ASX Release
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Hawthorn Resources Limited
March 2018 Quarterly Report

MINE DEVELOPMENT & PRODUCTION

- ***Mining Continues at the Trouser Legs Gold Mine – ramp up to full production near complete.***
    - ***Initial Trial Ore Parcel (18,994 tonnes) processed at Carosue Dam Mill - 778 ounces of gold recovered.***
    - ***Ore Parcel 2 (38,154 tonnes) delivered and processed at Carosue Dam Mill – grade reconciliation and recovery pending.***
    - ***Ore Parcel 3 (42,000 tonnes estimated) delivered to Carosue Dam – processing commenced 16 April 2018.***
    - ***Ore Parcel 4 building with 3,785 tonnes on stockpile pad as at 31 March 2018.***
    - ***Access restored to the floor of the historic opencut pit at month end – mining to commence shortly.***

NEAR MINE EXPLORATION

- ***Sterilisation drilling outside of Trouser Legs Open Pit Design returns near surface and deeper gold intercepts at south end of the orebody. Results include:***
    - ***3 metres @ 13.9 g/t Au from 14 metres, and***
    - ***5 metres @ 6.66 g/t Au from 78 metres.***
- ***Drilling at Coles (Trouser Legs JV – 5km north of current mine operation) returns intercepts:***
    - ***7 metres @ 2.75 g/t Au from 14 metres, and***
    - ***11 metres @ 1.47 g/t Au from 10 metres.***

EXPLORATION

- ***Limited follow-up Aircore Drilling in the Box Well area.***
- ***Completion of Stage 2 Flora and Fauna surveys at both the Box Well and Deep South gold resources.***

Hawthorn Resources' gold mining, development and exploration programs is primarily focussed in four major project areas where Hawthorn Resources holds in its own right or has earned equity from joint venture partners in 45 granted exploration, mining, prospecting licences and applications.

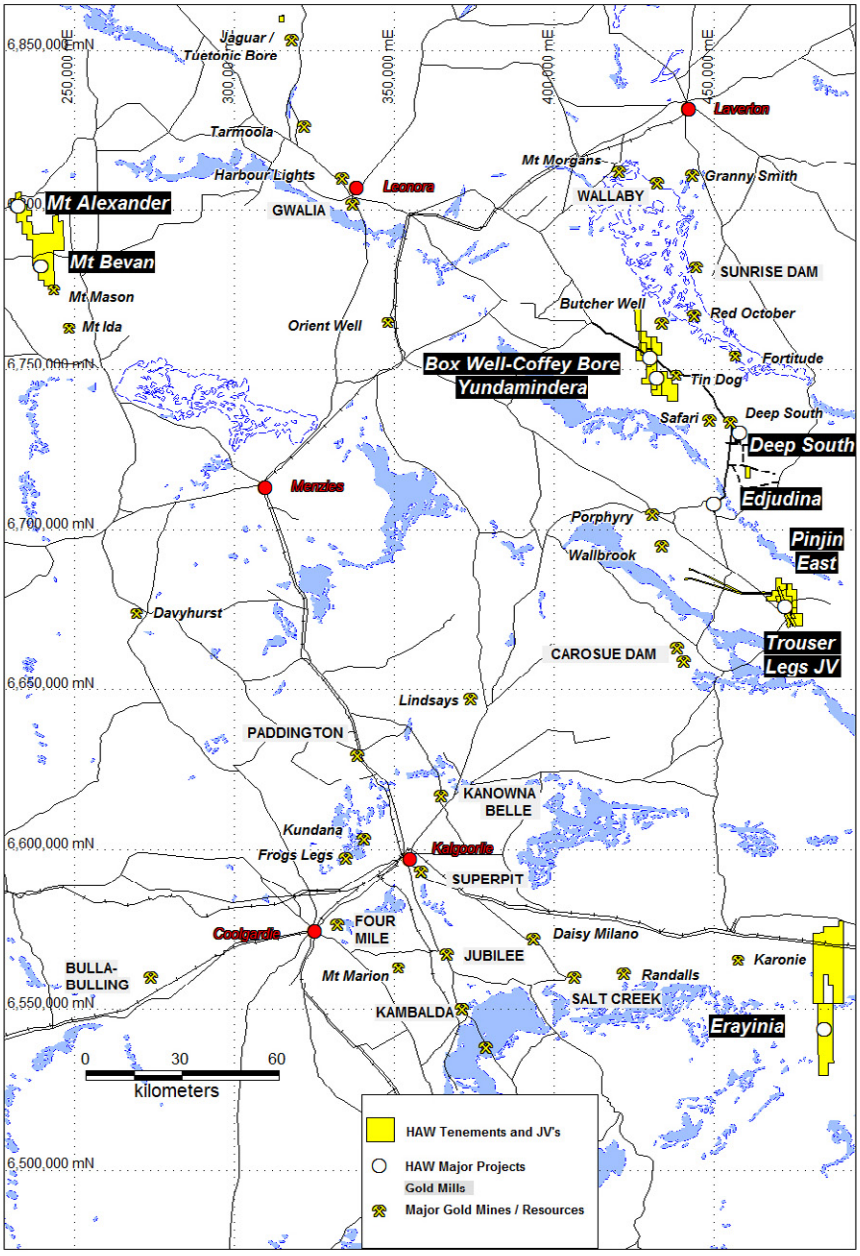

Figure 1. Eastern Goldfields, Western Australia – Project Locations

During the March 2018 quarter, Hawthorn Resources Limited activities have been focussed on mining at the ***Trouser Legs Gold Mine,*** with the project approaching full production capacity at the end of the quarter. Assessment of near mine and satellite resources, such as the ***Coles Prospect,*** in close proximity to the minesite, recommenced in an effort to identify and exploit potential resources while mining at the ***Trouser Legs Mine*** is carried out.

Surveys to enable Mining Proposals for the ***Box Well Gold Resource (130,000 ounces Au)*** and the ***Deep South Resource (78,000 ounces Au)*** to be submitted to the Western Australia Department of Mines, Industry and Resource Safety continue with such proposals to be completed in the upcoming quarter.

Hawthorn Resources gold projects have a combined Resource base of over ***500,000 ounces of gold*** (***396,000 ounces of gold*** attributable).

Mining and Production

Trouser Legs Gold Mine *(Trouser Legs Mining JV) - Hawthorn Resources 70%, Gel Resources 30%*

The March 2018 quarter has seen initial gold ore production commencing from the ***Trouser Legs Gold Mine***.

Hawthorn Resources Chairman, Mr Mark Kerr commented - *"This is a significant milestone for the Joint Venture and Hawthorn (as manager of the Joint Venture). I would like to thank our personnel and contractors for achieving mine commencement in a timely and safe manner despite unexpected delays in commissioning – not the least the widespread rainfall during February that affected our ability to mine and haul ore. I would also like to acknowledge our shareholders who have stayed the journey throughout the development process"*

Figure 2. Mining at the Trouser Legs Gold Mine – Stage 1 Pit – Grade Control drilling in the base of the historic Anglo Saxon open pit – 350 metre RL (35 Metres Below Surface).

The Project area, 140 km north east of Kalgoorlie and 35 kilometres to the east of the Carosue Dam Mill of Saracen Mineral Holdings Limited, is a contributory Joint Venture with ***Gel Resources Limited***.

Gold ore mined at the ***Trouser Legs Mine*** is currently batched into monthly parcels of between 20,000 and 50,000 tonnes of ore, hauled to the Carosue Dam Mill (operated by Saracen Mineral Holdings Limited) for purchase by Saracen under the terms of an Ore Purchase Agreement signed in October 2017.

The open pit will be mined in 3 Stages with ore and waste currently being mined from within the Stage 1 and 2 open pits. Prestrip on the high grade Stage 3 pit is scheduled to commence in June.

Figure 3. Mining at the Trouser Legs Gold Mine – Stage 2 Pit – Development at south end of the Trouser Legs Deposit looking North. Access to 360 metre RL (15 Metres Below Surface).

During March 2018 quarter mining operations have proceeded well, despite significant rainfall in late February 2018 disrupting mining and haulage for approximately 7 days.

- ***558,172 BCM*** of waste was removed from the northern and central portions of the deposit,
- ***93,293 tonnes*** of ore was delivered to the minesite ROM pad.
- Three Parcels of ore have been delivered to the Carosue Dam Mill

    - ***Ore Parcel 1 of 18,994 tonnes*** of lower grade, near surface ore was delivered to the Carosue Dam Mill with 778 ounces of gold recovered.
    - ***Ore Parcel 2 of 38,154 tonnes*** of ore has been delivered and processed at Carosue Dam Mill. Grade reconciliation and recovery data pending.
    - ***Ore Parcel 3 of 42,000 tonnes*** of ore delivered to Carosue Dam – processing commenced in mid-April 2018.

- ***Ore Parcel 4*** is currently building with 3,785 tonnes on stockpile pad as at 31 March 2018.

- There were no ***Lost Time Injuries (LTI's)*** reported for the quarter.

During the quarter mining operations continued to ramp up to scheduled levels. Mining commenced in the Northern portions of final pit design and has successfully brought the pit down to the base of the historic Anglo Saxon open pit (See Figure 2 above). Prestrip of significant volumes of waste and lower grade ore has been undertaken to access higher grade ore from this level to the final pit depth. At quarter end mining had commenced in the southern portion of the deposit in order to access higher gold grade ore during April and May 2018 (See Figure 3 and comment in the Near Mine Exploration section below).

The initial ore parcel delivered to the Carosue Dam Mill contained a significant amount of near surface oxide and calcrete material that required excavation to access underlying higher grade lodes. The parcel also demonstrated a high level of discrete gold particles ("nuggets") that proved difficult to model in Grade Control Drilling.

This nugget affect appears to be reducing with depth and should be less of an influence in Ore Parcels 2, 3 & 4. Significant volumes of ore are expected to be mined in the upcoming quarter from both the Stage 1 Pit (North Section and beneath the historic open cut mine) and the Stage 2 Pit (Southern Section of the mine).

Over the coming quarter production is forecast to ramp up to an average of 50kt per month. Importantly, both the grade and coherence of the ore body are improving with depth, which is consistent with the resource modelling undertaken to date.

Near Mine Exploration

With Open Pit mining continuing at the ***Trouser Legs Gold Mine*** – near mine exploration recommenced in order to expand the known mine resources and identify potential satellite resources that can be exploited during the active mining phase.

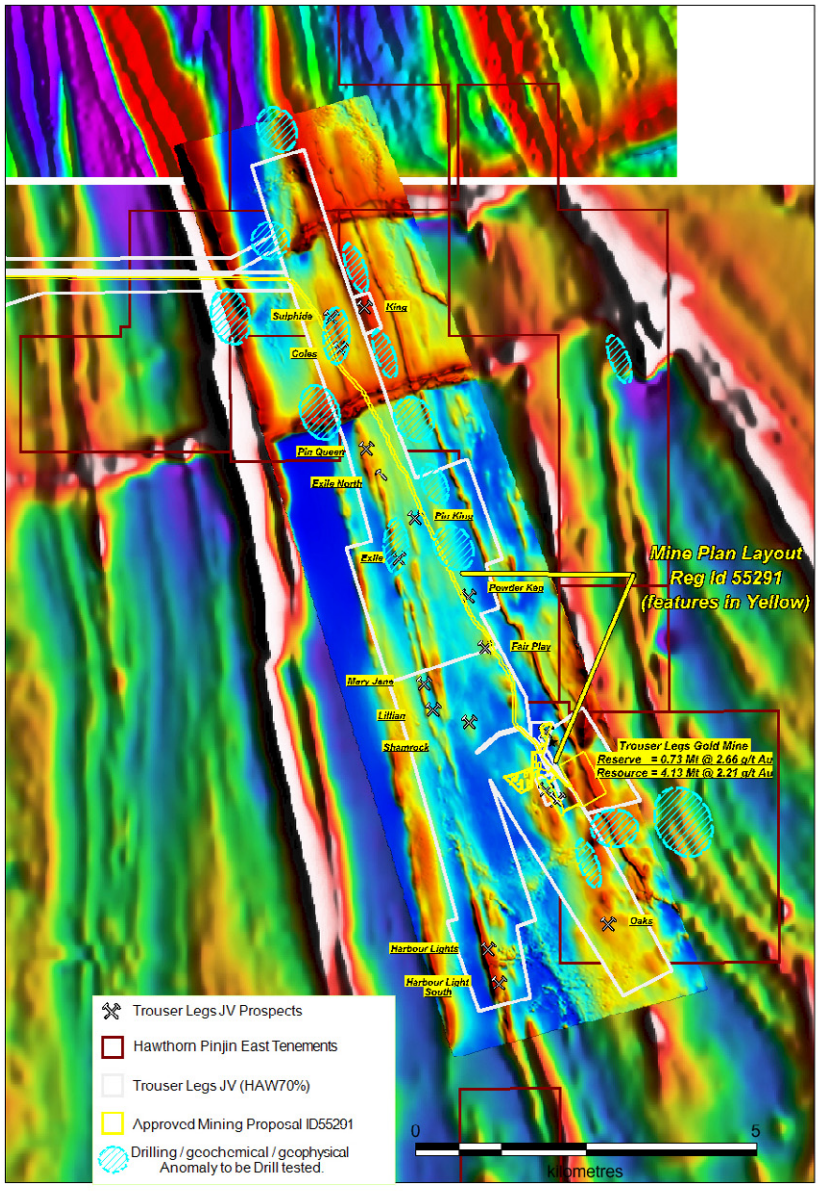

Figure 4. Near Mine Exploration targets – Trouser Legs Joint Venture and Pinjin East Tenements

Mine Sterilisation Drilling *Hawthorn Resources 70%, Gel Resources 30%*

An RC program (6 holes / 412 metres) was carried out in the approximate position of the final pit crest of the ***Trouser Legs Mine*** in order assess potential strike extensions of oreblocks extending from within the current pit shell.

While several of these holes did not return significant mineralisation ***TLSC007,*** drilled immediately along strike of a series of high grade oreblocks in the extreme south, and outside of the initial pit design, returned significant near surface and deeper gold results including:

- ***3 metres @ 13.9 g/t Au*** from ***14 metres depth***,
  including (1 metre @ 33.6 g/ Au from ***15 metres depth***) and

- ***5 metres @ 6.66 g/t Au*** from ***78 metres depth***,
  including (1 metre @ 31.0 g/ Au from ***79 metres depth***)

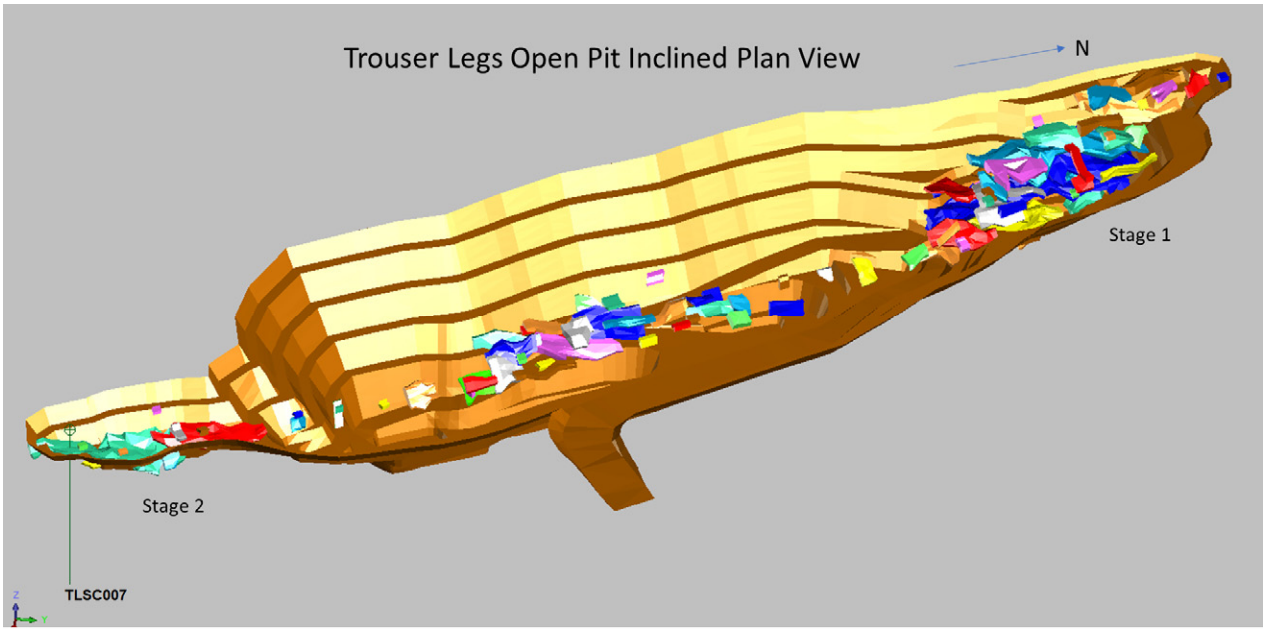

Figure 5. Drill holeTLSC007 Trouser Legs Gold Mine – Stage 2 Pit Extended to incorporate extension of high grade near surface oreblocks – April 2018.

The shallow high grade intercept of ***3 metres @ 13.9 g/t Au*** correlates well with similar high grade ore blocks defined to extend over 100 metres to the north of ***TLSC007*** in the Stage 2 pit (See Figure 5 above). A small pit redesign has occurred as a result of this high grade intercept with mining of these blocks expected during May 2018

The deeper interval reported in ***TLSC007*** of ***5 metres @ 6.66 g/t Au*** is unlikely to be exploited in the current pit design, but may be accessed in a future expanded pit or via potential underground development.

Coles *Hawthorn Resources 70%, Gel Resources 30%*

During the quarter 8 RC holes for 382 m were drilled at the ***Coles Prospect*** located 5.0 kilometres north of the operating ***Trouser Legs Mine*** and immediately adjacent to the established haul road.

This shallow drilling program was designed to infill gaps in the existing drilling database to enable the Joint Venture to establish whether a mineable resource can be defined in this area. Several holes intersected historic drives and stopes, however significant results were retuned including:

- ***3 metres @ 3.58 g/t Au from 10 metres depth and***
- ***7 metres @ 2.75 g/t Au from 14 metres depth in COLC017,***

- ***4 metres @ 2.74 g/t Au from 19 metres depth and***
- ***4 metre @ 1.90 g/t Au*** from ***24 metres depth in COLC018.***

Both intercepts intersected a single metre wide stope that separate the gold results reported.

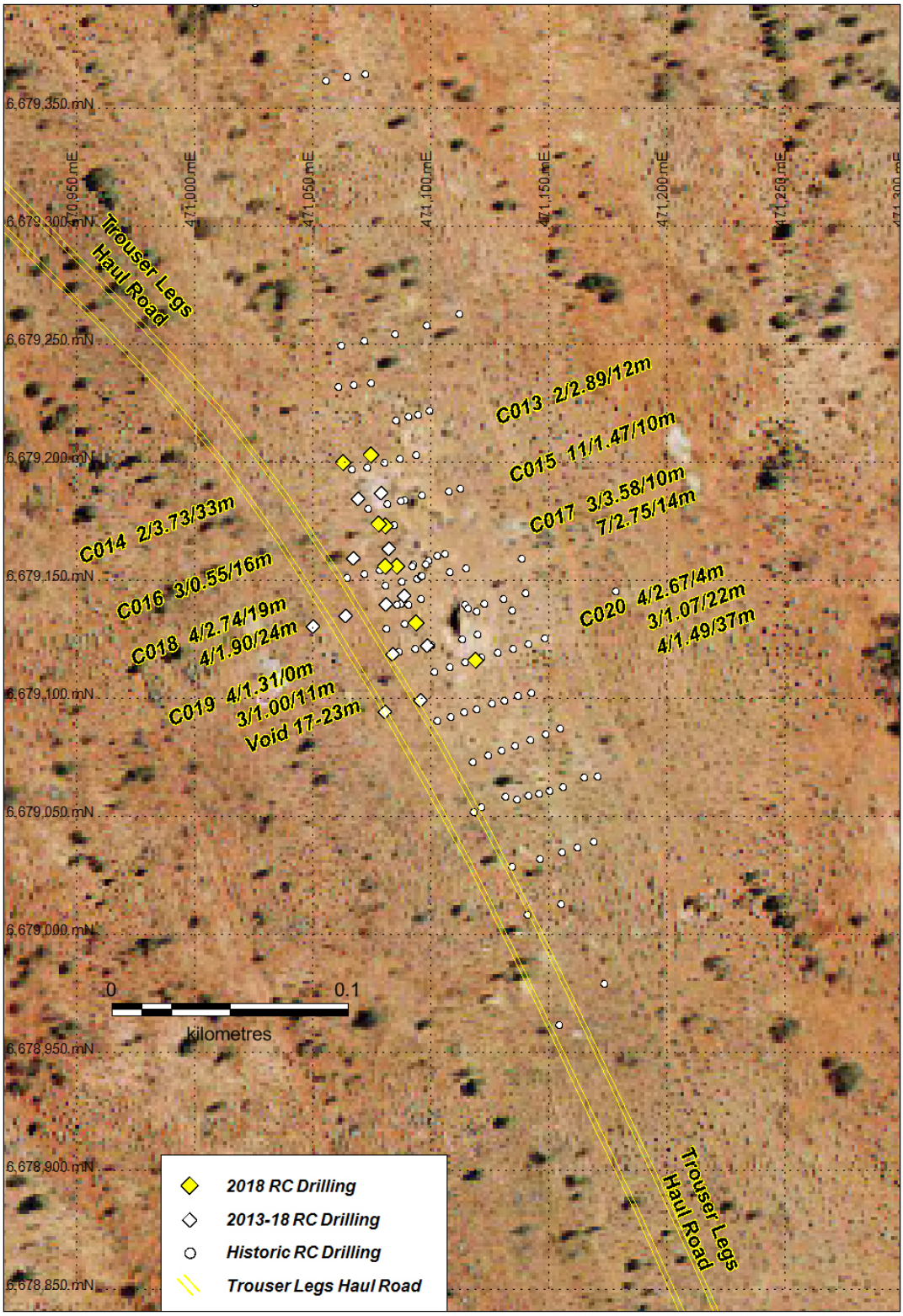

Figure 6. Trouser Legs Joint Venture – Coles 2018 RC Drilling.

Assessment of these results is ongoing and a decision of the ability for this prospect to be economically mined will be completed in the upcoming quarter. The potential for mining of smaller potential gold resources such as ***Coles*** is greatly enhanced by the availability of mining equipment and personnel at the Trouser Legs Mine.

Other Near Mine Exploration Programs *Hawthorn Resources 70%, Gel Resources 30% and Hawthorn Resources 100%*

Programme of Work approvals have been received for substantial drilling programs at other prospects in close proximity to the ***Trouser Legs Mine***. Targets to be tested include advanced prospects that have had initial drill testing such as the ***Exile Prospect*** (results to ***8m @ 3.76 g/t Au from 8 metres depth***), and the ***Harbour Lights Prospect*** (results to ***2m @ 20.4 g/t Au from 11 metres depth*** and ***6 metres @ 3.07 g/t from 18 metres depth***).

Additionally completed soil geochemical and RAB drilling program, targeting geophysical anomalies interpreted from detailed aeromagnetic and ground gravity surveys, have identified numerous strongly anomalous targets that will be progressively drill tested in the upcoming year.

Exploration

Yundamindera Gold Project	*Hawthorn Resources 100% and Edjudina-Pinjin JV Tenements (Hawthorn Resources 80%, Westgold Resources 20%);*
Deep South Gold Project	*Hawthorn Resources 80%, Westgold Resources 20%;*
Mt Bevan Iron & Base Metal Project	*Hawthorn Resources 40%, Legacy Iron Ore 60%;*

Yundamindera Project

(Hawthorn 100% and Hawthorn Resources 80%, Westgold Resources 20%).

In the ***Yundamindera Project*** area, located approximately 175 kilometres to the north east of Kalgoorlie, Western Australia, Hawthorn is exploring a contiguous tenement package covering over 145 km².

Exploration in the ***Yundamindera Project*** area has been focused towards the discovery of shear, BIF and porphyry associated gold mineralisation – the host of major gold resources in the North East Goldfields of Western Australia at the ***Sunrise Dam (>10 Moz Au), Wallaby (>7 Moz Au)***, ***Jupiter – Mt Morgan (2.8 Moz Au)*** and ***Butcher Well (0.3 Moz)*** mining centres***.***

Significant gold mineralisation has been discovered within the project area both in outcrop and more importantly, beneath extensive and pervasive, transported cover sequences.

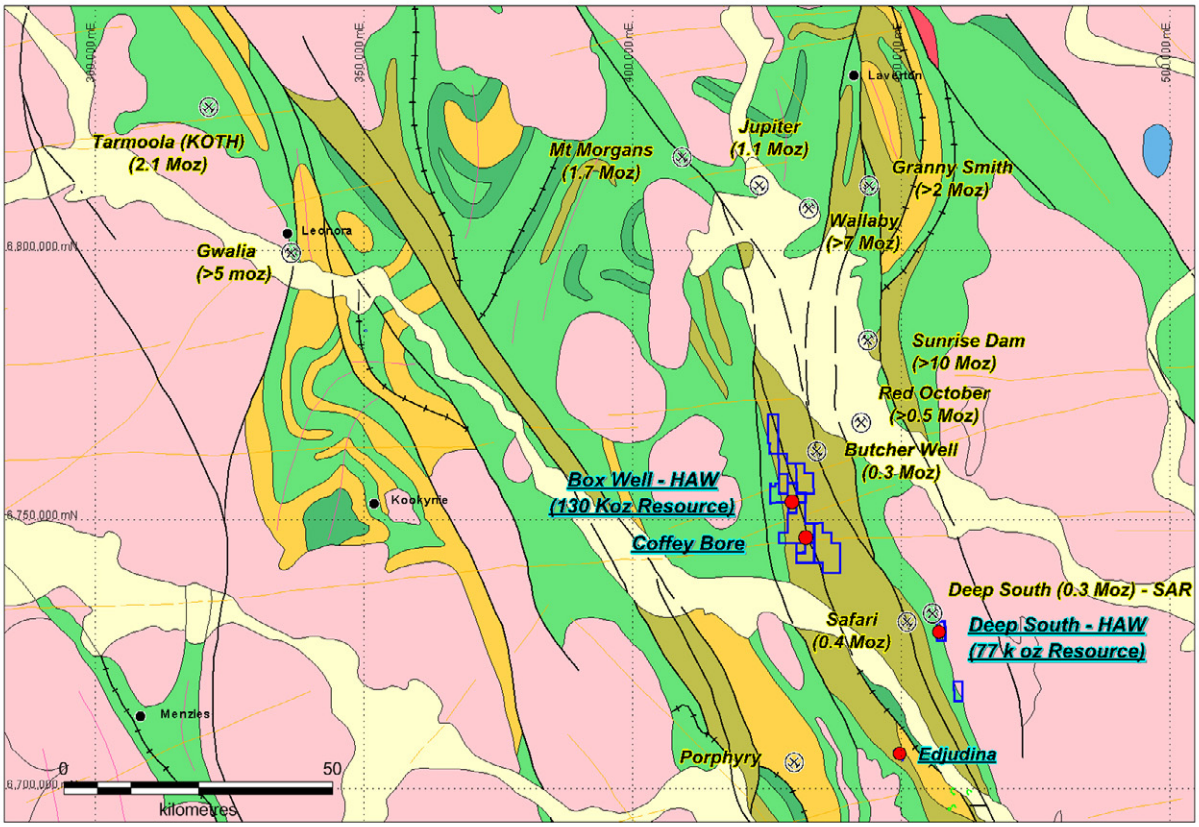

Figure 6. Box Well and Coffey Bore Prospects – Geology of North East Goldfields of Western Australia

At the ***Box Well Prospect*** (*Hawthorn Resources 100%)* a strongly gold mineralised, silicified shear zone has been discovered within a broader, gold mineralised, altered stockwork quartz veined package of felsic volcanics and volcaniclastic sediments. An Indicated and Inferred Mineral Resource Estimate for the ***Box Well*** prospect of ***130,000 ounces of gold*** has been announced. Similar lithologies and alteration are also observed at the gold mineralised ***Coffey Bore Prospect*** – 7.0 kilometres along strike to the south-east of ***Box Well***.

A limited 20 hole / 1055 metre Aircore drilling program, designed to follow up RAB drilling conducted in late 2017 testing alluvial covered geophysical targets to the immediate north and south of the ***Box Well Resource,*** was completed during the quarter.

This drill program, carried out to refusal, followed up several anomalous values returned from previous RAB drilling.

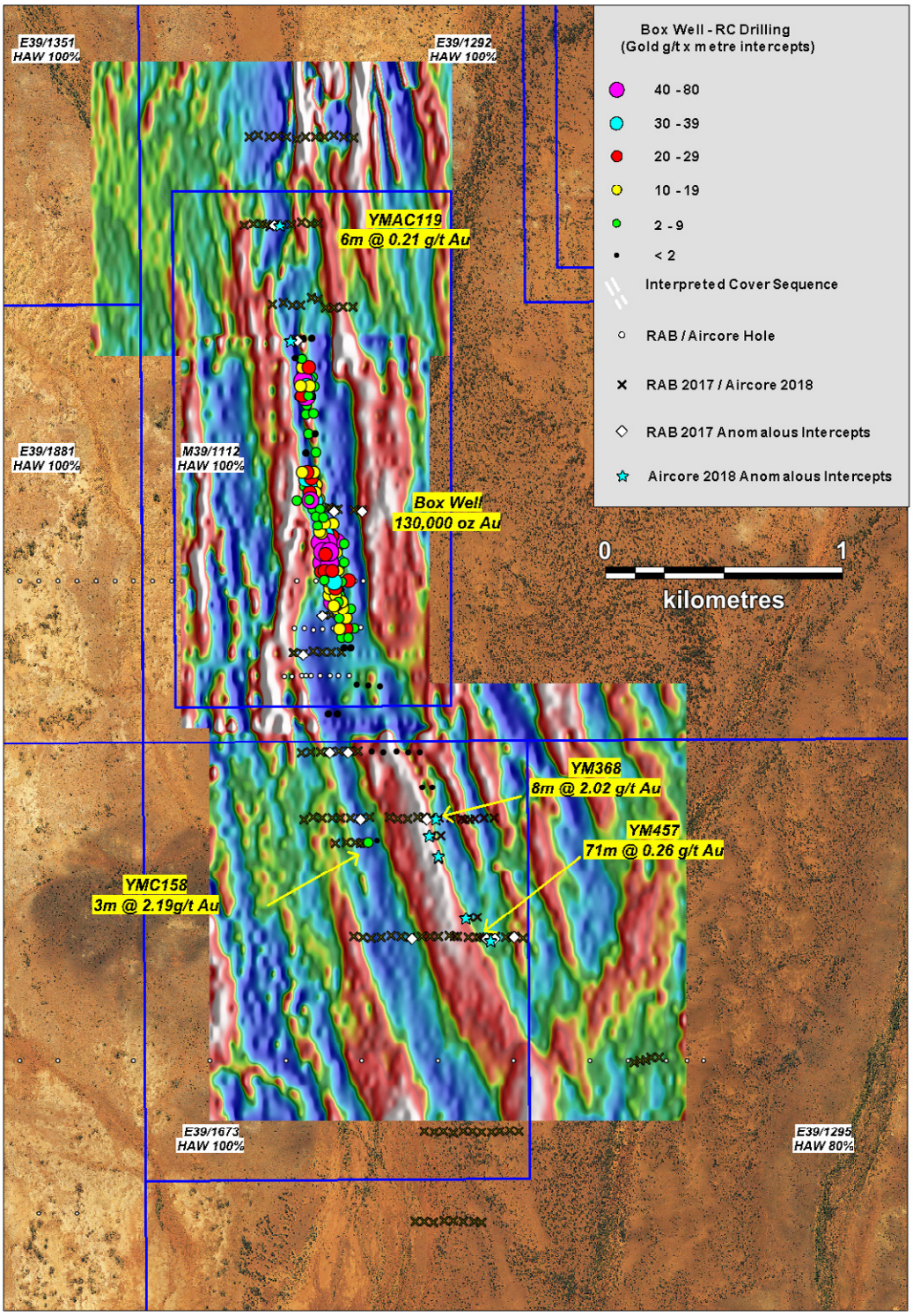

Figure 7. Box Well North and South – 2017-18 RAB/Aircore Drilling on Sub-Audio Magnetics Data

In particular Bottom of Hole results from ***YMAC107, 119 and 120*** of several metres width at between ***0.10 – 0.46 g/t Au*** have occurred in silicified and weakly brecciated felsic volcanics similar to the ***Box Well Resource (130,000 ounce contained gold).*** These intercepts require RC drilling follow up. In

particular the intercept in ***YMAC119*** occurs 500 metres north of the ***Box Well Resource*** footprint in the interpreted position of a major North-South shear.

Stage 2 Flora and fauna surveys have been completed and a Mining Proposal will be lodged in the upcoming quarter.

Deep South Project
(Hawthorn Resources 80%, Westgold Resources 20%).

The **Deep South Project** is approximately 180 kilometres north east of Kalgoorlie with the project area situated along strike of known economic gold mineralisation hosted in the **Deep South-Mexico** gold orebodies owned by Saracen Mineral Holdings Limited ("Saracen"). Saracen continues commercial production from the underground mine on a Probable Reserve base of 125,000 ounces of gold within a Mining Resource Inventory of 174,000 ounces of gold.

Hawthorn has identified a gold mineralised horizon analogous to the adjacent ***Deep South*** gold orebodies within its tenement package.

During 2017 an initial Indicated and Inferred Mineral Resource Estimate for the ***Deep South*** prospect of ***76,800 ounces of gold*** was announced.

Stage 2 Flora and fauna surveys have been completed and a Mining Proposal will be lodged in the upcoming quarter.

Joint Ventures

Mount Bevan Iron Ore / Base Metals Project
(Hawthorn 40%, Legacy 60% and managing)

The **Mount Bevan Project,** comprising Exploration Licence 29/510, is located approximately 100 km west of Leonora in the central Yilgarn region of Western Australia.

Iron Ore

Several substantial BIF horizons have been identified within the tenement, the westernmost of these horizons hosts the ***Mt Bevan Indicated Magnetite Resource*** of ***322Mt @ 34.7% Fe*** within a larger ***Inferred Magnetite Resource*** of ***1,117 Mt @ 34.9% Fe***. In addition the northern extension of the Jupiter Mines Limited ("Jupiter") ***Mt Mason Resource DSO Haematite Resource (9.4Mt @ 57.6% Fe)*** extends into the Joint Venture tenement.

Base Metals

During the previous quarter results of an Auger drilling program carried out over EM ("Electro-Magnetic") anomalies on the Joint Venture tenement were received. The EM anomalies targeted appear similar to those identified by ***St George Mining Limited*** (***ASX: SGQ***) in the "Mt Alexander and Cathedrals Belts" that adjoins the Joint Venture tenement

Coherent, low-level combined Ni-Cu-Co±Zn±Pb±Ag soil geochemical anomalies identified in the previous quarter are to be drill tested by the Joint Venture manager during the June 2018 quarter.

CORPORATE

Board of Directors

CORPORATE

Board of Directors

Membership –the composition of the Board of Directors is unchanged

Issued Securities – ASX Limited securities code: "HAW"

The number of ordinary fully paid shares on issue and quoted on the official lists of the ASX remained at 321,625,613 fully paid ordinary shares.

Funding/Cash Balance

As at 31 March 2018 the Company held "clear" funds-on-hand of A$2.92 million (December 2017: A$4.28 million) representing a cash backing of A$0.009 a share (December 2017: A$0.013). The Company has no debt.

Mining Tenements

During the quarter ended 31 March 2018 the total number of the Company's Mining Tenement interests increased by a one tenement interest and decreased by one tenement interest:

Balance of Tenement interests held 31 December 2017	43
Add	
Tenement interests acquired, increased or applications	3
Sub-Total	46
Less	
Tenements interests relinquished, reduced, amalgamated or lapsed	1
Balance of Tenement interests held 31 March 2018	45

For full details of the movements in Mining Tenement interests during the period and held as at 31 March 2018 refer to the schedules attached to the Appendix 5B Report accompanying this Activities Report.

Mourice R Garbutt
Company Secretary

The information in this report that relates to the Mineral Reserve estimation is based on information compiled by Mr William Lloyd, a Competent Person who is a Member of Australasian Institute of Mining and Metallurgy. Mr Lloyd is employed by BM Geological Services. Mr Lloyd has been engaged as an external independent consultant by Hawthorn Resource Limited. Mr Lloyd has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lloyd consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Moody, who is a member of the Australasian Institute of Mining and Metallurgy and a full time consultant geologist with First Principle Mineral Exploration Company Pty Ltd. Mr Moody has sufficient experience as a geologist which is relevant to the style of mineralization and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Moody consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 1a – March 2018 RC Drill Hole data

Hole No.	Project	Prospect	GDA94N	GDA94E	Depth	Azimuth	Dip	Type	From (m)	To (m)	Width (m)	Au g/t
TLSC001	Trouser Legs Mine	Sterilisation	6672726	473989	61	000	-90	RC				NSA
TLSC002	Trouser Legs Mine	Sterilisation	6672772	473993	83	000	-90	RC	56	58	2	1.00
TLSC003	Trouser Legs Mine	Sterilisation	6672886	473969	100	000	-90	RC				NSA
TLSC006	Trouser Legs Mine	Sterilisation	6672261	474301	101	000	-90	RC	83	86	3	1.83
and									95	97	2	2.89
TLSC007	Trouser Legs Mine	Sterilisation	6672263	474342	113	000	-90	RC	14	17	3	13.90
incl.									15	16	1	33.60
and									37	40	3	0.67
and									53	58	5	0.54
and									70	71	1	3.98
and									78	83	5	6.66
incl.									79	80	1	31.00
and									92	93	2	4.89
incl.									92	93	1	9.23
and									108	109	1	4.33
and									111	112	1	3.59
TLSC009	Trouser Legs Mine	Sterilisation	6672243	474380	92	000	-90	RC				NSA
COLC013	Trouser Legs JV	Coles	6679204	471074	50	073	-60	RC	12	14	2	2.89
incl.									13	14	1	5.21
COLC014	Trouser Legs JV	Coles	6679201	471063	65	074	-60	RC	33	35	2	3.73
incl.									33	34	1	6.60
COLC015	Trouser Legs JV	Coles	6679175	471079	44	074	-60	RC	10	21	11	1.47
incl.									11	12	1	5.29
COLC016	Trouser Legs JV	Coles	6679174	471076	62	074	-68	RC	16	19	3	0.55
COLC017	Trouser Legs JV	Coles	6679157	471084	47	075	-60	RC	3	5	2	1.33
and									10	13	3	3.58
and									13	14		Void
and									14	21	7	2.75
incl.									18	20	2	7.15
COLC018	Trouser Legs JV	Coles	6679156	471079	47	075	-60	RC	19	23	4	2.74
and									23	24		Void
and									24	28	4	1.90
and									32	33	1	3.00
and									38	39	1	8.49
COLC019	Trouser Legs JV	Coles	6679133	471095	23	075	-60	RC	0	4	4	1.31

and									*11*	*14*	*3*	*1.00*
and									*17*	*23EOH*		*Void*
COLC020	*Trouser Legs JV*	*Coles*	*6679115*	*471117*	*44*	*269*	*-60*	*RC*	*5*	*9*	*4*	*2.67*
incl.									*5*	*6*	*1*	*8.15*
and									*16*	*18*	*2*	*0.92*
and									*22*	*25*	*3*	*1.07*
and									*37*	*41*	*4*	*1.49*
PERC001	*Pinjin East*	*BIF Ridge A*	*6680088*	*469045*	*59*	*000*	*-90*					*NSA*

Appendix 1b – March 2018 Aircore Drill Hole data (>0.10 g/t Au)

Hole No.	*Project*	*Prospect*	*GDA94N*	*GDA94E*	*Depth*	*Azimuth*	*Dip*	*Type*	*From (m)*	*To (m)*	*Width (m)*	*Au g/t*
PEAC18001	*Pinjin East*	*BIF Ridge A*	*6680083*	*469048*	*27*	*265*	*-60*	*AC*				*NSA*
PEAC18002	*Pinjin East*	*BIF Ridge A*	*6680086*	*469078*	*25*	*265*	*-60*	*AC*				*NSA*
PEAC18003	*Pinjin East*	*BIF Ridge A*	*6680092*	*469111*	*9*	*265*	*-60*	*AC*				*NSA*
PEAC18004	*Pinjin East*	*BIF Ridge A*	*6680096*	*469142*	*6*	*265*	*-60*	*AC*				*NSA*
PEAC18005	*Pinjin East*	*BIF Ridge A*	*6680100*	*469172*	*23*	*265*	*-60*	*AC*				*NSA*
PEAC18006	*Pinjin East*	*BIF Ridge A*	*6680105*	*469206*	*13*	*265*	*-60*	*AC*				*NSA*
PEAC18007	*Pinjin East*	*BIF Ridge A*	*6680119*	*469239*	*22*	*265*	*-60*	*AC*				*NSA*
PEAC18008	*Pinjin East*	*BIF Ridge A*	*6680125*	*469267*	*16*	*265*	*-60*	*AC*				*NSA*
YMAC101	*Yundamindera*	*BW SE*	*6752705*	*429995*	*64*	*270*	*-60*	*AC*	*16*	*20*	*4*	*0.10*
YMAC102	*Yundamindera*	*BW SE*	*6752704*	*430026*	*63*	*270*	*-60*	*AC*				*NSA*
YMAC103	*Yundamindera*	*BW SE*	*6752704*	*430060*	*73*	*270*	*-60*	*AC*	*44*	*48*	*4*	*0.10*
YMAC104	*Yundamindera*	*BW SE*	*6752626*	*430029*	*80*	*270*	*-60*	*AC*	*32*	*40*	*8*	*0.11*
YMAC105	*Yundamindera*	*BW SE*	*6752626*	*430069*	*112*	*270*	*-60*	*AC*				*NSA*
YMAC106	*Yundamindera*	*BW SE*	*6752529*	*430059*	*74*	*270*	*-60*	*AC*	*20*	*24*	*4*	*0.11*
YMAC107	*Yundamindera*	*BW SE*	*6752201*	*430231*	*83*	*270*	*-60*	*AC*	*81*	*83 EOH*	*2*	*0.23*
YMAC108	*Yundamindera*	*BW SE*	*6752202*	*430123*	*56*	*270*	*-60*	*AC*				*NSA*
YMAC109	*Yundamindera*	*BW SE*	*6752284*	*430186*	*50*	*270*	*-60*	*AC*				*NSA*
YMAC110	*Yundamindera*	*BW SE*	*6752285*	*430221*	*81*	*270*	*-60*	*AC*	*67*	*69*	*2*	*0.46*
YMAC111	*Yundamindera*	*BW E*	*6752697*	*430171*	*26*	*270*	*-60*	*AC*				*NSA*
YMAC112	*Yundamindera*	*BW E*	*6752697*	*430190*	*4*	*270*	*-60*	*AC*				*NSA*
YMAC113	*Yundamindera*	*BW E*	*6752698*	*430213*	*8*	*270*	*-60*	*AC*				*NSA*
YMAC114	*Yundamindera*	*BW E*	*6752702*	*430250*	*53*	*270*	*-60*	*AC*				*NSA*
YMAC115	*Yundamindera*	*BW E*	*6752703*	*430293*	*62*	*270*	*-60*	*AC*				*NSA*

YMAC116	***Yundamindera***	***BW E***	***6752704***	***430109***	***37***	***270***	***-60***	***AC***				***NSA***
YMAC117	***Yundamindera***	***BW E***	***6752699***	***430156***	***32***	***270***	***-60***	***AC***				***NSA***
YMAC118	***Yundamindera***	***BW N***	***6755192***	***429350***	***35***	***270***	***-60***	***AC***				***NSA***
YMAC119	***Yundamindera***	***BW N***	***6755197***	***429371***	***42***	***270***	***-60***	***AC***	***36***	***42 EOH***	***6***	***0.21***
YMAC120	***Yundamindera***	***BW N***	***6754720***	***429450***	***20***	***270***	***-60***	***AC***	***16***	***20 EOH***	***4***	***0.10***

Appendix 2 – Trouser Legs JV – February / March 2018 RC and Aircore Drilling

THE 2012 AUSTRALASIAN CODE FOR REPORTING EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES (THE JORC CODE)

Table 1 Checklist of Assessment and Reporting Criteria

JORC Code, 2012 Edition – Table 1 report template

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 (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampling technique discussed over page in sub sampling technique section.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC Drilling ï 120 mm Drillhole • Aircore Drilling ï 85mm Drillhole

Criteria	JORC Code explanation	Commentary
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.*	**RC Drilling** • Samples are generally dry with some damp samples at depth however compressor size maintains sample recovery. Recovery good from all holes returning expected volume of sample except in collar area 0-4m. All recoveries < 75% recorded on logs • Metre sample volumes and moisture content is estimated and recorded by the geologist on site **Aircore Drilling** • Samples are generally dry with some damp samples at depth however compressor size maintains sample recovery. Recovery good from all holes returning expected volume of sample except in collar area 0-4m. All recoveries < 75% recorded on logs • Metre sample volumes and moisture content is estimated and recorded by the geologist on site
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	**RC Drilling**. • Chip samples have been geologically logged for all relevant geological and some structural data. Logging for this program has been digitally captured, and would be capable of being included in a Mineral Resource Estimation. Chips are retained in chip trays • Every metre is individually logged. **Aircore Drilling** • Chip samples have been geologically logged for all relevant geological and some structural data. Logging for this program has been digitally captured, and would be capable of being included in a Mineral Resource Estimation. Chips are retained in chip trays • Every metre is individually logged.
Sub-sampling techniques	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and*	**RC Drilling**. • Reverse circulation samples were split on site using a standard 3 stage riffle splitter. Approximately 98.5% of samples are dry.

Criteria	JORC Code explanation	Commentary
and sample preparation	*whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples are dumped on the ground in rows of 20, with individual 1 metre samples bagged directly from the splitter. • Initial ñspearò samples of the individual one metre samples composited over 4 metres and sent for fire assay. • Composite Samples returning > 0.10 g/t Au over 4 metres, have had individual 1 metre split samples submitted for assay, or where geologic zones of interest are identified by the site geologist • Individual metre samples weigh approximately 25 kg with individual 1 metre splits of 2.5-3.5 kg obtained and stored on site. • CRM standards, blanks and duplicates submitted with assays. **Aircore Drilling** • Samples are collected each metre and dumped on the ground in rows of 20. • Initial ñspearò samples of the individual one metre samples composited over 4 metres and sent for fire assay. • Individual metre samples weigh approximately 25 kg with individual 1 metre splits of 2.5-3.5 kg obtained and stored on site. CRM standards, blanks and duplicates submitted with assays
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**RC Drilling** • Samples are assayed by Fire Assay, 50 g charge at Bureau Veritas , Kalgoorlie • A range of five different gold grade CRM standards have been submitted at a rate of 5 / 100 samples. • The number of each individual standard sample submitted is moderate in each assay job - however at least one standard is submitted in each run of 1 metre reassays. • CRM standards submitted in 4 m composite sampling at the same rate • Analysis on individual standards is ongoing with each standard inserted performing reasonably well with no major variance observed. • Re-assay / umpire sampling program is underway • Blanks (1 / 100) submitted these have performed reasonably with results less than 0.01 g/t gold • No distinct or systemic bias has been detected **Aircore Drilling** • Same standard insertion regime as for RC drilling

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**RC Drilling** • No twinned holes have been drilled • Onsite geologist data verified by Exploration Manager • Laboratory data is supplied electronically to site and head office • Project data is currently stored at the head office of the company and in onsite laptops, with a weekly offsite backup of all data. • Geological logging is entered by technical staff and reviewed for correctness. • Samples for assay are collected from drillsite upon collection and transported to a camp until a batch is despatched for assay by Hawthorn staff to the laboratory. **Aircore Drilling** • As for RC Drilling
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	**RC Drilling and Aircore Drilling** • The grid used is GDA 94 Zone 51. • Collars collected on at least 3 cycling handheld GPS points initially. • Drill collars in the Trouser Legs Mine and JV area collected by DGPS survey subsequently • AHD survey carried out in addition to the DGPS survey of collars • AHD for aircore drillholes estimated
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.* • *Whether sample compositing has been applied.*	**RC Drilling and Aircore Drilling** • Data collected in this program is follow-up or infill and hence the spacing is sufficient to both establish geological and grade continuity for a Mineral Resource Estimation. • Current drill spaces are on 20m or 30m sections, with between 15 and 30 m between holes along section. • Drilling is of sufficient spacing to compile an initial Mineral Resource estimation at the Coles Prospect and at the Trouser Legs Mine • 1 m intervals sampled downhole. • Samples were composited for initial assay. Composite Samples returning > 0.10 g/t Au over 4 metres, had individual 1 metre samples submitted for assay. • Aircore drillholes not applicable for resource definition

Criteria	JORC Code explanation	Commentary
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.* • *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.*	**RC Drilling and Aircore Drilling** • The drilling at Coles is at -60 ° drilled towards either 070-075° or 265 - 270°. Orientations are at or within 10 degrees to the interpreted right angle of the strike of mineralisation. Dip of mineralisation is believed to be subvertical to steep westerly. • The drilling in the Trouser Legs Pit area is vertical aimed to identify relatively flatlying (<45° dip) quartz vein lodes. . • Drillhole surveys to detect hole deviation are undertaken at approximately 30m or 60m intervals downhole. A stainless steel head rod is used for each hole • It is believed that no bias is introduced by the drilling direction.
Sample security	• *The measures taken to ensure sample security.*	• All RC samples submitted to the laboratory are collected directly from the splitter with the sample bag tied. During sample collection for all holes a staff member is always present. Samples are delivered to the laboratory by company staff. • 1M Sample bags are kept on drill site until results of 4 m composite assays are completed. • Assay pulps are recovered from laboratory and stored in locked storage sheds
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• There have been no audits or reviews of sampling techniques and data.

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.* • *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.*	**RC and Aircore Drilling**. • RC Drilling at Trouser Legs Mine and JV are on tenements held by the Hawthorn Resource ï Gel Resources JV (70:30) • RC and Aircore Drilling at Pinjin East is on a tenement held by Hawthorn Resource 100% • Aircore drilling at Box Well North and South are on tenements held by Hawthorn 100% • There are no known issues and the tenements are in good standing
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	**Trouser Legs Mine and Coles RC Drilling**. • The Trouser Legs tenements have a history of exploration and development stretching back to the discovery and initial Mining of gold in the early 1900ôs. • The Trouser Legs Mine since the 1970ôs has been explored by Amoco, Rio Tinto, Little River Resources, Picon Limited, Aurifex Resources, Getty Oil Ltd, Burdekin Resources, Great Gold limited and Gutnick Resources Ltd. . • A substantial openfile database of exploration carried out is held in the WA DMIRS openfile WAMEX database • A small opencut gold mine was developed at Trouser Legs in the late 1980ôs by Picon Ltd ï with ore hauled to the then operational Porphyry Mine Mill approximately 60 km north west of the mine by public roads. **Box Well Air Core Drilling**. • The Box Well West tenements were soil sampled by Anglogold Australia, WMC and Delta Gold between 1986 ï 2000. No further work was carried out on the tenements until Hawthorn obtained the tenement. • At the Coffey Bore prospect Gutnick Resources carried out initial RAB, Aircore and RC between 2003 and 2006, with several anomalous results reported in the Coffey Bore prospect area. • At the Deep South tenements Gutnick Resources carried out initial

Criteria	JORC Code explanation	Commentary
		RAB drilling between 2003 and 2006 on very broad line and station spacing. A single anomalous result was reported that is not related to the target drill tested in the current program • Targets at Box Well were RAB drilled by Hawthorn in late 2014. Follow-up RC programs were drilled in April, July and November 2015. • Targets at Coffey Bore were RC drilled by Hawthorn in late 2010. Follow-up RC programs were drilled in August 2014.
Geology	• *Deposit type, geological setting and style of mineralisation.*	**Yundamindera – Box Well and Coffey Bore Drilling** Locally the geology consists of intermediate schists and igneous intrusives adjacent to sediments. Basaltic andesite, felsic volcanics and volcaniclastics trend in a north west- south east direction. The northern tenements are dominated by interbedded undifferentiated sediments and andesite. Differentiated doleritic sills intrude into conglomeritic and polymictic sands stones towards the east of the tenements. Interbedded ultramafic, peridote-bearing intrusives and dolerite form a distinctive north-west trend in along the west of the tenements. These lithologies can be overlain by Cenozoic ferruginous clay, colluvium and silts. Several significant drainage systems in the licence are associated with alluvium, clay, transported silt and sand. **Trouser Legs RC Drilling** The tenements are located around the Pinjin Fault that separates the higher metamorphic grade Pinjin Domain from the lower grade high level rocks of the Edjudina Domain. The fault is interpreted as a dextral extensional structure upthrown to the east and dipping steep west. The structure is marked by the occurrence of a wide zone of intermediate to acid schists that contain a number of BIF units or structural slices. In the west of the tenement area basalts with thin ultramafic rock types predominate, with occasional intrusive acid to intermediate porphyry intrusives. Metamorphic grade of the area is medium in the east and medium to low in the west of the tenement area. The area is cut by later

Criteria	JORC Code explanation	Commentary
		Proterozoic dykes on ENE and WSW orientations. Areas between the low hills of Archaean exposure are covered with a thin blanket of tertiary alluvium/colluvium and recent stream alluvial deposits. The area has a large number of small gold diggings and prospecting patches distributed along two main mineralised trends: The eastern trend consists of small gold accumulations at Harbour Lights, Lilian, Exile, Pinjin Queen, Coles and Sulphide which relate to longitudinal structures sub-parallel to ultramafic /mafic folds with a distinctive double peak magnetic signature. The western line lies along and parallel to the Pinjin Fault and includes from the south Oaks, Anglo-Saxon, Anglo Saxon North and Pinjin King. Gold of varying grades is found in very thin to moderately thick veins thick that are confined by structural features, some with the secondary influence of local lithological features (e.g. BIF) and competency contrast. The potential for the accumulation of sufficient Au for large-scale development is intimately associated with zones of vein repetition internal to major structural features.
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.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All RC and Air Core drillholes have been reported in Appendix 1.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade*	• Intervals reported are general greater than 2.00 gram x metres ï unless geologically significant • Intervals in rc drillholes lowercut 0.50 g/t Au and with <2.0 metres of

Criteria	JORC Code explanation	Commentary
	results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	internal waste <0.50 g/t Au.
Relationship between mineralisation 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 (eg 'down hole length, true width not known').*	• Down hole lengths reported ï true widths are estimated at approximately 70-80% of downhole reported width at Coles. • Veining intercepted near the Trouser Legs Mine may vary in true thickness in the range 50-80%
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 2-6 in the body of the report
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.*	• Not applicable as all significant grade intervals are reported
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.*	• Not Applicable
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	**Trouser Legs and Coles RC Drilling** • Further RC drilling and some Diamond drilling is likely to occur in the upcoming quarter as infill drilling to enhance any resource estimation and mine plan extension will be carried out • The position of the proposed hole collars is likely to be commercially sensitive. **Box Well Air Core Drilling** • Further aircore and RC drilling is likely to occur in the upcoming quarter at Box well as infill drilling to enhance the existing resource estimation and exploration drilling will be carried out. • The position of proposed hole collars is to be commercially sensitive.