ELMORE

13th September 2022

PEKO RESOURCE

KEY POINTS

- A new JORC compliant Inferred Resource has been modelled for Peko
- The model is based on total material in the stockpile prior to commencement of reprocessing this year

*Elmore Limited (ASX: ELE) ("**Elmore**" or "the **Company**") is pleased to announce that the Company has received the revised JORC compliant model for the Peko stockpile based on volumetric surveys undertaken prior to the commencement of processing by Elmore.*

The Inferred resource covers total material in the stockpile, and specifies contained gold, copper and cobalt.

The results are aligned to the Company's previous expectations and will allow Elmore to provide further context to its operating plans and financial modelling.

Table 1: Total Inferred Resources of the Peko tailings; status as of 20 of August 2022.

Tonnage (Kt)	Grade			Contained metal		
	Au g/t	Cu %	Co %	GOLD (Koz)	COPPER (Kt)	COBALT (Kt)
3,615	**1.1**	**0.22**	**0.10**	**129**	**8.1**	**3.5**

Contained and recoverable magnetite volumes remain an estimate by the Company based on observations and recoveries in sampling and test-work prior to the commencement of the project. Though these estimates have been further validated by operational results, magnetite does not form part of this resource estimate.

Managing Directors Statement

Elmore's Managing Director, David Mendelawitz stated: "Receiving and publishing this resource is an important step in us realising the potential of Peko. We are now able to close the loop between our laboratory test-work, what we are seeing in production and the cost model that underpins both our operating and refinancing plans. We look forwards to presenting the results of our modelling, which demonstrates an exciting and profitable mine-life for the project."

GEOLOGICAL BACKGROUND

The mineralisation is not a natural deposit but is represented by the tailings of the Au-Cu-Fe processing plant. In total, there are 6 tailings dams at the Peko mine site (Fig. 1a). The tailings were formed by slowly and evenly infilling the natural depressions by the rejects (tailings) of the processing plant. This has created horizontal layering of the mineralisation infilling tailings (Fig. 1b).

The tailings consist of mainly magnetite (~80%) with smaller amounts of silicate gangue mineral and minor amounts of sulphides and quartz. The sulphide minerology consists of mainly gold bearing pyrite with small amounts of chalcopyrite, marcasite, arsenopyrite and pyrrhotite. The primary copper bearing mineral is chalcopyrite. Main cobalt bearing mineral is pyrite. Cobalt also present in arsenopyrite, which is rare and occurs only as the traces in the tailings samples.

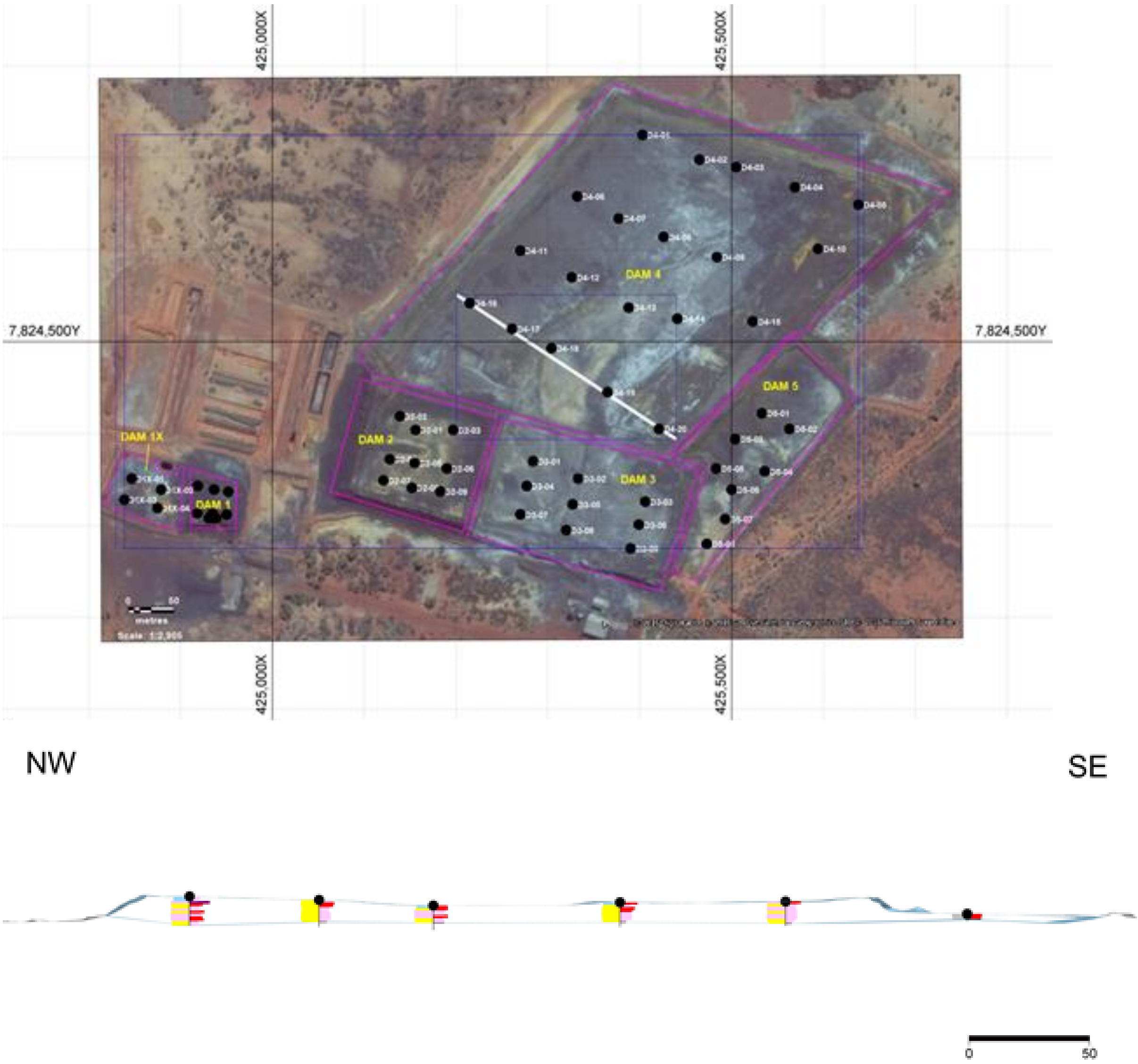


Figure 1: Peko tailings: (a) map showing distribution of the drill holes drilled in 2016; (b) cross-section. Location of the cross-section is shown on the Figure 1a.

DATA

Summary of relevant exploration work program

Several campaigns of drilling and Resource estimation was undertaken at the Peko Stockpile.

- *Drilling by ADL Drilling Pty Ltd (**ADL**) in 1985 was made using an open hole power auger drill. In late 1987 three twin holes in Dams 2 and 3 showed that the 1985 ADL samples had become significantly oxidized, prompting a decision to redrill the dams, concentrating on Dams 1, 2 and 3 for a total of 135 holes and 1,213m (average depth 8.9m). The method of drilling and sample collection for this program is not known.*

- *The Normandy drilling undertaken by Normandy (**Normandy Drilling**)comprised 50m by 50m spaced, auger cased, core holes, with samples taken every metre downhole. This was the first confirmed use of cased holes and the implied greater confidence in sample integrity.*

The drilling program totalled 103 holes for 760.25 metres and covered the four main dams, a small dump east of Dam 4.
For the greater part sample recoveries exceeded 90% with more difficult moist material near the bottom of the dams. Normandy found that there were no apparent high grade gold domains within the resource despite a long processing history (1954-1976) and multiple ore sources.

- *In 2016, the previous project owner has undertook comprehensive drilling of the tailings. This data was used for estimation resources in 2017 and also used for the current estimate*

The Resource database includes 19 hand auger drill holes (38m drilled) and 46 track mounted RC drill holes (409m drilled). All drilling was made in January 2016, and was carried out using standard drilling and sampling procedures.

Drill holes were sampled at 1m intervals. A total of 447 samples were analysed at ALS in Perth for the following elements:

- *Au - ALS laboratory code of assay method is Au-AA26 (fire assay with atomic absorption finish)*

- *Cu, Co, Ag, Bi, Fe, S - ALS laboratory code of assay method is ME-ICP61 (inductively coupled plasma atomic emission spectroscopy, ICP – AES)*

Reverse Circulation and auger drilling was used to obtain 1 m samples, approximately 3 kg. The samples were delivered to ALS Metallurgy laboratory in Perth for preparation and assaying.

The 1m samples were individually dried and pulverised then portions taken from the pulverised material for fire assay determination and a further portion taken for ICP analyses

The 2016 drilling results have been compared with the previous drilling data, in particular the Resource definition database of Normandy. The comparison indicates that 2016 results are in a good agreement with the previous drilling results.

Figure 1a shows drill hole spacing for reporting exploration results, and it is considered to be suitable for estimation of Inferred Resources.

Results of the 2016 drilling was reviewed by A.L.Govey, an independent consultant. He has concluded:
" Drilling by PekoBull has successfully verified or exceeded the grade, thickness and lateral and downhole continuity of the Peko tailings deposit as reported by predecessor companies. In addition ample new sample material was made available for extensive metallurgical test work. The project has passed a significant milestone in reducing, if not eliminating, any uncertainty relating to the Au-Cu-Co grades. There is sufficient previous work to reliably establish the volume and tonnage of tailings present and hence the contained metal inventory".

Resource database contains 65 drill holes with 496 samples (Table 1). Easting and Northing coordinates were obtained using the hand-held GPS. Z coordinate was deduced from the LiDAR topographic surface by projecting the drillhole collars onto the LiDAR wireframe.
Tailings density data were the same that were used in the previous estimates (Normandy, 1997 and Abzalov, 2017).

Table 2: Distribution of the drill holes, drilled in 2016, by the tailings dams

Dam	***No. Auger Holes***	***Total Metres***	***No. RC Holes***	***Total Metres***	***Average Depth***
1	*15*	*30*			*2*
1X	*4*	*8*			*2*
2			*9*	*126*	*14*
3			*9*	*83*	*9*
4			*20*	*180*	*9*
5			*8*	*20*	*2.5*
Total	***19***	***38***	***46***	***409***	

TAILINGS DENSITY

Dry Bulk Density was determined in 1989 by Laurie Smith and Associates. For this purpose, they dug two trenches in Dam 2 and three trenches in Dam 3. The bulk density of tailings was determined by measuring of the excavated volumes ranging from 25-53m^3 and the sample weights ranging from 60-100 tonnes. The bulk dry density determinations of the 5 trenches varied from 1.48 to 2.58 tonnes/m3 (ie. BDD22 - 2.31, BDD21 - 1.48, BDD33 - 2.21, BDD32 - 1.79 and BDD31 - 2.58).
Based on these data the following density values were estimated for the tailings dams:

- *Dam 1; 2.15 dry tonnes /m^3*
- *Dam 2; 2.17 dry tonnes /m^3*
- *Dam 3; 2.17 dry tonnes /m^3*

- *Dam 4; 2.16 dry tonnes /m³*

These values were used for tailings Resource estimation in 1997 by Normandy and used for the current Resource estimation.

ESTIMATION METHODOLOGY

Resources were estimated in a 2D system.

- *Geostatistical analysis was made using ISATIS, a special geostatistical software.*
- *The model area was constrained by digitising the boundaries of the tailings dams from the map shown on the Figure 1a that were corrected by adjusting boundary string to the toe of the slope on the LiDAR wireframe of the Peko's topographic surface (Fig. 2).*
- *Volume of the mineralised bodies was estimated using the 3D wireframe of the tailings. Top surface was obtained using the LiDAR survey (Fig. 2). Bottom of the tailings deduced form the drill holes intersecting the tailings. The two surfaces were combined generating the closed 3D wireframe, that colloquially referred as a solid. The 3D solid was infilled by the rectangular cells of the block model (Fig. 3). Parent cells were 40 x 40m, vertical dimension was not defined, because the blocks grades were estimated using 2D kriging. Optimal fitting of the block was achieved by sub-celling the parent blocks to 2x2x0.25 subcells.*

Figure 2: Topographic surface of the Peko tailings generated using the LiDAR data

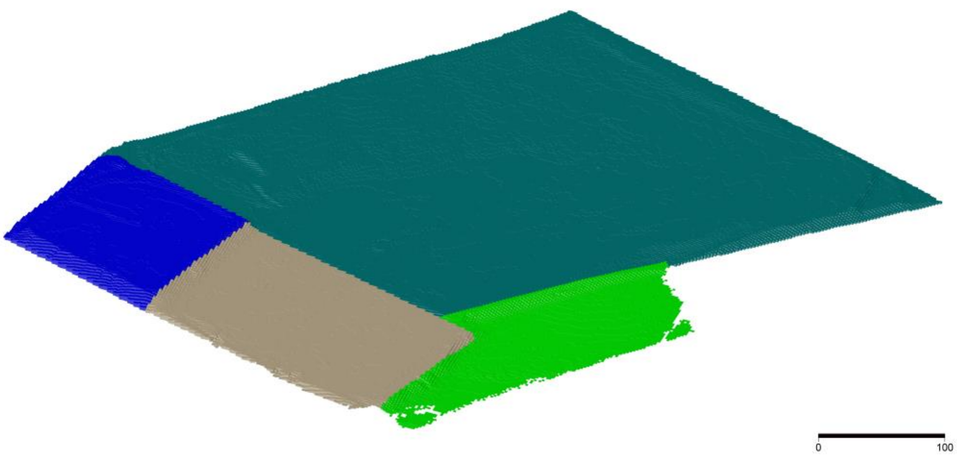
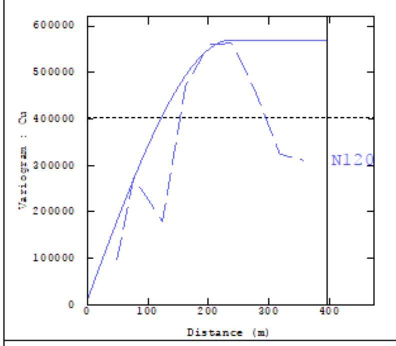
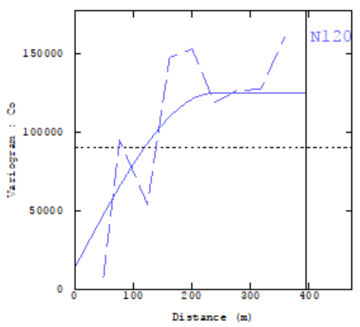


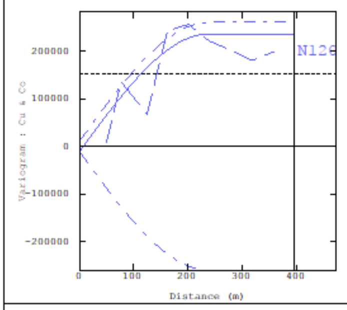
Figure 3: 3D closed wireframe of the Peko tailings 2, 3, 4 and 5

Volume of the tailings estimated directly from the wireframe is 1,668,400 m^3.
Volume of the block model is 1,666,636 m^3. The difference is 0.1%, which is non-material.

- *2D variograms of Au, Cu and Co are summarised on the Figures 4 and 5:*





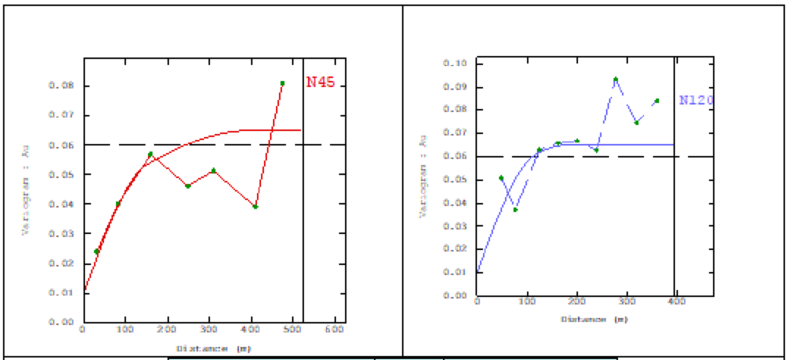


Cu		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	8990			
Spherical 1	$\gamma_{1(S)}$	560636	300	235	

Co		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	13400			
Spherical 1	$\gamma_{1(S)}$	111460	300	235	

Cu - Co		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	-10975			
Spherical 1	$\gamma_{1(S)}$	247630	300	235	

Figure 4: 2D variograms and cross-variograms of Cu - Co and their models



Structure		SILL	Ranges (m)	
			Major	***Minor***
Nugget	γ_0	0.01		
Spherical 1	$\gamma_{1(S)}$	0.03	225	145
Spherical 2	$\gamma_{2(S)}$	0.025	230	150

Figure 5: 2D variograms of Au

- *Grade of the tailings was estimated as follows:*
  - *Dams 3, 4 and 5 were estimated as one body. Au by Ordinary kriging; Cu and Co by Ordinary Co-kriging;*
  - *Dam 2: was estimated separately. Au by Ordinary kriging; Cu and Co by Ordinary Co-kriging;*
  - *Dam 1x: grade of Au, Cu and Co was estimated as average of 8 samples collected from 4 holes drilled in this dam;*
  - *Dam 1 was not estimated due to insufficient data.*

The drillhole data was used for estimation Mineral Resources. Average grade of intersection was estimated using length weighing technique, also given the equal size of the all samples, which are 1m long, all samples of the drillhole received the same weight.

Intersections is defined by top and bottom of the tailings.

No high-grade top cut was used, because statistical distribution of the data is close to normal and lacking of the outliers.

Figure 6. Drone Image of Tailings Stockpile

Further Exploration

As the tailings stockpile is a body of material that is easily visually definable, no further exploration is required. Infill drilling may be undertaken if the Company believes that it is beneficial to increase the Resource category from Inferred to Indicated or measured. Further exploration targeting subsurface mineralisation may be undertaken by the Company, though any resources defined would be separate to the resources defined in this resource model.

Metallurgical Test-work Associated with Resource Calculation

A substantial amount of historical (pre 1987) testwork has been completed for the recovery of gold, copper and cobalt metals from the Peko tailings material. Almost all testwork completed after 1987 (mainly in the early 2000s) has been focused on magnetic separation of a suitable coal washery magnetite product. Historical flotation work on the tailings showed ~50% of the gold reports to a flotation concentrate, with the remainder to the flotation tail (consisting of magnetite plus gangue). Cyanide leaching of the float tail yielded a residue which contains 0.2 to 0.3g/t Au. Total copper and cobalt recovery of 86% to 88%, (including water soluble plus concentrate) was produced when a flotation concentrate weight of 10 to 12% was produced. Gold recoveries of 65% - 75% were regularly achieved from this historical testwork.

Additional metallurgical tests have been undertaken in 2016 by ALS Metallurgy laboratory in Perth on behalf of Peko Bull. Results of the tests are as follows:

- Upfront grinding of the material is unlikely to have any additional benefits for gold, copper and cobalt extraction and can likely be eliminated from future flowsheets.
- A clean sulphide concentrate can be produced from the tailings by flotation. This fact was demonstrated in the proof of concept testwork and also in previous

testing (1985 to 1987), which demonstrated that flotation could recover a concentrate which amounted to between 10 to 12% of the weight containing 50% of the gold.

- The tailings will produce a saleable grade coal washery magnetic concentrate.
- The tailings are acidic, and a significant proportion of the copper and cobalt are soluble when the tailings are mixed with water.

Elmore has reviewed this data and agree with the findings that where noted at that time.

Historical testing also demonstrated that LoPOx leaching can have a significant improvement in total metal recovery. A 50% increase was observed for cobalt recovery.

Competent Persons Statement

The information contained in this announcement that relates to the exploration results and the mineral resource estimates is based, and fairly reflects, information compiled by Mr David Mendelawitz, who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mendelawitz is the Managing Director to Elmore Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mendelawitz consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

REFERENCES

Abzalov, M (2017): Peko Tailings: Estimation of Mineral Resources (concise report). MASSA geoservices, Reference Number PEC20171115, 43p.

Normandy Mining Ltd. (1997): Tenant Creek Tailings, desk top study. 19p.

The details of the resource can be found in the attached Table 1.

-END-

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This release has been authorised by Elmore's Board of Directors

Appendix 1 - Drillhole Collar Co-ordinates

Hole_ID	Depth_m	East (MGA zone 53)	North (MGA zone 53	LAT (GDA 94)	LONG (GDA94)	RL_LiDAR	DAM
D1-01	2	424918.8	7824343.1				1
D1-02	2	424936.7	7824339.1				1
D1-03	2	424952.1	7824336.6				1
D1-04	2	424918.5	7824313.2				1
D1-05	1	424934.8	7824313.2				1
D1-06	2	424950.2	7824312.0				1
D1-07	2	424930.8	7824308.1				1
D1-08	2	424931.8	7824308.1				1
D1-09	2	424932.8	7824308.1				1
D1-10	2	424933.8	7824308.1				1
D1-11	2	424934.8	7824308.1				1
D1-12	2	424935.8	7824308.1				1
D1-13	2	424936.8	7824308.1				1
D1-14	2	424937.8	7824308.1				1
D1-15	2	424938.8	7824308.1				1
D1X-01	2	424847.0	7824351.0	-19.6748	134.2830		1.1
D1X-02	2	424879.0	7824339.0	-19.6749	134.2833		1.1
D1X-03	2	424839.0	7824328.0	-19.6750	134.2830		1.1
D1X-04	2	424875.0	7824319.0	-19.6750	134.2833		1.1
D2-01	15	425156.0	7824404.0	-19.6743	134.2860	311.7	2
D2-02	15	425139.0	7824419.0	-19.6742	134.2858	311.6	2
D2-03	15	425197.0	7824404.0	-19.6743	134.2864	311.6	2
D2-04	15	425128.0	7824372.0	-19.6746	134.2857	311.7	2
D2-05	15	425155.0	7824368.0	-19.6746	134.2860	311.6	2
D2-06	15	425190.0	7824362.0	-19.6747	134.2863	311.7	2
D2-07	15	425121.0	7824349.0	-19.6748	134.2856	311.6	2
D2-08	15	425152.0	7824341.0	-19.6749	134.2859	311.6	2
D2-09	15	425183.0	7824337.0	-19.6749	134.2862	311.6	2
D3-01	10	425284.0	7824370.0	-19.6746	134.2872	306.6	3
D3-02	12	425333.0	7824351.0	-19.6748	134.2877	306.7	3
D3-03	12	425406.0	7824326.0	-19.6750	134.2884	306.6	3
D3-04	11	425277.0	7824343.0	-19.6748	134.2871	306.6	3
D3-05	12	425327.0	7824323.0	-19.6750	134.2876	306.6	3
D3-06	12	425399.0	7824301.0	-19.6752	134.2883	306.6	3
D3-07	11	425270.0	7824312.0	-19.6751	134.2871	306.4	3
D3-08	12	425320.0	7824295.0	-19.6753	134.2875	306.7	3
D3-09	12	425390.0	7824275.0	-19.6755	134.2882	306.6	3
D4-01	12	425403.0	7824725.0	-19.6714	134.2884	307.6	4
D4-02	12	425465.0	7824698.0	-19.6716	134.2889	306.7	4
D4-03	12	425505.0	7824690.0	-19.6717	134.2893	306.8	4
D4-04	12	425569.0	7824668.0	-19.6719	134.2899	307.3	4
D4-05	12	425638.0	7824649.0	-19.6721	134.2906	307.6	4
D4-06	12	425332.0	7824658.0	-19.6720	134.2877	307.7	4
D4-07	11	425377.0	7824634.0	-19.6722	134.2881	306.5	4
D4-08	11	425426.0	7824614.0	-19.6724	134.2886	306.0	4
D4-09	11	425484.0	7824592.0	-19.6726	134.2891	305.9	4
D4-10	12	425594.0	7824601.0	-19.6725	134.2902	307.1	4
D4-11	11	425270.0	7824599.0	-19.6725	134.2871	308.0	4
D4-12	9	425326.0	7824570.0	-19.6728	134.2876	306.4	4
D4-13	10	425388.0	7824537.0	-19.6731	134.2882	304.8	4
D4-14	11	425441.0	7824525.0	-19.6732	134.2887	305.7	4
D4-15	11	425523.0	7824522.0	-19.6732	134.2895	306.3	4
D4-16	12	425215.0	7824542.0	-19.6730	134.2866	308.3	4
D4-17	11	425261.0	7824514.0	-19.6733	134.2870	306.9	4
D4-18	10	425304.0	7824493.0	-19.6735	134.2874	304.5	4
D4-19	10	425365.0	7824445.0	-19.6739	134.2880	305.9	4
D4-20	10	425421.0	7824405.0	-19.6743	134.2885	306.2	4
D5-01	4	425533.0	7824422.0	-19.6741	134.2896	301.5	5
D5-02	4	425563.0	7824405.0	-19.6743	134.2899	300.7	5
D5-03	4	425504.0	7824394.0	-19.6744	134.2893	301.0	5
D5-04	4	425536.0	7824359.0	-19.6747	134.2896	300.3	5
D5-05	3	425483.0	7824362.0	-19.6747	134.2891	301.1	5
D5-06	3	425500.0	7824339.0	-19.6749	134.2893	300.5	5
D5-07	1	425493.0	7824307.0	-19.6752	134.2892	299.4	5
D5-08	1	425473.0	7824280.0	-19.6754	134.2890	299.2	5

Appendix 2.

JORC CHECK LIST (Table 1)

JORC (2012) TABLE 1 Checklist of Assessment and Reporting Criteria

Section 1 - Sampling Techniques and Data

Criteria of JORC Code 2012	Explanation given in the JORC Code 2012	Details of the Reported Project
(1.1.) Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialized 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.*	Resource database includes 19 hand auger drill holes (38m drilled) and 46 track mounted RC drill holes (409m drilled). All drilling was made in January 2016. Drill holes were sampled at 1m intervals. A total of 447 samples were analysed at ALS in Perth for the following elements: Au - ALS laboratory code of assay method is Au-AA26 (fire assay with atomic absorption finish) Cu, Co, Ag, Bi, Fe, S - ALS laboratory code of assay method is ME-ICP61 (inductively coupled plasma atomic emission spectroscopy, ICP – AES)
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Drilling in 2016 was carried using standard drilling and sampling procedures.

	• *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.*	Reverse Circulation and auger drilling was used to obtain 1 m samples, approximately 3 kg. The samples were delivered to ALS Metallurgy laboratory in Perth for preparation and assaying. The 1m samples were individually dried and pulverised then portions taken from the pulverised material for fire assay determination and a further portion taken for ICP analyses
Drilling techniques (1.2.)	• *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).*	Types of drilling and the distribution of the drill holes per the tailings dams is summarised in the table

Dam	No. Auger Holes	Total Metres	No. RC Holes	Total Metres	Average Depth
1	15	30			2
1X	4	8			2
2			9	126	14
3			9	83	9
4			20	180	9
5			8	20	2.5
Total	**19**	**38**	**46**	**409**	

Drill sample recovery (1.3.)	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	Sample weight was recorded and used to control the samples recovery
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	The tailings at the Peko project was drilled by previous owners and RC drilling was found well suited for this environment allowing to obtain a good quality samples for Resource estimation. Based on the knowledge gained by the previous explorers the RC drilling was chosen as the main method for Resource definition drilling at the Peko tailings project.
	• *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.*	No evidences of relationships between samples recovery and grade was noted. In most of the dams there is evidence of copper and cobalt grade decreased in the upper two metres of the tailings. A.L.Govey, geologist, who reviewed the 2016 data, has explained the systematic decrease of Cu and Co grade in the upper layer of the tailings by leaching of these metals, possibly as a result of supergene weathering processes.
Logging (1.4.)	• *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.*	Geological logging was limited to documentation of the tailings material with an emphasis on recording of the depth where natural ground material has appeared in the drill hole samples. Level of detail is sufficient to support Inferred Resource estimation Drill holes were not geotechnically logged.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Logging was qualitative. Photos of the tailings dam was made for better understanding the type of material drilled and the tailings shapes.
	• *The total length and percentage of the relevant intersections logged.*	100% of the drill holes was logged
Sub-sampling techniques and sample preparation (1.5.)	• *If core, whether cut or sawn and wether quarter, half or all core taken*	Not applicable. Non-core type of drilling (i.e RC) was used
	• *If non-core, whether riffled, tube sampled, rotary split, etc and*	RC samples were split using a riffle splitter built into the drill rig.

	whether sampled wet or dry.	
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Samples were sent to the ALS laboratory where they were prepared following the standard protocol of ALS. • The samples were all checked against the logsheet supplied by the company and found to be all present and accounted for. • The samples were placed in labelled trays and dried at 95DegC for 24hours to remove any moisture. • The dried samples were placed into sealed plastic bags labelled with the corresponding sample details • The dried samples were pulverized with double silica flushed between each sample. • Portions of the pulverized sample were removed for analyses
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Quality of the pulp pulverising was controlled by test sieving. Results confirm that 95% pass for 75 μm fraction is commonly achieved.
	• *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.*	Field duplicates was not used. Pulp duplicates were re-assayed if high grade Cu and Fe results were obtained by 1st analysis (laboratory code ME-ICP61). The samples were re-assayed using ICP-AES method, laboratory code OG62
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	3 kg sample representing 1 m of the drilled interval is a standard size of the RC samples used for estimation Resources of the base-metal mineralisation. This size is well suited for estimation of the tailings which are composed by a finer grained material then the natural ore.

Quality of assay data and laboratory tests (1.6.)	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	All analyses were made at the ALS laboratory in Perth. Au was assayed by fire assay method with atomic-absorption finish. Laboratory code Au-AA26. Cu, Co, Ag, Bi, Fe, S assayed by Inductively Couple Plasma Atomic Emission Spectroscopy, Laboratory code ME-ICP61. Sample preparation was made using 4 acid digests.
	• *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.*	Not applicable. Geophysical tools not used.
	• *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.*	Pulp duplicates were re-assayed if high grade Cu and Fe results were obtained by 1st analysis (laboratory code ME-ICP61). The samples were re-assayed using ICP-AES method, laboratory code OG62. Accuracy control was limited to using of the internal ALS reference materials
Verification of sampling and assaying (1.7.)	• *The verification of significant intersections by either independent or alternative company personnel.*	The 2016 drilling results have been compared my Dr. Abzalov (Resource CP) with the previous drilling data, in particular the Resource definition database of Normandy. The comparison indicates that 2016 results are in a good agreement with the previous drilling results.
	• *The use of twinned holes.*	Twin holes were not used.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	Assays results were obtained from the laboratory in electronic format as *.csv files. The data were compiled into a single Excel file, and checked by consulting geologist (A.L.Govey). The files were electronically sent to the project CP for Resource estimation.
	• *Discuss any adjustment to assay data.*	No adjustments were made to the data.

Location of data points (1.8.)	• *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.*	Location of the drill hole collars was determined by a hand-held GPS. The Z coordinate was estimated by plotting (draping) the drillhole collars on the DTM surface generated using the LiDAR survey data. Holes are shallow and were drilled vertically down, therefore down hole survey was not used.
	• *Specification of the grid system used.*	MGA (GDA94) zone 53
	• *Quality and adequacy of topographic control.*	Topographic control is based on high-resolution LiDAR survey of the tailing dams which was used for 3D constraining the mineralised tailings and estimating the volume. Spatial extents of the tailings was digitised from the map of the tailing dams and DTM surface of the area, generated using the LiDAR survey data
Data spacing and distribution (1.9.)	• *Data spacing for reporting of Exploration Results.*	 Fig.1.9: Map of the Peko tailings dams Drill holes spacing is as follows: Dam 1x 40 x 20m Dam 2 40 x 20m Dam 3 30 x 60m Dam 4 50-60 x 80-100m Dam 5 40 x 40-50m
	• *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.*	The drill spacing is suitable for estimation Inferred Resources
	• *Whether sample compositing has been applied.*	All samples were 1 m long. No compositing of samples was used.

Orientation of data in relation to geological structure (1.10.)	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The mineralisation in tailings is essentially horizontal and all drill holes are drilled vertically intersecting the mineralisation at right angle, which ensures that the sampling is unbiased.
	• *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.*	Orientation of the drill holes is orthogonal to the strike of mineralisation providing unbiased results
Sample security (1.11.)	• *The measures taken to ensure sample security*	Sampling in the field was made by authorised personnel. In the laboratory security of samples and assays were controlled by the internal security procedures of the ALS.
Audits or reviews (1.12.)	• *The results of any audits or reviews of sampling techniques and data.*	Results of the 2016 drilling was reviewed by A.L.Govey, an independent consultant. He has concluded: " Drilling by PekoBull has successfully verified or exceeded the grade, thickness and lateral and downhole continuity of the Peko tailings deposit as reported by predecessor companies. In addition ample new sample material was made available for extensive metallurgical test work. The project has passed a significant milestone in reducing, if not eliminating, any uncertainty relating to the Au-Cu-Co grades. There is sufficient previous work to reliably establish the volume and tonnage of tailings present and hence the contained metal inventory". Mr Mendelawitz has verified the data compared to visual observations taken on site in processing and trench sampling and is satisfied that they are consistent.

Section 2 - Reporting of Exploration Results

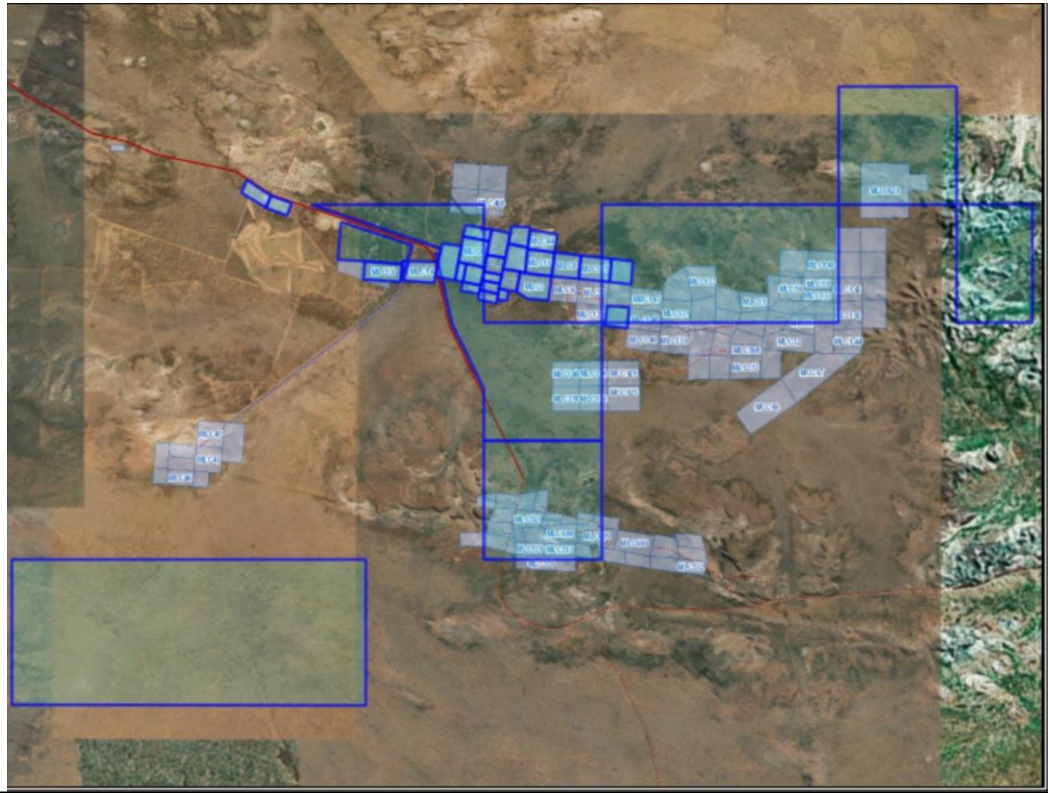
Criteria of JORC Code 2012	Explanation given in the JORC Code 2012	Details of the Reported Project
Mineral tenement and land tenure status (2.1)	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The tenements of the project are shown on the map (Fig. 2.1) and listed in the table 2.1. CP of the project (M.Abzalov) was informed by the Elmore's managing director (David Mendelawitz) that all tenements are valid and their maintenance is complaiant with the Australian mining industry regulations. 

Fig 2.1: Tenements map. Includes ML (denoted by the bright blue infill colour and bold blue outlines) and EL titles.

- *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.*

Table 2.1: List of the tenemenents

Title ID	Title Number	Title Type Code	Status	Holder Name	Percent	Holder Type	Expiry
MLC128	128	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2023
MLC126	126	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2023
EL23141	23141	EL	Application	SITZLER SAVAGE PTY LTD	100	Applicant	
EL23844	23844	EL	Application	SITZLER SAVAGE PTY LTD	100	Applicant	
MLC664	664	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC125	125	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2023
MLC7	7	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC157	157	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2024
MLC9	9	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2031
MLC156	156	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2024
MLC509	509	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC13	13	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2031
MLC8	8	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2030
MLC43	43	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2034
EL24165	24165	EL	Application	SITZLER SAVAGE PTY LTD	100	Applicant	
MLC12	12	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2031
MLC510	510	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC665	665	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC19	19	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC14	14	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2039
MLC3	3	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2023
MLC519	519	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2023
MLC6	6	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC10	10	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2031
MLC507	507	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2033
EL23922	23922	EL	Application	SITZLER SAVAGE PTY LTD	100	Applicant	
MLC44	44	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2034
MLC666	666	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC667	667	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2025
MLC11	11	MLC	Renew Retained	SITZLER SAVAGE PTY LTD	100	Holder	31/12/2031

Exploration done by other parties (2.2)

- *Acknowledgment and appraisal of exploration by other parties.*

Several campaigns of drilling and Resource estimation was undertaken at the Peko tailings.

- Drilling by ADL in 1985 was made using an open hole power auger drill. In late 1987 three twin holes in Dams 2 and 3 showed that the 1985 ADL

		samples had become significantly oxidized, prompting a decision to redrill the dams, concentrating on Dams 1, 2 and 3 for a total of 135 holes and 1,213m (average depth 8.9m). The method of drilling and sample collection for this program is not known. • The Normandy drilling comprised 50m by 50m spaced, auger cased, core holes, with samples taken every metre downhole. This was the first confirmed use of cased holes and the implied greater confidence in sample integrity. The drilling program totalled 103 holes for 760.25 metres and covered the four main dams, a small dump east of Dam 4. For the greater part sample recoveries exceeded 90% with more difficult moist material near the bottom of the dams. Normandy found that there were no apparent high grade gold domains within the resource despite a long processing history (1954-1976) and multiple ore sources. • In 2016, the previous project owner undertook comprehensive drilling of the tailings. These data were used for estimation resources in 2017 and also used for the current estimate and verified by the Resource CP.
Geology (2.3)	• *Deposit type, geological setting and style of mineralisation.*	The mineralisation is not a natural deposit but is represented by the tailings of the Au-Cu-Fe processing plant (map is shown on the section 1.9). The tailings consist of mainly magnetite (~80%) with smaller amounts of silicate gangue mineral and minor amounts of sulphides and quartz. The sulphide minerology consists of mainly gold bearing pyrite with small amounts of chalcopyrite, marcasite, arsenopyrite and pyrrhotite. The primary copper bearing mineral is chalcopyrite. Main cobalt bearing mineral is pyrite. Cobalt also present in arsenopyrite, which is rare and occurs only as the traces

in the tailings samples.
Within the ferromagnetic material of the tailings, all elements (with the exception of iron) generally decrease with finer particle size.

Drill hole Information (2.4)

- *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:*

Dam	No. Auger Holes	Total Metres	No. RC Holes	Total Metres	Average Depth
1	15	30			2
1X	4	8			2
2			9	126	14
3			9	83	9
4			20	180	9
5			8	20	2.5
Total	**19**	**38**	**46**	**409**	

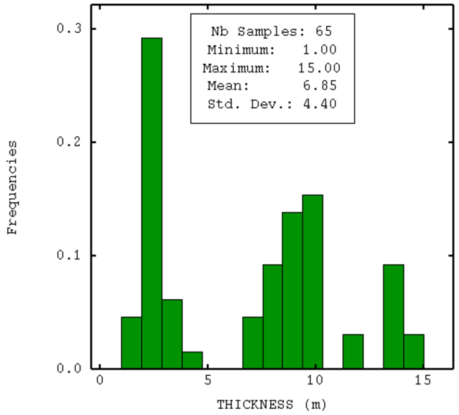
- *Easting and Northing of the drill hole collar.*

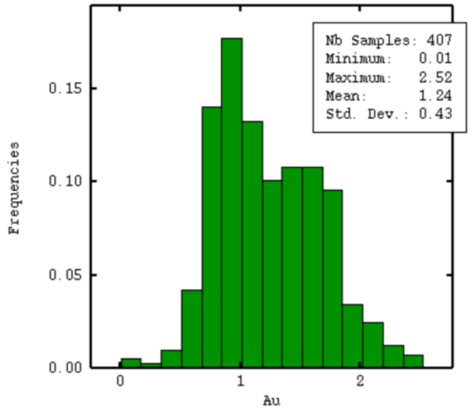
Hole ID	Depth	Contact with Ground	East (MGA)53	North (MGA)53	DAM
D1-01	2				1
D1-02	2				1
D1-03	2				1
D1-04	2				1
D1-05	1				1
D1-06	2				1
D1-07	2				1
D1-08	2				1
D1-09	2				1
D1-10	2				1
D1-11	2				1
D1-12	2				1
D1-13	2				1
D1-14	2				1
D1-15	2				1

		D1X-01	2	2	424847	7824351	1x
		D1X-02	2	2	424879	7824339	1x
		D1X-03	2	2	424839	7824328	1x
		D1X-04	2	2	424875	7824319	1x
		D2-01	15	14	425156	7824404	2
		D2-02	15	14	425139	7824419	2
		D2-03	15	14	425197	7824404	2
		D2-04	15	14	425128	7824372	2
		D2-05	15	14	425155	7824368	2
		D2-06	15	14	425190	7824362	2
		D2-07	15	14	425121	7824349	2
		D2-08	15	14	425152	7824341	2
		D2-09	15	14	425183	7824337	2
		D3-01	10	9	425284	7824370	3
		D3-02	12	9	425333	7824351	3
		D3-03	12	9	425406	7824326	3
		D3-04	11	9	425277	7824343	3
		D3-05	12	9	425327	7824323	3
		D3-06	12	10	425399	7824301	3
		D3-07	11	9	425270	7824312	3
		D3-08	12	9	425320	7824295	3
		D3-09	12	9	425390	7824275	3
		D4-01	12	11	425403	7824725	4
		D4-02	12	10	425465	7824698	4
		D4-03	12	10	425505	7824690	4
		D4-04	12	11	425569	7824668	4
		D4-05	12	10	425638	7824649	4
		D4-06	12	10	425332	7824658	4
		D4-07	11	9	425377	7824634	4
		D4-08	11	9	425426	7824614	4

D4-09	11	9	425484	7824592	4
D4-10	12	9	425594	7824601	4
D4-11	11	11	425270	7824599	4
D4-12	9	7	425326	7824570	4
D4-13	10	9	425388	7824537	4
D4-14	11	9	425441	7824525	4
D4-15	11	9	425523	7824522	4
D4-16	12	10	425215	7824542	4
D4-17	11	9	425261	7824514	4
D4-18	10	8	425304	7824493	4
D4-19	10	8	425365	7824445	4
D4-20	10	9	425421	7824405	4
D5-01	4	3	425533	7824422	5
D5-02	4	3	425563	7824405	5
D5-03	4	3	425504	7824394	5
D5-04	4	3	425536	7824359	5
D5-05	3	2	425483	7824362	5
D5-06	3	2	425500	7824339	5
D5-07	1	1	425493	7824307	5
D5-08	1	1	425473	7824280	5

	• *Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.*	Elevation of the collars was not recorded and was estimated from the LiDAR model of the topographic surface.
	• *dip and azimuth of the hole.*	All holes drilled vertically down
	• *down hole length and interception depth*	Average down hole length of interceptions 6.85 m
	• *hole length.*	

		 Fig. 2.4: histogram of the drillhole lengthes
	• *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 drill hole information is material and included in this table
Data aggregation methods (2.5)	• *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.*	The drillhole data was used for estimation Mineral Resources. Average grade of intersection was estimated using length weighing technique, also given the equal size of the all samples, which are 1m long, all samples of the drillhole received the same weight. Intersections is defined by top and bottom of the tailings. No high-grade top cut was used, because statistical distribution of the data is close to normal and lacking of the outliers (Fig. 2.5).

		Fig. 2.5: Histogram of the 1m samples grades of gold.
	• *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.*	Not applicable. All samples are 1m long.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Not applicable. Metal equivalents were not estimated. Resources estimated and reported for Au, Cu and Co
Relationship between mineralisation widths and intercept lengths (2.6)	• *These relationships are particularly important in the reporting of Exploration Results.*	Relationships between mineralisation width and intercept length is irrelevant for this study because the data was used for estimation of the tailings Resources
	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	Mineralisation is distributed as flat lying beds in the tailings. All drill holes are vertical and intersect the mineralisation approximately orthogonally providing the good estimate of the true thickness of mineralisation
	• *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').*	

Diagrams (2.7)	• *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.*	The diagrams and maps are presented in the report and also in the JORC Table.
Balanced reporting (2.8)	• *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.*	Not applicable because tonnage and grade of the tailings were estimated and reported as Mineral Resource
Other substantive exploration data (2.9)	• *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 substantial amount of historical (pre 1987) testwork has been completed for the recovery of gold, copper and cobalt metals from the Peko tailings material. Almost all testwork completed after 1987 (mainly in the early 2000s) has been focused on magnetic separation of a suitable coal washery magnetite product. Historical flotation work on the tailings showed ~50% of the gold reports to a flotation concentrate, with the remainder to the flotation tail (consisting of magnetite plus gangue). Cyanide leaching of the float tail yielded a residue which contains 0.2 to 0.3g/t Au. Total copper and cobalt recovery of 86% to 88%, (including water soluble plus concentrate) was produced when a flotation concentrate weight of 10 to 12% was produced. Gold recoveries of 65% - 75% were regularly achieved from this historical testwork. Additional metallurgical tests have been undertaken in 2016. Results of the tests are as follows: · Upfront grinding of the material is unlikely to have any additional benefits for gold, copper and cobalt extraction and can likely be eliminated from future flowsheets. · A clean sulphide concentrate can be produced from the tailings by flotation. This fact was demonstrated in the proof of concept testwork and also in previous testing (1985 to 1987), which demonstrated that flotation could recover a concentrate which amounted to between 10 to 12% of the weight containing 50% of the gold. · The tailings will produce a saleable grade coal washery magnetic concentrate. · The tailings are acidic, and a significant proportion of the copper and cobalt are

		soluble when the tailings are mixed with water. · Historical testing also demonstrated that LoPOx leaching can have a significant improvement in total metal recovery. A 50% increase was observed for cobalt recovery.
Further work (2.10)	• *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.*	The drilling grid will be infilled, if required, to the level of details sufficient for estimation Indicated and Measured Resources and Ore Reserves.

Section 3 - Estimation and Reporting of Mineral Resources

Criteria of JORC Code 2012	Explanation given in the JORC Code 2012	Details of the Reported Project
Database integrity (3.1)	• *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.*	Assays results were obtained from the ALS laboratory in electronic format as *.csv files. The data were compiled into a single Excel file, which is located on the company server which is regularly backed up. The data were electronically sent to the project CP for Resource estimation.
	• *Data validation procedures used.*	The data were checked by consulting geologist (A.L.Govey) undertaking standard type, code, range, format and consistency validation of the data set..
Site visits (3.2)	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Dr.M.Abzalov (CP) did not visit the project site.
	• *If no site visits have been undertaken indicate why this is the case.*	Dr.M.Abzalov (CP) was approached and requested to estimate Resources of the Peko tailings in late October 2017. Timing and concurrent commitments did not permit to undertake site visit. Later, since 2019 the visits became impossible due to the COVID related restrictions. The current estimate is made when Dr.M.Abzalov (CP) is overseas and planning to return back to Australia in November, 2022.
Geological interpretation (3.3)	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The current interpretation is based on 65 drill holes distributed as approximately regular grid. All drillholes were sampled at 1m intervals and logged. The available information together with the mapped tailing contacts have provided a sound base for the current geological interpretation.
	• *Nature of the data used and of any assumptions made.*	496 samples from 65 drill holes

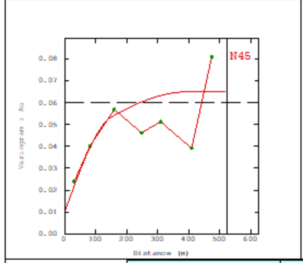
<table>
<tr><td></td><td>• The effect, if any, of alternative interpretations on Mineral Resource estimation.</td><td>There appears to be a limited scope for alternative interpretations. The biggest uncertainty is the volume of the tailings which is approximately deuced from the thickness of the drill hole intersections.</td></tr>
<tr><td></td><td>• The use of geology in guiding and controlling Mineral Resource estimation.</td><td>Understanding of the tailing infilling procedures, which was formed by slowly and evenly infilling creating horizontal layering of the mineralisation, was incorporated into the estimation procedures.</td></tr>
<tr><td></td><td>• The factors affecting continuity both of grade and geology.</td><td>Layered nature of the mineralisation is created by tailing infilling procedures. The layered structure of the tailings controls distribution of the metals, including Au, Cu and Co.
The grade continuities have been quantified by estimating the variograms of the main metals (Au, Cu, Co)</td></tr>
<tr><td>Dimensions (3.4)</td><td>• 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.</td><td><table>
<tr><th>Dam</th><th>Length, m</th><th>Width.m</th><th>Depth.m</th></tr>
<tr><td>1</td><td>80</td><td>70</td><td>1.9</td></tr>
<tr><td>1x</td><td>80</td><td>60</td><td>2.0</td></tr>
<tr><td>2</td><td>150</td><td>130</td><td>14.0</td></tr>
<tr><td>3</td><td>230</td><td>140</td><td>9.1</td></tr>
<tr><td>4</td><td>400</td><td>350</td><td>9.0</td></tr>
<tr><td>5</td><td>230</td><td>100</td><td>2.5</td></tr>
</table></td></tr>
</table>

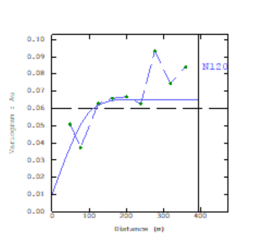
<table>
<tr>
<td>Estimation and modelling techniques (3.5)</td>
<td>• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</td>
<td>Resources were estimated in a 2D system using special geostatistical software (Isatis).
Volume of the mineralised bodies was estimated using the 3D wireframe (closed solid) of the tailings. Top surface was obtained using the LiDAR survey, the bottom constructed using the lower contact of the tailings deduced from the drill holes intersecting the tailings. The two surfaces were combined generating the closed 3D wireframe (colloquially referred as a solid). The 3D solid was infilled by the rectangular cells of the block model. Parent cells were 40 x 40m, vertical dimension was not defined, because the blocks grades were estimated using 2D kriging. Optimal fitting of the block was achieved by sub-celling the parent blocks to 2x2x0.25 subcells.

Grade was estimated as follows:
Dams 3, 4 and 5 were estimated as one body. Au by Ordinary kriging; Cu and Co by Ordinary Co-kriging;
Dam 2: was estimated separately. Au by Ordinary kriging; Cu and Co by Ordinary Co-kriging;

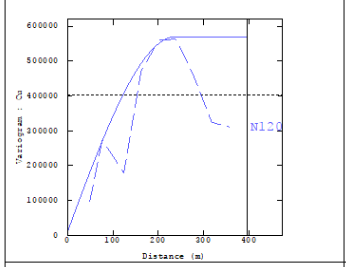
Dam 1x: grade of Au, Cu and Co was estimated as average of 8 samples collected from 4 holes drilled in this dam;

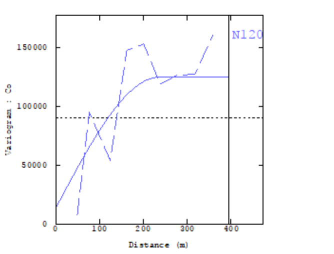
Dam 1 was not estimated due to insufficient data<hr>Search neighbourhood was as follows:
Radius 350 x 200m
Declustering 16 sectors with 1 sample per sector
Minimum number of samples 3<hr>Grade was estimated to the 2D blocks of 40 x 40m<hr>Variograms and their estimated models of Au, Cu-Co are as follows:</td>
</tr>
</table>

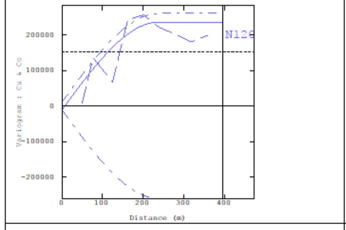




Structure		SILL	Ranges (m)	
			Major	***Minor***
Nugget	γ_0	0.01		
Spherical 1	$\gamma_{1(S)}$	0.03	225	145
Spherical 2	$\gamma_{2(S)}$	0.025	230	150







Cu		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	8990			
Spherical 1	$\gamma_{1(S)}$	560636	300	235	

Co		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	13400			
Spherical 1	$\gamma_{1(S)}$	111460	300	235	

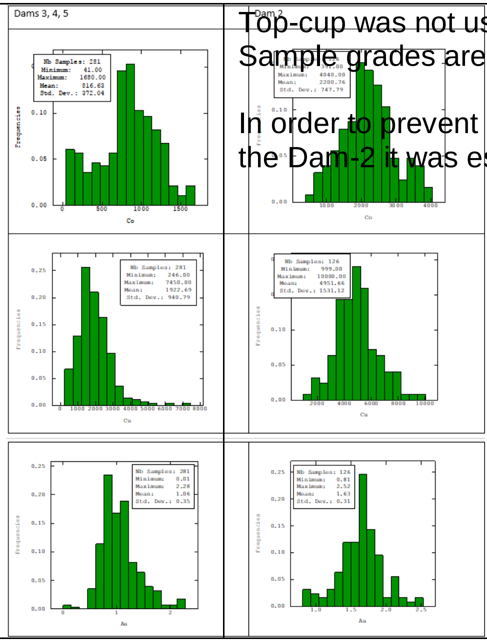
Cu - Co		SILL	Ranges (m)		
			Major	***Minor***	
Nugget	γ_0	-10975			
Spherical 1	$\gamma_{1(S)}$	247630	300	235	

Fig 3.5 (a) Experimental variograms and their models

	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.*	See table below. The current estimate reports approximately 15% increase in tonnage and contained metals (Au, Cu, Co) with essentially the same grades. Increase of a tonnage is related to more accurately defined the shapes of the tailing dams, which have steeper slopes that it was interpreted in 2017 model.
	• *The assumptions made regarding recovery of by-products.*	Recovery of the by-products was not analysed and not used in the Resource estimation due to the fact that each modelled mineral will have a different process to recover it and thus by products vary depending on the mineral being recovered and some by products will then be reprocessed to recover other minerals and no longer be remnant.

	Dam	Tonnage (Kt)	Grade			Contained metal		
			Au g/t	Cu %	Co %	GOLD (Koz)	COPPER (Kt)	COBALT (Kt)
The current estimate (2022, M.Abzalov)	1	not estimated due to insuffient data						
	1x	11	2.9	0.66	0.20	1	0.1	0.0
	2	517	1.6	0.48	0.21	27	2.5	1.1
	3	537	1.2	0.24	0.09	20	1.3	0.5
	4	2,423	1.0	0.17	0.08	77	4.2	1.9
	5	127	1.1	0.09	0.02	5	0.1	0.02
	total	3,615	1.1	0.22	0.10	129	8.1	3.5
Abzalov, 2017	1							
	1x	11	2.9	0.66	0.20	1	0.1	0.0
	2	384	1.6	0.48	0.21	20	1.8	0.8
	3	476	1.2	0.24	0.09	18	1.1	0.4
	4	2,157	1.0	0.17	0.08	68	3.7	1.7
	5	136	1.1	0.11	0.04	5	0.2	0.05
	total	3,163	1.1	0.22	0.10	112	6.9	3.0
Normandy, 1997	1	72	2.2	0.86	0.31	5	0.6	0.2
	1x	did not exist in 1997						
	2	645	1.6	0.47	0.19	33	3.0	1.2
	3	517	1.3	0.27	0.09	21	1.4	0.5
	4	2,519	1.0	0.18	0.08	79	4.6	2.0
	5	was not considered as a seprate dam in 1997						
	total	3,753				138	9.6	4.0

	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).*	Deleterious elements were not estimated due to the fact that each modelled mineral will have a different process to recover it and thus other non-grade elements may or may not be considered deleterious elements depending on the mineral being recovered.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	Parent blocks are 40 x 40m. This size is optimal for the drill spacings which are as follows: Dam 1x 40 x 20m Dam 4 50-60 x 80-100m Dam 2 40 x 20m Dam 5 40 x 40-50m Dam 3 30 x 60m
	• *Any assumptions behind modelling of selective mining units.*	SMU size was not considered for the current Resource estimation
	• *Any assumptions about correlation between variables.*	Co and Cu exhibit strong correlation. The grade of these metals was estimated by Co-Kriging. Fig. 3.5 (b) Scatter-diagram of Co vs Cu, exhibiting a good correlation of these metals

	• *Description of how the geological interpretation was used to control the resource estimates.*	Layered structure of the mineralised tailings was understood as is considered as the main factor that controls distribution of the valuable metals, including Au, Cu and Co. This interpretation was implemented in the Resource estimation procedure
	• *Discussion of basis for using or not using grade cutting or capping.*	 Top-cup was not used. Sample grades are distributed evenly without outliers. In order to prevent smearing of the high-grade values from the Dam-2 it was estimated separately.
	• *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Average grade of the samples was compared with the Resource block model. Results presented in the table show good reconciliation of the estimated grade of the tailings dams with corresponding them samples.

Dam	Drill hole samples			Block model		
	Cu, ppm	Co, ppm	Au, ppm	Cu, ppm	Co, ppm	Au, ppm
1						
1x	6572	1976	2.89	6572	1976	2.89
2	4952	2201	1.63	4786	2122	1.62
3	2588	983	1.17	2393	925	1.18
4	1728	807	0.99	1725	784	0.99
5	932	217	1.24	928	196	1.19

Moisture (3.6)	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnage is estimated on a dry basis, using Dry Bulk Density as a tonnage factor
Cut-off parameters (3.7)	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	Cut-off was not applied because it is assumed that the whole dam will have to be excavated. Economically viable grade starts from the 1st sample and continues to the bottom of the dam.

Mining factors or assumptions (3.8)	• *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 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.*	Mining factors was not applied and was not considered at the given Resource estimate because the resource has already been mined and left as a stockpile for processing, thus there will be no mining required.

Metallurgical factors or assumptions (3.9)	• *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.*	The general metallurgical characteristics are: · The metal distribution within the tailings is as follows: ○ Gold: 50% in magnetite, 50% in pyrite; ○ Copper: 100% in copper sulphides; and ○ Cobalt: 80% in pyrite, 20% in cobalt sulphides. · Significant water soluble copper and cobalt are present in each dam. A relatively small amount of cyanide soluble copper and cobalt is also present. · The tailings contain some agglomerates which were most likely caused by the oxidising sulphides. · Based on historical (pre 1990) drilling, all but one dam is acidic in nature (Dam 1 - pH 1.6, Dam 2 - pH 4.0, Dam 3 - pH 6.0, Dam 4 - pH 7.2). It is suspected that all dams have deteriorated further since that date, as the pH of a composite from recent (2015) sampling was below pH 3.0. Historical flotation work on the tailings showed ~50% of the gold reports to a flotation concentrate, with the remainder to the flotation tail (consisting of magnetite plus gangue). Cyanide leaching of the float tail yielded a residue which contains 0.2 to 0.3g/t Au. Total copper and cobalt recovery of 86% to 88%, (including water soluble plus concentrate) was produced when a flotation concentrate weight of 10 to 12% was produced. Gold recoveries of 65% - 75% were regularly achieved from this historical testwork. Additional metallurgical tests undertaken in 2016. Results of the tests are as follows: · Upfront grinding of the material is unlikely to have any additional benefits for gold, copper and cobalt extraction and can likely be eliminated from future flowsheets. · A clean sulphide concentrate can be produced from the tailings by flotation. This fact was demonstrated in the proof of concept testwork and also in previous testing (1985 to 1987), which demonstrated that flotation could recover a concentrate which amounted to between 10 to 12% of the weight containing 50% of the gold. · The tailings will produce a saleable grade coal washery magnetic concentrate. · The tailings are acidic and a significant proportion of the copper and cobalt are soluble when the tailings are mixed with water. Historical testing also demonstrated that LoPOx leaching can have a significant

		improvement in total metal recovery. A 50% increase was observed for cobalt recovery.

Environmental factors or assumptions (3.10)	• *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.*	Environmental factors were not considered at the current Resource estimation because the stockpile has been mined and the project is a reclamation project that will remove the majority of it.

<table>
<tr>
<td rowspan="3">Bulk density (3.11)</td>
<td>• 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.</td>
<td>Average values, assigned to the Dams are as follows
<table>
<tr><th>Dam</th><th>DBD (t/m3)</th><th>Source</th></tr>
<tr><td>1</td><td>2.15</td><td>Resource estimation by Normandy , 1997</td></tr>
<tr><td>1x</td><td>2.15</td><td>assumed that it is simialr to Dam 1</td></tr>
<tr><td>2</td><td>2.17</td><td>Resource estimation by Normandy , 1997</td></tr>
<tr><td>3</td><td>2.17</td><td>Resource estimation by Normandy , 1997</td></tr>
<tr><td>4</td><td>2.16</td><td>Resource estimation by Normandy , 1997</td></tr>
<tr><td>5</td><td>2.15</td><td>Data was not awailable. The value simiar to Dam 1 was used</td></tr>
</table>
These values were determined in 1989 by digging trenches and determining the Bulk Dry Density of the bulk samples which were approximately 60 – 100 tonnes each.</td>
</tr>
<tr>
<td>• 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.</td>
<td>Dry Bulk Density was determined in 1989. Laurie Smith and Associates in 1989 carried out a comprehensive analysis of the specific gravity of the Peko tailings including digging two trenches in Dam 2 and three trenches in Dam 3 and determining the bulk specific gravities of volumes ranging from 25-53m^3 and with wet sample weights from 60-100 tonnes. The bulk dry density determinations of the 5 trenches varied from 1.48 to 2.58 tonnes/m^3 (ie. BDD22 - 2.31, BDD21 - 1.48, BDD33 - 2.21, BDD32 - 1.79 and BDD31 - 2.58).
Based on these data the Normandy used the following density values, that were also used in the current Resource estimation:
Dam 1; 2.15 dry tonnes /m^3
Dam 2 ; 2.17 dry tonnes /m^3
Dam 3 ; 2.17 dry tonnes /m^3
Dam 4 ; 2.16 dry tonnes /m^3</td>
</tr>
<tr>
<td>• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</td>
<td>The density values reflect the location of the samples with the high values taken from near the walls where the tailings were discharged and the two low values from the centre of the dams where the fine slime fraction might be expected to accumulate.</td>
</tr>
</table>

<table>
<tr><td>Classification (3.12)</td><td>• The basis for the classification of the Mineral Resources into varying confidence categories.</td><td>The Resources are classified as Inferred because of lacking the QAQC data and drilling grid, in particular at the Dam 4, 50-60 x 80-100m, is too broad and preventing construction of the detailed 3D model which is needed for Indicated and Measured Resource categories.

Data quality, quantity and the spatial distribution are sufficient for accurate estimation of the Inferred Resources</td></tr>
<tr><td></td><td>• 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).</td><td>All factors were considered when Resource was classified as Inferred. Mainly this is because insufficient QAQC of the drillhole sample assays and the large distances between the drillholes.</td></tr>
<tr><td></td><td>• Whether the result appropriately reflects the Competent Person’s view of the deposit.</td><td>Dr. M. Abzalov (CP of the project) consent that Inferred Resources of the Peko tailings are as follows:
<table>
<tr><th>Tonnage (Kt)</th><th colspan="3">Grade</th><th colspan="3">Contained metal</th></tr>
<tr><td></td><td>Au g/t</td><td>Cu %</td><td>Co %</td><td>GOLD (Koz)</td><td>COPPER (Kt)</td><td>COBALT (Kt)</td></tr>
<tr><td>3,615</td><td>1.1</td><td>0.22</td><td>0.10</td><td>129</td><td>8.1</td><td>3.5</td></tr>
</table></td></tr>
<tr><td>Audits or reviews (3.13)</td><td>• The results of any audits or reviews of Mineral Resource estimates.</td><td>No audits of the Resources were undertaken</td></tr>
</table>

Discussion of relative accuracy/ confidence (3.14)	• *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.*	Quantitative assessment of the relative accuracy and confidence level in the tailings Resource estimate was not undertaken. Data distribution, with the distances between drill holes varying from 40 x 20m to 80-100m is suitable for accurate estimation of the Inferred Resources of Au, Cu and Co, which spatial continuity of the grade of intersections (2D data), according to variogram ranges, is approximately 250 – 300m.
	• *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.*	Resources were estimated as 2D block model. In other words, they accurately represent the lateral local changes of the Au, Cu and Co grades by can not be used for Analysis of the vertical profiles of the metal in the tailings.

	• *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	Not applicable. Production data not available for the Peko tailings