ASX Announcement / Media Release

21 January 2016

Orion Gold NL

ASX Code: ORN

Issued Capital:

Ordinary Shares: 421M

Options: 91M

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Connors Arc Epithermal Gold-Silver Project, Queensland – Exploration Update

Thick zones of anomalous gold intersected in recent drilling confirm prospectivity and provide a possible vector to higher grade zones

Highlights:

- **Broad anomalous gold zones intersected in recent drilling at the newly identified Chough prospect.**
- **Together, with the substantial alteration associated with epithermal breccia bodies intersected in the drilling, these zones are interpreted to represent upper levels of the epithermal system at Connors Arc.**
- **Fieldwork currently underway at 6 Mile Creek and Killarney Prospects, with the aim of defining further drill targets.**

Orion Gold NL (**ASX: ORN**) is pleased to provide an update on recent drilling and exploration activities at its 100%-owned **Connors Arc Epithermal Gold-Silver Project** in central Queensland.

Chough Prospect

As previously announced, a first round of drilling at the Chough Prospect completed late last year has intersected interlayered andesite and pervasively altered rhyolite with several breccia units and strong clay alteration of feldspars with significant sulphides present (refer ASX Release 3 December 2015).

The sulphides occur in discrete bands and accumulations, both as clots of large pyrite grains and also as clusters/clouds of dark coloured, fine-grained sulphides identified in hand specimen as pyrite and arsenopyrite.

Assay results have confirmed the prospectivity of the epithermal system at Chough with wide zones of anomalous gold assays (>100ppb, Appendix 1) returned within a 76 metre interval in CHRC003 (Figures 1 and 2). Similar anomalous zones were intersected in CHRCD004, down-dip from CHRC003.

These results are interpreted to represent the upper levels of an epithermal system, with the **anomalous gold assays providing encouragement that enriched gold mineralisation may occur deeper in the system**.

Work is currently underway to define the deeper target zone for follow-up drilling. The Company's technical team is currently collecting Visible-Short Wave Infrared (**VNIR-SWIR**) data to characterise the correct level for deposition of precious metals and the core is being inspected by respected consultants, including Professor Noel White, to confirm the working hypotheses and assist with the interpretation of the recent results.

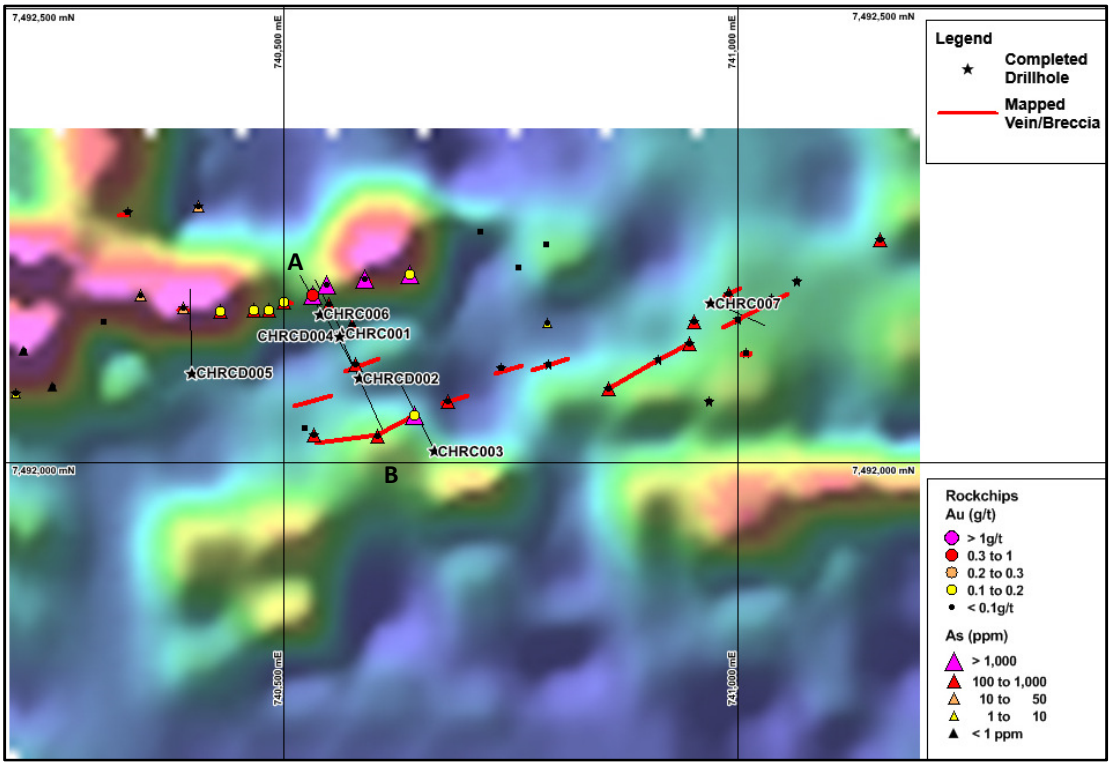


Figure 1: Plan showing Orion's drilling and rock chip sampling at the Chough Prospect, along with mapped epithermal veins. Section A – B is shown in Figure 2.

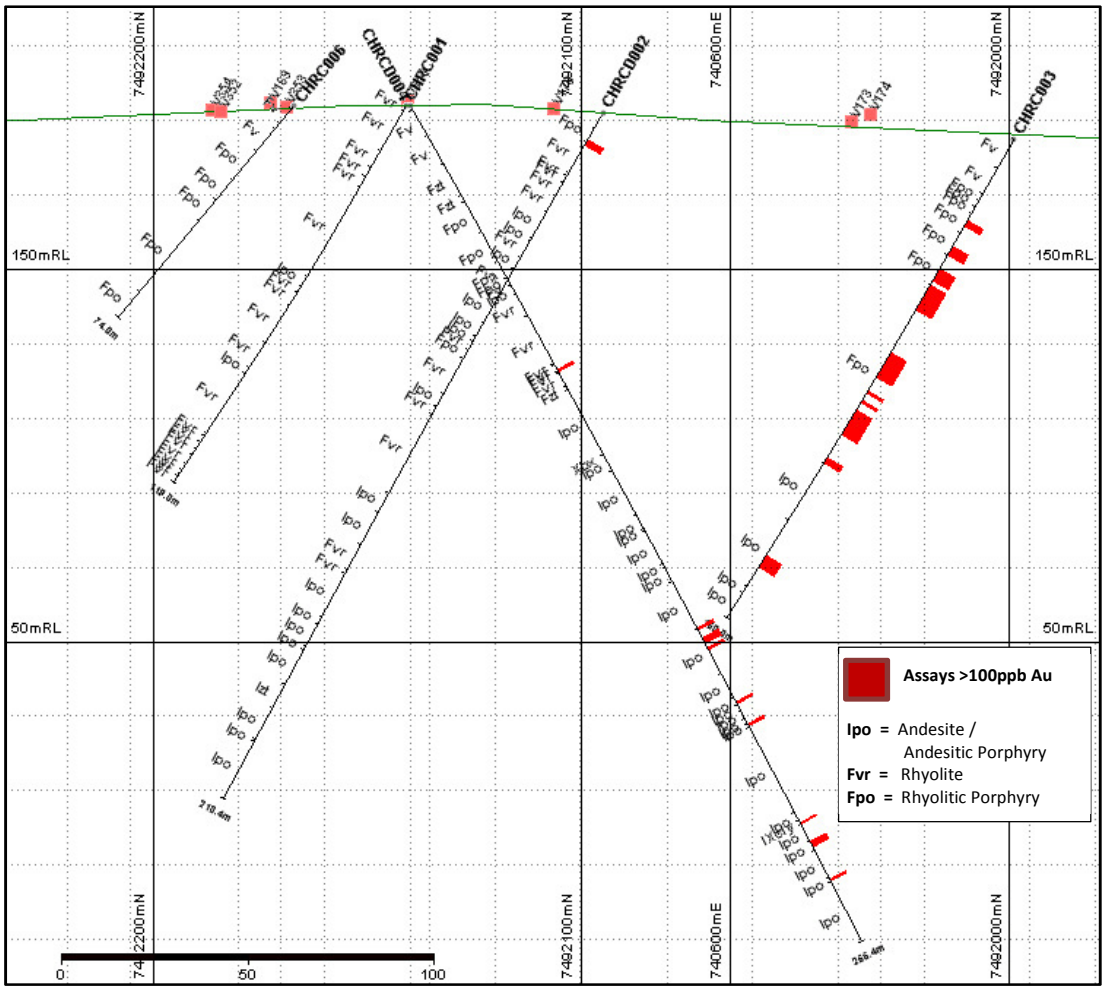


Figure 2: Section showing drilling at the Chough Prospect (refer Figure 1 for location) and anomalous results (>100ppb gold).

Veinglorious Prospect

Five shallow drill-holes were completed for 893.6 metres at the Veinglorious prospect. The drilling tested below significant gold and silver values returned from outcropping quartz veining, on newly identified epithermal veining in the north-western sector of the epithermal system.

Only minor anomalous gold and silver assays were returned from this drilling (Appendix 1) from within the down-dip extensions of the epithermal quartz veining. These results are interpreted to show that the veining intersected in the drilling has a deeper source from within the epithermal system, below the critical zone for precious metal deposition.

VNIR-SWIR data is currently being collected to confirm this hypothesis. Once confirmed, the focus of exploration is expected to return to the intermediate zone between the most recent drilling and that of the previous drilling at Veinglorious, where high-grade silver mineralisation was intersected and VNIR-SWIR data indicated that drilling had intersected veining above the "critical depth" for gold-silver deposition in the system.

The Company is also modelling the structural features in order to identify the zone where optimum pressure and temperature was present in the epithermal system.

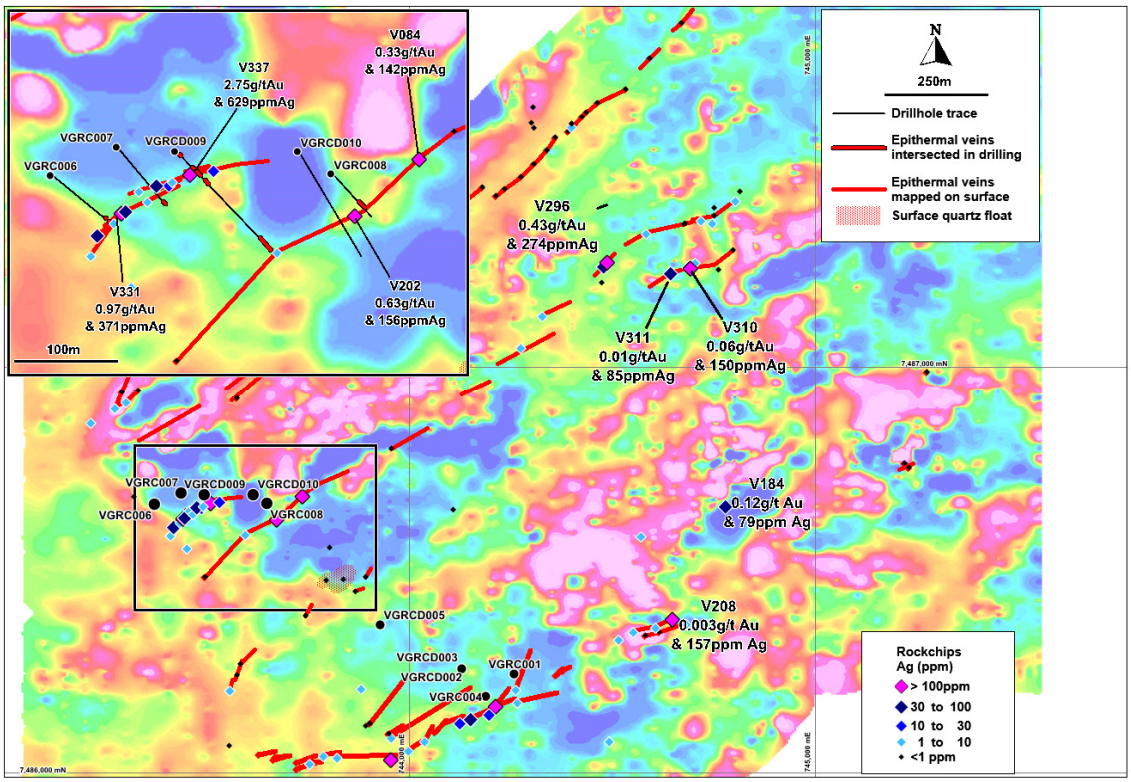


Figure 3: Plan showing drilling and rock chip sampling at the Veinglorious Prospect, along with mapped epithermal veins.

Aurora Flats Prospect

Two holes for 585.5 metres were completed at Aurora Flats to provide a first test of the previously identified soil geochemical target (refer ASX Release 22 September 2015). While more than 100 metres of sulphide-bearing epithermal breccia was intersected, no anomalous results were returned and, as a result the Company will continue to focus on the main vein trends at this prospect.

Path Forward

Samples from the recent drilling program are currently being reviewed by the Company's technical team and consultants, including Professor Noel White, with the aim of defining the optimal position for follow-up drilling at the Chough prospect.

In parallel, work is underway to advance the 6 Mile Creek and Killarney prospects (refer ASX Releases 6 November 2015 and 7 December 2015).

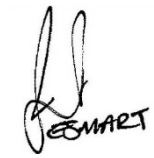
At the Killarney Prospect, work will comprise surface geochemical and geophysical surveys in parallel with mapping and sampling programs to build a regional model of the epithermal system, which comprises multiple breccia units and vein swarms. The potential of this system is exhibited by the historical drill results of 57 metres at 0.3 g/t gold and 10 metres at 1.0 g/t gold (refer ASX Release 6 November 2015). The initial objective of current work is to identify strike and depth extensions to this system.

At the 6 Mile Creek Prospect, a detailed structural interpretation will be carried out to determine the structural control on the mapped epithermal veining which returned exceptional results from a 400 metre long outcrop including gold assays of 34g/t, 19g/t and 18g/t gold and silver assays of 1,530g/t, 135g/t and 105g/t silver (total 24 samples; refer ASX Release 7 December 2015).

Structural analysis is expected to identify zones of dilation in the veining which has demonstrated encouraging high grades at the surface. Historical shallow drilling beneath these outcrops returned results including:

- **7 metres at 1.0g/t gold and 10g/t silver (MRCPH-2);**
- **2 metres at 1.3g/t gold and 30g/t silver (MRCPH-1);**
- **1 metres at 2.9g/t gold and 34g/t silver (MRCPH-4); and**
- **1 metre at 3.18g/t gold and 34g/t silver (MRCPH-5).**

The structural and geological mapping will underpin a three-dimensional model of the veining and enable drilling to target interpreted "bulges" and "blows" in the vein structure.



Errol Smart
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About Orion

Orion Gold is focused on acquiring, exploring and developing large tenement holdings or regional scale mineral opportunities in world-class mineral provinces. The Company has acquired quality projects in proven mineral provinces, including a large tenement package on the Connors Arc in Queensland, where a significant intermediate sulphidation, epithermal gold and silver system has been identified at Aurora Flats. The project lies between the well known Cracow and Mt Carlton epithermal deposits. The Company is increasing its focus on this project, following promising reports from expert consultants, and its fieldwork has led to the discovery of substantial epithermal systems at the Veinglorious and Chough Prospects.

The Company also holds a substantial tenement holding in the Albany-Fraser Belt, host to Australia's two most significant discoveries of the last decade (the Tropicana Gold Deposit and the Nova Nickel-Copper-Cobalt Deposit). Part of this tenement holding was acquired from entities associated with Mark Creasy who is now a significant shareholder in Orion. The project area was previously explored by Western Areas Ltd which identified mafic-ultramafic intrusives within the project area as well as nickel-copper-cobalt-PGE anomalies. Orion's intensive, systematic exploration programs have successfully defined 34 targets to date by a combination of geological, geochemical and geophysical methods.

Recently, the Company secured an outstanding growth and diversification opportunity in the global base metals sector after entering into an option to acquire an advanced volcanic massive sulphide copper-zinc project located in South Africa with near-term production potential. The option gives Orion the right to acquire an effective 73.33% interest in the a portfolio of projects including an exploration project at the Prieska Copper Project, located near Copperton in the Northern Cape province of South Africa, and the Marydale Prospecting Right, a virgin gold discovery of possible epithermal origin, located 60 kilometres from the Prieska Copper Project. The Company is progressing extensive due diligence investigations.

Additionally, the Company owns the Walhalla Project located in Victoria, which is prospective for gold, copper – nickel and PGEs.

The Company has an experienced management team with a proven track record in exploration, development and adding shareholder value.

Competent Persons Statement

The information in this report that relates to Exploration Results at the Connors Arc Project complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**) and is based on information compiled by Mr Bruce Wilson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Wilson is the Principal of Mineral Man Pty Ltd, a consultant to Orion Gold NL, and 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 JORC Code. Mr Wilson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Exploration Results are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measure as detailed in Appendix 3.

Disclaimer

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements inherently involve subjective judgement and analysis and are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Orion Gold NL. Actual results and developments may vary materially from those expressed in this release. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Orion Gold NL makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

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Appendix 1: Significant Intersections from recent Orion drilling at the Connors Arc Project.

	Intercept Data			Assay Data												
Hole ID	From (m)	To (m)	Length (m)	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ba (ppm)	Mn (ppm)	Mo (ppm)	Rb (ppm)	Sb (ppm)	Te (ppm)	W (ppm)
CHRC003	25	37	12	0.100	2.50	393.8	50.3	217.1	398	369	710	82.7	213	9.3	0.4	12
	40	56	16	0.114	1.86	415.2	31.4	18.3	72	405	700	25.1	212	8.0	0.5	12
	66	76	10	0.114	1.38	522.8	36.3	24.2	81.5	314	630	3.1	212	7.5	0.23	8.9
	78	79	1	0.100	0.38	269.0	24.3	12.7	78	370	1270	1.0	184	3.1	-0.05	4.8
	81	82	1	0.132	0.67	558.0	33.4	14.2	134	690	1090	3.0	220	4.2	-0.05	6.7
	84	88	8[c]	0.156	1.16	508.5	41.1	23.6	72	625	572	4.4	221	5.8	0.22	7.4
	99	102	3	0.100	0.39	303.2	27.3	13.0	79	530	1038	1.9	171	3.2	-0.05	8.7
CHRCD002	3	13	10	0.055	0.45	99.4	4.1	23.2	65	880	302	21	274	3.6	0.06	8
CHRCD004	81	82	1[r]	0.125	0.51	131.0	13.3	61.5	921	470	353	69	200	2.6	0.32	1
	160	167	7[r]	0.106	0.5	290.7	38.6	15.3	57	257	1127	7.8	156	6.4	0.05	21
	182.5	183.4	0.9	0.117	1.14	549.0	44.0	24.3	47	260	657	3.9	242	6.2	0.13	7
	218.6	220.0	1.4	0.102	0.19	142.0	22.1	13.5	41	395	1149	0.9	146	3.2	-0.05	4
	225.0	228.0	3	0.193	0.87	457.0	28.0	15.4	53	332	636	2.6	206	7.2	0.00	11
	236.0	237.3	1.3	0.126	0.81	216.7	30.4	20.2	56	350	908	13.8	214	5.2	0.10	7
VGRC008	86	88	2	0.023	17.48	23.2	36.0	242.9	279.5	460	1200	15.5	142	1.3	9.52	270.0
VGRCD009	65.0	66.6	1.6	0.085	16.90	19.1	20.2	23.6	33	245	649	11.9	93	4.6	8.72	1.6
VGRCD010	82.45	83.2	0.75	0.013	13.30	10.6	36.5	52.2	60	350	1360	1.4	128	0.8	8.10	85.1

1. All intersections > 0.5m >0.1g/t gold or > 10g/t Ag are quoted (except CHRCD002 where 0.05g/t has been used).
2. Intersections from holes denoted "RCD" are from diamond drilling except for intervals marked with "r" (RC sample) and "c" (composite RC sample).
3. Location and azimuth data for all holes in the drill program are shown in Appendix 2. It is recommended that the supporting information contained in Appendix 3 is read in conjunction with these results.

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Appendix 2: Location data for recent Orion drilling at the Connors Arc Project.

Hole ID	Prospect	Hole Type	Collar Location (MGA94 Zone 55)			Collar Direction		Total Depth (m)
			Easting	Northing	RL	Dip	Azimuth	
CHRC001	Chough	RC	740564	7492145	150	-60	320	119
CHRC003	Chough	RC	740666	7492015	150	-60	320	150
CHRC006	Chough	RC	740540	7492166	150	-60	320	74
CHRC007	Chough	RC	740970	7492178	150	-60	105	110
CHRCD002	Chough	DD	740583	7492095	150	-60	320	210.4
CHRCD004	Chough	DD	740561	7492142	150	-60	140	255.4
CHRCD005	Veinglorious	DD	740399	7492101	150	-55	350	119
VGRC006	Veinglorious	RC	743362	7486669	169	-60	120	158
VGRC007	Veinglorious	RC	743425	7486687	171	-60	130	150
VGRC008	Veinglorious	RC	743648	7486690	175	-60	123	120
VGRCD009	Veinglorious	DD	743494	7486689	169	-60	125	285.3
VGRCD010	Veinglorious	DD	743615	7486689	170	-60	135	180.3
AFRCD018	Aurora Flats	DD	743805	7479528	138	-60	145	375.4
AFRCD019	Aurora Flats	DD	744200	7479604	144	-60	125	210.1

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Appendix 3: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results.

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.*	• Diamond core drilling used to obtain NQ2 sized core. • RC precollars sampled with both 4m (spear sampling) and 1m samples (split samples). • Drill spacing variable due to early stage nature of drilling. • Sampling carried out under supervision using procedures outlined below including industry standard QA/QC. • Samples submitted for analysis by ALS is crushed, dried, pulverized and split to obtain two sub samples – a 30g charge for precious metal determination via fire assay and a 0.25g sample for analysis for determination of other metals.
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).*	• Both reverse circulation (RC) and diamond core drilling have been carried out. • RC drilling uses 5 ½" face sampling hammers. • Diamond drilling uses NQ2 sized core, oriented using ACT Mk 2 orientation kit. • RC precollars were drilled for all diamond holes before changing to core drilling, with depths ranging from approximately 15m (CHRCD002, CHRCD004 and VGRCD009), to 50m (CHRCD005, VGRCD010) for the Chough and Veinglorious drilling and approximately 100m for the Aurora Flats drilling. • All drilling carried out by DDH1 Drilling Pty Ltd.
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.*	• Core recoveries measured using standard techniques. • RC recoveries measured qualitatively. • Cyclone, splitters and sample buckets cleaned regularly. • No grade variation with recovery noted.

Criteria	JORC Code explanation	Commentary
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.*	• All holes logged on 1m intervals using visual inspection of washed drill chips and both full and split core. • Qualitative logging of colour, grainsize, weathering, structural fabric, lithology, alteration type and sulphide mineralogy carried out. • Quantitative estimate of sulphide mineralogy and quartz veining. • Logs recorded at the drill site and entered into digital templates at the project office. • Drilling logs transferred into standard templates which use file structures, lookup tables and logging codes consistent with the Azeva.XDB SQL-based exploration database developed by Azeva Group. The drill hole data is compiled, validated and loaded by independent Data Management company, Geobase Australia Pty Ltd. • Logging is of sufficient quality to be used in a Mineral Resource estimation, however at this early stage the lithological / alteration / mineralogical features that assist in modeling a Mineral Resource are yet to be determined.
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 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.*	• Results announced for core samples are from half core, sawn on site. Core is oriented and marked up so that the same side is always sampled. • 1m sub samples from RC drilling collected by passing entire 1 metre sample through a cone splitter. • 4m sub samples from RC drilling collected by spearing piles of material from each metre of drilling. The intention is that where the composite samples return anomalous values the 1m samples will be submitted. • Sample preparation was undertaken at ALS Laboratory Townsville, an ISO accredited laboratory. ALS utilises industry best practise for sample preparation for analysis involving drying of samples, crushing to <5mm and then pulverising so that +85% of the sample passes 75 microns. • Lab supplied CRM's, blanks and replicates are analysed with each batch. Given the reconnaissance nature of the sampling no additional QA/QC measures were undertaken.
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*	• The primary analytical technique uses a four-acid digest to maximise the leaching of precious metals from the sample. A 0.25g sub samples is analysed using ICP-MS for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Zn and Zr. Selected samples are also analysed for Hg using ICP-MS. • A 30g charge for fire assay is analysed using ICP-AES for Au which is standard industry procedure for first pass exploration. • No external laboratory checks have been carried out at this stage due to the preliminary nature of exploration. It is also too early to identify any bias or

Criteria	JORC Code explanation	Commentary
	levels of accuracy (ie lack of bias) and precision have been established.	similar.
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.*	• The calculation of significant intersections has been carried out by the Technical Director and verified by the Managing Director by comparison with intersections generated from the digital database by the independent data management company Geobase Australia Pty Ltd. Field duplicates and standards submitted with the relevant assay batches have been reviewed as well as the laboratory duplicates and laboratory QA/QC data supplied. The cuttings and sample ledgers from these intervals have also been inspected. • Drillhole location data and geological observations were recorded in the field and manually entered into an Excel spreadsheet. • Data was later transferred into the Company's electronic database by independent Data Management company, Geobase Australia Pty Ltd. The data is exported into formats to be used in Micromine and Mapinfo software for the Company.
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.*	• All drillholes pegged out using handheld GPS and distance/bearing from previous holes (historical and this campaign) or vein outcrops. • Drillholes will be picked up by dGPS survey to sub metre accuracy by Terrex Spatial. • Historical drillholes have had location confirmed/amended using dGPS survey by Terrex Spatial. • Co-ordinates are presented in MGA94 Zone 55. • Downhole surveys use single shot survey tool, with downhole gyro survey carried out on selected holes post drilling to validate direction data. • Topographic control is based on topographic data derived from public data.
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.*	• Drillhole spacing aimed to accurately map orientation of epithermal veins in subsurface. • Insufficient data to map grade distribution at this time, once further drilling is carried out the appropriate data spacing to accurately estimate grade distribution will be better understood.
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.*	• Drilling carried out perpendicular to mapped veins, refer Figures 1 and 3. • Structural measurements confirm that the azimuth of drilling is perpendicular to the orientation of these veins. • No orientation based sampling bias has been identified in the data at this point.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by the Company. Samples were stored on site and then freighted directly to ALS Townsville.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out at this stage.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *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.*	• EPM/EPMAs 19825, 25122, 25283, 25703, 25708, 25712, 25714, 25763, 25764, 25813, 26003, 26081, 26082, and 26083 are 100% owned by Orion Gold NL. • The Connors Arc Project is overlain by claims by the Barada Kabalbara Yetimarala People and the Barada Barna People. Orion Gold NL has agreed ancillary agreements with these parties relating to exploration of the Connors Arc Project. • The Connors Arc Project is also overlain by a number of pastoral leases. Orion Gold NL is following all relevant DNRM procedures relating to access and entry in its exploration of the Connors Arc Project. • Over and above its legislative requirements Orion Gold NL is committed to maintaining strong beneficial relationships with stakeholders and landowners in the region and using industry best practise in its exploration.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The southern portion of the Connors Arc Project (including the Aurora Flats and Veinglorious Prospects) and adjacent areas was most recently explored by SmartTrans Holdings Ltd (formerly Coolgardie Gold NL) (including periods where joint ventures were formed with Marlborough Gold and Newcrest Mining). The focus of most exploration activities was the Mount Mackenzie deposit, outside Orion's Project area. • The majority of the exploration in the northern part of the Connors Arc Project (including the 6 Mile Creek and Killarney Prospects) was carried out by BP Minerals Australia Pty Ltd, Australian Gold Resources Ltd and Invictus Gold Ltd. • Exploration activities across the Project area included surface geochemical sampling, open hole percussion drilling and RC percussion drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Connors Arc Project is located in the central portion of the Connors Arc, a "fossil" magmatic arc active during Permo-Carboniferous time.

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Criteria	JORC Code explanation	Commentary
		• The target is epithermal gold-silver mineralisation similar to the Cracow and Mt Carlton 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.*
		• Appendix 1 lists all the significant intersections in the recent phase of drilling carried out by the Company. Significant intersections from previous drilling by the Company at the Connors Arc Project are listed in ASX Releases of 17 February 2015, 24 February 2015 and 27 April 2015.
		• Appendix 2 lists collar and dip/azimuth data in the recent phase of drilling carried out by the Company. Location data for previous drilling by the Company at the Connors Arc Project are listed in ASX Releases of 17 February 2015, 24 February 2015 and 27 April 2015 with locations shown on Figures 1 and 3.

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.*	• Significant intercepts in Appendix 1 were calculated by averaging the length weighted assay results for Au, Ag and other trace elements within the interval in question. • Intercepts presented are all assays > 0.1g/t Au, and 1g/t Au where present, or all assays > 10g/t Ag as this is believed to be significant in the context of the geological setting.
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').*	• All intersections to be reported are downhole widths. • True widths are unknown at this time as the geometry of the mineralisation has not been determined.
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.*	• Drillhole location plans shown as Figure 1 and Figure 3. • Figure 2 show intersections on cross section. • Further geological diagrams will be shown once SWIR data has been collated and interpreted.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades*	• All significant results are reported in Appendix 1.

Criteria	JORC Code explanation	Commentary
	and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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.*	• The Company's previous ASX releases have detailed exploration works on the Connors Arc Project and results/conclusions drawn from these.
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.*	• More detail on further work will be available following collation and interpretation of trace element and SWIR data from the current program.