ASX Announcement **ASX:STN**

20 March 2018

Maiden Drilling Program Commenced at the Apollo Hill Gold Project

Initial phase of drilling underway at Apollo Hill near Leonora, Western Australia, testing for the deposit's higher-grade gold architecture and progressing towards the next resource upgrade.

Key Points:

- The program is designed to:
  - Test for higher grade plunging shoots within the greater 0.5Moz 2012 JORC compliant inferred resource (17.2Mt at 0.9g/t Au)[1]; by following up on previous significant intersections, including 2m @ 69.9g/t Au and 5.3m @ 10.3g/t Au from 70.7m;
  - Provide data/results contributing to a resource upgrade in the second half of 2018;
  - Further extend mineralisation along strike to the north and south with material step outs of up to 600m planned.
- Initial program comprises ~3,000m of Reverse Circulation (RC) drilling with a diamond rig planned to arrive in May for follow up work.
- Program follows on from recent reinterpretation of drill data which has outlined a number of new higher-grade gold targets within the greater mineralised system.

Figure 1 RC Drilling Underway at Saturn Metals' Apollo Hill Prospect – 19 March 2018.

[1]The Apollo Hill Gold Prospect contains a 0.5Moz 2012 JORC compliant inferred gold resource (17.2Mt at 0.9g/t Au) (refer to the Company's Prospectus and Independent Geologist's Report on the Company's website for details of this Resource (including Competent Persons Statement and JORC Table 1).

Saturn Metals Limited (ASX:STN) ("Saturn" or "the Company") is pleased to announce that following its successful listing on the Australian Securities Exchange, on 15 March 2018 it commenced its maiden Reverse Circulation (RC) drilling program at its 100%-owned Apollo Hill Gold Project in the Western Australian goldfields.

A recent re-interpretation of historical drill data from Apollo Hill has highlighted the potential for a number of stacked, higher grade plunging shoots within the greater gold system (Figure 2). Drilling will specifically follow up on a number of historic significant intersections including 2m @ 69.6g/t Au from 146m and 5.3m @ 10.3g/t Au from 70.7m (Figure 2). These targets will be tested from two new drill orientations optimal to the new geological interpretations.

An additional objective of the drill program will be to identify further mineralisation and gather information for use in the calculation of a new resource for the Project. Saturn anticipates announcing an upgraded resource in mid to late 2018.

Drilling will also step out along strike to the north and south where only shallow aircore drilling has tested the mineralised Apollo Hill fault zone beneath the cover sequence. One step-out drill section has been planned 600m to the north of the existing resource and will follow up on a significant aircore intersection of 5m @ 25.9g/t Au from 52m (Figure 3).

Apollo Hill is located ~60km south-east of Leonora in the heart of WA's goldfields regions (Figure 4). The project is surrounded by good infrastructure and a number of significant gold deposits.

Saturn Managing Director Ian Bamborough said: "*We are excited to start drilling and test some of the new theories that have been developed in the process of preparing the Company for listing on the ASX.*

"*The drill program, whilst providing the required information for the next resource calculation, also has the potential to further unlock the geological understanding of the prospect and highlight a significant new style of higher-grade gold target.*"

Approximately 3,000m of RC drilling is planned in this initial phase of exploration, with the program estimated to take 3-4 weeks to complete. The Company will provide further information as results are received and analysed. A follow-up phase of diamond drilling has already been scheduled for May 2018.

IAN BAMBOROUGH
Managing Director
Saturn Metals Limited
08 9382 3955

LUKE FORRESTAL
Senior Account Director
Media and Capital Partners
0411 479 144

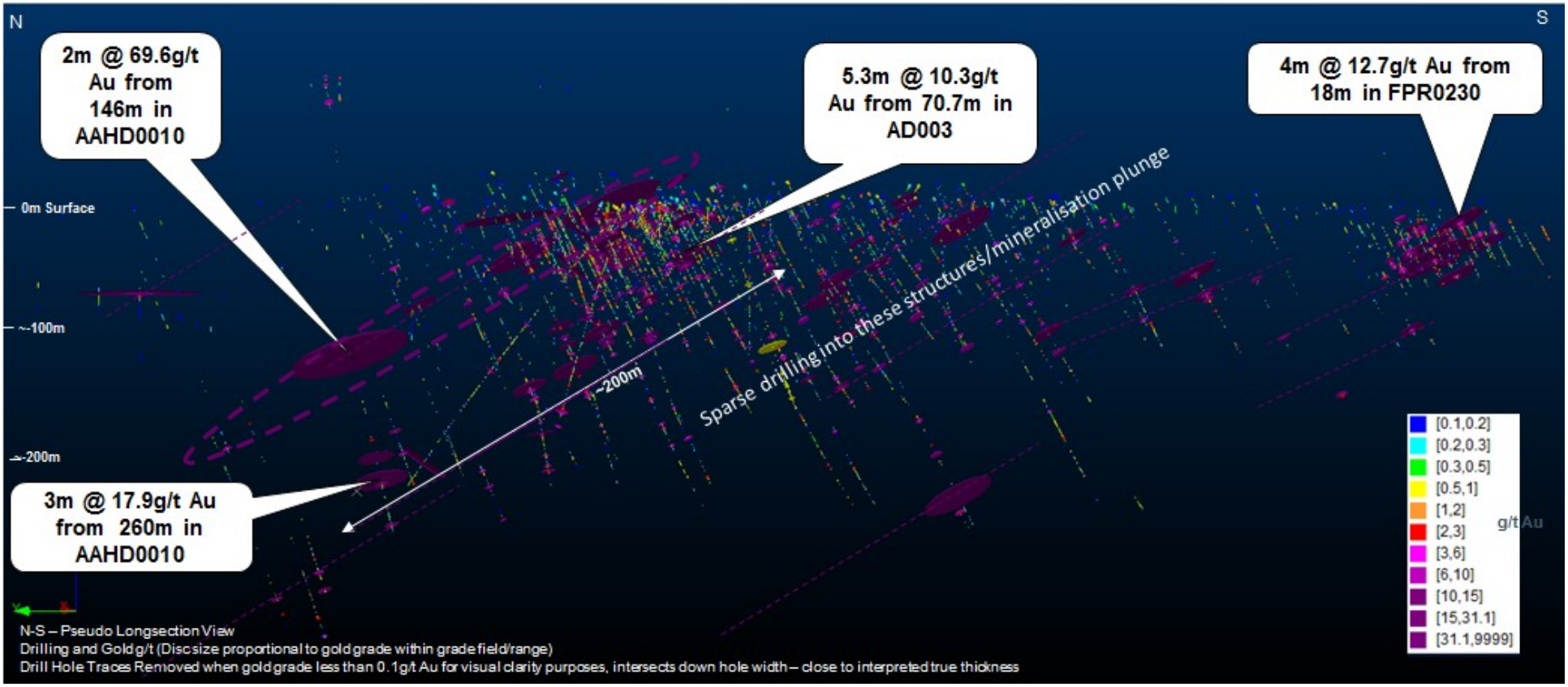

Figure 2 Interpreted high grade plunging gold shoots scheduled for testing in this drill program

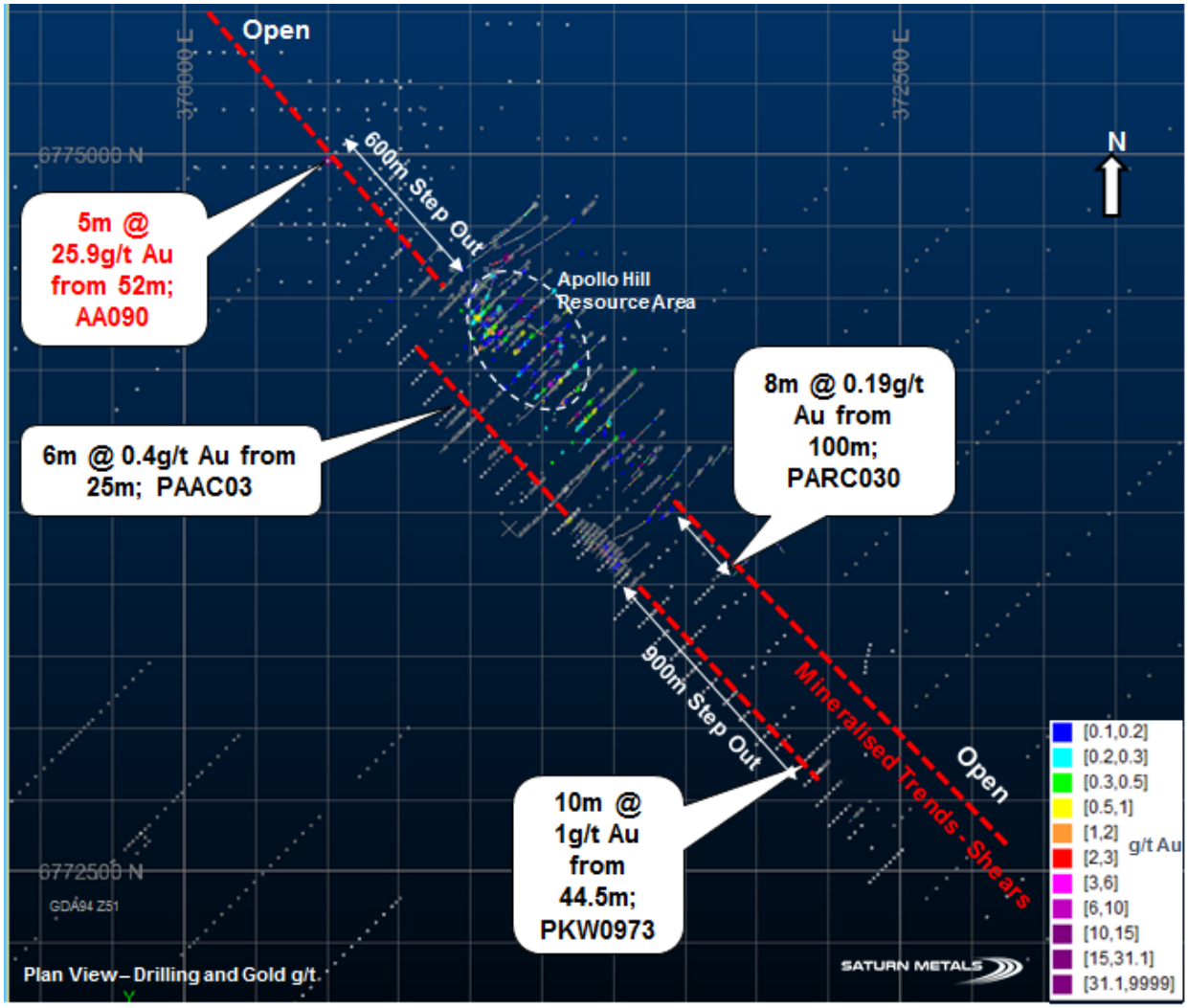

Figure 3 Apollo Hill drill hole plan showing significant along strike aircore intersections and potential for mineralisation extension.

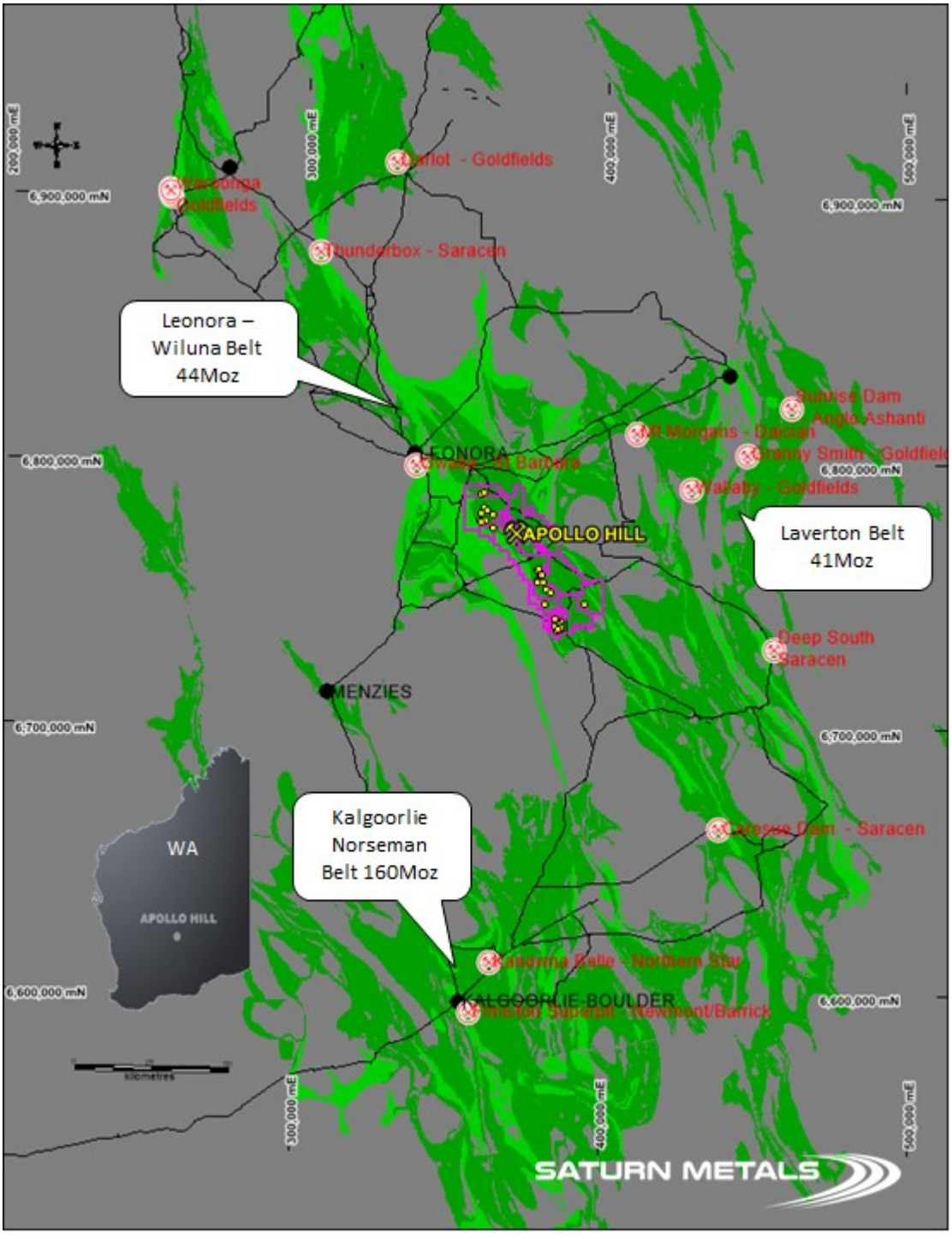

Figure 4 Apollo Hill location, Saturn Metals' tenements and surrounding gold deposits, gold endowment and infrastructure.

Competent Persons Statements

The information in this report that relates to the Apollo Hill Mineral Resource estimates, and reported by the Company in compliance with JORC 2012 is based on information compiled by Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. Jonathon Abbott is a full-time employee of MPR Geological Consultants Pty Ltd and is an independent consultant to Saturn Metals Limited. Mr Abbott has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". At the time of construction of the Apollo Hill estimates Mr Abbott was an employee of Hellman & Schofield Pty Ltd. Mr Abbott consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration targets and exploration results is based on information compiled by Ian Bamborough, a Competent Person who is a Member of The Australian Institute of Geoscientists. Ian Bamborough is a fulltime employee and Director of the Company, in addition to being a shareholder in the Company. Ian Bamborough 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'. Ian Bamborough consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.