



WINDWARD
RESOURCES LTD

ASX ANNOUNCEMENT

ASX: WIN

20 October 2014

First-Order Conductors Identified – Fraser Range North

– For Immediate Release –

Highlights

- **Fraser Range North (FRN) - Airborne EM (HeliTEM) survey completed — several first-order conductors identified – Ground EM to follow**
- **Diamond drilling at the Kendenup prospect (Fraser Range South – FRS) completed – low level gold zones**

The Company is pleased to announce that an airborne electromagnetic (**AEM**) survey (1,200 line km) at its Fraser Range North (**FRN**) project area has been completed – **Figure: 1**.

Preliminary data assessment has identified numerous conductors with several first-order and second-order conductors immediately apparent. To date the most significant conductors identified are at the Turcaud, WinEye, and Cundeelee prospects. Ground EM will commence within the next four weeks over all of the first order targets and some second-order targets which have other supporting data such as elevated surface geochemistry and/or previously identified as a structural target. Further processing of the HeliTEM data is expected to identify more targets which will be ranked and prioritised for follow-up work.

The **Turcaud prospect** was initially identified as a structural target and was subsequently covered by surface geochemical sampling. Sandy soils returned subdued but contourable and coincident nickel (>40ppm), copper (>23ppm), and cobalt (>10ppm) anomalism. These surface geochemical anomalies lie directly over first-order conductors identified from the AEM survey – **Figure: 2**.

The **WinEye prospect** is an interpreted intrusive feature with similarities to the intrusive feature which hosts Sirius Resources' Nova-Bollinger Ni-Cu deposit 17km to the south-west. A first-order conductor has been identified at the southern end of the eye feature – **Figure: 3**.

The **Cundeelee prospect** was chosen for AEM (HeliTEM) acquisition based on conceptual structural targeting using the detailed magnetics captured earlier in the exploration programme. Several first and second-order conductors have been identified from the HeliTEM and will be followed up with ground EM prior to drilling – **Figure: 4**.

A ground EM crew will be mobilised to site within the next four weeks to further define the conductors which will enable more accurate modelling and targeted drilling. Drilling is expected to commence in the December quarter.

CORPORATE DIRECTORY

Non Executive Chairman
Bronwyn Barnes

Managing Director & CEO
David J Frances

Non-Executive Directors
Stephen Lowe
George Cameron-Dow

Company Secretary
Stephen Brockhurst

FAST FACTS

Issued Capital: 88m
Options Issued: 4.08m
Debt: Nil
Cash: \$ 5.9m
(as at 30 June 2014)

CONTACT DETAILS

Level 1, 8 Kings Park Road
West Perth 6005

PO Box 599
West Perth 6872
E: admin@winres.com.au

T: +61 8 9321 6667
F: +61 8 9322 5940

www.winres.com.au

ACN: 158 432 270

Kendenup Prospect – Fraser Range South

Diamond drilling at the Kendenup prospect, within the FRS project area has been completed with two holes being drilled:

Hole ID	Easting (GDA94 – Zone 50)	Northing (GDA94-Zone50)	RL (AHD m)	Azimuth (Magnetic degrees)	Dip (Degrees)	Total Depth (m)
14KDDH001	553,317	6,181,478	262	010	-60	215.7
14KDDH002	553,185	6,181,479	262	010	-60	306.3

These holes were drilled to test a conductor identified by HeliTEM, and confirmed by ground EM, sitting beneath a nickel in soil anomaly. Drilling intersected highly weathered clay over pyroxinite with up to 5,000ppm nickel, which explains the nickel in soil anomaly but is not believed to be of significance. Both holes intersected several zones of low-level gold mineralisation up to 100ppb Au and zones of graphite/sulphide, predominantly pyrite, but chalcopyrite also occurs. The main graphitic/sulphidic zones explain the modelled conductor.

Graphite is present as breccia, veins and veinlets and is interpreted to be the result of deposition from a migrating supercritical carbon bearing fluid. The drill holes are likely on the margin of a large system with graphite infilling cracks and faults surrounding the major deep tapping lineament – the South Boddington Fault, which runs through the prospect area.

Pervasive albite and biotite alteration is present throughout the holes, carbonatites, and gabros were also intersected in both holes. Quartz, graphite and carbonate veining is common in both holes. Petrological samples have been taken and a decision on any further work will be made after the petrology is complete. Morphologically the rocks appear similar to those described on the margins of the Albany graphite deposit – Northern Ontario, Canada (**Figure: 4**), and the alteration zone associated with gold mineralised veins at the Erikson gold mine in British Columbia, Canada. The petrological studies are expected to help shed light on the genesis of the graphite, its importance in the system, and possibly any relationship to the gold mineralisation.

For further information, please contact:

David J Frances
Managing Director and CEO
0400 080 074

Bronwyn Barnes
Non-Executive Chair
0417 093 256

Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr David Frances, a full-time employee of Windward Resources Limited. Mr Frances is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Frances consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

- ENDS -

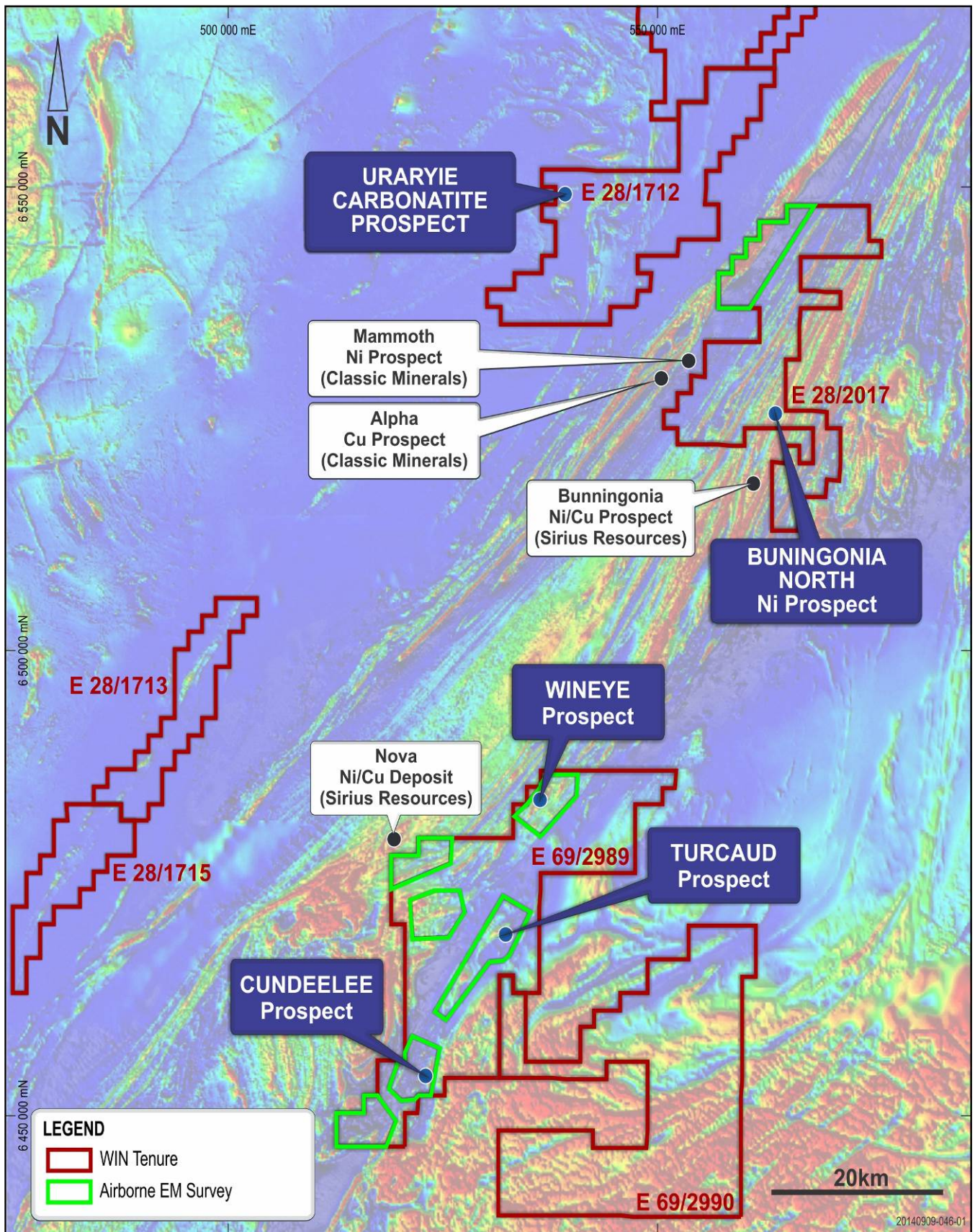


Figure 1 – FRN HeliTEM areas of data acquisition completed – background image TMI magnetics.

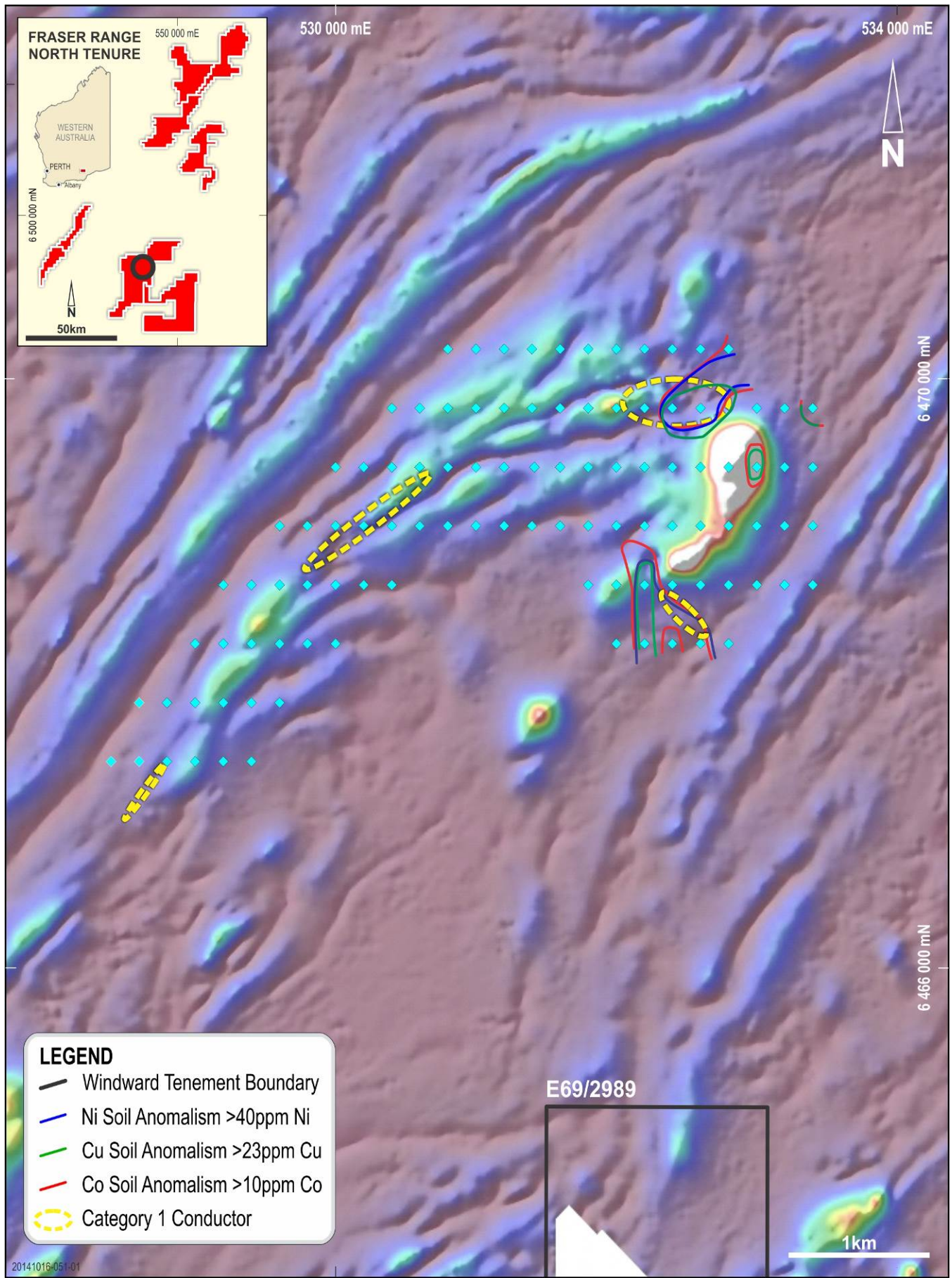


Figure: 2 – FRN E69/2989 Turcaud prospect showing Ni/Cu/Co soil anomalism over first-order HelITEM conductors- TMI magnetics background image.

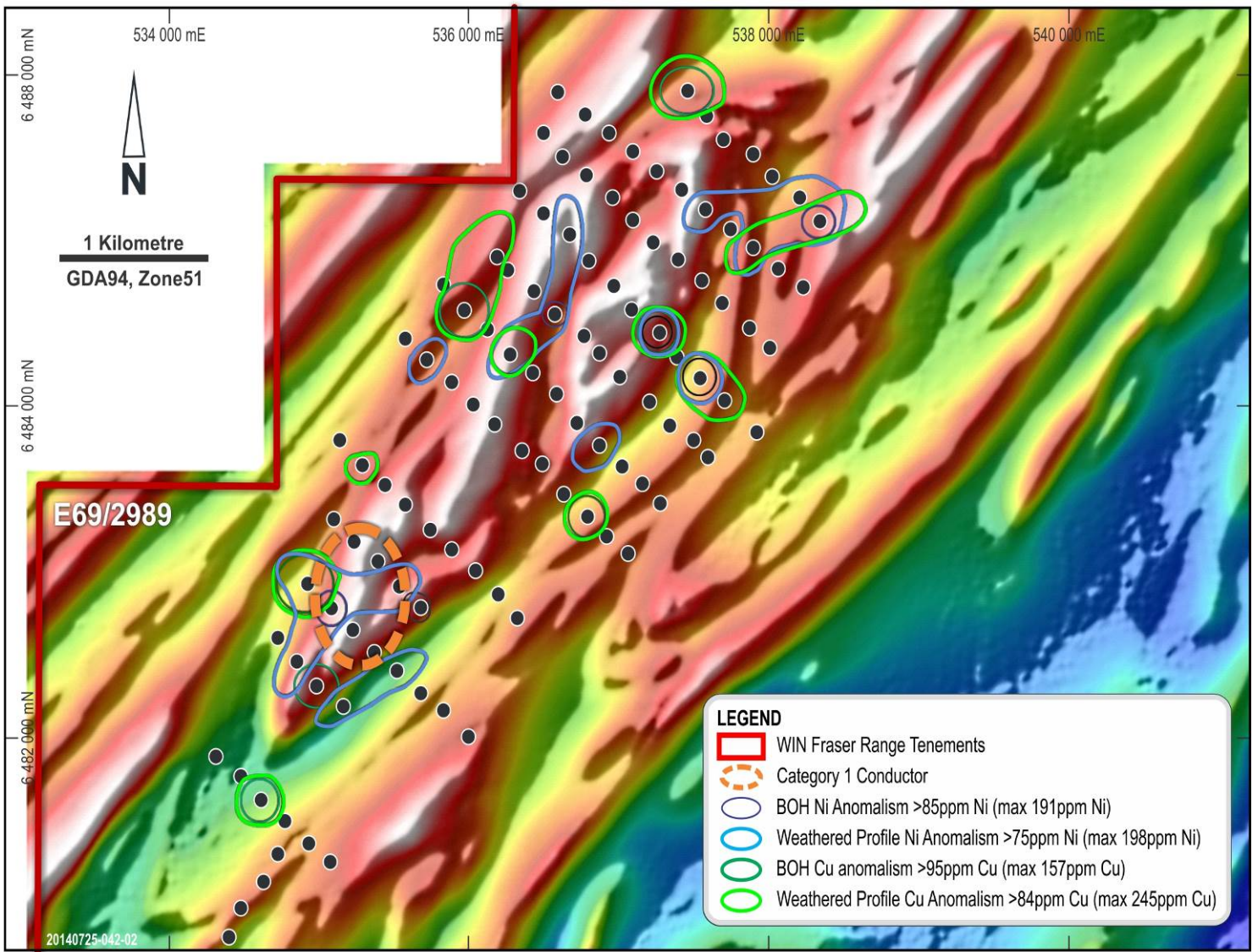


Figure: 3 – FRN E69/2989 WinEye prospect showing Ni/Cu aircore anomaly over first-order HelITEM conductor- TMI magnetics background image.

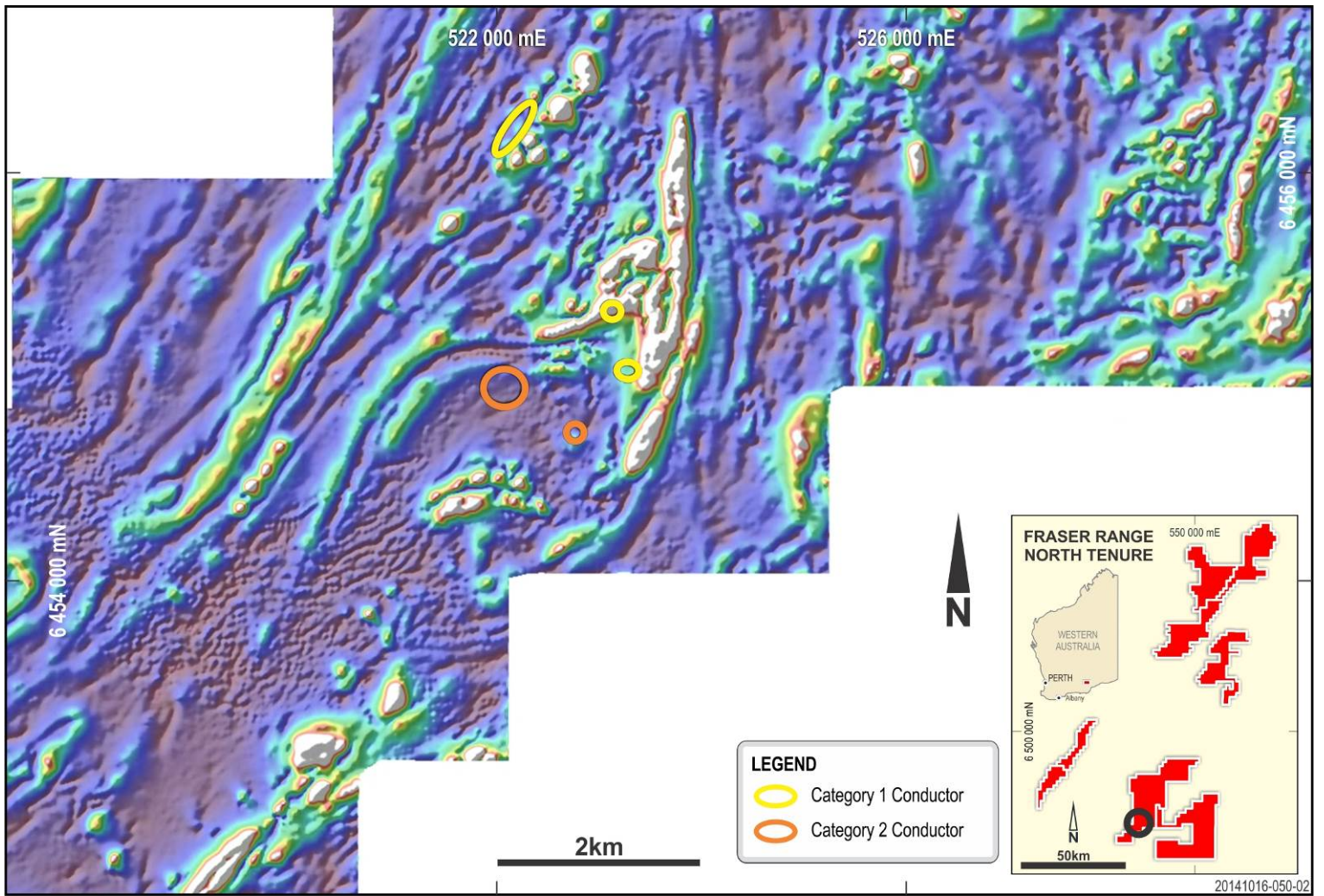


Figure: 4 – FRN E69/2989 Cundeelee prospect showing first and second order HelITEM conductors- TMI magnetics background image.

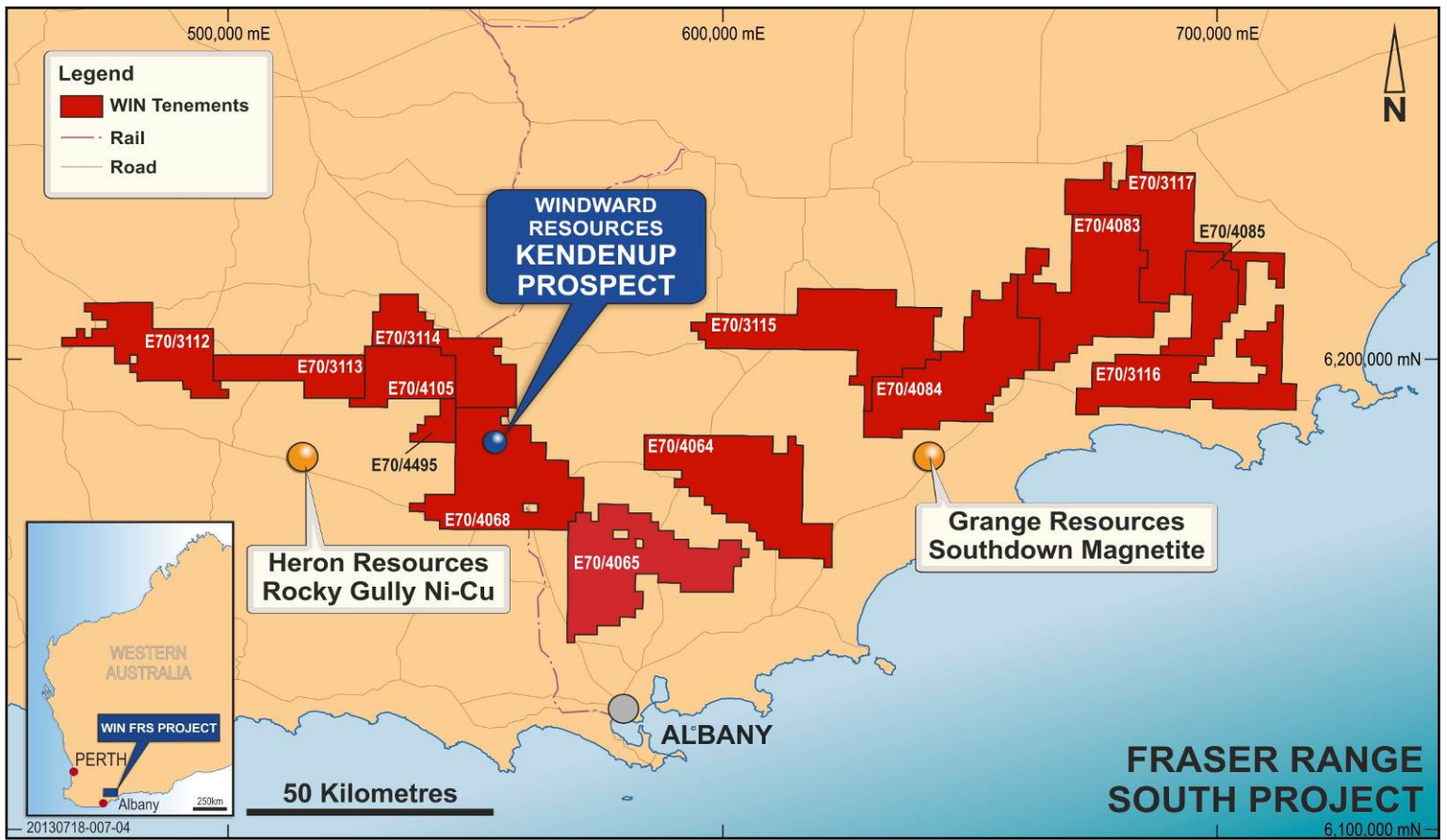


Figure: 5 – FRS Project showing location of the Kendenup prospect.

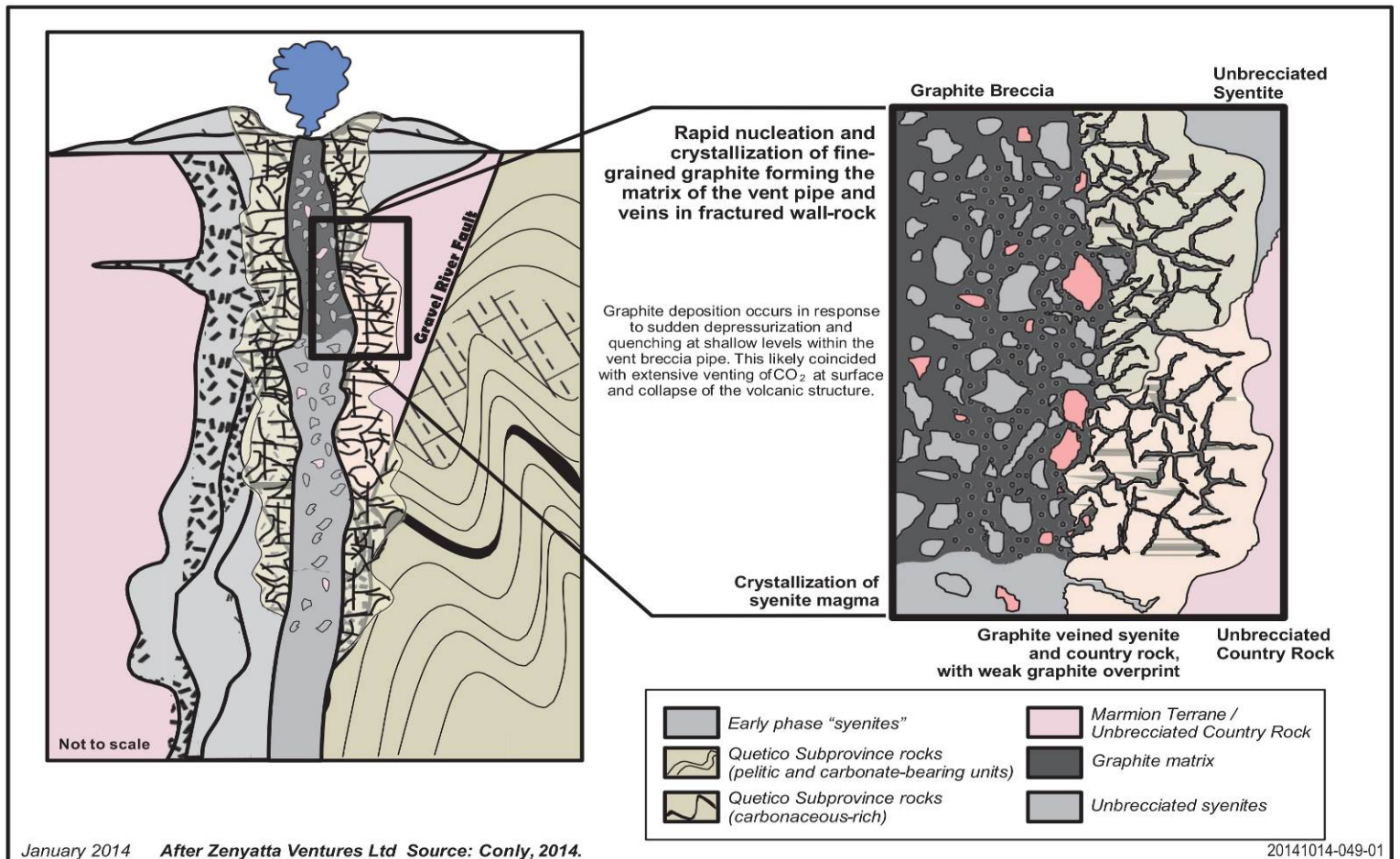


Figure: 6 – Albany graphite deposit model.