NICKEL SULPHIDE EXPLORATION TARGET IDENTIFIED AT WILCHERRY PROJECT

Bonza Prospect

28 October 2021

ALLIANCE RESOURCES LTD

ASX: AGS

ABN: 38 063 293 336

Market Cap: $40.6 M @ $0.195

Shares on issue: 208,017,134

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Projects:

Wilcherry, SA (100%): gold, iron, base metals, graphite

Nepean, WA (100%): gold-nickel

Kalgoorlie Sth, WA (100%): gold-nickel

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Re-analysis of historic iron exploration drill sample pulps intersects broad zones of nickel mineralisation[1] at the Wilcherry Hill Bonza Prospect

Significant assay results include:

- **67m @ 0.18 % Ni from 135m in 08NMRC005 to end of hole incl. 15m @ 0.28 % Ni from 138m**
- **87m @ 0.15 % Ni from 105m in 08NMRC013**
- **42m @ 0.34 % Ni from 106m in 08NMRC018 incl. 3m @ 1.12 % Ni from 112m**
- **15m @ 0.18 % Ni from 166m in 08NMRC018 to end of hole**
- **77m @ 0.14 % Ni from 123m in 08NMRC032 to end of hole**

Nickel assay results correlate with ~8 kilometre long high-magnetic anomaly interpreted to be associated with nickel-prospective ultramafic rocks

Bonza Prospect target area also associated with helicopter-borne electromagnetic anomaly and gravity high anomaly

Staged exploration program planned to better understand host rocks, develop mineral exploration model, and identify bedrock conductors for targeted drill testing

Alliance Resources Ltd (Alliance) is pleased to announce that it has identified a priority nickel sulphide exploration target named Bonza Prospect at the Wilcherry Project, located in the southern Gawler Craton in South Australia.

During 2021 Alliance completed a systematic review of its' exploration targets at the Wilcherry Project. Part of this process, which has been ongoing since 2017, is the re-analysis of historic drill sample pulps for gold and base metals.

In 2008, Ironclad Mining drill tested an ~8 kilometre long high-magnetic anomaly located 18 kilometres to the west of the Weednanna Au-Fe deposit (**Figure 1**) for magnetite and hematite iron mineralisation. 23 RC holes (08NMRC005-024 & 030-032), totalling 3,412 metres, were drilled along four traverses covering 3.9 kilometres strike length of the high-magnetic anomaly.

Note 1. Nickel analysis complete by ALS Laboratories on homogenous drill sample pulps using a portable XRF scan. The portable XRF scan is a semi-quantitative technique with precision and accuracy in the order of 20% depending on sample type.

1,150 samples were collected during the drilling program (consisting of 1m split and 3m composite samples) and analysed for an iron ore suite of elements using the XRF fusion technique, with assay results returning broad zones of low-grade iron mineralisation.

Alliance has located 888 (77%) of the historic drill sample pulps, representing 2,578 metres of drilling (76%), and re-analysed the samples at ALS commercial laboratory for Au using the fire assay technique and As, Ca, Cr, Cu, Fe, Mn, Ni, Pb, S, Sn, U, Zn using a portable XRF (pXRF) scanner. The pXRF scanner is a semi-quantitative technique with precision and accuracy in the order of 20%, depending on sample type, that is suitable as a cost effectively early-stage exploration tool to analyse for a variety of elements.

Assay results have returned broad zones of > 0.1 % nickel anomalism listed in Table A including:

- 67m @ 0.18 % Ni from 135m in 08NMRC005 to end of hole
  incl. 15m @ 0.28 % Ni from 138m
- 87m @ 0.15 % Ni from 105m in 08NMRC013
- 42m @ 0.34 % Ni from 106m in 08NMRC018
  incl. 3m @ 1.12 % Ni from 112m
- 15m @ 0.18 % Ni from 166m in 08NMRC018 to end of hole
- 77m @ 0.14 % Ni from 123m in 08NMRC032 to end of hole

The majority of the rocks that host this nickel mineralisation also contain elevated chromium (> 0.1 % Cr), magnesium oxide (> 18 % MgO) and low silica (< 45 % Si) common characteristics of ultramafic rocks. This geochemistry is distinct from skarn altered dolomite that occurs elsewhere in the Wilcherry project area, which alters to forsterite (olivine) and serpentine and contains low Cr values.

Preliminary geological logging of RC drill chips shows that the area is overlain by between 5 and 20 metres of transported cover (**Figure 5**). Weathering extends to greater that 100 metres depth on the western side of the prospect and nickel anomalism appears to be associated with steep-dipping ultramafic rocks that are bounded to the west by metasedimentary and granitic lithologies. The ultramafic rocks grade into mafic lithologies to the east and are the likely source of the high-magnetic anomaly as serpentine alteration of ultramafic rocks creates magnetite.

All drill holes that intersected > 0.1 % Ni are coincident with the high-magnetic anomaly (**Figure 2**).

The interpreted ultramafic rocks occur coincident with a 3km long gravity high anomaly that is displaced slightly to the east (**Figure 3**), suggesting a thickening in the ultramafic-mafic stratigraphy, with mafic rocks to the east (as observed in drilling).

A 1,500m x 500m late time helicopter-borne electromagnetic (EM) conductive anomaly is also located within with the target area (**Figure 4**). This conductive anomaly may be associated with massive nickel sulphide mineralisation, deep weathering, or conductive metasediments. A ground moving loop EM survey is required to better define the geometry and intensity of this anomaly for targeted bedrock drill testing.

Discussion

Even though the Gawler Craton is known to host volcanic and intrusive ultramafic rocks no economic concentrations of magmatic nickel sulphide mineralisation have been discovered to-date. The identification of ultramafic rocks at the Bonza Prospect was not expected and analysis of Alliance's extensive regional drilling database for the Wilcherry Project has not identified any other potential occurrences.

The presence of thick zones of nickel anomalism hosted within a broad ultramafic to mafic sequence that extends over ~8 kilometres strike length presents a priority nickel sulphide target area that warrants further assessment.

Historic bedrock drill testing within the target zone is limited to four wide spaced traverses that were not designed to test across the ultramafic footwall contact, which is where massive nickel sulphides often accumulate, and yet drilling has intersected up to 3m @ 1.12% Ni. This intersection of nickel mineralisation also contains 0.13% Cu (pXRF analysis) and 1.3% S (XRF analysis) suggesting the presence of pentlandite (nickel sulphide), chalcopyrite (copper sulphide) and either pyrrhotite or pyrite (iron sulphide) that are common in magmatic nickel sulphide deposits.

Future Work

A staged exploration program is planned to assess the nickel sulphide exploration potential of the Bonza Prospect.

Alliance will initially complete a petrological assessment of historic RC drill chips to characterise the types of ultramafic and mafic rocks present, determine the volcanic or intrusive nature of the host lithologies, and develop a mineral exploration model.

This mineral exploration model will then guide future exploration, including detailed assessment of magnetic and gravity datasets, EM surveys, and bedrock drilling.

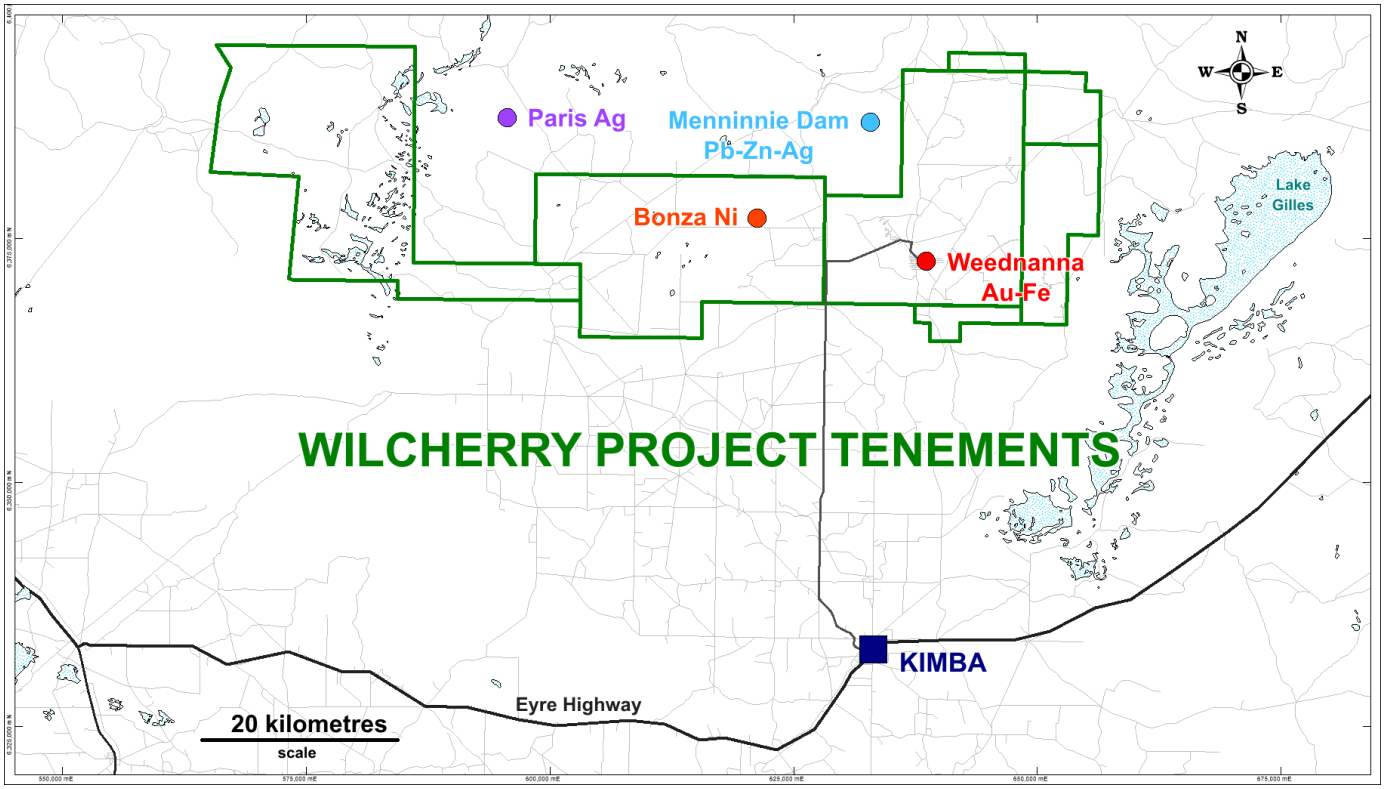

Figure 1. Wilcherry Project: Location of Bonza Prospect nickel sulphide target area

Table A. Bonza Prospect: Summary of significant nickel assay results (> 0.1 % Ni)

Hole_ID	From (m)	To (m)	Interval (m)	Ni (%)	Cr (%)	SiO_2 (%)	MgO (%)	Comments
08NMRC005	135	202	67	0.18	0.11	42	21	To end of hole
incl.	138	153	15	0.28	0.12	42	15	
08NMRC013	78	81	3	0.14	0.19	62	12	
and	105	192	87	0.15	0.19	37	29	
08NMRC018	88	91	3	0.21	0.02	55	14	
and	106	148	42	0.34	0.15	33	11	
incl.	112	115	3	1.12	0.16	34	13	
and	166	181	15	0.18	0.12	44	20	To end of hole
08NMRC030	81	84	3	0.11	0.23	44	4	
and	189	198	9	0.17	0.09	58	2	
08NMRC032	123	200	77	0.14	0.18	41	26	To end of hole

Note: Ni and Cr assay results determined by pXRF scan, which is a semi-quantitative technique with precision and accuracy in the order of 20% depending on sample type. SiO_2 and MgO assay results determined using the XRF fusion technique which is a more precise and accurate technique.

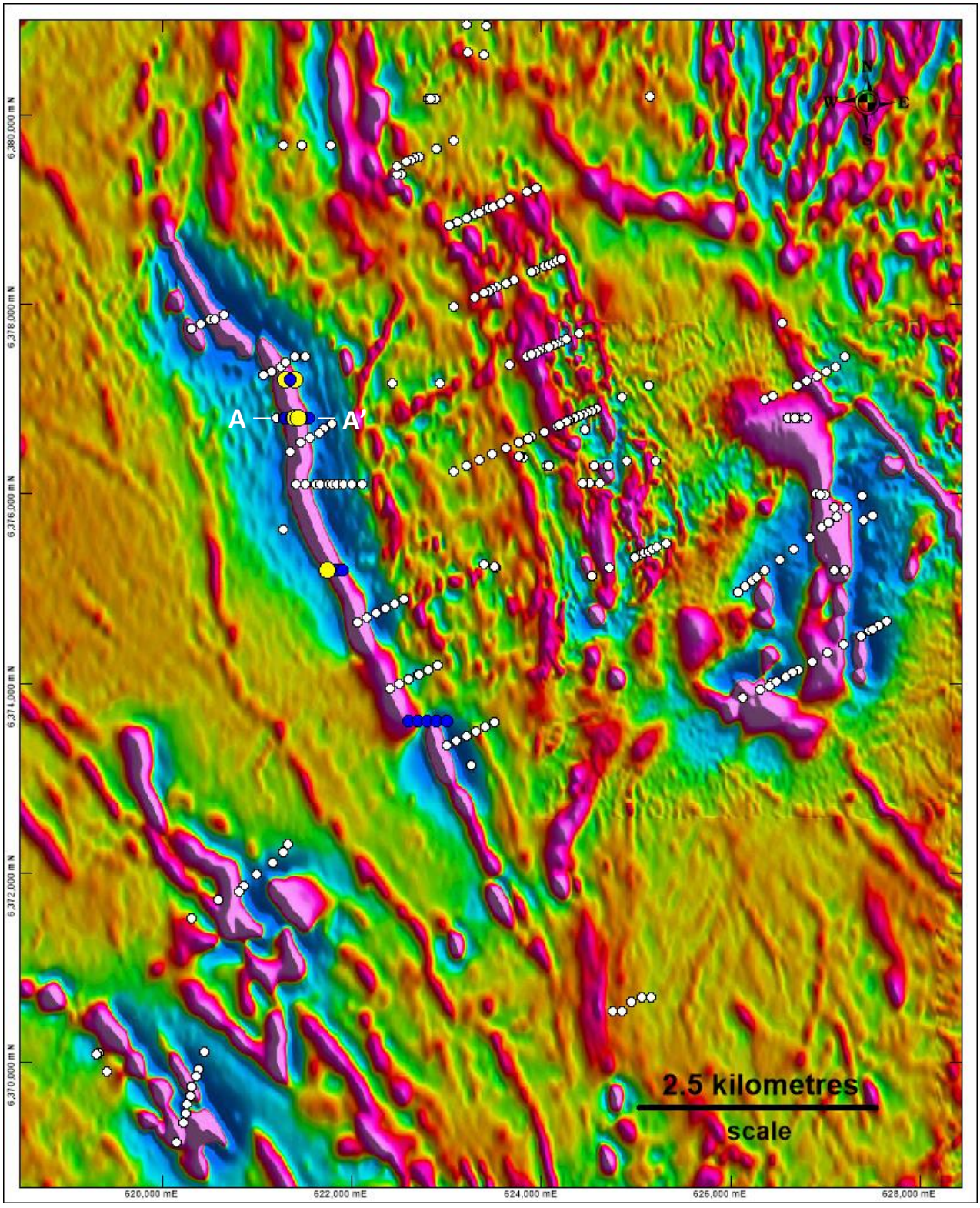

Figure 2. Bonza Prospect: Nickel mineralisation in drill holes on a 1VD aeromagnetic image

Legend-

Maximum Nickel in Hole
Blue dots: 0 – 0.1 % Ni
Yellow dots: > 0.1 % Ni
White dots: holes not referred to in this report (most of these holes are shallow RAB holes)
A to A' denotes location of 6376800mN cross-section. Refer to Figure 5.

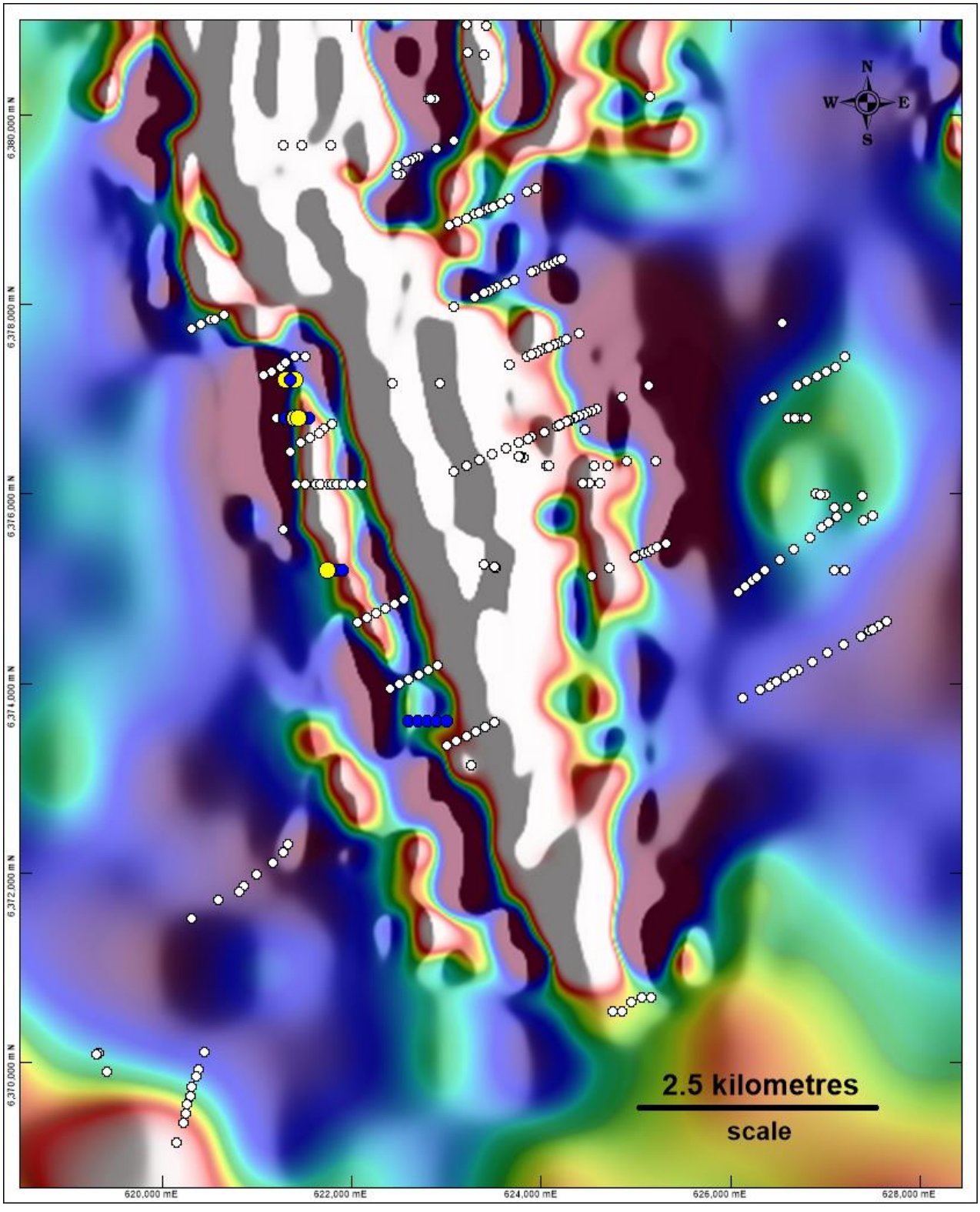

Figure 3. Bonza Prospect: Nickel mineralisation in drill holes on a 1VD gravity image

Legend-

Maximum Nickel in Hole
Blue dots: 0 – 0.1 % Ni
Yellow dots: > 0.1 % Ni
White dots: holes not referred to in this report (most of these holes are shallow RAB holes)

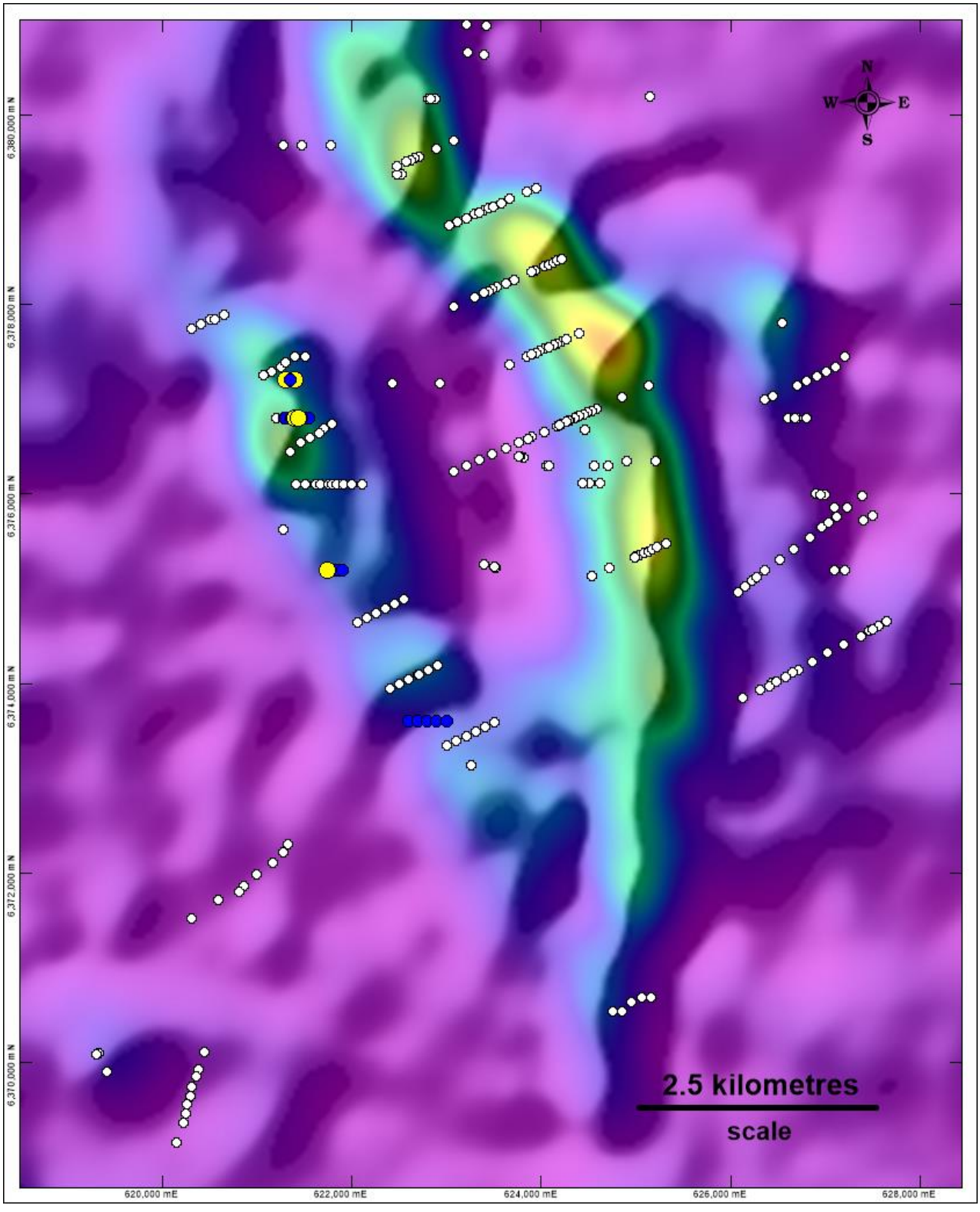

Figure 4. Bonza Prospect: Nickel mineralisation in drill holes on a Channel 40 heli-EM image

Legend-

Maximum Nickel in Hole
Blue dots: 0 – 0.1 % Ni
Yellow dots: > 0.1 % Ni
White dots: holes not referred to in this report (most of these holes are shallow RAB holes)

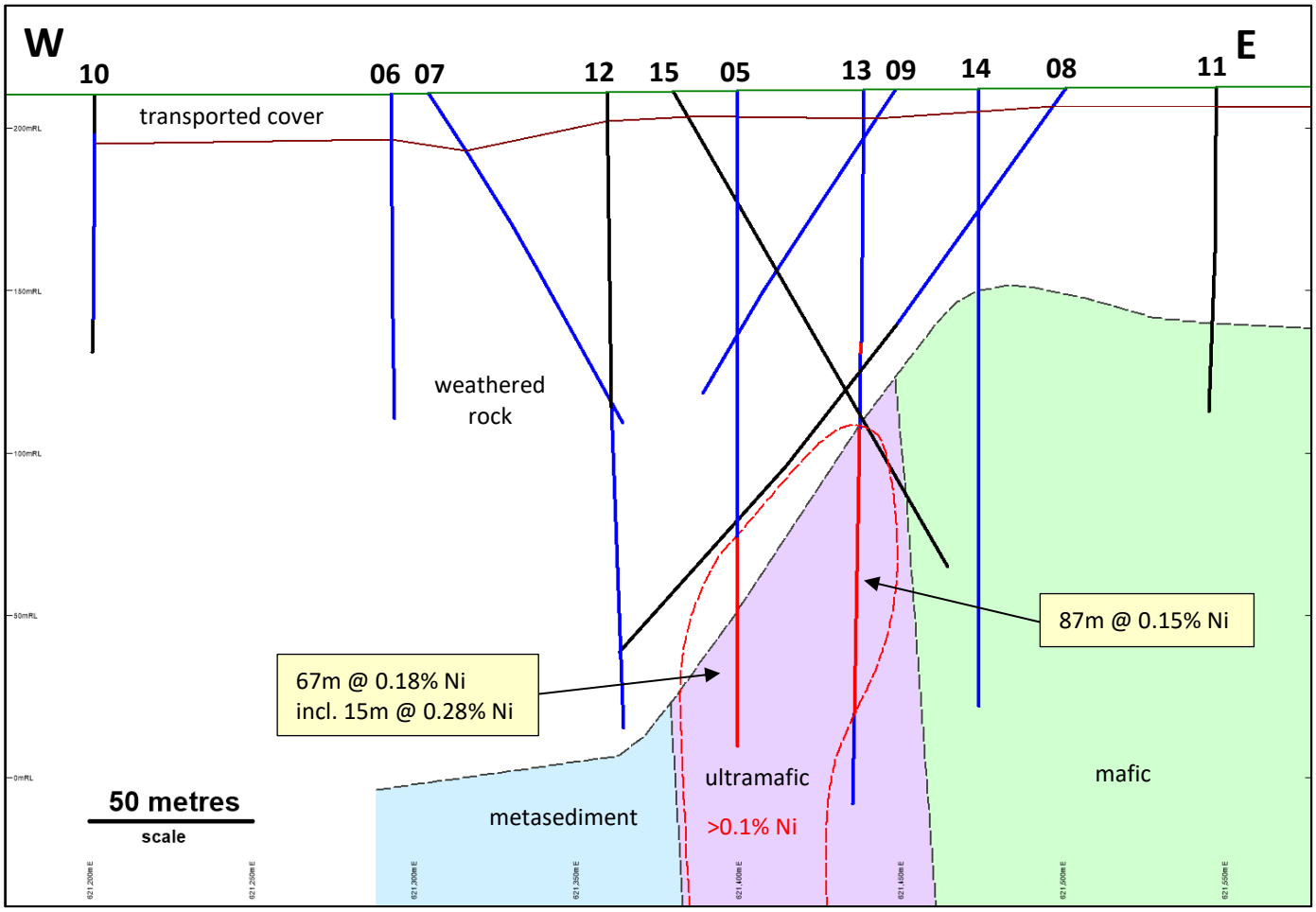

Figure 5. Bonza Prospect: 6376800mN Section (Refer to Figure 2 for cross-section location)

Legend-

Nickel Assay Results
Black lines: not analysed for Ni
Blue lines: 0 – 0.1 % Ni
Red lines: > 0.1 % Ni

"05" denotes hole number "08NMRC005"

This announcement has been authorised for release by the Board.

Kevin Malaxos
Managing Director

About Alliance

Alliance Resources Ltd is an Australian gold and base metals exploration company with 100% owned projects in South Australia and Western Australia.

The Company's flagship project is the Wilcherry Project, located within the southern part of the Gawler Craton, approximately 45 km north of the township of Kimba, South Australia.

The Mineral Resource estimate for the Weednanna Gold Deposit, part of the Wilcherry Project, is 1.106 Mt grading 4.3 g/t gold for 152,000 oz gold (classified 85% Measured & Indicated and 15% Inferred). Refer to ASX announcement dated 9 November 2020 for details concerning the Mineral Resource and the Competent Persons consent. The maiden iron resource for the Weednanna project was announced on 19 November 2020 and totals 1.15 Mt grading 59.4% Fe (classified as 65% Measured & Indicated and 35% Inferred). Refer to ASX announcement dated 19 November 2020 for details concerning the Mineral Resource and the Competent Persons consent. There is potential to increase the size of these Mineral Resources with further drilling.

Alliance is not aware of any new information or data that materially affects the information included in the above-mentioned announcements. All material assumptions and technical parameters underpinning the above-mentioned Mineral Resource estimates continue to apply and have not materially changed.

An independent scoping study reported a positive outcome and supports a new, 250,000 tpa gold processing plant at Weednanna. Total indicative capital cost is approximately $44 million. Refer to ASX announcement dated 18 April 2019 for details concerning the scoping study including the above-mentioned financial information. All material assumptions underpinning the above-mentioned financial information continue to apply and have not materially changed.

Detailed Engineering design and Mine design studies have commenced to produce Detailed Feasibility Study (DFS) level designs and cost estimates for the gold processing plant and proposed open pit and underground mining operations.

Alliance also owns an 80 person camp located on leased land in the township of Kimba which will be utilised during construction and production.

Competent Person

The information in this report that relates to the Exploration Results is based on information compiled by Mr Anthony Gray. Mr Gray is a Member of the Australian Institute of Geoscientists and is an employee of Alliance Resources Ltd. Mr Gray has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gray consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Table B. Summary of all RC holes drilled at the Bonza Prospect

Hole ID	Northing MGA2020	Easting MGA2020	mRL	Azimuth	Dip	Hole Depth (m)
08NMRC005	6376799	621400	212	0	-90	202
08NMRC006	6376801	621293	211	118	-90	100
08NMRC007	6376800	621304	211	92	-56	118
08NMRC008	6376799	621501	212	265	-54	222
08NMRC009	6376798	621448	212	268	-56	111
08NMRC010	6376797	621202	210	266	-90	79
08NMRC011	6376800	621547	213	316	-90	100
08NMRC012	6376800	621360	211	89	-90	196
08NMRC013	6376796	621439	212	1	-89	220
08NMRC014	6376797	621474	212	0	-90	190
08NMRC015	6376801	621380	211	90	-60	169
08NMRC016	6375200	621899	218	89	-61	100
08NMRC017	6375200	621796	218	89	-61	124
08NMRC018	6375200	621746	218	93	-61	183
08NMRC019	6375200	621849	218	90	-61	100
08NMRC020	6373602	622900	226	0	-90	100
08NMRC021	6373599	622799	225	56	-90	142
08NMRC022	6373603	622697	224	93	-60	130
08NMRC023	6373599	622602	222	89	-61	88
08NMRC024	6373604	623002	226	271	-61	154
08NMRC030	6377202	621404	213	283	-90	200
08NMRC031	6377202	621352	213	12	-90	184
08NMRC032	6377206	621303	212	0	-90	200

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.*	• Sample type was drill cuttings from reverse circulation (RC) drilling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	• Industry standard practice has been applied on site to ensure sample representivity. The laboratories have applied appropriate QA-QC to sample preparation and appropriate calibration/QA-QC to analytical instruments.
	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 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'	Reverse circulation drilling was used to obtain 1m split and 3m composite samples from which 3kg was pulverised to produce appropriate sized samples for analysis.
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.).*	• Reverse circulation drilling was completed using a 5¾" sized hammer with face sampling bit.
Drill sample recovery	*Method recording and assessing core and chip sample recoveries and results assessed.*	• Sample recovery and quality was not routinely logged for historic RC holes.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	• Every effort was made to ensure RC samples remained dry to ensure the 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.	• Dry RC samples have a low potential for sample bias.
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 drill holes were logged by a geologist for lithology, weathering, colour, alteration, texture, mineralogy, and mineralisation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	• Sample logging is qualitative (e.g. colour) and quantitative (e.g. % minerals) in nature depending on the feature being logged.
	The total length and percentage of the relevant intersections logged.	• All holes were logged from start to finish.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	• Not applicable.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	• Most samples were collected as 3m composite scoop samples. • Some 1m split samples were collected to produce ~3kg sub-samples for submission to the analytical laboratory.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	• The sample preparation techniques described above are appropriate to provide representative samples to a laboratory for drying, crushing, pulverising, and subsampling for analysis.
	Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.	• Standards, blanks, and duplicates were inserted during the drilling program.
	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.	• The sampling measures described above ensured the sampling was representative of the in-situ material.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	• The samples sizes are considered 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.*	• Historic sample preparation was completed by SGS and consisted of drying, crushing and pulverising <3kg samples to 85-90% passing -75µm. • SGS completed analysis in 2008 for an iron ore suite of elements; Fe, SiO_2, Al_2O_3, MgO, TiO_2, K_2O, CaO, P, Mn, S, Na_2O using the XRF fusion technique. • XRF is the standard analysis technique used by the iron ore industry and is considered appropriate to measure total iron.

Section 1 – Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
		• Compressed historic drill samples pulps were homogenised before re-analysis. • ALS completed gold analysis using the 30g fire assay technique with AAS finish and a portable XRF (pXRF) scan to determine As, Ca, Cr, Cu, Fe, Mn, Ni, Pb, S, Sn, U, Zn. • Fire assay is considered to be a total digestion technique for gold. • pXRF scan is a semi-quantitative technique with precision and accuracy in the order of 20% depending on sample type.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their deviation, etc.	• Not applicable.
	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.	• QAQC procedures used at SGS during 2008 are unknown. • At ALS each fire (usually 84 pots) contains one blank and a minimum of two standards and three duplicates to monitor accuracy and precision of results from the individual fire. • Standards and duplicates are used to monitor the accuracy and precision of pXRF scan results.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	• Alternative Company personnel have verified the significant results that are tabled in this report.
	The use of twinned holes.	• Twinned holes have not been used to verify sampling and assaying.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• Each sample bag is labelled with a unique sample number assigned at the point of sampling in the field. Sample numbers are used to match analyses from the laboratory to the in-house database containing down hole drill data.
	Discuss any adjustment to assay data.	• No assay data has been adjusted.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other location used in Mineral Resource estimation.*	• All holes have been surveyed by a registered surveyor using a DGPS. Expected horizontal and vertical accuracy is +/- 25cm. • All holes have been accurately down hole surveyed using a gyroscope with the exception of holes 08NMRC005, 014, 015, & 032 which were not down hole surveyed.
	Specification of the grid system used.	• GDA2020, MGA Zone 53.
	Quality and adequacy of topographic control.	• The elevation (mRL) of all holes drilled has been accurately surveyed by a registered surveyor using a DGPS.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	• Refer to Table B.
	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.	• Exploration results reported in this document will not be used for Mineral Resource or Ore Reserve estimation. pXRF scan is a semi-quantitative technique with precision and accuracy in the order of 20%, depending on sample type, that is not suitable for Mineral Resource or Ore Reserve estimation. • Drill hole spacing is sufficient to report meaningful geological interpretation.
	Whether sample compositing has been applied.	• Samples consist of 1m split and 3m composite RC samples. • All sample pulps sent for re-analysis utilised the original drill sample pulp, without further compositing.
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.*	• The Bonza Prospect is an early-stage exploration target. As the orientation of the host lithologies was unknown at the time of drilling holes are oriented -60° to the east, west, and vertically to determine prospect geological orientations. • The targeted ultramafic stratigraphy is indicated by high magnetism striking north-northwest. RC drilling was planned on east-west oriented traverses, broadly perpendicular to the magnetic anomaly. • As the ultramafic stratigraphy is now thought to be steeply dipping, the vertical drill holes have likely drilled down stratigraphic units.

Section 1 – Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
	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 relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
Sample security	*The measures taken to ensure sample security.*	• RC sub-samples are stored on-site prior to being transported to the laboratory for analysis. Sample pulps are returned to the Company and stored in a secure location.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of gold or pXRF sampling techniques and data have been undertaken. • External review or audits conducted by Golders (31/07/2008 and 17/12/2008), SKM (14/09/2010) and Runge (31/07/2012) verify iron sampling techniques, data and QA/QC methods meet JORC standards.

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 Bonza Prospect is part of the Wilcherry Project (Project), comprising EL's 5875, 5931, 6072, 6188, 6379, 6475, and EL6521, owned by Alliance (100%). The Project is located within the Gawler Craton in the northern Eyre Peninsula, South Australia. There is a royalty of 2% of the NSR payable to Aquila Resources Ltd.
	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 tenements are in good standing with no known impediments to obtaining a licence to operate in the area.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	• The area has been explored since the 1970's by companies including Pan Continental Mining, Asarco, Murumba Minerals, Shell Co. of Australia Ltd (later Acacia Resources Ltd), WMC Resources Ltd, Aberfoyle Resources Ltd , Anglogold Australia Ltd, Aquila Resources Ltd, Trafford Resources Ltd, Ironclad Mining Ltd (later Tyranna Resources Ltd). • Drilling has been completed in the Bonza Prospect area by the following exploration companies- • 1983-1985: Shell Company • 2008: Ironclad Mining
Geology	*Deposit type, geological setting and style of mineralisation.*	• The geology in the Bonza Prospect area is characterised by a northwest striking high-magnetic unit of steep-dipping ultramafic rocks that grade into mafic rocks to the east. It is uncertain at this stage if these rocks are intrusive or volcanic. The western side of the prospect area consists of Paleo-Proterozoic Hutchinson Group metasediments and granitoids of uncertain age. • The prospect area is overlain by between 5m and 20m of transported cover and is deeply weathered in the area of metasediments to greater than 100m depth. • The ultramafic rocks may be prospective for magmatic nickel sulphide deposits.
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.*	• Refer to Table B and Figures 2 to 4 in the body of this report for the location of all RC holes discussed in this report. Table A contains the details of all holes containing > 0.1 % Ni referred to in this report.

Section 2 – Reporting of Exploration Results		
Criteria	**JORC Code explanation**	**Commentary**
Data aggregation methods	*In reporting Exploration results, weighting averaging techniques, maximum and/or minimum grade truncation (eg. cutting of high grades) and cut-off grades are usually material and should be stated.*	• The results are weighted averages by sample length. No high-grade cuts have been applied. Results are reported for all intervals of greater than 0.1 % Ni.
	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 aggregation should be shown in detail.	• Lengths of low grade results have been incorporated where the adjacent higher grade results are of sufficient tenor such that the weighted average remains close to or above the lower cut-off grade.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No metal equivalents are reported.
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').*	• Assay results are reported as down hole lengths because the true width is not known.
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 the body of this 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.*	• The results reported represent all significant assay results averaging greater than 0.1 % Ni. The location of all holes containing less than 0.1 % Ni are reported in Table B and Figures 2 to 4.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density; groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The Bonza Prospect area is characterised by an ~8km long north-northwest trending magnetic anomaly and a coincident gravity high anomaly that is centred slightly to the east. • A helicopter-borne aeromagnetic survey has defined a late channel conductive anomaly in the prospect area.
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.*	• Refer to main body of announcement.