ABN 72 008 915 311

ACTIVITIES REPORT - JUNE QUARTER 2017

PARKER RANGE PROJECT

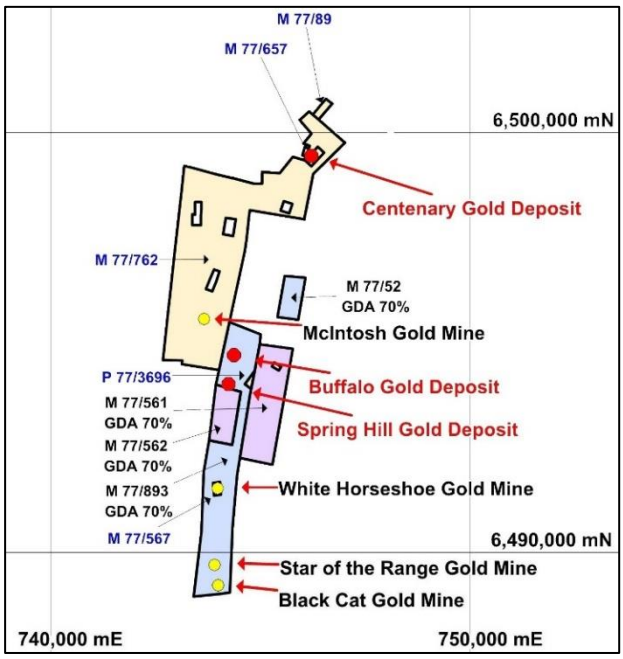

Figure 1: Location of the Parker Range Project

The Parker Range Project is located in the Southern Cross Greenstone Belt, immediately south of Marvel Loch and 80km north of Western Area's Forrestania Nickel Operations. The project area comprises exploration tenure of approximately 500 km² prospective for gold and nickel and contains numerous historic gold mines.

The Southern Cross area is a well-recognized regional mining centre offering excellent established infrastructure and a long gold mining tradition. Historic production since 1906 when gold was first discovered in the region exceeds 12Mozs of gold and 1,100,000t of nickel.

Gondwana's recent focus at Parker Range has been to transform historic gold deposits – Buffalo and Spring Hill (70% Gondwana) and Centenary (100% Gondwana) - into JORC compliant gold resources and explore nearby historic gold prospects with the aim of increasing total resources (refer Appendix 1).

In mid-2010, Gondwana was successful in discovering 40,300oz of gold at the Centenary gold project, 5km north of Buffalo. The Parker Range Gold Project, comprising the Buffalo, Spring Hill and Centenary deposits is now estimated to contain a total 101,350oz Au Mineral Resource (refer Appendix 1).

Gold Mining Project

The Company has been conducting mining studies for the Parker Range Gold Project with a view to establishing production on a toll treatment basis. The Parker Range Gold Project is a relatively small gold deposit but has the potential to be exploited for a low capital cost through the use of mining contractors and toll treatment at one of several nearby gold treatment plants. Metallurgical tests conducted by the Company have established that the ore is also amenable to heap leach treatment.

Following the completion of Whittle pit shell optimization studies for the Centenary, Buffalo and Spring Hill gold deposits, with positive results for all three pits, Minecomp Pty Ltd were engaged to generate pit designs, life-of-mine schedules, cash flow projections and JORC Ore Reserve estimates.

The project management plans for both the Buffalo and Centenary mines and flora and fauna surveys were completed with the assistance of Keith Lindbeck & Associates and submitted to the DMP during 2013 and the mining proposals received approval.

In October 2013, Capital Mine Consulting (CMC) completed an independent review of the project's economic feasibility based on production parameters, the Company's budgeted costs including quotes obtained from independent mining and cartage contractors and other proposed suppliers. CMC's report was received during the quarter and this broadly supported and confirmed the Company's projections, noting that "*although relatively small, the Parker Range Project appears to have positive economics and the completion of the recommended work could further enhance project robustness*".

CMC reported that further work could enhance and extend the gold inventory at Parker Range and the project's robustness and noted that historical mining at Centenary recovered average grades of 16g/t, suggesting potential for a high grade core.

In January 2014, notwithstanding the above and the advanced stage of DMP approvals process, the Company announced that, after careful consideration of the recent decline in the gold price and other factors, mining studies had been temporarily suspended "*until the gold price recovers at least to levels prevailing in 2012*".

At the time of suspension, the mine project management plans had received DMP approval but the Company's consultants had, at that point, failed to satisfy the DMP Environment Group with the design of the abandonment bunds.

In late 2016, in the light of the significant increase in the AUD gold price, MineComp were requested to update the Parker Range Ore Reserve estimates to take into account an upward revision in the Buffalo Mineral Resource estimate, changes in the gold price and reductions in budgeted operating costs. MineComp's new Ore Reserve estimates are set out in Appendix 1.

Discussions have since recommenced with toll treatment plant operators and experienced miners who specialize in developing and mining small deposits and have reached an advanced stage. The Company is considering options for a mining joint venture or similar commercial arrangement or, alternatively, the Company is confident of raising the capital to develop and mine the deposits itself.

Gold exploration prospects

Exploration tenements, including the Toomey Hills Group and part of the Northern, Dulcie and Eastern Groups, have been disposed of to reduce exploration commitments. Exploration has continued on remaining exploration interests at Parker Range.

Parker Range Gold Exploration

A recent historic soil data compilation identified multiple gold in soil anomalies within open file reports A39388 (Spring Hill), A50319 (Star of the Range to White Horseshoe) and A50319 (Buffalo). During the second half of 2016, anomalous gold areas were infill soil sampled at Buffalo East, Mopoke North/South, Gordon Highlander, White Horseshoe, Star of the Range and Black Cat prospects.

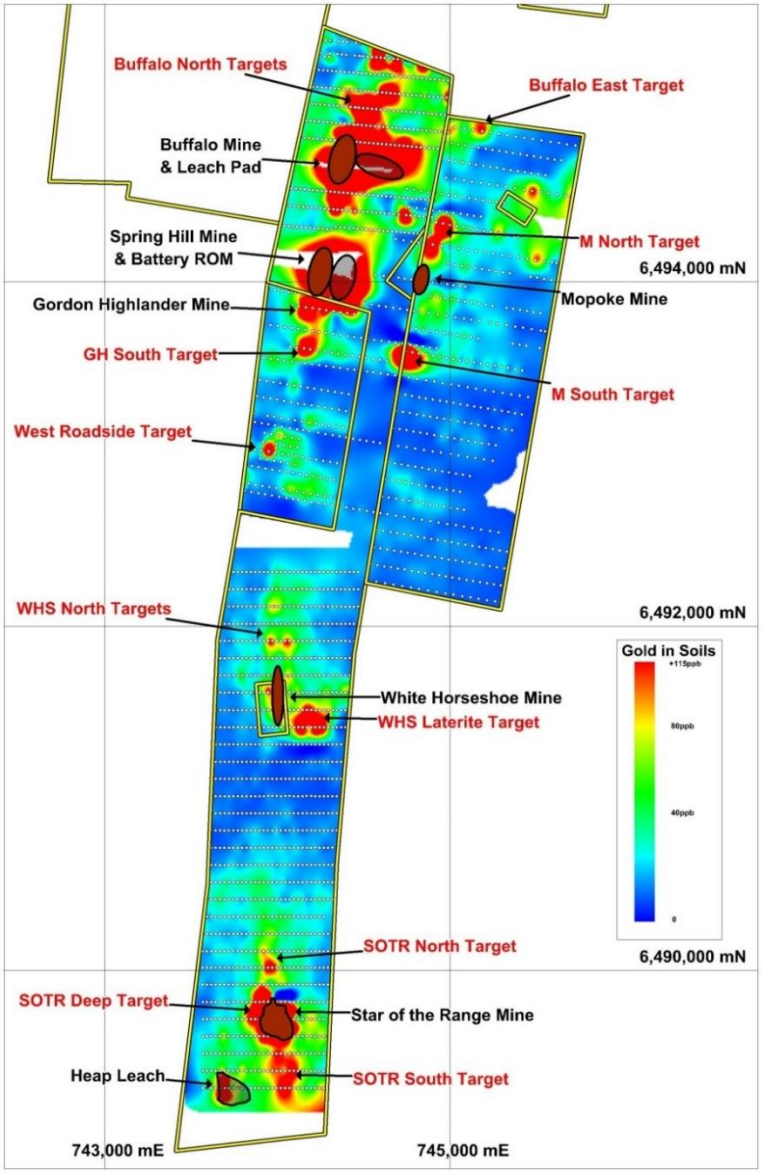

Figure 2: Gold in soils grid from shallow auger digitized from A39388 and A50319

During 2016, extensive infill soil surveying programs have been completed in the Company's Parker Range tenements, with gold-in-soil samples taken from a depth between 0.2m and 0.3m (shown as red hatched areas in figure 3).

The soil samples were not sieved but comprise of whole rock, soil and laterite pisoliths approximately 1kg in weight. Some graphitic sulphidic sediment outcrops were sampled for carbon content and multiple pegmatite outcrops were rock chipped for lithium content.

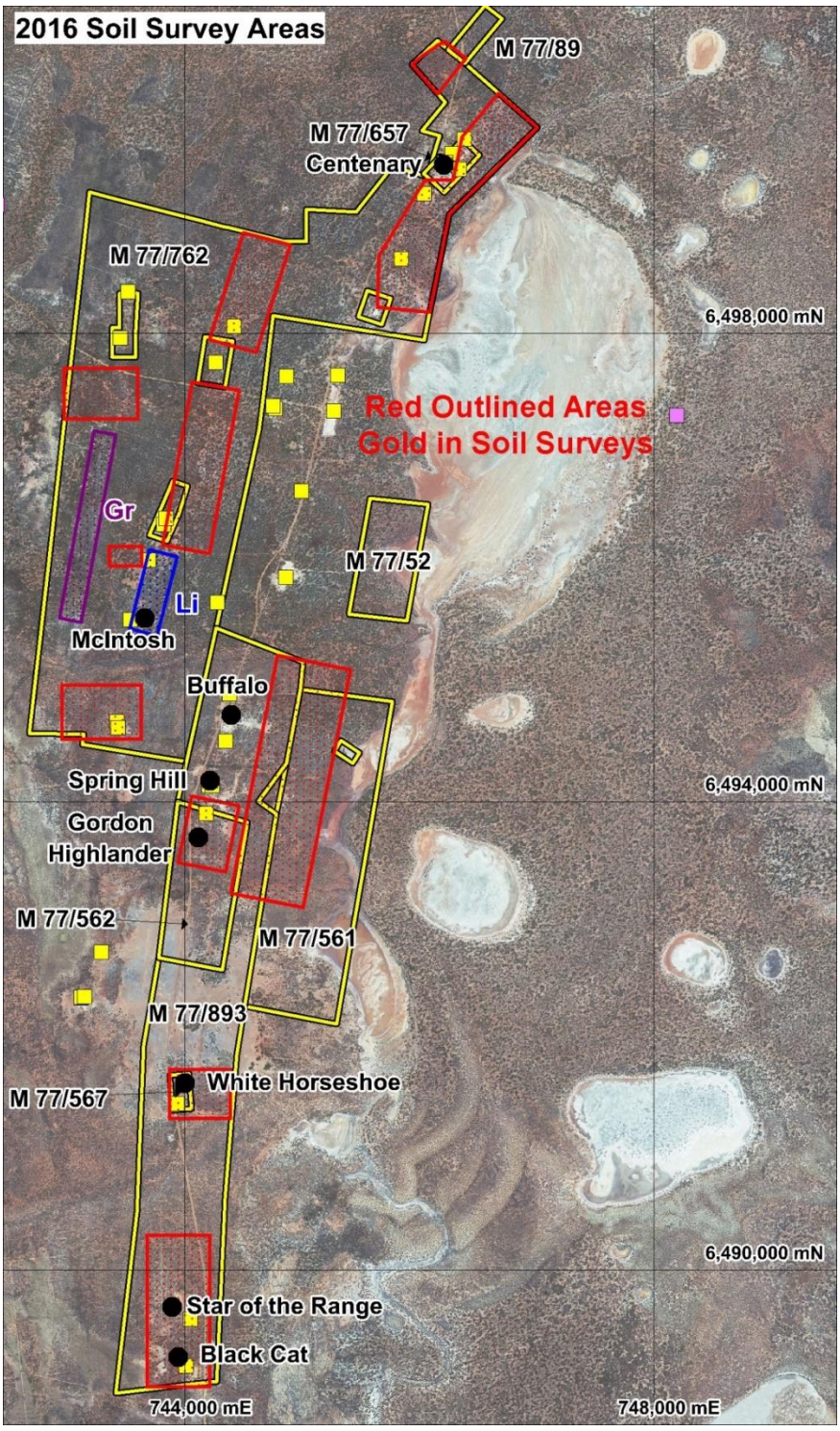

Figure 3: Soil Geochemical survey areas 2016

Gold-in-soil samples assays will be used for drill planning, focusing down dip (to the west) of the Black Cat underground, the Black Cat laterite and the Star of the Range laterite mine.

A recent review of the Star of the Range area shows that the historic 1990 mining and exploration did not cover the area immediately south of the Star of the Range mine and north of the Black Cat underground mine. This is because, at that time, the Star of the Range miners did not own the old Black Cat tenement which is now part of Gondwana's tenement holdings.

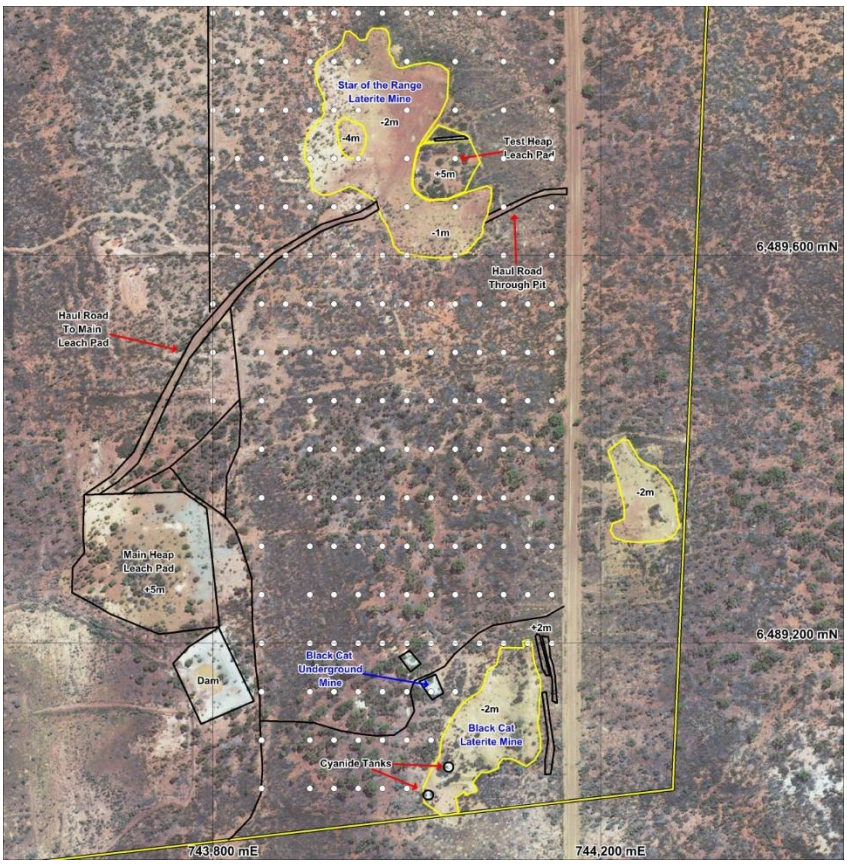

Figure 4: Gold sample location Black Cat to Star of the Range on satellite with topographic features

Black Cat is located at an inflection in the magnetics and mapped in earlier Mines Department bulletins as 3 x BIF units bending at that location. A steeply plunging quartz vein similar to Centenary may exist in-between the iron rich amphibolites, A depleted sulphide zone will be leached near the surface along the eastern BIF as it has enriched the remnant relict laterite.

The Star of the Range and Black Cat gold mine laterite pits show extensive oxidization of an altered amphibolite, which developed after intense shearing of the mafic host. Gold in soil mineralisation is likely continuous between the 2 pits, and under the cross cutting alluvial drainage channel (through the centre of the soil survey) which drains into the salt lake. Remnant exposures of laterite are all that remains of the relict soil terrain, some which was mined prior to 1982 and the rest in 1992. Multiple quartz lodes were injected along shear zones between the stacked BIF units and although small in tonnage, some do have bonanza +80g/t gold grades.

A gold in soil anomaly was historically mapped in A22398 (Star of the Range Annual report for M77/55 & M77/56 Nov 1987) with good shallow drilling results in laterite pits, but not across the Black Cat area. A deep target zone is down dip of multiple outcropping drag folded BIF units at Black Cat. In the stopes of the Black Cat underground, tightly folded units suggesting a deeper gold target exists down plunge in the fold nose not reached in the areas historic shallow drilling.

An airborne EM survey is still to be conducted for sulphide detection down dip prior to finalising the planned RC drill hole program design.

The 1940 geology map (GSWA Bulletin 99) shows three kink folded BIF's and a single 45° angled Black Cat underlay shaft, located west of the existing small laterite pit on the tenement boundary. Late stage gold bearing quartz lodes (such as Black Cat) can withhold their gold once oxidised, unlike the larger tonnage sulphide lodes which get depleted as gold remobilises to the surface.

Bulletin 99 discusses geological examination of the Black Cat underground during mining "No work has been carried out to any great depth, because the ore bodies have pinched to stringers with a flattening in dip. It is likely that the dip will steepen again and the ore shoots will gradually attain their original dimensions. For this reason, prospecting below the known ore shoots is recommended, taking into account of course their pitch."

After careful examination of the "Black Cat" underground mine during operation (pre WWII) it was noted the "ground water is at 144ft vertical depth" which shows the depth of probable gold depletion from near surface oxidisation and, "two ore shoots, which pitch steeply to the south east, are being mined and the main shaft is sunk between them" which is opposite the BIF dip and suggests a brittle deformed host.

The BIF strike is changing in the mine from gentle drag folding across dip, opening void spaces for later quartz lodes to infill in the fold hinges. The folds pitch steeply to the south east with lenses of quartz occupying the synclines but only quartz stringers on the anticlines. The shoots have pinched on their strike because anticlinal crests are being approached.

Recommended in 1940 was to underground drive northwest and southeast along the BIF strike as new shoots will "probably be disclosed", but only where the main underlay shaft dips changes from 45° to 52°. The main underlay shaft changed steepness at 93ft (down shaft) to 143ft (down shaft) when the underlay shaft returns to a 45° dip to 200ft (down shaft) or 144ft V.D. Changes in BIF dip have resulted from folding on a horizontal northwest-southeast axis, and could repeat at depth.

The local steeping in the BIF dip has influenced the quartz deposition, plus there is a pronounced fold in the 3 BIF's outcropping, with the fold nose area down dip still to be investigated. The 400m long Black Cat target zone identified on the new soil survey map is untested past 144 ft V.D or 44m vertical depth indicated in the 1940 report. The 400m long Star of the Range target zone identified with the new soil results is untested past the water table depth too.

At Black Cat a tightly spaced RC drill program is being design to drill across all 3 BIFs, to target at depth the steeply plunging quartz veins in fold hinges between each BIF unit.

Planning of deeper RC holes down dip to the west of the 800m long gold in soil anomaly will target large tonnage dipping conductors for gold mineralisation, if mineralisation is similar to the Buffalo deposit in the north of the tenement over a target strike length of 100m - 200m. The soils have been contoured together with previous mine area contaminated soils removed, highlighting five gold targets.

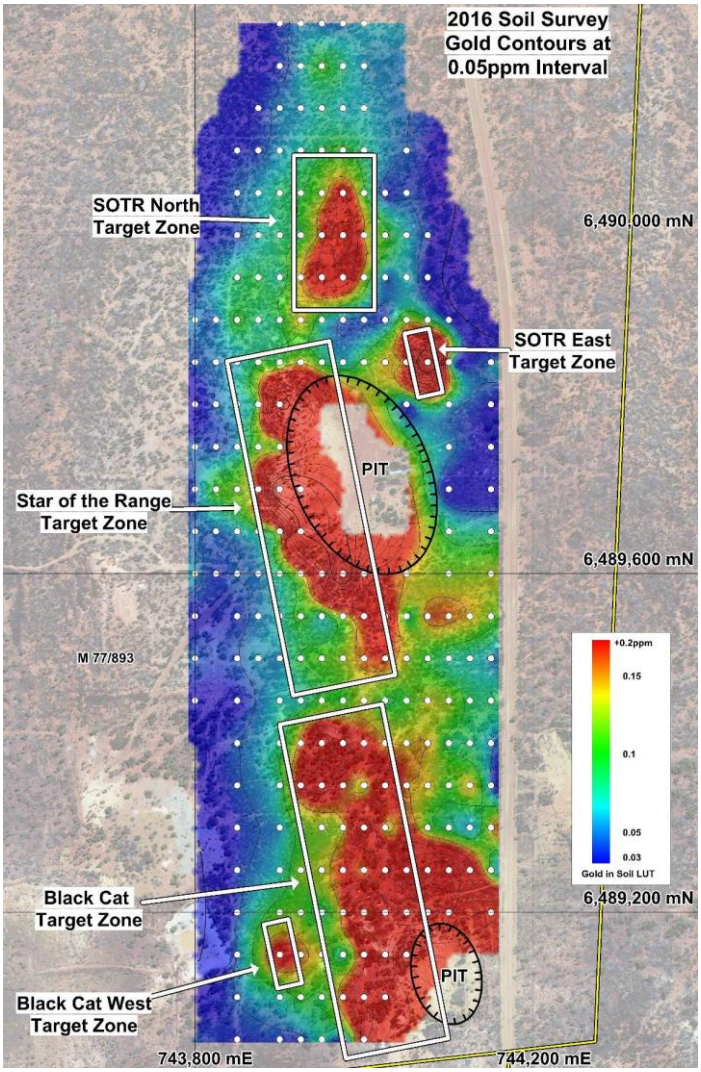

Figure 5: Black Cat Gold Target Zone is 400m long and Star of the Range Gold Target Zone is 400m

Cross cutting veins "in a pressure shadow" dipping SE are perpendicular to the SW dipping BIF and amphibolite host indicate brittle fracturing from southern tenement boundary to SOTR mine. The folded BIF at this location is changing dip and plunge due to the compression creating a kink fold, with a possible radial brittle deformation later infilling with 1-2ft wide quartz vein sets.

Drilling of three other gold mines along the same BIF hosted geology (at Centenary, Buffalo and Spring Hill) showed up to 4 stacked BIF units with them all carrying varying amounts of gold. Gold mineralisation is often enriched in the central and eastern BIF units, closest to the granite dome upwelling. At Centenary quartz rich shoots plunge down the main asymmetric fold void created during folding of the BIF, from horizontal N-S movements along the shear zone around the dome.

Many Parker Range gold deposits have higher grade and higher tonnage mineralisation below the depletion zone, where fresh pyrrhotite sulphide mineralisation is located. The gold sulphide ore is formed within a proximal shear zone parallel to the granite dome. The gold rich sulphide mineralisation is usually at the centre of a major shearing system and often adjoins a distal shear zone on sheared margins, creating amphibolite magnetite alteration along the belts entire strike length.

White Horseshoe mine survey

Gold in soil assays show a relict laterite ridge to the south east of the White Horseshoe mine in the drainage direction towards the salt lake. The low gold tenor of 0.1g/t indicates this laterite is only weakly mineralised, although still warrants some shallow drill holes though the centre of the +0.1g/t gold in soil anomaly to confirm higher gold grades don't exist below the soil samples 0.3m depth.

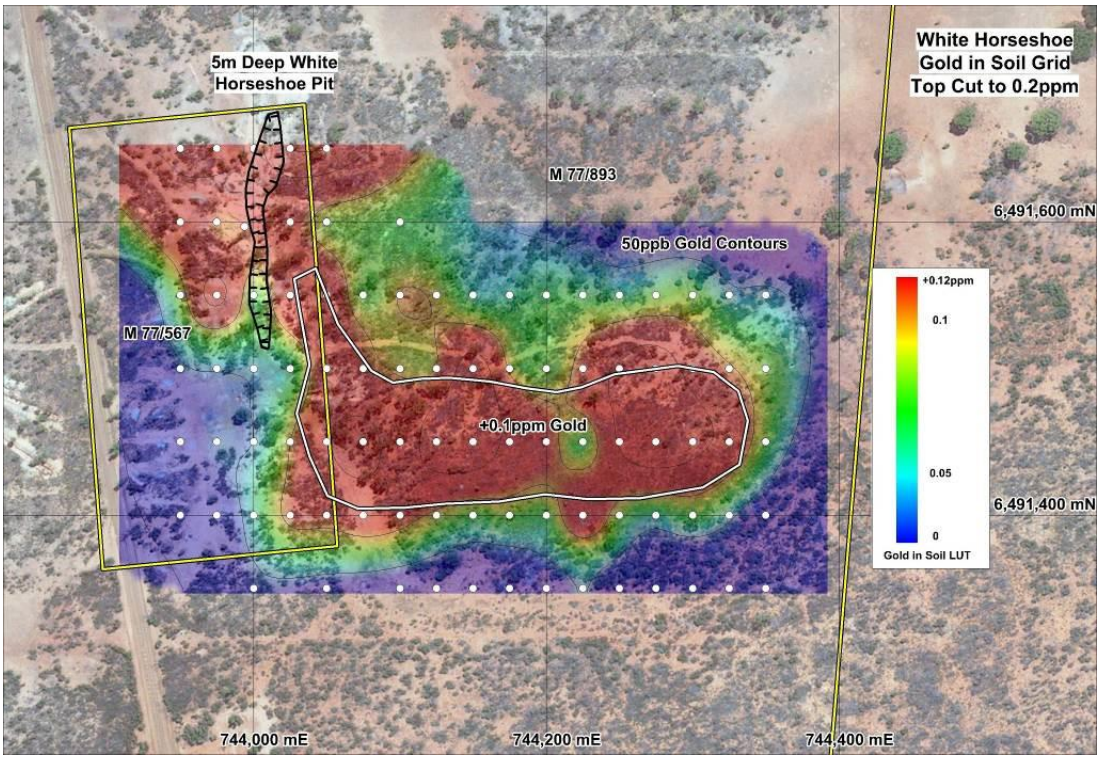

Figure 6: The White Horseshoe mine laterite gold target is only weakly anomalous +0.1g/t

This laterite is possibly secondary erosion from the White Horseshoe mine area or a redox front from an earlier east trending drainage channel, which has now etched southwards around the gold in soil anomaly causing a 2m raised 200m long laterite outcrop. Gold enrichment within a 1-2m thick laterite zone located below a 0.5m depleted surface laterite might still exist requiring shallow drilling to ascertain if there is any small tonnage laterite zones containing over 0.5g/t for heap leaching.

Gordon Highlander mine survey

At the Gordon Highlander historic underground mine, approximately 300m south of Spring Hill workings, the southernmost hole during the 2010 RC program intersected 3m @ 1.01 g/t from 14m down hole depth and 5m @ 1.97g/t from 23m depth in hole 10SHRC014.

The 2010 drill intersect is up-dip from a previously drilled 2008 RC exploration hole (SHRC08015) which intersected 5m @ 1.57g/t from 36m depth. The best RC results at Gordon Highlander are:

SHRC08015 : 26m to 32m 6m @ 0.83 and 36m to 41m - 5m @ 1.57

10SHRC014 : 14m to 17m - 3m @ 1.01 and 23m to 28m - 5m @ 1.97g/t

Detailed gold in soil assays taken to the north and east of the Gordon Highlander historic workings show +0.3g/t gold anomalism from the Spring Hill mine area to the Gordon Highlander mine because the mineralised BIF outcrops there containing up to 1.637g/t in soils. There is also a small anomaly to the east off the main zone however that could be contamination. The area to the south east of the BIF has no further anomalies although there are cultural disturbances in this area.

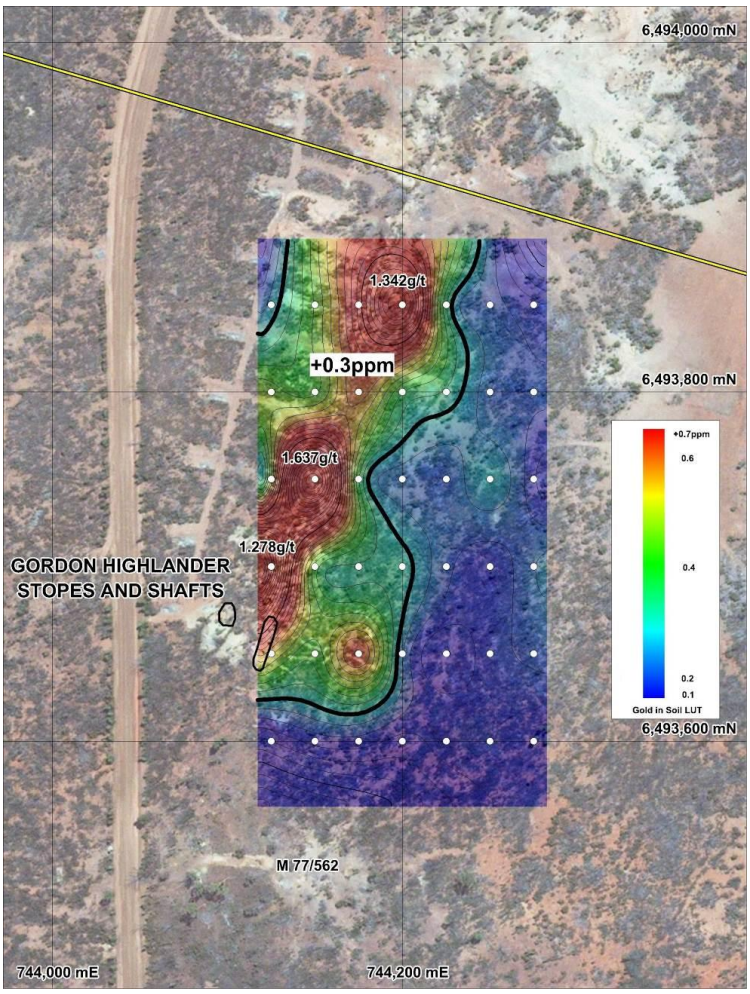

Figure 7: Gordon Highlander mine has multiple high grade soil assays within +0.3g/t areas

A second soil survey will be designed for later in 2017, to outline the end of the anomalous gold trend south west of Gordon Highlander up to the main road. This soil data will be used to orientate further infill RC drilling down dip and along strike to the south west of the Gordon Highlander shaft.

Mopoke north and south survey

The Mopoke North quartz vein has been drill previously tested and a review of the drilling effectiveness shows additional holes are required. This drilling was performed in 2010 and the two holes showed 1m gold intersects up to 0.9 g/t, but they were very shallow and do require deeper holes to test veins below oxide level. The +0.3g/t soil gold anomalism survey extends 100m to the north of the quartz vein outcrop and further drill holes are being designed to test north of the outcrop area.

Buffalo East survey

Historic drilling within Wamex report A25941 shows a small zone of enrichment in the corner of the Centipede, Buffalo and Mopoke tenements. This mineralized area is located in shallow laterite around the margin of the salt lake where the hyper saline water encroachment towards Buffalo. This EM conductive high is shown on the company's 2010 V-TEM AEM data as high conductivity on all channels, with the underlying geology changing to more ultramafic at the location.

Secondary gold deposition is an important style of gold mineralization above or near to primary ore zones such as at the Golden Virgin pit north of Buffalo, which enriches near the surface because of the salt water interaction with the primary mineralisation. Shallow drilling is required south of the existing cleared drill line, to ascertain if this is primary or secondary mineralisation.

McIntosh to Raven Mine survey

The McIntosh area was infill soil sampled in early 2016. Results of this survey have been analysed and highlight the Raven laterite area east south east of the old Raven underground mine as a priority drill target. Only shallow drilling has been previously undertaken across the BIF at this location.

This lateritic gold mineralisation appears to be continuous downhill towards the salt lake and is coming directly from of the eastern side of the Raven underground shaft. This data identifies the eastern BIF of Raven could be similarly to Centenary which has a depletion zone down to 40m.

As shown at Centenary to the north of Raven, the eastern BIF is heavily leached of gold in the top 40m making Raven's eastern BIF a priority drill target at depth. RC drilling is planned to test the down plunge and down dip mineralisation at Raven because historic drilling wasn't deep enough.

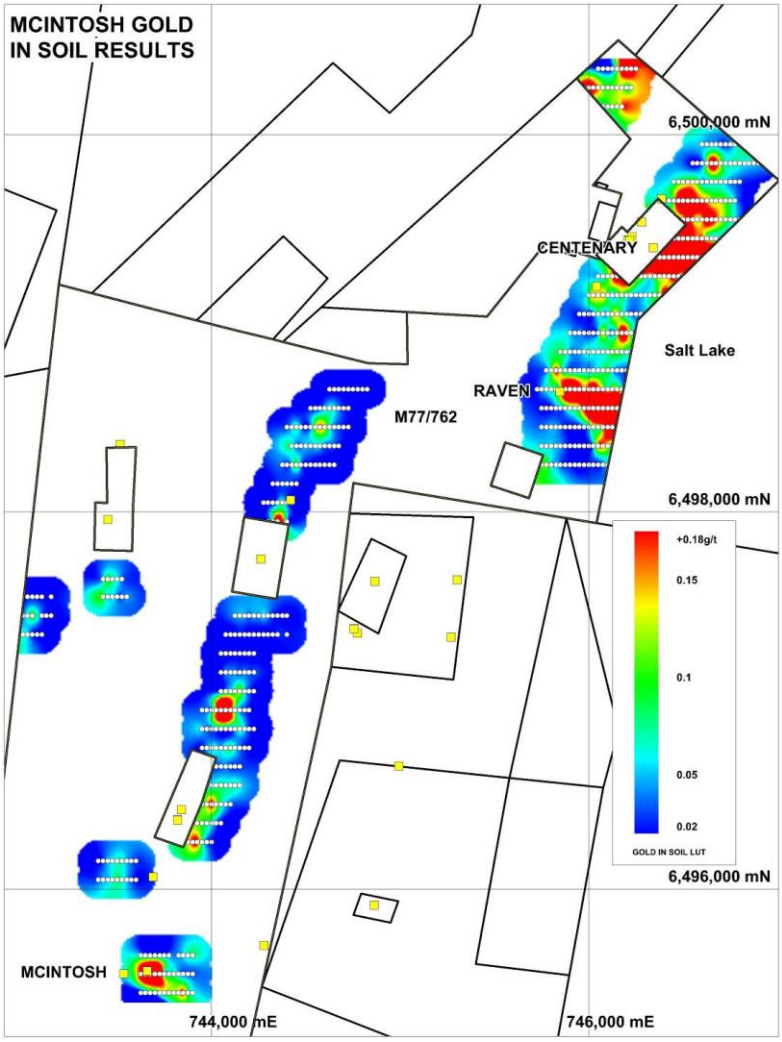

Figure 8: Centenary to McIntosh infill soils - target east of Raven is continuous to lake

Conclusions

A number of 1990's vintage soil survey/auger program anomalies were infill soil surveyed during 2016.

This soil analysis has revealed high priority gold drilling targets at the Black Cat mine, Star of the Range mine, Gordon Highlander mine, and Raven Mine.

Secondary gold drilling targets are evident along the shear zone north of McIntosh, Mopoke North quartz vein and Buffalo East laterite area.

Forrestania/Mt Holland

The Forrestania/Mt Holland project (exploration licence application) contains an unmined gold-bearing laterite, from an historic prospect referred to as the Blue Turtle prospect. No drill logs can be located but the drill locations are noted on plans.

Open file report A24752 refers in the text to primary gold mineralisation at the Blue Turtle prospect up to 3m @ 6.6g/t from 9m with 3 to 6m of laterite pisoliths above grading up to 1.28g/t [1].

Shallow drilling on 100m spaced lines either side failed to delineate any continuity. In this area, depletion zones combined with near vertical gold shoots in the unweathered basement are often beneath near-surface oxide mineralisation, and it appears no deep RC drilling has been undertaken at this prospect. Multiple E-W trending dykes at this location have disturbed the N-S stratigraphy and mineralisation may be locally folded or remobilised, so could be trending oblique to the E-W drill lines. Gold mineralisation could potentially be around 150m in strike and may be related to a vertical or sub-vertical plunging shoot.

[1] WAMEX report A24752: Blue Turtle Annual report on Mt Holland E77/23 1988; Author Metals Exploration Ltd.

Gobbo's Copper-Molybdenum Prospect (E45/3326)

This tenement contains the Gobbo's copper/molybdenum prospect and the Cyclops nickel prospect.

The Company has entered into an agreement with Platypus Minerals Ltd ("Platypus", ASX:PLP) to farm out tenement E45/3326 on the following terms: -

a. Platypus has the option to sole fund $500,000 on exploration within three years to earn a 51% interest in the tenement with Gondwana retaining 39% and Adelaide Prospeting Pt Ltd (APPL) 10%. Platypus has advised that it has since expended the required amount and has earned its 51% interest.
b. Platypus has the option to sole fund a further $500,000 on exploration within a further three years to earn an additional 24% interest for a total 75% interest in the Tenement. At this stage Gondwana would retain 15% and APPL would retain 10%.
c. Subsequent expenditure would be on a pro-rata joint venture basis by Platypus and Gondwana, subject to dilution by industry standard formula. APPL would remain free carried to completion of a feasibility study.
d. Should any party's interest fall below 5%, then that party's interest would convert to a 2.5% royalty on gross sales on all metals produced from the tenement.
e. At any time after Platypus has earned its 75% interest, Gondwana has the right to convert its remaining interest to a 2.5% royalty on gross sales on all metals produced.

Platypus has announced significant reconnaissance drilling intercepts of copper, molybdenum and tungsten, rated Gobbos as one of the most outstanding unexplored prospects in Western Australia.

Other Pilbara tenements

The Company has retained a 90% interest in exploration licence E46/1026 and application E45/3956, which are considered prospective for gold, copper and other minerals. An extensive exploration program is planned for early 2017

COMPETENT PERSON STATEMENT – EXPLORATION RESULTS

The information in this Report that relates to Exploration Results is based on information compiled by the Company by Mr Grant Donnes, a competent person who is a Member of the Australian Institute of Geoscientists. Mr Donnes has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Mr Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

COMPETENT PERSON STATEMENT – MINERAL RESOURCES

The information in the Independent Geological Report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by the Company and reviewed by Malcolm Castle, a competent person who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Malcolm Castle is a consultant geologist employed by Agricola Mining Consultants Pty Ltd. Mr Castle has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Malcolm Castle consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Malcolm Castle's review is based on information compiled by Mr David Hollingsworth, a consultant of the Company, who has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity to undertake the resource estimates and Mr Hollingsworth consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

COMPETENT PERSON STATEMENT – ORE RESERVES

The Information in this Report that relates to Ore Reserves is based on information compiled by Mr Gary McCrae, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr McCrae is a full-time employee of Minecomp Pty Ltd. Mr McCrae has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr McCrae consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

TENEMENT LIST

List of tenements, their location, and relevant third party beneficial interests held at the end of the quarter in accordance with listing rule 5.3.3.

Tenement	Application	Granted	Status	Third Party Interest
East Pilbara Projects, WA				
Gobbos and Cyclops Projects				
E45/3326	10/10/2008	21/01/2011	Granted	Adelaide Prospecting 10%* Platypus Minerals earning 75% pursuant to farm-in agreement
Comet East & Nullagine Projects				
E45/3956	18/08/2011		Pending	
E46/1026	26/05/2014	10/05/2016	Granted	
Parker Range Projects, Southern Cross WA				
Parker Range Gold Project				
M77/657-I	25/05/1994	3/02/1995	Granted	
M77/893	10/12/1997	3/01/2001	Granted	Cerro Resources NL 30%*
M77/52	26/06/1984	27/06/1984	Granted	Cerro Resources NL 30%*
M77/762-I	23/04/1996	25/01/2007	Granted	
M77/562	9/07/1992	23/10/1992	Granted	Barclay Holdings 30%*
M77/567-I	13/08/1992	5/01/1993	Granted	
M77/89	18/11/1985	26/03/1986	Granted	
M77/561	9/07/1992	23/10/1992	Granted	Barclay Holdings 30%*
L77/0264	5/09/2013	7/01/2014	Granted	Miscellaneous licence for road realignment
Forrestania/Mt Holland Project				
E77/2143	12/08/2013		Pending	
E77/2390	22/08/2016		Pending	
P77/4362	30/03/2016		Pending	
P77/4363	30/03/2016		Pending	
				** Free carried to feasibility study*

TENEMENT CHANGES

Changes to tenement holdings and relevant third party beneficial interests during the quarter in accordance with listing rule 5.3.3:

Tenement Acquisitions or Disposals

Nil

Third Party Interests Acquired or Disposed

Nil

CONTACT

For further information please contact Warren Beckwith on 0419 838 839, email info@gondwanaresources.com or visit the website at www.gondwanaresources.com.

Warren Beckwith
Director
31 July 2017

APPENDIX 1

MINERAL RESOURCE ESTIMATES

Malcolm Castle of Agricola Mining Consultants Pty Ltd was commissioned by the Company to provide an updated Independent Review of the Resource Estimation for the Parker Range Gold Project in Western Australia, and he submitted his Report in October 2015. The Mineral Resource Estimates are set out below.

Refer to the Competent Person Statement on Page 9 of this Report.

Resource Category	Tonnes	Grade (g/t)	Cut ounces* (Au)
Buffalo			
Indicated	346,400	2.7	29,700
Inferred	79,300	2.2	5,600
Spring Hill			
Indicated	226,400	2.0	14,250
Inferred	180,300	2.0	11,500
Centenary			
Indicated	391,000	2.4	30,400
Inferred	166,000	1.8	9,900
Total Project			
Indicated	**963,800**	**2.4**	**74,350**
Inferred	**425,600**	**2.0**	**27,000**

**Average grades are reported at 0.5g/t cutoff*

PARKER RANGE ORE RESERVE STATEMENT

Minecomp Pty Ltd (Minecomp) was commissioned by the Company to produce an updated, December 2016 Reserve Statement for the Parker Range Gold Project in Western Australia.

The statements and opinion in this Report are given in good faith and this Report is based upon information provided by the Company, along with technical reports prepared by consultants and other relevant published and unpublished data for the area.

Refer to the Competent Person Statement on Page 7 of this Report.

The Ore Reserves for Parker Range are estimated, using a gold price of Au$1,550/oz, to be:-

Ore Reserve Category	Tonnes	Au (g/t)	Au (oz)
Buffalo			
Proved			
Probable	213,000	2.9	19,500
Centenary			
Proved			
Probable	110,000	3.0	10,600
Spring Hill			
Proved			
Probable	110,000	2.1	7,300
Project total			
Proved			
Probable	**433,000**	**2.7**	**37,400**

Note: - Rounding errors may occur

The Ore Reserve is based only on toll treatment of the Parker Range ore and contract open pit mining and ore haulage.

For the purpose of the Ore Reserve Estimate, marginal cut-off grades of 1.3g/t for oxide and 1.4g/t for transitional and fresh material were calculated based upon an assumed gold price of Au$1,550/oz and applicable ore/waste differential, processing, haulage and administration costs.

The classification of the Parker Range Gold Project has been carried out in accordance with the recommendations of the JORC Code 2012. It is based on the density of drilling, estimation methodology and the mining method to be employed.

All Probable Ore Reserves have been derived from Indicated Mineral Resources.

BUFFALO - JORC Table Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• *The Mineral Resource for the Buffalo Deposit was estimated in October, 2015. The Ore Reserve has been determined using this model.* • The Mineral Resource is inclusive of the Ore Reserves
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was not undertaken by the Competent Person as a site visit would not materially affect the determination of the Reserve
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• A pre-feasibility study has been carried out appropriate to the deposit type, mining method and scale. The study was carried out internally and externally using consultants where appropriate.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Cut-off is calculated as part of the mine optimisation analysis and is 1.3 g/t gold for oxide and 1.4g/t for transitional and fresh
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The Mineral Resource model was factored to generate diluted Ore Reserves during optimisation and evaluation processes. • Mining method is conventional open-pit with drill and blast, excavate, load and haul. • An external geotechnical report provided pit slopes and recommended inputs for optimisation • Additional mining dilution of 10% was applied • Mining recovery of 95% was applied • Minimum width reflected by lode interpretation 3 to 5m plus dilution • Inferred Resources were not used or included in optimisation analysis • Infrastructure required is small and of a temporary nature, i.e. workshop, offices, fuel tank, generator, magazine and water transfer dam
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Processing will take place by third party toll treatment using conventional CIL methods. • Well-tested existing metallurgical technology • One metallurgical test work program was completed by IMO on composite and variability samples representative of the ore zones. • Test work indicates recoveries for oxide and transitional ore types will be between 90 and 96% dependent on grade while primary ore recoveries are estimated to be between 95 and 96%. 94% was applied for all ore types. • Metallurgy testwork programs have included gravity concentration, cyanide leach and grind establishment • No deleterious elements are present. However note is made of DMP comments to hose down sulphide dust. • No bulk sample testwork has been carried out

Criteria	JORC Code explanation	Commentary
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• A Clearing Permit, Mining Proposal and Closure plan has previously been approved by the DMP, however these have since expired • Waste rock is typically non-acid forming. Ore-hosted rock types are likely to be acid forming. Any potential acid forming rock types not processed will be encapsulated within the waste dump. • No tailings will be stored on site.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Infrastructure at site is minimal and consists of access roads and tracks. • Accommodation will use established facilities in Marvel Loch. • The project has low infrastructure requirements of a temporary nature.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs based on contractor quotes for similar mining operations • Operating costs based on contractor quoted costs for similar mining operations for load and haul and drill and blast and other mining costs. • No deleterious elements present • Cost models use Australian dollars • Ore haulage rates based on contractor quoted costs for similar haulage profiles and distances. • Toll Treatment costs based on known current milling costs. No penalties or specifications • State royalty of 2.5% used.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Using a below December 2016 average gold price of Au$1,550/oz
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Gold doré will be sold at the Perth Mint as it is produced. • Market window unlikely to change • Price is likely to go up, down or remain same • Not industrial mineral
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• No NPV applied • Project is relatively short life at <12 months • Sensitivity analyses have been completed
Social	• *The status of agreements with key stakeholders and matters leading to social license to operate.*	• No Native Title Claimants on DIA over this mining lease
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• A risk review has been completed. No material risks are identified. • A Project Management Plan (PMP) had previously been submitted and approved. This has now expired. • A miscellaneous license (L77/264) is held for the portion of the Marvel Loch-Forrestania Road which requires realignment.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Reserves are classified according to Resource classification • They reflect the Competent Person's view • No Measured Resource exists. All Reserve is Probable category and based on Indicated Resource

Criteria	JORC Code explanation	Commentary
	• *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No audits carried out
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *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.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Confidence is in line with gold industry standards and the companies aim to provide effective prediction for current and future mining projects. • No statistical quantification of confidence limits has been applied • Estimates are global • The Reserve is most sensitive to; a) resource grade accuracy, b) gold price c)metallurgical recovery d) ore haulage and milling costs e) mining load and haul and drill and blast costs f) pit wall stability • Reserve confidence is reflected by the Probable category applied, which in turn reflects the confidence of the Mineral Resource. • No modern production data is available for comparison

CENTENARY - JORC Table Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource for the Centenary Deposit was estimated in October, 2015. The Ore Reserve has been determined using this model. • The Mineral Resource is inclusive of the Ore Reserves
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was not undertaken by the Competent Person as a site visit would not materially affect the determination of the Reserve
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• A pre-feasibility study has been carried out appropriate to the deposit type, mining method and scale. The study was carried out internally and externally using consultants where appropriate.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Cutoff is calculated as part of the mine optimisation analysis and is 1.3 g/t gold for oxide and 1.4g/t for transitional and fresh
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.*	• The Mineral Resource model was factored to generate diluted Ore Reserves during optimisation and evaluation processes. • Mining method is conventional open-pit with drill and blast, excavate, load and haul. • An external geotechnical report for the nearby, similarly hosted Buffalo deposit provided pit slopes and recommended inputs for the optimisation • Additional mining dilution of 10% was applied • Mining recovery of 95% was applied • Minimum width reflected by lode interpretation 3 to 5m plus dilution • Inferred Resources were not used or included in optimisation analysis • Infrastructure required is small and of a temporary nature, i.e. workshop, offices, fuel tank, generator, magazine and water transfer dam

Criteria	JORC Code explanation	Commentary
	• *The infrastructure requirements of the selected mining methods.*	
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Processing will take place by third party toll treatment using conventional CIL methods. • Well-tested existing metallurgical technology. • One metallurgical test work program was completed by IMO on composite and variability samples representative of the ore zones. • Test work indicates recoveries for oxide and transitional ore types will be between 90 and 96% dependent on grade while primary ore recoveries are estimated to be between 95 and 96%. 94% was applied for all ore types. • Metallurgy testwork programs have included gravity concentration, cyanide leach and grind establishment. • No deleterious elements are present. However note is made of DMP comments to hose down sulphide dust. • No bulk sample testwork has been carried out.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• A Clearing Permit, Mining Proposal and Closure plan has previously been approved by the DMP, however these have since expired • Waste rock is typically non-acid forming. Ore-hosted rock types are likely to be acid forming. Any potential acid forming rock types not processed will be encapsulated within the waste dump. • No tailings will be stored on site.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Infrastructure at site is minimal and consists of access roads and tracks. • Accommodation will use established facilities in Marvel Loch. • The project has low infrastructure requirements of a temporary nature.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs based on contractor quotes for similar mining operations • Operating costs based on contractor quoted costs for similar mining operations for load and haul and drill and blast and other mining costs. • No deleterious elements present • Cost models use Australian dollars • Ore haulage rates based on contractor quoted costs for similar haulage profiles and distances. • Toll Treatment costs based on known current milling costs. No penalties or specifications • State royalty of 2.5% used
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Using a below December 2016 average gold price of Au$1,550/oz
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Gold doré will be sold at the Perth Mint as it is produced. • Market window unlikely to change • Price is likely to go up, down or remain same • Not industrial mineral
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• No NPV applied • Project is relatively short life at <6 months • Sensitivity analyses have been completed
Social	• *The status of agreements with key stakeholders and matters leading to social license to operate.*	• No Native Title Claimants on DIA over this mining lease

Criteria	JORC Code explanation	Commentary
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• A risk review has been completed. No material risks are identified. • A Project Management Plan (PMP) had previously been submitted and approved. This has now expired.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Reserves are classified according to Resource classification • They reflect the Competent Person's view • No Measured Resource exists. All Reserve is Probable category and based on Indicated Resource
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No audits carried out
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *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.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Confidence is in line with gold industry standards and the companies aim to provide effective prediction for current and future mining projects. • No statistical quantification of confidence limits has been applied • Estimates are global • The Reserve is most sensitive to; a) resource grade accuracy, b) gold price c)metallurgical recovery d) ore haulage and milling costs e) mining load and haul and drill and blast costs f) pit wall stability • Reserve confidence is reflected by the Probable category applied, which in turn reflects the confidence of the Mineral Resource. • No modern production data is available for comparison

SPRING HILL - JORC Table Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource for the Spring Hill Deposit was estimated in October, 2015. The Ore Reserve has been determined using this model. • The Mineral Resource is inclusive of the Ore Reserves
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was not undertaken by the Competent Person as a site visit would not materially affect the determination of the Reserve
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• A pre-feasibility study has been carried out appropriate to the deposit type, mining method and scale. The study was carried out internally and externally using consultants where appropriate.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• Cutoff is calculated as part of the mine optimisation analysis and is 1.3 g/t gold for oxide and 1.4g/t for transitional and fresh

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The Mineral Resource model was factored to generate diluted Ore Reserves during optimisation and evaluation processes. • Mining method is conventional open-pit with drill and blast, excavate, load and haul. • An external geotechnical report for the nearby, similarly hosted Buffalo deposit provided pit slopes and recommended inputs for the optimisation • Additional mining dilution of 10% was applied • Mining recovery of 95% was applied • Minimum width reflected by lode interpretation 3 to 5m plus dilution • Inferred Resources were not used or included in optimisation analysis • Infrastructure required is small and of a temporary nature, i.e. workshop, offices, fuel tank, generator, magazine and water transfer dam
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Processing will take place by third party toll treatment using conventional CIL methods. • Well-tested existing metallurgical technology • One metallurgical test work program was completed by IMO on composite and variability samples representative of the ore zones. • Test work indicates recoveries for oxide and transitional ore types will be between 90 and 96% dependent on grade while primary ore recoveries are estimated to be between 95 and 96%. 94% was applied for all ore types... • Metallurgy testwork programs have included gravity concentration, cyanide leach and grind establishment • No deleterious elements are present. However note is made of DMP comments to hose down sulphide dust. • No bulk sample testwork has been carried out
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• No applications for Clearing Permit, Mining Proposal and Closure plan have been submitted to the DMP • Waste rock is typically non-acid forming. Ore-hosted rock types are likely to be acid forming. Any potential acid forming rock types not processed will be encapsulated within the waste dump. • No tailings will be stored on site.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Infrastructure at site is minimal and consists of access roads and tracks. • Accommodation will use established facilities in Marvel Loch. • The project has low infrastructure requirements of a temporary nature.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs based on contractor quotes for similar mining operations • Operating costs based on contractor quoted costs for similar mining operations for load and haul and drill and blast and other mining costs. • No deleterious elements present • Cost models use Australian dollars • Ore haulage rates based on contractor quoted costs for similar haulage profiles and distances. • Toll Treatment costs based on known current milling costs. No penalties or specifications • State royalty of 2.5% used
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Using a below December 2016 average gold price of Au$1,550/oz
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.*	• Gold doré will be sold at the Perth Mint as it is produced. • Market window unlikely to change

Criteria	JORC Code explanation	Commentary
	• *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Price is likely to go up, down or remain same • Not industrial mineral
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• No NPV applied • Project is relatively short life at <6 months • Sensitivity analyses have been completed
Social	• *The status of agreements with key stakeholders and matters leading to social license to operate.*	• No Native Title Claimants on DIA over this mining lease
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• A risk review has been completed. No material risks are identified.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Reserves are classified according to Resource classification • They reflect the Competent Person's view • No Measured Resource exists. All Reserve is Probable category and based on Indicated Resource
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No audits carried out
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *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.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• Confidence is in line with gold industry standards and the companies aim to provide effective prediction for current and future mining projects. • No statistical quantification of confidence limits has been applied • Estimates are global • The Reserve is most sensitive to; a) resource grade accuracy, b) gold price c)metallurgical recovery d) ore haulage and milling costs e) mining load and haul and drill and blast costs f) pit wall stability • Reserve confidence is reflected by the Probable category applied, which in turn reflects the confidence of the Mineral Resource. • No modern production data is available for comparison

Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Gondwana Resources Limited

ABN	Quarter ended ("current quarter")
72 008 915 311	30 June 2017

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (6 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	64,870	186,920
	(b) development		
	(c) production		
	(d) administration	89,892	130,592
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid	14,998	14,991
1.6	Income taxes paid		
1.7	Other (R & D Rebate)		
	Net Operating Cash Flows	169,760	332,503
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	- Tenement Bond repaid		
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	169,760	332,503

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	169,760	332,503
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	133,638	133,638
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	195,000	195,000
1.17	Repayment of borrowings	(147,638)	(152,638)
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	181,000	176,000
	Net increase (decrease) in cash held	11,240	(156,503)
1.20	Cash at beginning of quarter/year to date	93,625	261,368
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	104,865	104,865

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2*	19,800
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

*Includes amounts previously deferred

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	300,000	25,000
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	40
4.2	Development	
4.3	Production	
4.4	Administration	55
	Total	95

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	105	105
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	105	105

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Nil			
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	29,626,667	29,326,667 (see note a)		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	3,818,227 -	3,818,227 (see note a) -	$0.035 per share	Fully paid
7.5	**+Convertible debt securities** (*description)*	nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*				
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	1,100,000	-	Exercise price 10¢	Expiry date 30/6/17
7.11	**Debentures** *(totals only)*	nil	-		
7.12	**Unsecured notes** *(totals only)*	nil	-		

Notes:

(a) The Company's securities are currently suspended from trading.

(b) The total number of ordinary shares includes 300,000 unlisted shares pursuant to the Gondwana Employee Share Plan

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: ..... Date: 31 July 2017
(Director)

Print name: Warren Beckwith

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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