ASX Code: MRR

12th July 2021 ASX RELEASE

MAIDEN JORC RESOURCE OF 323,913 oz GOLD OVER SPRING GULLY PROSPECT

Drilling Program is scheduled in 2nd Quarter with the aim of increasing the current Resource

- **Independent Maiden JORC 2012 Inferred Mineral Resource for the Spring Gully Deposit has yielded 9.48Mt at 1.06 g/t Au containing 323,900 oz Gold.**
- **Spring Gully Deposit has a strike length over 1.60 km by 650m in width with mineralisation remaining open along strike and at depth.**
- **Project is situated within the world class province of the Lachlan Fold Belt in NSW.**
- **Mineralisation envelopes of gold vary from 24 m up to 63 m thick. Significant historic gold intersections include:**

  Drill Hole SGRC002 – 7m @ 2.53g/t Au from 9m

  Drill Hole SGRC006 – 48m @ 1.53g/t Au from 60m

  Drill Hole SGDD016 – 14.3m @ 1.89g/t Au from 49.7m

  Drill Hole SGXD030 – 35m @ 1.34g/t Au from 5m

  Drill Hole SGDD036 – 24.5m @ 1.66g/t Au from 109.5m

  Drill Hole SGRC050 – 16m @ 2.50g/t Au from 6m
- **Current Resource includes 6 separate modelled gold lodes (Refer to Figure 1) with the cut-off grade at 0.70 g/t Au. A total of 69 angled RC/Diamond holes was completed totalling 6,984m of drilling.**
- **Follow-up resource drilling will commence in the northern and southern portion of the main gold mineralisation zone with the aim of increasing the current resource.**
- **Numerous IP extensive high-grade targets have been identified along strike and at depth. The results of the re-interpretation of the ground IP survey will be announced to the market once completed.**

MinRex Resources Limited (ASX: MRR) ("**MinRex**" or "**the Company**") is pleased to announce a maiden JORC 2012 Resource at the Spring Gully Gold Prospect ("**Spring Gully Prospect**") within the Sofala Gold Project on the eastern Lachlan Fold Belt, NSW.

The Project is hosted within the world class gold-copper mining province of the Lachlan Fold Belt which comprises projects such as Cadia (*Newcrest*), Cowal (*Evolution Mining*) and North Parkes (*CMOC*).

MinRex Resources Limited Chief Executive Officer Mr Kastellorizos commented:

"We are pleased to have completed MinRex's first maiden JORC Resource over the Spring Gully Gold Prospect. This is the first step in bringing valuable assets to the market with excellent potential to increase the resource in the upcoming months.

Furthermore, our technical team believe the Spring Gully deposit has substantial potential for more resource growth along strike and depth and are currently planning the first systematic drilling programme since 1994. The review of historical ground IP survey has identified 2 extensive untested strong chargeability targets to the NW and SE of the known gold mineralisation over Spring Gully. Core Geophysics Perth are currently re-interpreting the ground-based IP survey data with the results announced to the market upon completion.

At this stage, a potential "feeder zone" has been identified directly beneath the main gold mineralised lodes at an approximate depth of 250m. The priority target zone shows potential as the source of the gold bearing hydrothermal fluids depositing the gold mineralisation at Spring Gully – all targets will be tested by RC drilling.

Our resource growth focus has already identified multiple prospect areas of significant mineralisation within the MinRex project portfolio which can be accelerated into the company's resource inventory. The company is now well positioned and aims to deliver increasing value for all shareholder by targeted systematic exploration programmes and bringing further projects to a resource status".

Mineral Resource Estimate

The Resource has been independently estimated by Odessa Resources Pty Ltd (Perth). The estimate has been produced by using Leapfrog Edge software to produce wireframes of the various mineralised lode systems and block grade estimation using an ordinary kriging interpolation. Top cuts were applied to individual lodes as necessary to limit the effect of high-grade outliers.

The Resource has been classified as a global Inferred based on historical drill results which require further supporting verification drilling and QAQC. The future infill drilling will support further increase in the resource classification.

The Drillhole data comprised the following:

69 angled drillholes completed in 1993-1994 totalling 6,984m comprising:

a) 6 diamond holes NQ diameter (1,085m)
b) 63 reverse circulation holes (5,899m)
c) 5,191 assay results
d) 170 water-immersion density measurements on core intervals (bulk density of 2.75 was applied)

Geological models of the footwall Chesleigh Formation and hanging wall Sofala Volcanics were created to aid the interpretation of the mineralised domains. The contact between the two formations dips towards the southwest at 30^0.

Resource constraints were interpreted using a nominal 0.35 g/t Au lower cut off. Six separate stacked south-west dipping envelopes were created (Refer to Global Mineral Resource Estimates - Table 1 and

3D Image highlighting mineralised Lodes Figure 1). The Spring Gully global resource is reported above a cut off 0.70 g/t Au.

Table 1: Spring Gully Global Mineral Resource Estimate

Lode Id	Volume m³	Density g/cm³	Tonnage t	*Average Grade* g/t Au	*Contained Metal* oz
1	765,000	2.75	2,103,750	1.22	82,704
2	988,750	2.75	2,719,063	0.95	83,026
3	369,750	2.75	1,016,813	0.93	30,467
4	598,500	2.75	1,645,875	1.06	56,238
5	345,625	2.75	950,469	1.36	41,428
5	382,500	2.75	1,051,875	0.89	30,051
Total	**3,450,125**	**2.75**	**9,487,844**	**1.06**	**323,913**

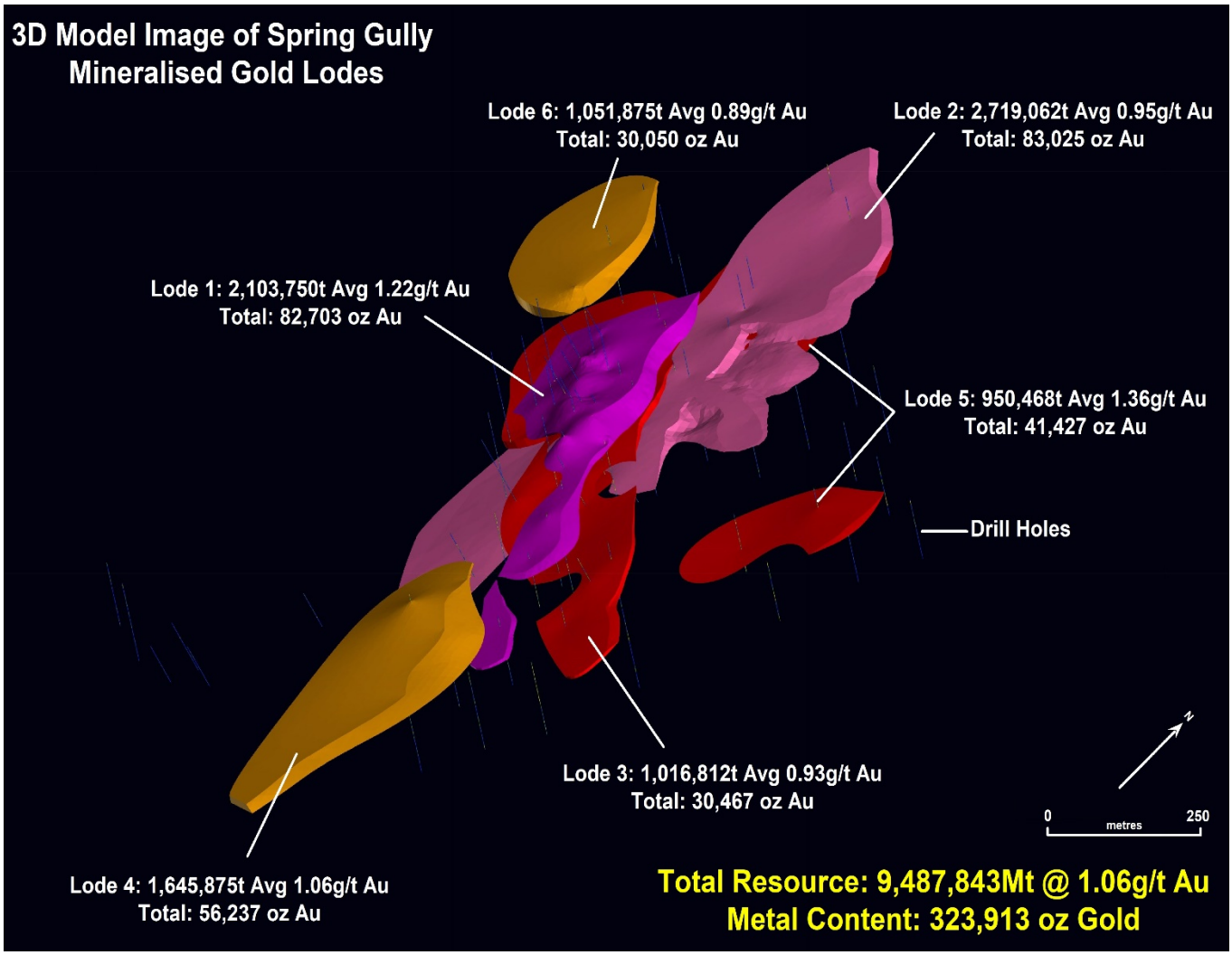

Figure 1: 3D Model highlighting the various Mineralised Lodes within Spring Gully Deposit

About the Spring Gully Prospect Area

The Spring Gully prospect is located 1.7 km east of Wattle Flat Township and which lies on the Peel Road between Sofala (6km to the north) and Bathurst (35km to the SSW) in New South Wales. The initial discovery was identified by regional drainage geochemistry. Although the mineralised zone outcrops were previous mined, the activity was limited to shallow prospecting pits and surface workings.

Geology and Mineralisation

EL7423 covers a significant portion of exposed Ordovician Sofala Volcanics on the eastern side of the Hill End Trough, north of Bathurst in NSW. Silurian, sediments & volcanics belonging to the Tanwarra Shale and the Chesleigh Formation overlie Sofala Volcanics to the central and western portion of Spring Gully.

Deformation of this stratigraphy is hosted within an extensive anticline/antiform structure, with west dipping Wiagdon thrust fault within the anticline has resulted in the Ordovician Sofala Volcanics overlying the Silurian Chesliegh Formation.

The mineralisation at the Spring Gully prospect is located where the Sofala Volcanics have been thrust over the Chesleigh Formation within a major hinge zone trending NW to SE direction. The Wiagdon thrust plane dips between 25^{o} to the west (Refer to Figure 2).

The mineralisation consists of two types:

1. An Upper Zone confined to the Sofala Volcanics which is possibly stratigraphically controlled; in the four drill holes which have intersected the zone, it returns assays > 2.5 g/t. Its inferred sub-crop is at a marked angle to the strike of, and much flatter lying than the underlying Sub-thrust mineralisation.

2. A Sub-thrust Zone striking 160^{o} contained within the sediments of the Chesleigh Formation and consisting of a quartz-carbonate-pyrite-arsenopyrite veins infilling shears and fracture fills.

The assay distribution through the thickest known section of the mineralised zone shows grade peaks (>2 g/t Au) immediately under the thrust contact between the Sofala Volcanics and the Chesleigh Formation sediments.

Two lower-grade zones (>0.5 g/t Au) occur beneath the high-grade zone. A long section through the mineralisation shows the upper zone to be thickest in the south and thinning out to the north over at least 700 m of strike.

All sub-trust mineralised zones are thickest and highest grade in a zone between drill holes 8, 16, 29 and 44 and generally tend to be thicker up dip.

The whole mineralised zone is contained within an alteration envelope consisting of chlorite-fuchsite within the Sofala Volcanics and clay-mica within the Chesleigh Formation. Both horizons are silicified. All significant Intercepts are shown in Table 2.

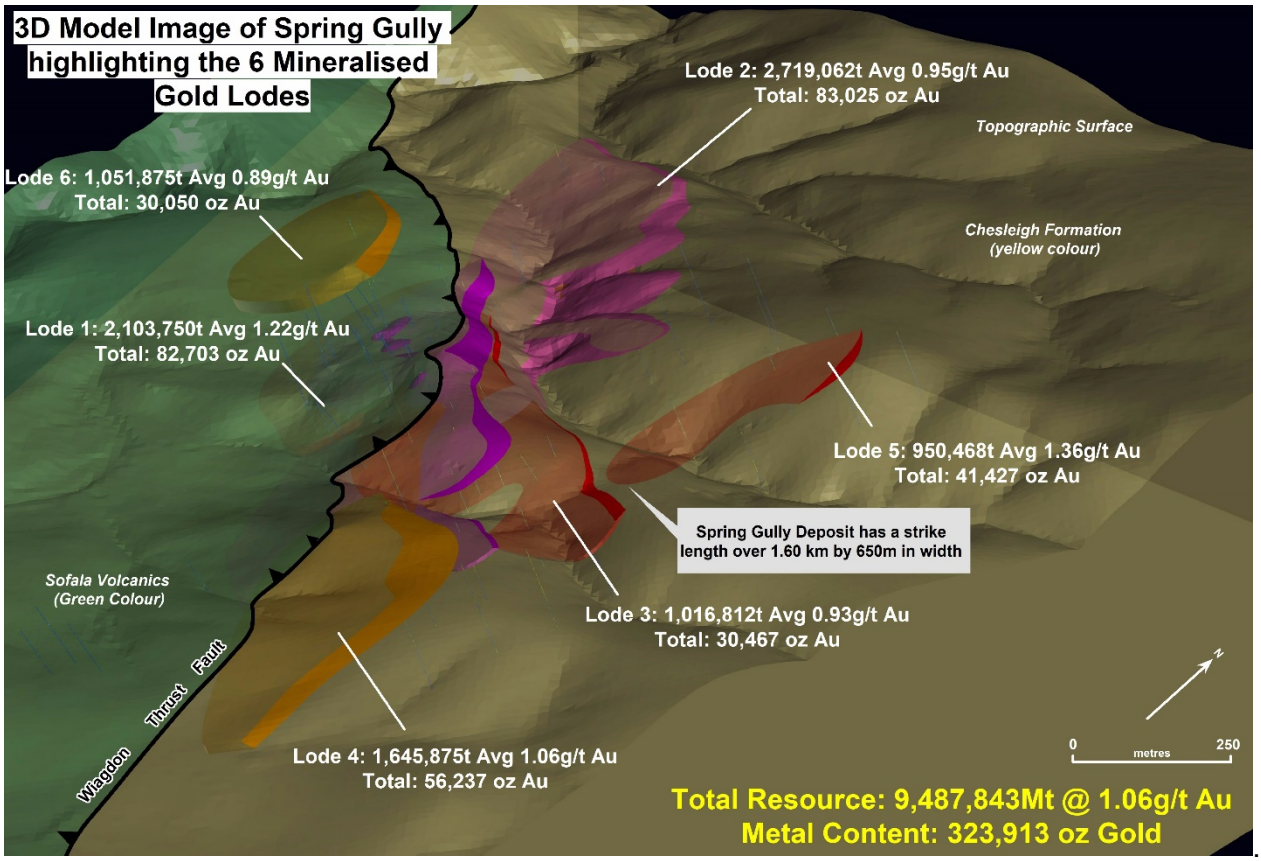

Figure 2: 3D Model showing the bulk of the mineralisation is hosted in the Chesleigh Formation

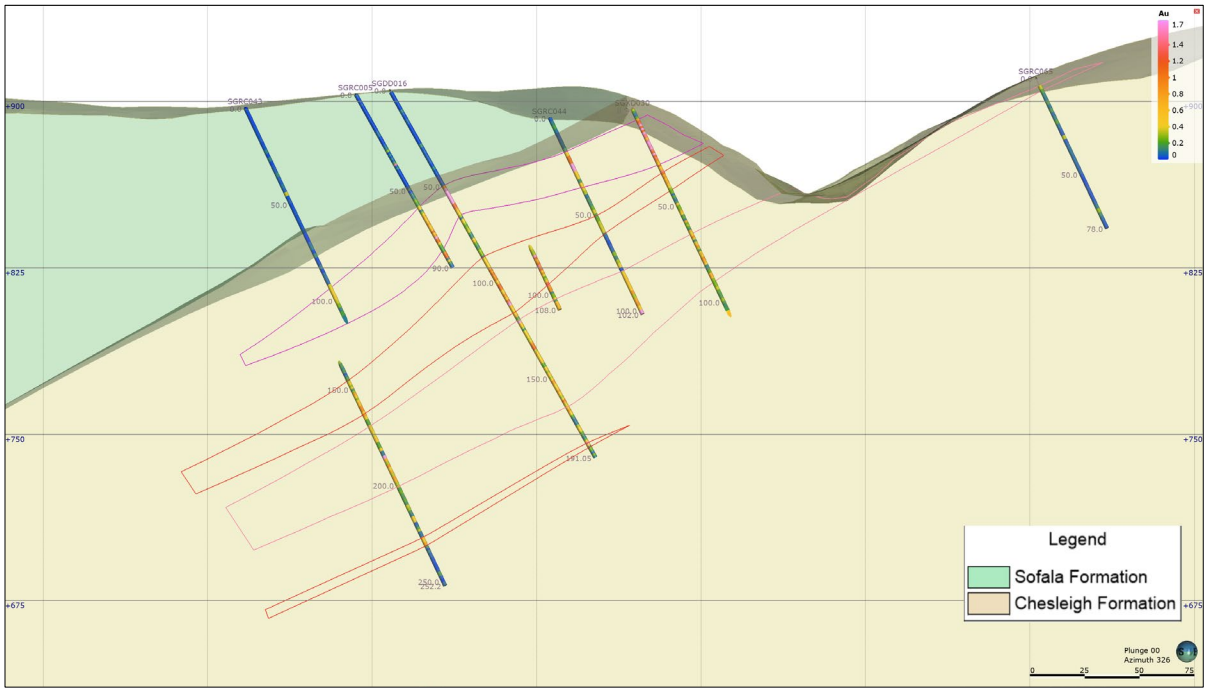

Figure 3: Spring Gully – typical cross section

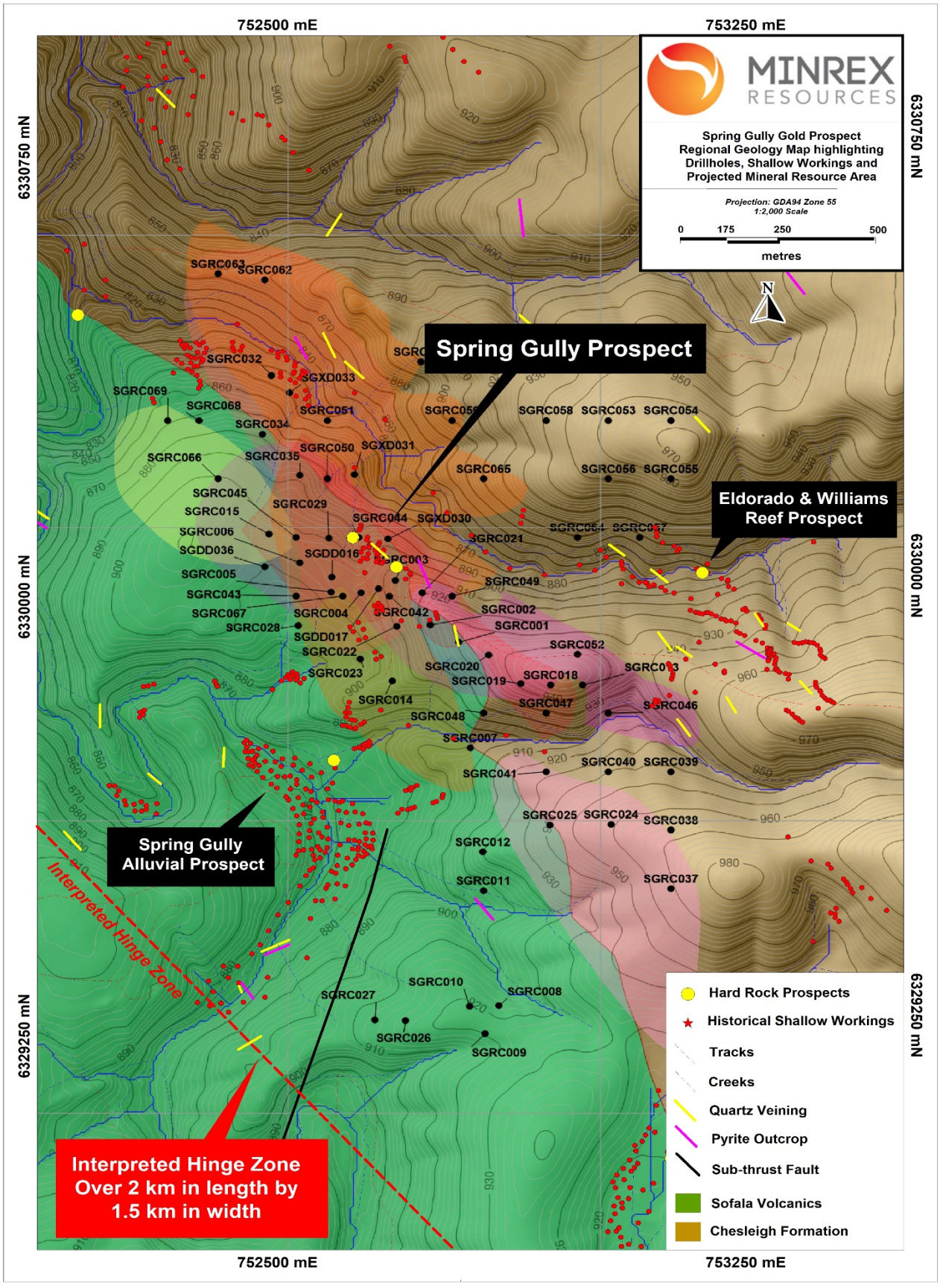

Figure 4: Spring Gully Drill Hole Location Map highlighting Projected Mineral Resource along with proximal surface and Hard Rock Mined Areas

Table 2: Significant Intercepts
(0.5 g/t Au lower cut off, max 2m internal dilution)

Hole ID	From (m)	To (m)	Interval (m)	Average Grade (g/t Au)	True Width (m)	Gram-metres
SGDD016	49.7	64.0	14.3	1.89	14.3	27.0
SGDD016	92.4	118.0	25.7	0.94	25.6	24.0
SGDD017	23.0	34.0	11.0	1.12	11.0	12.3
SGDD017	36.0	63.0	27.0	0.78	27.0	20.9
SGDD036	109.5	134.0	24.5	1.66	23.1	38.4
SGRC002	9.0	16.0	7.0	2.53	7.0	17.7
SGRC003	26.0	50.0	24.0	0.93	24.0	22.2
SGRC005	59.0	78.0	19.0	0.77	19.0	14.6
SGRC005	82.0	87.0	5.0	0.84	5.0	4.2
SGRC006	60.0	108.0	48.0	1.53	48.0	73.4
SGRC024	12.0	20.0	8.0	1.19	7.5	8.9
SGRC029	47.0	55.0	8.0	1.34	7.5	10.1
SGRC029	80.0	90.0	10.0	1.09	9.4	10.2
SGRC029	93.0	99.0	6.0	1.00	5.6	5.6
SGRC035	44.0	49.0	5.0	4.08	4.7	19.2
SGRC037	0.0	10.0	10.0	1.30	9.4	12.3
SGRC044	20.0	30.0	10.0	1.31	9.4	12.3
SGRC045	68.0	120.0	52.0	1.64	49.0	80.2
SGRC046	26.0	30.0	4.0	1.98	3.8	7.5
SGRC050	6.0	18.0	12.0	1.74	11.3	19.7
SGRC050	88.0	92.0	4.0	1.29	3.8	4.8
SGRC051	60.0	72.0	12.0	1.15	11.3	13.0
SGRC055	0.0	4.0	4.0	1.78	3.8	6.7
SGRC063	38.0	46.0	8.0	1.36	7.5	10.2
SGRC066	26.0	40.0	14.0	1.41	13.2	18.6
SGRC067	56.0	76.0	20.0	0.71	18.8	13.3
SGXD030	5.0	40.0	35.0	1.34	33.0	44.1
SGXD031	38.0	63.0	25.0	1.11	23.5	26.2
SGXD033	47.0	56.0	9.0	0.66	8.5	5.6

Forward Strategy

MinRex is currently working on the next phase of RC drilling, targeting the southern and northern portion of the main zone of gold mineralisation over Spring Gully. Approximately, 35 to 40 RC holes, totalling 3,000m of drilling will close off these areas with a view of increasing the resource classification, tonnage, and gold grade. The refined drilling programme will be finalised in the upcoming weeks.

Based on 2013 IP survey (ground geophysics survey detects potential sulphide at depth) identified 2 untested extensive strong high chargeability targets to the NW and SE of the known gold mineralisation at Spring Gully.

Approximately 250m depth a potential feed zone beneath of the main gold mineralised lodes has been identified. This will be drill tested as this IP anomaly potentially represents the source of gold bearing hydrothermal fluids depositing the gold mineralisation at Spring Gully.

The results of the re-interpretation will be announced to the market upon receiving the final report from Core Geophysics.

This ASX announcement has been authorised for release by the Board of MinRex Resources Limited.

-ENDS-

For further information, please contact:

Pedro Kastellorizos
Chief Executive Officer
MinRex Resources Limited
T: +61 8 9481 0389
M: 0427 482787
info@minrex.com.au

About MinRex Resources Ltd

MinRex Resources (ASX: MRR) is an Australian based ASX listed resources company with projects in the Lachlan Fold Belt (LFB) of NSW, a world-class gold-copper province and over the Marble Bar and Murchison Regions of WA. Currently the Company's tenements package cover 619km^2 of highly prospective ground targeting multi-commodities type deposits.

Competent Persons Statement

The information in this report / ASX release that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled and reviewed by Mr. Alfred Gillman, Director of independent consulting firm, Odessa Resource Pty Ltd. Mr. Gillman, a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy (the AusIMM) and has sufficient experience relevant to the styles of mineralisation under consideration and to the activity being reported to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets and Mineral Resources. Mr Gillman is a full-time employee of Odessa Resource Pty Ltd, who specialises in mineral resource estimation, evaluation, and exploration. Neither Mr Gillam nor Odessa Resource Pty Ltd holds any interest in MinRex Resource Ltd, its related parties, or in any of the mineral properties that are the subject of this announcement. Mr Gillman consents to the inclusion in this report / ASX release of the matters based on information in the form and context in which it appears. Additionally, Mr Gillman confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

Forward Statement

This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget" "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or indicates that certain actions, events or results "may", "could", "would", "might" or "will be" taken, "occur" or "be achieved." Forward-looking information is based on certain factors and assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, commodity prices, the estimation of initial and sustaining capital requirements, the estimation of labour costs, the estimation of mineral reserves and resources, assumptions with respect to currency fluctuations, the timing and amount of future exploration and development expenditures, receipt of required regulatory approvals, the availability of necessary financing for the project, permitting and such other assumptions and factors as set out herein.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks related to changes in commodity prices; sources and cost of power and water for the Project; the estimation of initial capital requirements; the lack of historical operations; the estimation of labour costs; general global markets and economic conditions; risks associated with exploration of mineral deposits; the estimation of initial targeted mineral resource tonnage and grade for the project; risks associated with uninsurable risks arising during the course of exploration; risks associated with currency fluctuations; environmental risks; competition faced in securing experienced personnel; access to adequate infrastructure to support exploration activities; risks associated with changes in the mining regulatory regime governing the Company and the Project; completion of the environmental assessment process; risks related to regulatory and permitting delays; risks related to potential conflicts of interest; the reliance on key personnel; financing, capitalisation and liquidity risks including the risk that the financing necessary to fund continued exploration and development activities at the project may not be available on satisfactory terms, or at all; the risk of potential dilution through the issuance of additional common shares of the Company; the risk of litigation.

Although the Company has attempted to identify important factors that cause results not to be as anticipated, estimated or intended, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Forward looking information is made as of the date of this announcement and the Company does not undertake to update or revise any forward-looking information this is included herein, except in accordance with applicable securities laws

References

Arundell, M. 1994: Exploration Prospecting Licence No.3747, 4191, 4223, 4224 & 4276 Second Annual Report 5th Feb 1993 to 4th Feb 1994. Open File Report NSW Department GS1996-01.

Appendix A

JORC Code, 2012 Edition – Table 1 report

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.*	• Historical drilling: In 2011, the prospect was RC drill tested by RGC Exploration Pty Ltd in the 1993 with follow up diamond drilling completed in 1994 returning an intersection of 143m grading 0.6g/t Au. • In total, RGC drilled 69 reverse circulation for (RC) holes 5,899m together with 1,085m of diamond core.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse circulation (RC) drilling: no information on bit size or hole diameter • Diamond drilling: NQ core diameter
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 was sampled at variable intervals • RC samples were collected at 1m intervals • Drill sampling is considered to be representative of the formations intersected of industry standard • Drilling techniques and drill sampling are considered to be of industry standard. • Information as to whether the sample is either wet (poor return) or contaminated is recorded in the comprehensive drill logs
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral*	• Geological logging is considered to have been logged to a level of detail appropriate to support Mineral Resource Estimates.

Criteria	JORC Code explanation	Commentary
	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.*	
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.*	• Core was sampled at variable intervals • RC samples were collected at 1m intervals • Drill sampling is considered to be representative of the formations intersected of industry standard • Drilling techniques and drill sampling are considered to be intersected of industry standard. • Information as to whether the sample is either wet (poor return) or contaminated is recorded in the comprehensive drill logs
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 levels of accuracy (ie lack of bias) and precision have been established.*	• All assay information has been digitized form historic open file reports. • Samples were assayed for Au, Au repeat, As, Bi, Cu, Mn, Ni, Pb, Sb and Zn • Assays laboratory sheets have been inspected. • QAQC in the form of numerous repeat Au assays are well correlated with the Au (original) assays • There are no records regarding the use of standards or blanks and data relating to these (if carried out) are not recorded. • The name of the laboratory is not recorded.
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 intercepts were verified by an independent consultant geologist as part of the resource estimation. • No twinned holes were used.
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.*	• A topographic surface/digital terrain model (DTM) was derived from 1m resolution LIDAR elevation data. • The quality and adequacy of the topographic control is considered to accurate. • Drillhole collar co-ordinates were transformed to MGA94 Zone 55 grid system

Criteria	JORC Code explanation	Commentary
		• Drillhole collar elevations were derived from the LIDAR DTM.
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 data spacing and distribution are considered sufficient for the current level of early exploration and resource classification of inferred. • Samples were not composited in the sampling phase
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 drilling is approximately perpendicular to the strike of mineralisation. The holes are generally angled at -45^0 which provides good intersection angles into the mineralisation which average a dip 30 ^{0}. • The sampling is considered representative of the mineralised zones.
Sample security	• *The measures taken to ensure sample security.*	• Not documented.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• There have been no documented previous audits of sampling techniques and data.

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.*	• Spring Gully lies in EL7423 within the Sofala Project in NSW. The Project area surrounds the villages of Wattle Flat and Sofala, approximately 31 km NNE of the major regional centre of Bathurst in NSW. • MinRex has executed a formal Farm-in and Joint Venture Agreement with Fortius Mines Pty Ltd (a wholly owned subsidiary of Australian United Mining (ASX:AUM) in relation to EL7423. • Under the terms of the Farm-in and Joint Venture Agreement, MinRex has 3 years (from February 2021) to earn a 51% interest in EL7423 by spending $750K and an additional 29% interest (80% total) by spending an additional $1.55 million. Standard dilution clauses apply once MinRex completes the first stage of the farm-in (should MinRex elect not to continue the farm-in) or on completion of the second stage of the farm-in, except that Fortius' interest will be free carried once it falls to 10%. Fortius also has a

Criteria	JORC Code explanation	Commentary
		1% net smelter royalty over MinRex's interest in minerals mined from EL7423. • EL7423 is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The area has been explored previously by RGC Exploration in the 1990's and later by Mineral Ventures and Resources NL between 2001-2002. RGC drilled 69 reverse circulation for (RC) holes 5,899m together with 1,085m of diamond core.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineral system is located beneath the Spring Gully Fault, in fine to medium grained sediments of the Silurian Chesleigh Formation. Above the fault are units of the Sofala Volcanics, which have been thrust over the younger sediments of the Chesleigh Formation. • The fault and associated lodes strike approximately 340^0 and dips on average at 30^0 to the west. • Gold mineralisation is associated with pyrite and arsenopyrite and is hosted by a northwest to west-trending array of quartz–carbonate veinlets developed within the Chesleigh Formation.

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.*
		• The RGC data were digitized from open file reports by Robert McLennan and John Slade. These data were subsequently validated by Robert McLennan in 2009.
		• Collar positions were supplied in AMG66 co-ordinate system. There were converted to MGA94 Zone 55 co-ordinate system to conform to the Government LIDAR topographic data. The transformed collar positions were verified with collar positions shown on the drillhole location plan provided in the McLennan 2009 report.
		• Collar elevations were derived by pressing the collars to the LIDAR digital terrain model (DTM).
		• Downhole dips of -45^0 at an azimuth of 121^0 were used. The no downhole survey data.

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.*	• No exploration results are reported as part of this release

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
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').*	• Exploration results are not being reported. • Not applicable, as a Mineral Resource is being reported. • Metal equivalent values have not been used. • The drilling is approximately perpendicular to the strike of mineralisation. The holes are generally angled at -45^0 which provides good intersection angles into the mineralisation which average a dip 30 ^{0}. • The sampling is considered representative of the mineralised zones.
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.*	• No exploration results are reported as part of this release • Relevant diagrams have been included in this release.
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.*	• No exploration results are reported as part of this release • All drilling used in the Mineral Resource estimate has been derived from digitized logs. There are no downhole surveys
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 exploration results are reported as part of this release • Metallurgical, groundwater, and geotechnical studies have not commenced as part of the economic assessment of the project.
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.*	• No exploration results are reported as part of this release • Further infill drilling will be conducted as part of QAQC work required to upgrade the resource.. • Refer to diagrams in the body of this release.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	• Drill hole logs are captured in an Excel database with error checking carried out on import to Leapfrog Geo 2021.2.

Criteria	JORC Code explanation	Commentary
	• *Data validation procedures used.*	
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Competent Person has not visited the site due to travel restrictions related to a pandemic.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The mineral system is located beneath the Spring Gully Fault, in fine to medium grained sediments of the Silurian Chesleigh Formation. Above the fault are units of the Sofala Volcanics, which have been thrust over the younger sediments of the Chesleigh Formation. • The fault and associated lodes strike approximately 340^0 and dips on average at 30^0 to the west. Gold mineralisation is associated with pyrite and arsenopyrite and is hosted by a northwest to west-trending array of quartz–carbonate veinlets developed within the Chesleigh Formation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The mineralised lodes form a stacked package over a strike length of 1,660m, a cross-strike extent of 750m and true width of 130m (including umineralised zones).
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison*	• Modelling and estimation work was carried out using Leapfrog Geo/Edge 202.2 • After validating the drillhole data to be used in the estimation, interpretation of the orebody is undertaken in sectional, plan and 3D view. • Within the Mineral Resource area, the deposit mineralisation was constrained by wireframes constructed using a 0.3g/t Au cut-off grade. The geological constraints on the resource wireframes is based on a nominal 0.30g/tAu lower cut off on the basis of a clear inflection point on the log probability plot of the 1m composites. The wireframes were applied as hard boundaries in the estimate • Estimation Parameters - Using parameters derived from modelled variograms, Ordinary Kriging (“OK”) was used to estimate average block grades in Leapfrog Geo/Edge version 2021.2 - Ordinary kriging interpolation - Individual lode variograms and top cuts applied - Minimum samples:4 - Maximum samples: 20

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>of model data to drill hole data, and use of reconciliation data if available.</td><td>- Variable orientation interpolation in plane of the lode
- Search ellipse: sufficient to estimate all blocks in model

1. Maximum >200
2. Intermediate: >200
3. Minimum: > 50
• No recovery of by-products is anticipated.
• Top cuts were applied to individual lodes as necessary to limit the effect of high grade outliers.

<table><tr><th>Lode</th><th>Top Cut</th></tr><tr><td>100</td><td>6.0</td></tr><tr><td>200</td><td>2.0</td></tr><tr><td>300</td><td>2.5</td></tr><tr><td>400</td><td>2.0</td></tr><tr><td>500</td><td>3.0</td></tr><tr><td>600</td><td>2.0</td></tr></table>
• Model parameters
• 5mx5mx5m block size (sub-blocked 4x4 with variable heights)
• There is no information on either deleterious elements or metallurgical recovery data. Thus, no recovery factor has been applied</td></tr>
<tr><td>Moisture</td><td>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</td><td>• Tonnages and grades were estimated on a dry in situ basis</td></tr>
<tr><td>Cut-off parameters</td><td>• The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>• The resource is reported at a lower cut off of 0.70g/tAu.
• The estimate is reported as a global resource as no pit optimization work has been carried out.</td></tr>
<tr><td>Mining factors or assumptions</td><td>• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining</td><td>• The size and shallow nature of the mineralisation at Spring Gully suggests that the deposit could be mined with open pit mining techniques.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• There has been no work done on metallurgical recoveries.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made regarding environmental factors.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• 170 water immersion tests have been performed at the project. On the basis of standard tables of specific gravities of common rocks, a specific gravity of 2.75 was used to determine tonnage.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view*	• The Mineral Resource estimate is reported in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). • The Spring Mineral Resource is classified as an Inferred Mineral Resource based on data quality, sample spacing, and geological and grade continuity.

Criteria	JORC Code explanation	Commentary
	of the deposit.	• The majority of the Inferred Mineral Resource has been defined with an approximate drill hole spacing of 50m by 50m. • Extrapolation of up to 130m down dip was included where the mineralisation remained open and untested. • The input data is sufficient in its coverage of the mineralisation and does not misrepresent in-situ mineralisation. • The definition of mineralised zones is based on a reasonably well-understood geological model of mineralised domains. • Quantitative validation of the block model using swath plots and statistical comparison shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• There have been no audits of the Mineral Resource Estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The deposit geometry and continuity has been adequately interpreted to reflect the classification applied to the Mineral Resource. • The resource estimate is based entirely on historic data. • The data quality is adequate for the level of resource classification • The drill holes have detailed logs produced by qualified geologists. • The Mineral Resource statement relates to global estimates of tonnes and grade.