

24 February 2022

## ACQUISITION OF HIGHLY PROSPECTIVE GOLD, COPPER, NICKEL AND PGE PROJECTS IN NEW ZEALAND

### Highlights

- Cyclone to acquire 100% of Grand Port Resources Pty Ltd (**Grand Port**), which holds 6 highly prospective gold, copper, nickel and PGE projects in New Zealand, with a further 2 lithium and REE project applications being submitted shortly;
- Grand Port's projects covering 1,140km<sup>2</sup>, are all either near operating mines and facilities, or other resources companies;
- The projects are Macraes South, Muirs, Mareburn, Longwood Range, Waikerikeri and Drybread, and all are considered underexplored by modern exploration methods;
- **Muirs Reef Gold Project**, contains a non-JORC foreign inferred resource estimate of **222koz Au @ 1.34g/t\***, with significant exploration upside, historic drilling results include<sup>1</sup>:
  - **11.0m at 11.0 g/t Au** from 48m incl. **2.0m @ 38.4g/t Au** (MSDDH009)
  - **0.7m at 17.0 g/t Au** from 92.2m (TP6);
- **Mareburn Gold Project**, contains a number of initial walkup extension drill targets to previous results<sup>2</sup>:
  - **10m at 2.4/t Au** from 38m (RCH4535), including **3m @ 7.1g/t Au** from 38m
  - **10m @ 1.99g/t Au** from 2m (MEH21), including **6m @ 3g/t Au** from 5m
  - **2m at 3.04g/t Au** from 2m (RCH4542);
- Acquisition conditional on shareholder approval at a General Meeting expected to be held in April 2022,
- Following Completion, Cyclone plans to undertake a maiden JORC compliant mineral resource estimate at Muirs and commence first-pass drilling at Muirs and Mareburn.

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) is pleased to announce that it has entered into a binding term sheet with Grand Port Resources Pty Ltd (**Grand Port**) to acquire 100% of the issued share capital of Grand Port which owns and has applications over a diversified portfolio of gold, copper, nickel and PGE assets in New Zealand (together, **the Acquisition**).

<sup>1</sup> Note: these are a selection of intercepts which have been chosen to demonstrate the prospectivity of the Muirs and Mareburn projects. Full results are set out in Table 3 and Table 4

\* Non-JORC foreign estimate (2013) by Glass Earth Limited on the Muirs Reef Project, were summarised in a 2013 NI43-101 Technical Report on Resources at Muirs Project, Te Puke, Bay of Plenty, New Zealand, Glass Earth Gold Limited. The foreign estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.

New Zealand is now a premier investment destination for resources with successful explorers and new mines being approved. The Acquisition is aligned with Cyclone's strategy to acquire and invest in strategic, value add projects around the world.

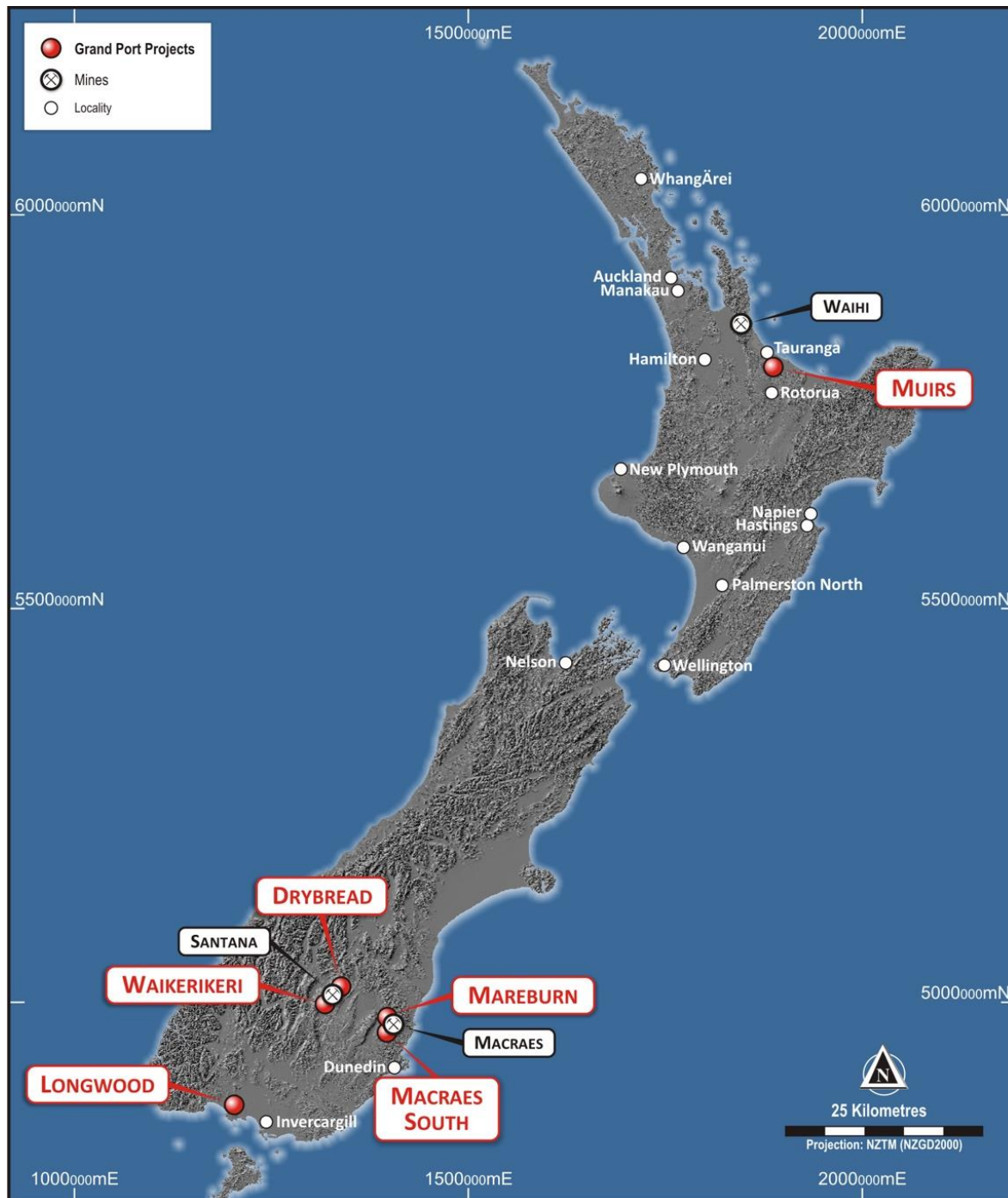
In addition to the current projects Grand Port will make applications for lithium projects in New Zealand to further diversify the portfolio with this strategic mineral.

Following completion of the Acquisition Cyclone plans to undertake a maiden JORC compliant mineral resource estimate at Muirs and commence first-pass drilling at Muirs and Mareburn. It is anticipated that settlement of the Acquisition will complete in the coming weeks.

Cyclone Executive Director, Tony Sage, commented: *"Grand Port owns an impressive portfolio of brownfield precious and base metal assets in New Zealand, which we believe, we can add significant value through our hands on approach and strong contacts in-country. Other ASX companies are experiencing success in New Zealand and we look forward to developing these assets in the coming months to realise value for Cyclone's shareholders."*

### **Grand Port's Projects**

Grand Port's Projects comprise of a portfolio of highly prospective precious and base metals projects on the North and South Islands of New Zealand, with locations shown in Figure 1.



**Figure 1: Location of Grand Port Projects**

## South Island

**Longwood Range Gold Copper PGE Project** (application pending) is situated 40km west of Invercargill, New Zealand and covers 424km<sup>2</sup>. Historic production includes: ~88koz Au and 1,500oz of platinum. Previous drilling intersected a PGE reef with no follow up work and the project area has been identified as being fertile for copper and nickel by Otago University. There has been only 4 historic drill holes to date on the project. On-ground work will kick off with a geochemical sampling program that will generate the maiden drill program.

The **Mareburn Gold Project** and **Macraes South Gold Project** (granted) covers 464km<sup>2</sup> within the Otago Goldfield of the South Island, which has 10Moz of proven historical gold production. Mareburn sits 8km north of the producing Macraes Gold Mine and processing plant, New Zealand's largest producing gold mine, and ~2km from the Coronation open pit. Macraes South is contiguous to the south of the Macraes Gold Mine and processing plant. These areas have been significantly underexplored using modern exploration techniques.

**Mareburn Gold Project**, covers 30km<sup>2</sup> and is located ~8km from the Macraes gold mine, and contains a number of initial walkup extension drill targets to previous results<sup>2</sup>:

- **10m at 2.4/t Au** from 38m (RCH4535), including **3m @ 7.1g/t Au** from 38m
- **10m @ 1.99g/t Au** from 2m (MEH21), including **6m @ 3g/t Au** from 5m
- **2m at 3.04g/t Au** from 2m (RCH4542)

**Macraes South Gold Project**, covers 434km<sup>2</sup> and is contiguous to the 10Moz Macraes gold mine. No modern exploration techniques or drilling has been undertaken and the project requires immediate attention.

**The Drybread – Waikerikeri Gold Project** (application pending) covers ~198km<sup>2</sup> and crosses over Santana Minerals Limited's (ASX: SMI) Bendigo-Ophir Project in Central Otago and contains historical alluvial workings contiguous to that project. The area has been underexplored for hard rock potential with no primary gold exploration undertaken.

## North Island

The Muirs Reef Gold Project (application pending) covers 52.6km<sup>2</sup> and is close to Oceania's Hauraki Gold Field with 45Moz proven historical gold production. With the same geology as Hauraki, Muirs Reef has a non-JORC foreign inferred resource estimate of 222,000oz @ 1.34g/t\* Gold Resource, and silver yet to be estimated. Muirs Reef is ~100km from the Waihi Gold Mining operations and is drill target ready.

**Muirs Gold Project**, contains a non-JORC foreign inferred resource estimate of **222koz Au @ 1.34g/t\***, with significant exploration upside.

- Historic drilling results include<sup>2</sup>:
  - **11.0m at 11.0 g/t Au** from 48m incl. **2.0m @ 38.4g/t Au** (MSDDH009)
  - **0.7m at 17.0 g/t Au** from 92.2m (TP6)
  - **14.0m at 2.76 g/t Au** from 54m (RC22)
  - **12.0m at 2.36 g/t Au** from 79.0m (RC39)

<sup>1</sup> Note: these are a selection of intercepts which have been chosen to demonstrate the prospectivity of the Muirs and Mareburn projects.

\* Non-JORC foreign estimate (2013) by Glass Earth Limited on the Muirs Reef Project, were summarised in a 2013 NI43-101 Technical Report on Resources at Muirs Project, Te Puke, Bay of Plenty, New Zealand, Glass Earth Gold Limited. The foreign estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.

- **9.0m at 2.70 g/t Au** from 29.0m (RC02)
- **28.0m at 1.57 g/t Au** from 48.0m (RC30)

## Acquisition Terms

The material terms of the Acquisition are as follows:

1. **Consideration:** the Company will issue Grand Port (or its nominees) 900,000,000 fully paid ordinary shares in the capital of the Company in two tranches:
  - a. 500,000,000 to be issued under the Company's existing placement capacity under Listing Rule 7.1 (**Tranche One**); and
  - b. 400,000,000 to be issued following receipt of shareholder approval (**Tranche Two**);
2. **Conditions precedent:** completion of due diligence by Cyclone on Grand Port's business, assets and operations, including but not limited to its mineral tenements, expected to be within 30 days;
3. **Board nominee:** Grand Port will have the right to nominate one person to the board of Cyclone; and
4. **Shareholder approval:** A notice of meeting will be put to Cyclone shareholders to approve the Acquisition and Tranche Two shares.

Completion of the Acquisition is also conditional upon:

- Cyclone receiving written evidence that the relevant minister has consented to the Acquisition proceeding pursuant to the *Overseas Investment Act 2005* (NZ);
- Cyclone receiving written evidence that the relevant minister has consented to the change in effective control of Grand Port Resources Pty Ltd pursuant to the *Crown Minerals Act 1991* (NZ); and
- Other conditions considered customary for a transaction of this nature.

## Placement

In addition to the above, prior to completion of the Acquisition, Cyclone also proposes to undertake a capital raising to raise \$500,000 via the issue of 100,000,000 shares to sophisticated and professional investors, at an issue price of \$0.005 per share (**Placement Shares**) with one free attaching option for every 4 shares at an exercise price of \$0.006 expiring 31 March 2024 (**Placement Options**) (together, **the Placement**). The Placement Shares will be issued under the Company's existing placement capacity under Listing Rule 7.1A and the Placement Options using the Company's capacity under Listing Rule 7.1. Funds raised from the Placement will be applied toward initial work on Grand Port's projects, costs of the Acquisition and general working capital.

This announcement has been approved by the Company's board of directors.

Yours faithfully  
Cyclone Metals Limited

Terry Donnelly  
**Non-Executive Chairman**

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### Competent Persons Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Allan Younger, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Younger is a consultant of the Company. Mr Younger has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mr Younger consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this report that relates to non-JORC Foreign Estimates is based on information compiled by Mr Allan Younger, a Member of the Australian Institute of Mining and Metallurgy. The information in this announcement provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Muirs Reef Project. Mr Younger is a consultant of the company. Mr Younger consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. References and source of information:

- January 2013 NI43-101 Technical Report on Resources at Muirs Project, Te Puke, Bay of Plenty, New Zealand, Glass Earth Gold Limited.

## Details of non-JORC Foreign Resource Estimates in relation to ASX LR Chapter 5, for Muirs Reef Gold Project

Sections 5.10 to 5.12: *Requirements applicable to reports of foreign estimates and foreign estimates of mineralisation for material mining projects.*

ASX Listing Rule	Reference to previous announcement or compliance in current draft
5.10 - An entity reporting historical estimates or foreign estimates of mineralisation in relation to a material mining project to the public is not required to comply with rule 5.6 (The JORC Code) provided the entity complies with rules 5.12, 5.13 and 5.14.	For the qualified non-JORC foreign estimates included in this market release, Cyclone is not required to comply with Listing Rule 5.6 (JORC Code) as all relevant and requested disclosures are stated in the report and tabulated below.
5.11- An entity must not include historical estimates or foreign estimates (other than qualifying foreign estimates) of mineralisation in an economic analysis (including a scoping study, preliminary feasibility study, or a feasibility study) of the entity's mineral resources and ore reserves holdings.	The Company complies with 5.12, 5.13 and 5.14 requirements for statement of non-JORC foreign resource estimates, as tabled below.  Cyclone is not applying any economic analysis or commentary to the foreign resource estimates in this market release.
5.12 - Subject to rule 5.13, an entity reporting historical estimates or foreign estimates of mineralisation in relation to a material mining project must include all of the following information in a market announcement and give it to ASX for release to the market.	The same foreign resource estimates were previously reported to the TSX and NZSX in February 2013.
5.12.1 - The source and date of the historical estimates or foreign estimates.	The NI 43-101 Summary Report on Muirs was sourced from both Sedar and New Zealand Petroleum and Mining Department database • 30 January 2013 – Technical Report on Resources at Muirs Project, Te Puke, Bay of Plenty, New Zealand, Glass Earth Gold Limited.
5.12.2- Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	Reference to the category of mineralisation at the time was defined as "Inferred" and comparable to the current JORC Code.
5.12.3 - The relevance and materiality of the historical estimates or foreign estimates to the entity.	The foreign estimates for the gold deposit is relevant and material to Cyclone's planned exploration efforts at Muirs Reef, as it pertains to a project that could potentially be economically viable for the Company.
5.12.4 - The reliability of the historical estimates or foreign estimates, including by reference to any of the criteria in Table 1 of Appendix 5A (JORC Code) which are relevant to understanding the reliability of the historical estimates or foreign estimates.	The historical data was supported by extensive data reviews, and discussions with the Competent Person Peter Grieve for the January 2013 NI 43-101 Mineral Resource Estimate. The Competent Person views the foreign estimates as providing reasonable indications of the potential size and grade of the gold deposits in the area based on the amount of drilling completed.
5.12.5 - To the extent known, a summary of the work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical estimates or foreign estimates.	The non-JORC foreign estimate is based on data from Glass Earth Limited and historical data from BP Minerals dating back to the 1980's. BP Minerals 1986 Diamond 6 holes 659.9m (MR646) BP Minerals 1988 Diamond and RC 6 holes 782.65m (MR667) BP Minerals 1989 RC 6 holes 624m (MR685) BP Minerals 1989 RC 3 holes 294.6m (MR686) Otter Minerals Exploration Limited 1995 RC 7 holes 1,145m (MR 3374) Glass Earth Limited completed 24 trenches with 281 samples from 510m total length, 16 diamond drillholes of 3141.25m combined length, 2 RC drillholes of 463m combined length. The historical drilling consisted of 7 channel samples taken from surface and underground workings for a total of 253m combined, 12 diamond drillholes with a combined length of 1739m and 40 RC drillholes with a combined length of 3966m. Assays for BP Minerals diamond drilling for performed by W Grayson and Associates, Auckland. A 30g fire assay for gold with AAS finish was utilized and a 5g aqua regia digest for silver and arsenic with AAS finish. Assays for RC drilling conducted by MRNZL were performed by SGS laboratories in Waihi, NZ and the author has viewed copies of assay certificates (MR3374). All gold assays were performed using the 50g fire assay method with AAS finish. Silver assays were carried out using aqua regia digest from a 30g sample with AAS finish.

	<p>Assays for Glass Earth Limited samples were performed by SGS laboratories in Waihi. All gold assays were performed using the 50g Fire assay method with AAS finish (FAA515). Silver assays were carried out using aqua regia digest from a 30g sample with ICP-MS finish (ARM111). Both the GEGL database and the historical databases were judged to be of sufficient quality to enable an estimate to be undertaken.</p> <p>Three drilling and sampling campaigns from separate companies were used for the estimate. Thirty one channel samples with a combined length of 768m were included, twenty eight diamond drillholes with a combined length of 4,931m and 42 RC drillholes with a combined length of 4,565m. This gives a total length of sampling of 10,265m. All reference to historical results were sourced from publicly available documents.</p> <p>No mineral test work or recovery testing has been carried out. No economic parameters have been considered.</p>
5.12.6 - Any more recent estimates or data relevant to the reported mineralisation available to the entity.	There are no more recent estimates, and Cyclone is planning to convert Muirs Reef foreign estimate to JORC 2012.
5.12.7 - The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with Appendix 5A (JORC Code)	Further exploration field work is required including surveying all historical drillholes, closer-spaced/deeper drilling at and along strike extensional drilling targeting extensions to known mineralisation, and targets defined using geophysics.
5.12.8 - The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	Cyclone is currently consolidating data so that when the Muirs permit is granted, on ground work can be undertaken to generate a JORC 2012 Mineral Resource Estimate. The Company is also looking to reprocess geophysical data to improve structural interpretation. Cyclone is an ASX-listed Company and will fund exploration work in compliance with listing rules, its constitution, market conditions and appropriate shareholder approval.
5.12.9 - A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that: the estimates are historical estimates or foreign estimates and are not reported in accordance with the JORC Code; a competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and it is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code	<p>The following cautionary statement has been inserted in the report proximal to mention of foreign resources on page X: "Non-JORC foreign estimate (2013) by Glass Earth Limited on the Muirs Reef Project, were summarised in a 2013 NI43-101 Technical Report on Resources at Muirs Project, Te Puke, Bay of Plenty, New Zealand, Glass Earth Gold Limited.</p> <p><b><i>The foreign estimates are not reported in accordance with the JORC Code and a competent person has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code. It is uncertain that following evaluation and further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.</i></b></p> <p>Allan Younger, a Geologist and consultant to the Company, is acting as the Competent Person for this report - The following statement has been included in the Competent Person section: "<b><i>The information in this report that relates to non-JORC Foreign Estimates is based on information compiled by Mr Allan Younger, a Member of the Australian Institute of Mining and Metallurgy. The information in this announcement provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Muirs Reef Project. Mr Younger is a consultant to the company. Mr Younger consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.</i></b>"</p>
5.12.10 - A statement by a named competent person or persons that the information in the market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the information referred to in rule 5.22(b) and (c).	

## APPENDIX 1.

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the **Muir's Gold Project**.

### Section 1: Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	<p>All drilling and sampling was undertaken in an industry standard manner.</p> <p>Core samples were collected with a diamond rig drilling mainly NQ2 diameter core.</p> <p>After logging and photographing, NQ2 drill core was cut in half, with one half sent to the laboratory for assay and the other half retained. Holes were sampled over mineralised intervals to geological boundaries on a nominal 1m basis.</p> <p>Sample weights ranged from 2-4kg</p> <p>RC holes were sampled on a 1m basis</p> <p>with samples collected from a cone splitter mounted on the drill rig cyclone. 1m sample ranges from a typical 2.5- 4kg</p> <p>The independent laboratory pulverised the entire sample for analysis as described below.</p> <p>Industry prepared independent standards are inserted.</p> <p>The independent laboratory then takes the samples which are dried, split, crushed and pulverised prior to analysis as described below.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Sample sizes are considered appropriate for the material sampled.</p> <p>The samples are considered representative and appropriate for this type of drilling. Diamond core and RC samples are appropriate for use in a resource estimate.</p>
	<i>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.</i>	<p>Reverse circulation drilling was used to obtain 1 m samples. Diamond Drilling also used 1 m lengths or where stated, lithological contacts were used.</p> <p>All samples were pulverized from 2-4kg of sample, to produce a 50 g charge for fire assay for Au and a 30g charge for aqua regia for Ag.</p>
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	Reverse Circulation (RC) hammer drilling, Rotary Air Blast (RAB), and Diamond drilling have been undertaken at Muir's Reef Project.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<p>Geotechnical logging and petrology were completed on Diamond core with recovery being recorded.</p> <p>RC drilling had recovery recorded along with ground water.</p>

	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not Known.
	<i>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.</i>	No relationship to bias has been noted.
<b>Logging</b>	<i>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.</i>	The entire hole has been geologically logged and core was photographed by the then Company geologists, with systematic sampling undertaken based on rock type and alteration observed. RC and diamond sample results are appropriate for use in a resource estimation.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging is completed for all types of geological data capture, whether Diamond core, RC, RAB or trenching. Core is photographed.

Criteria	JORC Code explanation	Commentary
	<i>The total length and percentage of the relevant intersections logged.</i>	A total of 9,712.75m of drilling and trenching were logged, which is 100% of all work.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core was cut in half and half core was assayed. RC drilling rig was equipped with a rig-mounted cyclone and static cone splitter, which provided one bulk sample of approximately 20-30 kilograms, and a representative sub-sample of approximately 2-4 kilograms for every metre drilled.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not Known.
	<i>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.</i>	Not Known.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample size of 2-4 kilograms is appropriate and representative of the grain size and mineralisation style of the deposit.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Assays for BP Minerals diamond drilling for performed by W Grayson and Associates, Auckland. A 30g fire assay for gold with AAS finish was utilized and a 5g aqua regia digest for silver and arsenic with AAS finish Assays for RC drilling conducted by MRNZL were performed by SGS laboratories in Waihi, NZ and the author has viewed copies of assay certificates (MR3374). All gold assays were performed using the 50g fire assay method with AAS finish. Silver assays were carried out using aqua regia digest from a 30g sample with AAS finish.
	<i>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.</i>	Assays for Glass Earth samples were performed by SGS laboratories in Waihi. All gold assays were performed using the 50 g fire assay method with AAS finish (FAA515). Silver assays were carried out using aqua regia digest from a 30 g sample with ICP-MS finish (ARM111).  Stream Sediment sampling analysis was done using bulk cyanide leach extractable gold method (BLEG) by ALS Chemex in Perth, Western Australia. Detection limits of 0.1 ppb for gold were used.  Glass Earth's 2005 CVR airborne geophysical survey was conducted using a fixed wing aircraft equipped with a Scintrex CS-2 Cesium Vapour Magnetometer. The aircraft also carried a GR-820 Gamma Ray Spectrometer which collected radiometric data along flight lines. Magnetic field (total magnetic intensity) was digitally recorded at a resolution of 0.001nT at 10Hz or 0.1 second reading intervals. Radiometric data was digitally recorded at 1.0 second

Criteria	JORC Code explanation	Commentary
		intervals (1.0Hz).
	<i>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.</i>	There is no documentation supplied of quality assurance (QA) procedures used by any BP Minerals Exploration or MRNZL in the handling and treatment of analytical samples, or the use of blanks, duplicates, and standards inserted into the assay pulp stream. Reliance must be placed on the historic professional levels of expertise and sample handling that were expected of technical staff and assay labs of the time. The certification of analytical labs to ISO 9001/9002 standards was not in effect in the 1980's or 1990's.  Glass Earth Limited conducted a QA program which consisted of blanks and standards inserted routinely into sample batches. Blanks were inserted at the start of each batch to check for contamination from prior assay work and certified standards were inserted every 30 samples. Duplicates were only taken from RC samples. Certified standards were supplied by Rocklabs Ltd.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No known.
	<i>The use of twinned holes.</i>	No holes have been twinned at this stage.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Not known for work programs pre 2004. Glass Earth kept digital copies and hardcopy of all work programs.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made.
<b>Location of data points</b>	<i>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.</i>	Drill holes have been surveyed with a hand held GPS.  NZTM
	<i>Specification of the grid system used.</i>	
	<i>Quality and adequacy of topographic control.</i>	

Criteria	JORC Code explanation	Commentary
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Data spacing is variable from 200m to 50m spacing.
	<i>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.</i>	Data spacing has produced a Non-JORC estimate that has been reported in this news release using Chapter 5. The resource will be converted to JORC once on ground work can be undertaken.
	<i>Whether sample compositing has been applied.</i>	Not Known.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Drilling is perpendicular to the main known strike of the gold bearing reefs.
	<i>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.</i>	

Criteria	JORC Code explanation	Commentary
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Not Known.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Glass Earth Limited undertook audits and reviews on all data when added into the exploration database. This included 24 blank standards and 153 certified assay standards for Glass Earth Limited drilling and trenching programs.

## Section 2: Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	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.	Midway Resources Limited is the 100% owner of Exploration Permit application EP60671 at Muirs Reef. There are no third-party royalties or agreements.
	<i>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.</i>	No perceived risk with tenure or with applications not being granted, under the NZP&M system. Under the NZ system the application process is competitive and the best application is awarded the application with the right to move to grant. Mareburn has been granted with all other permits moving towards grant.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	A history of exploration is included under the header Previous Exploration. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward. A resistivity survey and ground magnetic surveying was also conducted by Otter Minerals in 1995 (MR3355). Glass Earth Gold held the Muirs Reef area under permit EP40667 and part of EP40768 from 2004 to 2013, where they conducted a range of intensive exploration during this period, building on the interpretation of the mineralised system developed from previous geophysics (airborne and ground), geological mapping, geochemical sampling and drilling. The work included additional drilling, trenching, resource modelling and the commencement of conceptual approaches to mining. An airborne magnetic geophysical survey was conducted as part of Glass Earths 2005 CVR airborne geophysical project. A 2013 ground based Gradient Array Resistivity Survey was also carried out with a line spacing of 20 m between electrodes along 900-1,000 m spreads.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	The Central Volcanic Region (CVR) also known as the Taupo Volcanic Zone (TVZ) is a tectonic-volcanic region 30-50 km wide NNE from Mt Ruapehu to White Island. It is the main region of quaternary volcanism and geothermal activity in New Zealand occupying a major graben structure infilled by rhyolitic intrusive and extrusive rocks and volcanic derived sediments underlain by westerly dipping basement greywacke. Structurally the formation of the CVR is controlled by subduction of the westerly dipping Pacific plate beneath the Indian plate. Hydrothermal activity in the application area appears to have predated the Mamaku Ignimbrite. The major style of mineralisation in the area is fissure filling quartz lodes of higher-level epithermal type. Quartz veinlet "stockworks" are closely spatially associated with these lodes, but it is not clear if they are contemporaneous, nor whether they are affected by the

Criteria	JORC Code explanation	Commentary
		same structural controls as the fissure lodes.
<b>Drill hole Information</b>	<i>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:</i>	Refer Table 2 for Muirs Reef drill hole information.
	<ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul>	Coordinates are reported in NZTM.
	<i>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.</i>	Refer Table 2 for Muirs Reef drill hole information.
<b>Data aggregation methods</b>	<i>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.</i>	No top cuts have been applied.
	<i>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.</i>	All intervals reported are composed of 1 metre down hole intervals for Reverse Circulation drilling, and 1m intervals for Diamond core unless stated, and length weighted. No upper or lower cut-off grades have been used in reporting results.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent calculations are used in this report.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>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').</i>	True widths of mineralisation have not been calculated for this report, and as such all intersections reported are down-hole thicknesses. A better understanding of the deposit geometry will be achieved on thorough interpretation of the data. True thicknesses may be reported at a later date if warranted. Due to the moderately to steeply dipping nature of the mineralised zones, it is expected that true thicknesses will be less than the reported down-hole thicknesses.
<b>Diagrams</b>	<i>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.</i>	Appropriate diagrams and Figures are contained in the body of the news release.
<b>Balanced reporting</b>	<i>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.</i>	Reporting of Exploration Results is considered balanced and all work has been reported.

Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	<i>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.</i>	A history of exploration is included under the header Previous Exploration. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward.
<b>Further work</b>	<p><i>The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Stage 1</p> <ul style="list-style-type: none"> <li>Detailed structural mapping from existing Gradient Array Resistivity survey and high resolution magnetic survey, and field checking, in association with Ionic Leach™ geochemistry sampling as a first pass. Collection of LiDar (ultra-detailed DEM) may substantially improve understanding of the mineralisation.</li> <li>Petrographic studies on existing diamond core focusing on fluid inclusion temperature studies would assist in defining potential gold deposition levels.</li> </ul> <p>Stage 2</p> <ul style="list-style-type: none"> <li>Infill and step out drilling is recommended using diamond core drilling at both Massey Reef and Muirs Reef to expand the resource, and test targets identified in Stage 1 work.</li> <li>Convert the non JORC estimate to JORC (2012</li> </ul>

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the **Mareburn Gold Project**.

## Section 1: Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>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.</i>	Every metre drilled was sampled at the drill rig using a rig mounted static cone splitter to collect 2 – 3kg sub samples. 3m composites through the geologically determined non-mineralised zones were collected using the pipe/spear method of sampling the coarse reject sample collected in standard green bags, which remain at the drill site.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Standard reference material, sample duplicates were used as per industry standard.
	<i>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.</i>	<p>A combination of RC 1m split and 3m composite samples RAB drilling.</p> <p>Assaying at commercial NZ laboratory W Grayson &amp; Associates and at the Macraes Gold Mine assay laboratory for crushing, splitting and analysis.</p> <p>Analysis was undertaken for gold assay by 50g fire assay.</p>

<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	Reverse Circulation (RC) drilling, and 9 RAB drill holes.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Drill recovery was routinely recorded via estimation of the comparative percentage of the volume of the sample bag by the company geologist. The sample recovery was deemed adequate for representative assays.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	A qualitative estimate of sample weight was undertaken to ensure consistency of sample size and to monitor sample recoveries at the time of drilling.
	<i>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.</i>	Drill sample recovery and quality is considered to be adequate for the drilling technique employed.
<b>Logging</b>	<i>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.</i>	All holes have been geologically logged for lithology, mineralisation and weathering. A brief description of each drilling sample was recorded.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Lithology codes have been interpreted by a geologist for consistency across the project.
	<i>The total length and percentage of the relevant intersections logged.</i>	Veining, shearing and mineralisation noted in lithological logs.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	A sub sample from the RC drill rig of approximately 2- 4kg was taken from a rig mounted riffle splitter off the cyclone. Samples were pulverised to 95% passing 75 microns. From this a 50g charge was taken for fire assay with AAS finish. These assaying techniques are considered appropriate for this style of mineralisation.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	
	<i>Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples.</i>	QAQC data is not known.
	<i>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.</i>	The use of fire assay with 50g charge for all RC drilling provides a level of confidence in the assay database. The sampling and assaying in considered representative of the in-situ material.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample size of 2-4 kilograms is appropriate and representative of the grain size and mineralisation style of the deposit.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i>	The laboratory techniques below were for all samples submitted and are considered appropriate for the style of mineralisation defined within the Mareburn area: Samples above 3Kg were riffle split. Samples were dried, crushed to -6mm then pulverised to 95% passing 75 microns, a 250 gm split sample was roll mixed and subsampled for a 50-gram Fire Assay with AAS finish - Au.
<b>Verification of sampling and</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Unknown

<b>assaying</b>	<i>The use of twinned holes.</i>	No twinned holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data were found to be of high quality and in accordance with contract specifications. Laboratory standards and blank samples were inserted at regular intervals and some duplicate samples were taken for QC checks.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made to assay data.
<b>Location of data points</b>	<i>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.</i>	Survey methods prior to 2000 are unknown, post 2000 collars were picked up by licensed surveyor. NZTM and NZ49
	<i>Specification of the grid system used.</i>	
	<i>Quality and adequacy of topographic control.</i>	

Criteria	JORC Code explanation	Commentary
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Collar information or the reported holes is provided. Rockchip samples were randomly collected and were appropriate given the objectives of the program.
	<i>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.</i>	Intercepts given are downhole widths with the true widths not determined.
	<i>Whether sample compositing has been applied.</i>	Single metre sampling used within mineralised zones.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Drill holes and have generally been drilled vertically, on a NW orientated grid defined by the Macraes Gold Mining Grid. Geochemical sampling has also used this grid. Future work by Cyclone intends to use a N-S grid.
	<i>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.</i>	
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Sample security measures for historical drilling are unknown.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Audit reviews are unknown.

## Section 2: Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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</i>	Midway Resources Limited is the 100% owner of Exploration Permit application EP60663 at Mareburn. There are no royalties or third-party agreements.

Criteria	JORC Code explanation	Commentary
	<i>national park and environmental settings.</i>	
	<i>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.</i>	No perceived risk with tenure or with applications not being granted, under the NZP&M system. Under the NZ system the application process is competitive and the best application is awarded the application with the right to move to grant. Mareburn has been granted with all other permits moving towards grant.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	A history of exploration is included under the header Previous Exploration for each of the project areas, Muirs, Mareburn, and Longwood Range. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	Mineralisation in the application area has formed predominantly low-angle (dip < 20°), grey-white quartz veins with associated silicified and brecciated schist (± arsenopyrite ± gold), of between 4- to 30 cm thickness (Teagle et. al., 1990). They are commonly subparallel to the bounding fractures and concordant with the foliation of the host schist. Veins are lensoidal in both length and breadth and no one lens appears to be continuous for more than 10 to 15 m either along strike or down-dip. In cross section these veins appear to be sinuous, thickened on the shallowly dipping parts of faults and at bends, with decreased thicknesses of mineralisation in the steeper segments. The schist surrounding quartz veins is commonly silicified (Teagle et. al., 1990).
<b>Drill hole Information</b>	<i>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:</i> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul>	See Table 5 for drill hole information.  NZTM
	<i>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.</i>	
<b>Data aggregation methods</b>	<i>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.</i>	No cut offs have been used.

Criteria	JORC Code explanation	Commentary
	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.	No metal equivalents being used.
<b>Relationship between mineralisation widths and intercept lengths</b>	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').	Drilling is vertical into low angle mineralisation with shear zones, so is thought to be near true width. Even with this interpretation, without diamond core, it is still unknown whether the interpretation is correct.
<b>Diagrams</b>	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.	Appropriate diagrams and Figures are contained in the body of the news release.
<b>Balanced reporting</b>	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 have been reported.
<b>Other substantive exploration data</b>	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.	A history of exploration is included under the header Previous Exploration. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward.
<b>Further work</b>	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.	An initial orientation survey to trial some newer techniques (Ionic Leach™ geochemistry) and “fingerprint” multi-element analysis of mineralised rock chip samples. Sub-Audio-Magnetics (SAM) survey to define structural corridors in a non-magnetic environment. Drill testing of targets generated from the above work programs, particularly focusing on structure perpendicular to the main Hyde -Macraes Shear zone.

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results at the **Longwood Range Gold Project**.

## Section 1: Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>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.</i>	No sampling being reported.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	No sampling being reported.
	<i>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.</i>	No sampling being reported.
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i>	4 diamond drill holes were completed by Anzex Limited in the late 90's, but this drilling is not being reported. There is no other known drilling within the project.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling being reported.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No drilling being reported.
	<i>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.</i>	No drilling being reported.
<b>Logging</b>	<i>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.</i>	No drilling being reported.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	No drilling being reported.

Criteria	JORC Code explanation	Commentary
	<i>The total length and percentage of the relevant intersections logged.</i>	No drilling being reported.

Criteria	JORC Code explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No drilling being reported.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No drilling being reported.
	<i>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.</i>	No drilling being reported.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	No drilling being reported.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No drilling being reported.
	<i>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.</i>	No drilling being reported.
	<i>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.</i>	No drilling being reported.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No drilling being reported.
	<i>The use of twinned holes.</i>	No drilling being reported.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	No drilling being reported.
	<i>Discuss any adjustment to assay data.</i>	No drilling being reported.
<b>Location of data points</b>	<i>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.</i>	No drilling being reported.
	<i>Specification of the grid system used.</i>	
	<i>Quality and adequacy of topographic control.</i>	

Criteria	JORC Code explanation	Commentary
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Exploration is at too early a stage to comment on data spacing.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	No data density to enable any estimation for an MRE.
	<i>Whether sample compositing has been applied.</i>	No compositing has been applied.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Too early to comment on orientation.
	<i>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.</i>	No drilling being reported.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	No drilling being reported.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No review of sampling techniques for geochemistry, 4 diamond drill holes, geophysics, has been undertaken.

## Section 2: Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	Midway Resources Limited is the 100% owner of 3 permits that make up Longwood Range. Prinz Exploration Permit application EP60694, Longwood Tops Prospecting Permit application PP60693 and Merivale Exploration Permit application EP60692. There are no royalties or third-party agreements. Longwood Tops and Merivale are within Department of Conservation (DOC) administered land. This requires consents from DOC as well as the District council for ground disturbing activities such as drilling and trenching.
	<i>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.</i>	No perceived risk with tenure or with applications not being granted, under the NZP&M system. Under the NZ system the application process is competitive and the best application is awarded the application with the right to move to grant.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	A history of exploration is included under the header Previous Exploration for each of the project areas, Muirs, Mareburn, and Longwood Range. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	Structurally controlled Au deposits and Intrusion Related Gold deposits (IRG), that are the potential source of the significant amount of alluvial Au obtained in the region. Potential IRG deposit styles being investigated are Sanukitoids/high magnesium diorites. Midway is also interested in hard rock PGE mineralisation within the Hekeia Gabbro, which is wholly contained within Longwood Range. Alluvial platinum has

Criteria	JORC Code explanation	Commentary
		been recovered with alluvial Au operations in the area.
<b>Drill hole Information</b>	<i>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:</i>	4 diamond drill holes were completed at Longwood Range by Anzex and target geological models and Pt Pd geochemical anomalies. These holes are referred to briefly, but results are not included in this news release.
	<ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul>	No drilling being reported.
	<i>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.</i>	No drilling being reported.
<b>Data aggregation methods</b>	<i>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.</i>	No data aggregation is being used.
	<i>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.</i>	No aggregation of mineralised intercepts is being reported.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalents are being used or reported.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>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').</i>	Mineralisation widths not being reported. 4 diamond drill holes completed by ANEX are not being reported.
<b>Diagrams</b>	<i>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.</i>	Appropriate diagrams and Figures are contained in the body of the news release.
<b>Balanced reporting</b>	<i>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.</i>	This news release contains information on all past exploration and production from the permits and is considered to be balanced.

Criteria	JORC Code explanation	Commentary
<b>Other substantive exploration data</b>	<i>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.</i>	A history of exploration is included under the header Previous Exploration. The quality of exploration work is high, with acknowledgement by some parties that structural understanding is the path forward.
<b>Further work</b>	<p><i>The nature and scale of planned further work (eg. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Cyclone plans to undertake Ionic Leach™ geochemistry as a first pass, and then focus on high-resolution magnetics and structural modelling. The previous work by explorers, is available in NZP&amp;M reports and data, and although difficult to JORC, it gives Midway the indicators of where to focus exploration efforts in the short term.</p> <p>Cyclone will also consider an airborne electromagnetic survey looking for higher sulphidation areas for copper sulphides.</p>