THUNDELARRA

ASX/Media Announcement

13 February 2017

ANOTHER OFF-HOLE CONDUCTOR AT GRANITE WELL, GARDEN GULLY

Thundelarra is pleased to announce results of drilling at the Granite Well and NW Granite Well Prospects at Garden Gully. Downhole EM (DHEM) surveys have identified a strong, deep, potentially mineralised, off-hole conductor that represents a high priority target for follow-up drill testing. These results continue to expand the potential for discovery at the Garden Gully project.

Highlights:

- ***Gold mineralisation intersected at Granite Well***
- ***20m at 1.12 gpt Au from 40m***
    - ***inc 4m at 2.61 gpt Au***
- ***Strong, deep, potentially mineralised off-hole conductor identified***
- ***Geological setting intersected very similar to the shear zone hosting Mount Magnet – Meekatharra – Andy Well gold mineralisation***
- ***Follow-up drilling planned***

These new results continue to add to the prospectivity of the Garden Gully project package.

Another new, deep, off-hole conductor was identified with a trend that has proven significance for gold mineralisation in the area. This new conductor will be tested in follow-up work programmes.

We are still awaiting results from the remaining holes that tested the Sabbath and Ascuns prospects at Garden Gully. When results are received we will interpret them and advise the market accordingly.

It is important to recognise that the results from the Garden Gully prospects assessed and reported to date are still only early stage exploration results. Thundelarra remains enthralled with the prospectivity that the area is showing. The Company will continue to carry out its exploration in a systematic and technically rigorous manner, consistent with the approach that has delivered such spectacular results for us so far.

Garden Gully is shaping up as a very exciting project with many facets. We are focusing all our exploration efforts on this promising new discovery.

Garden Gully, wholly-owned by Thundelarra, comprises 14 granted Prospecting Licences, 1 granted Exploration Licence, and 1 Exploration Licence application covering about 65.5 km2 located in Western Australia's Doolgunna region (Figure 1), about 20km north-west of Meekatharra.

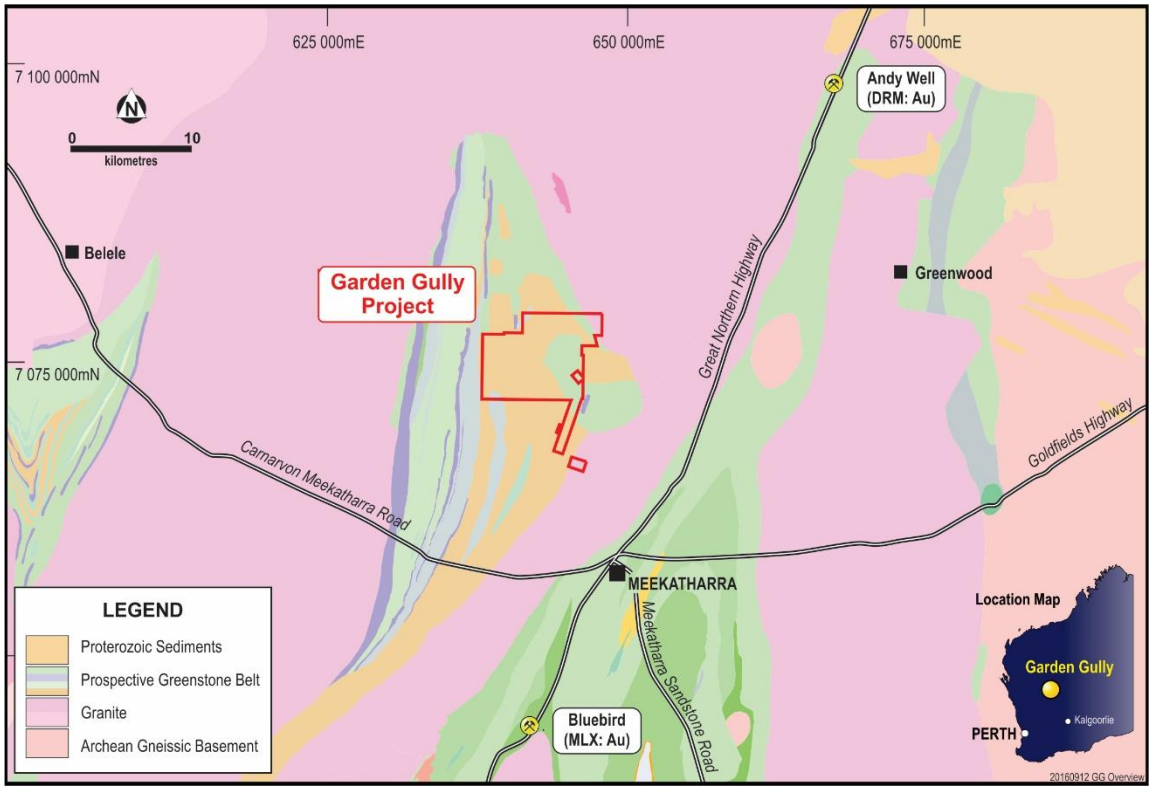

Figure 1. Location showing proximity to local plant and infrastructure. Scale: grid spacing is 25 km.

The four reverse circulation ("RC") holes drilled at the **NW Granite Well** and **Granite Well** prospects for a total advance of 950m were designed to follow up supergene gold mineralisation intersected in the initial scout drilling programme: 31m at 0.32 gpt Au from 71m in TGGRC004 coincident with a chargeable trend identified from IP surveying at NW Granite Well; and then 7m at 0.44 gpt Au from 32m in TGGRC002, together with 4m at 0.93 gpt Au from 49m in TGGRC003, along a NNE-trending demagnetised zone below old workings at Granite Well. Detailed results from that first programme were reported in the ASX announcement dated 14 September 2016. Details of the holes drilled and the targets tested are displayed in Table 1. Significant intersections are presented in Table 2.

Hole ID	Easting	Northing	RL	Depth	Azimuth	Dip	Targets
TGGRC045	645381	7066758	480m	258m	70°	-70°	Chargeable target on NW corner
TGGRC048	646503	7066404	480m	226m	115°	-60°	NE trend of the demagnetised zone
TGGRC050	646388	7066307	480m	258m	115°	-60°	NE trend of the demagnetised zone
TGGRC051	646176	7065982	480m	208m	115°	-60°	NE trend of the demagnetised zone

Table 1. Details of the holes drilled at the Granite Well / NW Granite Well Prospects, Garden Gully. All locations on Australian Geodetic Grid GDA94-50. The azimuth shown is the magnetic azimuth of the drilling direction.

TGGRC045 was drilled at the **NW Granite Well** prospect (Figures 2, 3) to follow up at depth the chargeable trend from the IP survey and the gold mineralisation in TGGRC04. Several sections of the hole returned anomalous gold assays from a complex package of rocks consisting of mafic schists, quartz veins, felsic volcaniclastics and rafts of black shale. Difficult ground conditions and strong water flow prevented the hole from being cased and so DHEM could not be carried out.

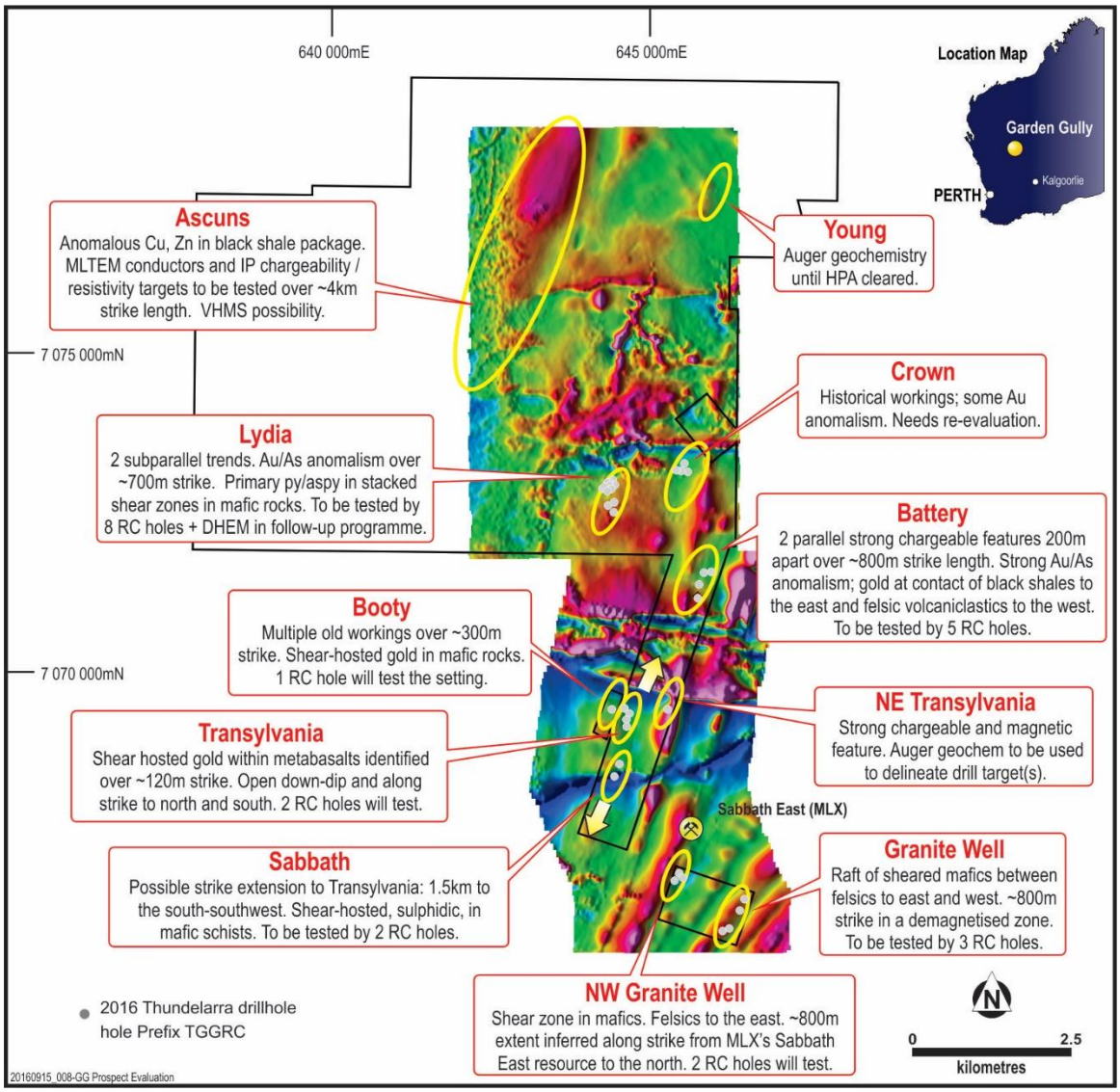

Figure 2. Garden Gully Prospects with brief descriptions of the targets being followed up.

Also significant is the fact that the target zone at NW Granite Well trends north of Thundelarra's ground along strike into the mineralisation known as "Sabbath" that is located on Westgold's ground (ASX.WGX). Westgold was recently spun out of Metals Ex as the latter's gold-focused company. It owns the operating Bluebird plant (3.1 Mtpa capacity) located about 15km south of Garden Gully.

Hole No	From	To	Interval	Au (g/t)	Cu (ppm)	Zn (ppm)	As (ppm)
TGGRC045	63	73	10	0.09	132	210	416
and	78	114	36	0.08	168	630	44
TGGRC048	40	60	20	1.12	604	364	
inc	44	52	8	2.22	849	230	
TGGRC050	44	52	8	0.38	694		
TGGRC051	28	40	12	0.40	382		
	56	60	4	2.57	113		
	68	72	4	1.12			

Table 2. Significant intercepts at NW Granite Well and Granite Well prospects. See Appendix 1 for all material assays.

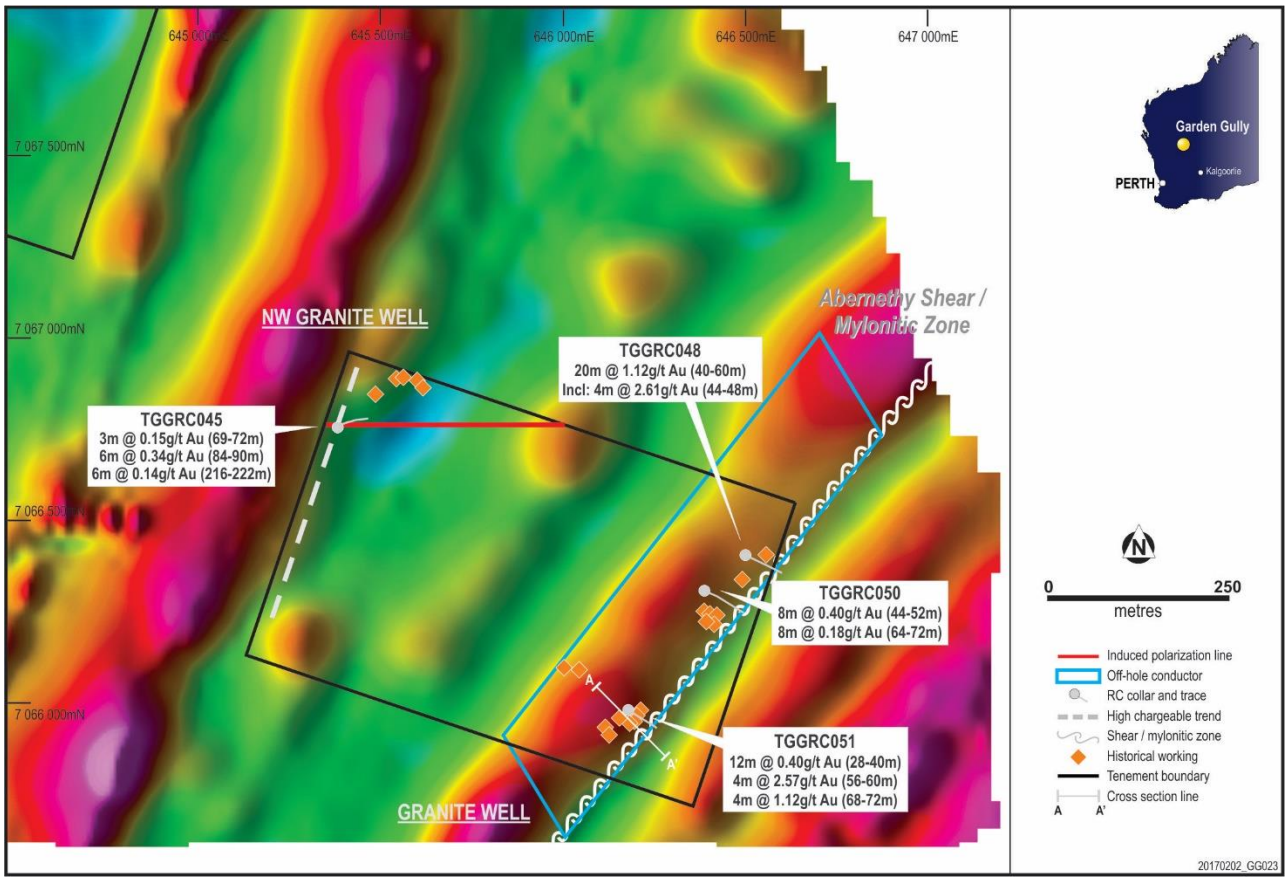

Figure 3. Drill hole locations; IP survey line position; and plan view the off-hole DHEM conductor shown on TMI image over the Granite Well and NW Granite Well prospects.

Holes **TGGRC048**, **TGGRC050** and **TGGRC051** targeted a significant demagnetised zone at the **Granite Well** prospect in the south-eastern part of the tenement (Figure 3). All three holes tested under old workings and were designed to follow up the supergene gold values intersected by previous shallow holes drilled in the initial scout programme: 7m at 0.44 gpt Au from 32m in TGGRC002 and 4m at 0.93 gpt Au from 49m in TGGRC003. Full details of all results from those earlier holes were reported in the ASX announcement dated 14 September 2016. For all assay results from this programme, refer to Appendix 1.

TGGRC048, 050 and 051 intersected strongly magnetic mafic rocks; felsic volcanics; and porphyries with narrow sulphidic quartz veins that contained tourmaline. The mafic rocks display amphibolitic textures and show strong similarities with those hosting the numerous gold deposits in the Meekatharra area. In essence these are more like the “traditional” Archaean setting commonly found in the Eastern Goldfields: shear-hosted gold in amphibolitic greenstone belt. The lithologies in this far south-eastern part of the Garden Gully project area lack the black shales present to the west, within the Abbott’s greenstone belt.

Gold mineralisation was intersected in TGGRC048: **20m at 1.12 gpt Au** from 40m, including **4m at 2.66 gpt Au** from 44m. TGGRC051 intersected **4m at 2.57 gpt Au** from 56m.

DHEM surveys on all three holes picked up a deep and strong sub-vertical off-hole conductor which was never tested in the past by earlier explorers (Figures 3, 4).

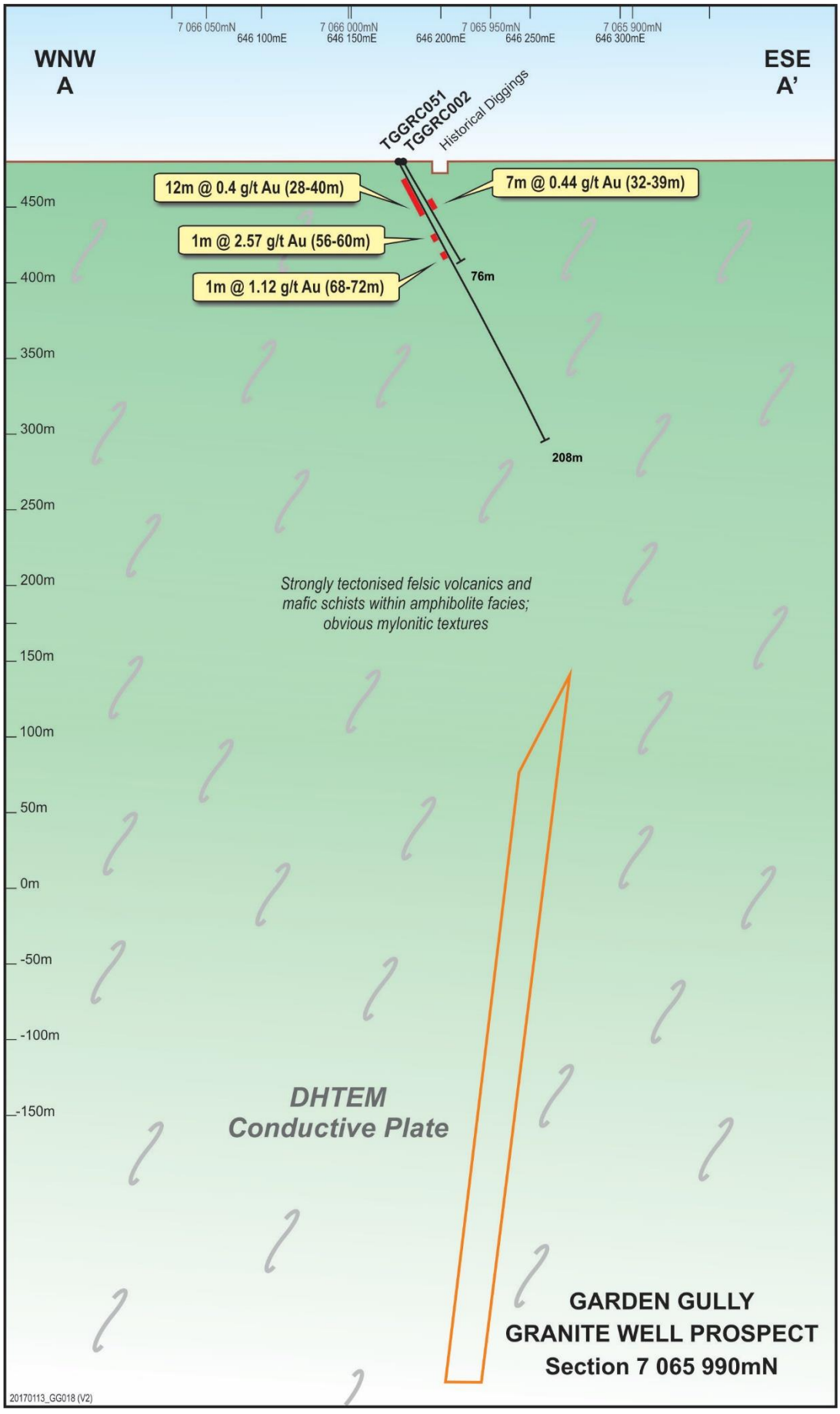

Figure 4. Cross-section showing the strong, deep, off-hole conductor from hole TGGRC051.

The target zone is parallel to the Abernethy Shear / Mylonitic Zone, which is considered to mark the tectonic contact between these two distinct Archaean metamorphic blocks: amphibolites (higher metamorphic grade) to the east; and greenschist facies (lower metamorphic grade) to the west.

The lack of black shales within this high metamorphic grade environment; the presence of numerous old workings; and recent gold mineralised intersections well above the newly identified conductor: all these factors contribute to deliver high expectations of a very prospective setting for hosting a mineralised system on this suture zone of the Archaean crust.

This adds yet another promising target to the others already identified at Garden Gully.

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Competent Person Statement

The details contained in this report that pertain to Exploration Results, Mineral Resources or Ore Reserves, are based upon, and fairly represent, information and supporting documentation compiled by Mr Costica Vieru, a Member of the Australian Institute of Geoscientists and a full-time employee of the Company. Mr Vieru has sufficient experience which is relevant to the style(s) of mineralisation and type(s) 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" (JORC Code). Mr Vieru consents to the inclusion in this report of the matters based upon the information in the form and context in which it appears.

Appendix 1: Laboratory assay results: Fire Assay 50g charge after Aqua Regia digest with ICP analysis.

In the following table, unless part of a larger interval, values are not reported for intervals where gold content < 0.05 ppm (0.05 gpt); copper content < 200 ppm; zinc content < 200ppm; arsenic content < 70 ppm.

Hole No	From	To	Width (m)	Au (ppm)	Cu (ppm)	Zn (ppm)	As (ppm)
TGGRC045	9	15	6		302	271	
TGGRC045	15	21	6			406	
TGGRC045	27	33	6		282	441	
TGGRC045	39	45	6				75
TGGRC045	45	51	6				119
TGGRC045	51	54	3	0.07		240	75
TGGRC045	54	57	3	0.06			137
TGGRC045	57	60	3				111
TGGRC045	60	63	3				88
TGGRC045	63	66	3	0.10		164	140
TGGRC045	66	67	1	0.02		156	345
TGGRC045	67	68	1	0.02		400	466
TGGRC045	68	69	1	0.05		264	325
TGGRC045	69	70	1	0.28		287	559
TGGRC045	70	71	1	0.03		254	1,190
TGGRC045	71	72	1	0.15		142	565
TGGRC045	72	73	1	0.07		104	285
TGGRC045	73	75	2				119
TGGRC045	75	78	3				108
TGGRC045	78	84	6	0.03	356	426	
TGGRC045	84	90	6	0.34	193	582	
TGGRC045	90	96	6	0.04	139	1,130	
TGGRC045	96	102	6	0.01	214	803	
TGGRC045	102	108	6	0.03		396	
TGGRC045	108	114	6	0.06		443	
TGGRC045	120	126	6	0.06			
TGGRC045	216	222	6	0.14			102
TGGRC048	16	20	4	0.18			
TGGRC048	20	24	4	0.06			
TGGRC048	40	44	4	0.17	302		
TGGRC048	44	48	4	2.66	668		
TGGRC048	48	52	4	1.78	1,030	275	
TGGRC048	52	56	4	0.47	811	520	
TGGRC048	56	60	4	0.51	209	747	
TGGRC048	60	64	4			533	
TGGRC048	64	68	4	0.07		423	
TGGRC050	44	48	4	0.57	412		
TGGRC050	48	52	4	0.18	976	227	
TGGRC050	52	56	4	0.07	408	209	
TGGRC050	64	68	4	0.21			
TGGRC050	68	72	4	0.16		281	
TGGRC050	72	76	4			319	
TGGRC050	76	80	4			241	
TGGRC050	88	92	4	0.21			
TGGRC051	28	32	4	0.27	396		

Hole No	From	To	Width (m)	Au (ppm)	Cu (ppm)	Zn (ppm)	As (ppm)
TGGRC051	32	36	4	0.69	506		
TGGRC051	36	40	4	0.25	243	231	
TGGRC051	40	44	4	0.09		247	
TGGRC051	56	60	4	2.57			
TGGRC051	60	64	4	0.07			
TGGRC051	68	72	4	1.12			
TGGRC051	72	76	4	0.06			
TGGRC051	116	120	4			374	

Appendix 2: JORC Table 1 Checklist of Assessment and Reporting Criteria

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g 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.	• This was a reverse circulation (RC) drilling programme. RC sample was collected through a rig mounted cyclone with cone splitter attachment and split in even metre intervals. Wet sample was speared or on occasion scoop-sampled. RC drill chips (from each metre interval) were examined visually and logged by the geologist. Any visual observation of alteration or of mineralisation was noted on the drill logs. Any interval where sulphides were observed was tested by hand-held XRF to assist in identifying intervals to be bagged and numbered for laboratory analysis. • Duplicate samples are submitted at a rate of approximately 10% of total samples taken (ie one duplicate submitted for every 10 samples). The Delta XRF Analyser is calibrated before each session and is serviced according to the manufacturer's (Olympus) recommended schedule. • The presence or absence of mineralisation is initially determined visually by the site geologist, based on experience and expertise in evaluating the styles of mineralisation being sought.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• Reverse circulation holes were drilled by a truck-mounted Atlas-Copco E220RC rig with 1260cfm@365psi or 1050cpm@450psi compressor. The rig has a full lock-out isolation and emergency shut-out system.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples.	• Volume of material collected from each metre interval of drilling completed is monitored visually by the site geologist and field assistants. Dry sample recoveries were estimated at ~95%. Where moisture was encountered the sample recovery was still excellent, estimated at >80%. • Samples were collected through a cyclone and split using a riffle splitter. One duplicate sample is submitted for every 10 samples.

	• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• No evidence has been observed of a relationship between sample recovery and grade. The excellent sample recoveries obtained preclude any assumption of grain size bias.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• RC chips are logged visually by qualified geologists. Lithology, and where possible structures, textures, colours, alteration types and minerals estimates, are recorded. • Representative chips are retained in trays for each metre interval drilled, with sections of interest photographed. • The entire length of each drillhole is logged and evaluated.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Not core • Samples were collected through a rig-mounted cyclone and split using a riffle splitter. The majority of the samples obtained were sufficiently dry for this process to be effective. Material too moist for effective riffle splitting was sampled using a 4cm diameter spear. Each such sample submitted to the laboratory comprised three spear samples taken from different directions into the material for each metre interval. • The samples were sent to SGS in Perth for Au by 50g fire assay and a 49-element analysis by 4 acid digest. Sample preparation techniques are well-established standard industry best practice techniques. Drill chips and core are dried, crushed and pulverised (whole sample) to 85% of the sample passing -75µm grind size. • Field QC procedures include using certified reference materials as assay standards. One duplicate sample is submitted for every 15 samples, approximately. • Evaluation of the standards, blanks and duplicate samples assays has fallen within acceptable limits of variability. • Sample size follows industry standard best practice and is considered appropriate for these style(s) of 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. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• The assay techniques used for these assays are international standard and can be considered total. Samples were dried, crushed and pulverised to 85% passing -75µm and assayed using ICP AES and ICP IMS following four-acid digest for the 49 element analyses; and Fire Assay for gold following a four-acid digest in Teflon tubes of a 50g charge • The handheld XRF equipment used is an Olympus Delta XRF Analyser and Thundelarra follows the manufacturer's recommended calibration protocols and usage practices but does not consider XRF readings sufficiently robust for public reporting. Thundelarra uses the handheld XRF data as an indicator to support the selection of intervals for submission to laboratories for formal assay. • The laboratory that carried out the assays is ISO certified and conducts its own internal QA/QC processes in addition to the QA/QC implemented by Thundelarra in the course of its sample submission procedures. Evaluation of the relevant data indicates satisfactory performance of the field sampling protocols in place and of the assay laboratory. The laboratory uses check samples and assay standards to complement the duplicate sampling procedures practiced by Thundelarra.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• All significant intersections are calculated and verified on screen and are reviewed by the CEO prior to reporting. • The programme included no twin holes. • Data is collected and recorded initially on hand-written logs with summary data subsequently transcribed in the field to electronic files that are then copied to head office. • No adjustment to assay data has been needed.

Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Collar locations were located and recorded using hand-held GPS (Garmin 62S model) with a typical accuracy of ±5m. Down-hole surveys are carried out on each holes with readings taken every 50m at least using a gyro tool. • The map projection applicable to the area is Australian Geodetic GDA94, Zone 50. • Topographic control is based on standard industry practice of using the GPS readings. Local topography is relatively flat. Detailed altimetry is not warranted.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied.	• Drill hole collars were located and oriented so as to deliver maximum relevant geological information to allow the geological model being tested to be assessed effectively. • This is still early stage exploration and is not sufficiently advanced for this to be applicable. • Various composite sampling was applied depending on the geology of the hole. All sample intervals are reported in Appendix 1. Zones where geological logging and/or XRF analyses indicated the presence of mineralised intervals were sampled on one metre intervals.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• This drill programme is the second at the project. To date there is insufficient data to establish true widths, orientation of lithologies, relationships between lithologies, or the nature of any structural controls. The main aim of this programme is to generate geological data to develop an understanding of these parameters. • Data collected so far presents no suggestion that any sampling bias has been introduced.
Sample security	• The measures taken to ensure sample security.	• When all relevant intervals have been sampled, the samples are collected and transported by Company personnel to secure locked storage in Perth before delivery by Company personnel to the laboratory for assay.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Internal reviews are carried out regularly as a matter of policy. All assay results are considered to be representative as both the duplicates and standards from this programme have returned satisfactory replicated results.

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	• 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.	• The Garden Gully Project comprises fourteen granted prospecting licences P51/2909, P51/2910, P51/2911, P51/2912, P51/2913, P51/2914, P51/2760, P51/2761, P51/2762, P51/2763, P51/2764, P51/2765, P51/2941, P51/2948, one granted exploration licence E51/1661, and one exploration licence application E51/1737, totalling approximately 65.5 square kilometres in area. THX holds a 100% interest in each lease. The project is partially located in the Yoothapina pastoral lease, 15km north of Meekatharra, in the Murchison of WA. • The licences are in good standing and there are no known impediments to obtaining a licence to operate.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• First workings in the Garden Gully area: 1895 - 1901 with the Crown gold mine. 264 tonnes gold at 1.99 oz/t average (~ 56 g/t Au). Maximum depth~24m. Kyarra gold mine (1909 – 1917): 18,790 oz gold from quartz veins in "strongly sheared, decomposed, sericite rich country rock".

		- Seltrust explored for Copper and Zinc from 1977, reporting stratigraphically controlled "gossanous" rock from chip sampling and drilling. - In 1988, Dominion gold exploration at Crown defined a >100ppb gold soil anomaly. RAB to 32m: "no significant mineralisation": drilling was "sub-parallel to the dip of mineralisation". Best intersection: 15m at 2.38g/t from 5m. - 1989 at Lydia: Julia Mines RAB drilled 30 m intervals 100m apart across the shear zone targeting the arsenic anomaly. 12m at 5.16 g/t Au from 18m; 6m at 3.04 g/t Au from 18m. No samples deeper than 24m due to poor recovery, so open at depth in the prospective shear zone. Julia also drilled shallow aircore at Crown mine, returned best intersection of 2m at 0.4g/t Au from 34m in quartz veins in felsic volcanics. - In 1989, Matlock Mining explored North Granite Well and Nineteenth Hole. Best result 8m at 2.1 g/t Au. Supergene zone: grades to 3.17 g/t Au and still open. - 1993 – 2003: St Barbara Mines: RAB, RC on E51/1661. Gold associated with black shale (best: 1m at 0.64 g/t). - 1996, Australian Gold Resources RAB and RC drilling found Cu, Zn and Ag anomalies (up to 1800ppm Cu, 1650ppm Zn and 3.8 g/t Ag) associated with saprolitic clay and black shales at 60-80m deep on current E51/1661. - 2001-2002, Gamen (Bellissimo & Red Bluff Noms) trenched, sampled, mapped and RC drilled at Crown. Results (up to 0.19 g/t Au) suggests the presence of gold mineralisation further to the east of Crown gold mine. - 2008 – 2009: Accent defined targets N and S of Nineteenth Hole from satellite imagery and airborne magnetics.
Geology	• Deposit type, geological setting and style of mineralisation.	- The Garden Gully project lies on the south-eastern limb of the Abbotts Greenstone Belt; comprised of Archaean rocks of the Greensleeves Formation (Formerly Gabanintha); a bimodal succession of komatiitic volcanic mafics and ultramafics overlain by felsic volcanics and volcaniclastic sediments, black shales and siltstones and interlayered with mafic to ultramafic sills. Regional synclinal succession trending N-NE with a northern fold closure postdating E-W synform, further transected by NE trending shear zones, linearity with the NE trend of the Abernethy Shear, which is a proven regional influence on structurally controlled gold emplacement in Abbotts and Meekatharra Greenstone Belts and in the Meekatharra Granite and associated dykes. - The Project is blanketed by broad alluvial flats, occasional lateritic duricrust and drainage channels braiding into the Garden Gully drainage system. Bedrock exposures are limited to areas of dolerite, typically massive and unaltered. Small basalt and metasediment outcrops exist, with some exposures of gossanous outcrops and quartz vein scree. - Gold bearing quartz reefs, veins and lodes occur almost exclusively as siliceous impregnations into zones within the Kyarra Schist Series, schistose derivatives of dolerites, gabbros and tuffs, typically occurring close to axial planes of folds and within anastomosing ductile shear zones. Also, primary gold mineralisation hosted in quartz feldspar porphyry was observed at depth in recent drilling: the first time these intrusive lithologies have been recorded here.
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	• All relevant drillhole details are presented in Table 3. • The principal geologic conclusion of the work reported from this programme at the Lydia Prospect confirm the presence of significant widths of gold mineralisation with multiple periodic high grade gold intervals in what are interpreted to be plunging shoots. Extensive primary gold mineralisation is present below the base of oxidation. This primary mineralisation (often associated with sulphides as pyrite and arsenopyrite) offers an exceptionally positive

	• hole length. • If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	outlook for the potential of the prospect to host gold mineralisation of commercial scale. The proof of such potential will be further tested in follow-up drilling, which will include diamond drilling to permit structural parameters to be identified and thus structural controls interpreted.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• All summary information of significant drill intercepts is presented in Table 1. Full assay data are recorded in Appendix 1. No assay grades have been cut. • Arithmetic weighted averages are used. For example, 40m to 60m in TGGRC048 is reported as 20m at 1.12 gpt Au. This comprised 5 samples, each of 4m, calculated as follows: [(4*0.17)+(4*2.66)+(4*1.78)+(4*0.47) +(4*0.51)] = [22.36/20] = 1.12 gpt Au. • No metal equivalent values are used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Insufficient geological data have yet been collected to allow the geometry of the mineralisation to be interpreted. • True widths are unknown and insufficient information is available yet to permit interpretation of geometry. Reported intercepts are downhole intercepts and are noted as such.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to, a plan view of drill hole collar locations and appropriate sectional views.	• Relevant location maps and figures are included in the body of this announcement (Figures 1 and 2). Insufficient data have yet been collected to allow meaningful cross-sections to be drawn with confidence.
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.	• This announcement includes the results of all Au assays for the first six holes of the eight follow-up holes drilled at the Lydia Prospect. The assays for the last two holes are pending. The reporting of the results to hand is comprehensive and thus by definition balanced. It represents early results of a larger programme to investigate the possible mineralisation at Garden Gully.
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.	• Induced polarisation (IP) surveys conducted by Vortex Geophysics (P51/2909, P51/2910, P51/2911, P51/2913, P51/2914, P51/2948 and E51/1661). Designed to detect resistive bedrock and chargeable units such as disseminated sulphides, the surveys consisted of 75m dipole spacing. Configuration: Transmitter Dipole (75m) – Receiver Dipole (75m) Station interval: 75m Number of receiver dipoles: 8 to 12 Receiver: GDD 16chn Chargeability integration Transmitter: VIP30 – 15KVa • High powered downhole TEM survey completed on P51/2909, P51/2910, P51/2911, P51/2912, P51/2913 and P51/2914. Survey aimed to confirm in-hole bedrock conductors from DHEM; to define additional/potential off-hole anomalism of interest; to provide drill targets for untested/off-hole DHTEM anomalies; and to aid geological mapping by identifying conductive stratigraphy/sulphide units and potential structural corridors. • All DHTEM survey logging conducted using a SMARTem24 instrument combined with a high powered VTX-100 transmitter. Time frequency 1Hz, loop size 300x275m, 100Amps current (single turn loops). The probe used is a DigiAtlantis Fluxgate B-field Probe – ZXY 3D components, multiple readings at about 28-46 stacks. Probe noise levels are low-moderate average at below 0.05T/A or below 5pT, some noise spikes above 5pT.

Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Further deep RC drilling, together with diamond drilling to assist in structural interpretations, is planned to commence at Lydia as soon as practicable to test the potential for repetitions or continuations at depth of the primary gold mineralisation discovered in this programme. • Figure 3 provides a broad overview of the potential geological targets at the Garden Gully Project that are still to be tested by follow up drilling. Further details will be provided when available.

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