

ASX ANNOUNCEMENT

28 November 2022

ABOUT CALIDUS RESOURCES

Calidus Resources is an ASX listed gold producer that is ramping up the 1.7Moz Warrawoona Gold Project in the East Pilbara district of Western Australia.

DIRECTORS AND MANAGEMENT

Mr Mark Connelly
NON-EXECUTIVE CHAIRMAN

Mr David Reeves
MANAGING DIRECTOR

Mr John Ciganek
NON-EXECUTIVE DIRECTOR

Ms Kate George
NON-EXECUTIVE DIRECTOR

Mr Paul Brennan
PROJECT DEVELOPMENT

Mr Richard Hill
CHIEF FINANCIAL OFFICER

Ms Julia Beckett
COMPANY SECRETARY

calidus.com.au

ASX : CAI

✉ info@calidus.com.au

📍 Suite 12, 11 Ventnor Ave
West Perth WA 6005
AUSTRALIA

New gold discovery 65km from Warrawoona project in the Pilbara

Initial assays combined with large, mapped zone of alteration highlight the potential of the area

HIGHLIGHTS

- **First assays received from maiden RC drilling program 7km from Calidus' Blue Spec project. Exceptional first assays have been received from maiden RC drilling program 7km from Calidus' Blue Spec project. Significant intersections include:**
 - **41m @ 2.37 g/t Au from 32m in 22GORC009, including:**
 - **5m @ 3.4 g/t Au from 37m and**
 - **9m @ 3.43 g/t Au from 62m**
- **Assays in first two holes correlate strongly with logged and mapped zones of hematite alteration, highlighting potential for substantial scale**
- **In light of these strong results, another 12 RC holes have been added to the original 20-hole program**
- **Final Investment Decision on the Blue Spec deposit, which is 65km from Calidus' operating Warrawoona project, is set for June quarter, 2023**
- **An economic discovery near Blue Spec would enable Calidus to further leverage the infrastructure at Warrawoona**

Calidus Resources Limited (Calidus (ASX:CAI)) is pleased to announce the results from a batch of high-priority assays from two drill holes of the maiden drilling program on E46/1026¹, west-southwest of the Blue Spec mine in WA's Pilbara region.

The drilling program comprises widely spaced scout holes to test about 2km strike length of a zone of strong gold-in-soil anomalies extending for more than 3km along strike associated with the Blue Spec Fault Zone². Owing to the hilly topography, a small-footprint rig is being used for the maiden program.

The gold-in-soil anomalies are coincident with a mapped halo of carbonate alteration and an inner envelope of hematite alteration.

Assays of >0.5 g/t Au largely correspond with logged zones of fine disseminated pyrite and thin quartz veins in sandstone.

Calidus Managing Director Dave Reeves said: *"The width, the grade, and the close proximity to Warrawoona makes this an extremely exciting discovery for Calidus."*

“These early results clearly demonstrate that there is excellent upside in the larger area covered by the soil sampling and is a credit to our exploration team who have systematically progressed this greenfields target.

“The results have provided a compelling reason to expand the initial 20-hole RC program to 32 holes while the drill rig is on site.

“Samples from 14 more drill holes are already at the laboratory and we will keep the market updated as we receive more results.”

E46/1026

Exploration Licence E46/1026 is located about 11km ENE of the township of Nullagine, in the east Pilbara region (Figure 1). The tenement is considered prospective for mineralisation like that at the Blue Spec mine, which is less than 5km to the east of E46/1026. The absence of any historic stream sediment and soil sampling and drilling on E46/1026 means that the potential of the tenement is largely untested. Furthermore, there is no evidence of any prospecting activity, modern or historic, in the area.

The entire tenement lies within metasedimentary rocks of the 2980-2930 Ma Mosquito Creek Basin. Gold deposits across the basin largely consist of epizonal, quartz-vein hosted Au±Sb mineralization³ associated with flexures or oblique cross-cutting structures of the main E- to ENE-trending shear zones. The deposits at Blue Spec and Gold Spec, immediately east of E46/1026, are very high-grade, narrow quartz lodes.

The results of a Feasibility Study on the Blue Spec and Gold Spec deposits were released on the 29 September 2022⁴.

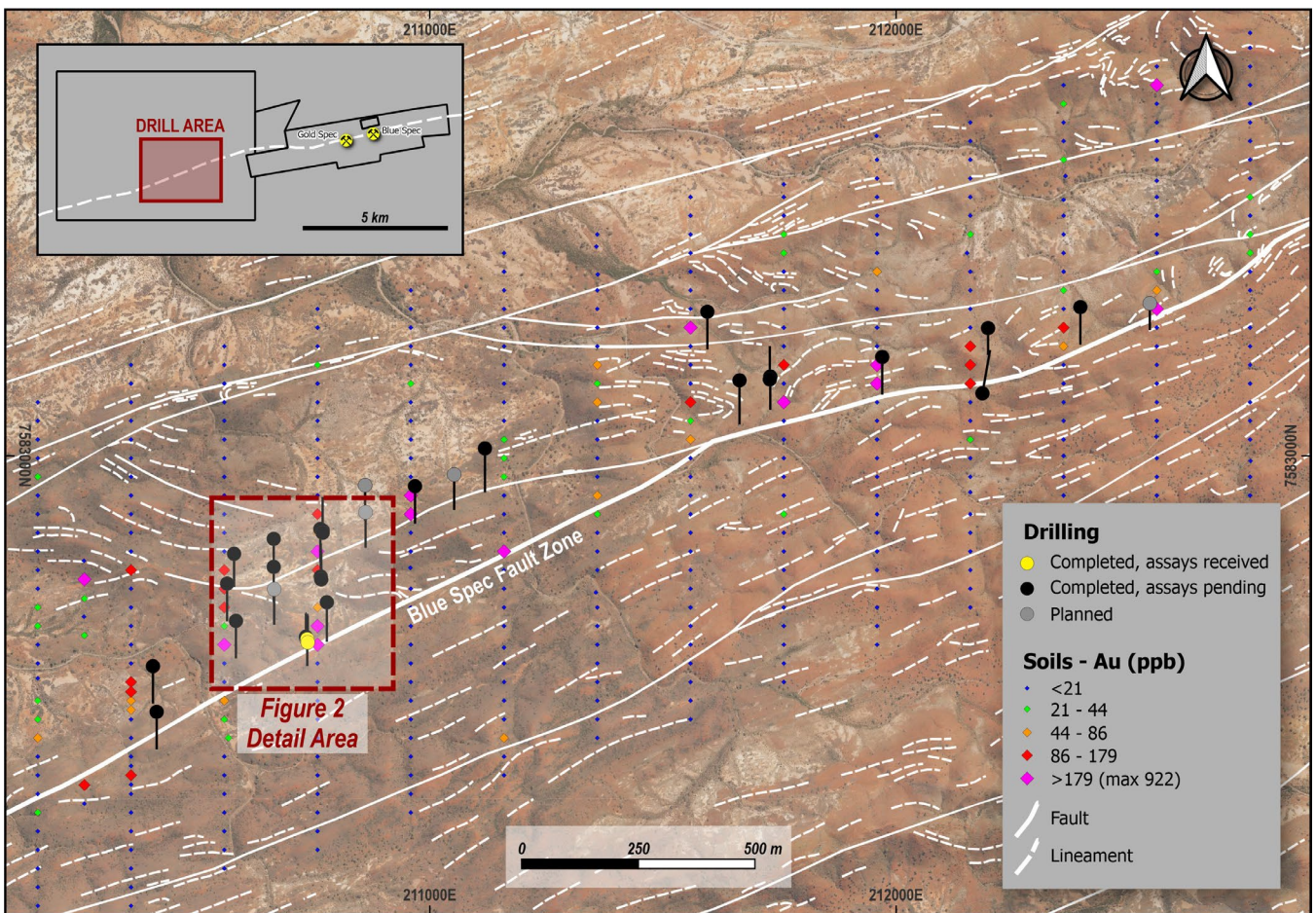


Figure 1 – Map showing the location of E46/1026 and the area covered by the drilling. Soil sample results are those reported to the ASX on 2 August 2022².

On 2 August 2022, Calidus announced a zone of strong gold-in-soil anomalism defined over >3km strike length within the Blue Spec Fault Zone west of the Blue Spec mine². The main zone of anomalism is coincident with hyperspectral indicators of alteration and a structural corridor. Follow-up field work has confirmed that the main zone of anomalism coincides with an outer envelope of carbonate alteration, an inner envelope of hematite alteration, and quartz-ankerite veins.

The soil samples were analysed by Calidus field personnel for Au using the novel detectORE™ method developed by Portable PPB within 48 hours of the samples being collected. This has allowed the entire timeframe from sampling to approvals granted to be compressed so that drilling could be carried out before the end of the field season in the Pilbara.

A small footprint rig was chosen for the maiden program to reduce the cost of, and time spent on, earthworks. The rig has enabled holes to be drilled at a shallow angle (-40°) to increase confidence in the correspondence between soil results and drill assays, and to permit holes to extend across the zones of anomalism as much as possible. Three drill holes have now been drilled at -60° underneath holes drilled at -40° to define the dip on the zones of alteration and mineralisation. Mapped cleavages, foliations, and veins to date are predominantly sub-vertical.

Drilling results

Results received from the first two holes, 22GORC008 and 22GORC009, include the following significant intercepts:

- 6m @ 0.74 g/t Au from 19m in 22GORC009
- 41m @ 2.37 g/t Au from 32m in 22GORC009, including 5m @ 3.4 g/t Au from 37m and 9m @ 3.43 g/t Au from 62m
- 6m @ 0.80 g/t Au from 7m in 22GORC008
- 2m @ 0.64 g/t Au from 17m in 22GORC008
- 7m @ 0.57 g/t Au from 27m in 22GORC008
- 4m @ 0.87 g/t Au from 42m in 22GORC008.

Significant intercepts are strongly correlated with logged hematite alteration, fine disseminated pyrite, and thin quartz-carbonate veins, predominantly in sandstone. Zones of hematite alteration were previously mapped at surface across the area covered by the soil anomalies, but the initial assays have provided more confidence in the criteria used for targeting. Hematite appears to be a weathering product of pyrite.

Samples from another 12 drill holes have already arrived at the laboratory. Samples from the remainder of the holes will be dispatched from site by the start of December.

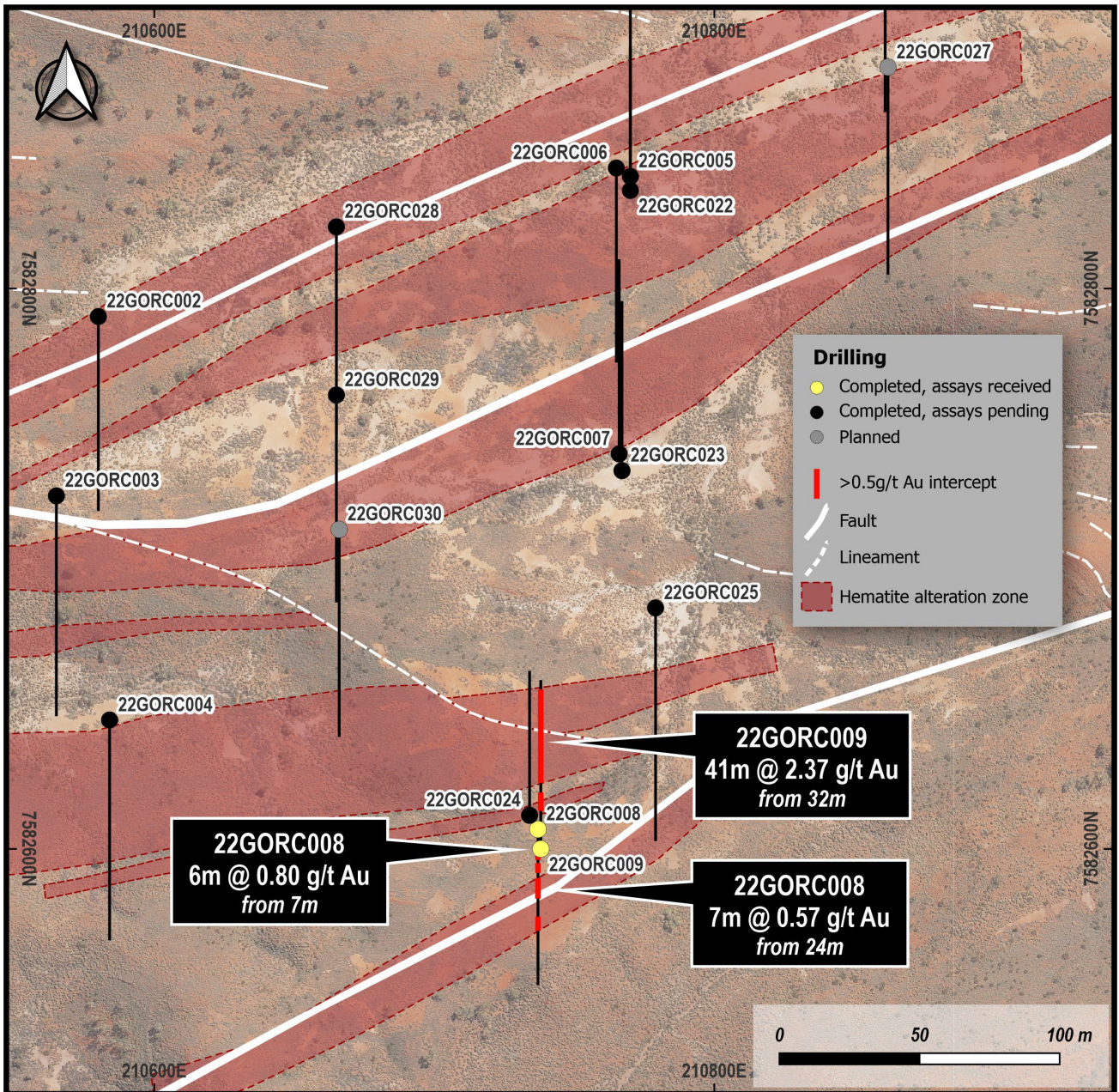


Figure 2 – Drill plan showing significant Au results returned to date and mapped hematite alteration.

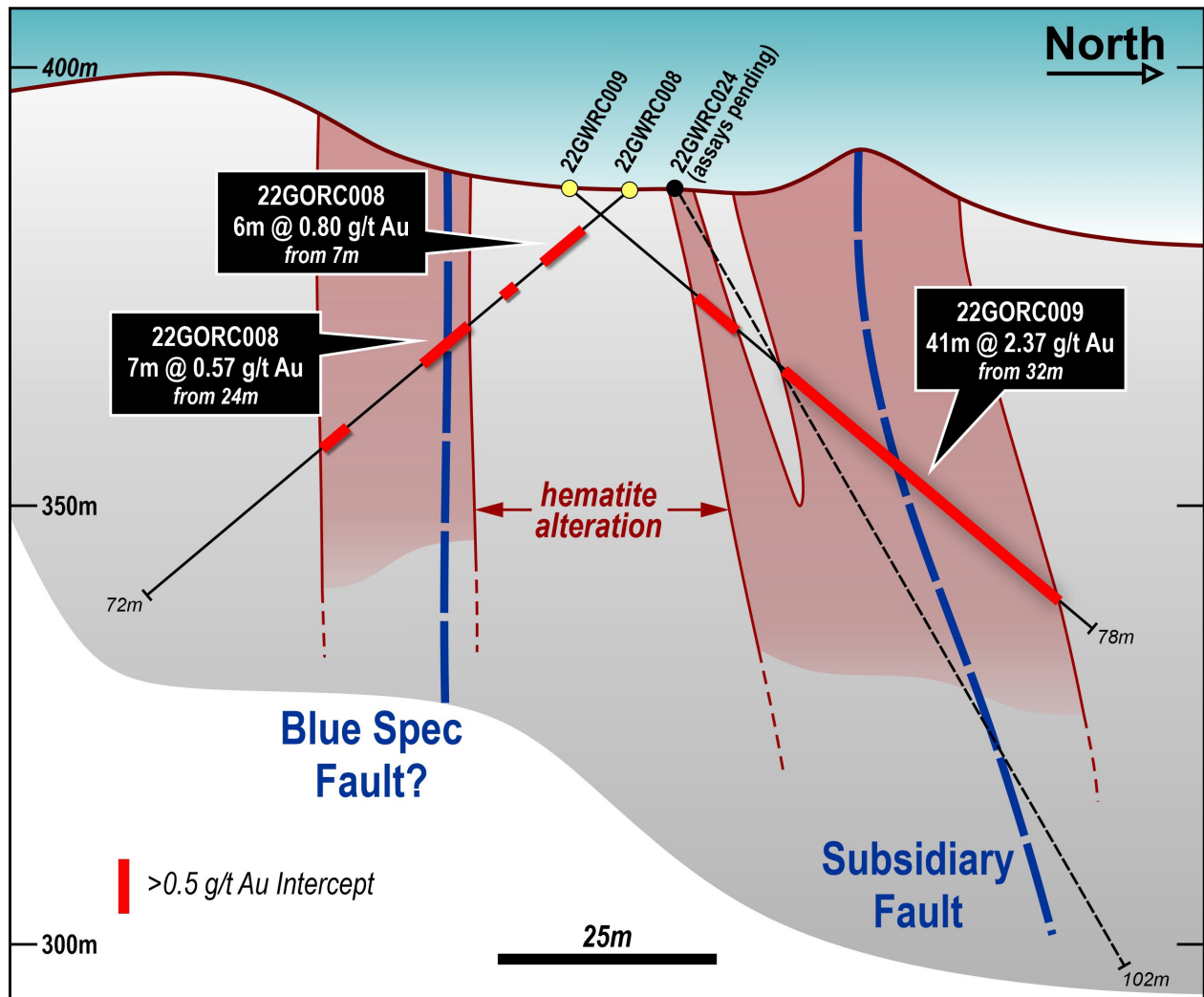


Figure 3 – N-S Cross Section through Drillholes 22GORC008, 009 and 024 showing significant Au intercepts (>0.5 g/t Au)

NOTES

1. “Drilling confirms lithium continuity 250m down dip”: Calidus Resources Ltd, ASX Announcement 9 November 2022.
2. “Blue Spec soil survey provides compelling gold anomalies”: Calidus Resources Ltd, ASX Announcement 2 August 2022.
3. Blewett, R.S., Huston, D.L., Mernagh, T.P., Kamprad, J., 2002. The diverse structure of Archaean lode gold deposits of the southwest Mosquito Creek belt, east Pilbara craton, Western Australia: *Economic Geology*, 97, 787-800.
4. “Maiden Blue Spec Reserve underpins expansion plan for Warrawoona”: Calidus Resources Ltd, ASX Announcement 29 September 2022.

COMPETENT PERSON STATEMENT

The information in this announcement is based on and fairly represents information compiled by Steve Sheppard a competent person who is a member of the AIG. Steve Sheppard is employed by Calidus Resources Limited and holds shares and options in the Company. Steve has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined

in the 2012 edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Steve Sheppard consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This announcement includes certain “forward looking statements”. All statements, other than statements of historical fact, are forward looking statements that involve risks and uncertainties. There can be no assurances that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Such information contained herein represents management’s best judgement as of the date hereof based on information currently available. The Company does not assume any obligation to update forward looking statements.

DISCLAIMER

References in this announcement may have been made to certain ASX announcements, which in turn may have included exploration results and Minerals Resources. For full details, please refer to the said announcement on the said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original announcement.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further information please contact:

Dave Reeves

Managing Director

✉ info@calidus.com.au

Refer announcements:

- 1 December 2021 – Calidus to commence drill testing priority greenfields gold targets
- 21 March 2022 – Strong exploration results highlight growth potential of Blue Spec Project
- 2 June 2022 – Strong drilling results show potential for open pit at Blue Spec East
- 2 August – Blue Spec soil survey provides compelling gold anomalies
- 29 September 2022 – Maiden Blue Spec Reserve underpins expansion plan for Warrawoona
- 9 November 2022 – Drilling confirms lithium continuity 250m down dip.

Table 1 – Drill hole details and significant intercepts for drilling program (using a cut-off grade of 0.5 g/t Au)

Hole ID	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Comments
22GORC001	210406	7582549	378	102	-40	180					Drilled
22GORC002	210580	7582790	384	90	-40	180					Drilled
22GORC003	210565	7582726	384	102	-40	180					Drilled
22GORC004	210584	7582646	381	102	-40	180					Drilled
22GORC005	210770	7582840	380	90	-40	360					Drilled
22GORC006	210765	7582843	380	90	-40	180					Drilled
22GORC007	210766	7582741	382	90	-40	360					Drilled
22GORC008	210737	7582607	386	72	-40	180	7	13	6	0.80	Drilled
							17	19	2	0.64	
							24	31	7	0.57	
							42	46	4	0.87	
22GORC009	210738	7582600	386	72	-40	360	19	25	6	0.74	Drilled
							32	73	41	2.37	Including 5m @ 3.4 g/t from 37m and 9m @ 3.43 g/t from 62m
22GORC010	210968	7582935	382	102	-40	180					Drilled
22GORC011	211118	7583016	379	120	-40	180					Drilled
22GORC012	211595	7583309	387	102	-40	180					Drilled
22GORC013	211664	7583162	389	120	-40	180					Drilled
22GORC014	211730	7583170	391	90	-40	180					Drilled
22GORC015	211729	7583164	391	90	-40	360					Drilled
22GORC016	211970	7583212	395	120	-40	180					Drilled
22GORC017	212197	7583274	399	96	-40	180					Drilled
22GORC018	212185	7583134	403	120	-40	10					Drilled
22GORC019	212395	7583319	400	102	-40	180					Drilled
22GORC020	212544	7583327	406	72	-40	180					Planned
22GORC021	210414	7582451	378	102	-40	180					Drilled
22GORC022	210770	7582835	380	91	-60	360					Drilled
22GORC023	210767	7582735	382	102	-60	360					Drilled
22GORC024	210734	7582608	386	102	-60	360					Drilled
22GORC025	210779	7582686	380	102	-40	180					Drilled
22GORC026	210861	7582937	378	96	-40	180					Planned
22GORC027	210862	7582879	378	96	-40	180					Planned
22GORC028	210665	7582822	380	96	-40	180					Drilled
22GORC029	210665	7582762	382	96	-40	180					Drilled
22GORC030	210666	7582714	383	96	-40	180					Planned
22GORC031	211052	7582960	382	96	-40	180					Planned

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	<p>All reverse circulation samples were collected using a Atlas Copco ROC L8-64 Reverse Circulation drill rig operated by Castle Drilling Australia. All RC drilling was undertaken with a 5 ½ inch hammer.</p> <p>RC holes were sampled for their entire length every 1m, with 1/8 of each interval sampled for assay, and the remaining 7/8 of each interval stored on site. Representative chips from the drilling were also collected in chip trays for reference. The chip trays will be sent to CoreScan for high-resolution photography and scanning using hyperspectral sensors to determine the alteration mineralogy.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Almost all the holes were drilled at -40° to either 180° or 360° so as to be close to perpendicular to the strike of the mineralised zones. Mapping to date indicates that most of the structures and quartz-carbonate veins are sub-vertical, so either azimuth is suitable.</p> <p>RC samples were collected at one-metre intervals by a cone splitter mounted to the drill rig cyclone. The cone was balanced vertically to minimize bias during sampling. The relative weights of primary and duplicate samples off the cyclone were routinely monitored to minimize sample bias.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	RC samples were split at the rig to achieve a target sample weight of 2-5kg for each metre. RC samples were dried, crushed, split, and pulverized by Jinning Testing and Inspection in Perth prior to analysis for gold using fire assay on a 50g charge with AAS finish.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	RC samples were collected using a track-mounted Atlas Copco ROC L8-64 Reverse Circulation drill rig. Sufficient air was available to ensure that samples were kept dry.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Sample recoveries were monitored and recorded for each metre. Recoveries were estimated for most metres by the supervising geologist on the rig to be close to 100% of the volume extracted each metre. Recoveries were generally consistent down the hole, except for some metres from the first rod before the holes were collared.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Sufficient air was available from the auxiliary compressor and booster to ensure that samples were kept dry, and that material was evacuated from the hole rapidly. Owing to the shallow angle of drilling and short nature of the holes

Criteria	JORC Code explanation	Commentary
		<p>(≤120m depth) minimal water was encountered. Recoveries were monitored each metre and the relative weights of primary and duplicate samples were monitored to ensure minimal bias from the cyclone and splitter.</p>
	<p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>There is no correlation between the sample weights, as measured by the laboratory, and grade.</p>
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies</i></p>	<p>For each 1m interval, the main rock types, alteration mineralogy and intensity, vein types and abundances, and sulfide abundances were logged.</p> <p>The detail of logging is sufficient to support any future Mineral Resource Estimations.</p>
	<p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p>	<p>Logging of RC samples and drill core was predominately qualitative in nature, although vein and sulfide percentages were estimated visually. The chip trays from all holes will be sent to Corescan for high-resolution photography.</p>
	<p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>All recovered intervals were geologically logged.</p>
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p>	<p>Not applicable as no diamond drilling was undertaken.</p>
	<p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p>	<p>RC samples were collected from the full recovered interval each metre at the drill rig by a cone splitter. A split, comprising roughly 1/8 of the drilled interval, was collected each metre into a pre-labelled calico bag. No records of wet samples were noted.</p>
	<p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p>	<p>Samples submitted for fire assay to Jinning were oven dried at 105°C for 8-10 hours depending on moisture content and pulverised to achieve a grind size of 85% passing 75 µm (samples >3.5kg were riffle split before pulverising). In gold systems with a low proportion of nuggets, this sample preparation is regarded as being appropriate.</p>
	<p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p>	<p>After milling, about 150-200g is scooped randomly from the LM5 mill and placed into an assay packet. The design of the mill allows for simultaneous milling and mixing, so that at the end of the cycle the sample is deemed to be homogeneous. The 50g for assay is weighed directly from the packet.</p> <p>Between samples, the mill is cleaned with compressed air.</p>
	<p><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></p>	<p>Field duplicates in a second calico bag were collected at a predetermined rate of 1 in every 40 samples. The relative and absolute weights of the primary and duplicate samples were monitored to ensure sufficient recovery of both and an even split between the two samples.</p>

Criteria	JORC Code explanation	Commentary
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Each primary RC sample was between 1 and 5kg (mostly between 3 and 4kg), which is considered appropriate for this non-nuggetty style of gold mineralisation characterized by fine pyrite.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Gold was determined by fire assay, which is considered a total digest, and is completed using the lead collection method using a 50g charge. The prepared sample is fused in a flux to digest. The melt is cooled to collect the precious metals in a lead button. The lead is removed by cupellation and the precious metal bead is dissolved in aqua regia and diluted for analysis. The digest solution is analysed by ICP.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No such tools were used in the preparation of this release.
	<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>	Three different certified reference materials (CRMs) from OREAS of suitable grade were inserted into the batches of RC samples submitted to monitor the accuracy of the results from Jinning. Precision was monitored by several lab (pulp) duplicate assays in each batch. The results of internal laboratory CRMs and blanks were also reported. The accuracy of both the external and internal CRMs were satisfactory. There are not yet sufficient analyses of the CRMs to determine the precision.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Chip trays and geological logs of significant intercepts were verified by the Regional Exploration Manager.
	<i>The use of twinned holes.</i>	No twinned holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Geological data was logged into Micromine Geobank on a Toughbook computer at the drill rig for transfer into the drill hole database. Geology logs and sampling information was exported each day as a backup and sent to head office. DataShed is used as the database storage and management software and incorporates numerous data validation and integrity checks using a series of predefined relationships. All original planned data is retained in DataShed for validation purposes.
	<i>Discuss any adjustment to assay data.</i>	Adjustments made to the assay data were limited to the replacement of below detection results with a negative value.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole collar locations were captured by Calidus field staff using a hand-held Garmin GPS with an estimated accuracy of ± 5 m. Downhole azimuths (relative to magnetic north) and dips were measured using a REFLEX EZ-TRAC™ multi-shot survey instrument. The manufacturer's stated accuracy is $\pm 0.35^\circ$ for the azimuth and $\pm 0.25^\circ$ for the dip. The magnetic declination

Criteria	JORC Code explanation	Commentary
		at Nullagine is +1.29°.
	<i>Specification of the grid system used.</i>	The grid system used is MGA94 Zone 51. All coordinates in this release refer to this grid system.
	<i>Quality and adequacy of topographic control.</i>	The elevations of the collars have been estimated from 1:100,000 topographic data. The topographic control is suitable for the present release but would require more accuracy and precision for a Mineral Resource estimate.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	See Table and figures in the release for hole spacings for hole positions.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The data spacing and distribution of holes is not sufficient at this early stage for Mineral Resource estimations. The drilling has been primarily carried out to understand the geology and orientation of mineralised structures.
	<i>Whether sample compositing has been applied.</i>	No sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The holes were drilled almost perpendicular to the strike of the main structures on E46/1026. Surface mapping suggests that most structures and veins are subvertical. As these are the first drill holes in the project, it is not possible to say if the orientation of the holes has achieved unbiased sampling.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Surface mapping suggests that the key structures in the area are subvertical, so drilling at a shallow angle (-40° rather than -60°) will provide more representative estimations of true width. The style of mineralisation is unclear, so it is not possible to state definitively the orientation of mineralised structures and whether the orientation of the holes has introduced a bias in the sampling.
Sample security	<i>The measures taken to ensure sample security.</i>	All samples were placed into green plastic bags, transported to Marble Bar, and then sealed in bulka bags. Samples were then transported by Calidus staff to the Warrawoona mine and transported to the laboratory in Perth using a reputable freight company. Sample numbers received by the lab were checked against numbers in the submission forms.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary										
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>Exploration Licence E46/1026 is owned by Gondwana Resources Ltd. A farm-in agreement with Gondwana gives Calidus the right to earn up to 51% by spending \$500,000 over three years and 75% over five years by spending a total of \$1m on exploration.</p> <table border="1"> <thead> <tr> <th>Tenement ID</th> <th>Holder</th> <th>Size</th> <th>Renewal</th> <th>Ownership/Interest</th> </tr> </thead> <tbody> <tr> <td>E46/1026</td> <td>Gondwana Resources Ltd</td> <td>12 blocks</td> <td>9/05/2026</td> <td>100%</td> </tr> </tbody> </table> <p>The Nullagine Water Reserve covers the far southwestern part of the tenement. The project is covered by the Njamal native title claim (WC1999/008)</p>	Tenement ID	Holder	Size	Renewal	Ownership/Interest	E46/1026	Gondwana Resources Ltd	12 blocks	9/05/2026	100%
	Tenement ID	Holder	Size	Renewal	Ownership/Interest							
E46/1026	Gondwana Resources Ltd	12 blocks	9/05/2026	100%								
<i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>		The tenement is in good standing and no known impediments exist.										
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Despite E46/1026 straddling the Blue Spec Fault Zone and being along strike from the Blue Spec and Gold Spec deposits, little to no modern exploration for gold has been conducted over the present tenement area. Thirteen rock-chip samples for Au, Ag, Co, Cu, Mo, Ni, Pb, Sb, and Zn were taken by Gondwana Resources in 2006 (WAMEX Report A073993). No other data from the tenement area has been publicly reported.										
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>E46/1026 is located at the western end of the Mesoarchean Mosquito Creek Basin. The basin forms an easterly trending rectangular region about 60km long and 30km wide. The basin is in faulted unconformable contact with older granite-greenstones of the East Pilbara Terrane (Bagas et al., 2008; Precambrian Research v. 160). The bulk of the basin fill comprises an approximately 5km-thick succession of interlayered metamorphosed sandstone and shale of the Mosquito Creek Formation interpreted as turbidite deposits. Stratigraphically and structurally underneath the Mosquito Creek Formation, the Coondamar Formation is exposed along the southern and northern margins of the basin. E46/1026 lies entirely within the Mosquito Creek Formation.</p> <p>The Mosquito Creek Basin is a fold-and-thrust belt that has been described as an asymmetric fan of south-dipping chevron folds between two granite-greenstone domains (Nijman et al., 2010; Precambrian Research v. 180). The belt is cut by several large shear zones and thrust faults which are, in turn, cut by en-echelon SE-trending dextral faults. Most mineralisation in the belt comprises quartz vein-hosted, gold-antimony deposits along the E-trending Blue Spec Fault Zone and quartz vein-hosted, gold ± antimony deposits along the ENE-trending Middle Creek Fault Zone 5-10km to the south</p>										

Criteria	JORC Code explanation	Commentary
		(Bagas et al., 2008). No deposits or prospects are recorded on E46/1026.
Drill hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <p><i>easting and northing of the drill hole collar</i></p> <p><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></p> <p><i>dip and azimuth of the hole</i></p> <p><i>down hole length and interception depth</i></p> <p><i>hole length.</i></p>	The coordinates and RLs of the collars, the dip, azimuth, and length of holes, and the down-hole lengths and depths of intercepts are contained in Table 1.
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p>	<p>No data aggregation methods have been applied to these exploration results.</p> <p>Higher grade gold intercepts within broader, lower grade intercepts are reported as included intervals. Intercepts were calculated using a cut-off grade of 0.5 g/t Au, 1m minimum width, and internal waste intervals of 2m or less.</p>
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalents values are used for reporting of the exploration results.
Relationship between mineralisation widths and intercept lengths	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	At this early stage of work, the precise orientation of the mineralized zones and their relationship to folding is unclear and, therefore, it is not possible to estimate the true widths. However, most structures in the area are steeply dipping or subvertical. Given this, holes were drilled at a shallow angle to get as close to perpendicular as possible. Information derived from the drilling program will be used to better understand the shape and attitudes of the mineralized zones.
Diagrams	<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>	Suitable summary plans and a representative cross section are included in the body of the report.

Criteria	JORC Code explanation	Commentary
Balanced reporting	<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>	All intercepts have been reported, regardless of their grade and, therefore, the report is considered balanced and provided in context.
Other substantive exploration data	<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>	All meaningful and material data are included in the body of the announcement.
Further work	<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>	Further work may include shallow RC drilling drill along regularly spaced lines across the entire width of mineralised zones to be carried out, deeper drilling of fresh rock to test down-dip and down-plunge extensions, multi-element geochemistry and TIMA work on RC samples to test for domains within the mineralisation, and diamond drilling to illustrate the relationship of mineralisation to structures and to provide material for metallurgical tests and geophysical properties. A detailed DTM across the mineralised area will be obtained to assist with modelling of mineralised zones.
	<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>	Diagrams are contained in this announcement.