

QUARTERLY UPDATE FOR THE PERIOD ENDING 30 SEPTEMBER 2020

HIGHLIGHTS

- **Drill results received to date at Lone Pine Gold Project has confirmed the high grade and excellent geological continuity of the quartz vein zone that has been intersected in all holes to date¹:**
 - 17.02 g/t Au over 1.22m including 65.6 g/t Au over 0.31m
 - 19.6 g/t Au over 0.45m
 - 7.06 g/t Au over 2.63 including 1.37m @ 13.23 g/t Au
- **Acquisition of King Solomon Project from Jervois Mining Limited completed. The King Solomon mineralised zone lies parallel to and 900m SE of the Lone Pine vein zone. Historical drilling on the zone returned prospective downhole intercepts including²:**
 - 1.5 m @ 14.9 g/t Au
 - 1.5 m @ 14.8 g/t Au
 - 18.0 m @ 3.75 g/t Au
 - 18.0 m @ 2.3 g/t Au
 - 1.5 m @ 3.9 g/t Au
- **Follow-up exploration and surface sampling during the due diligence period produced results including³:**
 - 92.70 g/t Au and 69.50 g/t Au from the King Solomon workings,
 - 15.70 g/t Au and 11.15 g/t Au between the Lone Pine vein zone and the King Solomon mineralised zone as well as
 - 22.10 g/t Au and 3.22 g/t Au from two newly identified, separate mineralised zones to the west and southwest of the Lone Pine vein zone.
- **A further 175 claims staked based on these positive results for a total landholding of 250 claims covering an area of 20km².**
- **Acquisition of Devil's Canyon Gold Project located within the prolific Carlin Gold Trend on 7 October.**
- **14 rock chip samples completed by the vendor on the project and analysed by Hawkstone returned results including⁴:**

○ Gold to 92.2 g/t Au	○ Copper to 5.62% Cu
○ Silver to 59.2 g/t Ag	○ Zinc to 4.81% Zn
- **A photogeological interpretation, completed post reporting date on the Devil's Canyon Project identified 7 priority targets within the Project.**

¹ HWK Announcement Sept 15, 2020, INITIAL DRILLING CONFIRMS HIGH GRADE MINERALISATION AT THE LONE PINE GOLD PROJECT

² HWK Announcement August 27, EARLY COMPLETION OF KING SOLOMON ACQUISITION AND EXPLORATION UPDATE

³ HWK Announcement Sept 22, INCREASE IN LANDHOLDING AT LONE PINE AS SAMPLING CONFIRMS POTENTIAL FOR MULTIPLE MINERALISED ZONES

⁴ HWK Announcement Oct 7, ACQUISITION OF CARLIN TREND GOLD PROJECT WITH SAMPLES UP TO 92 g/t GOLD

Hawkstone Mining Limited (**ASX:HWK**) (“**Hawkstone**” or the “**Company**”) is pleased to provide an update on its activities for the period ending 30 September 2020.

Hawkstone Mining Managing Director, Paul Lloyd, commented: “*The September quarter was a significant period for Hawkstone with the commencement of drilling at the Lone Pine Gold project, a known mineralised system with historical workings and the potential for definition of a high-grade gold resource.*

Acquisition of the Devil’s Canyon Gold project in addition to the Western Desert Gold project adds to our portfolio of gold projects within a well mineralised geological terrain hosting the Carlin Gold Trend. We look forward to progressing these projects to drilling in the 1st and 2nd halves of 2021.

We remain 100% committed to the Big Sandy Lithium project and the market sentiment towards lithium is turning with renewed interest in electric vehicles and energy storage.

I would like to thank shareholders to date for their support as we advance the projects in a logical and cost effective manner, maximising shareholder value.”

LONE PINE GOLD PROJECT

On 18 June 2020 Hawkstone announced the commencement of a maiden drill program on the Lone Pine Gold Project located in Idaho, USA. The Project offers significant financial upside from proof of concept exploration success and the Company’s aim is to develop the Project into a medium to high-grade gold deposit. The Project currently has a Previously reported historic resource calculations have estimated a non JORC resource of 71,178 oz Au.

Cautionary Statement: Readers are cautioned that the historical Mineral Resource estimate for the Lone Pine Gold Project, referred to in the February 3, 2020 announcement, ACQUISITION OF HISTORICAL HIGH-GRADE LONE PINE PROJECT is a “historical estimate” under ASX Listing Rule 5.12 and is not reported in accordance with the JORC Code. A competent person has not yet undertaken sufficient work to classify the historical estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that, following evaluation and/or further exploration work, it will be possible to report this historical estimate as mineral resources or ore reserves in accordance with the JORC Code. ASX Listing Rule 5.12 specifies the additional information that must be provided in a market announcement that contains historical estimates. This information is contained in Appendix 1 of that announcement, together with further details on the historical Mineral Resource estimate. The Company confirms that the supporting information in the announcement dated 3 February, 2020 continues to apply and has not materially changed.



Figure 1 – Location, Lone Pine Gold Project

Location and Access

The Project is located approximately 10km west of Salmon, Idaho, USA and consists of 2 patented claims 16.77 ha (Figures 1 & 2) surrounded by a further 250 BLM lode claims covering 20km² staked during the quarter.

Drill Program

On 6 August 2020, a larger diamond drill rig capable of drilling HQ3 core to overcome recovery issues was mobilised to the Lone Pine Gold Project. The initial 5 shallow holes along the vein zone, LPDD001 to LPDD005 utilised a smaller core (NQ) diameter which experienced drilling issues and poor recoveries through the mineralised zone. To date a further 6 holes, LPDD006 to LPDD011 have been completed. All holes have been logged and sampled with results from LPDD01 and 7 available. Significant intercepts are as follows (Figure 2, Table 1):

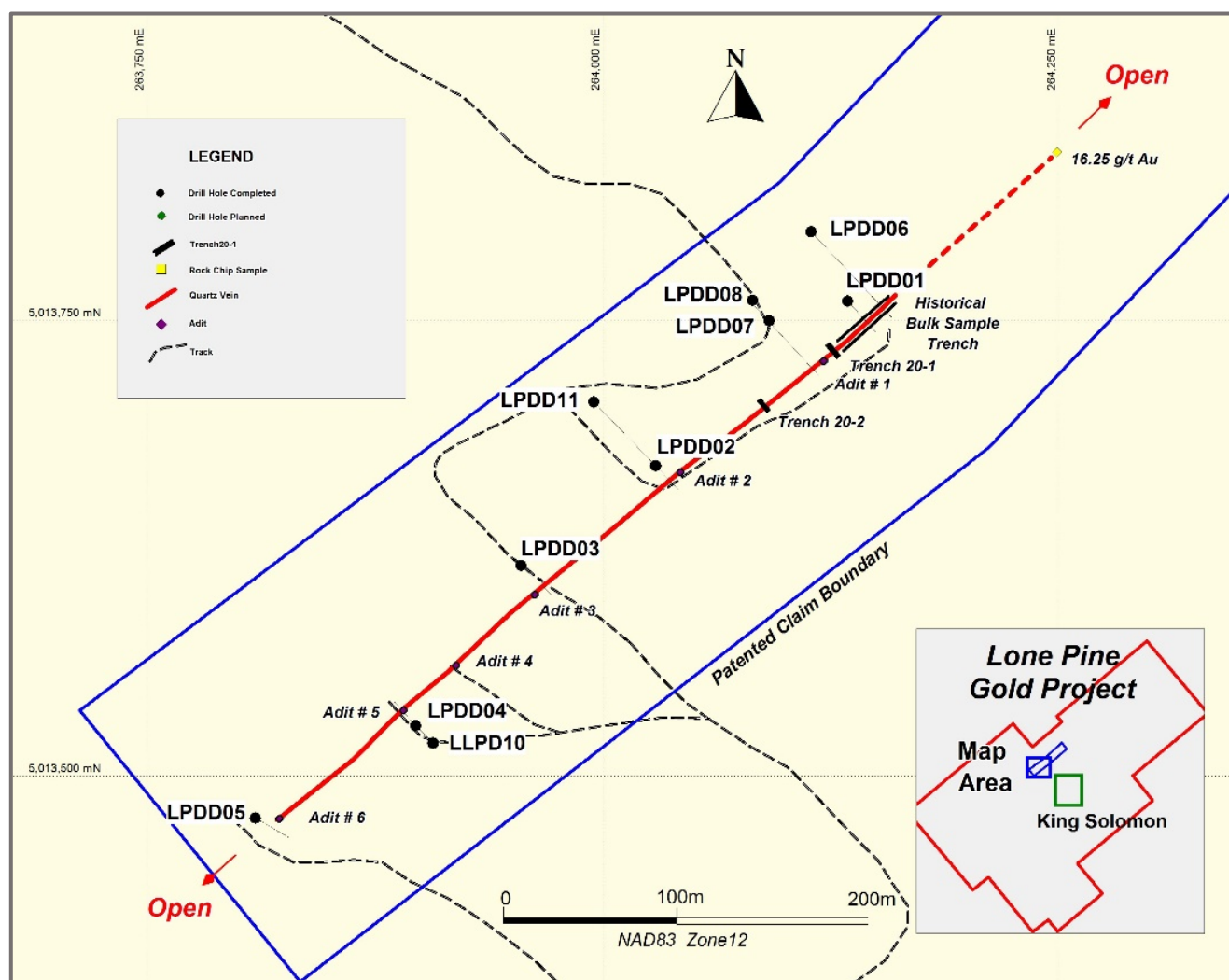


Figure 2 – Lone Pine Vein Zone, Drill hole Location

Table 1 – Drilling – Significant Intercepts

Hole	Longitude	Latitude	Dip	Azimuth	Depth_m	From (m)	To (m)	Interval (m)	Au g/t
LPDD01	-114.003797	45.237483	-60	135	56.4	38.43	39.70	1.22	17.02
					<i>incl</i>	38.43	38.70	0.31	65.60
LPDD02	-114.004870	45.236520	-60	135	12.2	6.41	7.63	1.22	0.43
			<i>Vein Zone? no core recovered</i>			7.63	9.15	1.53	NS
LPDD003*	-114.005092	45.236636	-60	135	29	<i>Intersected Void (Stope?)</i>			
LPDD004	-114.006005	45.236120	-60	320	21.35	16.10	17.80	1.70	0.35
						<i>Vein Zone very low recovery</i>			
LPDD005	-114.006700	45.235310	-60	135	36	18.80	19.10	0.30	0.18
						19.80	20.20	0.40	1.62
			<i>Vein Zone very low recovery</i>			22.70	25.90	3.20	NSI
LPDD06	-114.007840	45.234790	-60	135	105.1	97.76	98.13	0.37	3.26
			<i>Vein Zone 97.76 - 99.75</i>			98.13	99.30	1.17	NSI
						99.30	99.75	0.45	19.6
LPDD07	-114.004070	45.237820	-60	135	69.6	55.60	56.44	0.84	1.24
						61.46	62.18	0.72	1.18
			<i>Vein Zone 63.75 - 66.38</i>			63.75	66.38	2.63	7.06

Surface Trenching

Trench20-1 located 20m southwest of LPDD01 and 13m northeast of LPDD07, exposed the altered clay-gouge-vein zone **averaging 9.38 g/t Au over 1.83m**, which is very close to true width as the vein dips steeply 80-85° to the northwest (Figure 1 & Table 2).

Trench20-2 located 30m southwest of LPDD07, returned **20.32 g/t Au over 0.91m** across the vein zone.

Table 2 – Trenching – Significant Intercepts

Trench	Longitude	Latitude	Azimuth	Length	From (m)	To (m)	interval	Au g/t
T20-1	-114.0052	45.237549	135	1.83	0	1.83	1.83	9.38
T20-2	-114.00567	45.237255	135	3.648	2.43	3.34	0.91	20.32

Longitude and Latitude WGS84

King Solomon and Regional Sampling

First phase exploration at the recently acquired King Solomon Project included rock samples of float and outcrop from dumps, prospecting pits and trenches. A number of high-grade assay results were returned from rocks samples including (Figure 3):

- **92.70 g/t Au and 34.8 g/t Ag** from quartz vein material
- **69.50 g/t Au and 10.7 g/t Ag** from altered granitic material and
- **13.55 g/t Au and 5.04 g/t Ag** from gossanous float.

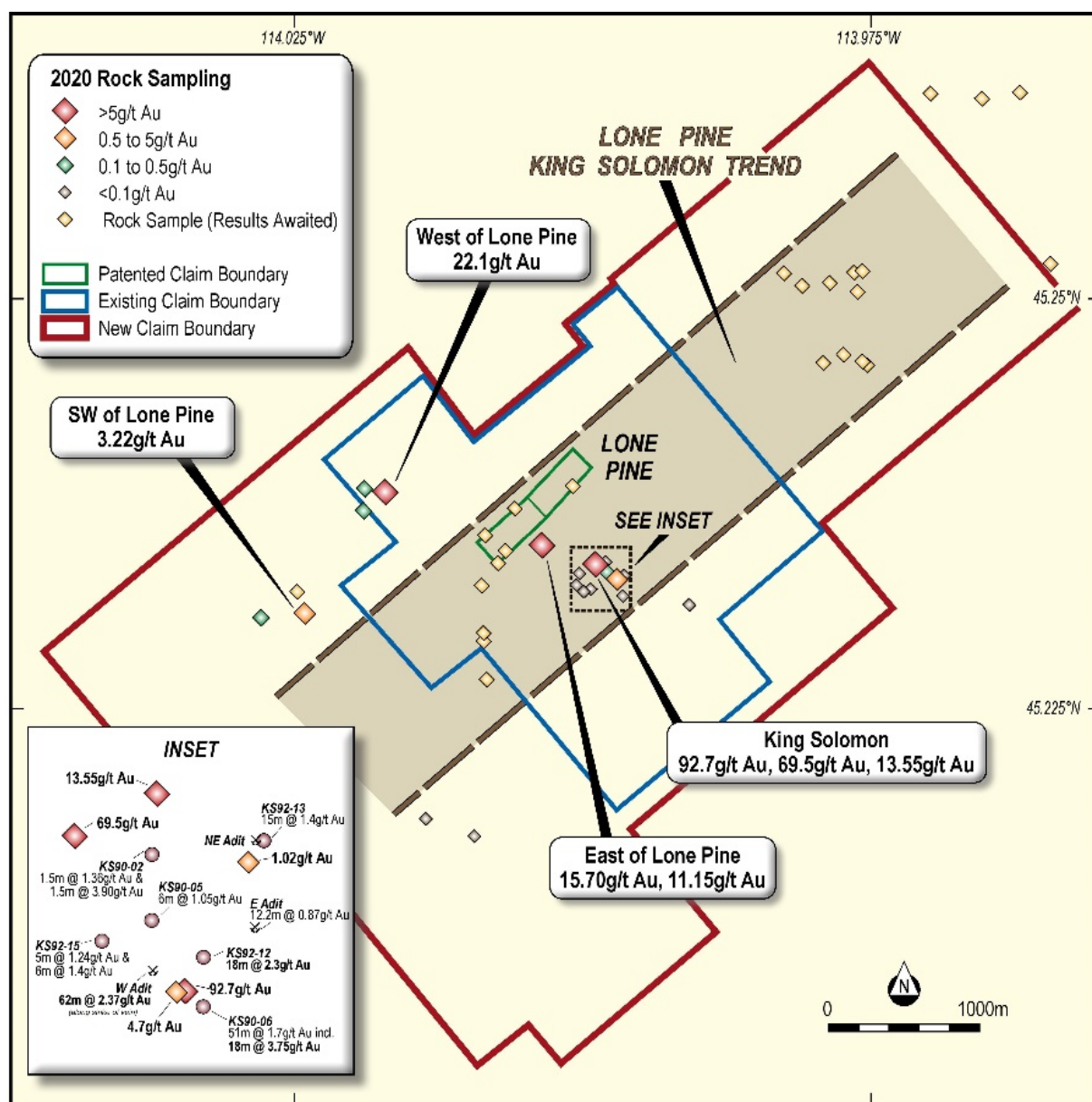


Figure 3 – Rock Chip Location with Expanded Claim Area in Red

In addition, regional prospecting highlighted:

- Mineralisation occurring between the NE striking Lone Pine and the King Solomon mineralised zones where 2 rock samples returned results of **15.70 g/t Au** and **2.09 g/t Ag** and **11.15 g/t Au** and **2.46 g/t Ag** from shallow prospecting pits.
- 22.10 g/t Au** and **5.6 g/t Ag** and **3.22 g/t Au** and **1.60 g/t Ag** from quartz veining to the south and west of the Lone Pine mineralised zone.

These anomalous results and the highly prospective geology led to the Company to expand the Project's footprint by 175 BLM claims to a total of 250 claims covering 20km².

DEVIL'S CANYON GOLD PROJECT

On 7 October 2020, Hawkstone announced an agreement to acquire the Devil's Canyon Gold Project located in the prolific Carlin Gold Trend. It consists of 90 BLM claims covering 721 ha located 20km west of Kinross's Bald Mountain Gold Mine (5.95Moz Au) and 40km north of Barrick's Ruby Hill Gold Mine (1.6Moz Au).

Regional Geology

The Project is underlain by a sequence of Palaeozoic sediments deposited on a passive continental margin with later compressional tectonics establishing a favourable structural regime of **steeply dipping fluid conduits, shallow, low dipping "traps" and reactive calcareous host rocks**.

North-northwest trending normal faults and northeast trending transform faults control the regional position, orientation, and alignment of the gold mineralisation in the Carlin and Battle Mountain gold trends. The ore fluids accumulated in areas of reduced stress, particularly boundaries of older Jurassic and Cretaceous stocks and structural culminations.

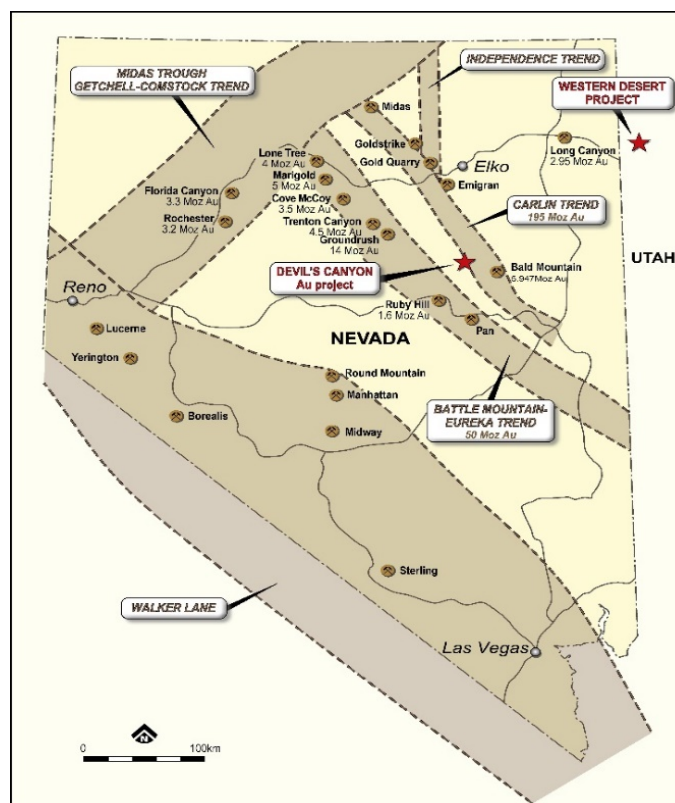


Figure 4 – Location of the Devil's Canyon Gold Project

Photogeological Interpretation

During the quarter the Company engaged Dr R Russell to complete a photogeological interpretation of the Project. He interpreted 7 (seven) structural targets associated with both NE and NW trending structures corresponding to the contacts of a multiphase granite that intrudes a sequence of limestones, siltstones, sandstones and conglomerates (Figure 5).

Target 1: is located at the intersection of a NE trending structure bounding the Ely Limestone, a thrust in the Ely Limestone and the northern contact of a granite intrusive. Prior sampling produced high gold results including 92.2 g/t, 6.43 g/t and 2.06 g/t Au. The samples also contained up to 59.2 g/t Ag and up to 1.23% Cu.

Target 2: lies at the intersection of a parallel series of ENE trending structures and the granite contact.

Target 3: occupies a similar structural setting to Target 1 but on the southern contact of the granite.

Target 4: occurs on the southern contact of the granite on a NE trending structure. Sampling along strike from the target returned up to 2.03 g/t Au and 5.61% Cu. Historical drilling was completed between Targets 3 & 4 but no results are available.

Targets 5 & 6: lie on the western contact of the granite with the overlying carbonates and sediments where NE and ENE faults cut the contact. Historical drilling was completed in target 5 presumably to test for the presence of mineralisation along the contact. A historical adit lies to the north of Target 5.

Target 7: identifies a NW trending structure within and along the contact of the granite. Sampling by the Vendor has identified gold anomalous, copper mineralisation between this target and Target 1 returning up to 0.30 g/t Au and from 0.36 to 3.47% Cu. East of the Target a single sample of visible molybdenum on a fracture in the granite returned 436 ppm Mo.

Similar structural settings are repeated throughout the Carlin Gold Trend where mineralisation occurs adjacent to intrusives with the mineralisation controlled by cross-cutting structural zones and the higher grade and larger mineralised bodies localised at the intersection of oblique structural trends or at sedimentary contacts.

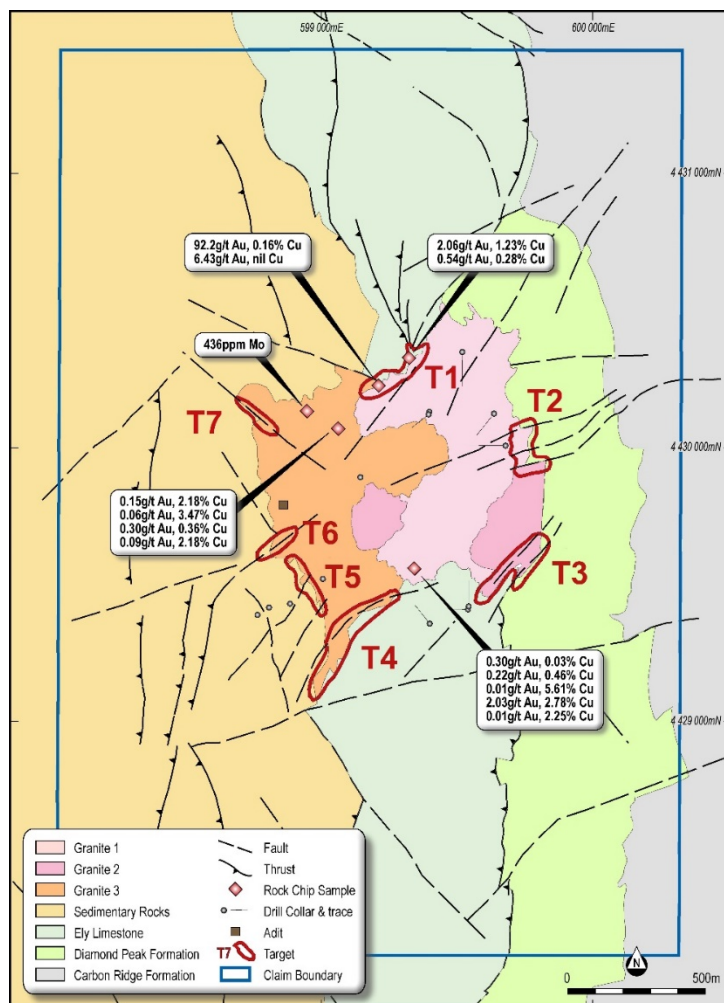


Figure 5 – Devil's Canyon Geology and Sampling

Planned Exploration

- Rock chip sampling was completed as part of the due diligence with results expected during the following quarter.
- Geological mapping, rock chip sampling and a soil geochemical program has commenced.
- A drone magnetic survey has commenced.

WESTERN DESERT GOLD PROJECT

Hawkstone acquired the Western Desert Gold Project in the first quarter of 2020, consisting of 218 claims and 3 state leases covering 25.4 km² located in western Utah near to the Nevada Border (Figure 4).

Regional Geology

The Project area is predominately underlain by Carboniferous-Permian aged carbonate (limestone, dolomite, dolomitic clastic sediments) with lesser shales, conglomerates and sandstone intruded by Jurassic monzonites and diorites. Regional mapping indicates other intrusive events including later porphyries and crosscutting dykes.

Mineralisation consists of skarn style Au-Cu-Ag mineralisation within altered carbonate - sandy carbonate rocks proximal to intrusive contact. The mineralised zones strike ~2900/450S over 350m+, possibly extending under cover to the east and at depth to the west (Figure 6).

Photogeological interpretation and targeting have been completed on the Western Desert Project area.

11 targets were identified on the basis of their potential to host Carlin Style gold mineralisation. Preliminary stream sediment and rock chip sampling has been completed over the claims identifying anomalies that are in most part coincident with the 11 identified targets. Tertiary drainage sampling of these anomalies has been completed and results are expected in the next quarter.

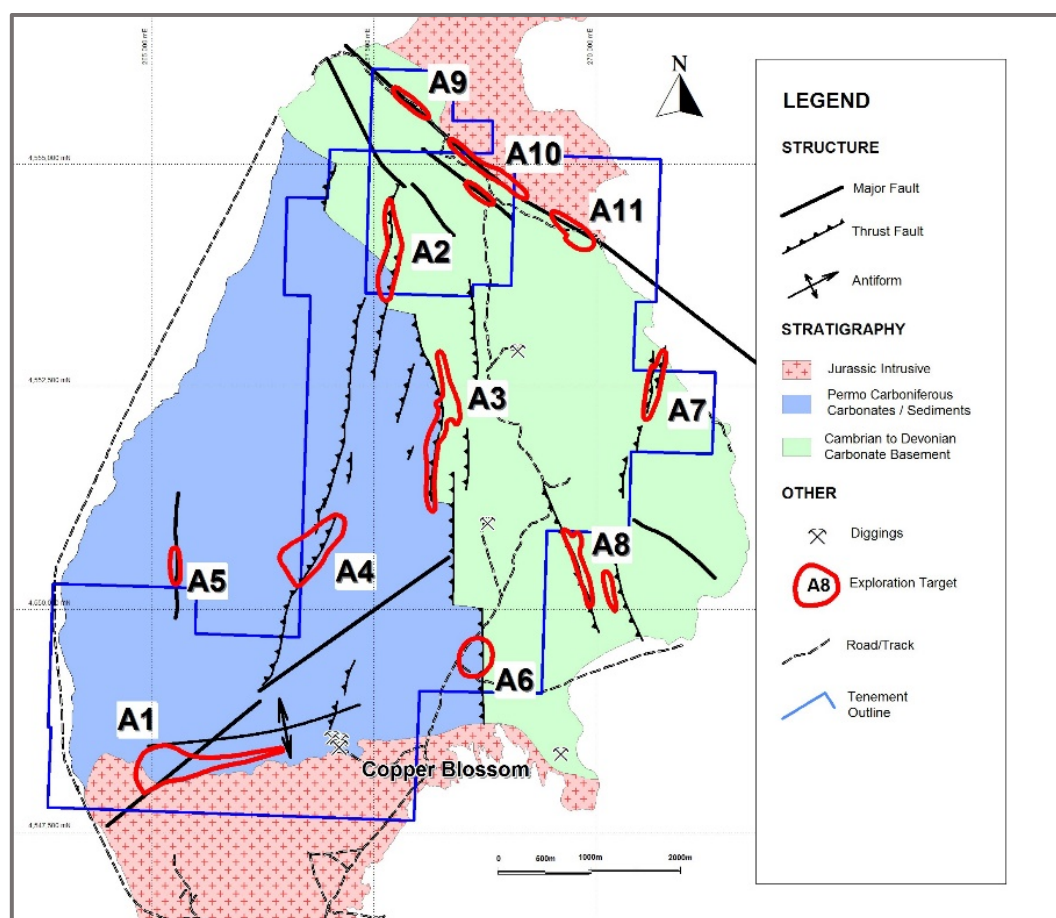


Figure 6 – Western Desert Project with Target Areas identified for exploration focus

Sampling during the due diligence process produced high-grade results including:

- **Au to 25 g/t, Cu to 4.6% and Ag to 95 g/t** from the adit;
- **Au to 6.7 g/t and Cu to 6.3%** from surface grab samples and
- **4.42 g/t Au, 1.03% Cu, 11.8 g/t Ag and 2.83 g/t Au, 0.9% Cu, 14.35 g/t Ag** from channel sampling in a historical trench.

Planned Exploration

- Appropriate geophysics to be determined after completion of mapping and geochemistry
- Diamond drilling of selected targets

BIG SANDY LITHIUM PROJECT

No field activities were completed on the Big Sandy Lithium Project during the quarter, however, the Company continues to assess an economic viability of the Project. The environmental assessment will be concluded in the December 2020 quarter enabling the Company to take a bulk sample for bench scale testing. The most appropriate method of maximising value from the Big Sandy project is being evaluated and we hope to advance this work in the December 2020 quarter.

LORDSBURG LITHIUM PROJECT

No material activities were conducted on the Lordsburg Project during the quarter.

KANGWANE SOUTH ANTHRACITE PROJECT

No field activities were completed on the Company's anthracite project in South Africa. As previously advised, the Company is working towards the divestment of this asset.

CORPORATE UPDATE

The Company is presently in a trading halt pending the finalisation of a capital raise to fund ongoing exploration on the Company's portfolio of gold and lithium projects in the USA. An announcement to the ASX will be released as soon as the capital raising is concluded.

Diversification of Asset Portfolio

The acquisition of the Devil's Canyon Gold Project adds another highly prospective gold asset to the Company's portfolio of gold projects in a highly prospective geologic terrain, host to world class gold deposits. The Company is attempting to provide the shareholders with an exposure to the continued strong gold price through acquisition and staged exploration.

The Big Sandy Sedimentary Lithium Project is a major asset and the Company continues to pursue the development of an economic acid processing route. The market sentiment for lithium is improving and we are confident of demand growth due to the rapidly increasing demand for electric vehicles and power storage in the renewable energy sector.

This announcement has been authorised for release by the Board of Hawkstone Mining Limited.

-END-

FOR FURTHER INFORMATION PLEASE CONTACT:

MR. PAUL LLOYD

Managing Director

Hawkstone Mining Limited

Tel. +61 419 945 395

plloyd@hawkstonemining.com

www.hawkstonemining.com.au/

COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to exploration results and exploration targets for the Lone Pine, Western Desert, Devil's Canyon and Big Sandy Projects is based on and fairly represents information compiled by Mr Gregory Smith, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Smith is a Director of the Company and holds shares in the Company. Mr Smith consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Company confirms that there have been no material changes since the information was first reported to the ASX.



Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2020.

Project	Claim Number	Location	Interest
Big Sandy	WIK-001 to WIK-112	Arizona, USA	100%
Big Sandy	BSL-001 to BSL-146	Arizona, USA	100%
Big Sandy	BSLII 001 to BSLII 053	Arizona, USA	100%
Lordsburg	LLP-211 to LLP-274	New Mexico, USA	100%
Lordsburg	LLP-283 to LLP-298	New Mexico, USA	100%
Lordsburg	LLP-307 to LLP-322	New Mexico, USA	100%
Lone Pine	LP001 to LP250 U.P Patented Claim Burlington Patented Claim	Idaho, USA	100%
Western Desert	WD001 to WD258 State Leases 4N 17W Sect 16 4N 17W Sect 2 5N 16W Sect 36	Utah, USA	100%
Devil's Canyon	DP3, 4 & 5 DP10, 11 & 12 DP13 to DP97	Nevada, USA	100%
Kangwane South	N/A	Mpumulanga Province, South Africa	70%

During the quarter, the Company completed the acquisition of the Lone Pine and Western Desert Projects. Post reporting period the Company acquired the Devil's Canyon Project. 194 claims were relinquished at the Lordsburg Project during the quarter.

Appendix 2: Payments to Related Parties

In line with its obligations under ASX Listing Rule 5.3.5, Hawkstone Mining Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2020, pertain to payments to an executive director for salary and superannuation, non-executive director fees and consultancy fees.