S2 Resources

Exploration update

RIU Resources Roundup, Sydney, 10th May 2017

Competent person and forward looking statement

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The information in this presentation that relates to Exploration Results is based on information compiled by Mr John Bartlett (for Australia) and Mr Andy Thompson (for Scandinavia) who are employees of the Company and which fairly represents this information. Mr Bartlett and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy. Mr Bartlett and Mr Thompson have sufficient experience of relevance to the styles of mineralisation 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 and Mr Thompson consent to the inclusion in this presentation of the matters based on information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. In the case of strongly mineralised samples, base metal assays are based on a special high precision four acid digest (a four acid digest using a larger volume of material) and an AAS finish using a dedicated calibration considered more accurate for higher concentrations. Sample preparation and analysis is undertaken at Minanalytical, Genalysis Intertek, and Bureau Veritas laboratories in Perth and Kalgoorlie, Western Australia, and ALS laboratories in Loughrea, Ireland. The quality of analytical results is monitored by the use of internal laboratory procedures and standards together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.25% Ni and/or Cu, and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. Intersections are length and density weighted where appropriate as per standard industry practice. In Australia, all sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated. In Finland, all sample and drill hole co-ordinates are based on the ETRS-TM35FIN grid and datum unless otherwise stated. In Sweden, all sample and drill hole co-ordinates are based on the new SWEREF99TM and older RT-90 grids and datums unless otherwise stated. Exploration results obtained by other companies and quoted by S2 have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

The information in this presentation that relates to Mineral Resource estimation is based on information compiled by Mr Brian Wolfe, Principal Consultant Geologist – IRS Pty Ltd and Mr Andy 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 mineralisation 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 presentation of the matters based on their information in the form and context in which they appear.

Snapshot

Strategic ground position in the prospective Central Lapland Greenstone Belt, Finland

- Early mover and significant ground holder in Central Lapland Greenstone Belt (CLGB) of Finland
- Under-explored ground near to Europe's biggest gold mine – Agnico Eagle's 7.7 million ounce Kittila mine, and Anglo American's world class Sakatti Cu-Ni-PGE deposit
- New gold discovery by Aurion Resources attests to potential of this under-explored province

Discovering zinc-copper-silver-gold VMS mineralization at the Skellefte project, Sweden

- Over 100 EM anomalies identified in the first ever VTEM surveys in this world class VMS district
- Only 7 drilled so far, over 90 still to come
- Bjurtraskgruvan: mineralization over 450m plunge, best hit in deepest hole (24m @ 1.1% Cu), 135 metres down plunge from last hole, with EM conductor extending a further 450m
- Skaggtraskberget: 9.75m @ 3.8% Zn, 45g/t Ag, 0.4g/t Au, and 4.55m @ 148g/t Ag, 0.4g/t Au, 0.9% Zn in re-assays of shallow historical drilling

Expanding the Baloo gold resource at Polar Bear project, Western Australia

- 115% increase in total Indicated + Inferred Mineral Resource at Baloo to 4.22Mt @ 2g/t Au for 264,000oz gold
- Open down dip and down plunge – following the scent

Strong team & cash to fund exploration, new opportunities, & preserve capital structure

- A$19.3 million cash as of end March 2016
- Highly successful track record of discovering, financing and developing world class mines

Central Lapland Greenstone Belt, Finland – Europe's sleeper?

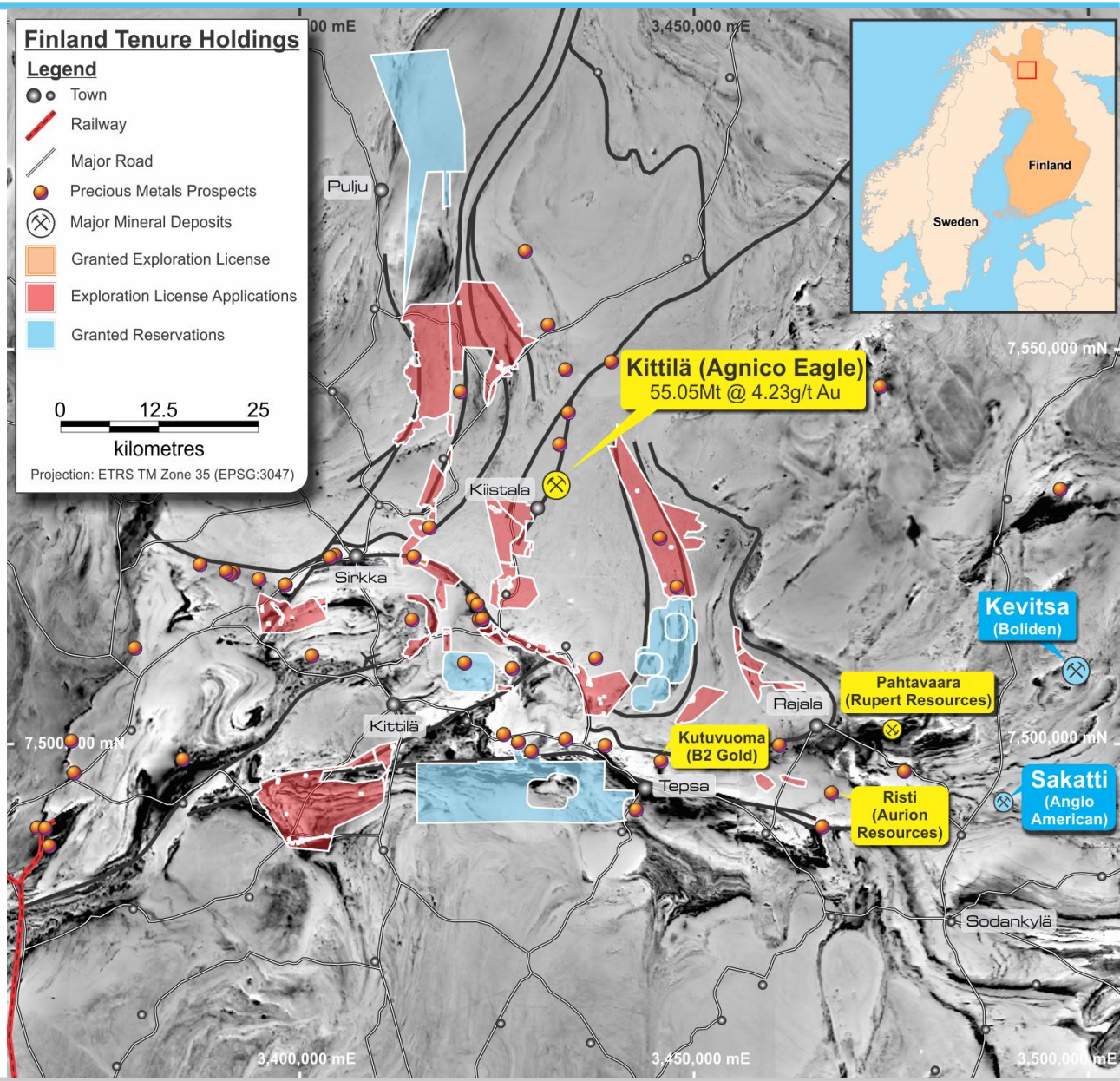
S2 has spent 2 years consolidating ground and is a major tenure holder in this emerging province

The region hosts Agnico Eagle's 7.7Moz Kittila gold mine, Anglo American's world class Sakatti Cu-Ni-PGE deposit, and Boliden's Kevitsa Ni-Cu-PGE mine

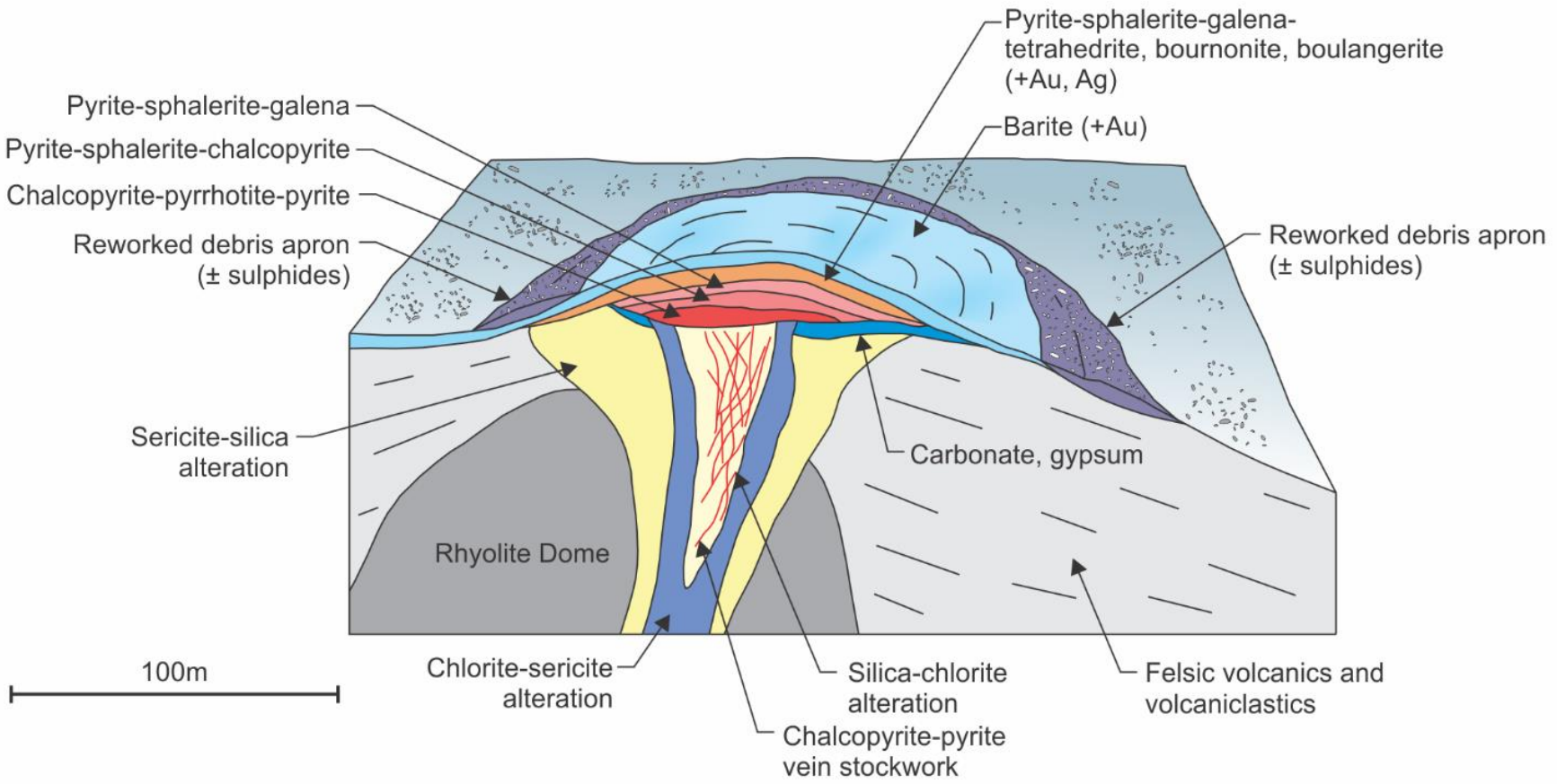
A highly endowed but very underexplored = highly prospective district

Recent gold discovery at the Aurora zone of the Risti project by TSX.V junior Aurion Resources reaffirms S2's view on the gold potential (average grade of 133 samples is 74.3g/t gold)

Reconnaissance exploration to start within weeks now winter snow is melting



Skellefte, Sweden: VMS target model



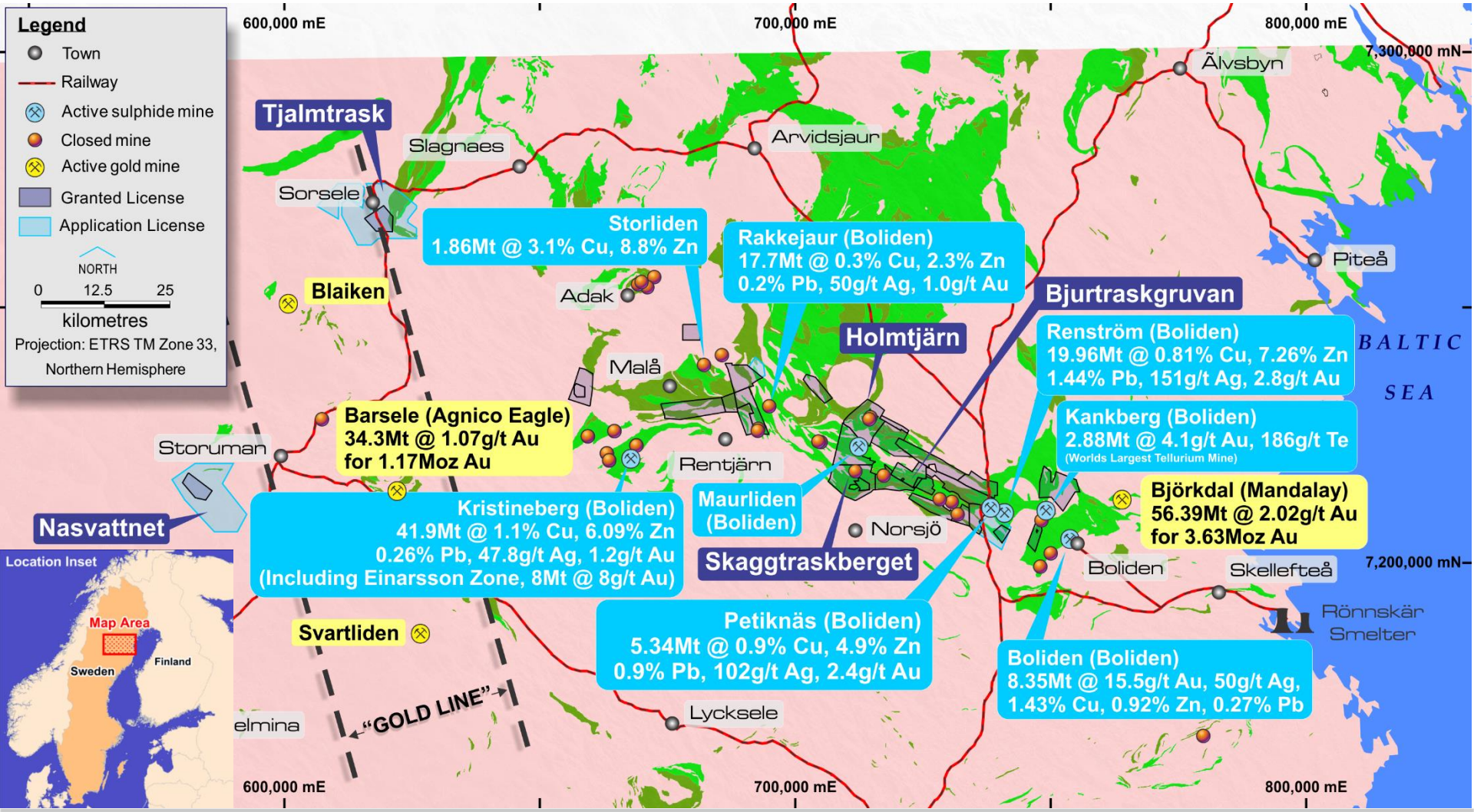
Idealised felsic VMS deposit, *after* zone refining (separation and enhancement of layers) by "stewing in its own juices"

But *before* burial, metamorphism and deformation

Present day mineralogy and geometry strongly modified from this by metamorphism and deformation (folding, thrusting, stretching etc)

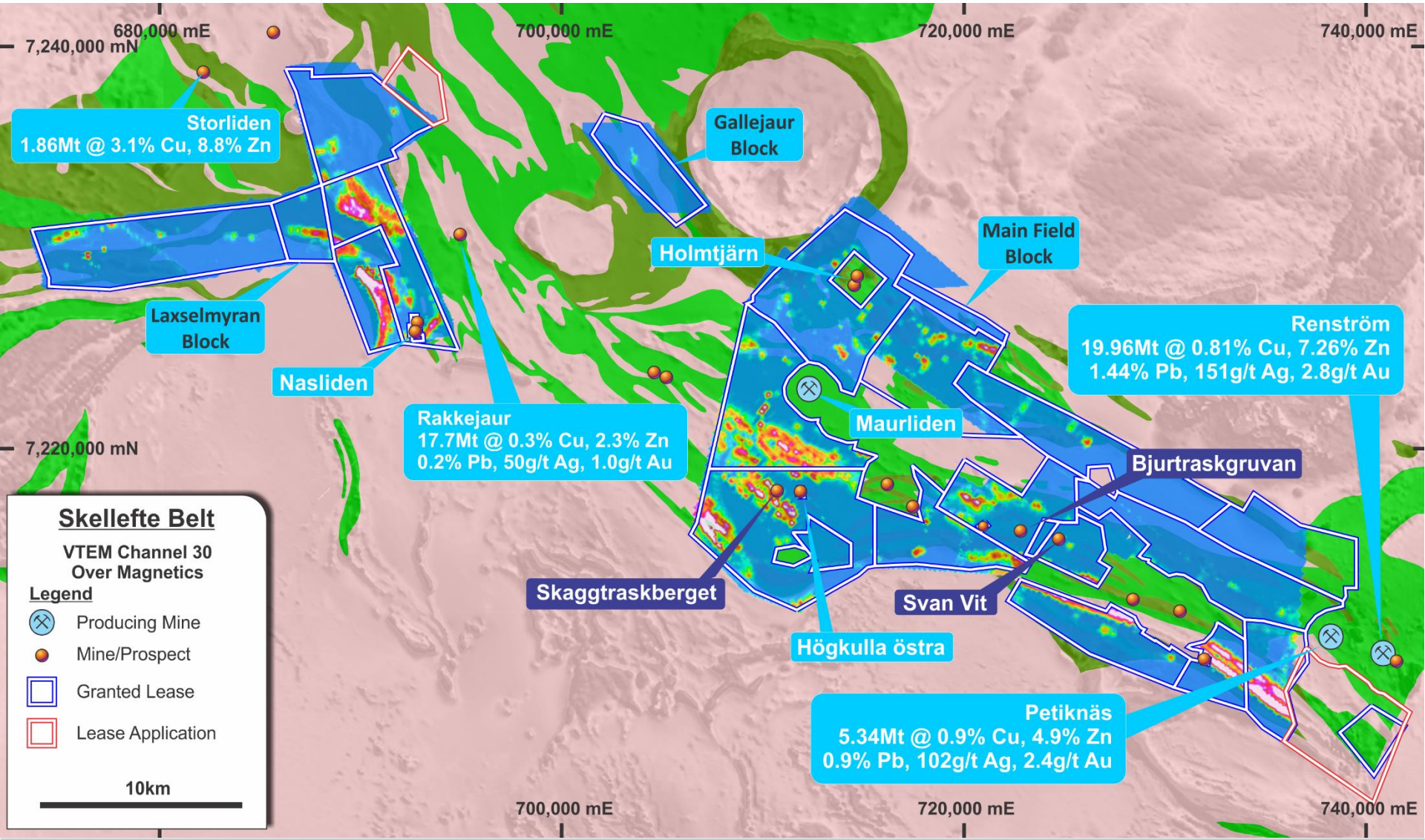
Skellefte, Sweden: a world class VMS camp

- World class gold-base metal VMS camp with major mines (Boliden, Renstrom, Kristineberg), hungry concentrator, smelter, port, infrastructure
- Similar to the Abitibi belt, with little outcrop, and limited effective, systematic modern exploration under cover or at depth
- New ground applications at Nasvattnet and Tjalmtrask to follow up mineralized boulders



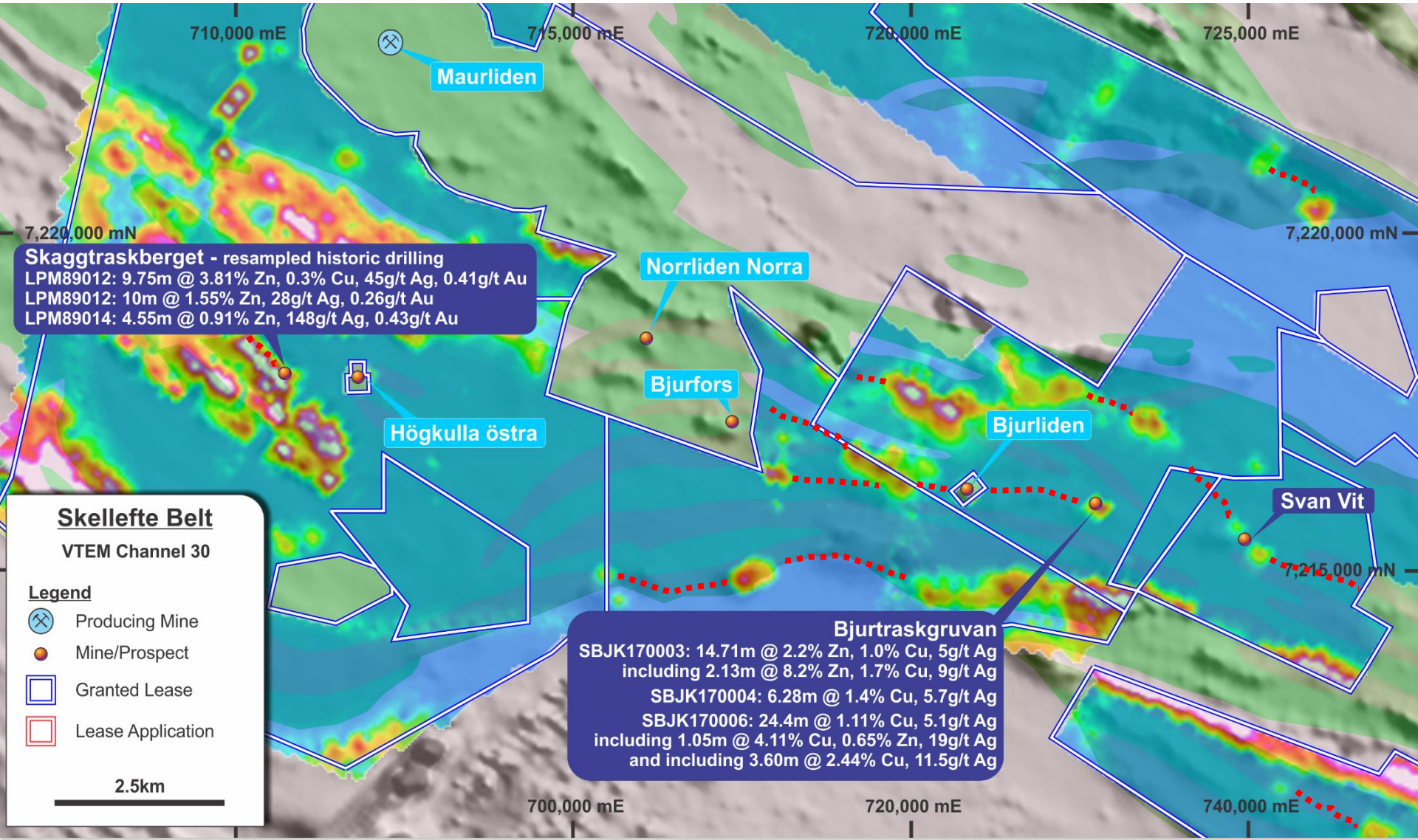
Skellefte, Sweden: over 100 anomalies in first ever VTEM surveys

9 tested so far: intersected massive pyrite, pyrrhotite, variable grade zinc and copper – very fertile



Skellefte, Sweden: central area overview

Multiple mineralized trends, each with multiple occurrences of anomalies, prospects, deposits and mines



Skellefte, Sweden: Bjurtraskgruvan detail

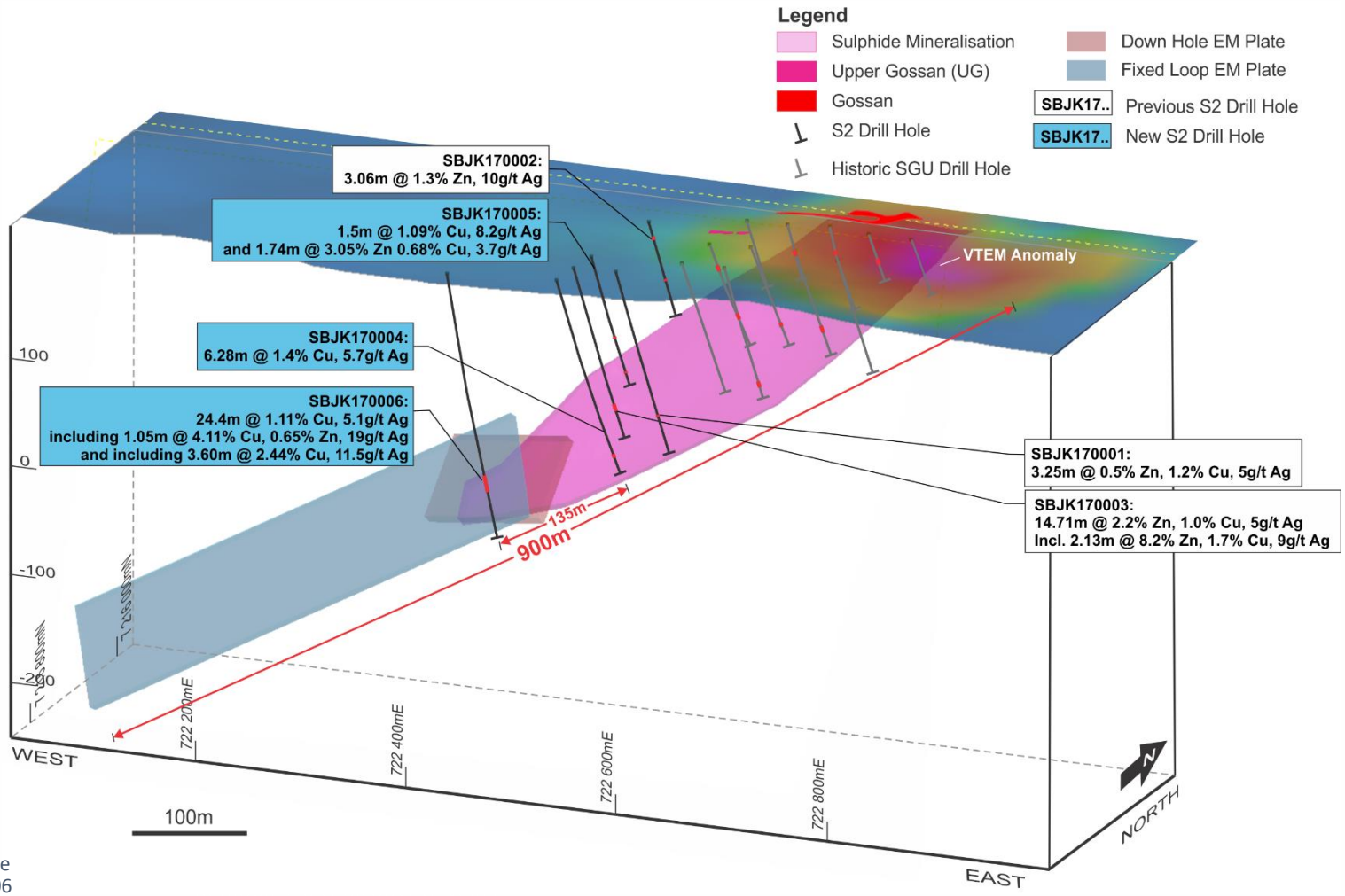
Most recent hole is thickest copper intercept yet, and is 135m down plunge from last hole & 430m down plunge from outcrop

Fixed loop EM survey defines large conductor extending a further 470m down plunge from this hole, for a total plunge extent of 900m – so far

VTEM highlights the up-plunge near surface projection of the VMS system but FLEM better indicates the potential size, extent and position of it

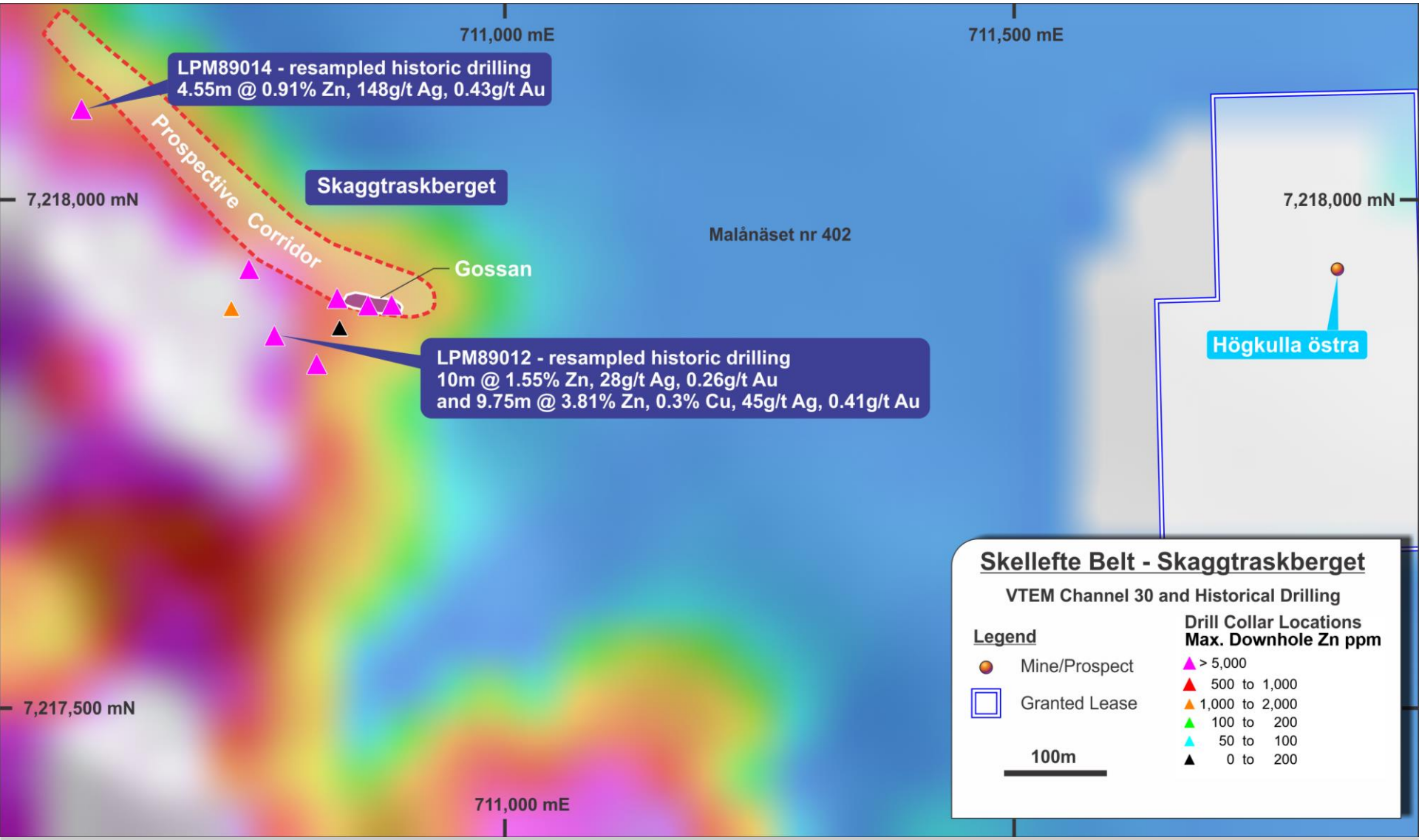
Sphalerite and pyrrhotite in SBJK170003

Chalcopyrite and sphalerite in SBJK170006



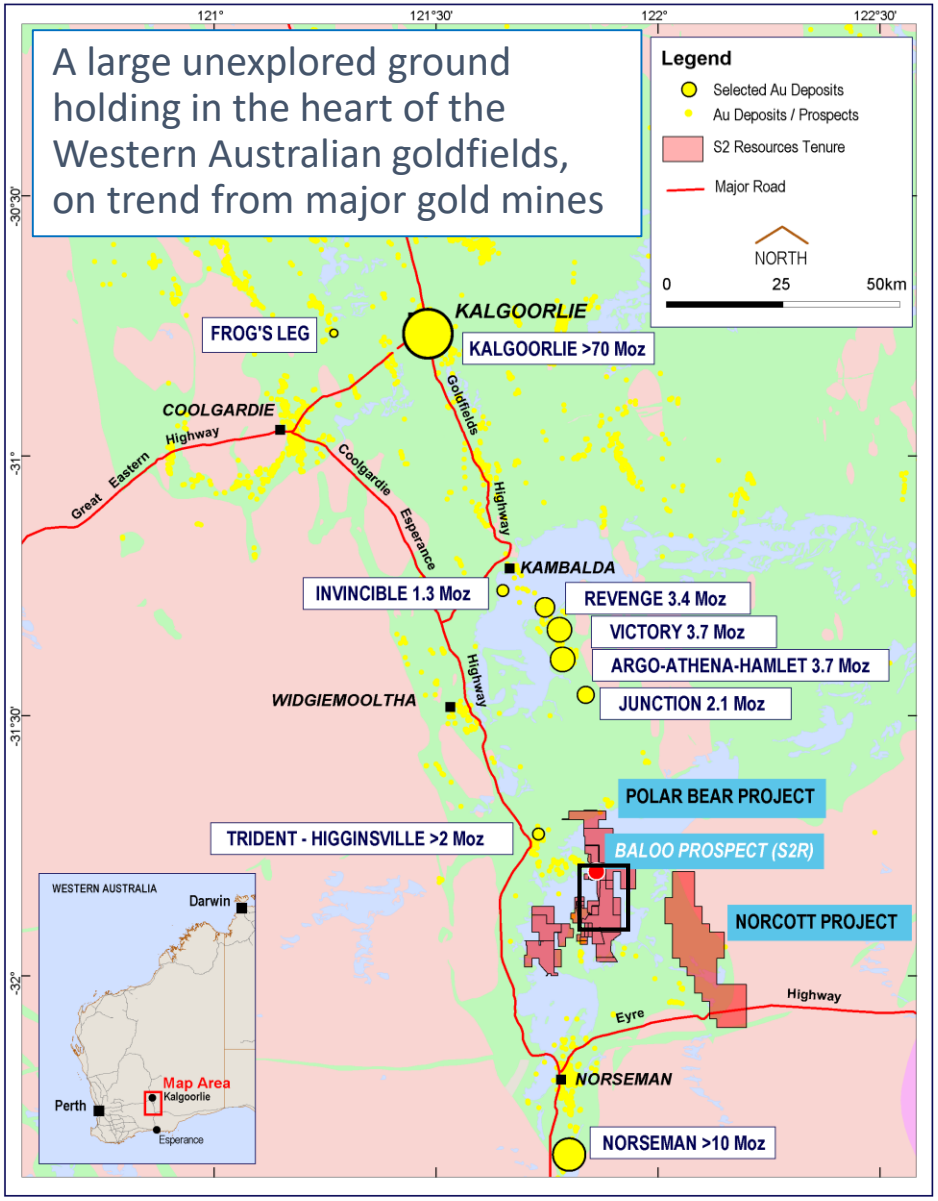
Skellefte, Sweden: historic drilling at Skaggtraskberget

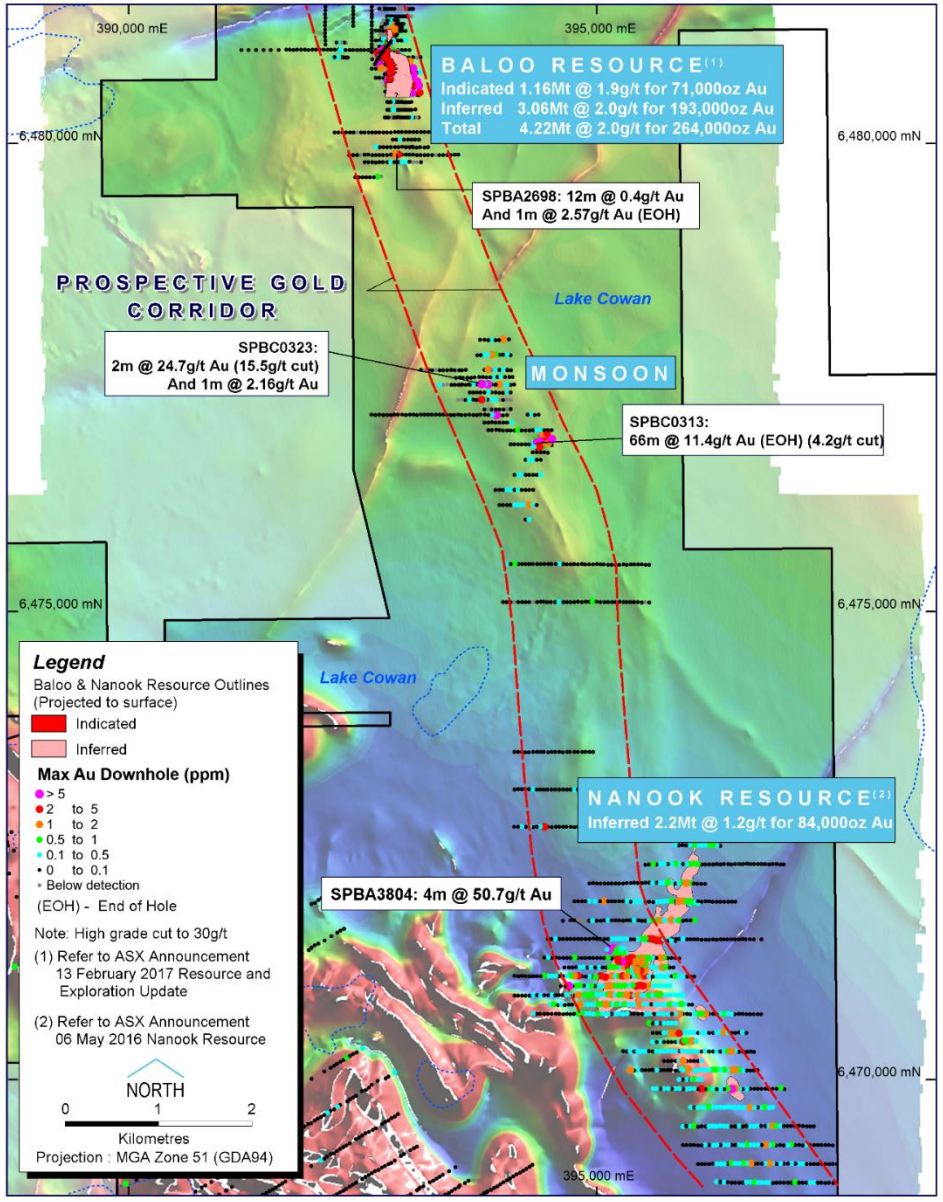
350 metre long prospective corridor with limited shallow mainly 1930's drilling



Polar Bear – a strategic position in WA's Eastern Goldfields

A large unexplored ground holding in the heart of the Western Australian goldfields, on trend from major gold mines



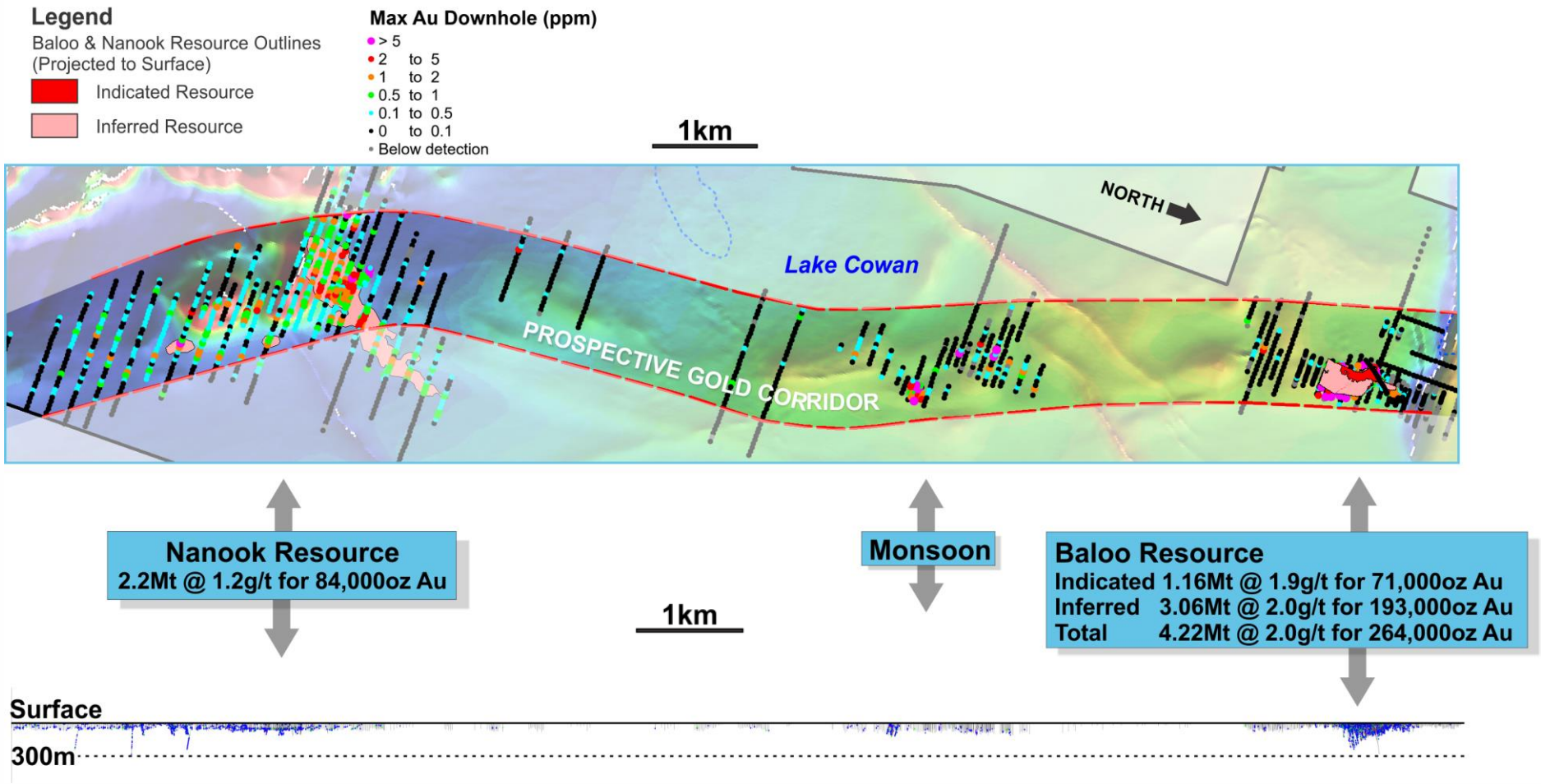


** Refer to resources slides and relevant ASX announcements for details*

Polar Bear – Baloo-Nanook trend only just scratched

10 kilometre long prospective corridor with three gold hotspots in wide spaced shallow aircore drilling

348,000oz gold resources delineated to date at Baloo and Nanook



Long projection of the Baloo–Nanook shear zone showing extent and depth of drilling (ie, sparse and shallow)

Baloo - near surface resource and deeper exploration

Upper 100 vertical metres:

High ounces per vertical metre (500-1,500) from just 2 metres below surface

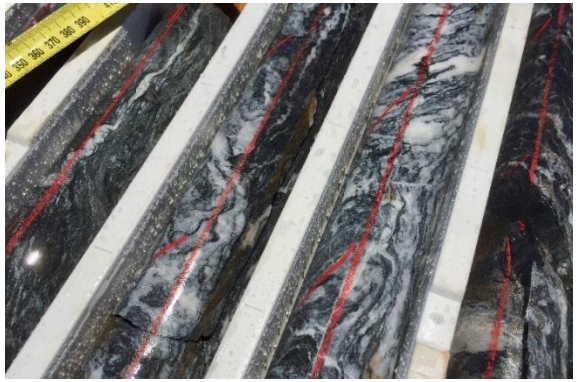
Mainly oxide material

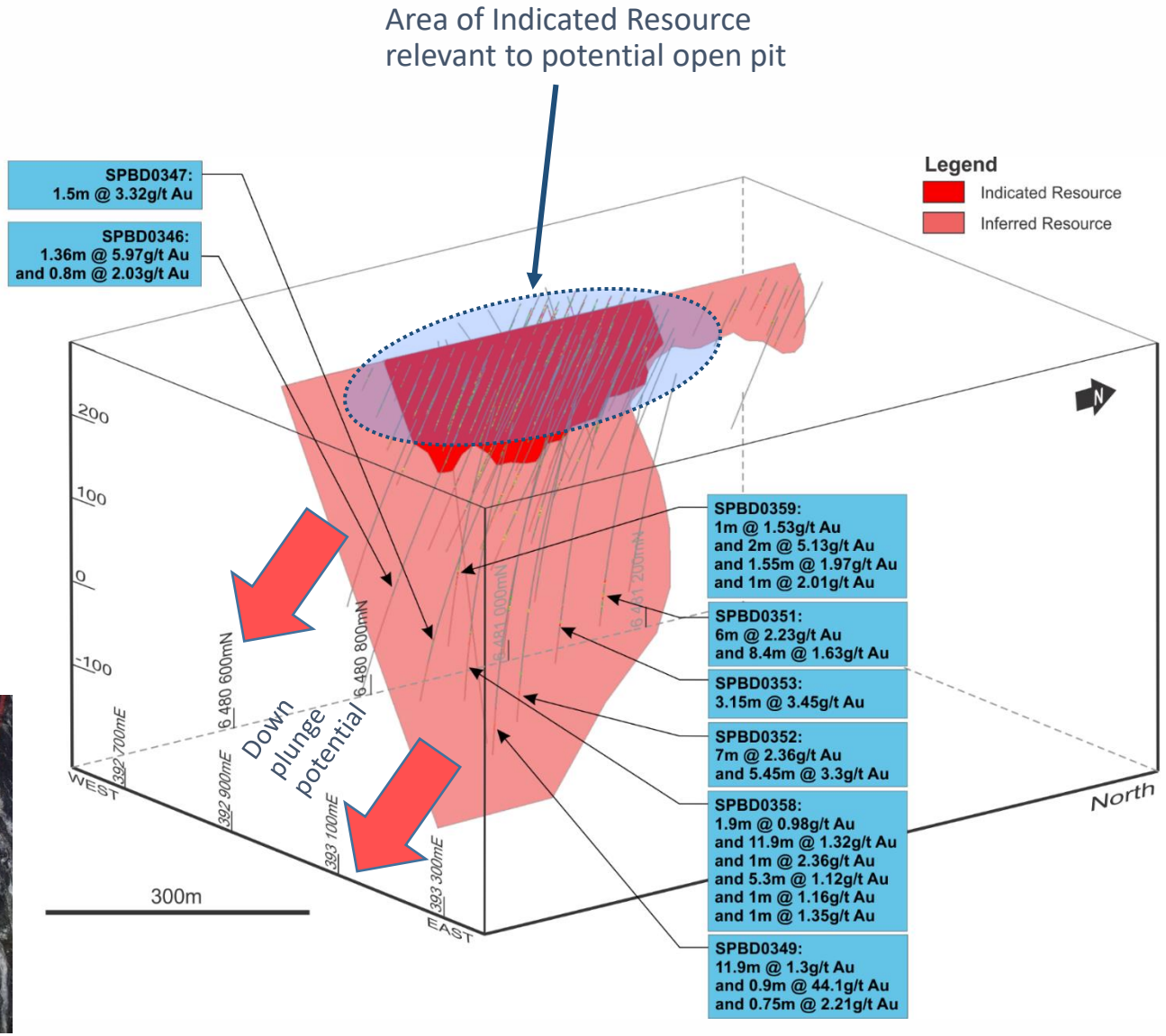
Mainly Indicated category

Thick, open pit friendly shape

Good metallurgical recovery characteristics:

- in conventional processing (21-45% gravity recovery, 87-98% leach recovery in 48hrs)
- and also in coarse crush (80-85% in 10 days) for heap leach scenario





Baloo – deeper drilling expands resource

Below 100 vertical metres:

Mainly primary material

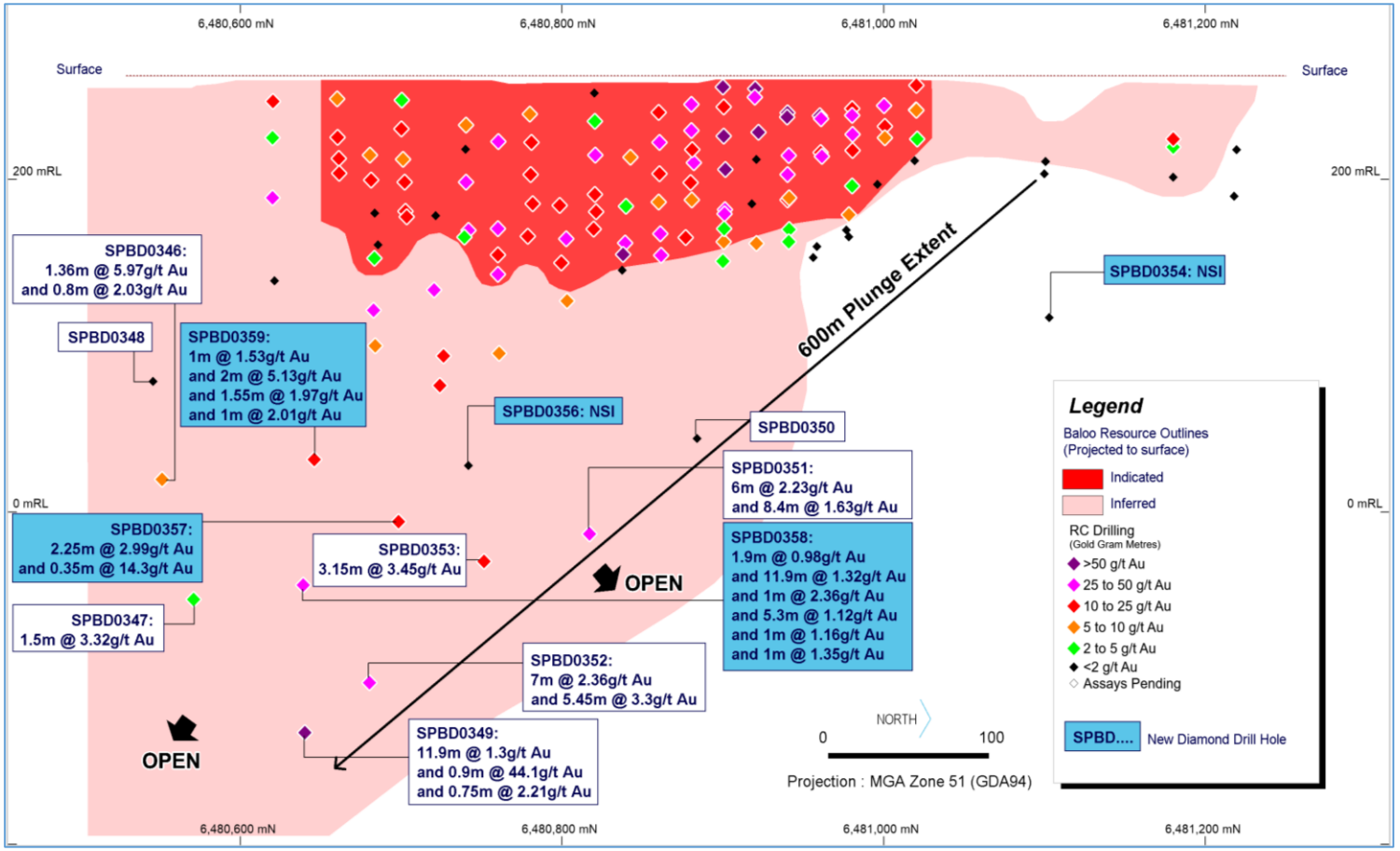
Mainly Inferred category due to wide drill spacing

Variable width shear zone

Thickest in deepest holes (14 metres)

Open down plunge to the south

Chasing the scent



Baloo Mineral Resource is reported to JORC 2012 standards. LCOG is lower cut-off grade. All figures are rounded to reflect appropriate levels of confidence, apparent differences may occur due to rounding. Refer to ASX announcement of 13th February 2017 for supporting information and competent person statement

	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

Experienced Board – all bases covered

Jeff Dowling - Non-executive Chairman

- 40 year career in financial sector as an accountant and former managing partner with Ernst & Young in Australia
- Extensive experience in corporate finance and transactions, and company management
- Former director of Atlas Iron and NRW Holdings, current board member of Fleetwood & the Perth Metropolitan Redevelopment Authority

Dr Mark Bennett – Managing Director & Chief Executive Officer

- Founding managing director and CEO of Sirius Resources and S2 Resources, and PhD qualified geologist
- Two-time winner of the Australian "Prospector of the Year" award – for discovery of Thunderbox, Waterloo & Nova-Bollinger mines
- Experienced in equity capital markets (raised $750 million equity & debt), former director of IGO, and 2014 Mines & Money "Legend in Mining"

Grey Egerton-Warburton – Non-executive Director

- Corporate financier and lawyer with extensive experience in equity capital markets, acquisitions, divestments and change of control transactions
- Former head of corporate finance at Perth's most prominent resources-focussed stockbroker Hartleys Ltd, and former corporate advisor to Sirius
- Involved in >$2 billion of capital raisings plus numerous M&A transactions

Anna Neuling – Non-executive Director

- Chartered accountant with BSc in Mathematics
- Former executive director – corporate & commercial, and company secretary of Sirius
- Former auditor with Deloitte, London and Perth

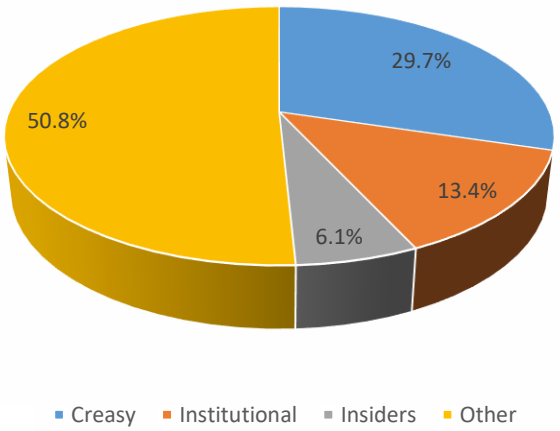
Tony Walsh – Company Secretary

- ASX manager for 14 years, including liaison between ASX and JORC commitee
- Former chairman and director of various ASX & AIM listed companies
- Current company secretary of Legend Mining, Battery Minerals & Atlas Iron, and former company secretary of Independence (IGO)

The cash, assets & shareholder support to execute

Measure:	Close of trading on listing	Close of trading 8/5/17	Change
Share price	A$0.16	A$0.185	A$0.025 (15%) up
Market cap	A$33 million	A$45.5 million	A$12.5 million (38%) up
Cash	A$22 million	A$19.3 million*	A$2.7 million (12% down)
Gold Resources	Nil	348,000oz#	Up
Scandinavian asset ownership	66.7%	100%	Up

S2 shareholder groups



Shares on issue	**246.1m**
Options on issue (average exercise price A$0.39)	**41.1m**
Cash (end March 2017)	**A$19.3m**
Debt	**Nil**
Market capitalisation (at A$0.185 per share)	**A$45.5m**
Enterprise value	**A$26.2m**

** To end March 2017*
 # Total Indicated+Inferred at Baloo & Nanook (see ASX announcements)

S2 Resources

- Fully funded with A$19.3 million cash
- Strategic land position in latest global gold hotspot (Finland)
- Discovering VMS mineralization in world class VMS belt (Sweden)
- Building gold resource inventory in the Eastern Goldfields (Australia)

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