ASX Announcement
10 December 2020

Sunshine Gold Limited
ASX Code: SHN

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Capital:
Quoted shares: 356,711,618
Unquoted shares: 88,000,000*
Deferred shares: 100,000,000*
Unlisted options:71,000,000*
Perf Rights: 17,000,000*
*Escrowed 24 months from Re-Admission
Cash: $5.0M
Market Cap @ $0.02: $8.9M

SUNSHINE GOLD TO COMMENCE TRADING ON ASX

UPDATE ON RECENT AND PLANNED ACTIVITIES

Sunshine Gold Limited (ASX:SHN, "**Sunshine Gold**", "**the Company**") will commence trading on the ASX under the code SHN on 11 December 2020. At the $0.02 per share Offer Price the Company's market capitalisation is approximately $8.9 million. With $5.0 million in cash, the Company is well funded to make a significant impact on its highly prospective projects.

Sunshine Gold's wholly owned subsidiary XXXX Gold Pty Ltd has been active in the lead up to ASX listing. The Company is pleased to provide investors with an update on recent and planned activities.

RECENT ACTIVITIES

- 7,500m RC drilling program now underway at Triumph Gold Project ("Triumph"), including:
    - first ever effective drill testing 494m of geochemical and geophysical target at Bonneville prospect completed; and
    - commencement of a 50 hole, 4,000m planned infill and extensional drilling at Bald Hill prospect.
- Detailed drone survey completed over the northern Triumph prospects.
- Detailed drone survey completed over Elephant Creek and Peninsula prospects at the Hodgkinson Gold Project ("Hodgkinson").
- Completion of the Hodgkinson acquisition.
- Completion of an airborne magnetic survey over Hodgkinson.

PLANNED ACTIVITIES

- Commencement of a 7,000m RC drilling program at Triumph including:
    - completion of the 4,000m Bald Hill West infill and Bald Hill Central extensional RC drilling program; and
    - completion of 3,000m of RC drilling programs over the Super Hans, Big Hans and New Constitution prospects.
- Completion of detailed drone surveys over the southern Triumph prospects.
- Interpretation of airborne magnetic survey and integration into targeting models at Hodgkinson.

Sunshine Gold's Managing Director, Damien Keys commented: *"This is a significant milestone for Sunshine Gold as we embark on our first drill program at a number of high priority targets around Triumph. We are well funded and looking to make an impact as a highly active explorer over projects with substantial potential. This is only the beginning."*

7,500m RC DRILLING PROGRAM COMMENCED AT TRIUMPH (EPM 18486: 100%)

Sunshine Gold commenced drilling with a 5 hole, 494m RC program on the previously untested Bonneville prospect on 27 November 2020 (see Figure 9). Drilling tested a coincident geophysical (magnetic and induced polarisation) and rock-chip geochemical anomaly. Field mapping validated the location and nature of 6.01 g/t Au and 5.62 g/t Au assayed rock chip samples[1] (rock chip sample numbers 144182 and 45438; see Figure 1).

Figure 1: (left) Historic rock chip sample 45438 returned 5.62 g/t Au (right). New field mapping confirms presence of quartz – arsenopyrite breccia at Bonneville.

Bonneville RC drilling has intercepted numerous quartz-sulphide intervals within sericitic alteration zones, a characteristic signature of gold mineralisation within the Triumph area (Figure 2). Assay results are expected in early January 2021.

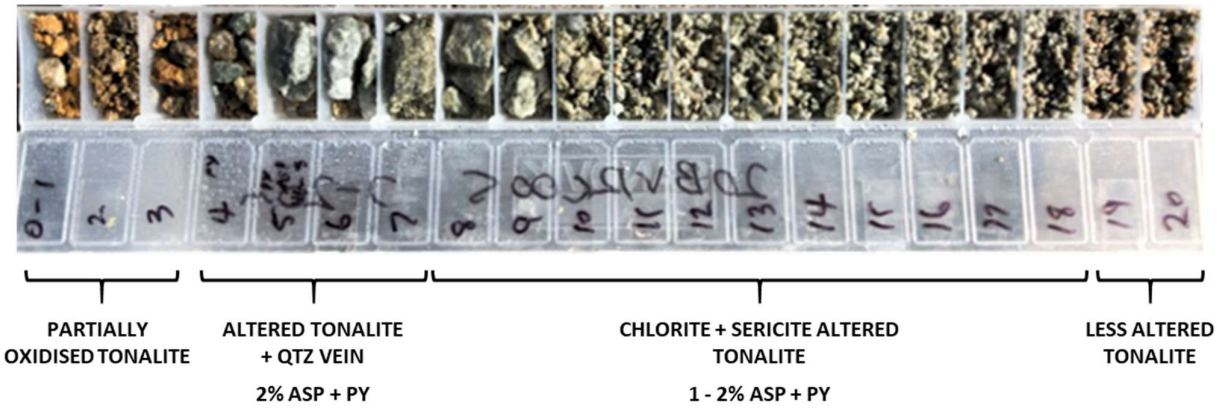

Figure 2: Chip tray from hole 20BVRC005 showing quartz - pyrite – arsenopyrite within a broader chlorite - sericite alteration zone from 3m to 18m.

[1] Rock chip coordinates and sample information in SHN Prospectus dated 25 September 2020, Annexures E and G

After Bonneville, the rig commenced drilling on the advanced Bald Hill prospect (see Figure 3), where a 50 hole, 4,000m campaign will target infill and extensions of known mineralisation to depths of 100m. Bald Hill previously had 49 RC holes and 13 diamond holes drilled with intersections including **12m @ 13.42 g/t Au** (9m, TDH039), **9m @ 3.59 g/t Au** (114m, TDH008), **11m @ 3.03 g/t Au** (46m, TDH046)[2]. Drilling and rock-chip anomalism extends over 1.8km of strike length.

The current campaign will bring drill spacing down to 20 – 40m along a 600m long zone of Bald Hill.

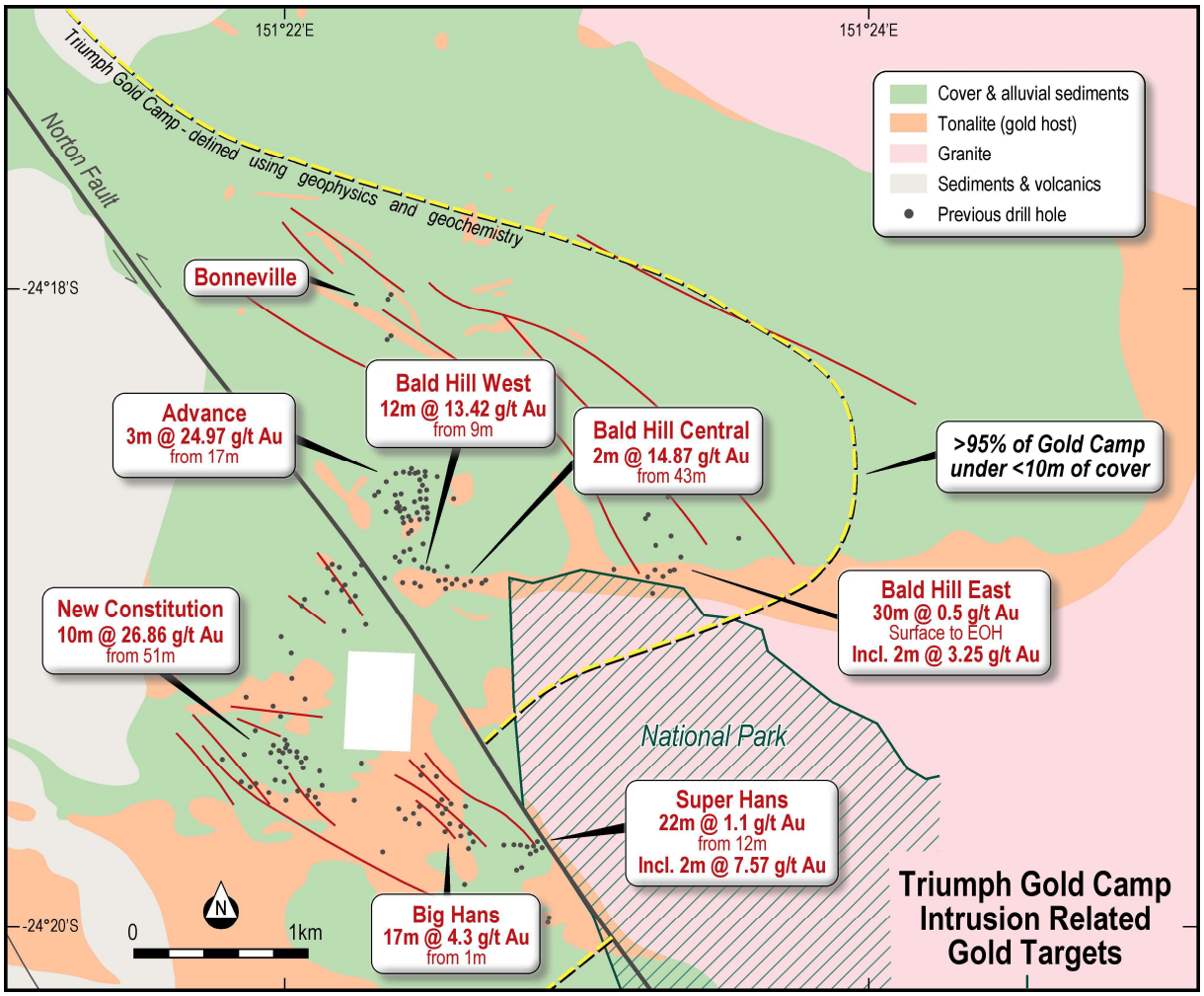

Figure 3: Prospects and key intersections from Triumph

Other prospects to be drilled after Bonneville and Bald Hill include Super Hans, Big Hans and New Constitution.

[2] Drill hole collar, survey and interval information in SHN Prospectus dated 25 September 2020, Annexure G

DRONE SURVEY OVER NORTHERN TRIUMPH PROSPECTS (EPM18486: 100%)

Sunshine Gold used in-house resources to conduct a drone survey over the northern Triumph prospects. The survey has been conducted over a 3km x 2km area over the Bonneville, Advance and Bald Hill prospects. The survey involves overlapping high resolution images taken from a flight height of 120m. When downloaded and run through software, the overlapped images enable detailed orthomosaic maps to be produced as well as a colour-contoured height plan and three-dimensional topographic surface.

The outputs allow for better drill planning and environmental monitoring.

Figure 4: Drone imagery of the Bald Hill West area showing a significant historic shaft and access tracks

DRONE SURVEY OVER ELEPHANT CREEK AND PENINSULA PROSPECTS AT HODGKINSON (EPM 19809, EPM 25139: 100%)

Sunshine Gold also used in-house resources to conduct a drone survey over the Elephant Creek and Peninsula prospects. The drone survey identified access tracks in deep-grassed terrain and historic workings at Elephant Creek. The survey mapped a previously unidentified outcropping quartz vein system north of the Peninsula copper gossan (Figure 5). The vein system extends for ~100m in outcrop and is along strike from an 8.71 g/t Au rock-chip sample (Sample Qtz 01) collected in 2016[3]. Field validation of the outcrop showed a sheared, silicified siltstone which was locally intensely quartz veined (Figure 6). The outcrop will be revisited in March 2021, resampled and incorporated into RC drill testing forecast in the June 2021 quarter.

[3] Rock chip coordinates and sample information in SHN Prospectus dated 25 September 2020, Annexures E and G

Figure 5: Drone imagery of the Peninsula quartz vein system outcrop

Figure 6: (left) The outcropping quartz vein system at Peninsula (right) Field mapping at Peninsula shows sheared silicified siltstones with abundant veining

COMPLETION OF ACQUISITION OF HODGKINSON

The transfer of 100% interest in EPM 18171, EPM 19809 and EPM25139 was completed on 25 November 2020.

COMPLETION OF ACQUISITION OF TRIUMPH

The transfer of 100% interest in EPM 18486 and EPM 19343 was completed on 11 September 2020.

COMPLETION OF AIRBORNE MAGNETIC SURVEY AT HODGKINSON

An airborne magnetic and radiometric survey was completed over Hodgkinson on 16 November 2020. The survey improved resolution from 400m line spaced data to 100m data over the entire project. The processed data has just been provided to Sunshine Gold and will be geologically interpreted and incorporated into regional targeting programs. An update on the interpretation and implications for targeting will be announced in mid-January 2021.

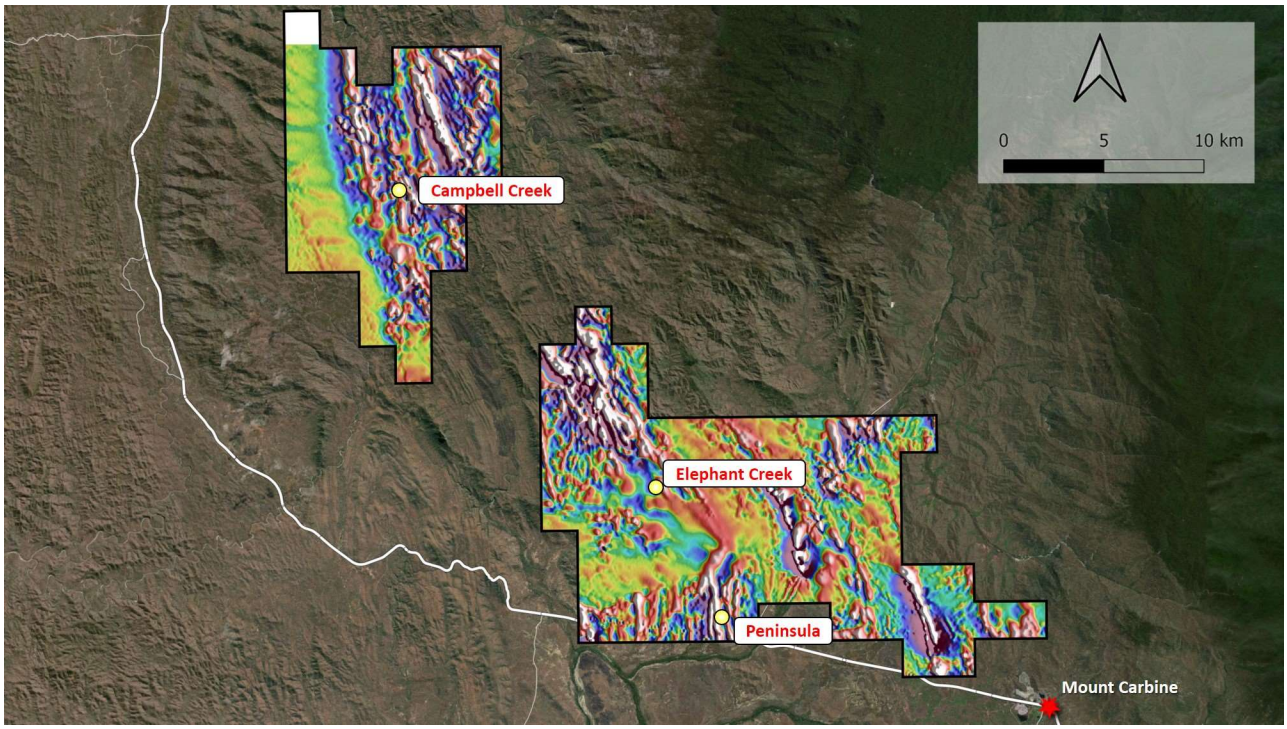

Figure 7: Magnetic 1VD TMI image of Hodgkinson

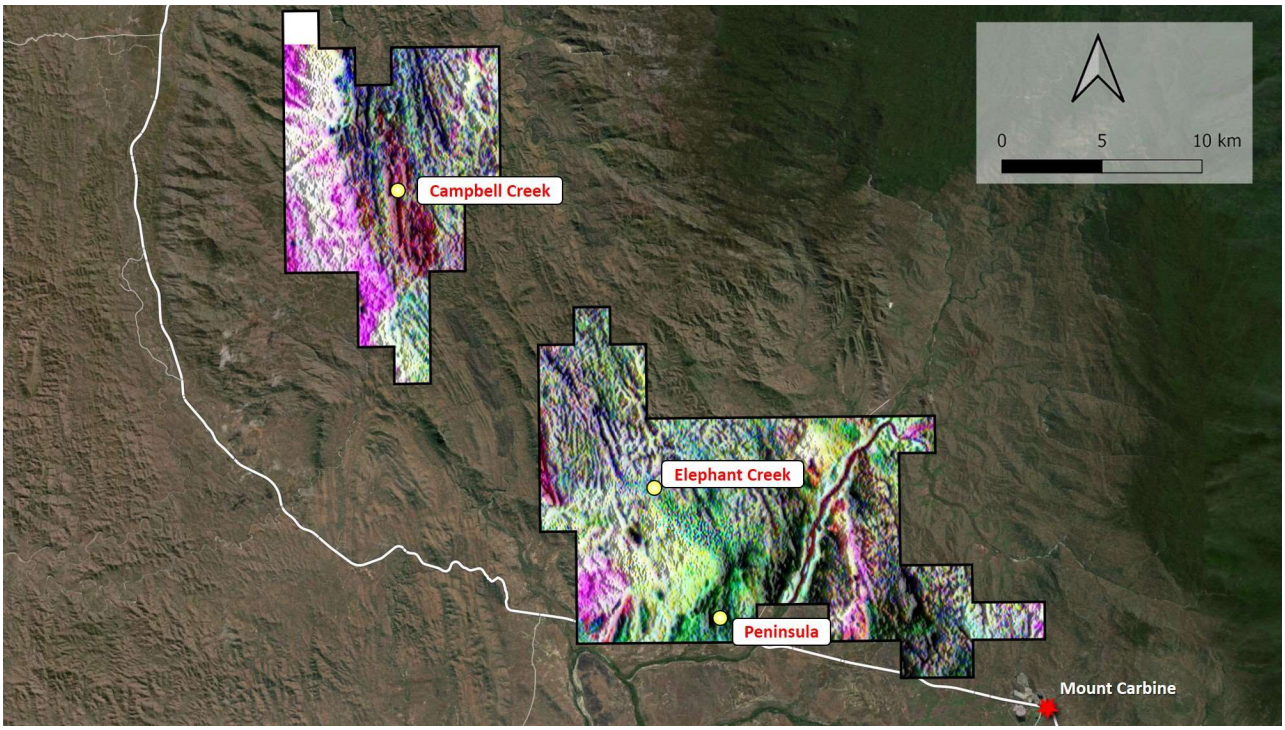

Figure 8: Radiometric total count ternary image of Hodgkinson

PLANNED ACTIVITIES

- **Ongoing**: Continuation of 7,000m RC drilling program at Triumph in June 2021 quarter, including:
  - completion of the 4,000m Bald Hill West infill and Bald Hill Central extensional RC drilling program; and
  - completion of 3,000m of RC drilling programs over the Super Hans, Big Hans and New Constitution prospects.
- **January 2021:** ongoing release of Triumph drilling results.
- **January 2021:** Interpretation of airborne magnetic survey and integration into targeting models at Hodgkinson.
- **March 2021 quarter**: Completion of detailed drone surveys over the southern Triumph prospects.
- **March 2021 quarter**: Establish land access agreements for Hodgkinson.
- **June 2021 quarter:** Commencement of RC drilling at Hodgkinson.

ENDS

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This ASX announcement is authorised for market release by the Board of Sunshine Gold.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information compiled by Dr Damien Keys, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Dr Keys 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. Dr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ABOUT SUNSHINE GOLD

Sunshine Gold is focused on its high-quality gold and copper projects in Queensland. Following the recent acquisition of XXXX Gold Pty Ltd, Sunshine Gold has secured 100% interest in the Triumph, Hodgkinson and Investigator projects.

Triumph Gold Project (EPM18486, EPM19343: 100%)

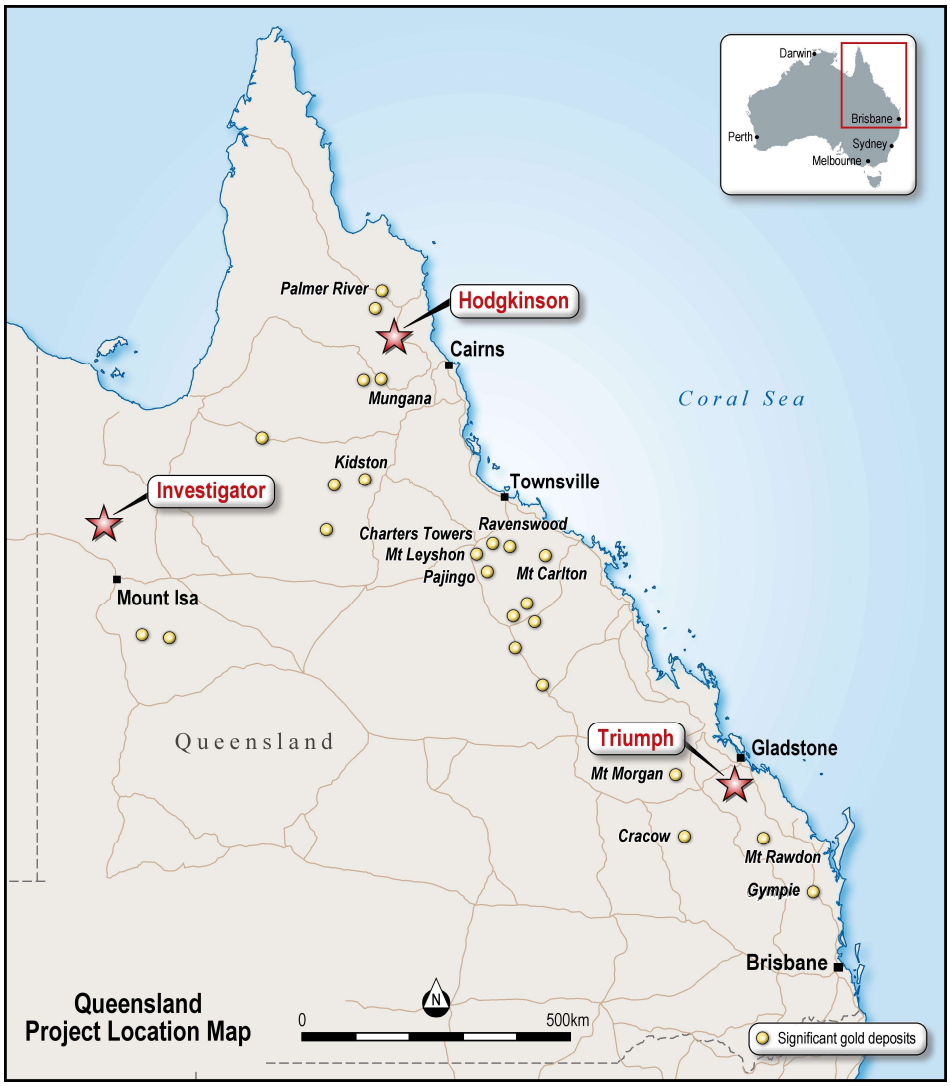
Triumph is centred around the historical Norton gold field from which ~20,000 oz of gold was extracted between 1879-1941. The project is located 50km south of the mining hub of Gladstone and comprises two exploration permits covering 138km^2. Triumph is located within the Wandilla Province of the New England Orogen. Nearby large gold deposits include Mt Rawdon (2.8 Moz Au), Mt Morgan (8 Moz Au and 0.4 Mt Cu) and Cracow (2 Moz Au). Triumph is a 15km^2 intrusion related gold system which has the potential to host both discrete high-grade vein deposits and large-scale, shear hosted gold deposits.

Hodgkinson Gold Copper Project (EPM18171, EPM19809, EPM25139, EPM27539, EPM27574, EPM27575: 100%)

Hodgkinson is located 100km north east of Cairns in North Queensland. The project comprises four exploration permits and two exploration lease applications covering 365km^2. The project is situated between the Palmer River alluvial gold field (1.35 Moz Au) and the historic Hodgkinson gold field (0.3 Moz Au) and incorporates the Elephant Creek Gold, Peninsula Gold-Copper and Campbell Creek Gold prospects. Hodgkinson has been extensively explored for tungsten, owing to its proximity to the Watershed and Mt Carbine tungsten deposits, but underexplored for gold. BHP-Utah International completed stream sediment sampling across the entire tenure in the late 1980's and confirmed that the area was anomalous in gold as well as tungsten.

Investigator Copper Project (EPM27344, EPM27345: 100%)

Investigator comprises two exploration permits covering 115km^2. It is located 110km north of Mt Isa and 12km south of the Mt Gordon Copper Mine. Investigator has seen no modern exploration and importantly, no holes have been drilled in the most prospective stratigraphic and structural positions.



Sunshine Gold project locations

Hole ID	Area	East	North	RL	Dip	Azimuth	Hole Depth
20BVRC005	Bonneville	335120	7311243	182	-60	180	94
20BVRC004	Bonneville	335120	7311213	185	-60	180	100
20BVRC003	Bonneville	335223	7311148	188	-60	180	100
20BVRC002	Bonneville	335222	7311111	187	-60	180	100
20BVRC001	Bonneville	335264	7311135	182	-60	180	100

Table 1: Collar locations for Sunshine Gold Bonneville drilling

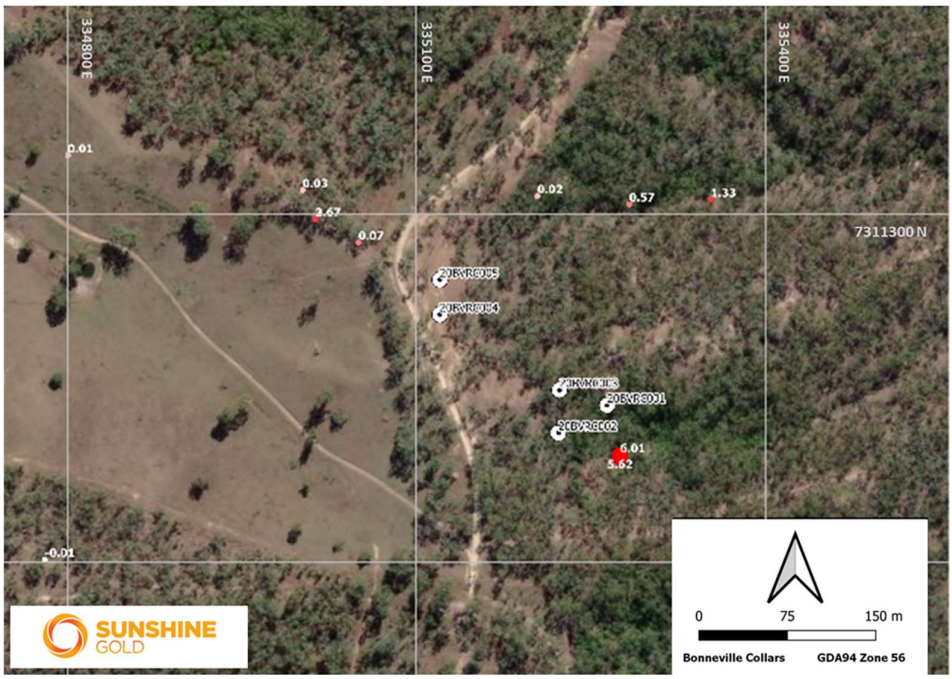


Figure 9: Bonneville Collar locations and rock chip samples

JORC Code, 2012 Edition TABLE 1 – TRIUMPH GOLD PROJECT

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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	• Reverse circulation (RC) drilling was used to obtain samples for geological logging and assaying. • Drill holes were sited to test geophysical targets/surface geochemical targets as well as previous drilling results • 1m samples were assayed in alteration or 4m composites in unaltered rock. • 4m composite RC samples were manually split by a riffle splitter and the splitter cleaned after each interval with a compressed air gun. • RC samples were submitted to the laboratory and sample preparation consisted of the drying of the sample, the entire sample being crushed to 70% passing 6mm and pulverized to 85% passing 75 microns in a ring and puck pulveriser. RC samples are assayed for gold by 50g fire assay with AAS finish. Multielement analysis is completed using an ICPAES analysis. • Rock chip samples shown may represent float or outcrop grab samples. • Bedrock drilling was undertaken via open hole hammer with the bulk samples collected into buckets and the bottom of hole sample collected via spear sampling of the bucket.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	• RC drilling technique using a 5.5" face sampling RC hammer. • Bedrock drilling was undertaken using a open hole 4.75" hammer.
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.	• For RC sample recoveries of less than approximately 80% are noted in the geological/sampling log with a visual estimate of the actual recovery. Very few samples were recorded with recoveries of less than 80%. No wet RC samples were recovered. • No relationship has been observed between sample recovery and grade. • Bedrock drilling samples recoveries were all >80% and no water was encountered in the shallow holes (average depth 5m)

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.	• Geological logging was carried out on all RC chips. This included lithology, alteration, sulphide percentages and vein percentages. • Geological logging of alteration type, alteration intensity, vein type and textures, % of veining, and sulphide composition. • All RC chip trays are photographed. • All drill holes are logged in full. • All bedrock drilling holes were geological logged with bottom of hole rock chips collected in chip trays.
Sub-sampling techniques, 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.	• 1m primary RC samples were obtained using a cyclone mounted 87.5%:12.5% riffle splitter. Compressed air was used to clean the splitter after each drill rod. • 4m composite RC samples obtained by manually splitting 1m primary samples with a standalone 87.5%:12.5% riffle splitter. • Duplicated samples were collected in visual ore zones and at a frequency of at least 1 in 20. • QAQC samples (standards / blanks) were submitted at a frequency of at least 1 in 20. Regular reviews of the sampling were carried out by the Exploration Manager to ensure all procedures were followed and best industry practice carried out. Sample sizes and preparation techniques are considered appropriate. • Bedrock drilling samples were collected from the bottom of hole 1m sample. Blank samples were used as QA/QC for the programme as part of the low-level detection analysis. • The sample sizes are considered to be appropriate for the nature of mineralisation within the project area. Duplicate RC sampling concentrated on potentially mineralised intervals.
Quality of 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• RC samples were assayed using 50g fire assay for gold which is considered appropriate for this style of mineralisation. Fire assay is considered total assay for gold. • No geophysical tools, spectrometers or handheld XRF instruments have been used to determine assay results for any elements. • Monitoring of results of blanks and standards is conducted regularly. QAQC data is reviewed for bias prior to inclusion in any subsequent Mineral Resource estimate. • Au assays were completed as fire assay analysis and screen fire analysis will be contemplated on a suite of high-grade samples at the end of the drill programme. • For the bedrock drilling low level detection gold and multielement analysis was completed

Criteria	JORC Code explanation	Commentary
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.	• Significant intersections are routinely monitored through review of drill chip and by site visits by the Exploration Manager. • Data is verified and checked in Micromine software. • No drill holes have been twinned. • Primary data is collected via 'toughbook' laptops in the field in self-validating data entry forms. Data is subsequently uploaded into a corporate database for further validation/checking and data management. All original files are stored as a digital record. • No adjustments have been applied to assay data. • The assay laboratory is requested to re-split and re-assay high grade intervals as part of our verification where any concern on results is present with results reported in the relevant table.
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.	• Drill hole collar locations are initially set out (and reported) using a hand held GPS with a location error of +/- 5m. All holes are pegged and will be accurately surveyed via RTK-DGPS at a later date. • Down hole surveys are completed using a "Pathfinder" or "EZ- Shot" digital survey system at a maximum interval of 30m. Measurements are taken either on a pull back from the RC hammer at the midpoint of a nonmagnetic stainless steel rod or completed as open hole surveys following hole completion. • All drilling is conducted on MGA94 Zone 56 grid system. • A topographic survey of the project area has not been conducted. • Bedrock drill holes were picked up using a handheld GPS with a location error of +/- 5m. None of these holes are planned for detailed survey pickup.
Data Spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• The drill holes were sited to test surface geochemical and structural targets and not conducted in a regular grid type pattern. • The current drill hole spacing in some locations is of sufficient density to establish geological and grade continuity appropriate for a Mineral Resource. A mineral resource estimate will be considered once further drilling is completed. • No sample compositing has been applied. • Bedrock drilling is a geochemical sampling technique of the basement rock below the shallow cover sediments and will not be used in a resource. RC drilling is completed across bedrock geochemical anomalies and these results may be used to form resources.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The drill holes were orientated in order to intersect the interpreted mineralisation zones as oblique (perpendicular) as possible. • Diamond drilling information is required to make the assessment on the best orientation of drilling to intersect the mineralisation at this time. • Bedrock drilling traverses was generally completed on traverses 100m to 1000m apart using the detailed airborne magnetics to identify prospective target structures. Bedrock holes along the traverses were spaced at 25m or 50m.
Sample security	• The measures taken to ensure sample security.	• Samples were stored in sealed polyweave bags on site and transported to the laboratory at regular intervals by MBK staff.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The sampling techniques are regularly reviewed.

Section 2 – Reporting of Exploration Results (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Triumph project is within EPM18486 and EPM19343, both 100% owned by XXXX Gold Pty Ltd, a wholly owned subsidiary of Sunshine Gold Limited. The tenements are in good standing and no known impediments exist. • ML80035 (covering an area of 0.2km) is located within the project area and is excluded from the tenure. • Exploration is prohibited within a small area of Category B environmentally protected area as well as a National Park shown in Figure 1. The current approved Environmental Authority (EA) allows for advanced exploration activities to occur up to the National Park (NP) boundary.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• AMOCO conducted limited exploration focussing on the Bald Hill vein in 1987. 7 RC holes were drilled at Bald Hill. The bulk of exploration across the tenure has been conducted by Metal Bank Limited and subsidiary Roar Resources between 2012 – 2020). • Historical Exploration data and production records were compiled via open file reports accessible via the QLD Geological Survey QDEX system (notably Ball. L.C. 1906. Report on the Norton Goldfields, Queensland Geological Survey Publication 208). • All rock chip data shown was collected by Roar Resources Pty Ltd (100% subsidiary of Metal Bank Limited).

Criteria	JORC Code explanation	Commentary
Geology	• Deposit type, geological setting and style of mineralisation.	• EPM18486 and EPM19343 overlaps the Calliope and Miriam Vale 1:100,000 map sheets. • The style of mineralisation intersected is intrusion related gold mineralisation within the northern New England Orogen.
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: o easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and intercept depth o hole length.	• Refer Table 6.3 in Annexure E of the Prospectus dated 25 September 2020.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.	• Unless specified otherwise, a nominal 0.5g/t Au lower cut-off has been applied incorporating up to 2m of internal dilution below the reporting cut-off grade to highlight zones of gold mineralisation. Refer Table 1. • High grade gold intervals internal to broader zones of mineralisation are reported as included intervals. • No metal equivalent values have been used for reporting exploration results.
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 (e.g. 'down hole length, true width not known').	• The geometry of the mineralisation is not known in enough detail to determine the true width of the mineralisation. • Refer Table 1, Pelican Resources Prospectus, 25th September, 2020.

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 contained within 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.	• All results are presented in figures and tables contained within this report.
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.	• No other material data is presented in this report.
Further Work	• The nature and scale of planned further work (e.g. 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.	• Further drilling is warranted and will be planned at all current priority targets and on bedrock geochemical anomalies defined.

JORC Code, 2012 Edition TABLE 1 – HODGKINSON GOLD PROJECT

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 (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.	• Reverse circulation (RC) drilling was used to obtain samples for geological logging and assaying. • Drill holes were sited to test surface geochemical targets as well as previous drilling results. • 1m samples were assayed in alteration. • 1m composite RC samples were split by a three tier riffle splitter and the splitter cleaned after each interval with a compressed air gun. • RC samples were submitted to the laboratory and sample preparation consisted of the drying of the sample, the entire sample being crushed to 70% passing 6mm and pulverized to 85% passing 75 microns in a ring and puck pulveriser. RC samples are assayed for gold by 50g fire assay with AAS finish. Multielement analysis is completed using an ICPAES analysis. • Rock chip samples shown may represent float or outcrop grab samples. • Base metal and multi-element analysis was also performed by ALS in Townsville using the afore mentioned pulps and analysis was performed using four acid ICP-AES.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	• RC drilling technique using a 5.5" face sampling RC hammer and hole depths range from 36m to 81m.
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.	• RC recoveries are logged and recorded in the database. Overall recoveries are >75% for the RC; there are no significant sample recovery problems. • A geologist was always present at the rig to monitor and record recovery. A cyclone and splitter were used to provide a uniform sample and were routinely cleaned. • RC samples were visually checked for recovery, moisture and contamination. A booster was used when drilling wet holes. To maintain dry samples each wet hole was purged after a rod change and before the commencement of drilling the next rod. No significant bias is expected and any potential bias is not considered material.

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.	• Geological logging was carried out on all RC chips. This included lithology, mineralogy, weathering, alteration, colour, sulphide percentages and vein percentages. • Geological logging of alteration type, alteration intensity, vein type and textures, % of veining, and sulphide composition. • All RC chip trays are photographed. • All drill holes are logged in full.
Sub-sampling techniques, 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.	• 1m primary RC samples were obtained using a cyclone mounted 87.5%:12.5% riffle splitter. Compressed air was used to clean the splitter after each drill rod. • Duplicated samples were collected in visual ore zones and at a frequency of at least 1 in 20. • QAQC samples (standards / blanks) were submitted at a frequency of at least 1 in 20. Regular reviews of the sampling were carried out by the Exploration Manager to ensure all procedures were followed and best industry practice carried out. Sample sizes and preparation techniques are considered appropriate. • The sample sizes are considered to be appropriate for the nature of mineralisation within the project area. Duplicate RC sampling concentrated on potentially mineralised intervals.
Quality of 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• RC samples were assayed using 50g fire assay for gold which is considered appropriate for this style of mineralisation. Fire assay is considered total assay for gold. • No geophysical tools, spectrometers or handheld XRF instruments have been used to determine assay results for any elements. • Monitoring of results of blanks and standards is conducted regularly. QAQC data is reviewed for bias prior to inclusion in any subsequent Mineral Resource estimate. • The laboratory inserted feldspar flushes, standards, repeats and duplicates. Repeat or duplicate analysis for samples shows that the precision of samples is within acceptable limits.

Criteria	JORC Code explanation	Commentary
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.	• Significant intersections are routinely monitored through review of drill chip and by site visits by the Exploration Manager. • No drill holes have been twinned. • Primary data is collected via 'toughbook' laptops in the field in self-validating data entry forms. Data is subsequently uploaded into a corporate database for further validation/checking and data management. All original files are stored as a digital record. • No adjustments have been applied to assay data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drill hole collar locations are initially set out (and reported) using a hand held GPS with a location error of +/- 5m. All holes are pegged and will be accurately surveyed via RTK-DGPS at a later date. • Down hole surveys are completed using a "Pathfinder" or "EZ- Shot" digital survey system at a maximum interval of 30m. Measurements are taken either on a pull back from the RC hammer at the mid point of a non magnetic stainless steel rod or completed as open hole surveys following hole completion. • All drilling is conducted on MGA94 Zone 55 grid system. • A topographic survey of the project area has not been conducted. • Topographic control has been gained with the use of Government 10m contours.
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.	• Further drilling is required to test zones of gold anomalism along the Ivory vein trend with areas remaining untested. Where drilling has been conducted drill hole fences are generally spaced on 100m centres however there are a number of infill holes on sections which reduce the across strike distance between holes to 40m. • There appears to be reasonable geological and grade continuity between sections however further drilling is required to enable support for the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. • 1m samples have been composited and reported as a weighted average across zones of mineralisation.

Criteria	JORC Code explanation	Commentary
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 sections are orientated perpendicular to the strike of the mineralised host rocks. The drilling is angled at -60°, which is close to perpendicular to the dip of the stratigraphy.
Sample security	• The measures taken to ensure sample security.	• Samples were stored on site and delivered by Vital Metals personnel to a transport company for shipping to ALS Townsville for sample preparation. Whilst in storage, they remain under guard in a locked yard. Tracking sheets are used track the progress of batches of samples.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Vital Metals personnel and consultants have completed numerous site visits and data reviews since acquiring the project. No material issues have been noted.

Section 2 – Reporting of Exploration Results (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Elephant Creek gold project is on EPM 19089. Peninsula copper prospect is located on EPM 25139. Both permits are 100% owned by XXXX Gold Pty Ltd, a wholly owned subsidiary of Sunshine Gold Limited. Annual licence fees have been paid up to date with the Queensland authorities.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The Hodgkinson Basin has a history of mineral production extending back to the Palmer River gold rush days in 1873. Since that time gold, tin, tungsten, copper and antimony has been produced in the region. Palmer River catchment to the north was recorded as producing 1.34 million ounces. More than 90% of this production was from alluvial sources and approximately 10% was from hard rock mining of auriferous quartz reefs at Maytown, some 80km WNW of the project area. Hodgkinson field to the south has been reported at 300,000 ounces, of which some 90% came from hard rock sources. • The only drilling conducted across the leases has been conducted by BHP-Utah International Ltd (1987 – 1988) and Cardia Mining NL (1995 – 1996) and Vital Metals (2016). Most of the exploration has been completed on lease EPM 19089. • BHP-Utah International drilled 59 RC holes with an average hole depth of 37 metres. Holes are designated with a GABP prefix. BHP-Utah also conducted an extensive mapping and stream sediment sampling campaign regionally. They collected a suite of rockchip samples on lease EPM 19089. • Cardia Mining NL drilled 39 RC holes with an average hole depth of 46 metres. Holes are designated with a CRC prefix. • Vital Metals drilled 32 RC holes with an average hole depth of 48 metres. Holes are designated with a IVRC prefix. They also collected 10 rockchip samples and drilled two shallow RC holes into the Peninsula Copper prospect. • The tenements have in the past supported alluvial gold mining operations along Elephant Creek in 1986-1987 and Campbell Creek (date unknown).
Geology	• Deposit type, geological setting and style of mineralisation.	• The geology of the EPM area is dominated by sediments of the Hodgkinson Formation which locally comprises arenite, siltstone, shale, slate and minor conglomerate and chert units. As noted above, the sedimentary succession is thought to represent a turbidite sequence. The Desailly Granite intrudes the regionally metamorphosed Hodgkinson sequence in the south of the tenement at the south-east extremity of the Kelly St George granite batholith of the Early Permian S-type Whypalla Supersuite. Adjacent sediments are hornfelsed. The broad structural trend of the folding, faulting and shearing is north-north westerly, which is also paralleled by various dykes and veins. The major Tullah Fault Zone dominates the central portion of the tenement. Gold mineralisation at Elephant creek is hosted by ductile shear zones within shales with varying amounts of quartz veining and sulphides. The zones have been described as mylonites. Where the shear enters brittle deformed greywacke beds the gold grades drop (Clarkson & Taylor 1999). The geological setting and mineralisation are very similar to that of the orogenic gold deposits in Central Victoria. Similarities include the following: • Marine turbidite rock sequence;

Criteria	JORC Code explanation	Commentary
Geology	• Deposit type, geological setting and style of mineralisation.	• Significant past alluvial gold production; • Proximity to granites; • Alteration consists of silicification and sulphide mineralisation; • Structural control, with plunges to mineralisation being important in developing a gold resource; • An antimony association.
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: o easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and intercept depth o hole length.	• Refer Table 6.9 in Annexure E of the Prospectus dated 25 September 2020.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.	• Unless specified otherwise, a nominal 0.5g/t Au lower cut-off has been applied incorporating up to 2m of internal dilution below the reporting cut-off grade to highlight zones of gold mineralisation. Refer Table 1. • High grade gold intervals internal to broader zones of mineralisation are reported as included intervals. • No metal equivalent values have been used for reporting exploration results.

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 (e.g. 'down hole length, true width not known').	• Drill hole dip angles of -60 are drilled perpendicular to the strike of the mineralisation. • All exploration drilling results have been reported as down hole lengths and are believed to approximate true width.
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 contained within 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.	• All results are presented in figures and tables contained within this report.
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.	• An airborne magnetic and radiometric survey was flow by Thompson Aviation in November 2020. The survey was flown with a fixed wing, Cessna 210 aircraft equipped with a cesium vapour magnetometer (20Hz sampling rate, resolution 0.001nT) and an RSI model RS-500 spectrometer. A total of 5236 line km was flown at a height of 100m. Line spacing was 100m spaced east-west lines with 500m spaced north-south tie lines.
Further Work	• The nature and scale of planned further work (e.g. 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.	• Further drilling is warranted and will be planned at all current priority targets and on bedrock geochemical anomalies defined.