RESOURCE AND EXPLORATION UPDATE

Highlights

- **New Mineral Resource estimate for the Baloo gold deposit (Polar Bear project, Australia) of 4.22Mt @ 2.0g/t for 264,000oz gold at a lower cutoff grade of 0.8 g/t gold**
- **This is a 115% increase in contained gold from the previous resource estimate at the same lower cutoff grade**
- **Baloo mineralization remains open down dip and down plunge**
- **Drilling at Svan Vit prospect (Sweden) intersects several narrow zones of sphalerite (zinc sulphide) mineralization**
- **Drilling started at the Bjurtraskgruvan VMS prospect where additional EM has increased plunge extent of conductor**

S2 Resources Ltd ("S2" or the "Company") provides an update regarding recent drilling and re-estimation of the Mineral Resource at Baloo, at its Polar Bear project in Western Australia, and also recent drilling at various targets at its Skellefte project in Sweden.

Baloo gold deposit, Polar Bear project

Recent drilling down dip and down plunge of the previous limits of mineralization have enabled a re-estimation of the Baloo Mineral Resource. The revised Indicated + Inferred Mineral Resource estimate for the Baloo gold deposit comprises 4.22 million tonnes grading 2.0 g/t gold for a contained 264,000 ounces of gold at a lower cutoff grade of 0.8 g/t gold.

Table 1 and Figure 1 show the variation in tonnage, grade and contained gold for the Indicated + Inferred Mineral Resource estimate at a variety of lower cutoff thresholds. At a reduced lower cutoff of 0.5 g/t gold, tonnage increases by 30% to 5.48 million tonnes, grade decreases by 15% to 1.7 g/t gold, and contained gold increases by 10% to 291,000 ounces of gold. At an increased lower cutoff of 1.0g/t gold, tonnage decreases by 17% to 3.5 million tonnes, grade increases by 10% to 2.2 g/t gold, and contained gold decreases by 8% to 244,000 ounces of gold.

	Indicated			Inferred			Total		
LCOG	Tonnes (000's)	g/t Au	Oz Au	Tonnes (000's)	g/t Au	Oz Au	Tonnes, (000's)	g/t Au	Oz Au
0.5	1,490	1.6	78,000	3,990	1.7	213,000	5,480	1.7	291,000
0.8	**1,160**	**1.9**	**71,000**	**3,060**	**2.0**	**193,000**	**4,220**	**2.0**	**264,000**
1.0	940	2.1	65,000	2,560	2.2	178,000	3,500	2.2	244,000

Table 1. Baloo Gold Deposit - Statement of Resources 9th February 2017. All Mineral Resources are reported to JORC 2012 standards. Baloo Mineral Resource reported at 0.8 g/t Au LCOG (lower cut-off grade). All figures are rounded to reflect appropriate levels of confidence. Apparent differences in totals may occur due to rounding.

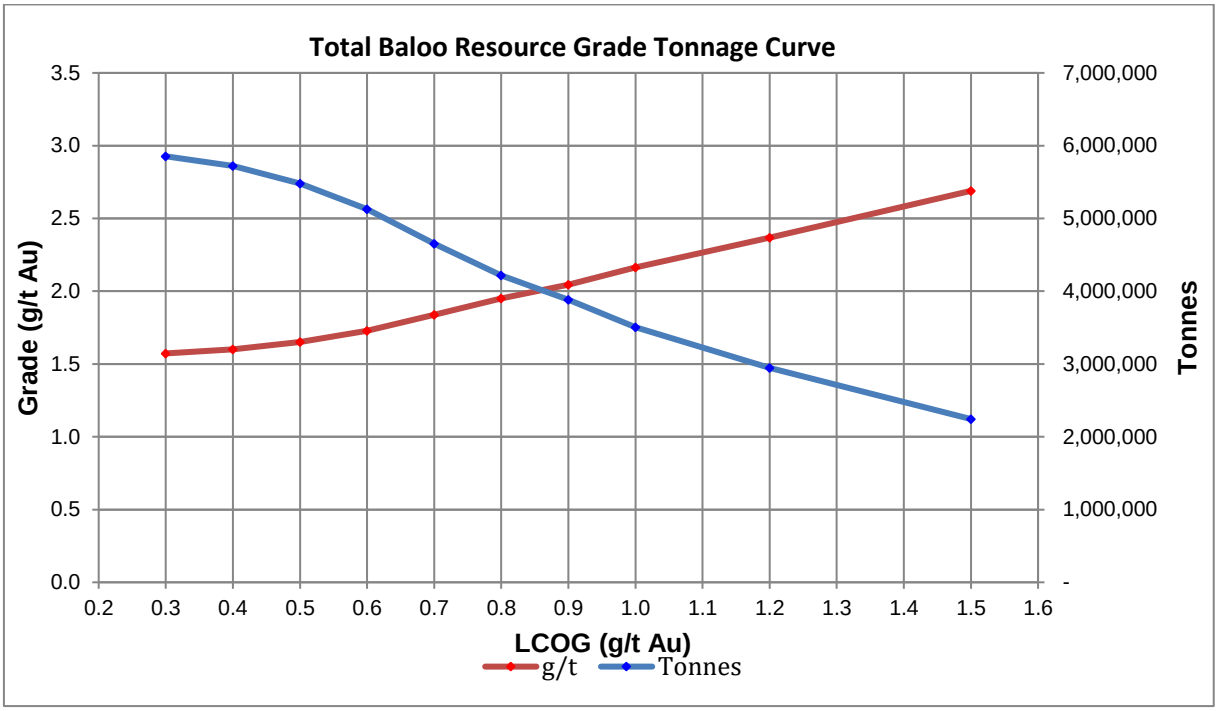

Figure 1. Baloo Gold Deposit – grade-tonnage curve for total Mineral Resources. All Mineral Resources are reported to JORC 2012. LCOG is lower cut-off grade.

A top cut of 15g/t gold and 20g/t gold was applied to different domains within the expanded resource based on standard resource estimation practice (see Table 1 Section 3).

Nearly all of the increase in the Baloo Mineral Resource estimate comprises Inferred category material. This is because it is based on recent broad-spaced deeper drilling undertaken down dip from the previous resource limit (see Figure 2 and Annexure 1).

This drilling has identified a consistent zone of mineralization which dips steeply to the east and plunges moderately to the south, and is relatively thick (up to 14 metres true thickness). Mineralization remains open both down dip and down plunge beneath the limits of this drilling, and on the basis of the deepest drilling to date, appears to be thicker at depth (see Figure 2).

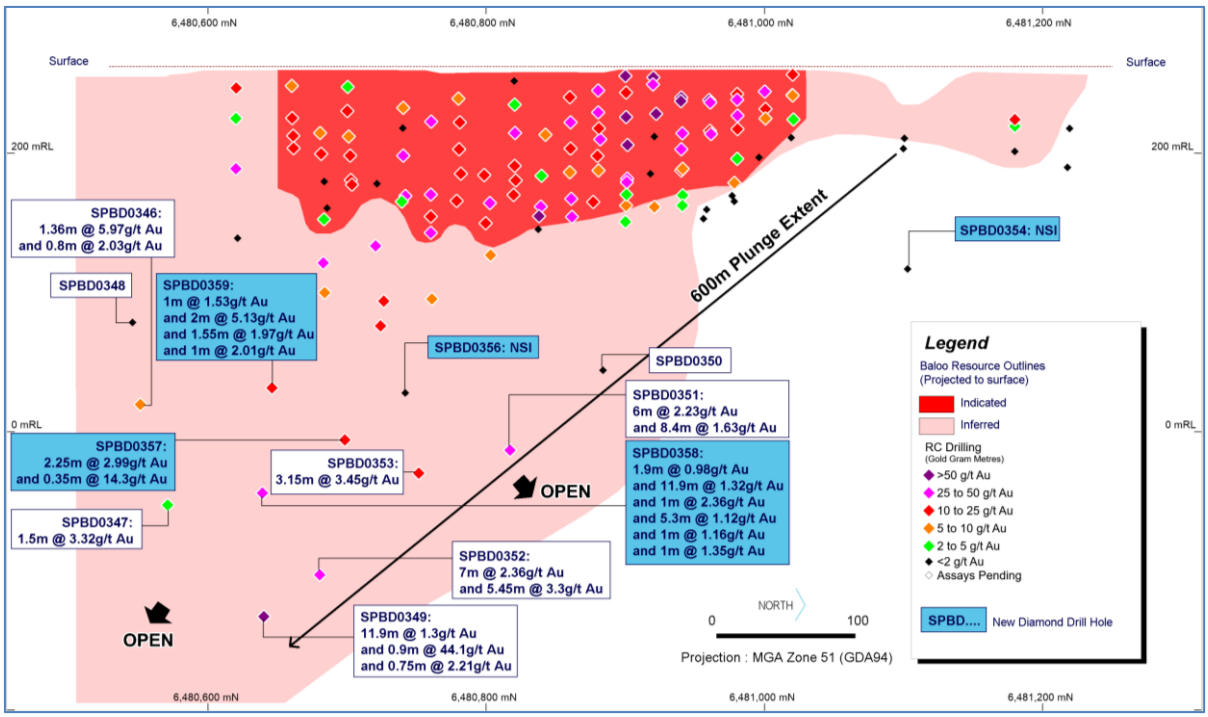

Figure 2. Long projection of the Baloo deposit, looking west, showing resource outlines, recent drilling and areas of potential.

Skelleftea Project, Sweden

Drilling of two regional VTEM targets (Udden 401, conductors 10 and 18) intersected barren pyrrhotite (iron sulphide) and shale.

Drilling at the Svan Vit prospect has intersected several narrow (10-30cm) zones of sphalerite (zinc sulphide) mineralization where predicted by a down hole electromagnetic (DHEM) survey in a previous drill hole (see Figure 3). Assays for holes SSVT170005 and SSVT170006, drilled into the upper part of a downhole EM (DHEM) conductor and located approximately 25 metres west along strike from previous drilling, will not be available until March 2017, but visual inspection of these indicates that zinc, copper and lead grades are likely, at best, to be similar to those reported in the original Svan Vit drill hole SSVA160002 (see previous ASX report of 9th May 2016) – namely narrow, and when averaged over a composited interval, low grade.

The drill rig has now moved to the Bjurtraskgruvan prospect, where a second phase of ground-based moving loop electromagnetic (MLEM) surveying has extended the previously identified conductor some 200 metres along strike and 200 metres down plunge to the southwest beyond existing drilling (see Figure 4).

Assay results from base of till (BOT) sampling located 150m to the west of the Bjurtraskgruvan gossan have identified a strong geochemical anomaly beneath cover along strike from the known outcropping volcanogenic massive sulphide (VMS) mineralization. The peak of the BOT anomaly comprises strongly anomalous silver (15.4 g/t) together with elevated lead (0.14%) and zinc (413ppm) concentrations.

An initial three holes have been planned to test the extended EM anomaly down plunge from known mineralization and beneath the BOT anomaly.

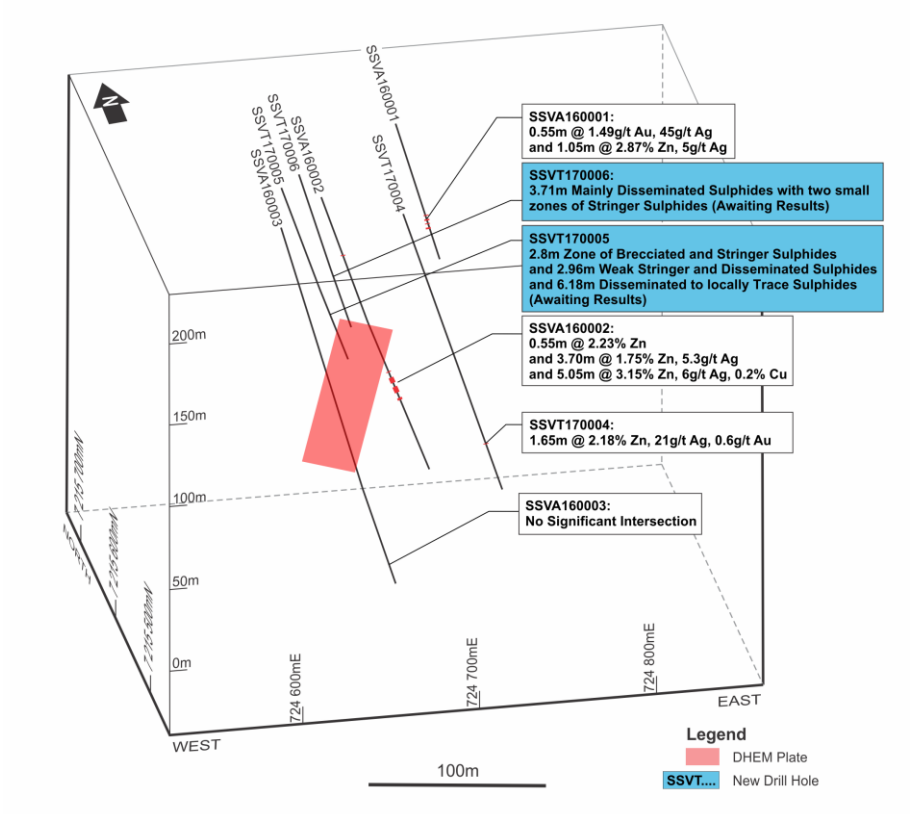

Figure 3. Isometric view of Svan Vit prospect, showing new visual intercepts in upper part of DHEM plate model.

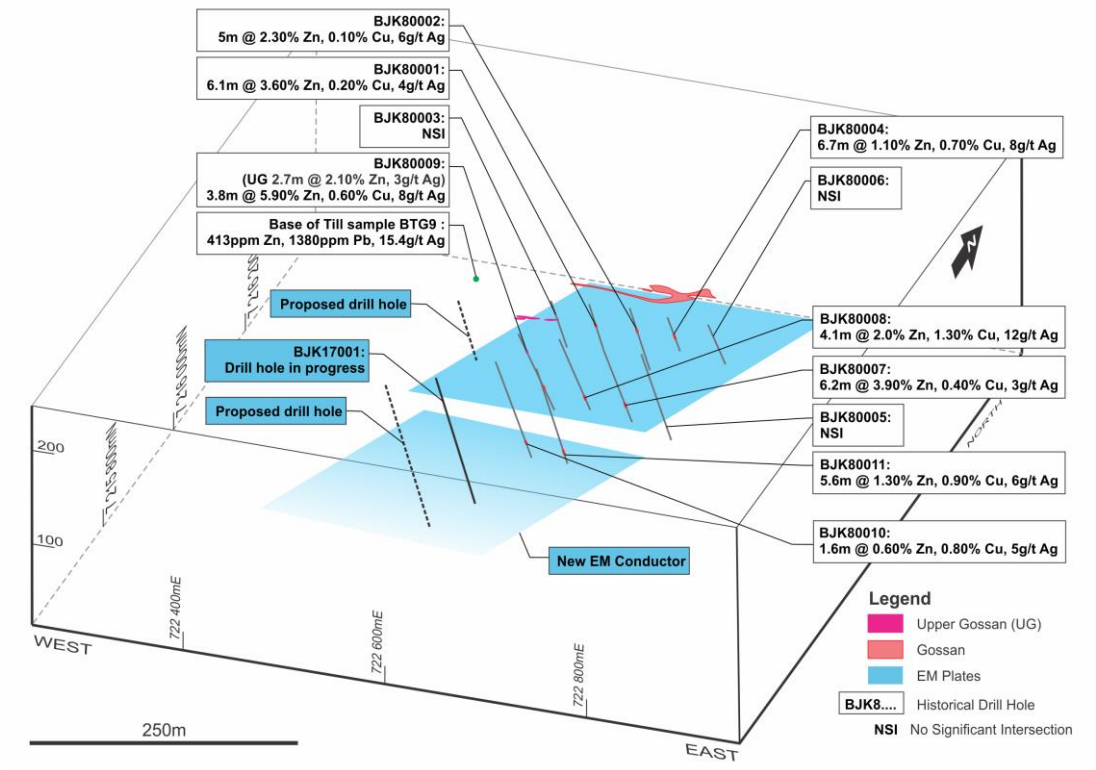

Figure 4. Isometric view of Bjurtraskgruvan prospect, showing outcrop, old holes, MLEM conductors and planned holes.

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Competent Persons statement

The information in this report that relates to Exploration Results in Australia is based on information compiled by John Bartlett who is an employee of the company. Mr Bartlett is a member of the Australasian Institute of Mining and Metallurgy. Mr Bartlett has sufficient experience of relevance to the style of mineralization and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartlett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to Mineral Resource estimation is based on information compiled by Mr Brian Wolfe, Principal Consultant Geologist – IRS Pty Ltd and Mr Andrew Thompson, an employee and shareholder of the Company. Mr Wolfe and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration 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" (JORC Code). Mr Wolfe and Mr Thompson consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The information in this report that relates to Exploration Results in Sweden is based on information compiled by Andy Thompson who is an employee of the company. Mr Thompson is a member of the Australasian Institute of Mining and Metallurgy. Mr Thompson has sufficient experience of relevance to the style of mineralization and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thompson consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Annexure 1

The following Tables are provided to ensure compliance with the JORC code (2012) edition requirements for the reporting of exploration results.

Baloo

Hole No.	Zone	Total Depth	North	East	RL	Dip	Azim	From, m	To, m	Width, m	Au g/t	Comment
SPBD0090	Baloo	174.1	6480920	392710	262	-60	90	4.5	34	29.5	1.61	
and								48.15	60.8	12.6	1.53	
SPBD0091	Baloo	310	6480920	392815	262	-60	270	52	53.3	1.3	0.89	
SPBD0092	Baloo	146.9	6480920	392870	262	-60	270	63.4	66.6	3.2	2	
and								113.9	118.2	4.3	1.64	
SPBD0093	Baloo	143.8	6480880	392820	262	-60	270	15.5	28.8	13.3	1.75	
including								20.8	23.8	3	4.51	
and								65.2	82.4	17.2	1.2	
including								72.7	78	5.3	2.65	
SPBD0094	Baloo	122.7	6480920	392770	262	-60	270	20.6	21.7	1.1	9.74	
and								27.7	30.3	2.6	2.3	
and								33.7	63.5	29.8	2.17	
including								38	42.4	4.4	5.16	
SPBD0095	Baloo	144.7	6480880	392860	262	-60	270	5.4	14.1	8.7	1.19	

Hole No.	Zone	Total Depth	North	East	RL	Dip	Azim	From, m	To, m	Width, m	Au g/t	Comment
and								75.9	81.3	5.4	0.88	
								110.5	112.5	2	2.52	
SPBD0096	Baloo	140.8	6480880	392860	262	-60	270	100.6	108.5	7.9	1.42	
SPBD0097	Baloo	175.3	6480720	392920	262	-60	270	113.8	158.8	45	0.6	
including								133.3	134.4	1.1	5.93	
SPBD0098	Baloo	164.8	6480960	392900	262	-60	270				NSI	
SPBD0099	Baloo	150.7	6480840	392870	262	-60	270	95.8	108.6	12.8	3.1	
including								103.4	104.7	1.3	15.8	
and								117.4	124.3	6.9	0.9	
SPBD0100	Baloo	175.6	6480840	392910	262	-60	270	125.2	132.8	7.6	8.35	
including								131.5	132.6	1.1	32.2	
SPBD0101	Baloo	173.9	6480800	392890	262	-60	270	111.5	121.3	9.8	4.97	
SPBD0102	Baloo	183.7	6480840	392950	262	-60	270				NSI	
SPBD0103	Baloo	137.9	6480960	392860	262	-60	270	48.4	52.5	4.1	0.68	
and								74.2	77.5	3.3	1.08	
SPBD0104	Baloo	170.5	6480800	392930	262	-60	270	50	54.5	4.5	1.05	
and								68.1	91.8	23.7	0.74	
SPBD0105	Baloo	150.9	6480840	392990	262	-60	270				NSI	
SPBD0106	Baloo	199.3	6480760	392900	262	-60	270	116	128.4	12.4	1.51	
SPBD0107	Baloo	129	6480960	392700	262	-60	270	7.5	46.7	36.5	4.36	
including								14.1	29.4	15.3	8.48	
and								56.5	59	2.5	10.54	
SPBD0108	Baloo	218.5	6480760	392940	262	-60	270	146.8	148.5	1.7	1.91	
and								153.4	157.4	5.6	1.1	
SPBD0109	Baloo	82.4	6480960	392660	262	-60	90				NSI	
SPBD0111	Baloo	233.6	6480760	392980	262.75	-60	270	182.1	187.5	5.4	0.83	
SPBD0112	Baloo	113.4	6481000	392820	262	-60	270				NSI	
SPBD0113	Baloo	182.9	6480800	392930	262	-60	270	134	135.7	1.7	0.84	
and								141	154.8	13.8	0.71	
and								159.5	163.3	3.8	0.85	
SPBD0114	Baloo	261.2	6480720	392960	262	-60	270	167	183.7	16.7	0.79	
and								206.8	217	10.2	0.77	
SPBD0116	Baloo	197.7	6480800	392970	262	-60	270	163.2	166.2	3	1.97	
SPBD0117	Baloo	287.2	6480720	393000	262	-60	270	182.9	188.8	5.9	0.92	
and								214.1	242.4	28.3	0.86	
including								216.6	217.85	1.25	9.52	
SPBD0120	Baloo	265.2	6480680	392960	262	-60	270	188.6	189.2	0.6	13.95	
and								252.6	252.95	0.35	62.5	
SPBD0122	Baloo	260.2	6480680	392920	262	-60	270	157.4	159.9	2.5	10.85	
SPBD0280M	Baloo	81.6	6480903	392745	262	-90	0				-	Met Hole - not sampled
SPBD0281M	Baloo	83.1	6480937	392735	262	-90	0				-	Met Hole - not sampled

Hole No.	Zone	Total Depth	North	East	RL	Dip	Azim	From, m	To, m	Width, m	Au g/t	Comment
SPBD0282	Baloo	198.9	6480857	392684	262	-60	45	75.6	77.9	2.3	1.64	
and								84.7	87.5	2.8	2.38	
SPBD0283G	Baloo	131.3	6480800	392701	262	-55	45	102	103	1	1.76	
SPBD0284G	Baloo	50.3	6480751	392740	262	-60	90				NSI	
SPBD0346	Baloo	423.8	6480543	393024	262	-60	270	276.18	277.54	1.36	5.97	
and								287.7	288.5	0.8	2.03	
SPBD0347	Baloo	414.6	6480542	393109	262	-60	270	361.6	363.1	1.5	3.32	
SPBD0348	Baloo	304.5	6480541	392951	262	-60	270				NSI	
SPBD0349	Baloo	444.9	6480616	393098	262	-70	270	302.8	305.3	2.5	1.04	
and								346.1	346.4	0.3	4.77	
and								374.6	375.1	0.5	3.64	
and								380.3	381.2	0.9	1.06	
and								399	410.9	11.9	1.3	
and								413.75	414.65	0.9	44.1	
and								416	416.75	0.75	2.21	
SPBD0350	Baloo	306.7	6480878	393003	262	-70	270				NSI	
SPBD0351	Baloo	327.8	6480800	393039	262	-70	270	263	269	6	2.23	
and								282	290.4	8.4	1.63	
SPBD0352	Baloo	411.8	6480660	393081	262	-70	270	369	376	7	2.36	
and								378.75	384.2	5.45	3.3	
SPBD0353	Baloo	357.9	6480740	393042	262	-70	270	303.15	306.3	3.15	3.45	
SPBD0354	**Baloo**	**183.4**	**6481100**	**392910**	**262**	**-60**	**270**				**NSI**	
SPBD0355	**Baloo**	**469.1**	**6480740**	**392739**	**262**	**-80**	**90**				**NSI**	
SPBD0356	**Baloo**	**285.7**	**6480735**	**393001**	**262**	**-70**	**270**				**NSI**	
SPBD0357	**Baloo**	**348.8**	**6480685**	**393021**	**262**	**-70**	**270**	**283.15**	**285.4**	**2.25**	**2.99**	
and								**295.7**	**296.05**	**0.35**	**14.3**	
SPBD0358	**Baloo**	**393.8**	**6480620**	**393028**	**262**	**-70**	**270**	**295.2**	**297.1**	**1.9**	**0.98**	
and								**303.9**	**315.8**	**11.9**	**1.32**	
and								**330**	**331**	**1**	**2.36**	
and								**349**	**354.7**	**5.3**	**1.12**	
and								**356.7**	**357.7**	**1**	**1.16**	
and								**359.4**	**360.4**	**1**	**1.35**	
SPBD0359	**Baloo**	**333.5**	**6480640**	**392970**	**262**	**-70**	**270**	**118.5**	**119.6**	**1.1**	**2.4**	
And								**160.15**	**160.5**	**0.35**	**3.85**	
And								**231.75**	**232.75**	**1**	**1.53**	
And								**237.6**	**239.6**	**2**	**5.13**	
And								**247.5**	**249.05**	**1.55**	**1.97**	
And								**279.8**	**280.8**	**1**	**2.01**	

Svan Vit Prospect

Hole No.	Total Depth	North	East	RL	Dip	Azim	From, m	To, m	Width, m	Zn%	Cu%	Ag g/t	Au g/t
SSVA16001	127.05	7215642	724691	225	-60	35	25.30	25.85	0.55	<0.1	<0.1	45.0	1.49
and							88.70	89.75	1.05	2.87	<0.1	5.0	0.03
SSVA16002	258.7	7215560	724634	225	-60	35	164.40	164.95	0.55	2.23	<0.1	<1.0	0.02
and							170.20	173.90	3.70	1.75	<0.1	5.3	0.01
and							184.60	189.65	5.05	3.15	0.2	6.0	0.04
SSVA16003	298	7215519	724604	228	-65	35	NSI						
SSVT170004	262.8	7215533	724675	223	-60	35	218.55	220.20	1.65	2.18	<0.1	21.0	0.6
SSVT170005	203	7215574	724614	223	-60	35	Assays awaited						
SSVT170006	173.2	7215594	724628	223	-60	35	Assays awaited						

Udden 401, Targets 10, 13 and 18

Hole No.	Total Depth	North	East	RL	Dip	Azim	From, m	To, m	Width, m	Zn%	Cu%	Ag g/t	Au g/t
SUDD170002	122.1	7211570	727470	238	-60	35	Target 13 NSI						
SUDD170003	200	7210950	726985	226	-60	35	Target 10 NSI						
SUDD170004	169.4	7209655	730300	211	-60	35	Target 18 NSI						
SUDD170005	158.1	7209740	730240	217	-60	35	Target 18 NSI						

Table 1 Baloo

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	In zones of weakly weathered or fresh rock the HQ or NQ2 core is cut using a diamond core saw with half core sampled for assay. The ore is cut along the orientation line, with the same side sampled to ensure sample is representative. In zones of highly weathered core where the sample is either highly broken or highly friable and a representative split cannot be achieved then whole core sample of either the PQ3 or HQ3 core is taken. For RC sampling, a 1 metre split is taken directly from a cone splitter mounted beneath the rigs cyclone. The cyclone and splitter are cleaned regularly to minimise any contamination. A second reference split is also taken from each metre and stored on site. Aircore holes are sampled using an aluminium scoop to produce a four metre composite sample similar to the RC sampling methodology.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sampling and QAQC procedures is carried out using S2 protocols as per industry best practice.

Criteria	JORC Code explanation	Commentary
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	Reconnaissance aircore samples are composited at 4 m to produce a bulk 3 kg sample. Samples were dried, pulverised (total prep), and split to produce a 25 g sub sample which is analysed using aqua-regia digestion with ICP-MS finish with a 1 ppb detection limit. A 1m end of hole sample was collected for all aircore holes. Sample preparation was the same as above and were analysed using a four acid digest with an ICP/OES and fire assay. The following elements are included in the assay suite: Ag, Al, As, Au, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sc, Sr, Te, Ti, Tl, V, W, Zn. RC drilling is sampled a 1m "cone" split sample, to produce a bulk 3 kg sample. Sample preparation was the same as for the aircore drilling. A nominal 50gram sub-sample was collected and analysed by Samples were to produce a sub sample for analysed by fire assay with an AA finish. Diamond core (HQ and NQ2) is half core sampled to geological boundaries of no more than 1m and no less than 30cm. Samples were crushed, dried and pulverised (total prep). Analysis is same as for RC. Oxide PQ3 core is whole core sampled and then dried, crushed to -2mm and then rotary split to a 3kg sample for pulverisation and 50g fire assay.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling is completed using either NQ2, HQ, or PQ3 (through the oxide zone) sized coring equipment. All core is orientated (where possible) using a Reflex ACT II RD orientation tool. RC drilling is carried out using a face sampling hammer with a nominal diameter of 140mm. Aircore drilling is carried out using a 3 ½ inch blade bit. Where necessary a 3 ½ inch face sampling hammer is employed to penetrate through hard zones.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Diamond core recoveries is logged and captured in the database. The core length recovered is measured for each run and recorded which is used to calculate the core recovery as a percentage core recovered. RC and aircore sample recoveries are visually estimated qualitatively on a metre basis and are recorded in the database.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Measures taken to maximise the core recoveries includes using appropriate core diameter and, where necessary, restricting drill penetration and/or reducing core runs. Triple tube diamond core through the weathered zone is too broken to allow core cutting and therefore the core is sampled whole to ensure no bias is introduced. Various drilling additives (including muds and foams) have been used to condition RC and aircore drill holes to maximise recoveries and sample quality. Drill cyclone and sample buckets are cleaned between rod-changes and after each hole to minimise down hole and/or cross-hole contamination.

Criteria	JORC Code explanation	Commentary
	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.	Core drilling has resulted in narrow zones of poor to no core recoveries through the oxide zone in areas of very soft clays and fault gouge within the weathered zones. These are recorded as poor or zero recovery and not assigned grade. Aircore drilling samples are occasionally wet which may have resulted in sample bias due to preferential loss/gain of fine/coarse material. No sample recovery issues have impacted on potential sample bias within coring of fresh rock or within RC drilling.
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.*	Geological logging is completed for all holes to a level of detail that would, where sufficient drill density is completed, support an appropriate Mineral Resource and mining study. Lithology, alteration, veining, structural and geotechnical (diamond core) characteristics is recorded directly to a digital format and imported into S2 Resources central database.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging is both qualitative and quantitative in nature depending on the field being captured. All core is photographed
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	In zones of highly weathered core where the sample is either highly broken or highly friable the PQ3 or HQ3 core is sampled whole core. Oxide whole core is submitted to the lab in samples not exceeding 6kg and then coarse crushed to <2mm. Samples are then rotary split to provide a 3kg sub sample for pulverisation. In zones of weakly weathered or fresh rock the HQ or NQ2 core is cut using a diamond core saw with half core sampled for assay.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC and aircore samples consist of a 4 metre composite RC spoils are sampled by scoop. All RC holes are sampled 1 metre samples are collected via an on-board cone splitter. Samples were collected both wet and dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation follows industry best practice in sample preparation All samples are pulverised utilising Essa LM1, LM2 or LM5 grinding mills determined by the size of the sample. Samples are dried, crushed as required and pulverized to produce a homogenous representative sub-sample for analysis. A grind quality target of 85% passing 75µm has been established and is relative to sample size, type and hardness.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Quality control procedures include submission of Certified Reference Materials (CRM's), blanks and duplicate samples with each batch of samples. Selected samples are also re-analysed to confirm anomalous results. Grind size checks are routinely completed to ensure samples meet the industry standard of 85% passing through a 75µm mesh.

Criteria	JORC Code explanation	Commentary
	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.	For aircore and RC drilling, field duplicates are taken at regular intervals. Samples are selected to weigh less than 3kg to ensure total preparation at the pulverisation stage. For diamond core, the orientation line is used as a reference line with the half core sample always coming from RHS of the orientation line.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate for nickel sulphide and gold mineralisation.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	RC and diamond core samples are analysed for Au only using a 40g or 50g Lead Collection fire Assay with either an ICP/MS or AAS finish at either Minanalytical Laboratories in Perth or Bureau Veritas laboratories in Kalgoorlie. 4m composite samples from AC drilling are analysed for Au only using a 25g aqua-regia digestion with an ICP/MS finish. The method gives a near total digestion of the regolith intercepted in aircore drilling and is suitable for the reconnaissance style sampling undertaken. Infill 1m samples and samples greater than 1 g/t are re-assayed using 50 g fire-assay with AAS finish which gives total digestion and is more appropriate for samples with high levels of gold. All aircore holes (both gold and nickel exploration) have a 1m end-of-hole sample is collected for all AC holes. An extensive multi-element suite (including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, Sb, Sc, Sr, Te, Ti, Tl, V, W, Zn) is analysed using a four acid digest with an ICP/OES and ICP/MS finish. Au, Pt And Pd is analysed for using 25g or 50g Lead Collection fire assay with an ICP/MS finish.
	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.	No geophysical tools were used to determine any element concentrations used in this resource estimate.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Sample preparation checks for fineness were carried out by the laboratory as part of their internal procedures to ensure the grind size of 85% passing 75 micron was being attained. Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The Exploration Manager of S2 has visually verified significant intersections.
	The use of twinned holes.	No twin holes have been drilled on the project to date.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected using a set of standard Excel templates using lookup codes. The information was sent to an external database consultant for validation and compilation into a Perth based SQL database.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data reported.

Criteria	JORC Code explanation	Commentary
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	At Baloo, diamond drill holes have been sighted using the tape and compass method off either the established base line or known surveyed points (old drill holes). All aircore and diamond drilling are routinely picked up by an external surveyor using an RTK GPS system with an expected accuracy is +/– 0.05m for easting, northing and elevation. RC drill sites were laid out by an external surveyor using an RTK GPS system or tape and compass off surveyed collars. All holes will be picked up by the external surveyor prior to any resource calculations.
	Specification of the grid system used.	The grid system used at Polar Bear is GDA94 (MGA), zone 51.
	Quality and adequacy of topographic control.	A topographic surface has been created from aerial geophysical data, This has been calibrated with DGPS survey data. All reconnaissance drill holes have been corrected to this surface where DGPS pickup is not available. All resource drilling will be picked up by DGPS to within a +/- 50mm accuracy.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Data spacing is currently defined by the geological criteria regarded appropriate to determine the extents of mineralisation. Reconnaissance AC drilling is on a nominal spacing of between 240m x 40m and 400m x 40m drill pattern, with infill of resource areas closing down to a nominal 40m x 20m drill pattern for AC, RC and diamond. Extensional drilling of Baloo at depth has been on a nominal 80m spacing.
	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.	Drilling within the defined inferred resource boundary is of sufficient spacing to demonstrate the degree of geological and grade continuity to support the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. Current extensional drilling is not yet sufficient to extend the inferred resource boundary.
	Whether sample compositing has been applied.	No compositing has been applied to the exploration results.
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.*	The drilling is not necessarily drilled perpendicular to the orientation of the intersected mineralisation. All reported intervals are downhole intervals and not calculated true width. This will be established with further drilling. At Baloo the main mineralised structure appears to be dipping moderately to the east and hence 270 azimuth diamond drilling give approximately true width intersections. Supergene dispersion appears relatively flat lying and hence the vertical AC holes also approximate to true thickness.
	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.	No orientation based sampling bias has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by S2 Resources. Samples are stored on site and either delivered by S2 personnel to Perth and then to the assay laboratory, or collected from site by Centurion Transport and delivered direct to the assay laboratory. Whilst in storage, they are kept on a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been conducted at this stage.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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 Baloo prospect is located within Exploration License *E15/1298,* which is located within the Polar Bear Project, 100% owned by Polar Metals Pty Ltd, a wholly owned subsidiary of S2 Resources Ltd. Polar Metals Pty Ltd has lodged a mining lease application (MLA 15/1814) over the Baloo prospect, and is currently in the approval process. The Baloo prospect is situated within the Ngadju Native Title Claim (WC99/002). The claim has satisfied the requirements of Section 190A of the Native Title Act 1993 and has therefore been entered on the Register of Native Title Claims.
	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.	The tenement is in good standing and no known impediments exist on tenement actively explored.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	*Gold Exploration* Plutonic Operations Limited and Homestake Gold of Australia Limited conducted reconnaissance AC drilling (PBAC prefix) over Lake Cowan on predominantly 100 m drillhole spacing and 800 m line spacing from 1997-1999. Location of these drillholes cannot be verified as the collars are now mostly obscured. AC sampling was done by 4 m composites with 1 m re-splits on samples greater than 0.1 g/t. Samples were assayed by aqua-regia digest with AAS finish although this cannot be verified as the original laboratory.
Geology	Deposit type, geological setting and style of mineralisation.	The Polar Bear project is situated within the Archaean Norseman-Wiluna Belt which locally includes basalts, komatiites, metasediments, and felsic volcanoclastics. The primary gold mineralisation is related to hydrothermal activity during multiple deformation events. Indications are that gold mineralisation is focused on or near to the stratigraphic boundary between the Killaloe and Buldania Formation.
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: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	Refer to Annexure1 in body of text.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assays have been length weighted. A top-cut of 30 g/t Au has been applied to individual assays when reported intervals are greater than one metre. A nominal 0.5 g/t Au lower cut-off is used for RC and diamond intersections (unless otherwise stated). A nominal 0.1 g/t Au lower cut-off is used to report AC intersections.
	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.	High grade gold intervals internal to broader zones of mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
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 (e.g. 'down hole length, true width not known').	The trend of mineralisation at ***Baloo*** appears broadly north south and dipping moderately to the east with the intervals reported near true width. The core of the mineralisation plunges moderately to the south. Refer to Annexure 1 and Figures in body of text.
Diagram	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.	Refer to Figures in body of 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.	The accompanying document is conserved to represent a balanced report with grades and/or widths reported in a consistent manner.
Other substantive exploration data	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.	Two vertical PQ3 holes have been drilled in the core of the weathered mineralization to allow bulk density determination and provide samples for metallurgical testwork. Three geotechnical holes have been drilled in the western portion of the deposit to investigate geotechnical ground conditions in the footwall of a potential open pit. Groundwater monitoring has been initiated with insertion of PVC into selected holes to allow a first pass pump test.
Further work	The nature and scale of planned further work (e.g. 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	At Baloo, further drilling down plunge and along strike within the mineralised structural trend will continue.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary
Database integrity	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Data templates with lookup tables and fixed formatting are used for logging, spatial and sampling data. Data transfer is electronic via e-mail. Sample numbers are unique and pre-numbered bags are used. These methods all minimise the potential of these types of errors.
	Data validation procedures used.	Data validation checks are run by the database management consultant.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Multiple site visits to the Baloo deposit by Andy Thompson during diamond and RC drilling to verify sampling integrity and recovery. Site visit by Andy Thompson and Brian Wolfe acting as Competent Persons, inspected the deposit area, the core logging and sampling facility. During this time, notes and photos were taken along with discussions were held with site personnel regarding the available RC samples and diamond core. No issues were encountered.
	If no site visits have been undertaken indicate why this is the case.	Site visits have been conducted
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The confidence in the geological interpretation is considered good. The deposit is a mesothermal lode gold style typical of the Kalgoorlie Archaean terrane.
	Nature of the data used and of any assumptions made.	Petrography has been used to assist identification of the rock type subdivisions applied in the interpretation process.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The deposit is well constrained and predictable with clear boundaries which define the mineralised domains. Infill drilling has supported and refined the model and the current interpretation is thus considered to be robust.
	The use of geology in guiding and controlling Mineral Resource estimation.	Geological controls and relationships were used to define sub-domains. Key features are quartz veining in a deformed lithological contact zone.
	The factors affecting continuity both of grade and geology.	Gold grades are strongly related to deformed quartz veining within a shear zone formed on the contact of basalt, black shale and volcanoclastics
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The Mineral Resource area has dimensions of 700 m (north) by 350 m (east) and 450 m (elevation).

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	The Mineral Resource estimate above 80mRL was generated via MIK (Multiple Indicator Kriging) and indirect lognormal change of support to emulate mining selectivity. Additionally, areas of mineralization of less certain grade continuity unsuited to grade estimation via MIK have been estimated by Ordinary Kriging as well as mineralisation below 80mRL. Mineralised domain interpretation was completed as described above and approximates a 0.3g/t Au lower cutoff. The interpretation was coded to the drill hole database and 3m length composites were generated within the mineralisation boundary. A series of indicator transforms were applied to the composites as determined by statistical evaluation and indicator semivariograms were modelled for each cut-off. The semivariograms were input in preparation for kriging of the indicator transformed data. Hard boundaries were applied to the kriging. A search neighbourhood was applied parallel to the strike and dip with radii of 50m, 50m and 15m in the strike, down dip and across strike directions respectively. Sample counts for the estimates were set at a minimum of 24 and a maximum of 36. In the case of the domains estimated by OK, an expanded search ellipsoid of 100m x 100m x 30m and a sample count of 6 were applied. Any blocks not estimated in the first estimation pass were estimated in a second pass with expanded search neighbourhoods and relaxed sample limits to allow the domains to be fully estimated. Extrapolation of the drillhole composite data is generally limited to approximately 50m down dip. No top cut has been applied to the data for the purposes of the MIK estimates, in the case of the OK estimated grades have been top cut to 15g/t Au or 20g/t Au. Change of support via the indirect lognormal method has been applied to the indicator kriging results to emulate selectivity at the mining stage. No change of support technique has been applied to the Ordinary Kriged estimates
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	This is a modified and extended Mineral Resource for the Baloo deposit and supercedes the resource published on 4th March 2016.
	The assumptions made regarding recovery of by-products.	No by-products are assumed.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No other elements have been assayed.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	The parent block size is 20mN x20mE x 10mRL, with sub-celling to 5mE x 5mN x 2.5mRL for domain volume resolution. The parent block size was chosen based on estimation methodology and relates to a drill section spacing of 40m to 20m and an on-section drill spacing of approximately 20m. The search ellipse was oriented with axes rotated parallel to the mineralised bodies as previously described. Search ellipse dimensions were chosen to encompass several drillholes up and down dip and several lines of drilling along strike
	Any assumptions behind modelling of selective mining units.	Selective mining unit assumptions were based on dimension and spacing of drill sampling, geometry of the mineralisation, likely method of mining (open pit) and equipment used, likely grade control and drill and blast dimensions. In consideration of the parent cell dimension described above, an SMU of 5mE x 5mN x 2.5mRL has therefore been applied.
	Any assumptions about correlation between variables.	No assumptions about correlations have been made.

Criteria	JORC Code explanation	Commentary
	Description of how the geological interpretation was used to control the resource estimates.	The geological model domained the oxide, transitional and primary mineralisation to geological and structural zones. These domains were used as hard boundaries to select sample populations for variography and estimation.
	Discussion of basis for using or not using grade cutting or capping.	Top cutting of grades is not relevant in the context of MIK methodology and has only been considered in the case of the grade variogram used to calculate the change of support variance reduction coefficient. In the case of the OK estimates, grade has been capped to either 15g/t Au or 20g/t Au depending on the domain.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	No mining has taken place; therefore no reconciliation data is available.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied*	A 0.8g/t Au cut-off grade was used to report the Mineral Resources. This cut-off grade is estimated to be the minimum grade required for economic extraction. A range of additional cut-off grades have been reported up to 1.5g/t Au
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Mining of the Baloo deposit is primarily assumed to be by open cut mining methods. The geometry of the deposit will make it amenable to mining methods currently employed in many gold open pits in the Kalgoorlie district. It is assumed that any pit will be mined on 2.5m benches with grade control drilling density sufficient to allow selectivity assumed in the estimation.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Preliminary metallurgical testwork in the primary mineralisation indicates that the mineralisation is amenable to standard cyanide leach extraction.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	No assumptions have been made.

Criteria	JORC Code explanation	Commentary
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Dry Bulk Densities were determined by the Archimedes principle (immersion) where possible and also by the direct measurement method (caliper) in the oxide clay. Samples were measured directly from the rig (wet bulk density) and then the samples were dried at Minanalytical to determine moisture content so that Dry Bulk Density (DBD) could be calculated. In total 86 oxide samples, 77 transition zone samples and 282 primary zone samples were collected from mineralized zones.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	Bulk density has been estimated from density measurements carried out on PQ3 core samples using the Archimedes method (immersion) of dry weight versus weight in water using clingwrap to waterproof the core. The caliper method was also used in saprolitic oxide clay and showed good correlation with the immersion method.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The bulk density values were assigned as an average value to the three weathering domains, oxide, transition and fresh.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories*	The Mineral Resource classification is based on good confidence in the geological and grade continuity, along with 20 m by 20 m or 20 x 40m spaced drillhole density.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The validation of the block model shows good correlation of the input data to the estimated grades.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The Mineral Resource estimate appropriately reflects the view of the Competent Persons.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No audits or reviews have been initiated on the Baloo resource estimate.
	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	The statement relates to global estimates of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No production data is available.

Table 1 Sweden

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The EM geophysical targets at Svan Vit and Udden 401 were tested by diamond drilling. Drilling is being undertaken by Oy Kati AB of Kalajoki Finland drilling NQ2 rod size with a DDH size of 75.7mm and core size of 50.7mm. NQ2 core samples were logged, marked by S2 personnel, Unbiased core sample intervals were cut in half by diamond saw. Half core is sent for analyses by ALS Laboratories. All rock grab and rock float samples are collected from outcrop by S2 personnel and marked into sample books and a representative portion of the sample retained. All are forwarded for analyses by ALS Laboratories.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sampling and QAQC procedures are carried out using S2 protocols as per industry best practice.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	Diamond drilling was used to obtain core samples that have been cut and sampled on intervals that are determined by lithology and mineralisation. The drill core samples are sent to ALS Laboratories for analyses for gold and base metals. Drill core is sampled at S2's facilities in Mala, Sweden.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling with NQ2 wireline bit producing a 50.7mm diameter core.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Diamond Drill core recoveries are visually estimated qualitatively on a metre basis and are recorded in the database.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Sample quality is qualitatively logged on a metre basis, recording sample condition.
	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.	No relationship has been seen to exist
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.*	The logging uses a standard legend developed by S2 which is suitable for wireframing. Exploration holes are not geotechnically logged but resource holes are.

Criteria	JORC Code explanation	Commentary
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All core has been photographed both dry and wet. Geological logging of the diamond drill holes is onto physical log sheets followed by importing into S2 Resources central database
	The total length and percentage of the relevant intersections logged	All drill holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core sawn in half and half core taken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All samples are core.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples were delivered by S2 personnel to ALS Minerals Laboratory in Mala, Sweden. All samples were forwarded to ALS Minerals Ojebyn, Sweden Laboratory where they are to be crushed with >70% <2mm (code CRU-31), split by riffle splitter (code SPL-21), and Pulverised 1000grm to 85% <75 um (code PUL-32). Crushers and Pulverizers will be washed with QC tests undertaken (codes CRU-QC, PUL-QC). The prepared samples were forwarded to ALS Minerals Loughrea, Ireland, Laboratories for analyses.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Full QA:QC system in place to determine accuracy and precision of assays
	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.	For DDH's non biased core cutting through using an orientation line marked on core and cut to the line
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Samples of appropriate size
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	All samples were analysed by ALS Minerals Loughrea, Ireland Laboratories. For DDH samples to be analysed for Gold using 50grm Fire Assay with AA finish (code Au-AA26) and for Ag, As, Bi, Ca, Cd, Cu, Fe, Hg, Mg, Mn, Mo, Ni, P, Pb, S, Sb, Tl & Zn through an Oxidising Digestion with ICP-AES Finish (code ME-ICPORE).
	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.	No geophysical tools were used to determine any element concentrations.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Full QAQC system in place including Certified Standards and Blanks of appropriate matrix and levels
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Andy Thompson has personally inspected all drill cores and rock samples.
	The use of twinned holes.	No twin holes have been drilled on the project to date.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary sampling data was collected in S2 sample books using project prefix SSVA and unique numbers. The data is then transferred to a set of standard Excel templates. The information is managed by S2's database manager for validation and compilation into a Perth based SQL database.
	Discuss any adjustment to assay data.	No adjustments made

Criteria	JORC Code explanation	Commentary
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole collars were located with a differential GPS with an accuracy of less than 1metre.
	Specification of the grid system used.	The grid system used is the Standard Swedish National Grid – SWEREF 99 TM unless otherwise stated.
	Quality and adequacy of topographic control.	Excellent quality topographic maps produced by the Swedish Authorities - Landmateriat
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill holes are exploratory at this stage and drilled to test geochemical and geophysical target. No set spacing of drillholes at this stage.
	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.	Data spacing and distribution is not sufficient at this stage to allow the estimation of mineral resources.
	Whether sample compositing has been applied.	No sample compositing has been applied
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.*	The diamond drilling orientation was designed to test the geophysical target and is not necessarily drilled perpendicular to the orientation of the intersected mineralisation.
	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.	The drilling at this stage is preliminary and exploratory. It is not possible to assess if any sample bias has occurred due to hole orientation at this stage.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by S2 personnel. Drill cores were visually checked at the drill rig. Cores were then transported to S2's logging and cutting facilities by S2 personnel. Core cutting on site and samples transferred to ALS Laboratories in Malå, Sweden by S2 personnel.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been conducted at this stage.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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 Svan Vit prospect is located within the Svansele 403 Exploration Licence. The Bjurtraskgruvan prospect is located within the Vargfors 401 Exploration Licence. The Udden 401-10,13 and 18 VTEM targets are located within the Udden 401 Exploration Licence. All of the above exploration licences are 100% owned by S2 Sverige AB, a Swedish registered 100% owned subsidiary of S2
	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.	All of the Exploration Licences are in good standing and no known impediments exist on the tenements being actively explored.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	North of the VTEM anomaly Svansele 403 C1 there is a historical prospect of Snattermyran initially discovered from a mineralised boulder in 1902. During 1903-1905 trenching occurred. In 1926 3 DDH's were drilled for a total of 152.17m with a best result of: BH2 3.46m @ 2.45% Zn, 32g/t Ag. In 1980 the Swedish Geological Survey (SGU) drilled 4 DDH's for a total of 375.00m with a best result from DDH 80004 of 2.50m @1.65% Zn, 20 g/t Ag. All DDH's were drilled with an approximate azimuth between 345° and 030°. The Bjurtraskgruvan prospect was drilled, trenched and mapped 1944 and 1979-80. The drilling was performed by the Swedish Geological Survey (SGU) for a total of 481m in 1944 and 1250m in 1979-80. The 1944 drilling was twinned by the 1980 drilling and more comprehensively sampled. The 1944 drilling has not been included. The historic geological mapping has been geo-referenced in relation to the drillhole collars and also correlates well with the modelled moving loop ground TEM plate. The drillhole collar pipes have been located and surveyed by S2 personnel. All available public domain historic reports and logs at the SGU in Malå have been reviewed and collated.
Geology	Deposit type, geological setting and style of mineralisation.	The area occupies the central portion of the Skellefte Belt, a volcanogenic massive sulphide camp dominated by bimodal volcanics, primarily felsic in composition. The mineralisation style appears from the drill holes typical volcanogenic massive sulphide style mineralisation with greenschist grade metamorphism
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: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	Refer to Annexure 1 above
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	Any reported assays have been length weighted. A nominal 1% Zn lower cut-off is used for diamond drill intersections (unless otherwise stated in polymetallic intersections).
	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.	High grade intervals internal to broader zones of mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	None used.

Criteria	JORC Code explanation	Commentary
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 (e.g. 'down hole length, true width not known').	The trends of mineralisation at the targets/prospects described are not known at present but core angles indicate that mineralisation is approximately true width. Refer to Annexure 1 and Figures in body of text.
Diagram	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.	Refer to Figures in body of 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.	All holes are reported either visually or with results as they are received.
Other substantive exploration data	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.	The area has several of a number of priority VTEM targets generated from a 2015 VTEM survey. The targets was ground checked by moving loop ground TEM which confirmed anomalism that when modelled showed two separate plates. Base of Till sampling returned a peak geochemical response adjacent to the northern of the geophysical anomalies. Access and snow conditions dictated that this was the first target drill tested in this winters' testing. At the Bjurtraskgruvan prospect rock chips have been taken at subcropping gossans. Historic data from the SGU has been compiled and examined in 3D. The prospect has had initial moving loop ground TEM which gave a significant anomaly as shown in the body of the text.
Further work	The nature and scale of planned further work (e.g. 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	Further ground EM will be conducted at Bjurtraskgruvan to determine the extent of the conductor down plunge. Diamond drilling is planned at Bjurtraskgruvan in early 2017 to both verify historic drilling and test down plunge extensions. Borehole EM will be used as required to further refine plate models.