



#### CAPITAL STRUCTURE

AQX [Ordinary Shares on issue]	407M
Market Capitalisation [at \$ 0.07]	\$ 28.49M

#### PROJECTS

##### Queensland

EPM 25520	Ngurupai [Horn Island]
EPM 25418	Kaiwalagal

##### New South Wales

EL8225	Looking Glass
EL8469	Mendooran
EL8563	Mendooran North
EL8565	Mendooran South
EL8646	Yarindury

#### BOARD & MANAGEMENT

<b>Phillip Harman</b>	Non-Executive Chairman
<b>Andrew T Buxton</b>	Managing Director
<b>Mark Kerr</b>	Non-Executive Director
<b>Anne Adaley</b>	Company Secretary & CFO

#### SUBSTANTIAL SHAREHOLDERS

<b>Andrew T Buxton</b>	14.95%
<b>Finico ATF Morris Family</b>	9.71%
<b>Mark Kerr</b>	7.47%

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## GRAB SAMPLING GOLD ASSAY RESULTS – HORN ISLAND

Alice Queen Limited [Alice Queen] or [the Company] is pleased to announce gold assay results from a recent selective surface grab sampling program, across existing mine waste stockpiles & loose rock infrastructure from the previous 1980's mining operations at its flagship Horn Island gold project in the Torres Strait region of north Queensland.

#### HIGHLIGHTS

- Numerous high grade gold results returned from selective surface grab sampling program across mining waste areas and historic loose rock infrastructure;
- Best results (>5g/t gold) include;
  - Low grade ore stockpile area: 79.1 g/t, 36.9 g/t, 26.2 g/t, 21.5 g/t 9.65 g/t 9.26 g/t, 8.61 g/t, 6.18 g/t Au.
  - Mine waste heap: 30.3 g/t, 27.4 g/t, 18.8 g/t, 9.85 g/t, 9.77 g/t, 8.35 g/t, 7.1g/t, 5.56 g/t Au.
  - Process water dam wall: 78.2 g/t, 67.5 g/t, 36.4 g/t, 19.95 g/t, 11.45 g/t, 11.4 g/t 10.6 g/t, 8.5 g/t, 5.8 g/t Au.
  - Other Sites around pit: 13.85 g/t Au, 10.72 g/t Au, 9.57 g/t Au.
- Please see maps following for further details on sample locations.

Alice Queen's Managing Director, Andrew Buxton, commented "With drilling almost complete on Phase Two - Part A of the resource definition drilling program around the old Horn Island open pit and the first assays from this program due shortly, we are very pleased to be able to add this new, intriguing angle to the Horn Island story. Preliminary indications from this sampling program are that there might be a significant free kick available here, as much of this gold bearing rock is already broken, ready to be sorted, crushed and possibly fed straight through to a mill. These results also provide some insight into the calamitous nature of the previous 1980's operation".

As has been previously announced, the Company is currently undertaking a comprehensive drilling program to understand the gold potential of the Horn Island Gold Project, building on its current resource of 375,000 ounces of gold.



Over the past two years, visual observations of the waste dump/overburden and the old dam wall from the historic mining operation suggested that they may contain gold mineralisation. Consequently the Company recently undertook a preliminary, selective grab sample program from these areas, and others surrounding the historic pit. This program returned some highly significant gold grades, highlighting the potential for an on-surface gold inventory left behind by the previous 1980's operator.

Whilst the current focus remains on drilling out the in situ gold mineralisation in and around the historic open pit, when appropriate, the Company will also assess the potential size and grade of the gold left behind in stockpiles and in other loose rock infrastructure.



**Figure 1. Loose rock construction of the process water dam wall. The yellow and brown stained rocks are related to oxidation of sulphides. High sulphides are often conducive to good gold values.**

A first pass surface sampling program has recently been completed across numerous mine waste material sites and loose rock infrastructure developed during previous 1980's mining operations at the Horn Island gold project. The grab sampling program targeted surface rocks located on mine waste heaps, low grade stockpiles, bund walls, access tracks and the process water dam wall [refer to figure 4]. The only other mine waste area considered of significance and not sampled as part of this program, due to access issues, was the historic tailings dam. This may be evaluated at a later date.



Figure 2. Legacy stockpiles and infrastructure location image

In total 80 samples were collected at approximately 50 to 100 metre spacings. The sampling program was intentionally biased towards selecting mineralised rock with the aim to confirm the higher gold grade potential across different sites. **Although the results are extremely impressive they should not be used as a measure of average grade or be used in any formal evaluation process at this stage.** The Company is currently considering plans to undertake a preliminary RC drill program to evaluate the grade distribution across these legacy sites in 2018.



Figure 3. Waste Heap Stockpile and Low Grade Ore Stockpiles

In summary the results have confirmed the following:

- All waste, stockpiles and loose rock built infrastructure from previous mining operations at the Horn island gold mine contain significant and high grade gold [ $>10$  g/t Au] at surface;
- Each area sampled has returned a very good spatial distribution of significant gold grades indicating no area should be downgraded for any future follow up work programs;
- Of most interest is the distribution of significant gold results from the mine waste heap and low grade stock pile, which volumetrically represents the largest area.

A summary for each areas and assay results are provided overleaf.



Site	Surface Area m <sup>2</sup>	Approximate Height [m]	Approximate Volume [m <sup>3</sup> ]	Total Samples	Gold Grades Results >5g/t Au
West Bund Wall	32,950	3-5m	38,225	6	10.72
North Bund Wall	32,345	3-5m	51,750	5	9.57
North Track	9,600	2m	5,500	4	13.85
Low Grade Stock Pile	187,010	5-10m	888,200	18	79.1, 36.9, 26.2, 21.5, 9.65, 9.26, 8.61, 8.15 & 6.18
Mine Waste Heap	370,300	10-20m	2,382,660	19	30.3, 27.4, 18.8, 9.85, 9.77, 8.35, 7.1 & 5.56
Process Water Dam Wall	13,800	3-12m	19,675	28	78.2, 67.5, 36.4, 19.95, 11.45, 11.4, 10.6, 8.5 & 5.8

Table 1. Summary size characteristics of sample areas with significant gold results >5g/t Au

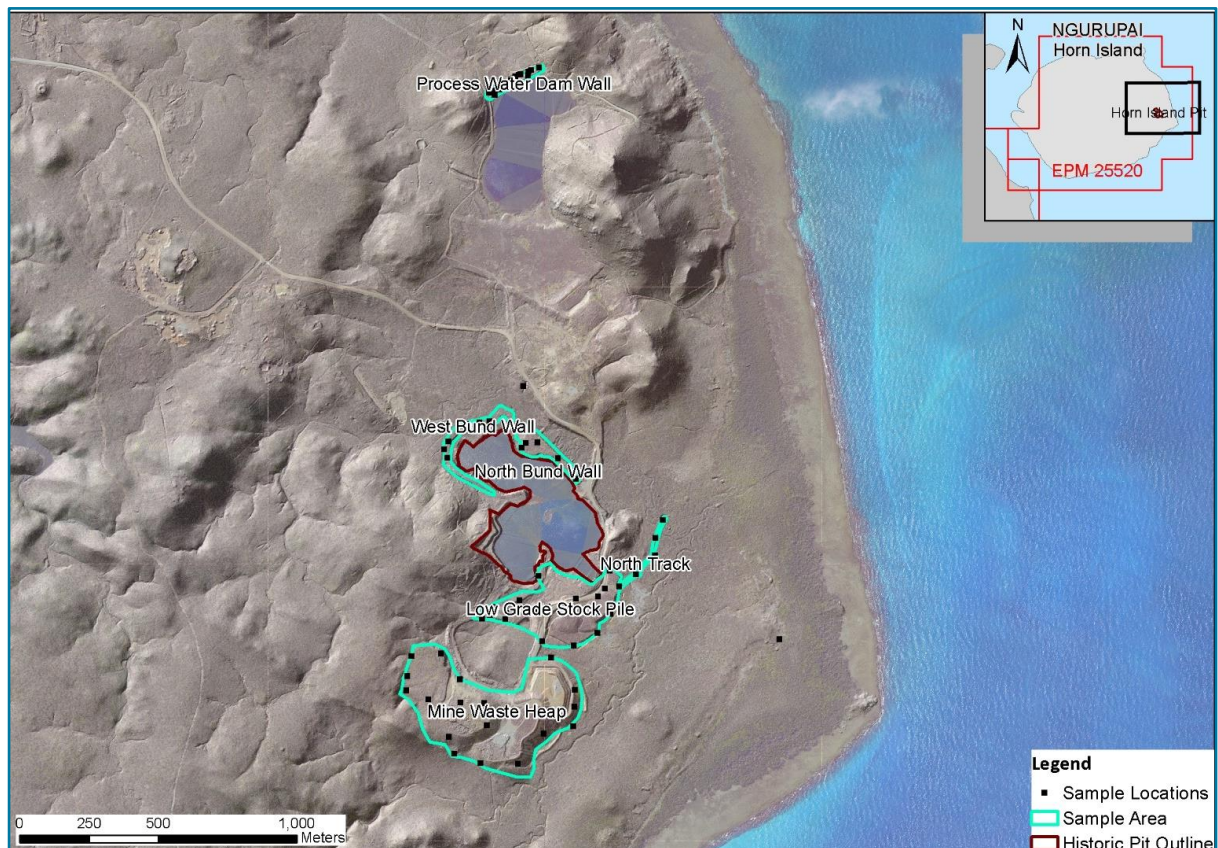


Figure 4. Plan view of grab sample locations

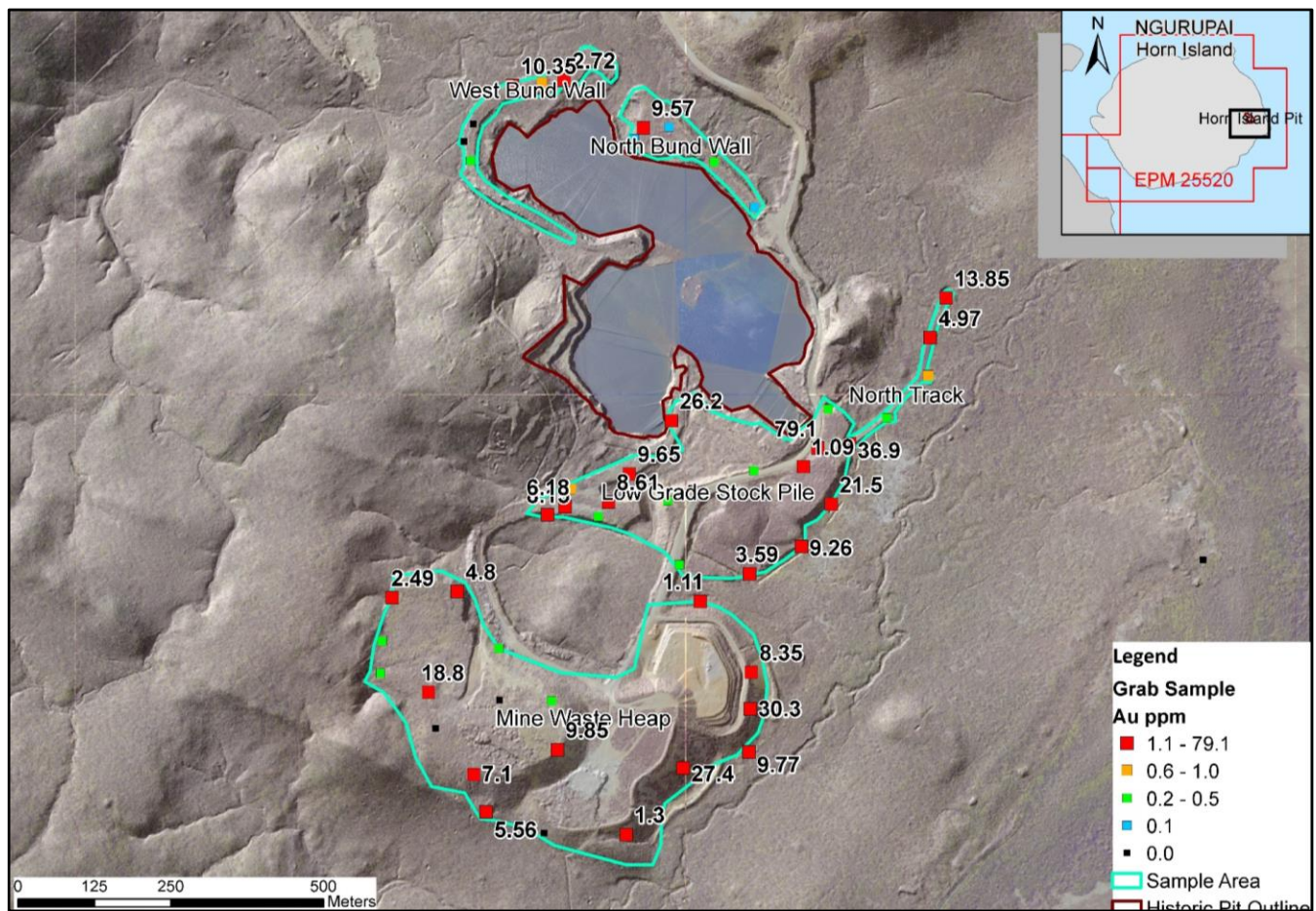


Figure 5. Surface grab sampling gold results across stockpile and mining materials infrastructure, at the historic Horn Island pit area

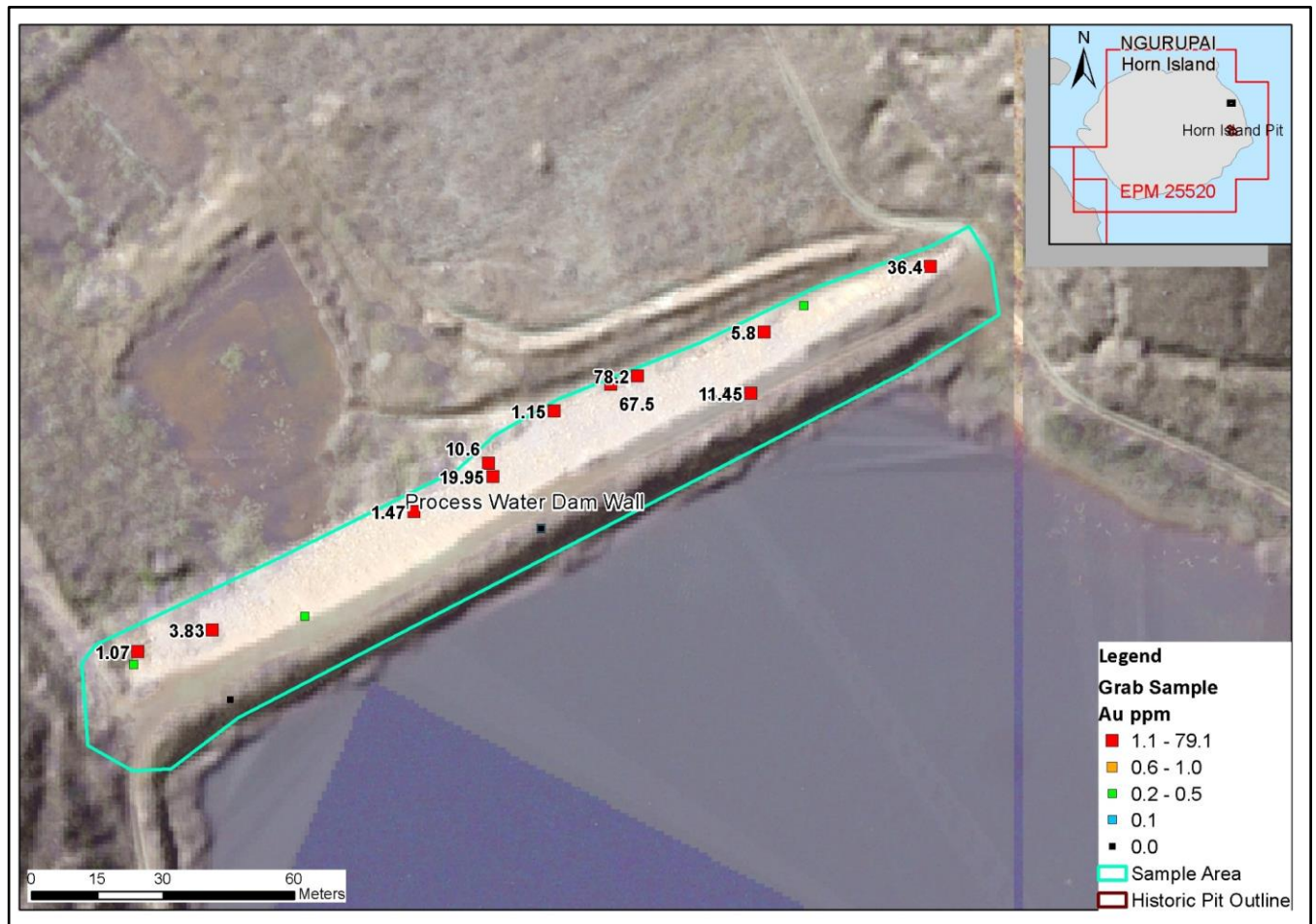


Figure 6. Surface grab sampling gold results across the process water dam wall, located north of the historic Horn Island pit



**ALICE QUEEN  
LIMITED**

#### **COMPETENT PERSON STATEMENT**

The information in this announcement that relates to exploration results is based on information compiled by Mr Adrian Hell BSc [Hons] who is a full time employee of Alice Queen Limited. Mr Hell is a member of the Australasian Institute of Mining and Metallurgy [AusIMM]. Mr Hell has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Hell consents to the inclusion of this information in the form and context in which it appears in this report.

For and on behalf of the board

Andrew T. Buxton

Managing Director

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# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	<ul style="list-style-type: none"> <li>The process water dam wall sampling program involved the collection of 13 rock chip samples 3 small pits (0-2m depth) pits and 15 x surface rock chip samples at approximately 20m spacing's along the length of the dam wall.</li> <li>The stockpile sampling program involved collecting 52 samples at 50-100m gridded spacing's. Due to soil and scree cover some locations did not produce samples.</li> <li>In total 80 samples were collected with results pending for 6 x samples.</li> </ul>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> <li>The sampling program intentionally biased mineralised sulphide bearing rock with the aim to confirm a higher gold grade potential across different sites.</li> <li>The Company routinely inserted appropriate grade certified reference materials in the exploration sampling programs undertaken.</li> </ul>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	<ul style="list-style-type: none"> <li>Samples have been collected at the geologist's discretion. Sampling should not be assumed to be representative of any area or volume.</li> <li>The samples consisted of &gt;200gram of vein material with usually high percentage of sulphides or sulphide bearing rock, that has been removed using geo picks. All samples were from loose rock exposed at surface, except for samples collected within 3 x shallow pits (0-2m depth) at the Process Water Dam wall.</li> <li>Samples have been placed in a sealed plastic bag with unique ID tag.</li> </ul>
<b>Drilling techniques</b>	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	<ul style="list-style-type: none"> <li>No drilling results are included in this release.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<ul style="list-style-type: none"> <li>No drilling results are included in this release.</li> </ul>
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<ul style="list-style-type: none"> <li>No drilling results are included in this release.</li> </ul>
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	<ul style="list-style-type: none"> <li>No drilling results are included in this release.</li> </ul>
<b>Logging</b>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	<ul style="list-style-type: none"> <li>All samples have been plotted on geological maps. Sample characteristics such as lithology, alteration, mineralisation, and other relevant features have been recorded and entered into the project Access database.</li> </ul>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography</i>	<ul style="list-style-type: none"> <li>Logging is a mix of qualitative and some quantitative logging (weathering, alteration and sulphide content, structure intensity).</li> <li>No routine photography of the surface rock chip samples were collected</li> </ul>
	<i>The total length and percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none"> <li>No total length or intersections logged due to the nature of the sampling program</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<ul style="list-style-type: none"> <li>No core samples are reported in this release.</li> </ul>
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	<ul style="list-style-type: none"> <li>No non-core sub-sampling or compositing has taken place.</li> </ul>
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<ul style="list-style-type: none"> <li>Full sampling preparation has been undertaken at ALS Laboratories in Townsville. Sample preparation process includes crushing entire sample to 70% passing 2 mm sieve (CRU-21); crushed samples are then split to 1000 g using a rotary splitter (SPL-22). 1000 g splits are pulverised to 85% passing 75 um and pulverised splits (PUL-32) are re-split to 50 g aliquot for fire assay fusion with Atomic Absorption finish (Au-AA26). 0.25 g pulps are dissolved in Four Acid "near" Total digestion prior to multi-element ICP analysis (ME-MS61).</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<ul style="list-style-type: none"> <li>No subsampling has taken place.</li> </ul>
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	<ul style="list-style-type: none"> <li>No lab or field duplicate samples inserted. Sampling should not be assumed to be representative of any area or volume.</li> </ul>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	<ul style="list-style-type: none"> <li>Sample size is considered representative to the grain size of the material being samples.</li> </ul>
<b>Quality of assay data and laboratory tests</b>		<ul style="list-style-type: none"> <li>Gold assay determined by Fire Assay with Atomic Absorption finish, ALS method AU-AA26, Detection limits 0.01 – 100ppm.</li> <li>Over limits gold assayed by dilution of aliquot and AU-AA26.</li> <li>The analytical technique used for gold is considered a total assay technique.</li> <li>For multi-element analysis a four-acid digest has been undertaken on a 0.25 g sub-sample to quantitatively dissolve most geological materials, with analysis via ICP-MS + ICP-AES.</li> <li>All finalised assay certificates signed off by qualified assayer.</li> <li>ALS Global Ltd is an ISO certified organisation with industry leading quality protocols.</li> </ul>
	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	<ul style="list-style-type: none"> <li>No tools used for analysis.</li> </ul>
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	<ul style="list-style-type: none"> <li>Industry standard Certified Reference Materials (CRMs) including two different gold grade standards have been submitted within the sample stream at a frequency of approximately 1 in 20. Quality control data has been plotted on charts with control limits at <math>\pm 1\sigma</math>, <math>\pm 2\sigma</math> and <math>\pm 3\sigma</math> standard deviations to monitor the level of contamination, accuracy, and precision.</li> <li>All QAQC results have been reviewed by the AQX Competent Person who considers the results to be within acceptable limits. Therefore, the assay results presented are considered accurate and correct.</li> <li>ALS internal CRMs and duplicates have also reported prior to release of finalised certificates.</li> <li>All sampling and field recordings undertaken by a qualified geologist.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	<ul style="list-style-type: none"> <li>The Au results have been reviewed by AQX geologists.</li> </ul>
	<i>The use of twinned holes.</i>	<ul style="list-style-type: none"> <li>No hole twinning has been undertaken</li> </ul>
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<ul style="list-style-type: none"> <li>All sampling and analytical data has been stored directly into an in-house developed Access data management system,</li> <li>All data has been maintained, validated, and managed by administrative geologist,</li> <li>Analytical results received from the lab have been loaded directly into the database with no manual transcription of these results undertaken,</li> <li>All below detection limit results reported as 10% of the lower detection limit of the method used.</li> <li>Original lab certificates have been stored electronically.</li> </ul>
	<i>Discuss any adjustment to assay data.</i>	<ul style="list-style-type: none"> <li>No adjustment to assay data has been undertaken.</li> </ul>
<b>Location of data points</b>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	<ul style="list-style-type: none"> <li>Sample locations recorded with handheld GPS (+/-5m).</li> </ul>
	<i>Specification of the grid system used.</i>	<ul style="list-style-type: none"> <li>All locations recorded using GDA94/MGA UTM Zone 54.</li> </ul>
	<i>Quality and adequacy of topographic control.</i>	<ul style="list-style-type: none"> <li>The topographic control taken from location on Digital Elevation Model derived from LiDAR data, Queensland State Government 2011 acquisition (+/-1m).</li> </ul>
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	<ul style="list-style-type: none"> <li>Locations are determined by a number factors such as: presence of veins with sulphide mineralisation and sulphide bearing rock</li> </ul>
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	<ul style="list-style-type: none"> <li>Data set is not sufficient for determining Mineral Resource and Ore Reserve estimation.</li> </ul>
	<i>Whether sample compositing has been applied.</i>	<ul style="list-style-type: none"> <li>No sample compositing has been applied.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	<ul style="list-style-type: none"> <li>• Lose surface rock samples were collected from previous mining operations, no orientation data and relationships to structure is recorded and is not applicable;</li> <li>• Sampling was intentionally biased towards rocks which displayed visible signs of sulphide mineralisation including pyrite, sphalerite, arsenopyrite and galena</li> </ul>
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	<ul style="list-style-type: none"> <li>• No drilling reported in this press release.</li> </ul>
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> <li>• All samples have been selected by a qualified and experienced geologist.</li> <li>• All samples have been sealed in plastic bags with cable ties immediately after cutting.</li> <li>• All samples have been stored in a secure, permanently staffed facility prior to shipping.</li> <li>• Sample bags have been loaded into polyweave sacks, with each sack affixed a numbered tamper-proof security id tag which has been cross checked upon receipt at destination.</li> <li>• Sacks have been loaded into bulker bags for transport.</li> <li>• Shipments travel by ship from Ngurupai (Horn Island) to Cairns, then on shipped to ALS Minerals, Townsville by road freight.</li> <li>• Shipping has been undertaken by reputable transport logistics specialists (Sea Swift Pty Ltd) with freight security protocols.</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> <li>• No external or third-party contractor has undertaken any audit or review of these procedures.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>• Kauraru Gold Ltd is the 100% undivided and unencumbered owner of EPM25520 covering the Nguruapi Project. EPM 25520 is in good standing, with an expiry date of 7/10/2019.</li> <li>• Kauraru Gold Ltd is a joint venture company between Alice Queen Ltd and the Kaurareg Aboriginal Land Trust. Surface title for portions of the historic Horn Island Mine site is held by the Torres Shire Council.</li> <li>• Other land areas above EPM25520 are held by the Kaurareg Aboriginal Land Trust.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	<ul style="list-style-type: none"> <li>• AQX/Kauraru Gold Ltd knows of no impediment to obtaining a licence to operate in the area.</li> </ul>
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> <li>• Historic data sets have been referenced from previous tenement managers/operators' reports including Seltrust Mining Corporation Pty Ltd and Au Gold Pty Ltd.</li> <li>• Historic drill hole location and assay data has been used to assist determining gold vein model shell trends in conjunction with recent AQX drilling data. The historic data has not been used in resource estimations and therefore not considered material to this report. Historic data is not presented however can be referenced in ASX release 14<sup>th</sup> March 2016.</li> <li>• Lithology data from historic drill hole reports have been used in the lithological model for the project Horn Island Pit area.</li> </ul>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> <li>• Horn Island is located on the partly submerged Badu-Weymouth Belt (formerly Cape York – Oromio Ridge) of the Carboniferous-Permian Kennedy Igneous Province. The Badu- Weymouth Belt comprises felsic and intrusive igneous rocks of Upper Carboniferous age exposed throughout Cape York, the Torres Strait Islands and the southern shore of Papua New Guinea. The oldest Horn Island rocks are the Carboniferous Torres Strait Volcanics, which comprise welded tuff, ignimbrite and agglomerate, volcanic breccia and minor sediments.</li> <li>• The volcanics are intruded by the Late Carboniferous Badu Suite Granites (Badu &amp; Horn Island Granite) which are a series of high-level granites comprising a number of compositional and textural types – leucocratic biotite granite, porphyritic biotite granite and adamellite, and hornblende-biotite adamellite and granodiorite. AQX has introduced a new project lith naming convention with these above mentioned granites and other textural and compositional varieties as described as the following types: Megacrystic Feldspar Granite Porphyry (MFGP); Quartz Feldspar Granite Porphyry (QFGP), Equigranular Granite (EQG) and Aplite (APL). The AQX project liths will now supersede historic/previous naming conventions in this and future reports.</li> <li>• Alluvial cover and laterite developed from Early Tertiary and Miocene time to the present.</li> <li>• The Horn Island gold mineralisation has never been studied in great detail with summary descriptions, based on limited information, provided by Levy and Storey,</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>1990 and von Gnielinski, 1996.</p> <ul style="list-style-type: none"> <li>• The mineralisation occurs in quartz <math>\pm</math> sulphide vein arrays/stockworks and breccias that are localised close to the contact of the granite porphyry (MFGP &amp; QFGP) and equigranular granite (EQG) and aplite (APL). The vein thickness is between 1cm to up 1m in width but tends to average between 1cm to 10cm and often appears within clustered zones approximately 10m wide (apparent width). These vein zones display lateral and vertical continuity across the Pioneer Target area. Three average vein orientations (dip/dip direction) have been identified to date (from the Pioneer Lode Target area) including: -78°/222°, -56°/222° and -19°/222°. Importantly, its likely additional average vein orientations will be identified from future drilling.</li> <li>• Similar trends orientation trends occur between quartz sulphide veins with Au, Ag and As.</li> <li>• A plunging basement fault which deepens towards west-southwest truncates the gold mineralisation. It appears the gold mineralisation above the fault, occurring as wedge type feature, has either been displaced from a potential footwall zone of mineralisation or acts as a primary fluid pathway conduit.</li> <li>• Geochemical and petrographic information indicates gold is associated with base metal sulphides and appears as free gold within veins or either attached or enclosed within sulphides.</li> <li>• Alteration is mostly described as sericitic or propylitic. An intense zone of alteration appears central to the pit area and associated with the contact area of the granite porphyry (QFGP, MFGP) and equigranular granite (EQG). Importantly this alteration zone is considered associated with the main fluid feeder zone for mineralisation. Alteration is also commonly localised adjacent to veins.</li> <li>• A later stage rhyolite/andesite dyke occurs across the project area. No economic Au-intercepts has been observed within the dyke unit to date.</li> <li>• The historic mined zone is aligned NW to SE with the main historical old workings extending for at least 1500m over an area about 600m wide. Roughly half of this area is now under water in the open pit created in the 1980's.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No drilling results are reported in this press release.</li> </ul>
	<p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<ul style="list-style-type: none"> <li>• No drill hole information data has been excluded.</li> </ul>
<b>Data aggregation methods</b>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p>	<ul style="list-style-type: none"> <li>• No top cutting of assays has been applied</li> <li>• For display and statistical purposes, below detection limit assays are set to 10% of the detection limit, i.e. &gt;0.01 g/t is set to 0.001g/t.</li> </ul>
	<p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p>	<ul style="list-style-type: none"> <li>• No aggregation of sample intercept has taken place</li> </ul>
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<ul style="list-style-type: none"> <li>• No metal equivalents have been reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	<ul style="list-style-type: none"> <li>No relationship of mineralisation widths and intercepts lengths can be established due to the nature of the sampling program.</li> </ul>
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i>	<ul style="list-style-type: none"> <li>No drilling undertaken</li> </ul>
<b>Diagrams</b>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	<ul style="list-style-type: none"> <li>A summary for each areas and assay results are provided in Table 1 and Table 2.</li> <li>Grab surface sample locations presented in Figure 1.</li> <li>Surface grab sampling gold results across stockpile and Process Water Dam wall presented in Figures 2 &amp; 3.</li> <li>Photos of sample areas are presented in main document</li> </ul>
<b>Balanced reporting</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>Assay received have been reported.</li> </ul>
<b>Other substantive exploration data</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>No other exploration results which have not previously been reported, are material to this report.</li> </ul>
<b>Further work</b>	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<ul style="list-style-type: none"> <li>Company will review options to conduct a formal evaluation , this may include an initial RC drilling program in early 2018</li> </ul>

Table 1 Sample locations and gold assay results

Sample	Sample ID	UTM_mE	UTM_mN	Au g/t	Sample	Sample ID	UTM_mE	UTM_mN	Au g/t
Chip	401489	644047	8827381	0.210	Chip	401532	643990	8826721	0.480
Chip	401490	643973	8827438	0.030	Chip	401533	644024	8826661	1.110
Chip	401491	643931	8827437	9.570	Chip	401534	644105	8826706	3.590
Chip	401492	643916	8827419	0.090	Chip	401535	644190	8826751	9.260
Chip	401493	644113	8827307	0.080	Chip	401536	644239	8826820	21.500
Chip	401494	643648	8827383	0.380	Chip	401537	644330	8826962	0.270
Chip	401495	643801	8827515	2.720	Chip	401538	644398	8827031	0.550
Chip	401496	643765	8827511	0.600	Chip	401539	644401	8827093	4.970
Chip	401497	643717	8827506	10.350	Chip	401540	644427	8827158	13.850
Chip	401498	643652	8827443	<i>pending</i>	Chip	323964	643939	8828763	11.450
Chip	401499	643637	8827414	<i>pending</i>	Chip	323965	643939	8828763	0.120
Chip	401500	643812	8826845	0.610	Chip	323966	643939	8828763	5.000
Chip	401501	643803	8826816	6.180	Chip	323967	643939	8828763	3.580
Chip	401502	643774	8826803	8.150	Chip	323968	643816	8828709	3.830
Chip	401503	643857	8826800	0.130	Chip	323969	643891	8828732	0.020
Chip	401504	643874	8826824	8.610	Chip	323970	643891	8828732	0.010
Chip	401505	643908	8826870	9.650	Chip	323971	643891	8828732	0.060
Chip	401506	643977	8826957	26.200	Chip	323972	643891	8828732	0.020
Chip	401507	643626	8826677	4.800	Chip	323973	643820	8828693	0.010
Chip	401508	643519	8826667	2.490	Chip	323974	643820	8828693	0.010
Chip	401509	643503	8826596	0.180	Chip	323975	643820	8828693	0.010
Chip	401510	643500	8826543	0.450	Chip	323976	643820	8828693	0.010
Chip	401511	643579	8826512	18.800	Chip	323977	643980	8828792	36.400
Chip	401512	643590	8826453	<i>pending</i>	Chip	323978	643951	8828783	0.220
Chip	401513	643653	8826377	7.100	Chip	323979	643942	8828777	5.800
Chip	401514	643673	8826316	5.560	Chip	323980	643913	8828767	78.200
Chip	401515	643768	8826281	<i>pending</i>	Chip	323981	643907	8828765	67.500
Chip	401516	643903	8826279	1.300	Chip	323982	643894	8828759	1.150
Chip	401517	643996	8826388	27.400	Chip	323983	643879	8828747	10.600
Chip	401518	644104	8826414	9.770	Chip	323984	643880	8828744	19.950
Chip	401519	644106	8826485	30.300	Chip	323985	643874	8828764	11.400
Chip	401520	644108	8826545	8.350	Chip	323986	643862	8828736	1.470
Chip	401521	643694	8826584	0.250	Chip	323987	643849	8828736	0.920
Chip	401522	643695	8826499	<i>pending</i>	Chip	323988	643798	8828701	0.290
Chip	401523	643790	8826418	9.850	Chip	323989	643799	8828704	1.070
Chip	401524	643781	8826498	0.220	Chip	323990	643805	8828710	0.920
Chip	401525	643971	8826826	0.120	Chip	323991	643837	8828712	0.290
Chip	401526	644010	8826846	<i>pending</i>					
Chip	401527	644112	8826875	0.340					
Chip	401528	644217	8826912	79.100					
Chip	401529	644193	8826882	1.090					
Chip	401530	644234	8826976	0.250					
Chip	401531	644269	8826919	36.900					