



## Middle Island

RESOURCES LIMITED



Middle Island Resources Limited  
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**Middle Island Resources Ltd**  
ACN 142 361 608  
**ASX code: MDI**  
[www.middleisland.com.au](http://www.middleisland.com.au)

**Capital Structure:**  
469 million ordinary shares  
800,000 unlisted options

**Cash**  
\$2.53m (as at 30 September 2016)

**Directors & Management:**  
**Peter Thomas**  
Non-Executive Chairman  
**Rick Yeates**  
Managing Director  
**Beau Nicholls**  
Non-Executive Director  
**Dennis Wilkins**  
Company Secretary  
**Linton Kirk**  
Sandstone Project Manager

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## ASX Release – 15 December 2016

### New high grade gold drill results at Sandstone, WA

All assays received from two new but separate drill programs at the Shillington and Two Mile Hill deposits at the Company's Sandstone gold project in WA.

#### Exploration diamond drilling programme

- ~1,211m campaign targeted extensions to and repetitions of the high grade Two Mile Hill BIF mineralisation.
- Better results include intercepts of **0.3m at 18.3g/t Au** and **3m at 9.10g/t Au**, including **0.3m at 97.0g/t Au**.
- The programme extended mineralisation associated with the upper BIF unit, confirmed mineralisation within the recently discovered middle BIF unit and significantly advanced understanding of the 3D architecture of the Shillington/Two Mile Hill area more generally.

#### Reverse circulation percussion (RC) sterilisation programme

- Best composite intercept of **4m at 17.6g/t Au** returned from the Two Mile Hill area.
- Although unexpected, this intersection serves to demonstrate the rich gold endowment of Middle Island's Sandstone permits.

#### \$150,000 WA Government exploration grant

- Company's successful application for a \$150,000 grant under Round 14 of the WA Government's Exploration Incentive Scheme (EIS) to help deep exploration diamond drilling of the strongly mineralised tonalite intrusive and adjacent BIF units at the Two Mile Hill deposit during the March 2017 quarter.

## **SANDSTONE GOLD PROJECT (WA)**

### **Exploration Diamond Drilling (Two Mile Hill)**

Middle Island Resources Limited (ASX: MDI, Middle Island, the Company) has received final assay results for the priority deeper exploration diamond drilling targets adjacent to the Two Mile Hill deposit (Figure 1) at the Company's wholly-owned Sandstone gold project in WA. This programme, comprising five holes for 1,211m, was designed to respectively extend and confirm gold mineralisation within the upper and middle BIF targets adjacent to the mineralised Two Mile Hill tonalite intrusive at depths of 150m to 260m, plus generate additional diamond core samples at Shillington North for metallurgical comminution testing.

More significant gold intercepts within the BIF units are provided in Table 1 below. These include **0.3m at 18.3g/t Au** and **3m at 9.10g/t Au**, including **0.3m at 97.0g/t Au**, within the upper BIF, along with other more sporadic results within both the upper and middle BIF units.

<b>Table 1</b> <b>Significant Diamond Drilling Results (Two Mile Hill)</b>											
Prospect	Unit	Hole No.	Easting (m)	Northing (m)	Depth (m)	Dip (°)	Azimuth (°)	From (m)	To (m)	Interval (m)	Grade (g/t Au)
Two Mile Hill	Upper BIF	MSDD148	723020	6892535	304	-85	270	182.4	184.7	2.3	1.30
Two Mile Hill	Middle BIF	MSDD149	723020	6892535	304	-85	270	242.0	247.0	5.0	1.12
	Middle BIF							255.4	257.4	2.0	0.73
Two Mile Hill	Upper BIF	MSDD152	723020	6892612	255	-88	270	127.1	129.9	2.8	1.42
Two Mile Hill	Upper BIF	MSDD152	723020	6892612	255	-88	270	216.1	218.6	2.5	0.56
Two Mile Hill	Upper BIF	MSDD153	723012	6892555	283	-88	270	183.5	185.7	2.2	3.65
	Upper BIF						Including	<b>184.4</b>	<b>184.7</b>	<b>0.3</b>	<b>18.3</b>
	Upper BIF							197.0	200.0	3.0	9.10
	Upper BIF						Including	<b>198.5</b>	<b>198.8</b>	<b>0.3</b>	<b>97.0</b>
	Middle BIF							247.0	249.0	2.0	0.78
	Middle BIF							258.8	261.0	2.2	0.62
<b>Notes:</b> Intercepts calculated using a 0.3g/t lower cut-off with a minimum 0.5g/t final intercept and 1m of internal waste.											

Three of the four diamond core holes at Two Mile Hill intersected both the upper and middle BIF horizons (providing seven additional intersections), although not always at the predicted depths. The upper and middle BIF intervals around the south-western quadrant of the tonalite contact are intensely brecciated and quartz veined, with minor associated matrix, replacement and vein-margin pyrite mineralisation. These intersections differ substantially from the more competent BIF intervals along the central-western margin of the tonalite, which exhibit thick intervals of very high grade gold mineralisation associated with massive to semi-massive pyrite replacement of magnetite horizons. Along with brecciation, the variable depths at which the units were encountered in the southwest quadrant also suggest significant faulting and/or drag folding is present, possibly associated with the north-trending structure along which the tonalite is interpreted to have preferentially intruded.

While the results did not identify the broad intervals of high grade mineralisation encountered in previous drilling, the programme has marginally extended mineralisation associated with the upper BIF, confirmed the presence of gold mineralisation within the recently discovered middle BIF, and significantly advanced understanding of the 3D architecture of the Shillington/Two Mile Hill area that will assist in identifying and resolving these deeper, brownfields targets for further exploration. Given that only sporadic gold mineralisation was encountered within BIF intervals along the southwest margin of the tonalite, the challenge now is to understand what controls the location and development of high grade mineralisation associated with pyrite replacement of magnetite within each of the three BIF units identified.

Other potentially mineralised intervals of diamond core, associated with logged quartz veining and alteration within the enveloping basalts, are currently being cut and sampled for analysis. Similarly, down-hole electromagnetic (DHEM) surveys have been undertaken on all holes, the results of which are still pending.

Three dimensional geological modelling of the Shillington/Two Mile Hill area is also in progress.

#### **Sterilisation RC Drilling**

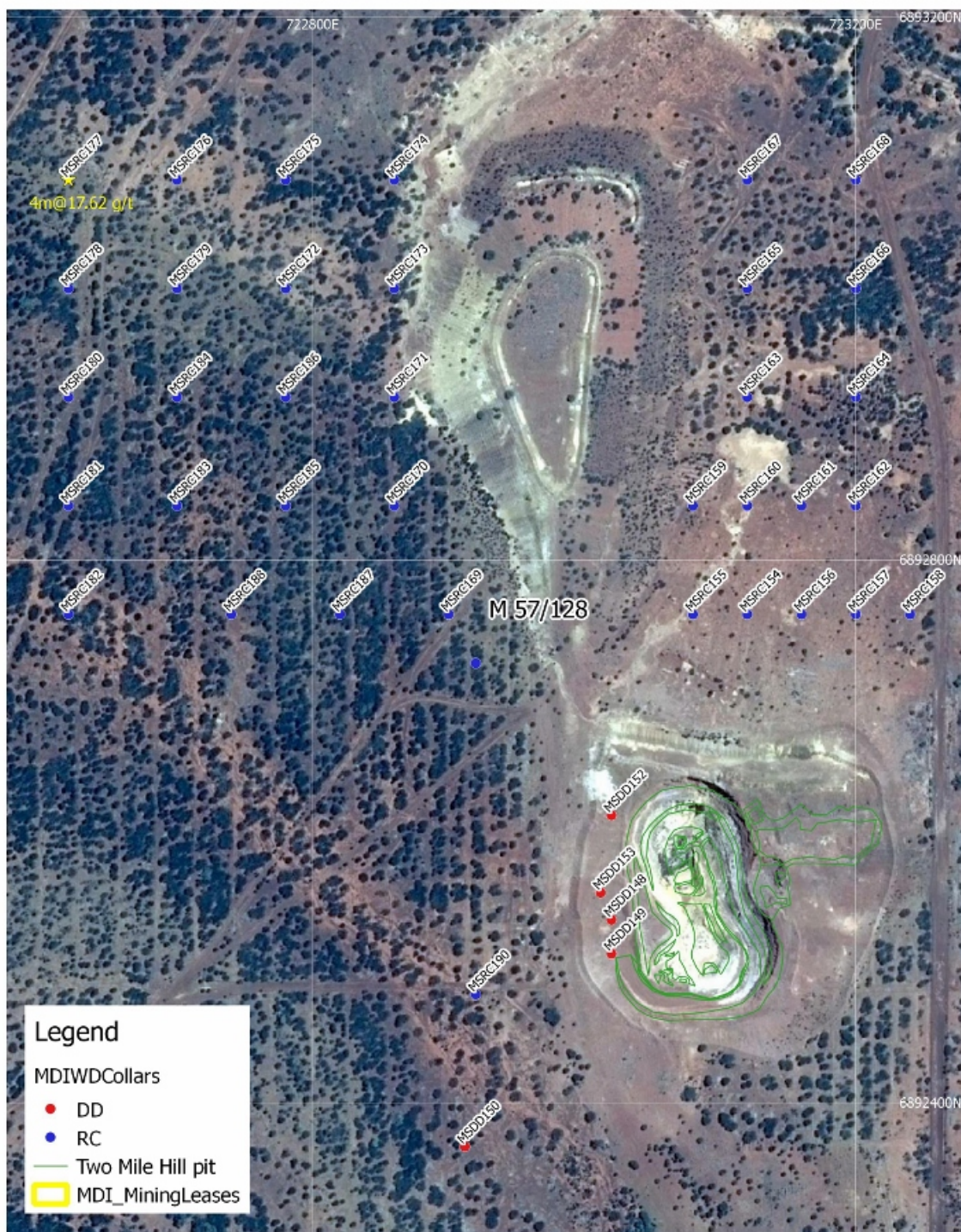
Middle Island has also received all assay results from a recently completed RC sterilisation drilling programme for the proposed Shillington/Two Mile Hill waste dump extension and Twin Shafts/Eureka tailings embankment extension at Sandstone. Sterilisation drilling is normally undertaken at a proposed or active mine site to ensure areas for proposed mine site infrastructure do not host substantive and economic mineralisation. The Shillington/Two Mile Hill drill-hole locations are shown on Figure 1 below.

The RC sterilisation drilling programme comprised 46 holes for 3,756m and was primarily designed to sterilise the area immediately surrounding the existing Shillington/Two Mile Hill waste dump, located immediately northwest of the Two Mile Hill deposit, to accommodate the envisaged waste dump expansion. A minor component of the programme was also dedicated to sterilising those areas likely to be impacted by a lift on (or extension of) the Twin Shafts tailings impoundment embankment, located immediately west of the processing plant.

Significant gold results generated from 4m composite sampling are provided in Table 2 below. Most areas appear to have been successfully sterilised, with one notable exception being a single composite of **4m at 17.6g/t Au** derived from a depth of 48m in drill hole MSRC177, located in the extreme northwest corner of the planned Two Mile Hill waste dump extension. A field duplicate sample, coincidentally collected from the same interval, returned a value of **4m at 21.6g/t Au**, demonstrating a high level of reproducibility. Gold mineralisation appears to be associated with an isolated chert horizon within the basalt sequence and, while unexpected, serves to demonstrate the rich gold endowment of Middle Island's granted Mining Leases.



**Figure 1**  
**Location of RC sterilisation and diamond drill holes in the Shillington/Two Mile Hill Area**



**Middle Island Resources**  
**Two Mile Hill Sterilisation**  
**& Diamond Drilling**

Grid - MGA94 Zone 50. 1:3500



<b>Table 2</b> <b>Significant RC Sterilisation Drilling Results</b>										
Prospect	Hole No.	Easting (m)	Northing (m)	Depth (m)	Dip (°)	Azimuth (°)	From (m)	To (m)	Interval (m)	Grade (g/t Au)
Two Mile Hill Waste Dump	MSRC161	723160	6892840	81	-60	270	44	56	12	0.57
Two Mile Hill Waste Dump	MSRC166	723200	6893000	81	-60	270	20	28	8	1.27
Two Mile Hill Waste Dump	MSRC177	722620	6893080	81	-60	270	<b>48</b>	<b>52</b>	<b>4</b>	<b>17.6</b>
Two Mile Hill Waste Dump	MSRC186	722780	6892920	81	-60	270	36	40	4	1.27
Two Mile Hill Waste Dump	MSRC189	722920	6892724	123	-65	270	111	113	2	0.60
Two Mile Hill Waste Dump	MSRC189	722920	6892724	123	-65	270	114	118	4	0.88
Shillington North	MSRC190	722920	6892480	135	-68	255	32	36	4	2.15
Eureka	MSRC197	720710	6890275	81	-60	90	0	8	8	0.61
Eureka	MSRC198	720673	6890230	51	-60	0	0	20	20	0.62
<b>Notes:</b> Intercepts calculated using a 0.1g/t lower cut-off with a minimum 0.5g/t final intercept and 1m of internal waste.										

Broader intervals of lower grade gold mineralisation from surface in the Twin Shafts area appear to represent extensions of laterite mineralisation associated with the nearby Eureka deposit.

Single metre resampling of all anomalous composite samples is in progress.

#### **Exploration Incentive Scheme Grant**

Middle Island is extremely pleased to report that its application for Round 14 drilling co-funding under the WA Government's 2017 Exploration Incentive Scheme (EIS) has been successful. The generous grant of \$150,000, comprises an estimated 50% of direct drilling costs required to test strongly mineralised tonalite intrusive and adjacent BIF units at the Two Mile Hill deposit via deeper exploration diamond drilling. It is presently anticipated that this diamond drilling programme will commence in the March quarter of 2017.

Middle Island wishes to acknowledge the WA State Government and Department of Mines and Petroleum (DMP) for their foresight in establishing and maintaining the EIS programme, which makes a significant direct and indirect contribution to the State and regional economies. The Company also wishes to acknowledge the expert panel of EIS application judges for independently endorsing the technical merits of this deep, but high value target at Two Mile Hill.

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**Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

**Competent Persons' Statement**

Information in this report relates to exploration results that are based on information compiled by Mr Rick Yeates (Member of the Australasian Institute of Mining and Metallurgy). Mr Yeates is a fulltime employee of Middle Island and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities 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 Yeates consents to the inclusion in the release of the statements based on his information in the form and context in which they appear.

## Appendix 1

The following Table and Sections are provided to ensure compliance with the JORC Code

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Sampling was undertaken by collecting 2-3kg of RC chips off the drill rig’s cone splitter; the 1m samples were then composited to 4m interval samples with a 3-tier riffle splitter but intervals of geological interest were sampled at 1m intervals. The diamond drill core samples comprised half HQ and NQ core, with intervals of between 0.3m to 1m based on geological boundaries.</li> <li>Core recovery was excellent. Core was re-aligned prior to splitting and the right-hand side half core section was consistently sampled. RC recoveries were also excellent, and samples of a consistent 2 – 3kg size. The primary RC sample was taken from the same splitter chute for the entire program. Samples were composited to 4m intervals used a 3-tier riffle splitter to return a 2-3kg sample.</li> <li>From the half HQ and NQ core 1-2kg was sent to the laboratory to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis. From RC chips 2- 3kg was sent to the laboratory to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>The oriented diamond drill core is HQ (63.5mm) and NQ (47.6mm) in size (diameter). The RC rig used a 5-inch bit to return sample every metre.</li> </ul>



Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond core and RC recovery data was measured for each drill run/interval and captured in a digital logging software package. The data has been reviewed and the core recovery was effectively 100% throughout.</li> <li>• The water table was encountered at a 40 – 60m hole depth but Middle Island had no issues in keeping the RC samples dry.</li> <li>• No relationship between sample recovery and grade has been established.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The diamond core and RC chips were logged for lithology, weathering, structure, mineralogy, mineralisation, alteration, colour, RQD and geotechnical parameters. Logging was carried out according to Middle Island Resources internal protocols at the time of drilling.</li> <li>• Each metre of all RC drill holes was qualitatively logged from start to finish of the hole. Diamond core was logged continuously to record all relevant features, regardless of length. Core was also photographed wet and dry within each core tray.</li> </ul>



Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><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></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Core was cut by diamond saw the remaining half core was left in the core trays for reference purposes.</li> <li>Middle Island RC chips were split dry using a cone splitter on the drill rig, with samples collected and bagged in 1m intervals. The 1m RC sub-samples were then combined and split by a 3-tier riffle splitter to create a 4m composite sample, which were collected and bagged. Half core samples were bagged in 0.3m to 1m intervals.</li> <li>All samples were collected and taken to the Intertek lab in Kalgoorlie, W.A for sample preparation. The resulting pulp samples were trucked to Intertek Maddington, W.A for analysis.</li> <li>The samples were dried and crushed to -10mm before being split and then a 300g subsample pulverized to 95% passing 75 micron. This fraction was then split again to a 50g sample charge for fire assay. The Intertek laboratories are internationally certified.</li> <li>Middle Island took an RC field duplicate (via a second split off the cone splitter) at a rate of 1:18 samples. For diamond core the routine sample procedure was to consistently cut the core along the bedding apex and collect the same side of the cut core for analysis. A second core split was collected off the primary jaw crusher at a frequency of 1:20 samples to provide a field duplicate sample.</li> <li>Sample size and assay charge size are considered appropriate for the style of mineralisation.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><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></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Middle Island Resources, adopted a 50g fire assay method with an ICP-OES finish. This technique is considered suitable for gold mineralisation associated with sulphides.</li> <li>No other measurement tool/instrument was used to derive assays, however a down-hole camera was used to record deviation in RC holes and a gyroscopic instrument was used to monitor deviation within diamond holes. Diamond holes were subsequently surveyed for down-hole electromagnetics (DHEM).</li> <li>Middle Island included Laboratory duplicates, field duplicates and certified standards routinely in the assay train at a 1:9 frequency, and a quartz wash was used after each sample pulverised.</li> </ul>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Sampling was undertaken by experienced geologists from Middle Island Resources who confirmed the intersections as prospective for gold mineralisation.</li> <li>No twinned holes or umpire assaying were used as part of this programme.</li> <li>Sampling data were imported and validated using a GBIS database software system by an experienced database consultancy.</li> <li>Assay data were not adjusted; however, re-assays were requested on the single inconsistent result.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li><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></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Surface collar coordinates were surveyed via Differential GPS. Given magnetism inherent in the host rock, a high quality downhole gyro was used to determine the dip and azimuth of the diamond holes at 25m intervals. RC drilling used a downhole camera tool, adjustments were made for magnetic intensity readings being out of specification for the tool.</li> <li>MGA94 Zone 50.</li> <li>The topographic surface was calculated from previous mine survey pickups.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><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></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Results being reported are comprised of RC samples of 4m composited sample/assay intervals and 1m composited sample/assay intervals. Core samples are reported of 0.3m to 1m composited sample/assay intervals.</li> <li>The data spacing is adequate to provide continuity of grade for exploration drilling.</li> <li>Compositing of RC samples was adopted to generate 4m intervals for initial assays, with anomalous results resampled on 1m intervals..</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Drilling orientations were appropriate to intersect the geology and mineralisation at an optimum angle and provide a representative sample of essentially true width in the case of both RC and diamond drilling</li> <li>The company does not believe that any sample bias had been introduced which could have a material effect on the results.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Middle Island Resources ensured individual samples were given due attention. The samples were taken by experienced company geologists and collected by the laboratory's designated driver. Intertek is an internationally accredited laboratory.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>The database was validated and audited by Expedio database consultants. Field data collected is logged and validated in a custom field logging tool.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The sampled diamond core and RC chips are derived from Mining lease M57/128, which is 100% owned by Sandstone Operations Pty Ltd, a wholly-owned subsidiary of Middle Island Resources Limited.</li> <li>As at 15/12/2016 Sandstone Operations Pty Ltd was the sole owner of the project, including Mining Lease M57/128.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration was undertaken and reported by Sundowner Minerals NL, Herald Resources Limited and Troy Resources Limited during their respective tenure of the Sandstone gold project.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Shillington deposit is a BIF-hosted, meso-thermal quartz veining and pyrite replacement mineralisation within the Sandstone greenstone belt. The Two Mile Hill deposit is hosted within a late stage, near vertical intrusive tonalite stock that intrudes the local stratigraphy of mafic volcanics and BIF.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See table and plan within the release.</li> <li>Data is tabulated within the release for all diamond holes.</li> <li>Locational data for RC holes are shown on the plan, but only tabulated where material intercepts were encountered, as the programme was for waste dump sterilisation purposes.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> <li>Diamond drilling results are summarised using averages that are length-weighted and the method of aggregation is provided as a footnote to the table.</li> <li>Not applicable.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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’).</li> </ul>	<ul style="list-style-type: none"> <li>Holes have been drilled orthogonally to the general dip and strike of the mineralised units and structures. Therefore down-hole intercepts approximate true widths.</li> <li>The mineralisation is over a BIF-hosted, meso-thermal quartz veining and pyrite replacement unit with a general strike and dip of 320°/ -40° East. A second mineralised, late-stage, near vertical, intrusive tonalite stock has a general north-south strike, within which mineralised quartz veining has a sub-horizontal dip.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See table and figures within the release.</li> </ul>

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable. DHEM results are pending.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>In relation to diamond drilling, it is presently planned to undertake further drilling for BIF-hosted mineralisation adjacent to the tonalite stock in order to extend the known mineralisation and confirm the presence of gold mineralisation within the deeper, third (lower) BIF unit identified via down-hole geophysics.</li> <li>Not applicable</li> </ul>