ASX Announcement
24 January 2020

HIGH GRADE GOLD DISCOVERED OVER 150 METRES OF STRIKE

Highlights:

- High grade gold mineralisation intersected in aircore drilling program at the Wildcat Prospect, including:
  - **MTAC083, 1 m @ 76.4 g/t gold from 37 m downhole**
  - **MTAC074, 6 m @ 3.13 g/t gold from 40 m downhole (including 1m @ 5.15 g/t gold and 1m @ 11.4 g/t gold)**
  - **MTAC078, 8m @ 2.58 g/t gold from 28 m downhole**
  - **MTAC075, 2 m @ 5.98 g/t gold from 55 m downhole**
  - **MTAC073, 1 m @ 5.17 g/t gold from 21 m downhole**
- Results indicate gold mineralisation over at least 150 metres of strike length at shallow depths
- Gold mineralisation is open along strike and at depth
- Drilling infilled a known mineralised structure defined by extensive historical workings and tested surface geochemical anomalies along strike
- A program of reverse circulation percussion drilling planned to test down-dip and strike extensions of mineralisation

Golden Mile Resources (ASX: G88, 'Golden Mile' or 'the Company') is pleased to advise that it has completed a further aircore ('AC') drilling program on the Monarch Gold Trend ('MGT') at its Leonora East Gold Project located in the North-Eastern Goldfields of WA (Figure 1).

The AC drilling program was designed to infill known mineralisation at the historical Wildcat Prospect. Results of the drilling indicate that the structure at Wildcat contains high grade gold mineralisation at shallow depths that has continuity over at least 150 metres of strike length. The mineralised structure is open along strike and at depth.

Commenting on the results of the drilling, Golden Mile's Managing Director, Lachlan Reynolds, said:

"We are very excited by these drilling results from Wildcat, which suggest that drilling has intersected the near surface part of a high grade mineralised system. Further drilling is required to evaluate the full potential of this and other exploration targets in the area.

"Recent exploration successes by a number of companies in the WA Goldfields encourages us that drilling in and around historical high grade deposits or workings has the potential to realise significant new gold resources and unlock previously unrecognised value."

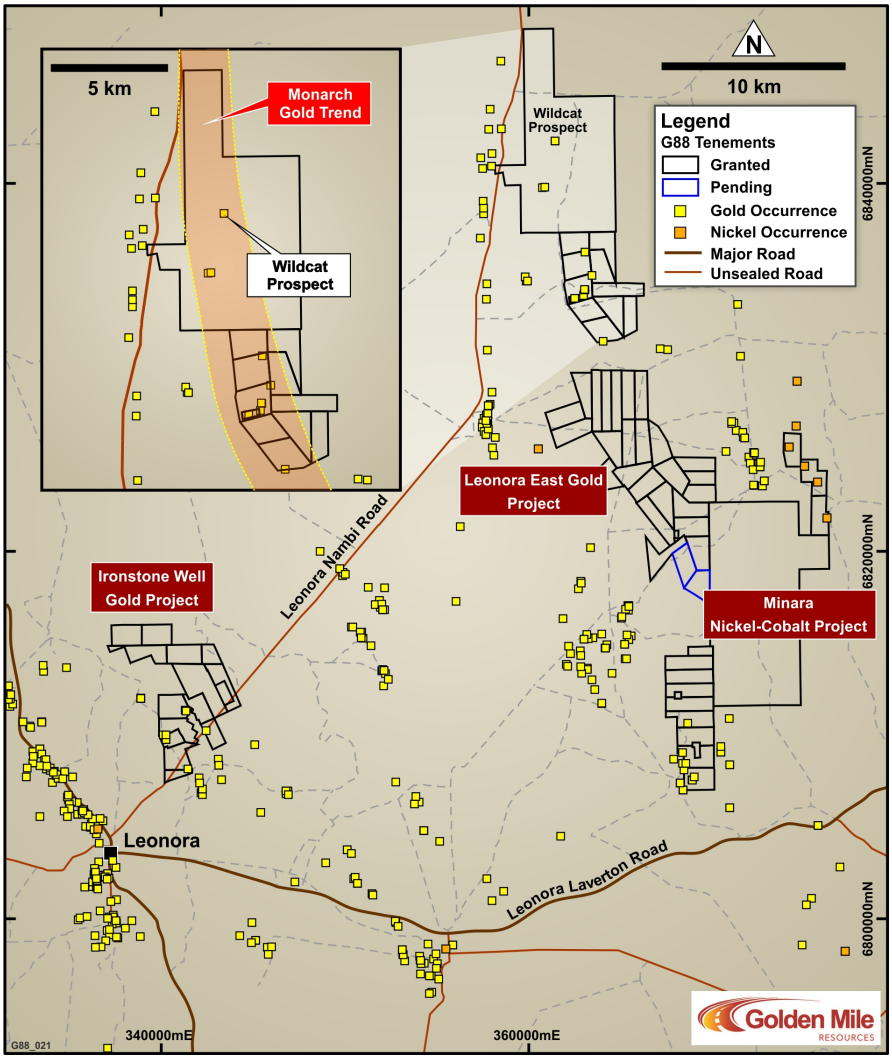

Figure 1: Location map of the Monarch Gold Trend, Leonora East Project.

Wildcat Gold Prospect

The Wildcat Prospect is located within the northern Monarch Gold Trend ('MGT'), approximately 40 km to the northeast of Leonora (Figure 1). The MGT covers the eastern contact of the Mertondale Shear Zone with the basement granites and represents a poorly tested but extensive gold bearing structure extending over more than 16 km of strike.

Wildcat Prospect is associated with a number of significant, previously unknown geochemical anomalies along the MGT that Golden Mile has identified with an extensive auger sampling program. The sampling, in conjunction with investigation of the historical workings and drilling in the area identified a number of mineralised trends that justified further drill testing (*please refer to Golden Mile Resources announcement to the ASX dated 9 December, 2019*).

Aircore Drilling Program

A program of aircore (AC) drilling was completed in December 2019 to evaluate the known mineralised Wildcat structure and the surrounding geochemical gold anomalies that define the mineralised trends shown in Figure 2. A total of 71 AC holes were completed for a total of 2,289 metres of drilling (see Appendix 1 for details).

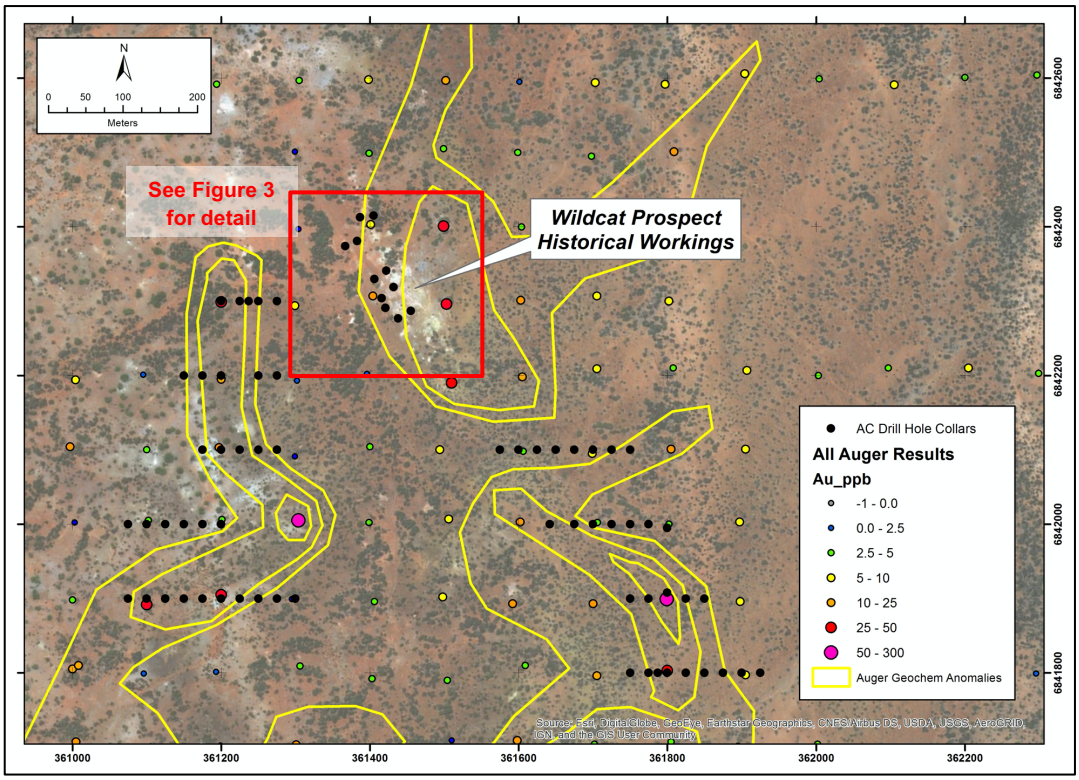

Figure 2: Surface image of the Wildcat Prospect showing gold geochemical anomalies and the collar location of the completed Golden Mile AC drill holes.

The drilling intersected significant gold mineralisation, principally on the mineralised structure at Wildcat in the area with most of the historical workings. Assay results of the work are summarised in Table 1 and detailed in Appendix III. Significant intersections are quoted at a cut-off grade of 0.25 g/t gold and are stated as downhole lengths.

Table 1: Significant gold intersections from the AC drilling program at the Wildcat Prospect.

Hole ID	Mineralised Intersection			Grade
	From (m)	To (m)	Interval (m)	Au (g/t)
MTAC073	20	21	1	0.59
	21	**22**	**1**	**5.17**
MTAC074	40	46	6	3.13
including	40	41	1	1.00
and	**43**	**44**	**1**	**5.15**
and	**45**	**46**	**1**	**11.4**
MTAC075	52	53	1	0.67
	55	58	3	4.22
including	**55**	**57**	**2**	**5.98**
MTAC077	48	50	2	1.77
	52	56	4	0.61
MTAC078	**28**	**36**	**8**	**2.58**
MTAC080	47	48	1	0.42
MTAC082	11	12	1	0.92
MTAC083	36	37	1	0.60
	37	**38**	**1**	**76.4**
	40	44	4	0.52
MTAC117	0	4	4	0.52
MTAC127	32	44	12	0.45

Drilling at Wildcat Workings

The Company has previously reported historical drilling reverse circulation (RC) percussion drilling results from the Wildcat Prospect (*refer to Golden Mile Resources announcement to the ASX dated 9 December, 2019*) that date back to work completed by Concord Mining NL in 1987 (Appendix II). No other work has been completed on the area until the current AC drilling program, which included 11 targeted drill holes to infill and confirm the high grades intersected in the previous drilling.

Results have confirmed that zones of very high grade gold mineralisation are associated with quartz veining occur along a northwest – southeast trending structure (see Table 1 and Figure 3). The observed quartz veining is hosted by variably sheared, fine-grained mafic volcanic rock (basalt). Gold mineralisation occurs over a strike length of approximately 150 metres and is open both along strike and down-dip. Based on cross-section interpretation (see Figure 4, 5 and 6) the mineralised structure has a steep to subvertical dip to the southwest.

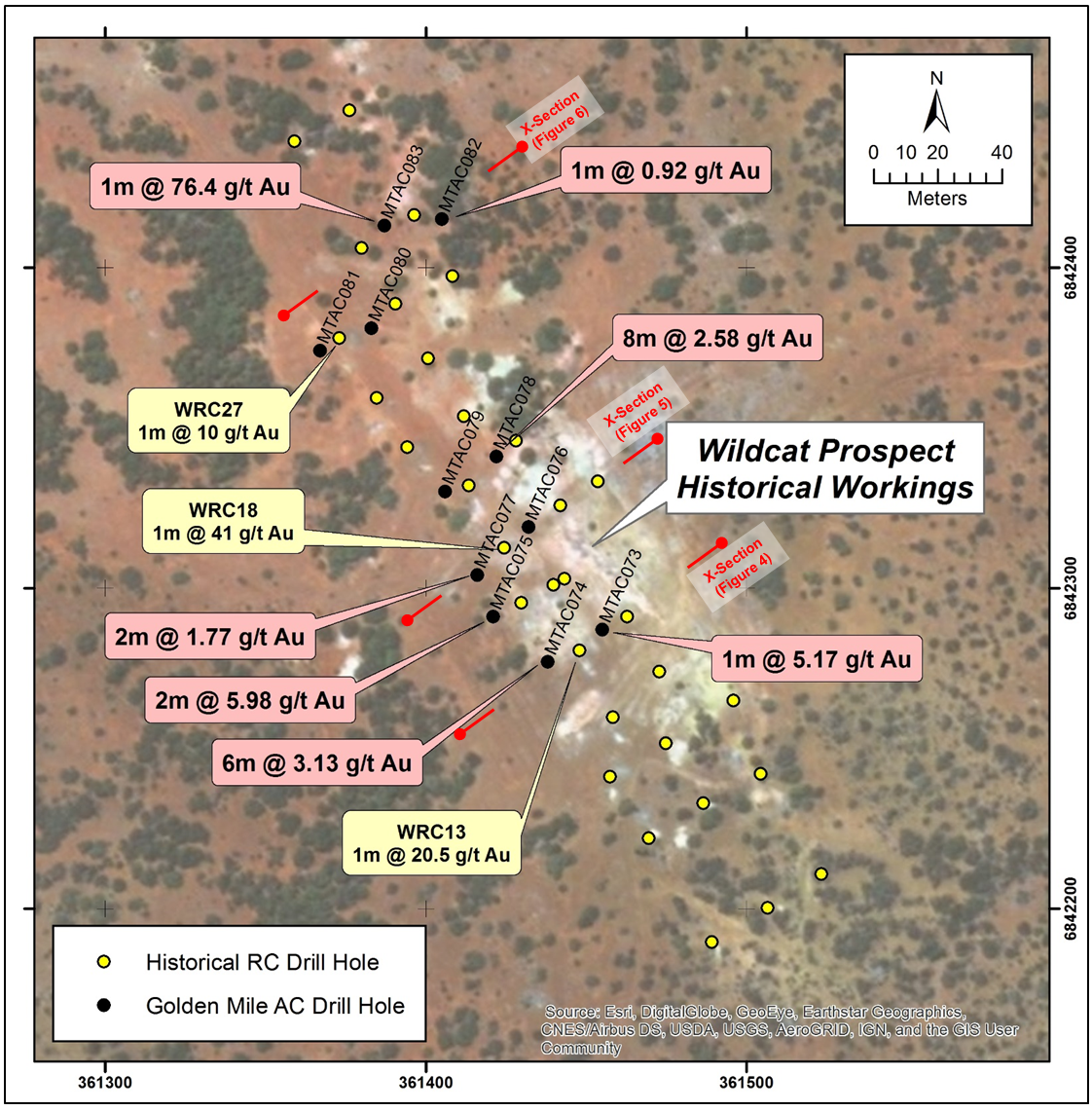

Figure 3: Surface image of the historical workings at the Wildcat Prospect showing collar locations of the historical RC percussion drill holes and the current AC drill holes completed by Golden Mile. Significant intersections (see Table 1) are shown for both RC drill holes (yellow) and the AC drill holes (red).

Infill AC drilling results are generally consistent with the grade and nature of the historical RC percussion drilling results. The current drilling indicates some wider intersections of lower average grade, suggesting greater tonnage potential, with local shoots of high grade material.

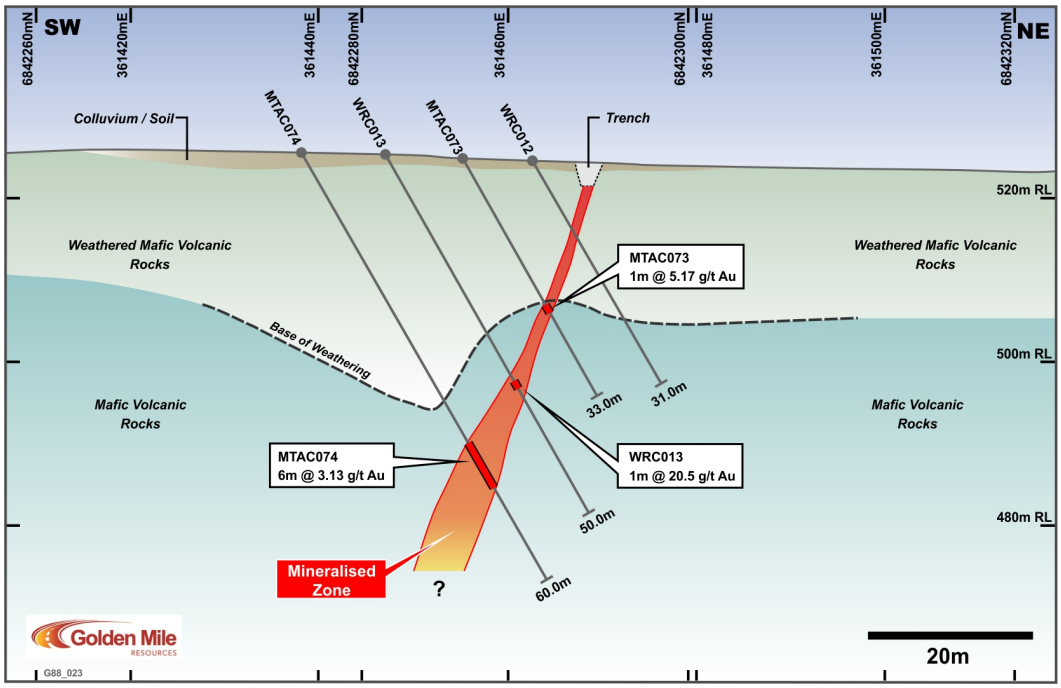

Figure 4: Schematic cross section through the southern part of the Wildcat structure showing drilling and surface workings on the mineralised structure. Results from recent drilling indicate a broadening of the mineralised structure, which is open down-dip. Mineralisation is open along strike to the south of this section.

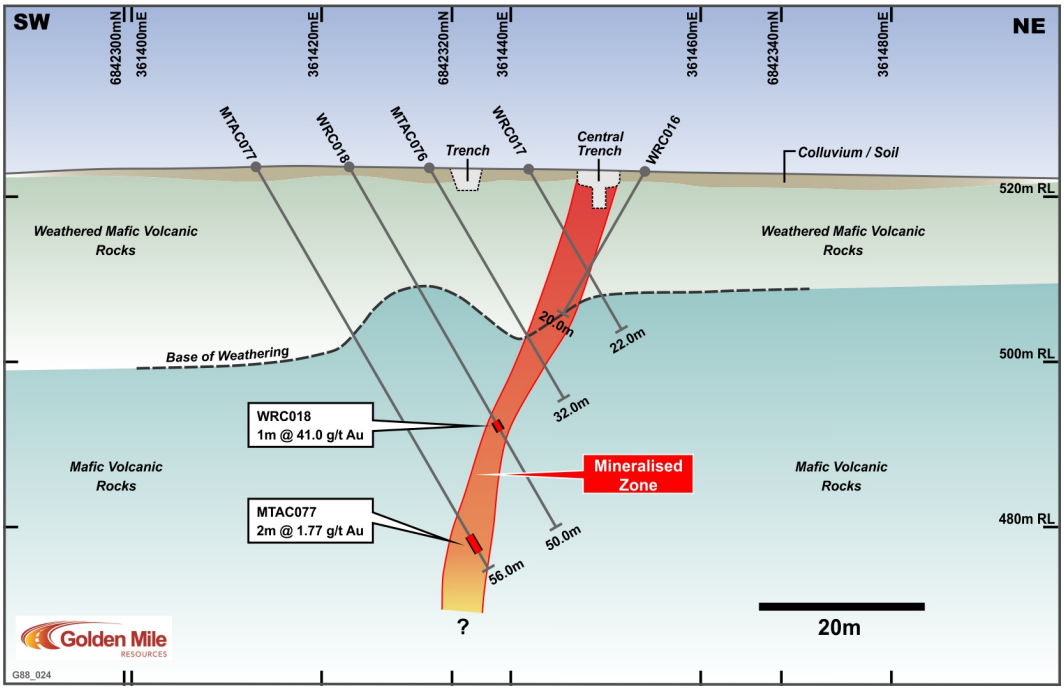

Figure 5: Schematic cross section through the central part of the Wildcat structure showing drilling and surface workings on the mineralised structure.

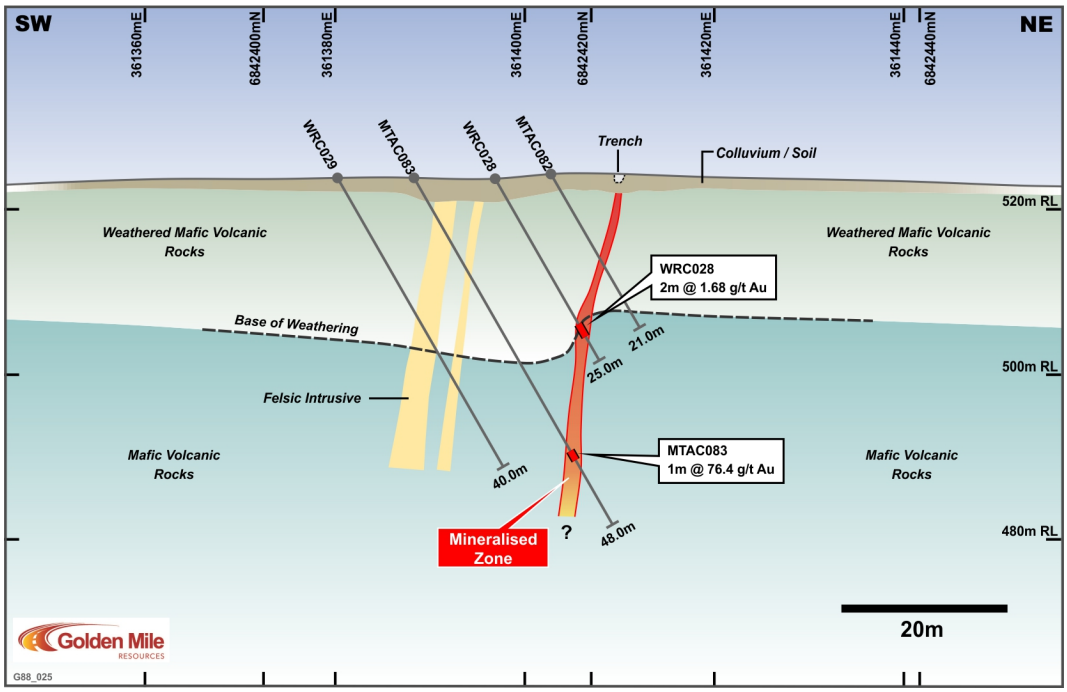

Figure 6: Schematic cross section through the northern part of the Wildcat structure showing drilling and surface workings on the mineralised structure.

Further Work

The Company considers the Wildcat Prospect to be a priority area for further drilling follow-up, in order to further extend the gold mineralised zone along strike and down dip. Additional systematic aircore and reverse circulation drilling is currently being planned for the prospect area and the Company looks forward to updating shareholders as this work is completed.

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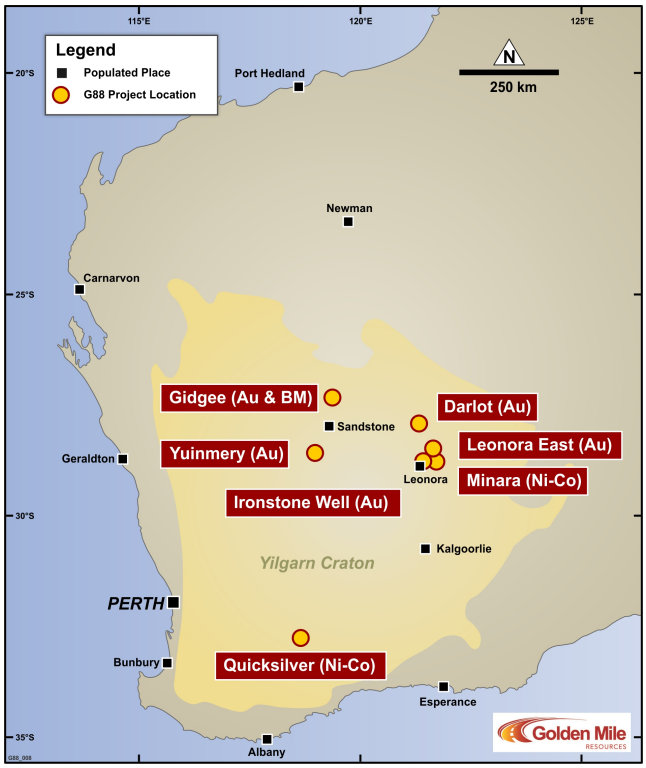
About Golden Mile Resources Ltd



Golden Mile Resources is an Australian based exploration and development company, with an outstanding suite of gold and nickel-cobalt projects in Western Australia.

The Company was formed in 2016 to carry out the acquisition, exploration and development of mining assets in Western Australia, and has to date acquired a suite of exploration projects, predominantly within the fertile North-Eastern Goldfields of Western Australia.

The Company's portfolio includes a suite of gold projects in the North-Eastern Goldfields which include the Leonora East, Ironstone Well, Darlot and Gidgee projects. In addition, Golden Mile holds two nickel-cobalt projects, namely the Quicksilver project in the South West Mineral Field and the Minara project.

The Company has recently acquired the Yuinmery Gold Project in the Youanmi gold mining district.

For more information please see the Company announcements on the ASX website or visit the Company's website: www.goldenmileresources.com.au

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Golden Mile Resources Ltd (ASX: G88) planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Golden Mile Resources Ltd (ASX: G88) believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based upon and fairly represents information compiled by Mr Lachlan Reynolds, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Reynolds is the Managing Director of Golden Mile Resources Ltd and a full-time employee of the Company.

Mr Reynolds 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reynolds consents to the inclusion in the report of the matter based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements referenced in this announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Appendix I - Aircore Drill Hole Collar Information

Prospect Name	Hole ID	Collar Coordinates			Azimuth (°)	Dip (°)	EOH Depth (m)
		North	East	RL			
Wildcat	MTAC073	6842287	361455	500	060	-60	33
	MTAC074	6842277	361438	500	060	-60	60
	MTAC075	6842291	361421	500	060	-60	60
	MTAC076	6842319	361432	500	060	-60	32
	MTAC077	6842304	361416	500	060	-60	56
	MTAC078	6842341	361422	500	060	-60	42
	MTAC079	6842330	361406	500	060	-60	56
	MTAC080	6842381	361383	500	060	-60	49
	MTAC081	6842374	361367	500	060	-60	45
	MTAC082	6842415	361405	500	060	-60	21
	MTAC083	6842413	361387	500	060	-60	48
	MTAC084	6841800	361925	518	090	-60	59
	MTAC085	6841800	361900	518	090	-60	58
	MTAC086	6841800	361875	518	090	-60	46
	MTAC087	6841800	361850	518	090	-60	38
	MTAC088	6841800	361825	519	090	-60	41
	MTAC089	6841800	361800	519	090	-60	38
	MTAC090	6841800	361787	519	090	-60	41
	MTAC091	6841800	361775	519	090	-60	37
	MTAC092	6841800	361750	519	090	-60	33
	MTAC093	6841900	361850	519	090	-60	34
	MTAC094	6841900	361825	500	090	-60	45
	MTAC095	6841908	361800	519	090	-60	38
	MTAC096	6841900	361775	500	090	-60	33
	MTAC097	6841900	361750	500	090	-60	38
	MTAC098	6841995	361800	525	090	-60	56
	MTAC099	6842000	361775	500	090	-60	52
	MTAC100	6842000	361750	500	090	-60	49
	MTAC101	6842000	361725	500	090	-60	38
	MTAC102	6842000	361700	500	090	-60	43
	MTAC103	6842000	361675	500	090	-60	44
	MTAC104	6842000	361642	500	090	-60	33
	MTAC105	6842100	361750	500	090	-60	50
	MTAC106	6842100	361725	500	090	-60	55
	MTAC107	6842100	361700	500	090	-60	45
	MTAC108	6842100	361675	500	090	-60	51
	MTAC109	6842100	361650	500	090	-60	45
	MTAC110	6842100	361625	523	090	-60	44
	MTAC111	6842100	361600	523	090	-60	33
	MTAC112	6842100	361575	500	090	-60	46
	MTAC113	6842300	361275	500	090	-60	15
	MTAC114	6842300	361250	500	090	-60	7
	MTAC115	6842300	361225	500	090	-60	12
	MTAC116	6842300	361237	500	090	-60	11
	MTAC117	6842300	361200	500	090	-60	15
	MTAC118	6842200	361275	500	090	-60	27
	MTAC119	6842200	361250	500	090	-60	25
	MTAC120	6842200	361200	500	090	-60	20
	MTAC121	6842200	361175	500	090	-60	27
	MTAC122	6842200	361150	500	090	-60	16
	MTAC123	6842100	361275	500	090	-60	29
	MTAC124	6842100	361250	530	090	-60	22
	MTAC125	6842100	361225	500	090	-60	23
	MTAC126	6842100	361200	500	090	-60	23

Prospect Name	Hole ID	Collar Coordinates			Azimuth (°)	Dip (°)	EOH Depth (m)
		North	East	RL			
Wildcat	MTAC127	6842100	361175	500	090	-60	49
	MTAC128	6842000	361200	500	090	-60	38
	MTAC129	6842000	361175	500	090	-60	10
	MTAC130	6842000	361150	500	090	-60	5
	MTAC131	6842000	361125	500	090	-60	2
	MTAC132	6842000	361100	500	090	-60	4
	MTAC133	6842000	361075	500	090	-60	11
	MTAC134	6841900	361300	500	090	-60	16
	MTAC135	6841900	361275	500	090	-60	15
	MTAC136	6841900	361250	500	090	-60	12
	MTAC137	6841900	361225	500	090	-60	20
	MTAC138	6841900	361200	500	090	-60	22
	MTAC139	6841900	361175	500	090	-60	8
	MTAC140	6841900	361150	500	090	-60	5
	MTAC141	6841900	361125	500	090	-60	10
	MTAC142	6841900	361100	500	090	-60	11
	MTAC143	6841900	361075	500	090	-60	14

Appendix II – Historical RC Percussion Drill Hole Collar Information

Hole ID	Collar Coordinates					Dip (°)	Azimuth (°)	Depth (m)
	Local Grid		MGA Grid*					
	North (m)	East (m)	North (m)	East (m)	RL (m)			
WRC01	10060	9900	361523	6842211	527	-60	060	35
WRC02	10060	9880	361507	6842200	526	-60	060	35
WRC03	10060	9860	361489	6842190	525	-60	060	35
WRC04	10100	9900	361504	6842242	526	-60	060	25
WRC05	10100	9880	361487	6842233	525	-60	060	35
WRC06	10100	9860	361469	6842222	525	-60	060	47
WRC07	10120	9905	361496	6842265	525	-60	240	30
WRC08	10120	9880	361475	6842252	525	-60	060	30
WRC09	10120	9860	361457	6842241	525	-60	060	55
WRC10	10140	9890	361473	6842274	524	-60	060	30
WRC11	10135	9870	361458	6842260	525	-60	060	50
WRC12	10160	9890	361463	6842291	524	-60	060	31
WRC13	10160	9870	361448	6842281	525	-60	060	50
WRC14	10150	9880	361443	6842303	524	-60	060	19
WRC14A	10150	9885	361440	6842301	524	-60	060	36
WRC15	10160	9865	361430	6842295	525	-60	060	48
WRC16	10200	9905	361454	6842333	523	-60	240	20
WRC17	10200	9890	361442	6842326	524	-60	060	22
WRC18	10195	9870	361424	6842313	524	-60	060	50
WRC19	10224	9890	361428	6842346	524	-60	060	20
WRC20	10220	9870	361413	6842332	523	-60	060	48
WRC21	10235.5	9880	361412	6842354	524	-60	060	20
WRC22	10240	9860	361394	6842344	523	-60	060	47
WRC23	10260	9880	361401	6842372	524	-60	060	30
WRC24	10258	9860	361385	6842359	523	-60	060	49
WRC25	10273	9900	361408	6842397	524	-60	240	30
WRC26	10280	9880	361390	6842389	524	-60	060	30
WRC27	10280	9860	361373	6842378	523	-60	060	50
WRC28	10300	9900	361396	6842416	523	-60	060	25
WRC29	10300	9980	361380	6842406	523	-60	060	40
WRC30	10338.5	9900	361376	6842449	522	-60	060	20
WRC31	10340	9880	361359	6842439	522	-60	060	40

Appendix III – Mineralised Intersection Summary (0.25 g/t Au cut off)

Hole ID	Mineralised Intersection			Grade
	From (m)	To (m)	Interval (m)	Au (ppb)
MTAC073	20	21	1	0.59
	21	22	1	5.17
MTAC074	40	41	1	1.00
	41	42	1	0.40
	42	43	1	0.60
	43	44	1	5.15
	45	46	1	11.4
MTAC075	52	53	1	0.67
	55	56	1	6.79
	56	57	1	5.17
	57	58	1	0.70
MTAC077	48	49	1	1.86
	49	50	1	1.68
	52	56	4	0.61
MTAC078	28	32	4	3.43
	32	34	4	1.73
MTAC080	47	48	1	0.42
MTAC082	11	12	1	0.92
MTAC083	36	37	1	0.60
	37	38	1	76.4
	40	44	4	0.52
MTAC117	0	4	4	0.52
MTAC127	32	36	4	0.53
	36	40	4	0.55
	40	44	4	0.26
WRC01	25	26	1	0.61
WRC09	0	1	1	0.38
	42	43	1	0.29
	43	44	1	0.42
WRC10	12	13	1	0.41
	13	14	1	0.33
WRC11	40	41	1	0.39
	42	43	1	1.70
WRC13	31	32	1	20.5
	32	33	1	0.48
	43	44	1	0.50
WRC14	0	1	1	0.82
WRC14A	0	1	1	0.41
	28	29	1	0.58
WRC15	0	1	1	0.76
	30	31	1	0.30
	38	39	1	0.31
	41	42	1	0.45
	42	43	1	2.45
WRC18	35	36	1	41.00
	36	37	1	0.46
WRC22	18	19	1	1.12
WRC23	18	19	1	0.58
WRC27	49	50	1	10.00
WRC28	19	20	1	2.05
	20	21	1	1.60
	21	22	1	0.32

Appendix IV: JORC Code, 2012 Edition – Table 1

Section 1 - Sampling Techniques and Data

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.*	• Aircore drilling was used to collect individual 1 metre samples downhole. • Each 1 metre sample was either selected or was systematically grab sampled and composited over a 4 metre interval to obtain an approximately 2 kg sample for analysis. • All individual and composite samples were pulverised and riffle split to obtain a homogenised 50 g sample for gold assay. • A quality control/quality assurance system comprising standards and blanks was used to evaluate the assay process.
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).*	• Aircore drilling, 3.5 inch. • Blade bit drilled to refusal. • Aircore hammer bit drilled to target depth where required.
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.*	• Sample recoveries assessed qualitatively, no routine weighing or other assessment. • Standard drilling techniques used to maximise sample recovery. • Information not available to assess the relationship 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Aircore drill holes were geologically logged on a metre basis. • Aircore drilling is a first-pass test of surface geochemical anomalies and logging is not to a level of detail sufficient to support Mineral Resource estimation or other technical studies. • Logging is qualitative in nature.
Sub-sampling techniques and sample preparation	• *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 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*	• All drilling samples dry. • Systematic grab sampling of approximately 500 grams from each 1 metre drill sample to obtain a 4 metre composite sample of approximately 2 kg weight. • Industry standard sample preparation techniques were undertaken and these are considered appropriate for the sample type and material being sampled. • The sample size is considered appropriate to the grain size of the material being sampled.

Criteria	JORC Code explanation	Commentary
	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.*	
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.*	• The nature and quality of the assay and laboratory procedures are considered appropriate for the drilling samples. • Samples were submitted to ALS in Kalgoorlie for assay using method code Au-AA26, providing an ore grade gold assay using an aqua regia digest and fire assay/atomic absorption analysis that is considered to be a near total technique. • Standards and blanks were introduced throughout the sample runs on a 1:20 ratio to ensure quality control; no issues with accuracy or precision have been identified. • ALS also completed duplicate sampling and ran internal standards as part of the assay regime; no issues with accuracy and precision have been identified.
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.*	• Documentation of sampling data was undertaken in hardcopy format prior to being keypunched into a digital spreadsheet and subsequently entered into the Company's digital database. • No adjustments have been made to assay data.
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.*	• Aircore drill hole collars are all located using a handheld GPS with accuracy of ±5 m, there was no downhole survey as the holes were all shallow. • The grid system used is the Geocentric Datum of Australia 1994 (GDA 94), projected to UTM Zone 51 South. • Topographic control is adequate and based on handheld GPS.
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.*	• The aircore drilling was completed on a nominal 100 m by 25 m spaced grid. • Spacing and distribution of drill holes is currently insufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource estimation. • Sample compositing has been applied in part: 4 individual metre samples were composited together to obtain an assay sample.
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.*	• The orientation of the sampling is downhole. • There is no quantitative information regarding the orientation of mineralised structures other than correlation of drilling intersections and reported samples from historical workings on cross-sections. • The relationship between the drilling orientation and the orientation of key mineralised structures is not known but is inferred to be oblique. • No sampling bias is considered to have been introduced but there is currently insufficient information to confirm this.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Samples were bagged and secured by Contractor field staff and stored in a secure yard in Leonora prior to transport. • Samples were transported directly to the analytical laboratory by commercial carrier.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits of sampling techniques and data have been completed.

Section 2 - Reporting of Exploration Results

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.*	• The reported drilling is located on granted exploration tenement E37/1225. • The Company has 100% ownership of the tenement. • The tenement overlays Crown Land with active pastoral leases. • The Company is in compliance with the statutory requirements and expenditure commitments for its tenements, which are considered to be secure at the time of this announcement. • There are no demonstrated or anticipated impediments to operating in the area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Monarch Gold Trend hosts a significant number of historical alluvial and elluvial gold workings, in addition to deeper shafts and shallow open pits dating back to prospecting and mining of high-grade gold (>5 g/t Au) in the early 1900's. • Regional exploration has included airborne geophysics, detailed geological mapping, rock chipping and soil sampling; whilst at a prospect scale auger, RC percussion and diamond drilling was undertaken. • Systematic work was completed in the western part of the area by Independence Group NL in 2005-2006, including mapping, ground magnetic surveys, rock chipping, auger and RAB drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Archaean greenstone gold deposits occurring as either shear-zone hosted mineralisation or lode quartz hosted mineralisation. • The Monarch Gold Trend lies in a package of Archean mafic to intermediate volcanic stratigraphy along the granite contact on the eastern margin of the Mertondale area.
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.*	• A listing of the drill hole information material to the understanding of the exploration results is provided in the body and appendices of this announcement.

Criteria	JORC Code explanation	Commentary
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 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.*	• Length weighted averaging techniques have been applied to mineralised intersections where appropriate. • Significant intersections are quoted above a cut-off grade of 0.25 g/t Au and may include a maximum of one subgrade sample of between 0.1-0.25 g/t Au. • Maximum or minimum grade truncations have not been applied. • No metal equivalent values have been quoted.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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').*	• Holes are angled and a downhole intercept length is quoted, true width is not known. • The geometry of mineralised structures are interpreted to be oblique to the drill holes.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps and tabulations are presented in the body of the announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Drilling samples and composite samples were assayed and comprehensive reporting of all results is not practicable. • Significant intersections are reported in the body of the announcement. • Holes not reported do not contain any significant intersections.
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, no other material exploration data.
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.*	• Infill and extensional drilling to test for lateral and depth extensions may be undertaken. • Drill testing of other geochemical anomalies, as appropriate.