STRATEGIC MINERALS
CORPORATION N.L.

6th December 2016 ASX Release

Woolgar Gold Project, Queensland

(Strategic Minerals Corporation N. L. (Strategic) 100%)

Final Drill Results from the 2016 Drill Program in Lower Camp, Woolgar

The Company is pleased to announce the initial results of the remaining twelve drill holes[1] of the recently completed drill program on the Woolgar Project in 2016.

Five of these holes are located in three prospects in or immediately adjacent to the existing resource at BVS.[2] These were principally intended to test for potential blind mineralisation related to IP geophysical anomalies in close proximity to the existing resource. Highlights include:

- Two holes tested the northern extent of the BVS resource at depth:

  LR0290 13 metres at 1.6 g/t gold from 213 to 226 metres

  including 4 metres at 3.3 g/t gold from 213 metres

  and **4 metres at 1.7 g/t gold from 246 to 250 metres**

  LR0291 9 metres at 0.9 g/t gold from 229 to 238 metres
- One hole tested a geophysical target parallel to the southern extent of the BVS resource;
- Two holes tested a potential northern extension of BVS, across an off-setting structure.

The remaining seven drill holes were distributed through three prospects in the Lower Camp area to assess the potential for mineralisation in areas of significant shallow historical production, but only limited geological data. Although only minor levels of mineralisation were encountered, the potentially mineralised structures were encountered in all cases, enabling improved targeting for future programs. Highlights include:

- Two holes tested the orientation of the mineralised structure at Caledonia;
- Four holes tested for mineralisation beneath the Try Again (MNE) prospect;

  LR0294 2 metres at 0.9 g/t gold from 102 to 104 metres

  LR0295 3 metres at 0.8 g/t gold from 94 to 97 metres

  LR0298 2 metres at 3.3 g/t gold from 78 to 80 metres
- One hole tested a geophysical anomaly adjacent to the Ironclad prospect.

A resource update will be reported in due course.

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[1] For details of the initial eight drill holes, please refer to "Initial results of 2016 Drill Program at BVS in Woolgar, published on the 7th November 2016, available at **www.stratmin.com.au**

[2] For details of the 2015 resource, please refer to "Resource Update for Big Vein South" published on the 30th November 2015, available at **www.stratmin.com.au**

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2016 Drill Program Summary

The 2016 drilling campaign comprised twenty reverse circulation (RC) drill holes totalling 3,542 metres. Eight holes from the central portion of the BVS deposit have been announced previously. The remaining twelve drill holes announced here are from six prospects, all located within the Lower Camp.

The prospects targeted were mostly identified during the recent project-wide, multidisciplinary data review based on a combination of factors, such as structural and geological interpretation, surface geochemistry, and previous drill results. These were then correlated to the geophysical anomalies from the recent IP surveys and aeromagnetic data, before final assessments were made.

Prioritising between favourable prospects also incorporated the distance from the BVS resource as the probable site of any future infrastructure. Hence Try Again was prioritised over the apparently equally prospective Belle Brandon due to both Try Again's relative proximity to BVS and Belle Brandon's less-favourable location on the opposite bank of the Woolgar river.

BVS Resource Drilling

Northern BVS 2 drill holes, 566 metres

Drill holes LR0290 and 0291 tested the potential depth extension of the northern limit of the existing BVS resource.

LR0291 encountered the mineralised structure, but at lower-grade than was expected, apparently due to it's proximity to the northern fault contact, similar to some shallower holes. LR0291 encountered an area of alteration, but then appears to have intercepted the fault, which was previously poorly constrained in this sector.

The eight holes announced previously, totalling 1,310 metres, are located in the Crossover (central) sector of the Big Vein South (BVS) resource, approximately 350 metres along strike.

Lower Camp Prospects Immediately Adjacent to BVS

Nexton 2 drill holes, 350 metres

This is the northern extension of the BVS deposit north of where it is interpreted to have crossed the significant west-northwest trending fault structure. Due to the decrease in grade continuity in BVS proximal to this structure and the presence of two divergent interpreted structures north of it, Nexton is considered a separate prospect.

Nexton is characterised by sparse outcrop and has not been drilled previously, thus the drill holes were planned to test IP geophysical anomalies and distinguish between the two interpreted structures.

LR0288 encountered a significant amount of pyrite-bearing metamorphic quartzite. This is considered likely to account for the discrete chargeable anomaly that the hole targeted, and the hole was terminated.

LR0289 tested part of the broad IP anomaly adjacent to that tested by LR0291, beneath the only minor exposed mineralisation on surface. This failed to intercept significant mineralisation.

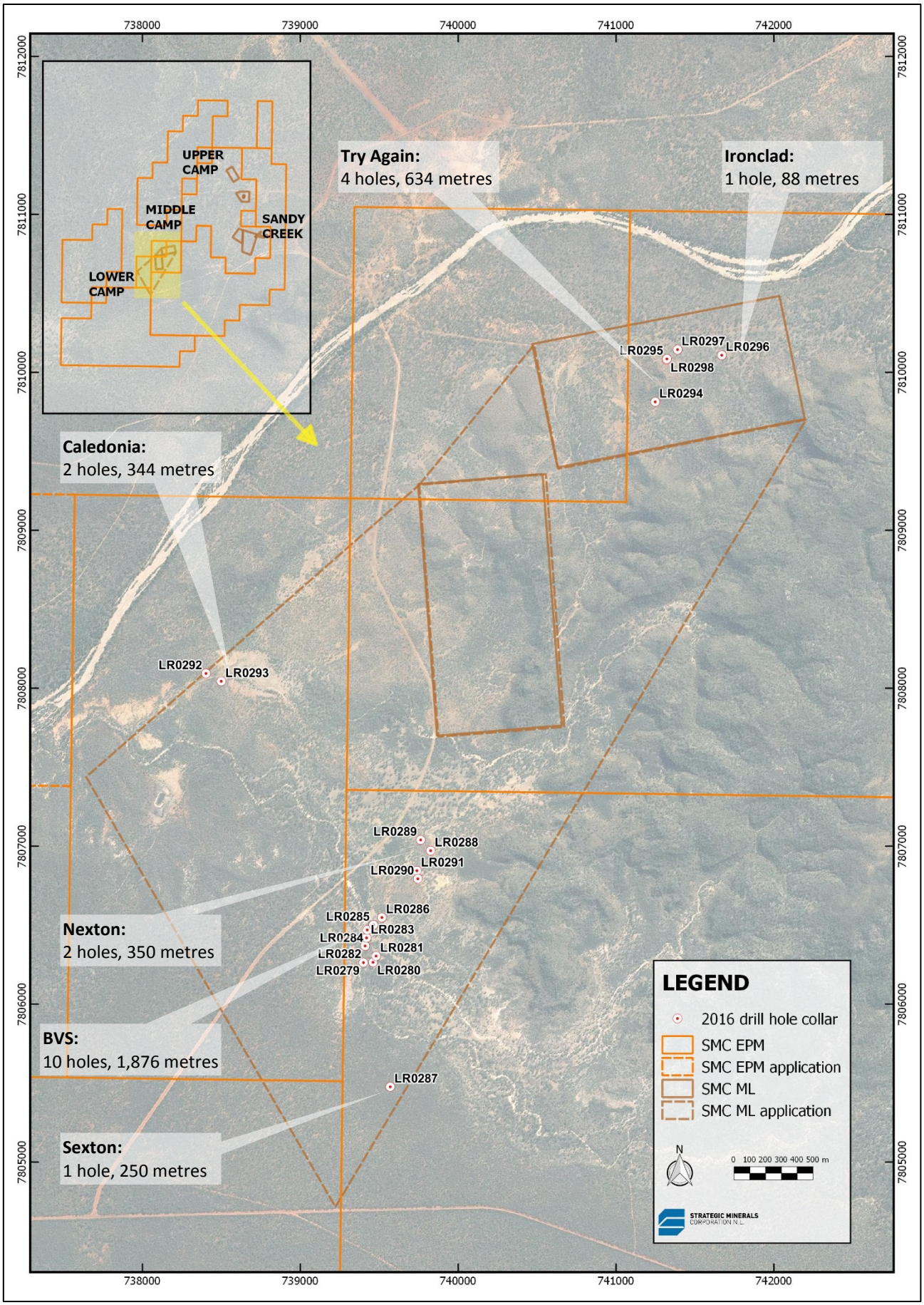

Figure 1: **Plan of the Lower Camp at Woolgar showing the prospects and collar locations drilled during 2016.**

Sexton 1 drill hole, 250 metres

Sexton is an interpreted parallel structure 250 metres east of the southern end of the BVS deposit. It is interpreted as the continuation of the parallel structure seen two kilometres to the north at Big Vein and Big Vein 2. Although a blind target under modern and Jurassic sediments, supporting geochemical and geophysical evidence includes:

- Consistent intercepts in the hanging wall to BVS in all the deeper drill holes;
- Anomalous MMI-soil samples along over the target;
- An IP anomaly strikingly similar to that over the main resource at BVS, but apparently slightly deeper; and
- the two parallel trends can be traced from Big Vein and BV2 in the aeromagnetic image.

LR0287 encountered a sequence of mixed schist granite and gneiss with significant alteration similar in style to BVS, but no significant mineralisation. The geophysical anomaly remains unexplained, but the potential for economic mineralisation at greater depths is considered low.

Lower Camp Prospective Targets outside of BVS

Caledonia 2 drill holes, 344 metres

This is one of the Mowbray Trend targets discussed in the June Quarterly and is located 1,500 metres from the BVS deposit. Of all the numerous Mowbray prospects, Caledonia was prioritised due to its apparently favourable location where a structural jog intersects a major feature in the aeromagnetic image, interpreted from field observations to be an intrusive felsic dyke. The area is poorly exposed, but several geochemical samples from waste piles returned strongly anomalous values, including 22 g/t gold from an altered felsic rock.

Two holes aimed to locate the mineralisation under the main historic workings to both assess the style and control the orientation of the structure. The holes drilled from either side failed to locate significant gold mineralisation. One of these intersected a fault at shallow levels and is may have coincided with a fault displacement. The second hole encountered a minor structure containing anomalous molybdenum, but it is unclear if this is related to the main mineralisation or a secondary structure.

Try Again[3] 4 drill holes, 634 metres

This appropriately named prospect is located at the northern end of the Lower Camp and is consists of a linear hill with numerous historic workings and reported consistent mineralisation in sulphide ore.

The Try Again and Ironclad prospects are both interpreted as occurring on the regionally dominant Woolgar Fault Zone (WFZ) in part of a rhombohedral, structurally bound feature in the aeromagnetic image. The WFZ is locally orientated 010°, similar to BVS, between sections trending 030° to 040°. Previous drilling has targeted minor veining on the top of the hill with limited success, partly due to the difficulty of aligning the drill holes on rough terrain. The current approach has been to drill deeper beneath the hill from the surrounding plain, testing for larger tonnage potential. The target is supported by a well-defined IP anomaly that correlates well with the interpreted structures seen in the aeromagnetic image and surface geology.

[3] Try Again prospect was previously reported as Mowbray NE and MNE. The name has been reverted to Try Again to avoid the inference that it is spatially related to, or an extension of Mowbray.

The drilling intercepted minor mineralisation in all the drill holes and significant widths of alteration similar to that seen in the peripheries of the BVS deposit. Although the lack of higher grades is disappointing, the intercepts are similar to several areas within BVS and the prospect is still considered prospective for further testing.

Ironclad 1 drill hole, 88 metres

This is a line of historically productive workings 600 metres east of Try Again. It also is clearly visible in the aeromagnetic and IP data, where it is interpreted as two parallel IP anomalies separated by a narrow magnetic feature.

The single drill hole tested the western IP anomaly, as a potential blind ore chute, rather than the historic workings.

The drill hole intercepted schists, minor gneissic material and granite, some of which appears foliated. The granite also contains minor pyrite. The pyrite is considered a potential source for the IP anomaly. Drilling was postponed on this target in order to concentrate on Try Again. The main aeromagnetic target, which is coincident with the historic workings remains untested.

Laif Allen McLoughlin

EXECUTIVE CHAIRMAN

COMPETENT PERSON STATEMENT

The information in the report to which this statement is attached that relates to Exploration Results is based on information compiled by Alistair Grahame, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Grahame is a full-time employee of Strategic Mineral Corporation NL. Mr Grahame 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'. Mr Grahame consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix One: Plans and Sections

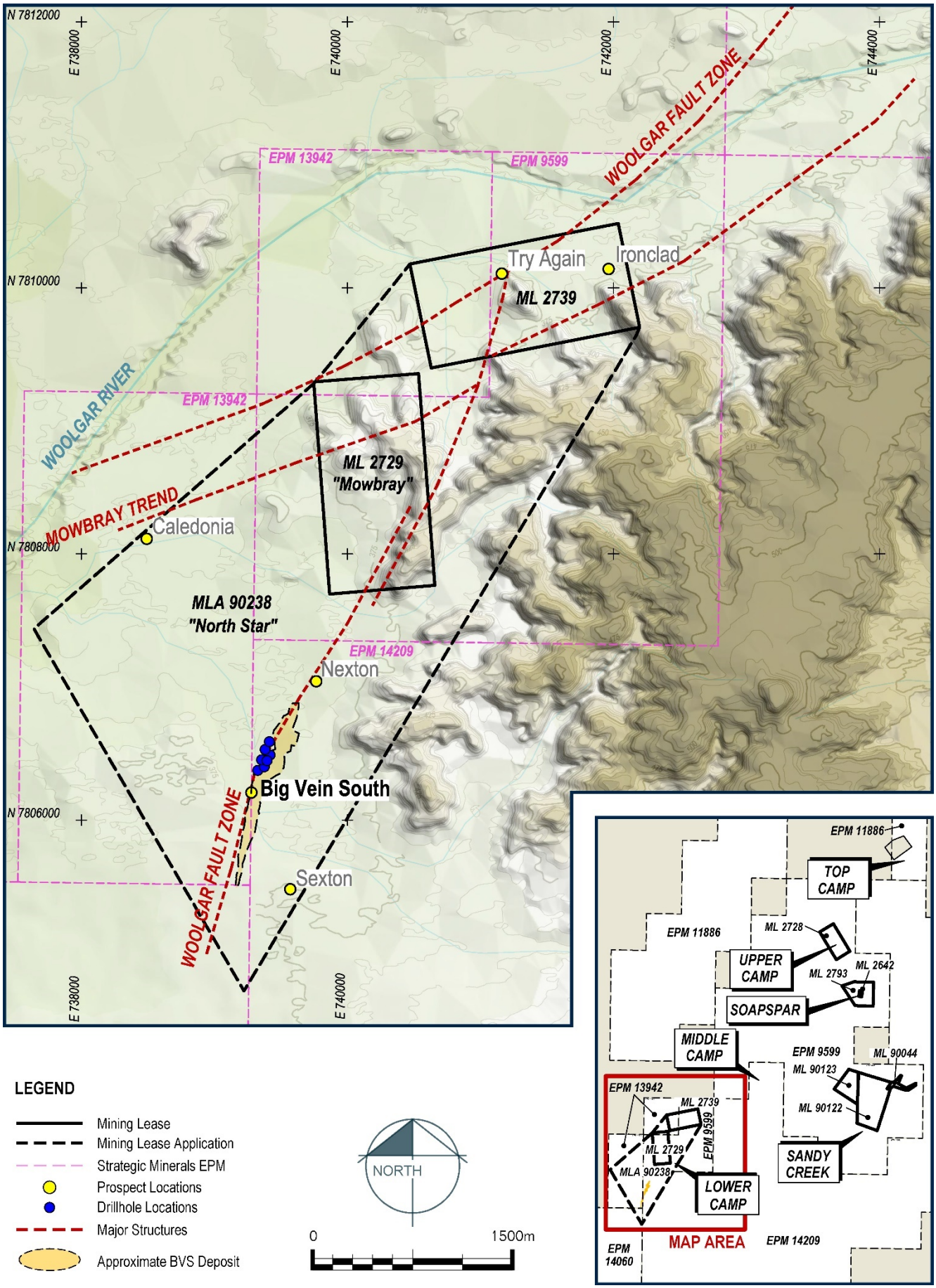

Figure 2: Location map of the Woolgar Project showing the location of the eight drill holes in relation to the BVS resource and major prospects.

Appendix Two: Summary of RC drill intersections for 2016, as at 2nd December 2016.

Table 1	Summary of significant intersections using a 0.5 g/t gold cut-off grade											
Hole ID	Prospect	End of Hole (m)	Dip	Azimuth[1]	Easting[2] (metres)	Northing[2] (metres)	Altitude[2] (metres)	Sample Method	From (metres))	To (metres)	Width[3] (metres)	Gold Grade[4] (ppm)
LR0279	BVS	154.00	-55	280	739400	7806262	377	RC	**115**	**116**	**1**	**0.77**
and								RC	**121**	**123**	**2**	**0.66**
LR0280	BVS	214.00	-55	280	739461	7806264	379	RC	**147**	**181**	**34**	**2.91**
including								RC	158	178	20	4.18
including								RC	158	162	4	6.91
and								RC	175	178	3	8.28
LR0281	BVS	220.00	-55	280	739480	7806304	378	RC	**132**	**183**	**51**	**3.54**
including								RC	142	180	38	4.30
including								RC	142	148	6	12.05
LR0282	BVS	136.00	-55	280	739411	7806368	377	RC	**74**	**109**	**35**	**2.18**
including								RC	94	106	12	4.89
LR0283	BVS	124.00	-50	280	739420	7806419	378	RC	**48**	**108**	**60**	**1.35**
including								RC	96	105	9	4.97
LR0284	BVS	136.00	-50	280	739424	7806470	378	RC	**29**	**30**	**1**	**6.01**
and								RC	**87**	**103**	**16**	**0.68**
LR0285	BVS	160.00	-55	280	739463	7806501	378	RC	**83**	**96**	**13**	**1.62**
and								RC	**127**	**132**	**5**	**0.98**
LR0286	BVS	166.00	-55	280	739517	7806548	376	RC	**32**	**34**	**2**	**1.60**

Table 1	Summary of significant intersections using a 0.5 g/t gold cut-off grade											
Hole ID	Prospect	End of Hole (m)	Dip	Azimuth[1]	Easting[2] (metres)	Northing[2] (metres)	Altitude[2] (metres)	Sample Method	From (metres))	To (metres)	Width[3] (metres)	Gold Grade[4] (ppm)
and								RC	**61**	**66**	**5**	**1.21**
and								RC	**103**	**106**	**3**	**0.73**
and								RC	**117**	**143**	**26**	**1.31**
including								RC	128	131	3	4.50
LR0287	Sexton	250	-55	273	739570	7805476	386	RC	NSR			
LR0288	Nexton	160	-55	273	739826	7806972	379	RC	NSR			
LR0289	Nexton	190	-55	273	739763	7807039	378	RC	NSR			
LR0290	BVS	292	-55	273	739745	7806793	379	RC	**213**	**226**	**13**	**1.56**
including								RC	213	217	4	3.27
and								RC	**246**	**250**	**4**	**1.72**
and								RC	**257**	**260**	**3**	**0.79**
LR0291	BVS	274	-55	273	739738	7806845	378	RC	**221**	**222**	**1**	**1.85**
and								RC	**229**	**338**	**9**	**0.91**
and								RC	**242**	**244**	**2**	**0.62**
LR0292	Caledonia	178	-50	93	738402	7808094	368	RC	NSR			
LR0293	Caledonia	166	-50	273	738499	7808044	368	RC	NSR			
LR0294	Try Again	184	-50	313	741249	7809814	386	RC	**102**	**104**	**2**	**0.89**
LR0295	Try Again	160	-50	263	741323	7810085	379	RC	**94**	**97**	**3**	**0.81**
LR0296	Ironclad	88	-50	93	741670	7810109	377	RC	NSR			
LR0297	Try Again	148	-50	273	741390	7810144	377	RC	**107**	**108**	**1**	**1.09**

Table 1	Summary of significant intersections using a 0.5 g/t gold cut-off grade											
Hole ID	Prospect	End of Hole (m)	Dip	Azimuth[1]	Easting[2] (metres)	Northing[2] (metres)	Altitude[2] (metres)	Sample Method	From (metres))	To (metres)	Width[3] (metres)	Gold Grade[4] (ppm)
and								RC	**121**	**122**	**1**	**1.41**
and								RC	**136**	**137**	**1**	**1.27**
LR0298	Try Again	142	-50	243	741319	7810081	380	RC	**78**	**80**	**2**	**3.31**
and								RC	**92**	**93**	**1**	**1.43**

Notes: *[1] All Azimuths are reported in degrees relative to the project grid (GDA94). Orientation data presented in Appendix 1 represents collar data.*

[2] All coordinates are reported in GDA94 and were surveyed using a Differential GPS. Note: LR0279 to LR0286 have been updated to dGPS coordinates.

[3] All intersection widths are length weighted averages. All widths are Intersection or Apparent Widths and may not represent the true widths of the mineralisation.

[4] Assay results presented are Certified Final Assays. A 0.5ppm gold cut-off grade was used at the beginning and end of the reported mineralised intersects. Low-grade zones up to 6 metres are included in overall intercepts (bold). Low-grade zones less than two metres width within an intersection were included in the secondary intersections as per 2013 & 2014 announcements for comparative purposes. No upper cut-off was applied. Results presented are gold only: no metal equivalents are used.

[5] Narrow, low grade intersections intercepted in the southern sector. Intercepts included as indicative that structure intercepted. Similar narrow, low grade intercepts are not included elsewhere as not representing significant mineralisation.

Appendix Three JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Reverse circulation drilling with face hammer. Sample intervals were 1.0m. • RC sampling was carried out by the drilling contractor using a cone-splitter integral with the recovery cyclone. • 3 kg was pulverised to produce a 50g charge for fire assay and 35 element ICP. Entire drill holes (100%) were ICP analysed in proximity to mineralisation. Selective, apparently barren, sectors distal to any resource or mineralisation were selected on geological criteria and analysed every fifth metre (20%). All metres (100%) were prepared and the master pulps retained. • Some moderate variation is noted in field duplicates, which may be due to resampling techniques (riffle vs. cone-cyclone splits) or coarse gold "nugget effect". This may be higher or lower, is always low to moderate and proportional to the grade, and shows no systematic evidence of skewing. Screen fire assaying of higher grade samples is undertaken as standard to determine this. The original (rig-sampled) assay is reported for all instances of duplicates, rather than a selective system.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• See above.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample	• All samples and rejects are weighed after drilling. • Any anomalies in sample size during drilling were brought to the

Criteria	JORC Code explanation	Commentary
	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.	driller's attention and appropriate steps taken. • Samples were collected in an integral cyclone recovery and cone splitter. Duplicates were taken manually using a riffle splitter and selected on geological criteria. • At this stage, there is no obvious relationship between recovery and grade. Detailed analysis is pending prior to incorporation into future resource estimates.
Logging	• 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.	• 100% of RC chips were logged on site using a qualitive system logged by a competent geologist with sufficient experience. • All RC chips will be photographed.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• RC was cone split integrally to the cyclone. Duplicates were selected on geological criteria and taken manually using a riffle splitter. • RC drilling did not involve water injection. Ground conditions were generally dry, but occasional groundwater was intersected, but with limited ingress. This did not affect recovery or cause caking within the cyclone or splitter. LR0292 involved significant sustained inflow. The geologist present maintained regular inspection of the cyclone and recovery. • All sample preparation and methods were appropriate for exploration purposes. • 3 grades of pulp standards plus coarse blanks and field duplicates were used throughout the program. • Sample size is between 2 and 4kg, average 2.7kg, approximately 10% of the total recovery, which is considered appropriate.
Quality of assay data	• The nature, quality and appropriateness of the assaying and	• Samples were prepared and assayed at the ALS Minerals

Criteria	JORC Code explanation	Commentary
and laboratory tests	laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Division - Geochemistry ("ALS") laboratory in Townsville; an ISO-9001:2013 certified facility. Methods used were: gold by fire assay, AA finish (50 gram charge); and other elements by aqua regia ICP-AES (35 elements). Samples returning greater than 100 g/t gold were automatically re-assayed using a dilution analyses. • 3 grades of pulp standards plus coarse blanks and riffle-split field duplicates were used throughout the program. All standard and blank results appear acceptable. The field duplicates show minor variation which may be due to coarse gold or the different splitting method. Gravimetric re-analysis of selected samples is underway to assess this.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No independent verification has been conducted at this stage. • This is prospective not definition work. • Logging data entry in real time on site by employee logging using a Toughbook with regular back-ups. • Sample control data recorded on paper in the field and entered digitally daily. • All data backed up daily and stored in separate locations. Senior geologist verifies data entry. • No adjustments made to assay data.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Collars are located using a GPS Navigator and reference to known control points, and subsequently updated using a Differential GPS. • Downhole surveys were conducted using a Reflex single-shot camera at 18m and subsequent 50 metre intervals. • Project grid is MGA94. • A DEM is used for planning and modelling. This has proven adequate for the low relief.
Data spacing and	• Data spacing for reporting of Exploration Results. • Whether the data spacing and	• Planned intercept spacings were approximately 50m within the BVS resource area. This is

Criteria	JORC Code explanation	Commentary
distribution	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.	considered suitable for the exploratory nature of this program. Prospective drill holes in other prospects may be broader spaced until significant mineralisation is encountered. • Exploration results only presented here. Data density will be studied in detail in the future for resource purposes. • No compositing was used in the field. 1m sample intervals were analysed. Note that parts of apparently barren holes were only sampled every 5 metres, although individual 1 metre pulps have been retained pending future analysis if required. The reported intersections are simple length weighted averages based on apparent widths.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• All sample widths presented are Intersection or Apparent Widths and do not represent the true widths of the mineralisation. The mineralisation at BVS plunges at approximately 70°, steepening with depth. • Wherever possible, drilling is orientated perpendicular to the strike of the structure and all holes dip -55°. There is no evidence for a sampling bias beyond that of the tangential angle.
Sample security	• The measures taken to ensure sample security.	• RC samples are collected in calico bags, sealed in sacks of five and loaded into pallet containers for transport to Townsville by a private courier. • A paper trail, including the contents of individual sacks is maintained.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Sample technique is reviewed frequently. The use of standards and blanks was optimized for this program.

Section 2 Reporting of Exploration Results

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

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• 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.</td><td>• The Woolgar project is comprised of 5 EPMs, 8 MLs and an ML application. These are wholly owned by Strategic Minerals.
• There is no known impediment to operations in the area.
<table>
<tr><th>License No</th><th>Date Granted</th><th>Area</th><th>Inter-est</th><th>Comments</th></tr>
<tr><td>ML 2728</td><td>01/06/89</td><td>128 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 2729</td><td>01/06/89</td><td>128 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 2739</td><td>01/06/89</td><td>128 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 2642</td><td>01/02/89</td><td>405 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 2793</td><td>08/08/91</td><td>146.4 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 90044</td><td>27/04/95</td><td>29.2 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>EPM 9599</td><td>01/09/93</td><td>145 sq km</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 90122</td><td>02/09/04</td><td>350.90 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>ML 90123</td><td>18/11/04</td><td>124.70 Ha</td><td>100%</td><td>Granted</td></tr>
<tr><td>MLA 90238</td><td></td><td>883.5 Ha</td><td>100%</td><td>Application</td></tr>
<tr><td>EPM 11886</td><td>21/04/04</td><td>316 sq km</td><td>100%</td><td>Granted</td></tr>
<tr><td>EPM 14060</td><td>21/04/04</td><td>489 sq km</td><td>100%</td><td>Granted</td></tr>
<tr><td>EPM 14209</td><td>21/04/04</td><td>307 sq km</td><td>100%</td><td>Granted</td></tr>
<tr><td>EPM 13942</td><td>09/11/06</td><td>15 sq km</td><td>100%</td><td>Granted</td></tr>
</table></td></tr>
<tr><td>Exploration done by other parties</td><td>• Acknowledgment and appraisal of exploration by other parties.</td><td>• Little recent work had been carried out in the Lower Camp area prior to the previous the progressive RC programs by SMC. The recent project management reviewed these and found them acceptable as a basis for exploration.</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• The Lower Camp is a mesothermal style of mineralisation.
• It is shear hosted within the regional-scale Woolgar Fault Zone where this is deflected locally by a secondary, cross-cutting structure.
• It consists of quartz and quartz-carbonate veins, mineralised tectonic breccias, stockworks and veinlets.
• Gold mineralisation is associated with</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		disseminated pyrite, and lesser galena, sphalerite and pyrrotite, that occur within strongly phyllic altered, sheared and brecciated schists, gneisses, dolerite dykes, granites, granitoids, silicified breccias and veins. • The mineralisation is strongly associated with a phyllic alteration.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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.	• For drilling data, see Table 1 of this report. • None of this information has been excluded.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for	• All intersection widths are length weighted averages. A 0.5ppm gold cut-off grade was used at the beginning and end of the reported mineralised intersects. Normally low-grade zones up to two metres width were included in the overall intersections, although locally low grade zones up to six metres width may be included in the overall intersections where these were considered sufficiently wide as to justify their incorporation, and are noted as such in In the secondary intersections, low-grade zones less than two metres width were included where significant high-grade material occurred adjacent. No upper cut-off was applied. • The mesothermal mineralisation is gold dominated and no metal equivalents are

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	any reporting of metal equivalent values should be clearly stated.	used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• All sample widths presented are Intersection or Apparent Widths and do not represent the true widths of the mineralisation. The mineralisation at BVS is thought to be plunging between 50 and 70° near surface and approximately vertical at depth. • Drill holes mostly dip -50° to -55°. All dips and orientations are stated in Table 1. • All holes are drilled perpendicular to the estimated average strike of the mineralisation where possible. Certain holes are tangential to the estimated strike due to topographic constraints. • There is no evidence for a sampling bias beyond that of the tangential angle.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Location and prospect maps are included in the main body of the text.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Summary intercepts of all twenty holes from 2016 are included, including those with minimal intercepts. • Minor intercepts of low grades and widths (≤1 g/t x ≤3m) adjacent to significant intercepts are not reported since these are considered relatively insignificant. These were included where they were the only anomalous intercepts in a hole, or where similar intercepts in multiple adjacent holes may indicate secondary structures. All results will be included in a future resource estimate. • No are outstanding drill results for a further twelve drill holes from the Lower Camp sector. None of these holes are immediately adjacent to the results announced here and will not have any direct effect on the interpretation of these results.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;	• Recent geophysical surveys have been reported previously. Detailed analysis and interpretation of these results is undertaken on a continuous basis. • A soil sampling survey has been

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	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.	undertaken over select targets in the Lower Camp. Analysis of this is being conducted in-house using a Niton analyser, but is not yet complete. This orientation survey to test the applicability of sampling and analytical techniques and is not expected to provide significant results in terms of target identification at this stage. • RC sample reject material has been set aside for further metallurgical work. • No geotechnical data is collected from RC drilling. No independent appraisal has been made of the data from previous DDH drilling. • Both positive and negative interpretations of these results have been discussed openly. No further deleterious technical, statutory or social issues are known.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• No further drilling is currently planned for 2016. Further drilling is expected in 2017 and would include continued stepbacks where possible and extension drilling in BVS. Diamond and infill RC drilling may be conducted if considered justified. Further drill testing of the multiple prospects identified in the Lower camp and beyond is also proposed. • Detailed mapping and soil geochemistry may be conducted on several prospects outside of the current drill prospect. • Further geophysical work is also under consideration. This may include a second IP survey across multiple targets in the project.