

DIAMOND DRILLING SUPPORTS FURTHER MINERAL RESOURCE GROWTH AT THEIA

Results continue to demonstrate potential for Mineral Resource growth both on the western flank and at depth, with an updated Mineral Resource Estimate expected later this quarter

HIGHLIGHTS

- Results received for three diamond holes from the recently completed drilling program at Theia, with best results including:
 - **19m at 1.54g/t Au** from 246.5m, including **0.35m at 15.76g/t Au** from 222.55m and **0.3m at 67.38g/t Au** from 251.3m in MDRCD483; and
 - **19.6m at 1.08g/t Au** from 216.4m, including **0.3m at 10.75g/t Au** from 224.7m and **0.3m at 13.15g/t Au** from 234.0m MDRCD642.
- Holes MDRCD483 and MDRCD642 will extend Theia mineralisation to the west.
- The 16-hole diamond drill program targeting the Theia and Hestia targets has been completed, with visible gold observed in 14-holes. Assay results are pending for a further eleven holes.
- In addition, drill-hole MDRCD652, testing an interpreted north trending shoot control on the eastern flank at Theia, intersected several zones of mineralisation with visible gold. Mineralisation in MDRCD652 occurs outside the current MRE pit shell.
- Diamond drilling at Hestia confirmed the presence of a highly altered shear zone with sulphide mineralisation, quartz veining and visible gold over significant visible widths, with assays pending.
- An updated Mineral Resource Estimate (**MRE**) is scheduled for completion in the December Quarter 2022 following receipt of outstanding diamond drilling assay results.
- Diamond drilling at Feysville is expected to commence in the current Quarter.

Astral Resources' Managing Director Marc Ducler said: *"Following completion of our diamond drill program this week, we are now busily completing the last of the core processing and assaying in preparation for an update to the Mandilla Mineral Resource Estimate due in the December Quarter.*

"Pleasingly, today's results continue to demonstrate the opportunity for growth of the Theia deposit both at depth and on the western flank. This follows the successful drill testing of new interpretations on the mineralisation controls developed by our Exploration team. As we progress the core logging we have had further encouragement with visual confirmation that drilling targeting both the dominant southerly and sub-ordinate northerly high-grade mineralised gold trends is continuing to pay dividends.

"Of note, MDRCD652, which tested the northerly gold trend at Theia, has intersected visible gold well outside and to the east of the current MRE limits.

"Targeting of additional mineralisation along the southerly and northerly high-grade gold trends at Theia is demonstrating the potential to significantly increase the scale of the Mandilla Gold Project through application of good geological work and efficient follow-up drill testing.

"Drilling at Hestia has also confirmed a significant shear zone in drill core for the first time. The consistency of shear hosted mineralisation, with sulphides, quartz veining and visible gold observed in core, is considered very positive. It also demonstrates a mineralisation style quite different from the Theia Deposit, but similar to many deposits mined in the region at the nearby St Ives and Higginsville Gold Camps.

"An update to the Mandilla Mineral Resource Estimate remains on track for the December Quarter, with the opportunity to propel Mandilla up the ranks of undeveloped gold projects in the Eastern Goldfields region of Western Australia."

Astral Resources NL (ASX: AAR) (Astral or the **Company**) is pleased to provide an update on the recently completed diamond drilling (**DD**) campaign primarily targeting the western flank of the Theia deposit and testing two inferred high-grade conjugate gold trends at the 100%-owned Mandilla Gold Project (**Mandilla** or **Project**), located approximately 70km south of Kalgoorlie, Western Australia (Figure 1).

Assay results have been returned for an additional three DD holes from Theia, with results demonstrating potential to deliver material growth in MRE, both on the western flank and at depth.

Furthermore, a test of the northerly mineralised gold trend on the eastern flank of Theia provided visual proof-of-concept, with five instances of gold observed in core. This provides a significant opportunity to increase the extents of mineralisation on the eastern flank of the Theia deposit, with follow-up drilling planned.



Figure 1 – Mandilla Project location map

In addition, visual observations of three diamond drill holes completed at Hestia continue to build on the potential of this prospect, with the drill core revealing a highly altered shear zone hosting sulphides, quartz veining and visible gold.

The updated MRE is expected to provide a material increase to the JORC 2012 MRE at Mandilla, which is **24Mt at 1.0g/t Au for 784koz of contained gold**. Approximately 43,000 metres of additional drilling will be incorporated into this update.

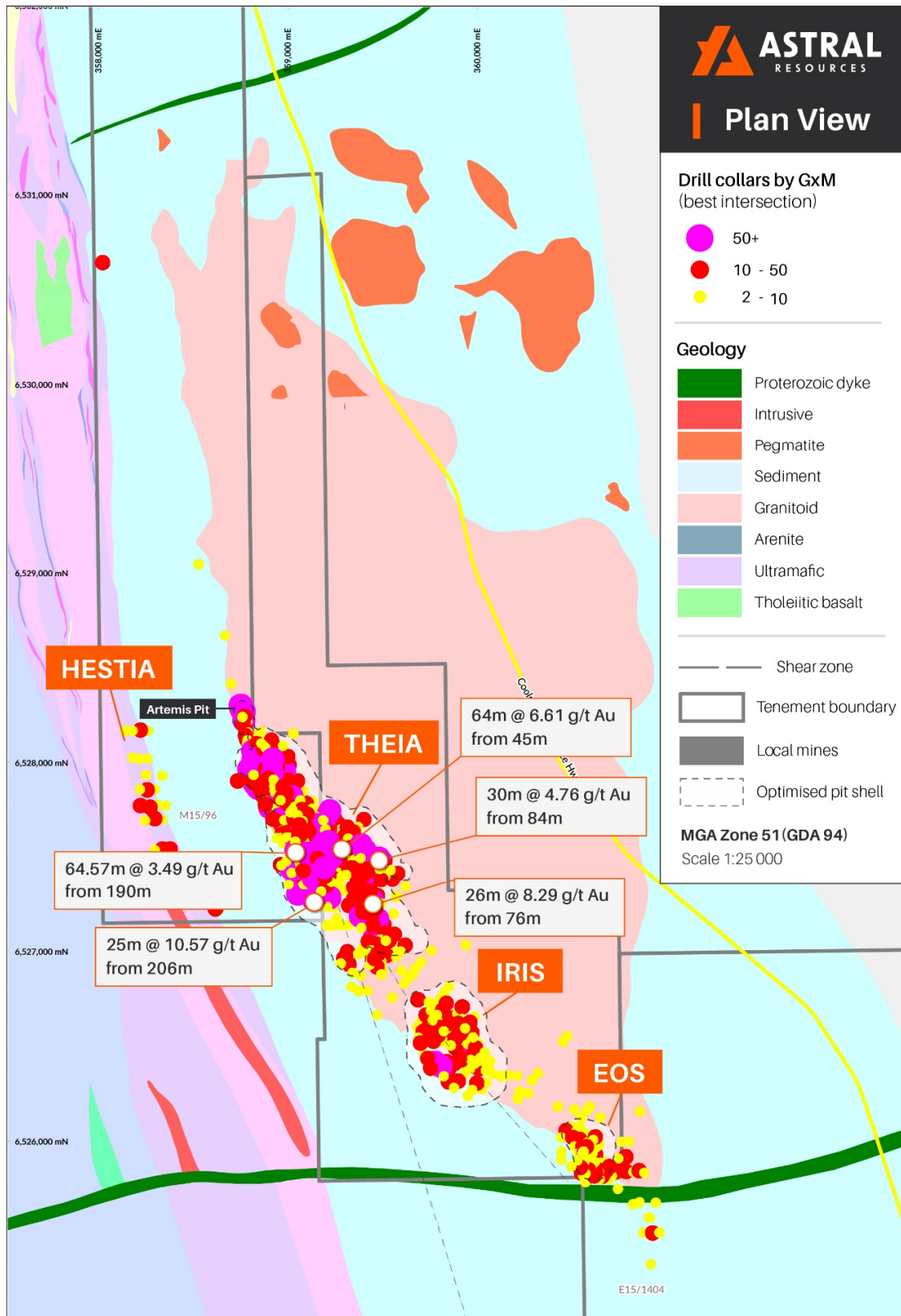


Figure 2 – Mandilla local area geology (including significant historical intercepts)

The Mandilla Gold Project includes the Theia, Iris and Eos deposits as well as the recently discovered Hestia prospect.

Gold mineralisation at Theia and Iris is comprised of structurally controlled quartz vein arrays and hydrothermal alteration close to the western margin of the Emu Rocks Granite and locally in contact with sediments of the Spargoville Group (Figure 2).

Significant NW to WNW-trending structures along the western flank of the Project are interpreted from aeromagnetic data to cut through the granitic intrusion. These structures are considered important in localising gold mineralisation at Theia, which now has a mineralised footprint extending over a strike length of more than 1.5km.

A second sub-parallel structure hosts lesser gold mineralisation at the Iris deposit. The mineralised footprint at Iris extends over a strike length of approximately 700 metres, combining with Theia to outline a mineralised zone in excess of 2.2 kilometres in strike.

At Eos, located further to the south-east, a relatively shallow high-grade mineralised palaeochannel deposit has been identified.

Mineralisation at the new Hestia prospect, approximately 500 metres west of Theia, is associated with a sheared zone adjacent to a mafic/sediment contact interpreted to be part of the major north-south trending group of thrust faults known as the Spargoville shear corridor. Mineralisation at Hestia is present in a different geological setting to the primary mineralisation at Theia and Iris and remains open down dip and along strike.

Locally, the Spargoville shear corridor hosts the historically mined Wattle Dam gold mine (266koz at 10.6g/t Au) and, further to the north, the Ghost Crab/Mt Marion mine (>1Moz).

Mandilla is covered by existing Mining Leases which are not subject to any third-party royalties other than the standard WA Government gold royalty.

EXPLORATION UPDATE

THEIA DIAMOND DRILLING PROGRAM

This announcement reports assay results from three diamond-tail drill-holes for an aggregate 487.8 metres.

The results relate to the recently completed 16-hole/4,021.8 metre DD program (excluding 450.1 metres of Reverse Circulation (RC) pre-collars). The intent of the DD program was to test:

- For the presence of gold mineralisation in the western flank of the Theia deposit to assist with Mineral Resource extension; and
- Two previously-identified high-grade gold trends, one south trending ($-18^{\circ} \rightarrow 130^{\circ}$) and the other north trending ($-25^{\circ} \rightarrow 310^{\circ}$).

Assay results for a further eleven DD holes for 2,791.3 metres are pending.

The locations of the DD holes reported in this announcement are shown in Figure 3.

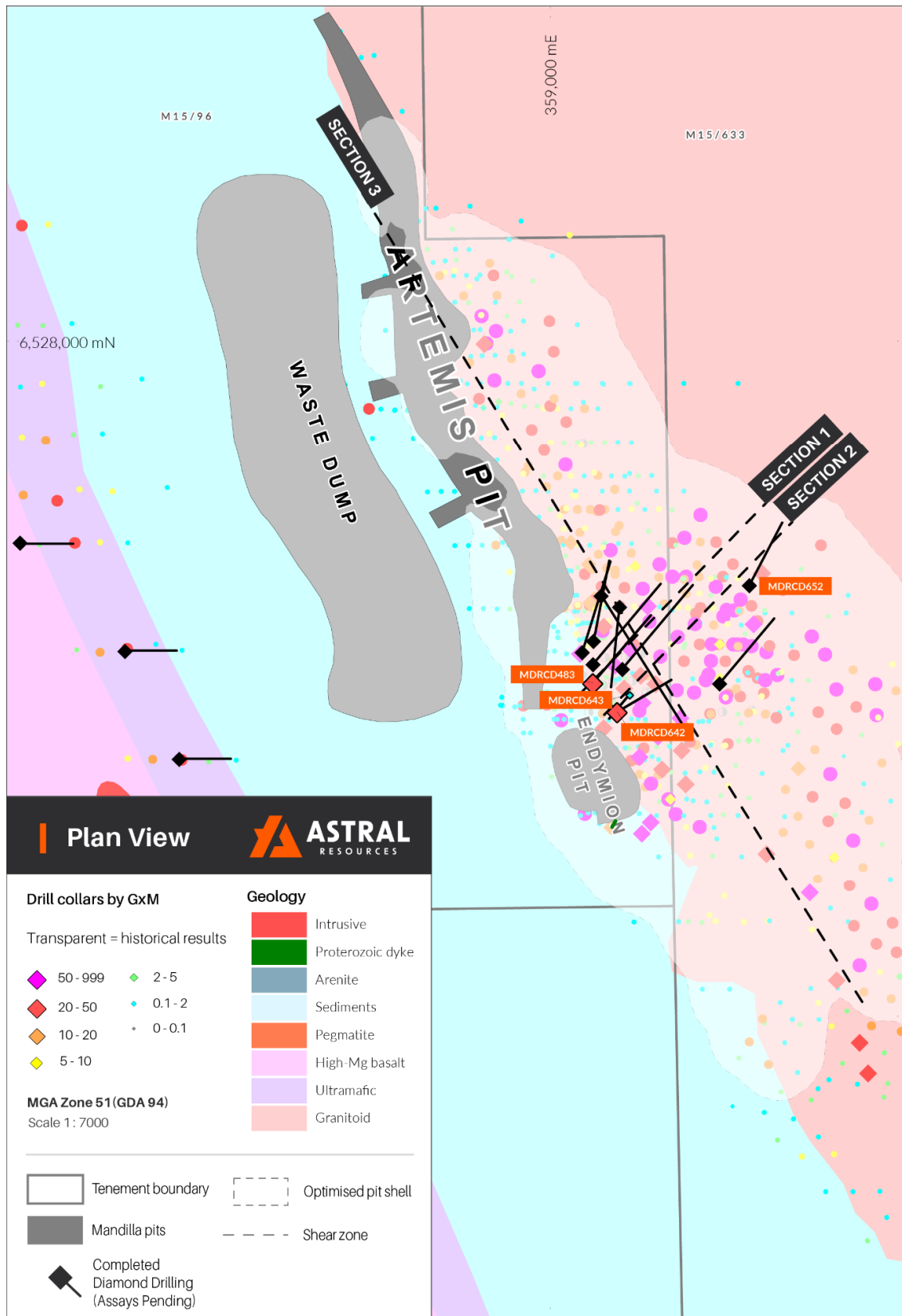


Figure 3 – Drill collar and section location on local area geology for the Theia in-fill and extensional drilling.

MDRCD483 was drilled on the western flank on an 040 azimuth. It targeted the inferred dominant southerly mineralised trend down-dip from MDRCD377. This hole returned two strong zones of gold mineralisation, **22.9m at 0.90g/t Au** from 215.9m and **19m at 1.54g/t Au** from 246.5m.

The cross-section presented below shows the newly identified mineralisation on the western flank at depth and outside the current pit optimisation.

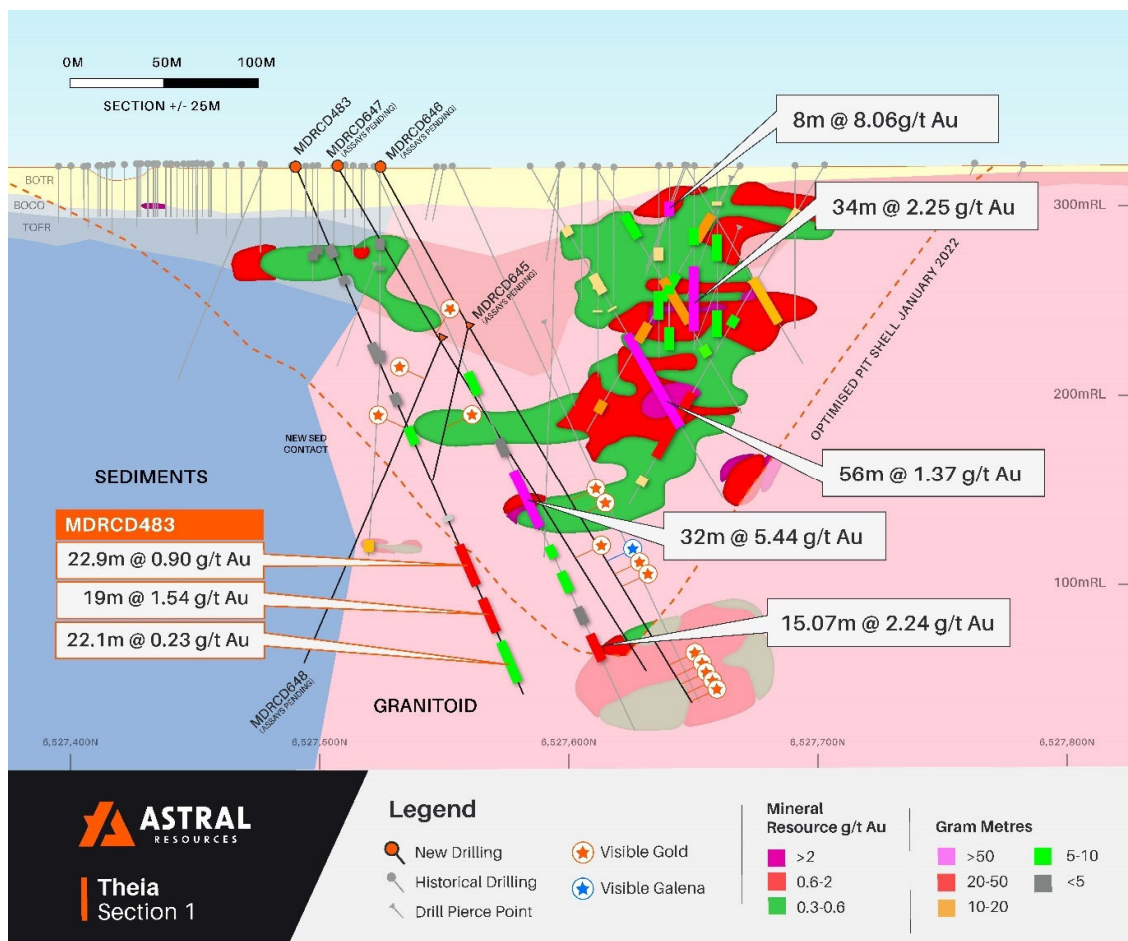


Figure 4 – Theia cross-section view (refer Figure 3 for section location)

MDRCD642 was also drilled on the western flank on an 059 azimuth. It targeted down-dip from MDRCD230, which previously returned **81.45m at 1.63g/t Au** from 179.55m.

Best results from MDRCD642 included **25.5m at 0.56g/t Au** from 156.5m and **19.6m at 1.08g/t Au** from 216.4m. This mineralisation aligns with the inferred northerly gold trend that has previously been identified. Low levels of gold mineralisation were also reported elsewhere in the hole – for instance, **15.1m at 0.35g/t Au** from 250.9m. Visible gold was observed in core towards the bottom-of-hole.

Figure 5 below shows MDRCD642 in cross-section. MDRCD513 is also shown in the section, which returned an interval of **16m at 1.34g/t Au** from 212.2m. MDRCD645 presents on this section with visible gold observed at depth. The results from MDRCD513/642 and the pending results from MDRCD645 are expected to contribute additional Mineral Resources on this section.

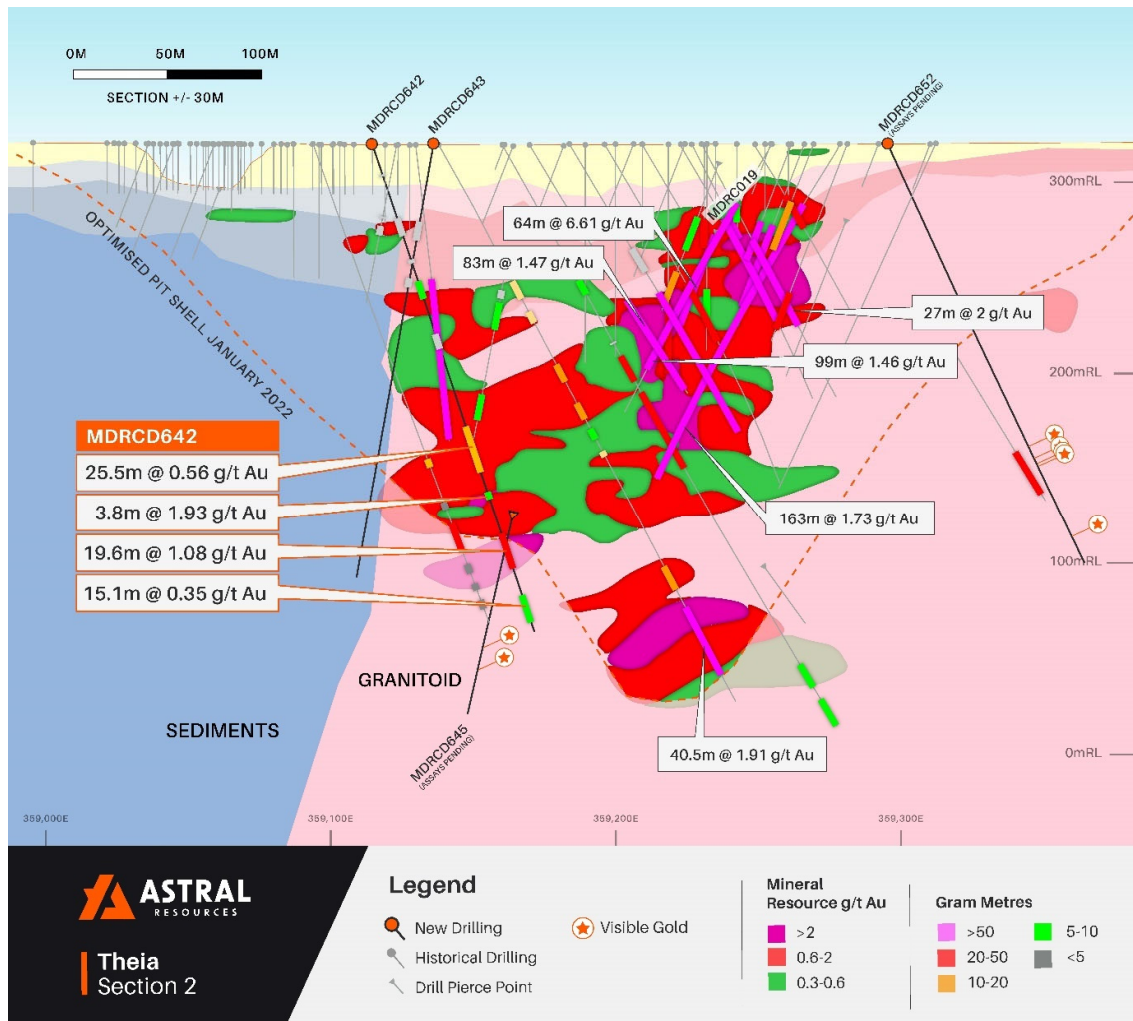
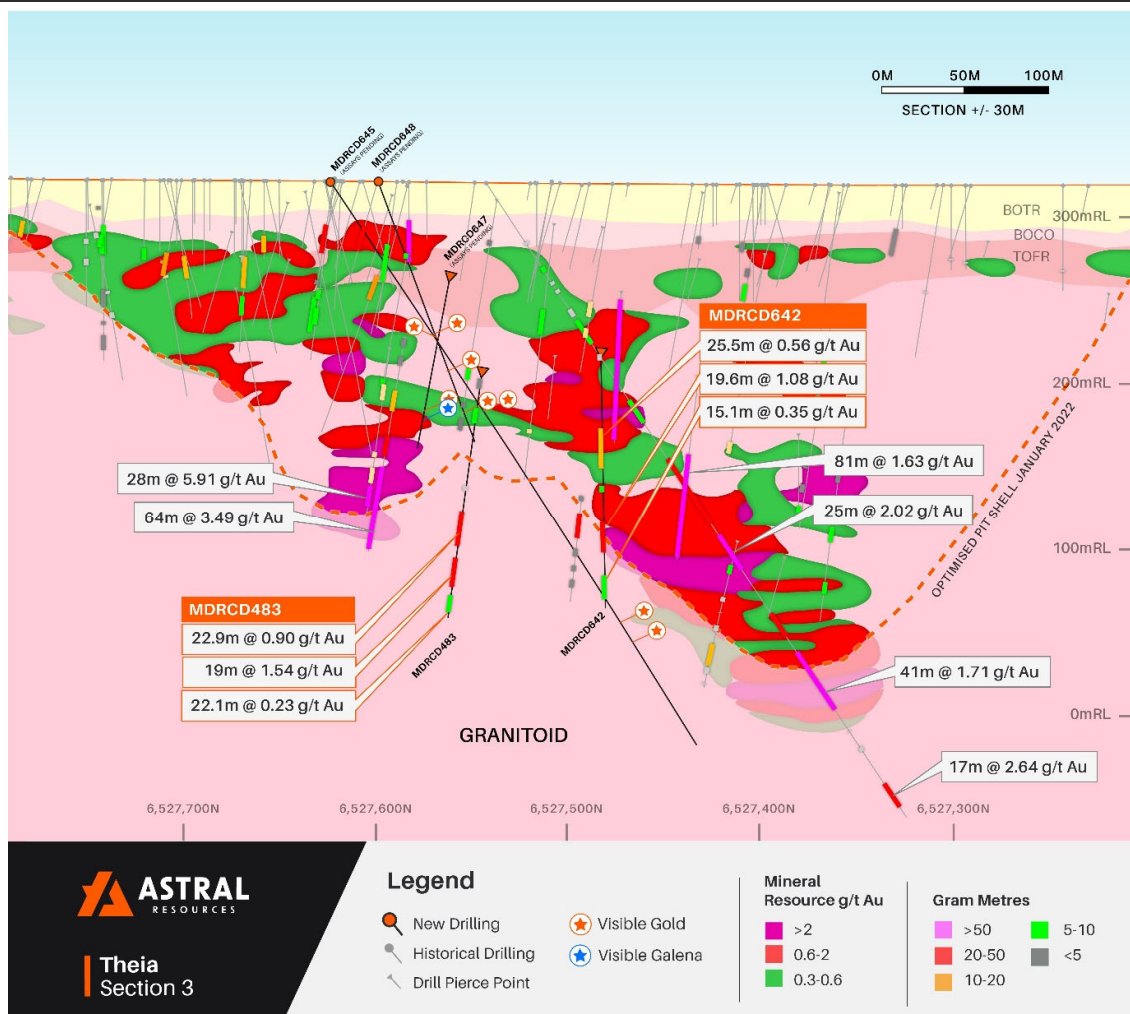


Figure 5 – Theia cross-section view (refer Figure 3 for section location)

MDRCD652 (which is also shown on the cross-section above) was drilled on the eastern flank on a 028 azimuth. It targeted down-dip of the inferred trend from MDRCD638 which previously returned **26m at 1.18g/t Au** from 190m.

The core from MDRCD652 is yet to be processed; however, logging of the core has identified two zones of pyrite, quartz veining and visible gold. Visually, it confirms the targeting methodology and demonstrates support for the northerly trend and the potential for additional Mineral Resources on the eastern flank of Theia.

Figure 6 below illustrates both MDRCD483 and MDRCD642 in a long projection which was previously reported to the ASX on 21 September 2022.



The long projection illustrates the potential for this southerly gold trend to be extended at depth linking the previously reported high-grade results of **64m at 3.49g/t Au** from 190m in MDRCD377 to MDRCD644 which reported **41m at 1.71g/t Au** from 339.3m. The drilling results recently reported, together with the pending results from MDRCD645, have the potential to grow the Theia deposit at depth.

HESTIA DIAMOND DRILLING PROGRAM

The final three holes of the diamond drilling program were completed at Hestia for an aggregate 446.1 metres. Two holes were drilled to a depth of 180.7 metres and the third was completed as a diamond tail to a depth of 252.7 metres.

While core processing is ongoing, all three holes have intersected the targeted shear zone adjacent to the contact between the mafics and sediments of the Spargoville shear corridor. The intersected shear zone is observed to be altered with sulphide mineralisation, increasing density of quartz veining and visible gold.

Images of the Hestia core with visible gold are presented below:



Image 1 – Hestia Prospect, MDRCD653 at 70m



Image 2 – Hestia Prospect, MDRCD654 at 90.5m

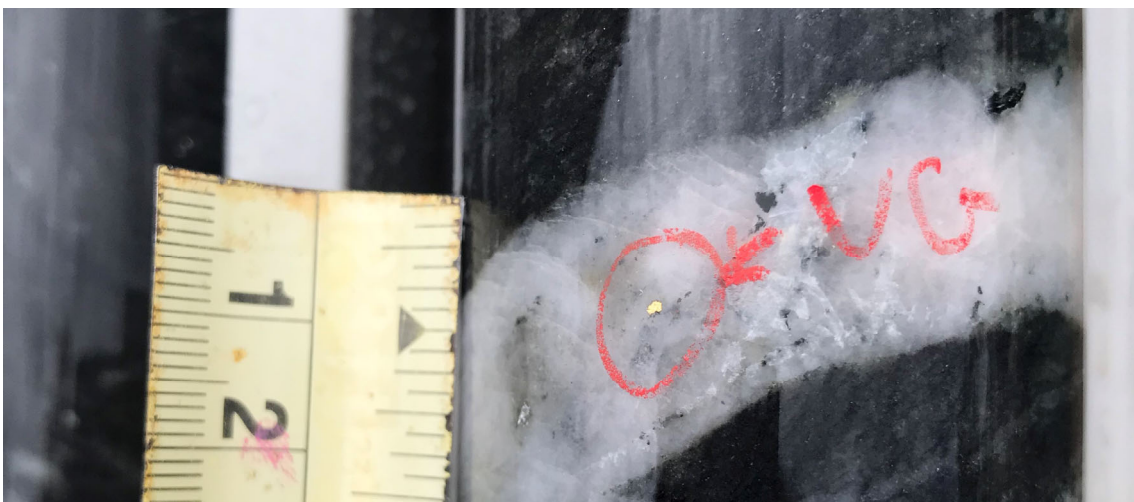


Image 3 – Hestia Prospect, MDRCD654 at 105m

It is anticipated that the Hestia prospect will be further drill tested with an RC program commencing early in the March Quarter.

FUTURE WORK PROGRAM

A diamond drill rig is expected to mobilise to Feysville in November for a 1,500-metre program to test a number of priority targets from the ongoing geological review. This will be the first drilling at Feysville since 2019.

An RC program is planned for early in the March Quarter to infill both Hestia and Theia, and test for bed-rock mineralisation at Eos.

This announcement has been approved for release by the Managing Director.

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Compliance Statement

The information in this announcement that relates to Estimation and Reporting of Mineral Resources is based on information compiled by Mr Michael Job, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM). Mr Job is an independent consultant employed by Cube Consulting. Mr Job has sufficient experience that 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 Job consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Ms Julie Reid, who is a full-time employee of Astral Resources NL. Ms Reid is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. Ms Reid has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Reid consents to the inclusion in this announcement of the material based on this information, in the form and context in which it appears.

Previously Reported Results

There is information in this announcement relating to exploration results which were previously announced on 19 June 2020, 11 August 2020, 15 September 2020, 17 February 2021, 26 March 2021, 20 April 2021, 20 May 2021, 29 July 2021, 26 August 2021, 27 September 2021, 6 October 2021, 3 November 2021, 15 December 2021, 22 February 2022, 3 May 2022, 6 June 2022, 5 July 2022, 13 July 2022, 10 August 2022, 23 August 2022 and 21 September 2022. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

Appendix 1 – Drill Hole Details

Table 1 – Drill hole data

Hole ID	Type	Hole Depth (m)	GDA (North)	GDA (East)	GDA RL	Dip	MGA Azimuth
MDRCD483	RCD	300.8	6,527,493	359,062	320.1	-64	41
MDRCD642	RCD	270.9	6,527,451	359,098	319.7	-70	59
MDRCD643	RCD	271	6,527,477	359,117	319.7	-80	220

Table 2 – Drilling intersections

Hole ID	Location	From (m)	To (m)	Length (m)	Grade g/t Au
MDRCD483	Theia	199.1	202.1	3.00	0.25
		215.9	238.8	22.90	0.90
		<i>Includes 0.35m at 15.76g/t Au from 222.55m</i>			
		246.5	265.5	19.00	1.54
		<i>Includes 0.3m at 67.38g/t Au from 251.3m</i>			
		270.9	293.0	22.10	0.23
MDRCD642	Theia	105.4	113.5	8.15	0.47
		156.5	182.0	25.50	0.56
		193.0	196.8	3.80	1.93
		216.4	236.0	19.60	1.08
		<i>Includes 0.3m at 10.75g/t Au from 224.7m</i>			
		<i>Includes 0.3m at 13.15g/t Au from 234.0m</i>			
		250.9	266.0	15.10	0.35
MDRCD643	Theia	122.8	125.0	2.22	0.09

Appendix 2 – JORC 2012 Table 5

Section 1 – Sampling Techniques and Data – Mandilla

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<p>The project has been sampled using industry standard drilling techniques including diamond drilling (DD), and reverse circulation (RC) drilling and air-core (AC) drilling.</p> <p>The sampling described in this release has been carried out on the 2022 DD drilling.</p> <p>3 DD holes were drilled and sampled. The DD core is orientated, logged geologically and marked up for assay at a maximum sample interval of 1.2 metre constrained by geological or alteration boundaries. Drill core is cut in half by a diamond saw and half HQ or NQ2 core samples submitted for assay analysis.</p> <p>DD core was marked up by AAR geologists.</p> <p>The core was cut on site with AAR's CoreWise saw.</p> <p>All samples were assayed by MinAnalytical with company standards blanks and duplicates inserted at 25 metre intervals.</p> <p><i>Historical - The historic data has been gathered by a number of owners since the 1980s. There is a lack of detailed information available pertaining to the equipment used, sample techniques, sample sizes, sample preparation and assaying methods used to generate these data sets. Down hole surveying of the drilling where documented has been undertaken using Eastman single shot cameras (in some of the historic drilling) and magnetic multi-shot tools and gyroscopic instrumentation. All Reverse Circulation (RC) drill samples were laid out in 1 metre increments and a representative 500 – 700 gram spear sample was collected from each pile and composited into a single sample every 4 metres. Average weight 2.5 – 3 kg sample. All Aircore samples were laid out in 1 metre increments and a representative 500 – 700 gram spear sample was collected from each pile and composited into a single sample every 4 metres. Average weight 2.5 – 3 kg sample. 1m samples were then collected from those composites assaying above 0.2g/t Au.</i></p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	Diamond drilling was cored using HQ and NQ2 diamond bits
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	DD: Diamond drilling collects uncontaminated fresh core samples which are cleaned at the drill site to remove drilling fluids and cuttings to present clean core for logging and sampling.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<p>All chips and drill core were geologically logged by company geologists, using their current company logging scheme. The majority of holes (80%+) within the mineralised intervals have lithology information which has provided sufficient detail to enable reliable interpretation of wireframe.</p> <p>The logging is qualitative in nature, describing oxidation state, grain size, an assignment of lithology code and stratigraphy code by geological interval.</p> <p>DDH: Logging of diamond drill core records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples, and structural information from oriented drill core. All recent core was</p>

<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <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> <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> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>photographed in the core trays, with individual photographs taken of each tray both dry, and wet, and photos uploaded to the AAR Server.</p> <p>HQ and NQ2 diamond core was halved and the right side sampled.</p> <p><i>Historical - The RC drill samples were laid out in one metre intervals. Spear samples were taken and composited for analysis as described above. Representative samples from each 1m interval were collected and retained as described above. No documentation of the sampling of RC chips is available for the Historical Exploration drilling</i></p> <p>Recent RC drilling collects 1 metre RC drill samples that are channelled through a rotary cone-splitter, installed directly below a rig mounted cyclone, and an average 2-3 kg sample is collected in pre-numbered calico bags, and positioned on top of the rejects cone. Wet samples are noted on logs and sample sheets.</p> <p>Standard Western Australian sampling techniques applied. There has been no statistical work carried out at this stage.</p> <p>MinAnalytical assay standards, blanks and checks were inserted at regular intervals. Standards, company blanks and duplicates were inserted at 25 metre intervals.</p> <p>RC: 1 metre RC samples are split on the rig using a cone-splitter, mounted directly under the cyclone. Samples are collected to 2.5 to 4kg which is optimised for photon assay.</p> <p>Sample sizes are appropriate to the grain size of the material being sampled.</p> <p>Unable to comment on the appropriateness of sample sizes to grain size on historical data as no petrographic studies have been undertaken. Sample sizes are considered appropriate to give an indication of mineralisation given the particle size and the preference to keep the sample weight below a targeted 4kg mass which is the optimal weight to ensure representivity for photon assay. There has been no statistical work carried out at this stage.</p>
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<p>Photon Assay technique at MinAnalytical Laboratory Services, Kalgoorlie. Samples submitted for analysis via Photon assay technique were dried, crushed to nominal 85% passing 2mm, linear split and a nominal 500g sub sample taken (method code PAP3512R)</p> <p>The 500g sample is assayed for gold by PhotonAssay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates.</p> <p>The MinAnalytical PhotonAssay Analysis Technique: - Developed by CSIRO and the Chrysos Corporation, This Photon Assay technique is a fast and chemical free alternative to the traditional fire assay process and utilizes high energy x-rays. The process is non-destructive on and utilises a significantly larger sample than the conventional 50g fire assay. MinAnalytical has thoroughly tested and validated the PhotonAssay process with results benchmarked against conventional fire assay.</p> <p>The National Association of Testing Authorities (NATA), Australia's national accreditation body for laboratories, has issued Min Analytical with accreditation for the technique in compliance with TSO/TEC 17025:2018-Testing.</p> <p>Certified Reference Material from Geostats Pty Ltd submitted at 75 metre intervals approximately. Blanks and duplicates also submitted at 75m intervals giving a 1:25 sample ratio.</p> <p>Referee sampling has not yet been carried out.</p>
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<p>Geology Manager or Senior Geologist verified hole position on site.</p> <p>Standard data entry used on site, backed up in South Perth WA.</p> <p>No adjustments have been carried out. However, work is ongoing as samples can be assayed to extinction via the PhotonAssay Analysis Technique</p>

Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<p>Drill holes have been picked up by Leica RTK GPS. Minecomp were contracted to pick up all latest drilling collars.</p> <p>Grid: GDA94 Datum UTM Zone 51</p>
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<p>RC Drill hole spacing at Theia is a maximum of 40 x 40m. And approaching 20 x 20m within the central areas.</p> <p>Diamond drilling at Theia is at 40 - 40m to 40-80m spacing.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>All drill holes have been drilled normal to the interpreted strike. Most of the current holes at Theia are drilled on a 040 azimuth with minor variations applied where drill-hole spacing is limited. Other holes not drilled at 040 azimuth have been completed. Some holes have been drilled at other azimuths to test cross cutting structures and to hit western targets, avoiding surface infrastructure</p>
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<p>All samples taken daily to AAR yard in Kambalda West, then transported to the Laboratory in batches of up to 10 submissions</p>
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<p>No audits have been carried out at this stage.</p>

Section 2 - Reporting of Exploration Results - Mandilla

Criteria	JORC Code Explanation	Commentary			
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	Tenement	Status	Location	Interest Held (%)
		E 15/1404	Granted	Western Australia	100
		M 15/96	Granted	Western Australia	Gold Rights 100
		M 15/633	Granted	Western Australia	Gold Rights 100
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>The tenements are in good standing with the Western Australian Department of Mines, Industry Regulation and Safety. No royalties other than the WA government 2.5% gold royalty.</p> <p>Several programs of RC percussion, diamond and air core drilling were completed in the area between 1988-1999 by Western Mining Corporation (WMC). In early 1988 a significant soil anomaly was delineated, which was tested late 1988 early 1989 with a series of 4 percussion traverses and diamond drilling. Gold mineralisation was intersected in thin quartz veins within a shallowly dipping shear zone. 1989-90- limited exploration undertaken with geological mapping and 3 diamond holes completed. 1990-91- 20 RC holes and 26 AC were drilled to follow up a ground magnetic survey and soil anomaly. 1991-94 - no gold exploration undertaken</p> <p>1994-95 – extensive AC programme to investigate gold dispersion. A WNW trending CS defined lineament appears to offset the Mandilla granite contact and surrounding sediments, Shallow patchy supergene (20-25m) mineralisation was identified, which coincides with the gold soil anomaly</p> <p>During 1995- 96 - Three AC traverses 400m apart and 920m in length were drilled 500m south of the Mandilla soil anomaly targeting the sheared granite felsic sediment contact.</p> <p>1996-97 - A 69 hole AC program to the east of the anomaly was completed but proved to be ineffective due to thin regolith cover in the area. WID3215 returned 5m @7g/t from 69m to EOH.</p> <p>1997-1998- 17 RC infill holes to test mineralisation intersected in previous drilling was completed. A number of bedrock intersections were returned including WID3278 with 4m @ 6.9g/t Au from 46m.</p>			
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<p>The Mandilla Gold Project (Mandilla) is located approximately 70km south of Kalgoorlie, and about 25km south-west of Kambalda in Western Australia. The deposit is located on granted Mining Leases M15/633 (AAR gold rights), M15/96 (AAR gold rights) and Exploration Lease E15/1404 (wholly-owned by AAR).</p> <p>Regional Geology</p> <p>Mandilla is located within the south-west of the Lefroy Map Sheet 3235. It is situated in the Coolgardie Domain, on the western margin of the Kalgoorlie Terrain within the Wiluna-Norseman Greenstone Belt, Archaean Yilgarn Block.</p> <p>Mandilla is located between the western Kunanalling Shear, and the eastern Zuleika Shear. Project mineralisation is related to north-south trending major D2¹ thrust faults known as the “Spargoville Trend”. The Spargoville Trend contains four linear belts of mafic to ultramafic lithologies (the Coolgardie Group) with intervening felsic rocks (the Black Flag Group) forming a D1² anticline modified and repeated by intense D2 faulting and shearing. Flanking the Spargoville Trend to the east, a D2 Shear (possibly the Karamindie Shear) appears to host the Mandilla mineralisation along the western flank of the Emu Rocks Granite, which has intruded the felsic volcanoclastic sedimentary rocks of the Black Flag Group. This shear can be traced across the region, with a number of deflections present. At these locations, granite stockworks have formed significant heterogeneity in the system and provide structural targets for mineralisation. The Mandilla mineralisation is interpreted to be such a target.</p> <p>Local Geology and Mineralisation</p>			

¹ D2 – Propagation of major crustal NNW thrust faults.

² D1 – Crustal shortening.

		<p>Mandilla is located along the SE margin of M15/96 extending into the western edge of M15/633. It comprises an east and west zone, both of which are dominated by supergene mineralisation between 20 and 50 m depth below surface. Only the east zone shows any significant evidence of primary mineralisation, generally within coarse granular felsic rocks likely to be part of the granite outcropping to the east. Minor primary mineralisation occurs in sediments.</p> <p>The nature of gold mineralisation at Mandilla is complex, occurring along the western margin of a porphyritic granitoid that has intruded volcanoclastic sedimentary rocks. Gold mineralisation appears as a series of narrow, high grade quartz veins with relatively common visible gold, with grades over the width of the vein of up to several hundreds of grams per tonne. Surrounding these veins are lower grade alteration haloes. These haloes can, in places, coalesce to form quite thick zones of lower grade mineralisation. The mineralisation manifests itself as large zones of lower grade from ~0.5 – 1.5g/t Au with occasional higher grades of +5g/t Au over 1 or 2 metres.</p> <p>Further to the west of Theia close to the mafic/sediment contact a D2 shear sub parallels the Mandilla shear. Quartz veining and sulphides have been identified within the sediments close to the contact with high mag basalt within sheared siltstones and shales.</p> <p>In addition to the granite-hosted mineralisation, a paleochannel is situated above the granite/sediment contact that contains significant gold mineralisation. An 800 m section of the paleochannel was mined by AAR in 2006 and 2007, with production totalling 20,573 ounces.</p>
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	This Information has been summarised in Table 1 and 2 of this ASX announcement.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>No data aggregation methods have been used.</p> <p>A 100ppb Au lower cut off has been used to calculate grades for AC drilling</p> <p>A 0.3g/t Au lower cut off has been used to calculate grades for RC drilling, with maximum internal dilution of 5m.</p> <p>A cutoff grade of >0.5g*m has been applied for reporting purposes in the tables of results.</p> <p>This has not been applied.</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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 	The overall mineralisation trend strikes to the north-west at about 325°, with a sub-vertical dip. However, extensive structural logging from diamond core drilling of the quartz veins within the mineralised zones shows that the majority dip gently (10° to 30°) towards SSE to S (160° to 180°). The majority of drilling is conducted at an 040 azimuth and 60° dip to intersect the mineralisation at an optimum angle.

	<i>this effect (e.g. 'down hole length, true width not known').</i>	
Diagrams	<ul style="list-style-type: none"> • <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> 	Applied
Balanced reporting	<ul style="list-style-type: none"> • <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> 	Balanced reporting has been applied.
Other substantive exploration data	<ul style="list-style-type: none"> • <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> 	No other substantive exploration data.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> 	Follow up Aircore, Reverse Circulation & Diamond Drilling is planned. No reporting of commercially sensitive information at this stage.