40% | 1.3 | 34.7 | 1.4 | 48.3 | 73.4 | 10.2 | 62.4 |
| *GBAC035* | 34 | 38 | 4 | 38% | 0.9 | 34.5 | 1.5 | 48.6 | 77.6 | 1.9 | 59.7 |
| *GBAC035* | 38 | 42 | 4 | 38% | 1.3 | 34.6 | 1.8 | 47.8 | 81.0 | 2.3 | 61.7 |
| *GBAC035* | 42 | 43 | 1 | 44% | 1.1 | 35.4 | 1.7 | 47.6 | 86.5 | 0.0 | 59.6 |
| *GBAC036* | Hole Not Sampled | | | | | | | | | | |
| *GBAC037* | Hole Not Sampled | | | | | | | | | | |
| *GBAC038* | 29 | 32 | 3 | 47% | 1.1 | 34.9 | 0.9 | 48.3 | 86.1 | 0.0 | 59.7 |
| *GBAC038* | 32 | 36 | 4 | 42% | 0.7 | 34.8 | 1.1 | 49.4 | 81.0 | 0.0 | 40.7 |
| *GBAC039* | 20 | 24 | 4 | 29% | 1.0 | 31.2 | 0.9 | 54.1 | 73.0 | 0.0 | 45.5 |
| *GBAC039* | 24 | 27 | 3 | 34% | 0.6 | 32.5 | 0.8 | 52.0 | 72.6 | 0.0 | 45.8 |
| *GBAC040* | 20 | 24 | 4 | 46% | 0.7 | 35.2 | 0.9 | 48.4 | 80.4 | 0.0 | 46.0 |
| *GBAC040* | 24 | 28 | 4 | 45% | 0.7 | 35.4 | 1.1 | 48.2 | 82.0 | 0.0 | 43.3 |
| *GBAC040* | 28 | 32 | 4 | 43% | 0.7 | 34.7 | 1.0 | 48.8 | 79.0 | 0.0 | 42.5 |
| *GBAC040* | 32 | 36 | 4 | 45% | 1.1 | 34.6 | 1.1 | 48.4 | 82.8 | 0.0 | 44.4 |
| *GBAC040* | 36 | 39 | 3 | 37% | 0.9 | 33.7 | 0.9 | 49.7 | 78.8 | 0.0 | 43.8 |
| *GBAC041* | Hole Not Sampled | | | | | | | | | | |
| *GBAC042* | Hole Not Sampled | | | | | | | | | | |
| *GBAC043* | Hole Not Sampled | | | | | | | | | | |
| *GBAC044* | Hole Not Sampled | | | | | | | | | | |
| *GBAC045* | Hole Not Sampled | | | | | | | | | | |
| *GBAC046* | 19 | 23 | 4 | 36% | 0.7 | 35.7 | 1.2 | 48.9 | 76.2 | 0.0 | 42.0 |
| *GBAC047* | 21 | 23 | 2 | 39% | 0.8 | 35.6 | 1.3 | 48.0 | 79.7 | 0.0 | 40.6 |
| *GBAC048* | 20 | 22 | 2 | 29% | 1.5 | 32.0 | 1.2 | 52.5 | 60.7 | 8.8 | 66.0 |
| *GBAC049* | Hole Not Sampled | | | | | | | | | | |
| *GBAC050* | Hole Not Sampled | | | | | | | | | | |
| *GBAC051* | Hole Not Sampled | | | | | | | | | | |
| *GBAC052* | 24 | 26 | 2 | 36% | 1.7 | 30.8 | 1.1 | 53.1 | 57.9 | 8.6 | 67.2 |
| *GBAC053* | 23 | 24 | 1 | 27% | 1.9 | 29.1 | 0.6 | 53.3 | 28.7 | 12.6 | 58.9 |
| *GBAC054* | 22 | 23 | 1 | 41% | 1.1 | 34.8 | 0.9 | 48.9 | 83.7 | 1.0 | 55.3 |
| *GBAC055* | 24 | 27 | 3 | 26% | 1.1 | 30.4 | 1.3 | 52.9 | 51.8 | 4.8 | 59.9 |
| *GBAC056* | Hole Not Sampled | | | | | | | | | | |
| *GBAC057* | Hole Not Sampled | | | | | | | | | | |
| *GBAC058* | Hole Not Sampled | | | | | | | | | | |
| *GBAC059* | 16 | 18 | 2 | 38% | 1.0 | 35.7 | 1.6 | 47.2 | 80.1 | 0.0 | 65.0 |
| *GBAC059* | 18 | 21 | 3 | 38% | 0.9 | 34.9 | 2.0 | 48.1 | 71.0 | 6.4 | 62.4 |

# *APPENDIX 2*

## 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 | Commentary |
|---|---|---|
| *Sampling techniques* | • *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 down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.* | • *2020 OAR: Aircore drilling consisted of vertical holes to industry standard completed by Oar Resource Ltd ("OAR") generating individual 1m samples. A total of 59 holes for 2,043m were completed at the Gibraltar Project in late 2020. Sample compositing was carried out on site by OAR representative's*<br>• *Aircore 1m samples were composited based on perceived reflectance levels. Composite intervals range from 1-4m* |
| *Drilling techniques* | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).* | • *OAR drilling is completed using industry standard practices. AC drilling is with a blade bit.*<br>• *All drill collar positions are recorded using handheld GPS.* |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether* | • *Air core drilling samples are not weighed, however smaller samples (on a relative basis) are noted in drill logs*<br>• *No indication of sample bias with respect to recovery has been established.* |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | |
| *Logging* | • *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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • *OAR geological logging is completed for all holes and is representative across the ore body. The lithology, alteration, and characteristics of drill samples are logged on hard copy logs and entered into excel using standardised geological codes.*<br>• *Logging is both qualitative and quantitative depending on field being logged.*<br>• *All drill-holes are logged in full.* |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • *Spear sample compositing consisted of contiguous 1m drill samples up to 5m in total length, based on drill logs and visual estimation of whiteness of material. Sample composites were prepared with the aim of including kaolinised saprolite of similar quality within each composite, although in some cases narrow bands of discoloured kaolinised saprolite were included in the composite.*<br>• *Composite Sample took place on site by OAR respresentatives*<br>• *Samples were processed by laboratory Bureau Veritas. Sample weights were recorded before any sampling or drying. Samples are dried at low temperature (60C) to avoid destruction of halloysite. The dried sample was then pushed through a 5.6mm screen prior to splitting.*<br>• *A small rotary splitter is used to split an 800g sample for sizing.*<br>• *The 800g split is then wet sieved at 180µm and 45µm. The +180 and +45µm fractions are filtered and dried with standard papers then photographed. The -45µm fraction is filtered and dried with 2micron paper.*<br>• *A small portion of the -45µm material is split for XRF analysis and 4x100gm reserves are retained by Andromeda.*<br>• *At CSIRO, Division of Land and Water, Urbrae, South Australia testing was conducted on selected -45µm samples by the method below.*<br>• *The dried -45µm sample was analysed for quantitative elemental and mineralogical testing by XRD. A 2 gram subsample was micronised, slurried, spray dried and a spherical agglomerated sample prepared for XRD. Quantitative analysis of the XRD data was performed by CSIRO using* |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | *SIROQUANT and Halloysite:Kaolinite proportions determined using profile fitting by TOPAS, calibrated by SEM point counting of a suite of 20 standards.*<br>• *ISO Brightness and L*a*b* colour of the dried -45micron kaolin powder were determined according to TAPPI standard T 534 om-15 using by the University of South Australia, using a Hunterlab QE instrument.* |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *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.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • *The analytical method and procedure were as recommended by the laboratory for exploration and are appropriate at the time of undertaking.*<br>• *As this is early-stage exploration with a wide variation in sample results the Company has not inserted field control samples in the regular stream of sampling. This is considered appropriate for early-stage exploration. The laboratory inserts a range of standard samples in the sample stream the results of which are reported to the Company.*<br>• *The laboratory uses a series of control samples to calibrate the XRD and XRD instrumentation.* |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • *Sample and assay data from aircore drilling have been compiled and reviewed by the Oar GM Geology, who was involved in the logging and sampling of the drill core at the time. No independent intercept verification has been undertaken. No twin holes were completed by MEP for the 2011 drilling Primary data is recorded on site and entered into excel.* |
| *Location of data points* | • *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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • *Drill holes were located using a hand held GPS with +/- 5m accuracy*<br>• *The grid system used is MGA94 Zone 53 for South Australia*<br>*.* |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral* | • *Aircore drilling has been completed on a 100m x 100m drill spacing over areas of previous drilling, and a nominal 200m x 200m drill spacing elsewhere.* |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • *Sampling is preferentially across the strike or trend of mineralized outcrops* |
| *Sample security* | • *The measures taken to ensure sample security.* | • *At all times samples were in the custody and control of the Company's representatives until delivery to the laboratory where samples were held in a secure enclosure pending processing.* |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • *None undertaken at this stage* |

## Section 2 Reporting of Exploration Results

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

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure status* | • *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.*<br>• *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.* | • *The Gibraltar Project is covered by a Granted Exploration Licence EL6506.*<br>• *The EL is current and live* |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • *Shallow auger sampling has been completed over the Gibraltar Project area by Monax resources, with hole locations and assay results contained within company reports* |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • *Kaolin occurrences, such as that seen on the Gibraltar Project, developed in situ by weathering of the feldspar-rich basement.*<br>• *The resultant kaolin deposits are sub-horizontal zone of kaolinised granite resting with a sharp contact on unweathered basement. The kaolinised zone is overlain by loosely consolidated Tertiary and Quaternary sediment and silcrete.*<br>• *Halloysite is a rare derivative of kaolin where the mineral occurs as nanotubes. The kaolin encountered at the Gibraltar Project contain variable amounts of naturally occurring halloysite within the kaolinite saprolite.* |
| *Drill hole Information* | • *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:*<br>○ *easting and northing of the drill hole collar*<br>○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>○ *dip and azimuth of the hole*<br>○ *down hole length and interception depth*<br>○ *hole length.*<br>• *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* | • *All drill hole collar location information is provided in Appendix 1 - Table 2 of this report.* |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *understanding of the report, the Competent Person should clearly explain why this is the case.* | |
| *Data aggregation methods* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • *Reported summary intercepts are weighted averages based on length.*<br>• *All samples were selected for XRD analysis at CSIRO*<br>• *No maximum or minimum grade truncations have been applied.*<br>• *No metal equivalent values have been quoted.* |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *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').* | • *Drillhole angle relative to mineralisation has been almost perpendicular, with vertical drillholes through flat horizontal mineralisation related to the regolith. Generally, the strata-bound intercepts are close to true width* |
| *Diagrams* | • *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.* | • *Appropriate maps and tabulations are presented in the body of the announcement.* |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.* | • *Comprehensive results are reported in the body of the announcement as tabulated in Appendix 1.* |
| *Other substantive exploration data* | • *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* | • *Not Applicable* |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *characteristics; potential deleterious or contaminating substances.* | |
| *Further work* | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • *Additional Air-core drilling will be undertaken to infill and extend the current drill coverage.*<br>• *Further metallurgical test work and additional halloysite analyses will be conducted as part of future studies.* |