

ASX Release

25 January 2017

Drilling Resumes at Mt Coolon Gold Project

- **Following success of Stage 1, Stage 2 infill diamond drilling has commenced at the Koala Gold Mine.**
- **Results from both Stage 1 & 2 drilling to support the re-estimation of the resource adjacent to the old underground workings of the Koala Gold Mine.**
- **Three deeper diamond holes were completed at the Koala and Glen Eva Open Pits. The Koala diamond hole, KLRD0024, intersected a downhole interval of 8.0 metres averaging 3.1 g/t Au (including a 1.0 metre interval of 6.5 g/t Au). In addition, a quartz breccia zone a further twenty metres down hole returned an average grade of 12.3 g/t Au over 2.6 metres (including 1.1 metres assaying 24.8 g/t Au.)**
- **Geological logging of core from the deeper diamond hole (KLRD00024) beneath the existing Koala Open Pit have confirmed the presence of quartz vein and breccia style settings similar to that hosting remnant high-grade gold mineralisation throughout the recently tested old stope area.**
- **All activities at the Mt Coolon Gold Project form part of the evaluation of options for the recommencement of mining operations at the Koala and Glen Eva Gold Mines.**

Australian Resources company **GBM Resources Limited** (ASX: **GBZ**) ("**GBM**" or "**the Company**") wishes to advise that it has recommenced drilling at the Mount Coolon Gold Project, located in the Drummond Basin, Queensland.

Current drilling activities are key inputs required to support evaluation of recommencement of mining operations at the Mount Coolon Gold Project.

ASX Code: **GBZ**

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The three deeper diamond holes completed are designed to confirm mineralisation and provide metallurgical, geotechnical and environmental data for both the Koala and Glen Eva Open Cuts.

Re-evaluation of the Glen Eva Resource is currently underway as the current resource estimate of 154,000 tonnes at an average grade of 7.5 g/t Au containing 37,200 ounces of gold was based on underground mining methods rather than open cut mining options. The Glen Eva deposit was mined during the 1990's yielding high grade ore from epithermal style gold mineralisation.

Two diamond drillholes (GLD0001&2) were completed at Glen Eva to provide data and mineralised material to confirm descriptions and results from previous drilling at this deposit. Initial observations from these drillholes indicate that extensive areas of epithermal veining has been intersected broadly in line with existing geological and ore models. Assay results are expected later in February to confirm if gold mineralisation is present.

Completion of logging of Koala diamond hole (KLRD0024) beneath the old Koala Open Pit has confirmed the presence of quartz vein and breccia style settings similar to those observed hosting remnant high-grade gold mineralisation throughout the Koala underground workings area tested by stage 1 drilling.

Analytical results for KLRD0024 confirmed that the Koala Lode was intersected over a downhole interval of 8.0 metres averaging 3.1 g/t Au (including a 1.0 metre interval of 6.5 g/t Au). In addition, a breccia zone a further twenty metres down hole returned an average grade of 12.3 g/t Au over 2.6 metres (including 1.1 metres assaying 24.8 g/t Au.). Samples for metallurgical testwork will be selected and submitted as soon as practical. Drill holes KLRD0025 and 26 were abandoned due to difficult drilling conditions adjacent to the open cut, but will provide useful geotechnical and environmental data.



Photograph: Commencement of drillhole GLD0002 at the Glen Eva Gold Mine (operated by Ross Mining circa 1996).

GBM continues to actively evaluate options for the extraction of ore from the gold resources hosted within the company's 100% owned Mount Coolon Gold Project. Evaluation work will include the Koala, Glen Eva and Eugenia Gold deposits.

The company has in train testwork in key areas including; geotechnical, geochemical and environment properties of the ores and waste rock at the Koala, Glen Eva and Eugenia deposits. In addition environmental studies have commenced covering both the existing eco system and that of areas modified by previous mining activity. The Company is targeting the end of March to give the go ahead to commence Feasibility Studies for some or all of these gold deposits.

Future Work

The Company confirmed in December that it has committed to commencing the stage 2 programme with approximately 50% of this programme to be completed to test the infilling drilling around a potential pit area around the old Koala Mine underground workings to approximately a 25 metre pattern. This programme remains on track to be completed early in the first quarter of 2017. Following receipt of these results the resource will be re-estimated and detailed mine design commenced.

Also progressing is the re-evaluation of the Glen Eva resource model to reflect open pit mining parameters. This should be completed upon receipt of results from the confirmatory drilling recently completed at Glen Eva. The Company has completed two holes to provide sample material and information on the metallurgical, geotechnical and environmental characteristics of the deposit to support possible future mining at Glen Eva.

Also currently planned to commence in January is another round of ecological monitoring of the Koala and Glen Eva mine areas to support environmental assessment of the potential impacts of past and proposed future mining activities.

The company continues to be in discussions with potential toll milling service providers and are ongoing and remain positive. The metallurgical data now being generated from test work in progress will be critical to advancing the toll milling options.

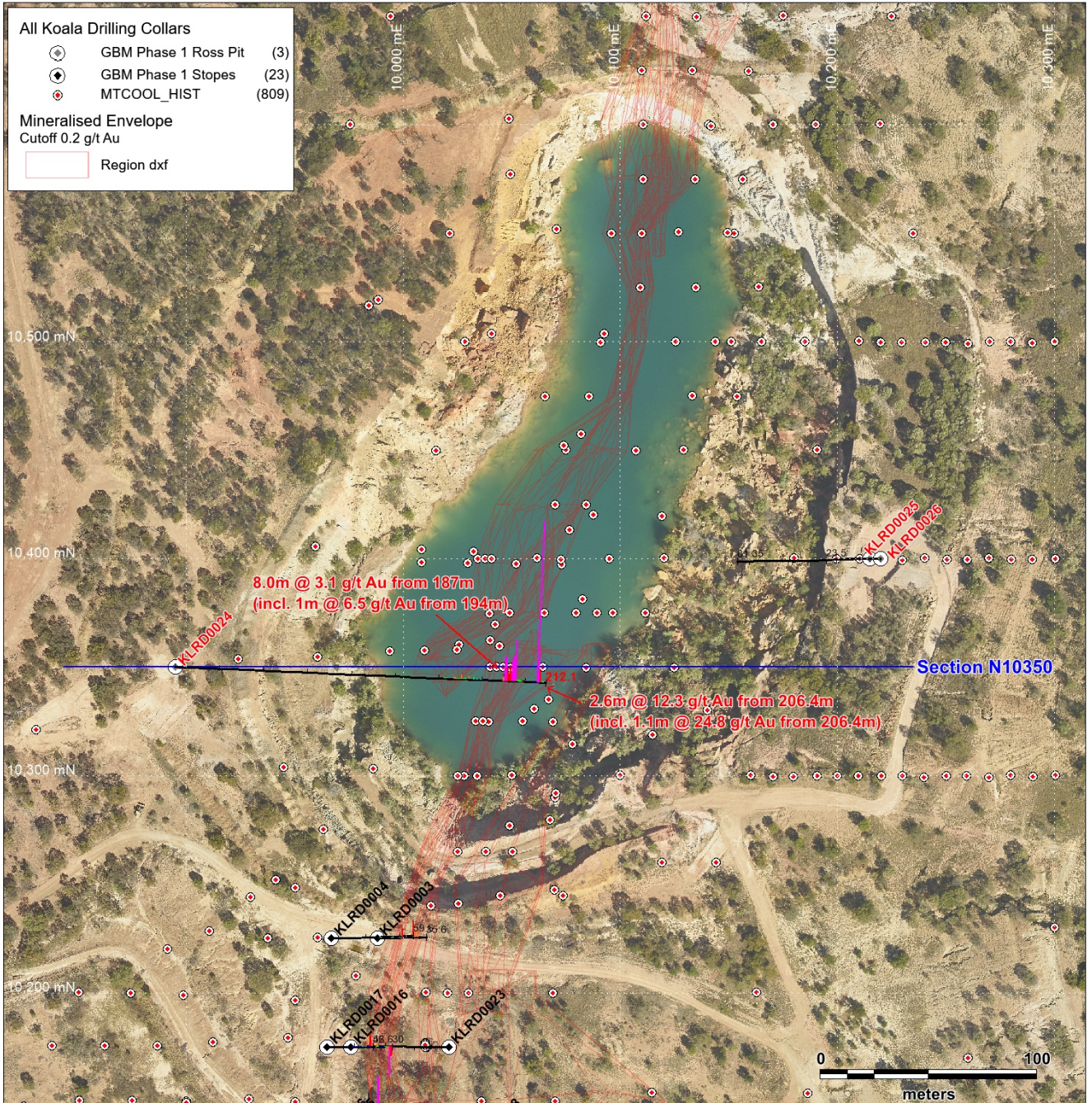


Figure 1: Koala North Pit drill hole plan showing down hole intersections. Underlying high resolution image is from 2016 LIDAR survey. Grid is a local non-earth grid.

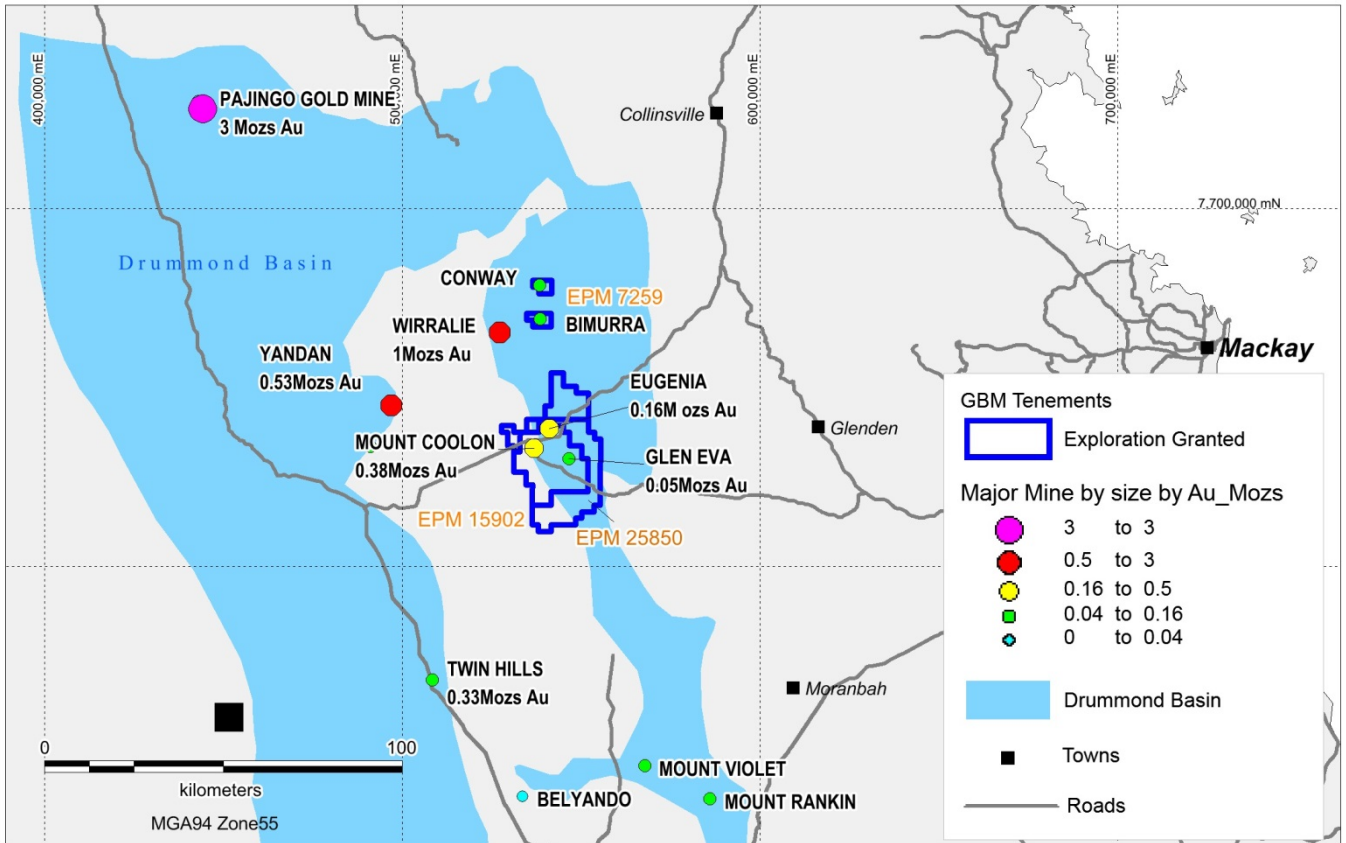


Figure 2: Mt Coolon Gold Project tenement group location plan.

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About GBM Resources

GBM Resources Ltd (ASX: GBZ) is an Australian resource company that listed on the ASX in 2007, headquartered in Perth WA, with exploration operations in Queensland and Victoria.

The Company’s primary focus is in key commodities of gold and copper-gold, assets in Australia. GBM tenements cover an area greater than 3,200 square kilometres in eight major projects areas in Queensland and Victoria.

GBM is prioritising the exploration and development of the Mount Coolon Gold Project and Mount Morgan Gold Copper Project.

Mt Coolon Project Resource Summary – ASX announcement 23 August 2016

Project	Location	Resource Category									Total			Cut-off
		Measured			Indicated			Inferred			000' t	Au g/t	Au ozs	
		000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs				
Koala	Open Pit				370	2.8	33,500	750	2.1	51,700	1,110	2.4	85,000	0.4
	Underground Extension				50	3	5,100	230	3.9	28,500	280	3.7	33,700	2.0
	Tailings	114	1.6	6,200	9	1.6	400				124	1.6	6,600	1
	Total	114	1.7	6,200	429	2.8	39,000	980	2.5	80,200	1,514	2.6	125,300	
Eugenia	Oxide				1,305	0.9	39,300	219	0.7	5,100	1,524	0.9	44,400	0.4
	Sulphide				2,127	0.9	62,300	1,195	1.2	45,500	3,322	1.0	107,800	0.4
	Total				3,432	0.9	101,600	1,414	1.1	50,600	4,846	1.0	152,200	0.4
Glen Eva	Below pit.				132	7.8	33,200	21	5.9	4,000	154	7.5	37,200	3.0
Total		114	1.7	6,200	3,993	1.4	173,800	2,415	1.7	134,800	6,514	1.5	314,700	

Table 1: Current global resource table for Mt Coolon Gold Project. Please note rounding; tonnes (1,000t), grade (0.1g/t) and contained gold (100 ounces).

Notes

The information in this report that relates to Mineral Resources, Exploration Targets and Exploration Results is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Mr Norris is a full-time employee of the company, and is a holder of shares and options in the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimate with those announcements continue to apply and have not materially changed

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Important Note:

This Table 1 refers to drilling completed at the Koala Project by MCGM in 2016 only. Drilling and exploration has been carried out at Koala over a 30 year period by a variety of companies using varied drilling, sampling and assaying methods. Table 1 data has previously been reported for historic exploration in the 2016 MCGM Koala Resource Estimate Report.

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <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> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <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> 	<ul style="list-style-type: none"> • Diamond core drilling was used to obtain HQ3 or WL66 (NQ2 equivalent) size drill core. Core was cut at nominal 1m interval lengths or at distinctive geological boundaries (e.g major quartz vein margins) then half-sawn lengthways using a Corewise core saw. Half-core interval length samples were then bagged in labelled calico bags for laboratory shipment.
Drilling techniques	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • All drilling was completed using the Diamond Core method by an Atlas Copco LM75 track-mounted drill rig (KLRD0024) or an Onram 1000/3 track mounted drill rig (KLRD0025, KLRD0026). • Diamond core was recovered in a standard wireline core barrel using standard WL66 or HQ size equipment with a split-tube barrel assembly. • Samples were pushed out from the core barrel, and in the case of the triple-tube barrel, the top half split was removed and the core placed in a core tray of suitable dimension. • All diamond core was oriented using Reflex digital orientation tools.
Drill sample	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries</i> 	<ul style="list-style-type: none"> • Larger diameter HQ size core was used where possible to provide

Criteria	JORC Code explanation	Commentary
recovery	<p><i>and results assessed.</i></p> <ul style="list-style-type: none"> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <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>improved recovery for the majority of drilling and triple tube drilling was employed to preserve core in a more coherent state for logging and also to improve recovery in very broken or clayey lithologies. Short (1.5m) core barrels were used for short drill runs to assist recovery.</p> <ul style="list-style-type: none"> • Diamond drill recovery was recorded run by run using the aggregate of all >10cm core pieces per run method. Recovery was very good in competent lithology but was compromised in heavily fractured or puggy fault sheared ground close to the existing pit base. • The relationship between grade and drilling recovery will be investigated at the conclusion of the drilling program.
Logging	<ul style="list-style-type: none"> • <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> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All diamond core was logged in detail for lithology, weathering, veining, quartz percentage, alteration, structure, colour and basic geotechnical parameters (RQD). • Logging of a selection of holes was also completed to advanced geotechnical industry standards for pit design and mine planning. • The logging has been carried out to an appropriate level for resource estimation. • All holes were photographed from surface to EOH, both wet and dry.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • All diamond core samples were cut with a diamond brick saw to 1.0 m or geological intervals and half sampled using a Corewise core-cutting saw. • Laboratory sample preparation for all samples followed the respective laboratories standard methodologies for gold fire assay and multi-element techniques. • Quality control procedures for sampling were implemented systematically; blanks and field duplicates were inserted every 10 core samples (focused in mineralized zones), and standards were inserted every consecutive 20 sample run. • Field duplicates consisted of quarter-cut core of equal interval length to the primary half-core sample. • No measures were taken to ensure the representivity of the samples.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> 	<ul style="list-style-type: none"> • ALS Laboratories Au-AA25: A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven. 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 mL with de-mineralized water, and

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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> 	<p>analyzed by atomic absorption spectroscopy against matrix-matched standards.</p> <ul style="list-style-type: none"> ALS Laboratories ME-MS61: a 0.5g sample is subjected to near-total digestion by a four-acid mixture and finished with a combination of ICP Mass Spectrometry (MS) and Atomic Emission Spectroscopy (AES). Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house ALS procedures. No handheld tools were used with all assays performed at external laboratories Quality control procedures for sampling were implemented systematically; blanks and field duplicates were inserted every 10 core samples (focused in mineralized zones), and standards were inserted every consecutive 20 sample run.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> External data verification is not required at this time. No verification samples (including twinned holes) have been taken All Data, data entry procedures, data verification and data storage has been carried out by GBM staff in accordance with GBM Standard Operating Procedures (SOPs). GBM SOP's meet industry best practice standards. Final Data verification and data storage has been managed by GBM Data Management staff using industry standard Data Shed software. Field duplicates are reviewed to ensure they fall within acceptable limits. No adjustments or calibrations were made to any assay data used.
Location of data points	<ul style="list-style-type: none"> <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> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> All collar locations were pegged by Licensed Surveyor using the historical Koala Project Local Grid. Where peg positions required modification, collar pegs were moved using tape and compass with reference to a surveyed baseline. At the conclusion of the drilling program, all collars will be surveyed by Licenced Surveyor. Downhole drill surveys were carried out at nominally 25m intervals using a Reflex mutli-shot digital survey tool. All work was carried out in the Koala local mine grid. The local grid was re-established by Licenced Surveyor using a set of known survey points (old drill collars, local grid pegs). The topographic surface was triangulated from mine survey data collected at the time of mine closure in 1997. The resultant surface is of sufficient quality for resource estimation.
Data spacing	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Drilling has been carried out on 50m spaced sections between or to

Criteria	JORC Code explanation	Commentary
and distribution	<ul style="list-style-type: none"> • <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> • <i>Whether sample compositing has been applied.</i> 	<p>supplement existing historic 50m sections. Down-dip spacing of mineralisation intersections is between 20-25m. Holes were drilled across strike of the main north striking (Local Grid) mineralized zone towards both the east and west. The drill holes generally intersected mineralization at 60° or greater.</p> <ul style="list-style-type: none"> • The suitability of spacing and orientation of the sampling for grade and geological continuity will be established by variography at the conclusion of Phase 1 drilling. Should further infill drilling be required to meet resource requirements, this will be completed in Phase 2. • The samples were not composited prior to submission to the laboratory
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <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> • <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> 	<ul style="list-style-type: none"> • The spacing and orientation of the sampling is generally appropriate to the main mineralized zone, however there are known (from grade control data) mineralized cross faults which have a similar orientation to the drill sections. The current drilling configuration does not adequately define these cross structures and so any resource estimate is likely to under-estimate the number, volume (tonnage) and grade of these mineralized cross structures. • It is possible that the sampling is biased by not intersecting possible high grade cross structures. This has not been tested because too few cross structures have been definitively identified.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • All drill core is transported from drill sites to the Company core processing facility in Mt Coolon by Company personnel. Prepared samples are then transported to a commercial courier in Moranbah by Company personnel where they are on-shipped directly to ALS Laboratories in Townsville. • Core, coarse chip rejects and pulps are stored at the GBM core facility.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits of either the data or the methods used in this drilling program have been undertaken to date.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Koala resource is located within ML1029 which along with ML1085 and ML1086 form a contiguous group of leases that form the Koala project and are 100% owned by GBM Resources Ltd. ML1029 expires on 31/1/24 GBM is not aware of any material issues with third parties which may impede current or future operations at Koala.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> In 1913 gold was discovered at MT Coolon (Koala gold mine) by a boundary rider, from 1913 until 1931 gold was mined from small shallow leases and shallow shafts, from 1931 -139 Gold Mines of Australia (GMA) consolidated and mined the whole field. Historic underground mining from discovery in 1914 to 1938 produced approximately 180,000 ounces of gold at an average grade of 18.4g/t Au. No activity was taken from 1939 to 1974 Saracen Minerals (~1974) Saracen Minerals explored for porphyry-style base metals in an area from Koala Mine to east of Bungobine Homestead during 1974. Work involved collection of 115 rock chip samples and geological traverses. The two main prospects were at Bungobine Yards and around Mt Coolon/Koala Mine. Due to poor results, the tenement was relinquished. Renison Goldfields LTD/Gold Feilds Exploration (1986 – 1989) Carried out mapping, colour aerial photography, airborne magnetic and radiometric survey, ground magnetics, produced a feasibility study, a review of old GMA data and plans from 1939, rock chip sampling of the reef at surface, and drilling; 78 percussion Drill holes, 99 Reverse circulation collars with Diamond Drill holes tails to test and delineate remnant resources, the western reef and Hectorina deposit. Renison commenced a decline but terminated mining due to intersecting a major fault. ACM Gold Limited/Wirralie Gold Mines (1989 - 1992) carried out

Criteria	JORC Code explanation	Commentary
		<p>exploration on the Tower prospect and at Mt Koala. Producing a resource estimate and feasibility study for open pit mining. Work included evaluating Renison's previous work, photo and lineament analysis, rock chip sampling, and drilling; 45 RAB scout holes testing surface mineralisation, 291 soil auger holes and 1 RC hole.</p> <ul style="list-style-type: none"> • Ross Mining (1992 - 2000) carried out regional and detailed mapping, produced a new resource estimate, soil sampling, metallurgy testing, a gradient array Resistivity survey, IP surveys, CSMAT survey, Petrology, drilling; RC collars with Diamond tails (6 holes), 39 RC, 103 diamond holes and 157 RAB holes. Ross carried out mining of the northern end of the ML an area that Renison had planned to mine from underground and is known as the Koala Pit. Ross Mining produced 53,000 ounces gold at an average grade of 5.6g/t Au. • Normandy Mining (2000 - 2002) carried out work re-modelling the whole deposit, a heli-borne EM survey and drilling distal to the main Koala resource. • MCGM/Drummond Gold (2006 -2014) carried out a revaluation and synthesis of all previous work which included a verification and validation of previous work and data, mapping, HyVista imagery, reinterpretation of previous geophysics data sets, and drilled; 17 RC holes, 9 RC pre collar with diamond tail holes and 4 Diamond holes • GBM acquired the project from Drummond Gold in 2015. • All drilling, sampling, surveying and assaying that forms the basis of this resource estimate was carried out by these other parties.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Auriferous epithermal veining at Koala is hosted in a thick package of shallow dipping volcanic flow sheets, which are part of the regional Cycle 1 Volcanic sequence (Silver Hills Volcanics). The lode lies approximately 500m west of a major granodiorite intrusion outcrop and is preferentially hosted by porphyritic andesite. The gold mineralisation occurs as a narrow, steeply dipping high grade colloform quartz vein a wider lower grade, veinlet stockwork and is locally disrupted by faulting. The main vein has been defined by drilling over a strike length of about 1200 m and down dip about 200 m. The main vein is offset by steeply dipping, west-northwest striking cross faults with high grade zones formed at the intersection of the cross faults and the main vein. The main vein changes dip direction along strike. In the south it dips steeply to the

Criteria	JORC Code explanation	Commentary
		<p>west, whereas in the north it dips steeply to the east. The main vein splits into a series of splay veins at the southern end. The up-dip extent of the main vein appears to be limited by a rhyolitic unit which results in a gentle north plunge. The main vein thins and weakens with depth. A number of alteration styles are evident including silica-sericite- pyrite+K-Feldspar associated with gold mineralisation.</p>
Drill hole Information	<ul style="list-style-type: none"> • <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> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Included in table 2 below.
Data aggregation methods	<ul style="list-style-type: none"> • <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> • <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> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • All quoted drill intercepts have been length-weighted where required. • Intercept were calculated using a 0.3 g/t Au cutoff grade and a maximum 2m internal dilution. No high-grade cut was applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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’).</i> 	<ul style="list-style-type: none"> • Calculated true widths of intercepted mineralisation are included in the Drill Hole Summary Table 2 below.
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • A collar plan with all collar locations and intercept callouts is included in the report body.

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Downhole length weighted average grades have been reported for all drillholes where above the defined cutoff. Where values are below this no significant intersection (NSI) is noted.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable at this time. This programme comprises only drilling. Further work will be completed and reported in due course.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Further drilling is planned to test the historical stopes near surface. Infill drilling of current 50m sections to 25m will also be completed if the assessment of geological continuity is considered unsatisfactory.

Project		Hole Location							Hole Orientation (Local Grid)				Mineralisation Intersection					
Project	Phase	Hole_ID	Local_E	Local_N	Local_RL_m	MGA_E	MGA_N	RL_m	Azimuth°	Dip°	EOH Depth_m	m_From	m_To	DH Length_m	True Width_m	Grade g/t Au	G*M True Width	
Koala Stopes	1	KLRD0001	10016	9975	999	536804.7	7632873.1	281.1	270	-50	29.3	28	29.3	1.3	0.4	1.6	0.6	
Koala Stopes	1	KLRD0002	10016	9925	1003	536839.2	7632837.0	285.1	270	-50	47.5	44	47.5	3.5	1.2	14.7	17.3	
												46	46.9	0.9	0.3	55.7	16.7	
Koala Stopes	1	KLRD0003	9988	10225	987	536611.6	7633034.3	269.1	90	-50	35.6	18	19	1	0.6	1.4	0.8	
												26	28.3	2.3	1.3	1.5	2.0	
Koala Stopes	1	KLRD0004	9967	10225	987	536596.5	7633019.8	269.1	90	-50	59.6	NSI					0.0	
Koala Stopes	1	KLRD0005	9961	10125	995	536661.3	7632943.5	277.1	90	-50	68.6	18	19	1	0.5	4.2	2.1	
												28	50	22	11.3	2.0	22.5	
												41.3	46	4.7	2.4	6.5	15.7	
Koala Stopes	1	KLRD0006	9957	10125	996	536658.4	7632940.7	278.1	90	-60	53.5	NSI					0.0	
Koala Stopes	1	KLRD0007	9975	10025	998	536740.5	7632880.9	280.1	90	-50	43.1	25	28	3	2.1	7.1	15.0	
												26	27	1	0.7	19.3	13.7	
												30.2	34	3.8	2.7	3.1	8.4	
												30.2	31	0.8	0.6	11.4	6.5	
Koala Stopes	1	KLRD0008	9962	10025	1000	536731.1	7632871.9	282.1	90	-60	58.2	NSI					0.0	
Koala Stopes	1	KLRD0009	9961	9925	1007	536799.5	7632799.0	289.1	90	-65	54.3	49	50.4	1.4	1.0	0.8	0.8	
Koala Stopes	1	KLRD0010	9948	9875	1016	536824.7	7632753.9	298.1	90	-60	65.7	NSI						
Koala Stopes	1	KLRD0011	9968	9975	1004	536770.0	7632840.0	286.1	90	-60	39.5	NSI						
Koala Stopes	1	KLRD0012	9951	9975	1004	536757.7	7632828.2	286.1	90	-65	86.8	64.8	65.3	0.5	0.4	7.4	3.0	
												67.4	70.1	2.7	2.0	3.9	7.8	
												67.4	68.5	1.1	0.8	8.6	6.9	
												71.5	76	10	7.4	0.7	5.2	
Koala Stopes	1	KLRD0013	9967	9875	1013	536838.4	7632767.1	295.1	90	-55	43.5	18	19	1	0.8	1.3	1.0	
Koala Stopes	1	KLRD0014	9954	9825	1016	536863.6	7632722.0	298.1	90	-55	41.3	30	34	4	3.2	3.5	11.2	
												30.6	31.3	0.7	0.6	16.4	9.8	
Koala Stopes	1	KLRD0015	9950	9825	1018.5	536860.7	7632719.2	300.6	90	-73	70.2	52.7	54	1.3	0.9	0.8	0.7	
Koala Stopes	1	KLRD0016	9976	10175	990	536637.5	7632989.9	272.1	90	-50	30	NSI						
Koala Stopes	1	KLRD0017	9965	10175	990	536629.6	7632982.3	272.1	90	-60	42.6	38.5	42.4	3.7	1.6	1.5	2.4	
Koala Stopes	1	KLRD0018	10028	10125	991	536709.7	7632989.8	273.1	270	-55	79.8	64	66	2	1.0	2.4	2.4	
												69.2	70.7	1.5	0.8	12.5	9.4	
												71.7	72.5	0.8	0.4	44.2	17.7	
												73.7	75	1.3	0.7	1.4	1.0	
Koala Stopes	1	KLRD0019	10029	10025	998	536779.5	7632918.2	280.1	270	-50	67.1	NSI						
Koala Stopes	1	KLRD0020	9960	10075	997	536695.1	7632906.7	279.1	90	-50	57.3	36	38	2	1.5	1.1	1.7	
												51.3	57.3	6	4.5	1.7	7.7	
												55.9	57.3	1.4	1.0	3.4	3.4	
Koala Stopes	1	KLRD0021	9956	10075	997	536692.2	7632903.9	279.1	90	-60	80.7	49.6	51	1.4	0.9	5.9	5.3	
												69	77	8	4.9	1.1	5.4	
												71.7	72.6	0.9	0.6	6.7	4.0	
Koala Stopes	1	KLRD0022	9935	9925	1011	536780.7	7632781.1	293.1	90	-60	92.7	58	59	1	0.7	2.4	1.7	
												70	71	1	0.7	6.7	4.7	
												74.7	75.7	1	0.7	2.6	1.8	
												79.8	80.6	0.8	0.6	4.5	2.7	
												86.5	86.8	0.3	0.2	4.9	1.0	
												89.1	91	1.9	1.4	1.3	1.8	
Koala Stopes	1	KLRD0023	10021	10175	989	536670.0	7633021.0	271.1	270	-50	56.3	41	45	4	2.8	1.9	5.3	
Koala Nth Pit	1	KLRD0024	9893.2	10350	991.5	536456.8	7633059.1	273.6	90	-35	212.3	187	195	8	6.7	3.1	20.8	
												194	195	1	0.84	6.5	5.5	
												206.4	209	2.6	2.18	12.3	26.8	
												206.4	207.5	1.1	0.92	24.8	22.8	
Koala Nth Pit	1	KLRD0025	10215	10400	983	536654.6	7633318	265.092	270	-30	23.5	Not Assayed						
Koala Nth Pit	1	KLRD0026	10220	10400	983	536654.6	7633318	265.092	270	-35	81.35	Not Assayed						

Table 2: Summary of Koala Phase 1 stopes and north pit drill holes. Please note that co-ordinates are preliminary and subject to minor change on final survey pickup. Intersections are based on a 0.3g/t Cut-off and a maximum of 2 metres of included sub-grade material.