Andromeda Metals Limited
ABN: 75 061 503 375

Corporate details:

ASX Code: ADN

Cash: ~$0.298 million
(at 31 December 2016)

Issued Capital:
405,767,063 ordinary shares

Directors:

Colin G Jackson
Non-Executive Chairman

Chris Drown
Managing Director

Nick Harding
Executive Director and
Company Secretary

Jonathan Buckley
Non-Executive Director

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Fact: Gold recoveries for the Barns deposit exceed 97% using a conventional gravity and tail leach metallurgical flowsheet.

As gold mineralisation styles at each of the Wudinna Gold Camp deposits are very similar, excellent recoveries at Baggy Green and White Tank are likely to be confirmed by future metallurgical testwork.

Andromeda METALS

ASX announcement

23 January 2017

Eyre Peninsula Gold
(100% owned), South Australia

Wudinna Gold Camp Mineral Resource jumps to 200,000 ounces of gold

Summary

Resource estimates for the Baggy Green and White Tank deposits, located in the 100% owned Wudinna Gold Camp, have been completed with the assistance of consultant Mining Plus Pty Ltd.

- The Baggy Green Mineral Resource Estimate totals 1.56 million tonnes at 1.64g/t gold for 82,400 ounces at a 0.5g/t gold cut-off grade. The Resource is classified as Inferred.
- The White Tank Mineral Resource Estimate totals 0.176 million tonnes at 1.92g/t gold for 10,900 ounces at a 0.5g/t gold cut-off grade. The Resource is classified as Inferred.
- **The total Wudinna Gold Camp Mineral Resource, including the Baggy Green, White Tank and Barns gold deposits, totals 3.84 million tonnes at 1.62g/t gold for 200,300 ounces using a 0.5g/t gold cut-off grade**, comprised of 0.38 million tonnes at 1.40g/t gold for 17,000 ounces of Indicated Resource and 3.469 million tonnes at 1.64g/t gold for 183,300 ounces of Inferred Resources.
- The three Wudinna Gold Camp deposits fall within 6km of each other and are shallow and potentially open-pitable.
- Each of the deposits remain open and step-out drilling can add further resources, while other prospects in the Wudinna Gold Camp also show potential to contribute ounces.
- Recent metallurgical testwork confirms gold recoveries exceeding 97% are achievable at Barns using a conventional flowsheet, with testing of Baggy Green mineralisation planned.

Chris Drown
Managing Director

Direct enquiries to Chris Drown. Ph (08) 8271 0600 or 0427 770 653.

Background

Andromeda Metals' Eyre Peninsula gold project comprises a 2,807 km^2 land holding in the Gawler Craton (Figure 1).

The Company's priority on the Eyre Peninsula is advancing the wholly owned Wudinna Gold Camp[(1)], a cluster of gold prospects including the Barns, Baggy Green and White Tank deposits, into production.

A maiden Mineral Resource Estimate for Barns was released in July 2016, with the estimate totalling 2.11 million tonnes at 1.6g/t gold for 107,000 ounces using a 0.5g/t gold cut-off grade[(2)].

An assessment by independent mining consultants of the Barns deposit resulted in two recommendations to improve the robustness of the project. The first was to to establish gold recoveries by completing metallurgical test work at Barns; and the second was to expand the resource base in the Wudinna Gold Camp by delineating additional shallow resources. The Company has worked to address both of these recommendations.

Metallurgical testing of Barns samples was reported on 16 January 2017, with the results confirming that superb gold recoveries in excess of 97% can be achieved with a conventional flowsheet[(3)].

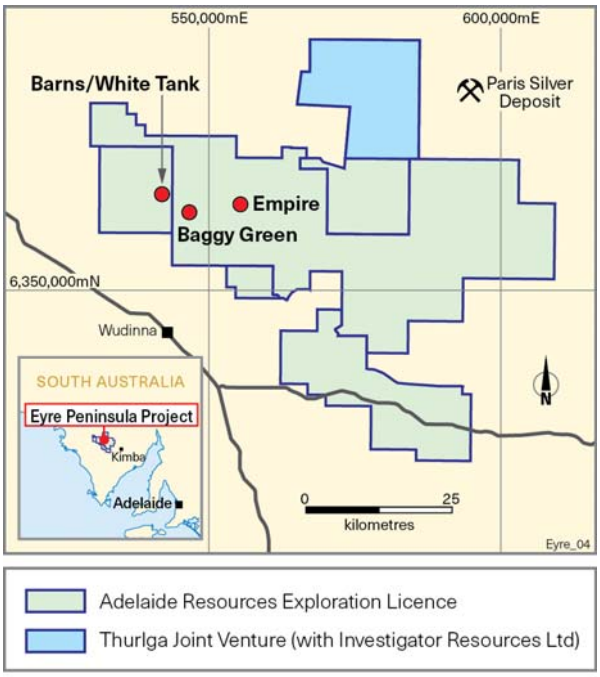

Figure 1: Eyre Peninsula project location plan.

The Baggy Green prospect was assessed as showing good potential to increase mineral resources in the Wudinna Gold Camp, leading to a 23 hole RC drilling programme in the second half of 2016.

One of the goals of the Baggy Green programme was the definition of shallow ounces so drilling targeted mineralisation commencing within 100 metres of the surface. Additionally, drill hole spacings were designed to be close enough for use in mineral resource estimation

Results from the programme included the two best intersections recorded to date from Baggy Green with adjacent 50 metre spaced holes recording 16 metres at 5.72g/t gold and 11 metres at 9.32g/t gold respectively.

The drilling confirms the presence of a gently dipping, coherent zone of gold mineralisation which persists for 500 metres along strike, and remains open to the north, south, and at depth.

Mineral Resource estimates for Baggy Green, and for the White Tank deposit which was drilled in the past, have been completed with the assistance of Mining Plus Pty Ltd and are detailed herein.

Baggy Green and White Tank deposit descriptions.

The Wudinna Gold Camp deposits, including Baggy Green and White Tank, fall in the Central Gawler Gold Province, a belt of gold-dominant mineralisation which formed about 1590 million years ago during the regionally extensive Hiltaba/GRV tectonothermal event.

Gold mineralisation at Baggy Green and White Tank is hosted by variably deformed granodiorite/gneiss interpreted to belong to the Tunkillia Suite, a group of 1690Ma granitiods that form important gold host rocks in the Central Gawler Gold Province.

Primary mineralisation at both deposits occurs in multiple, shallow northwest dipping shear controlled lodes. Native gold occurs with pyrite and weak chalcopyrite mineralisation associated with hydrothermal biotite-sericite-chlorite alteration.

Supergene zones of gold occur in the weathered zones at Baggy Green (minor) and White Tank, and are similar to those seen at the nearby Barns deposit.

A zone of total gold depletion occurs above the supergene zones at both deposits, with the shallowest mineralisation commencing approximately 30 metres below surface.

Thin surficial quaternary cover sediments, dominated by aeolian sand, blanket the host rocks at both deposits.

Following the Baggy Green RC drilling programme, the company revised its detailed 3D mineralisation models for both Baggy Green (Figure 2) and White Tank (Figure 3), with these models forming the basis of the mineral resource estimates.

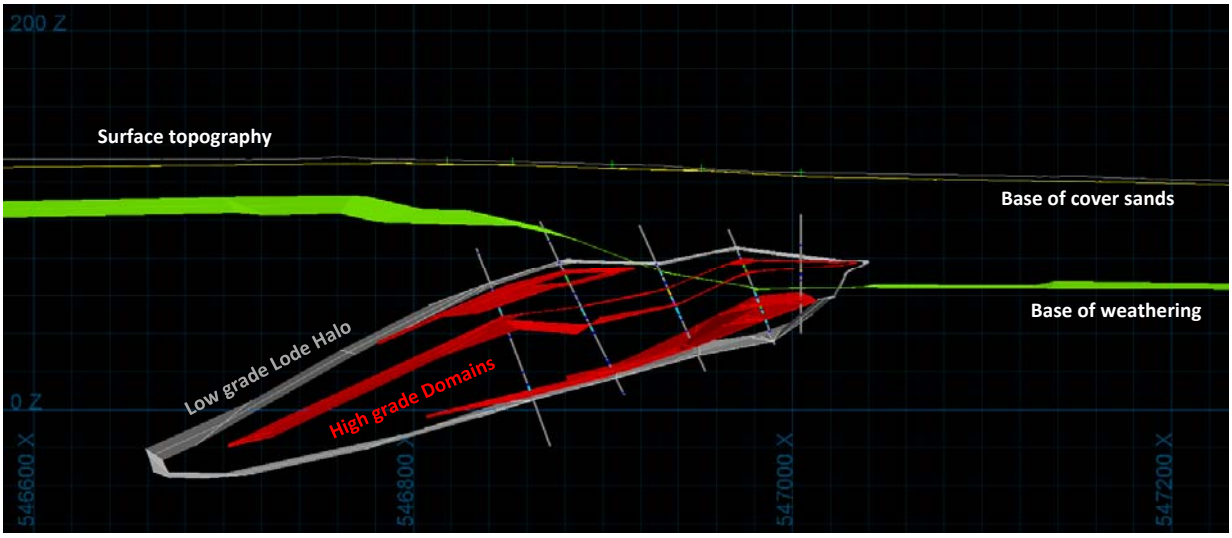

Figure 2: Baggy Green cross section showing mineralised domains.

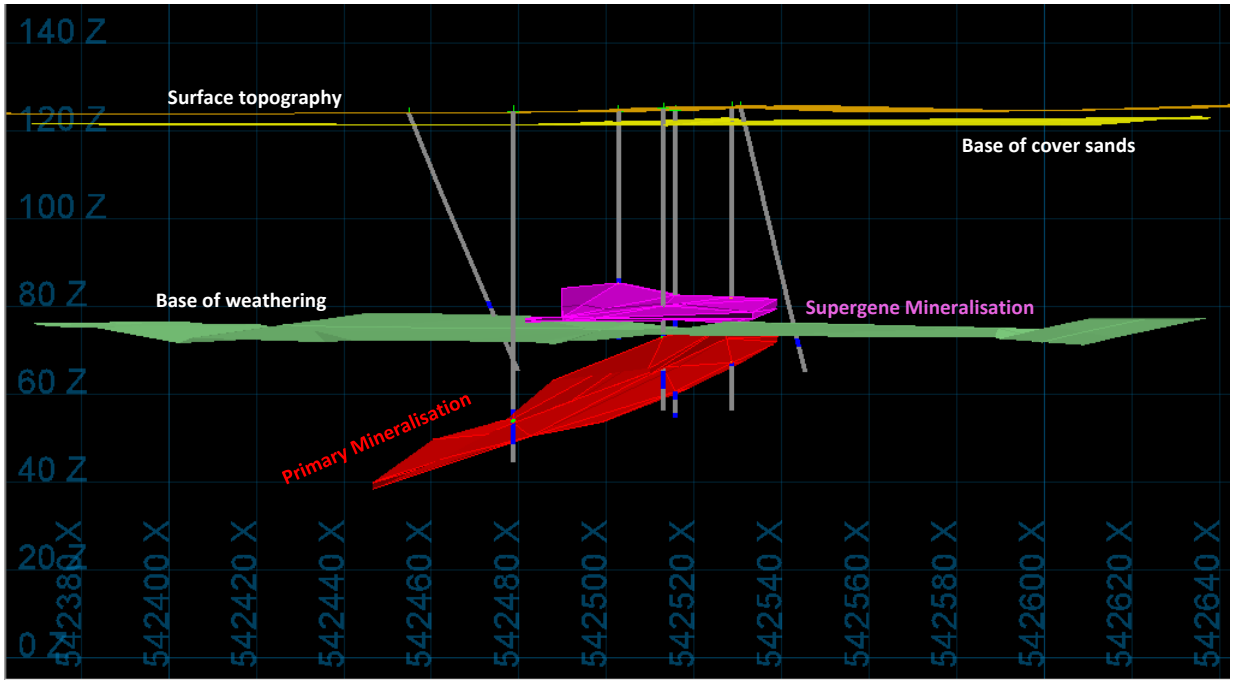

Figure 3: White Tank cross section showing mineralised domains.

Mineral Resource summaries.

The maiden Mineral Resource estimate for the Baggy Green gold deposit is 1.56 million tonnes at 1.64g/t gold for 82,400 ounces of gold, using a 0.5g/t gold cut-off grade.

The maiden Mineral Resource estimate for the White Tank gold deposit is 176,000 tonnes at 1.92g/t gold for 10,900 ounces of gold, using a 0.5g/t gold cut-off grade.

The Mineral Resources for both Baggy Green and White Tank have been classified as Inferred, whilst some material in areas of coarser spaced drilling remains unclassified.

The consolidated total Mineral Resource estimate for the Wudinna Gold Camp, incorporating the Barns, Baggy Green and White Tank estimates, is 3.849 million tonnes at 1.62g/t gold for 200,300 ounces of gold, using a 0.5g/t cut-off grade (Table 1).

Infill drilling, and the twinning of some existing holes, would allow reclassification of material to the Indicated category.

Figures 4 and 5 (over page) present tonnage-grade graphs for Baggy Green and White Tank. These graphs demonstrate how these variables change across both deposits using different cut-off grades.

The Mineral Resource estimates have been jointly completed by independent consultant Mining Plus Pty Ltd and Andromeda Metals Limited. Mining Plus assumes responsibility for the block modelling, geostatistical analysis, grade interpolation and estimation classification. Andromeda Metals assumes responsibility for the sampling techniques, integrity of the drill hole data and interpretation of the 3-D mineralisation models. Details of the resource estimation process are provided in Appendix 1.

Next steps for Wudinna Gold Camp.

The increase in shallow Mineral Resources to over 200,000 gold ounces, together with the excellent metallurgical results from Barns, are significant advances for the Wudinna Gold Camp likely to result in more favourable and robust project economics.

Andromeda Metals is planning a forward programme for the Wudinna Gold Camp comprising the following elements.

- Completion of an economic scoping study using the increased Mineral Resources and deposit models of the Wudinna Gold Camp, and incorporating the positive Barns metallurgical results and indicative processing flow sheet.
- Metallurgical testwork on Baggy Green mineralised drill sample retained after the recent drill programme.
- Infill drilling programmes to allow conversion of Mineral Resources from Inferred to Indicated classification, thereby allowing estimation of Ore Reserves.
- Step out drilling at Baggy Green, and other Wudinna Gold Camp targets, to further grow the local resource base.

Deposit	Mineralisation	Cut-off	Indicated			Inferred			Total		
			Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Barns*	Supergene	0.5	380,000	1.40	17,000	230,000	1.30	10,000	610,000	1.40	27,000
	Primary	0.5				1,500,000	1.70	80,000	1,500,000	1.70	80,000
	Total	***0.5***	***380,000***	***1.40***	***17,000***	***1,730,000***	***1.60***	***90,000***	***2,110,000***	***1.60***	***107,000***
Baggy Green	Primary	0.5				1,563,000	1.64	82,400	1,563,000	1.64	82,400
	Total	***0.5***				***1,563,000***	***1.64***	***82,400***	***1,563,000***	***1.64***	***82,400***
White Tank	Supergene	0.5				43,000	1.35	1,900	43,000	1.35	1,900
	Primary	0.5				133,000	2.10	9,000	133,000	2.10	9,000
	Total	***0.5***				***176,000***	***1.92***	***10,900***	***176,000***	***1.92***	***10,900***
Wudinna Gold Camp	Supergene	0.5	380,000	1.40	17,000	273,000	1.36	11,900	653,000	1.38	28,900
	Primary	0.5				3,196,000	1.67	171,400	3,196,000	1.67	171,400
	Total	**0.5**	**380,000**	**1.40**	**17,000**	**3,469,000**	**1.64**	**183,300**	**3,849,000**	**1.62**	**200,300**

The preceeding statement of Mineral Resources conforms to the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 edition. All tonnages reported are dry metric tonnes. Minor discrepincies may occur due to rounding to appropriate significant figures.

** See ADN's ASX release dated 19 July 2016 titled "Maiden 107,000 ounce gold resource estimated for Barns deposit".*

Table 1: Wudinna Gold Camp consolidated Classified Mineral Resource figures

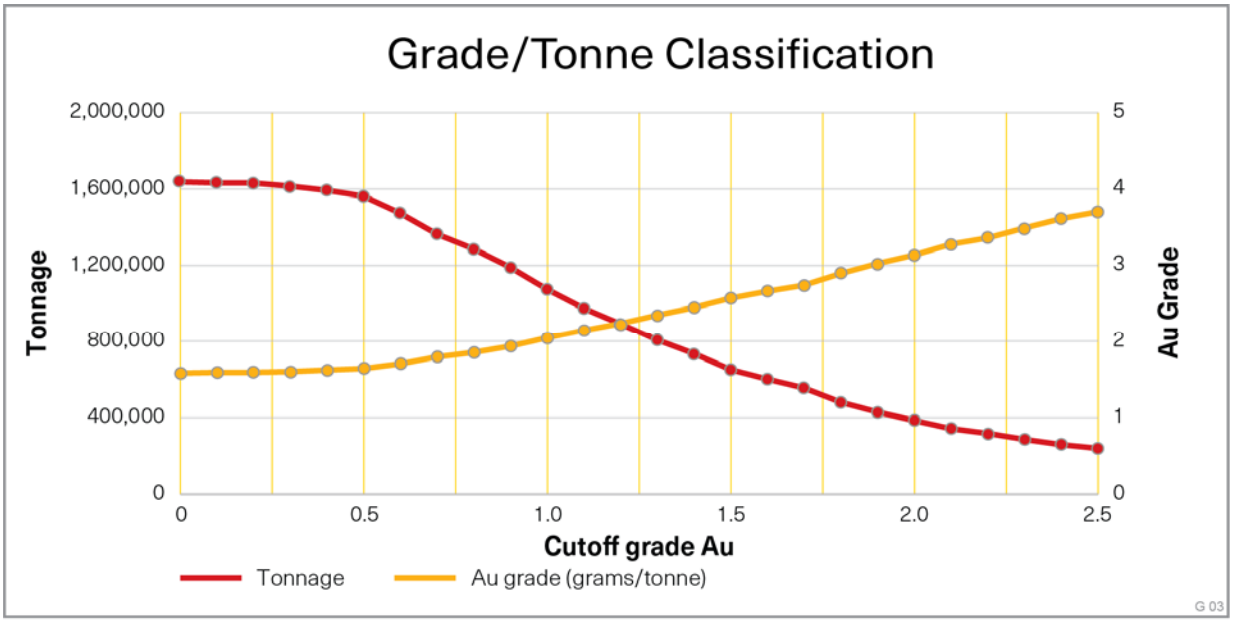

Figure 4: Baggy Green grade tonnage curve for Classified Material.

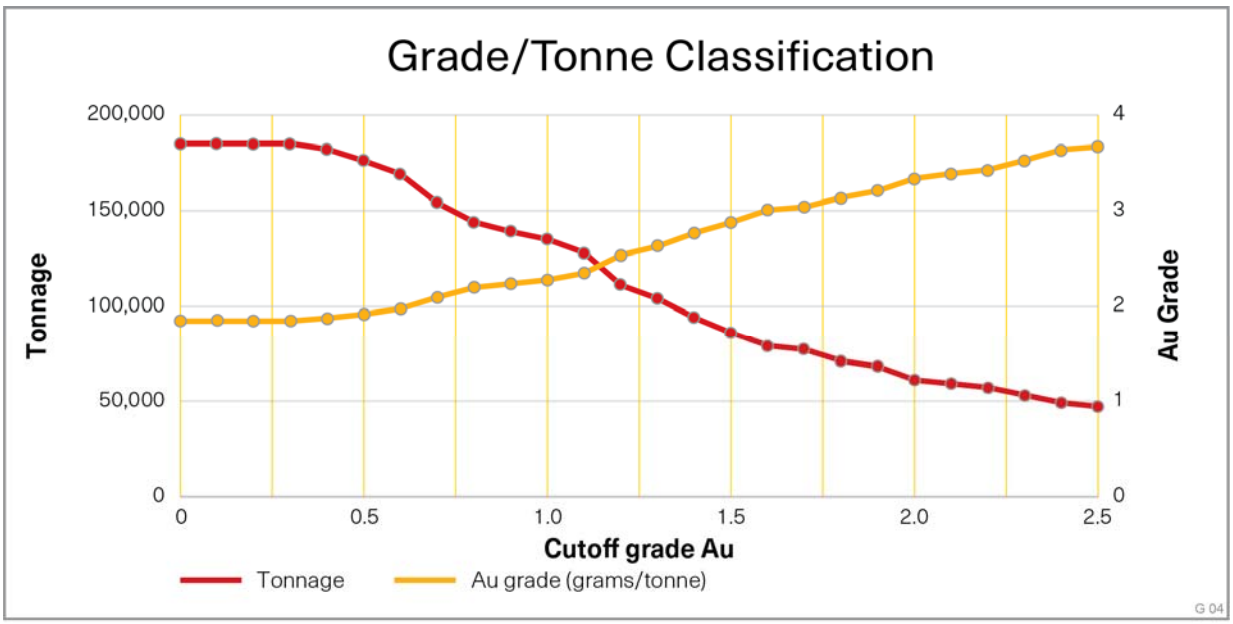

Figure 5: White Tank grade tonnage curve for Classified Material.

APPENDIX 1 - Further commentary on the Resources.

The drill hole database for Baggy Green comprises 285 drill holes and the White Tank drill hole database comprises 41 drill holes.

The Mineral Resource databases have been uniquely flagged with the mineralisation zone codes and then composited into one metre lengths which have been used to estimate the Mineral Resources. The grade distribution of the composited data has been assessed for extreme grade values within each zone and top-cuts applied if required. At Baggy Green, variographic analysis has been undertaken on the top-cut composited data with the results of this analysis used in the grade estimation. Grade estimation has been undertaken in Vulcan V10 modelling software using the Ordinary Kriging method at Baggy Green. The White Tank deposit contained too few samples within the mineralisation to derive suitable variograms, with

an inverse distance weighting interpolation method applied during the grade estimation.

For Baggy Green, a block model has been created with a parent block size of 20m (X) by 20m (Y) by 5m (Z) and sub-blocks down to 4m (X) by 4m (Y) by 1m (Z), with the sub-blocks estimated inside the parent block. The block size is appropriate for the drill-hole spacing.

For White Tank, a block model has been created with a parent block size of 10m (X) by 25m (Y) by 5m (Z) and sub-blocks down to 1m (X) by 2.5m (Y) by 0.5m (Z), with the sub-blocks estimated inside the parent block. The block size is appropriate for the drill-hole spacing.

The block models have been populated with gold grades using three interpolation passes, with each subsequent run using a larger search ellipse and decreasing minimum numbers of samples required to fill a block.

For Baggy Green, pass 1 uses a minimum of 6 and a maximum of 16 samples into a search ellipse 375m x 250m x 20m in size for all domains. A maximum of two samples per drill-hole has been used as an additional constraint.

For White Tank, pass 1 uses a minimum of 6 and a maximum of 16 samples into a search ellipse 60m x 40m x 10m in size for all domains. A maximum of two samples per drill-hole has been used as an additional constraint.

The Mineral Resource estimates have been validated using visual and statistical methods, including the checking of the block model grades against the de-clustered input composite grades, use of swath plots on northings, easting and RL's and visual comparison of the block model grades versus the drill-hole grades.

The Mineral Resources have been classified into Inferred categories following the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The classification is based on drill hole intercept spacing, geological confidence, grade continuity and estimation quality. A combination of these factors guides the manual digitising of strings on drill sections to construct envelopes that have been utilised to control the Mineral Resource categorisation. This process allows review of the geological control/confidence on the deposit. The results reflect the Competent Persons' view of the deposits.

(1) "Wudinna Gold Camp" replaces the confusing "Barns Gold Camp" description previously employed by the Company. It describes the cluster of gold deposits and prospects including Barns, Baggy Green, White Tank and others located about 20 kilometres north of Wudinna on Eyre Peninsula.

(2) See ADN's ASX release dated 19 July 2016 titled "Maiden 107,000 ounce gold resource estimated for Barns deposit" for full JORC information.

(3) See ADN's ASX release dated 16 January 2017 titled "Barns metallurgy results deliver 97% plus gold recovery with conventional flowsheet." for full JORC information.

Competent Person Statement - Exploration:
The information in this release that relates to sampling techniques and data, exploration results, geological interpretation and Exploration Targets has been compiled by Mr. David Adams BSc (Hons), MAusIMM, an employee of the Company. Mr. Adams is a Member of the Australian Institute of Mining and Metallurgy and he has sufficient experience with the style of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 Edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) for reporting the exploration results. Mr. Adams consents to the inclusion in this report of the contained technical information in the form and context in which it appears.

Competent Person Statement - Resource Estimation:
The information in this release that relates to the Estimation and Reporting of Mineral Resources has been compiled by Mr. David Coventry BSc. Mr. Coventry is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Mineral Resource Estimates for the Baggy Green and White Tank Deposits. Mr. Coventry is a Member of the Australian Institute of Geologists and has sufficient experience with the style of mineralisation, deposit type under consideration and to the activities 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 (The JORC Code). Mr. Coventry consents to the inclusion in this report of the contained technical information relating the Mineral Resource Estimations in the form and context in which it appears.

Cautionary Statement
Readers should use caution when reviewing the exploration and historical production results presented and ensure that the Modifying Factors described in the 2012 edition of the JORC Code are considered before making an investment decision.

Caution Regarding Forward Looking Information
This document contains forward looking statements concerning Adelaide Resources Limited. Forward- looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward- looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Adelaide Resources beliefs, opinions and estimates of Adelaide Resources as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.

1 JORC CODE, 2012 EDITION – TABLE 1: Baggy Green

Section 1 Sampling Techniques and Data –

Criteria	Explanation	Commentary
Sampling techniques	• *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 hand held 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.*	Aircore, RAB, RC and Diamond drilling has been used to obtain 6 m composite and 1 m samples which have been pulverised to produce sub samples for lab assay (nominal 50 g or 30 g charge for gold fire assay with AA finish). Some samples have also been assayed for a suite of other elements using multi-acid digest of small weight charges finished with ICP-OES and ICP-MS). Some screen fire assays have been completed where coarse gold has been suspected to be present. RC and many of the aircore and RAB samples have been riffle split if dry. Wet samples have been sub-sampled using trowels. Diamond core has been sawn in half, with half core submitted for assay.
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).*	Drill methods include aircore and RAB in unconsolidated regolith, and RC in hard rock. Some shallow RC holes have been drilled in place of aircore and RAB. Hole diameter for aircore is 90 mm. RC hole diameters are generally 4.5 to 5.5 inch with

		face sampling hammers employed. Diamond core is HQ/NQ2 diameter. Efforts to orient the drill core have been made using ori extension tools.
Drill sample recovery	• *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.*	Qualitative assessment of sample recovery and moisture content of all drill samples has been recorded. Sample system cyclone cleaned at end of each hole and as required to minimise down-hole and cross-hole contamination. The 2016 RC drilling utilised a Metzke type Cone Splitter and sampling system with dust suppression. Core recovery in the 2015 diamond drilling has been very high. No relationship is known to exist between sample recovery and grade.
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.*	All holes have been geologically logged by on-site geologist, with lithological, mineralogical, weathering, alteration, mineralisation and veining information recorded. The holes have not been geotechnically logged. Except for basic BPM and RQD on the three diamond holes completed in 2015.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Geological logging is qualitative. Chip trays containing 1-2 m geological sub-samples of aircore, RAB and RC holes have been collected and are photographed at the completion of the drilling programme.
	• *The total length and percentage of the relevant intersections logged.*	100% of any reported intersections (and of all metres drilled) have been geologically logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	Diamond core has been sawn in half to present a 1/2 core assay sample. Duplicates have been ¼ core sawn.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	Samples from Aircore, RAB and "bedrock" RC holes have been collected initially as 6 m composites followed by 1 m resplits. Many of the 1 m resplits have been collected by riffle splitting. RC samples have been

		collected by riffle splitting if dry, or by trowel if wet (Historical). Recent RC sampling has been split by cone splitter (12.5% Split) and 1m samples through prospective zones have been submitted to the laboratory.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Laboratory sample preparation included drying, crushing if ½ core, and pulverising of submitted sample to target of P80 at 75 um. Pulverised samples have been routinely checked for size after pulverising.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Laboratory sample preparation included drying, crushing if ½ core, and pulverising of submitted sample to target of P80 at 75 um. Pulverised samples have been routinely checked for size after pulverising.
	• *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.*	Laboratory analytical charge size included 30g and 50g standard sizes which are considered adequate for the material being assayed, although the presence of coarse gold has been suspected in some samples based on variability in grade of multiply assayed samples.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Samples sizes are appropriate and representative of the material being sampled.
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.* • *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.* • *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.*	Standard laboratory analyses completed for gold (fire assay). The laboratory analytical methods used are considered to be total. For laboratory samples the Company introduced QA/QC samples (standards, duplicates and blanks at ratios of up to three QA/QC samples for every 22 drill samples. The laboratory additionally introduced QA/QC samples (blanks, standards and duplicates). Both the Company introduced and laboratory introduced QA/QC samples indicate acceptable levels of accuracy and

		precision have been established.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	The company has submitted a number of samples including QAQC Standard and Blanks to a third Party "Umpire" laboratory, with the results strongly supporting the main laboratory's results. The competent person and another company geologist have checked the results as well.
	• *The use of twinned holes.*	There has been 1 RC hole "twinned" with a diamond hole in 2015, Grades are comparable between holes.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	The company uses a Maxwells Datashed database to store and validate its drilling data.
	• *Discuss any adjustment to assay data.*	No adjustments have been made to the laboratory assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drillhole collars have normally been pegged using DGPS with an accuracy of +/-0.5 m. Downhole surveys have been completed for deeper RC and diamond holes.
	• *Specification of the grid system used.*	The co-ordinate system used during the historic exploration program is AMG84 Zone 53. Since this time the coordinates have been converted into MGA94/ Zone 53 datum and all the tables and plans presented in the report use MGA94 Zone 53 co-ordinates.
	• *Quality and adequacy of topographic control.*	Collar RLs have been created from a high resolution DTM, acquired from a geophysical survey.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Drill lines at Baggy Green have been drilled mainly on a 50 m section spacing. Hole spacing's on section vary but on average are in the order of 20m-50m apart.
	• *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.*	Drillhole spacing is considered appropriate to allow geological and grade continuity to be established.

	• *Whether sample compositing has been applied.*	The assay data has been composited for Resource Estimation purposes.
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.*	Drill lines oriented east-west across NNE-SSW trending mineralised zone at Baggy Green.
	• *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.*	It remains unknown if there exist internal mineralised structures at different orientations to the overall strike of mineralisation, however the presence of high grade shoots is likely.
Sample security	• *The measures taken to ensure sample security.*	Company staff collected or supervised the collection of all laboratory samples. Samples submitted to the laboratory have been transported by a rusted local freight contractor. There exists no suspicion that the historic samples have been tampered with at any stage.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	There has been 1 RC hole "twinned" with a diamond hole in 2015, Grades are comparable between holes.

Section 2 Reporting of Exploration Results–

Criteria	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.*	The Baggy Green Prospect falls within EL5120, owned 100% by Peninsula Resources limited, a wholly owned subsidiary of Andromeda Metals Limited. Newcrest Mining Limited retains a 1.5% NSR royalty over future mineral production from EL5120. Baggy Green is located within Pinkawillinnie Conservation Park. A Native Title Agreement has been negotiated with the NT Claimant and has been registered with the SA Govt. Aboriginal heritage surveys have been completed over the Baggy Green prospect, with no sites located in the immediate

		vicinity.
	• *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.*	A Native Title Agreement is in place with the relevant Native Title party. EL5120 is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Other than the flying of regional airborne geophysics and coarse spaced ground gravity, there has been no recorded exploration in the vicinity of the Baggy Green deposit prior to Andromeda Metals work.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The prospect is considered to be either a lode gold or intrusion related gold deposit related to the 1590Ma Hiltaba/GRV tectonothermal event. Gold mineralisation is structurally controlled and associated with significant alteration of host rocks.
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: • 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.*	No new exploration results are announced within this report.
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.*	No new exploration results are announced within this report.
	• *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.*	No new exploration results are announced within this report.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No new exploration results are announced within this report.
Relationship between mineralisat-ion widths and	• *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*	The relevant sections within the report illustrate the orientation of drilling with respect to interpreted mineralisation orientation, while the interpreted orientation of the mineralisation is also

intercept lengths	*be a clear statement to this effect (e.g. 'down hole length, true width not known').*	discussed in the report.
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.*	Refer to Figures in body of text
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 to avoid misleading reporting of Exploration Results.*	No new exploration results are announced within this report.
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 characteristics; potential deleterious or contaminating substances.*	No new exploration results are announced within this report.
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). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The Company advises it is considering programmes of infill and extensional drilling aimed at growing the resource and converting Inferred resources to Indicated resources. It has also advised that metallurgical testwork on mineralised material from Baggy Green is planned.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	The Drillhole database is managed in-house by company geologists using Maxwell's Datashed Data Management System. It has been validated by several company geologists and database administrators and believed to be correct at the time of this report. Data has been imported from Current and Historical data files. Source data for historical drilling has been verified as being drilled by Andromeda Metals Limited and imported directly into Datashed.

	• *Data validation procedures used.*	Datashed has in-built validation routines which validates geological and analytical data before being accepted into the database. It has also been validated by several company geologists and database administrators and believed to be correct at the time of this report.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	All competent persons mentioned within this report employed by Andromeda Metals Limited have been closely involved in recent drilling programs including supervision and as such have visited the site on numerous occasions.
	• *If no site visits have been undertaken indicate why this is the case.*	N/A
Geological interpretat-ion	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The weathering interpretation and surfaces have been based on logged weathering and are considered satisfactory for the purposes of this MRE. No specific geological interpretation or model has been provided by Andromeda Metals for review, although this is not considered to be material given the mineralisation is interpreted to be structurally controlled.
	• *Nature of the data used and of any assumptions made.*	Logging of weathered state has been used to generate weathering surfaces.
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*	No alternative interpretations have been investigated.
	• *The use of geology in guiding and controlling Mineral Resource estimation.*	The weathering interpretation has been used to guide the segregation of the mineralisation into primary and supergene zones. The density difference in these zones has been applied to the mineralised rock and host rock within the model.
	• *The factors affecting continuity both of grade and geology.*	The mineralisation at Baggy Green is controlled by a North-South striking structural dilation zone along the main footwall fault.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The Baggy Green Resource has an extent of 500 m (north), 300 m (east) and 250 m (RL).

Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	The resource database has been flagged with unique mineralisation domain codes as defined by the mineralisation wireframes and then composited into 1 m lengths using the best fit algorithm in Vulcan. The composites have been analysed in Snowden's Supervisor software for the internal grade distribution and the existence of extreme values and if present, top-cuts by domain have been applied. Variography has been undertaken on grouped domains where sample numbers have been insufficient to achieve a valid variogram. The estimation of gold has been undertaken using the Ordinary Kriging method in three interpolation passes with each subsequent pass using an increased search ellipse size and a decreased minimum number of samples required to populate a block with grade. Final grade estimates have been validated by statistical analysis and visual comparison to the input de-clustered composite data.
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	No previous MRE's had been completed at the Baggy Green deposit.
	• *The assumptions made regarding recovery of by-products.*	No assumptions have been made regarding recovery of any by-products.
	• *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).*	No deleterious elements have been estimated.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	The drillhole spacing varies from 50 m (northing) by 40 m (easting) to 200 m (northing) by 200 m (easting). A block model has been created in Vulcan V10 modelling Software with a parent block size of 20 m (X) by 20 m (Y) by 5 m (Z) and sub-blocks down to 4 m (X) by 4 m (Y) by 1 m (Z), with the sub-blocks estimated inside the parent block. The block size is considered appropriate for the drill-hole

		spacing. Pass 1 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search ellipse 375 m x 250 m x 20 m (direction 1, direction 2, direction 3) in size for all HG domains. A maximum of two samples per drill-hole has been used as an additional constraint. Pass 2 estimations have been undertaken using a minimum of 4 and a maximum of 24 samples into a search ellipse 562.5 m x 375 m x 30 m (direction 1, direction 2, direction 3) in size for all HG domains. A maximum of two samples per drill-hole has been used as an additional constraint. Pass 3 estimations have been undertaken using a minimum of 2 and a maximum of 24 samples into a search ellipse 750 m x 500 m x 40 m (direction 1, direction 2, direction 3) in size for all HG domains.
	• *Any assumptions behind modelling of selective mining units.*	No selective mining units are assumed in this estimate.
	• *Any assumptions about correlation between variables*	No assumptions about correlations between variables have been made.
	• *Description of how the geological interpretation was used to control the resource estimates.*	Drillhole sample data have been flagged using domain codes generated from three dimensional mineralisation domains. Sample data has been composited to a one metre downhole length using a best fit-method. Intervals with no assays have been excluded from the compositing routine.
	• *Discussion of basis for using or not using grade cutting or capping.*	The influence of extreme sample distribution outliers has been reduced by top-cutting where required. The top-cut levels have been determined on a domain by domain basis using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs).
	• *The process of validation, the checking process used the comparison of model data to drillhole data, and use of reconciliation data if available.*	Final grade estimates have been validated by statistical analysis and visual comparison to the input de-clustered composite data. This validation has been completed on a

		global scale and through the use of swath plots on 20m x 20m x 5m increments in the X, Y and Z directions respectively.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnes are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied*	The Baggy Green Deposit MRE has been reported at a cut-off grade of 0.5 g/t gold, which is considered appropriate for the likely open pit mining method.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	It has been assumed that open pit mining methods will be employed to exploit the Baggy Green Deposit. No assumptions have been made on mining widths, dilution or recoveries have been made during the MRE process.
Metallurgi-cal factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	No metallurgical factors or assumptions have been made during the MRE process.
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of*	No environmental factors or assumptions have been made during the MRE process.

	the environmental assumptions made	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	A total of 185 bulk density determinations have been undertaken at Baggy Green on either historical or recent drillholes. Average values have been calculated from the complete dataset and coded to the MR block model based on the oxidation/weathering state and lithologies in the area
	• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,*	Bulk density measurements have been calculated by water displacement method and provided by ADN for the purpose of the MRE.
	• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Not applicable.
Classificat-ion	• *The basis for the classification of the Mineral Resources into varying confidence categories*	Classification of the Mineral Resource estimate is based primarily on drill density along with the kriging variance and slope of regression for estimated blocks.
	• *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*	The classification takes into account the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity.
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The classification reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	This Mineral Resource estimate for Baggy Green has not been audited by an external party.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate*	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.
	• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be*	The statement relates to global estimates of tonnes and grade.

	relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	
	• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available*	No production data exists for the Baggy Green deposit.

1 JORC CODE, 2012 EDITION – TABLE 1: White Tank

Section 1 Sampling Techniques and Data –

Criteria	Explanation	Commentary
Sampling techniques	• *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 hand held 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.*	Aircore, RAB, and RC drilling has been used to obtain 6 m composite and 1 m samples which have been pulverised to produce sub samples for lab assay (nominal 50 g or 30 g charge for gold fire assay with AA finish). Some samples have also been assayed for a suite of other elements using multi-acid digest of small weight charges finished with ICP-OES and ICP-MS). Some screen fire assays have been completed where coarse gold is suspected to be present. RC and many of the aircore and RAB samples have been riffle split if dry. Wet samples have been sub-sampled using trowels.
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).*	Drill methods include aircore and RAB in unconsolidated regolith, and RC in hard rock. Some shallow RC holes have been drilled in place of aircore and RAB Hole diameter for aircore is 90 mm. RC hole diameters are generally 4.5 to 5.5 inch with face sampling hammers employed.

Drill sample recovery	• *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.*	Qualitative assessment of sample recovery and moisture content of all drill samples has been recorded. Sample system cyclone cleaned at end of each hole and as required minimising down-hole and cross-hole contamination. No relationship is known to exist between sample recovery and grade.
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.*	All holes have been geologically logged by on-site geologist, with lithological, mineralogical, weathering, alteration, mineralisation and veining information recorded. The holes have not been geotechnically logged.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Geological logging is qualitative. Chip trays containing 1-2 m geological sub-samples of aircore, RAB and RC holes have been collected and photographed at the completion of the drilling programme.
	• *The total length and percentage of the relevant intersections logged.*	100% of any reported intersections (and of all metres drilled) have been geologically logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	Not diamond core.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	Samples from Aircore and RAB holes have been collected initially as 6m composites followed by 1m resplits. Many of the 1m resplits have been collected by riffle splitting. RC samples have been taken at 1m intervals and are collected by riffle splitting if dry, or by trowel if wet.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Laboratory sample preparation included drying and pulverising of submitted sample to target of P80 at 75 um. Pulverised samples have been routinely checked for size after pulverising.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Laboratory sample preparation included drying and pulverising of submitted sample to target of P80 at 75 um. Pulverised samples have been routinely

		checked for size after pulverising.
	• *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.*	Laboratory analytical charge size included 30g and 50g standard sizes which are considered adequate for the material being assayed, although the presence of coarse gold has been suspected in some samples based on variability in grade of multiply assayed samples.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Samples sizes are appropriate and representative of the material being sampled.
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.* • *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.* • *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.*	Standard laboratory analyses completed for gold (fire assay). The laboratory analytical methods used are considered to be total. For laboratory samples the Company introduced QA/QC samples (standards and duplicates) at a ratio of one QA/QC sample for every 25 drill samples. The laboratory additionally introduced QA/QC samples (blanks, standards and duplicates). Both the Company introduced and laboratory introduced QA/QC samples indicate acceptable levels of accuracy and precision have been established.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	The company has not had umpire assay checks completed on any White Tank material, but have verified the lab competencies with umpire checks from other nearby prospects (Barns and Baggy Green). The competent person and another company geologist have checked the results as well.
	• *The use of twinned holes.*	There have been no twinned holes completed at White Tank.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	The company uses a Maxwells Datashed database to store and validate its drilling data.
	• *Discuss any adjustment to assay data.*	No adjustments have been made to the

		laboratory assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drillhole collars have normally been pegged using DGPS with an accuracy of +/-0.5 m. Downhole surveys have been completed for deeper RC holes.
	• *Specification of the grid system used.*	The co-ordinate system used during the historic exploration program is AMG84 Zone 53. Since this time the coordinates have been converted into MGA94/ Zone 53 datum and all the tables and plans presented in the report use MGA94 Zone 53 co-ordinates.
	• *Quality and adequacy of topographic control.*	Collar RLs have been created from a high resolution DTM, acquired from a geophysical survey.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	
	• *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.*	Drill lines at White Tank have been drilled mainly on a 50 m section spacing. Hole spacing's on section vary but on average are in the order of 10m-50m apart. Drillhole spacing is considered appropriated to allow geological and grade continuity.
	• *Whether sample compositing has been applied.*	The assay data has been composited for Resource Estimation purposes.
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.*	Drill lines initially oriented east-west then changed to NW-SE across NE-SW trending mineralised zone at White Tank.
	• *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.*	Evidence from a drill traverse with 10m hole spacing is that high grade shoots of gold are present in the overall plane of mineralisation at White Tank.
Sample security	• *The measures taken to ensure sample security.*	Company staff collected or supervised the collection of all laboratory samples. Samples submitted to the laboratory samples have been transported by a trusted local freight contractor. There exists no suspicion that the historic

		samples have been tampered with at any stage.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	There have been no audits or reviews completed on the White Tank data.

Section 2 Reporting of Exploration Results–

Criteria	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.*	The White Tank prospect falls in EL 5092 which is owned 100% by Peninsula Resources limited, a wholly owned subsidiary of Andromeda Metals Limited. Newcrest Mining Limited retains a 1.5% NSR royalty over future mineral production from both licences. The White Tank prospect falls on Perpetual leasehold land used for cereal cropping. Native Title is extinguished on Perpetual Leasehold land at White Tank. Aboriginal heritage surveys have been completed over the White Tank prospect with no sites located in the immediate vicinity.
	• *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.*	A Compensation Agreement is in place with the relevant agricultural landowner. EL 5092 is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	On-ground exploration completed prior to Andromeda Metals' work has been limited to 500m spaced soil geochemistry completed by Newcrest Mining Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The prospect is considered to be either a lode gold or intrusion related gold deposit related to the 1590Ma Hiltaba/GRV tectonothermal event. Gold mineralisation is structurally controlled and associated with significant alteration of host rocks.
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: • easting and northing of the drill hole collar •*	No new exploration results are announced within this report.

	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.	
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.*	No new exploration results are announced within this report.
	• *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.*	No new exploration results are announced within this report.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No new exploration results are announced within this report.
Relationship between mineralisat-ion widths and intercept lengths	• *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 (e.g. 'down hole length, true width not known').*	The relevant sections within the report illustrate the orientation of drilling with respect to interpreted mineralisation orientation, while the interpreted orientation of the mineralisation is also discussed in the report.
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.*	Refer to Figures in body of text
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 to avoid misleading reporting of Exploration Results.*	No new exploration results are announced within this report.
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 characteristics; potential deleterious or contaminating substances.*	No new exploration results are announced within this report.
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).*	The Company advises it is considering programmes of infill and extensional 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.	aimed at growing the resource and converting Inferred resources to Indicated resources.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	The Drillhole database is managed in-house by company geologists using Maxwell's Datashed Data Management System. It has been validated by several company geologists and database administrators and believed to be correct at the time of this report. Data has been imported from Current and Historical data files. Source data for historical drilling has been verified as being drilled by Andromeda Metals Limited and imported directly into Datashed.
	• *Data validation procedures used.*	Datashed has in-built validation routines which validates geological and analytical data before being accepted into the database. It has also been validated by several company geologists and database administrators and believed to be correct at the time of this report.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	All competent persons mentioned within this report employed by Andromeda Metals Limited have been closely involved in recent drilling programs including supervision and as such have visited the site on numerous occasions.
	• *If no site visits have been undertaken indicate why this is the case.*	The project is still at an early exploration phase, no immediate plans for production are planned.
Geological interpretat-ion	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The weathering interpretation and surfaces have been based on logged weathering and are considered satisfactory for the purposes of this MRE. No specific geological interpretation or model has been provided by Andromeda Metals for review, although this is not considered to be material given the mineralisation is interpreted to be

		structurally controlled.
	• *Nature of the data used and of any assumptions made.*	Logging of weathered state has been used to generate weathering surfaces.
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.*	No alternative interpretations have been investigated.
	• *The use of geology in guiding and controlling Mineral Resource estimation.*	The weathering interpretation has been used to guide the segregation of the mineralisation into primary and supergene zones, which have been treated separately in the estimation. As the host lithology is relatively homogenous, this has not been used to guide the primary mineralisation interpretation.
	• *The factors affecting continuity both of grade and geology.*	The mineralisation at White Tank is controlled by a North-South striking structural dilation zone along the main footwall fault.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The White Tank Resource has an extent of 300 m (north), 300 m (east) and 150 m (RL).
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	The resource database has been flagged with unique mineralisation domain codes as defined by the mineralisation wireframes and then composited into 1 m lengths using the best fit algorithm in Vulcan. The composites have been analysed in Snowden's Supervisor software for the internal grade distribution and the existence of extreme values and if present, top-cuts by domain have been applied. Variography has been undertaken on grouped domains, by oxidation position, i.e. Primary and Supergene lodes. Variogram orientations have been largely controlled by the strike and dip of the mineralisation. Due to the low number of composites used the variography is considered poor and fo this reason has not been used in the estimation.

		The estimation of gold has been undertaken using the Inverse Distance weighted to the power of two method in three interpolation passes with each subsequent pass using an increased search ellipse size and a decreased minimum number of samples required to populate a block with grade. Final grade estimates have been validated by statistical analysis and visual comparison to the input de-clustered composite data.
	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	No previous MRE's had been completed at the White Tank deposit.
	• *The assumptions made regarding recovery of by-products.*	No assumptions have been made regarding recovery of any by-products.
	• *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).*	No deleterious elements have been estimated.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	The drillhole spacing varies from 40 m (northing) by 20 m (easting) to 100 m (northing) by 50 m (easting). A block model has been created in Vulcan V10 modelling Software with a parent block size of 10 m (X) by 25 m (Y) by 5 m (Z) and sub-blocks down to 1 m (X) by 2.5 m (Y) by 0.5 m (Z), with the sub-blocks estimated inside the parent block. The block size is considered appropriate for the drill-hole spacing. Pass 1 estimations have been undertaken using a minimum of 6 and a maximum of 24 samples into a search ellipse 60 m x 40 m x 10 m (direction 1, direction 2, direction 3) in size for all domains. A maximum of two samples per drill-hole has been used as an additional constraint. Pass 2 estimations have been undertaken using a minimum of 4 and a maximum of 24 samples into a search ellipse 90 m x 60 m x 15 m (direction 1, direction 2, direction 3) in size for all domains. A maximum of two samples per drill-hole has been used as an

		additional constraint. Pass 3 estimations have been undertaken using a minimum of 2 and a maximum of 24 samples into a search ellipse 120 m x 80 m x 20 m (direction 1, direction 2, direction 3) in size for all domains.
	• *Any assumptions behind modelling of selective mining units.*	No selective mining units are assumed in this estimate.
	• *Any assumptions about correlation between variables*	No assumptions about correlations between variables have been made.
	• *Description of how the geological interpretation was used to control the resource estimates.*	Drillhole sample data have been flagged using domain codes generated from three dimensional mineralisation domains. Sample data has been composited to a one metre downhole length using a best fit-method. Intervals with no assays have been excluded from the compositing routine.
	• *Discussion of basis for using or not using grade cutting or capping.*	The influence of extreme sample distribution outliers has been reduced by top-cutting where required. The top-cut levels have been determined on a domain by domain basis using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs).
	• *The process of validation, the checking process used the comparison of model data to drillhole data, and use of reconciliation data if available.*	Final grade estimates have been validated by statistical analysis and visual comparison to the input de-clustered composite data. This validation has been completed on a global scale and through the use of swath plots on 10 m, 20m and 5m increments in the X, Y and Z direction respectively.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnes are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied*	The White Tank Deposit MRE has been reported at a cut-off grade of 0.5 g/t gold, which is considered appropriate for the likely open pit mining method.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects*	It has been assumed that open pit mining methods will be employed to exploit the White Tank Deposit. No assumptions have been made on mining

	for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	widths, dilution or recoveries have been made during the MRE process.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	No metallurgical factors or assumptions have been made during the MRE process.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	No environmental factors or assumptions have been made during the MRE process.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	A total of 255 bulk density determinations have been undertaken at Barns on either historical or recent drillholes. The Barns Deposit is 1km north of White Tank and the bulk density determinations are considered valid for White Tank. Average values have been calculated from the complete dataset and coded to the MR block model based on the oxidation/weathering state and lithologies in the area
	• *The bulk density for bulk material must have been measured by methods that adequately*	Bulk density measurements have been calculated by water displacement method

	account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	and provided by ADR for the purpose of the MRE.
	• *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	Not applicable.
Classificat-ion	• *The basis for the classification of the Mineral Resources into varying confidence categories*	Classification of the Mineral Resource estimate is based primarily on drill density along with the number of informing composite samples for each block.
	• *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).*	The classification takes into account the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity.
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The classification reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	This Mineral Resource estimate for White Tank has not been audited by an external party.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate*	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.
	• *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used*	The statement relates to global estimates of tonnes and grade.
	• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available*	No production data exists for the White Tank deposit.