

# Activities update

Sydney Resources Roundup conference May 2018



First S2 drillhole at South Roberts, Nevada (McEwen Mining's Gold Bar operations in background)

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The information in this presentation that relates to Exploration Results is based on information compiled by Mr John Bartlett (for Australia and USA), Mr Andy Thompson (for Scandinavia) and Mr Anthony Goddard (for USA) who are employees and shareholders of the Company and which fairly represents this information. Mr Bartlett and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy, and Mr Goddard is a member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist (RPGeo). Mr Bartlett, Mr Thompson and Mr Goddard have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartlett, Mr Thompson and Mr Goddard consent to the inclusion in this presentation of the matters based on information in the form and context in which it appears. Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. In the case of strongly mineralised samples, base metal assays are based on a special high precision four acid digest (a four acid digest using a larger volume of material) and an AAS finish using a dedicated calibration considered more accurate for higher concentrations. Sample preparation and analysis is undertaken at Minanalytical, Genalysis Intertek, and Bureau Veritas' laboratories in Perth and Kalgoorlie, Western Australia, ALS laboratories in Loughrea, Ireland, and Bureau Veritas' laboratory in Elko, Nevada. The quality of analytical results is monitored by the use of internal laboratory procedures and standards together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.25% Ni and/or Cu, and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. Intersections are length and density weighted where appropriate as per standard industry practice. In Australia, all sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated. In Finland, all sample and drill hole co-ordinates are based on the ETRS-TM35FIN grid and datum unless otherwise stated. In Sweden, all sample and drill hole co-ordinates are based on the new SWEREF99TM and older RT-90 grids and datums unless otherwise stated. Exploration results obtained by other companies and quoted by S2 have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

The information in this presentation that relates to Mineral Resource estimation is based on information compiled by Mr Brian Wolfe, Principal Consultant Geologist – IRS Pty Ltd and Mr Andy Thompson, an employee and shareholder of the Company. Mr Wolfe and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Wolfe and Mr Thompson consent to the inclusion in this presentation of the matters based on their information in the form and context in which they appear.



**Jeff Dowling**  
Non-executive  
Chairman

- 40 year career in financial sector as an accountant and former managing partner with Ernst & Young, WA
- Extensive experience in corporate finance and transactions, and company management
- Former director of Atlas Iron, NRW, current director of Fleetwood, Battery Minerals



**Mark Bennett**  
Managing Director &  
Chief Executive Officer

- Founding managing director and CEO of Sirius Resources and S2 Resources, and PhD qualified geologist
- Two-time winner of the “Prospector of the Year” award – for discovery of Thunderbox, Waterloo & Nova-Bollinger
- Experienced in equity capital markets, former director of IGO, and 2014 Mines & Money “Legend in Mining”



**Anna Neuling**  
Executive Director &  
Company Secretary

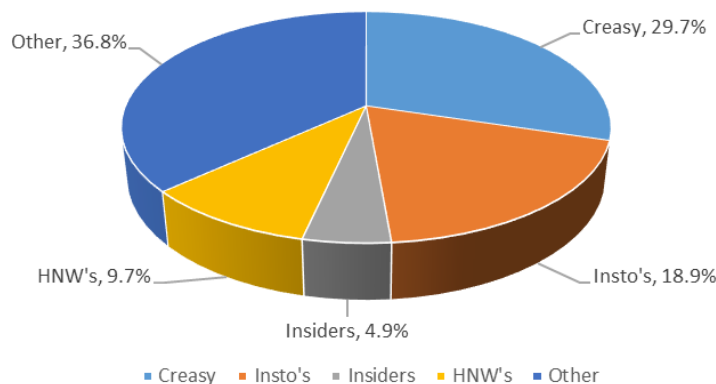
- Chartered accountant with BSc in Mathematics
- Former executive director – corporate & commercial, and company secretary of Sirius
- Former auditor with Deloitte, London and Perth



**Grey Egerton-Warburton**  
Non-executive Director

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

Shareholder groups



<b>Shares on issue</b>	<b>247.9m</b>
<b>Options on issue</b> (average exercise price A\$0.35)	<b>52.2m</b>
<b>Cash + investments*</b> (end January 2018)	<b>A\$22.9m</b>
<b>Debt</b>	<b>Nil</b>
<b>Market capitalisation</b> (at A\$0.14 per share)	<b>A\$34.7m</b>
<b>Enterprise value</b>	<b>A\$11.8m</b>
<b>Top twenty shareholders</b>	<b>63.4%</b>

\* Includes cash at bank at end March 2017 plus investments in listed companies

- Sold Polar Bear project for A\$9 million to Westgold
- Cash and investments now total A\$22.9 million, comprising:
  - A\$16.2 million cash
  - 4 million WGX shares @ A\$1.50 - worth A\$6 million
  - 1 million GTT shares @ C\$0.72 - worth C\$0.72 million (A\$0.75 million)
- Well funded for ongoing activities
- Started drilling Carlin-style gold target at South Roberts project, Nevada
- Preparing for major summer exploration campaign in Finland
- Completed winter drill program in Sweden



- Baloo deposit too small for S2 criteria, but next door to Westgold's Higginsville operations
- Completed sale of Polar Bear project to Westgold for A\$9 million on 26<sup>th</sup> February 2018
- Consideration comprised A\$3 million cash plus 4 million WGX shares at a nominal value of A\$1.50 per share (ie, A\$6 million)
- Shares escrowed for 6 months
- S2 retains nickel rights on tenure – including the Halls Knoll and Taipan prospects

# Battle Mountain-Eureka Trend, Nevada



# Why Nevada? Land of the giants

Nevada is the 5<sup>th</sup> largest gold producer in the world, and hosts “monster” Carlin-style gold deposits

High grade (suitable for underground mining) and low grade bulk tonnage (suitable for open pit mining and heap leaching):

Deposit	Total Mineral Resources*	Total Ore Reserves*	Total Inventory as of 2017 (excluding prior mining depletion)
Goldstrike <sup>1</sup>	9.4Mt @ 6.17g/t for 1.81Moz	70.7Mt @ 3.55g/t for 8.1Moz	80.1Mt @ 3.96g/t for 9.91Moz
Cortez <sup>1</sup>	45.8Mt @ 2.02g/t for 2.91Moz	151Mt @ 2.11g/t for 10.22Moz	196.8Mt @ 2.1g/t for 13.1Moz
Goldrush <sup>1</sup>	38.3Mt @ 9.61g/t for 11.51Moz	n/a	38.3Mt @ 9.61g/t for 11.51Moz
Turquoise Ridge <sup>1</sup>	89Mt @ 6.1g/t for 17Moz	11.1Mt @ 15.1g/t for 5.4Moz	100.1Mt @ 7.15g/t for 22.4Moz
Carlin <sup>2</sup>	109.5Mt @ 1.6g/t for 5.5Moz	267.7Mt @ 1.74g/t for 15Moz	377.2Mt @ 1.7g/t for 20.5Moz
Twin Creeks <sup>2</sup>	52.9Mt @ 1.97g/t for 3.26Moz	56.1Mt @ 2.1g/t for 3.7Moz	109Mt @ 2.04g/t for 6.96Moz

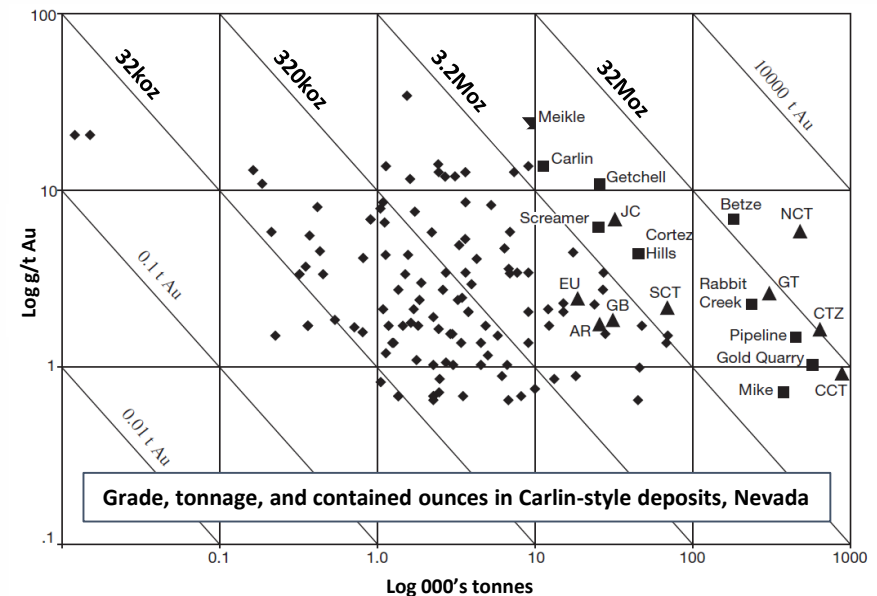
\* All statistics in the above table are based on information reported by Barrick<sup>1</sup> and Newmont<sup>2</sup> using Canadian reporting standards in their respective 2017 Annual Reports

16 deposits/districts between 3.2Moz and 32Moz gold\*\*

Many more deposits <3.2Moz gold\*\*

Nevada has well developed exploration & mining services, infrastructure, workforce and skills

The Nevada drilling season is counter-cyclic to the Scandinavian drilling season





# South Roberts: a simple test of a Goldrush analogue

Our JV partner Renaissance Gold identified the target and completed initial geophysical and geochemical work, indicating:

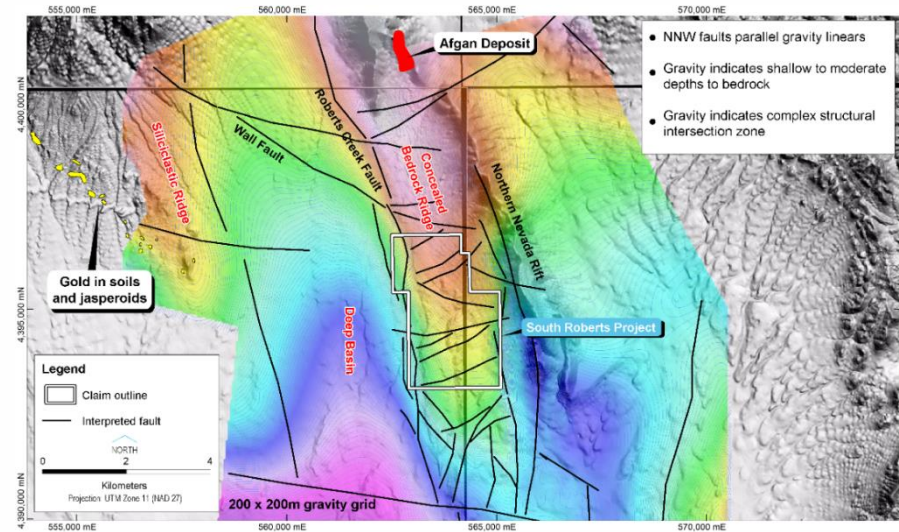
- A southerly continuation of an uplifted mineralized block
- Concealed by pediment (gravels)
- Confined by bounding faults (plumbing) and the Northern Nevada Rift

McEwen Mining optioned the property and drilled six wide-spaced (~1km) holes, and verified the presence of:

- The right trap rocks (lower plate Devonian limestones)
- The Right seal (Ordovician Valmy Fm emplaced by the Roberts Mountain Thrust)
- The presence of dissolution breccias and anomalous gold (<0.25g/t)

This formed the basis of Renaissance's interpretation of an anticlinal trap, as yet untested:

- Mineralization is known at several horizons in this sequence
- Barrick's giant Goldrush deposit located in probable equivalent units situated along trend to the NNW



## South Roberts Stratigraphy

**Pediment (Transported Gravels)**

**Ordovician:** Valmy Fm.

**Mississippian:** Webb Fm.

**Devonian:**

Ddg - Devils Gate Limestone

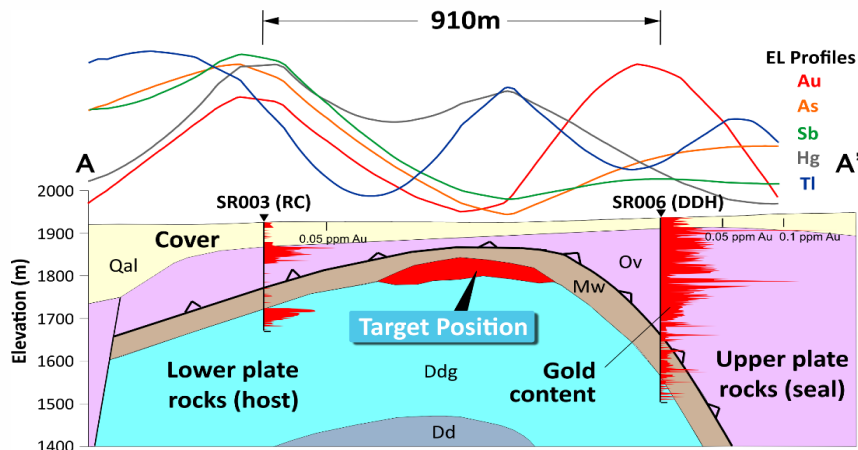
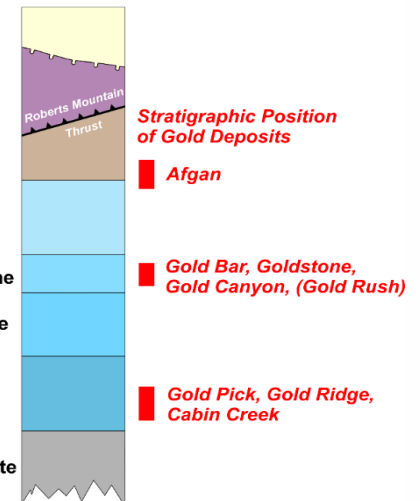
Dud - Upper Denay Limestone

Dld - Lower Denay Limestone

Dm - McColley Canyon Fm.

**Silurian:**

Slm - Lone Mountain Dolomite





# South Roberts: a simple test of a Goldrush analogue

S2 has undertaken a Controlled Source AudioMagnetoTelluric (CSAMT) survey and an enzyme leach geochemical survey

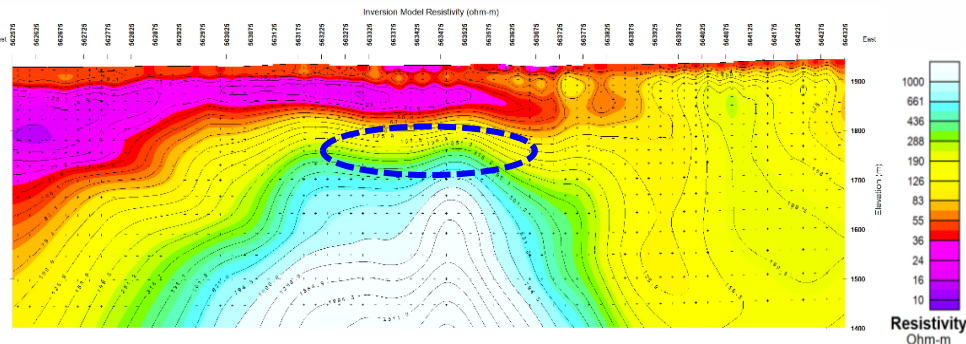
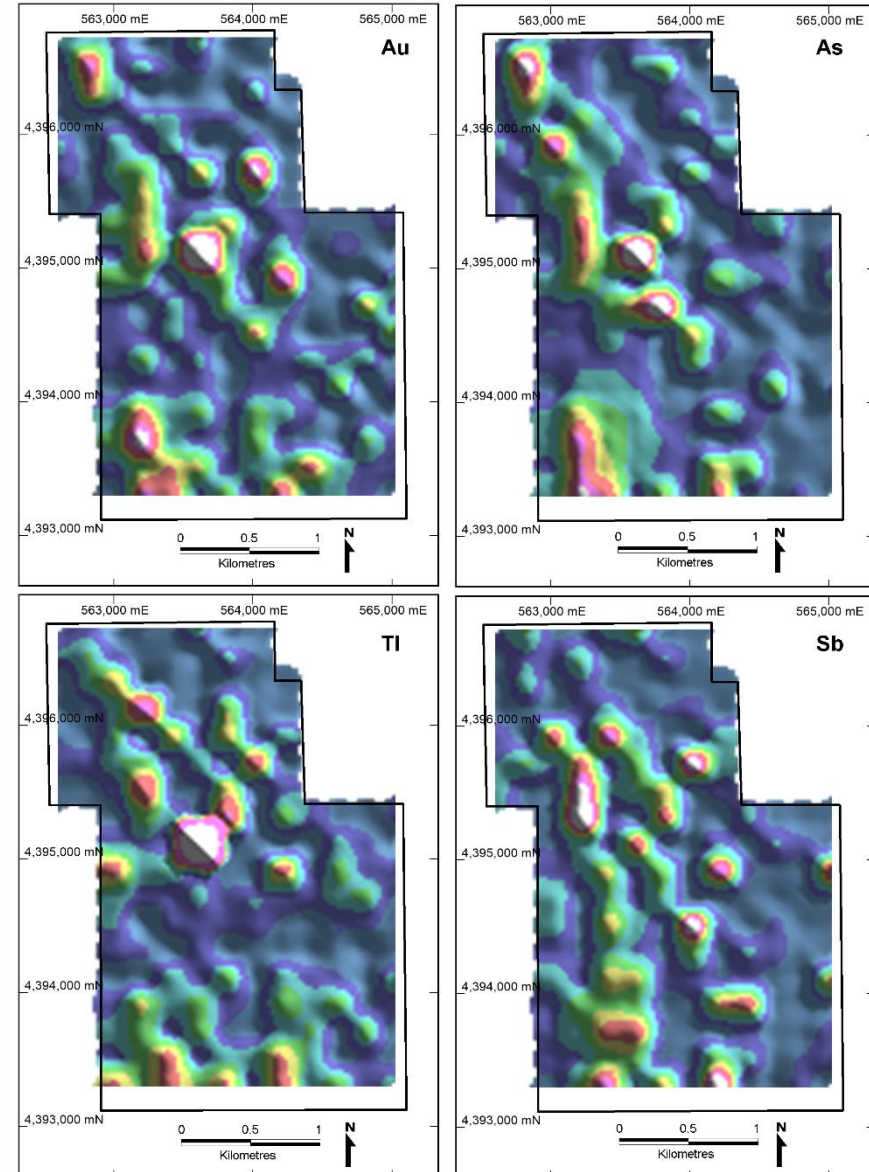
The enzyme leach survey is designed to detect low level geochemical anomalism through thick transported cover. This survey:

- Identified several structural trends that may reflect bounding faults (the plumbing)
- A discrete multi-element hotspot

The CSAMT survey successfully confirmed a number of key ingredients:

- An anticline as previously interpreted (the structural trap)
- Resistive rocks consistent with Devonian limestones (the stratigraphic trap)
- A truncation to the east (the Northern Nevada Rift)
- A westerly thickening wedge of pediment (transported gravels)

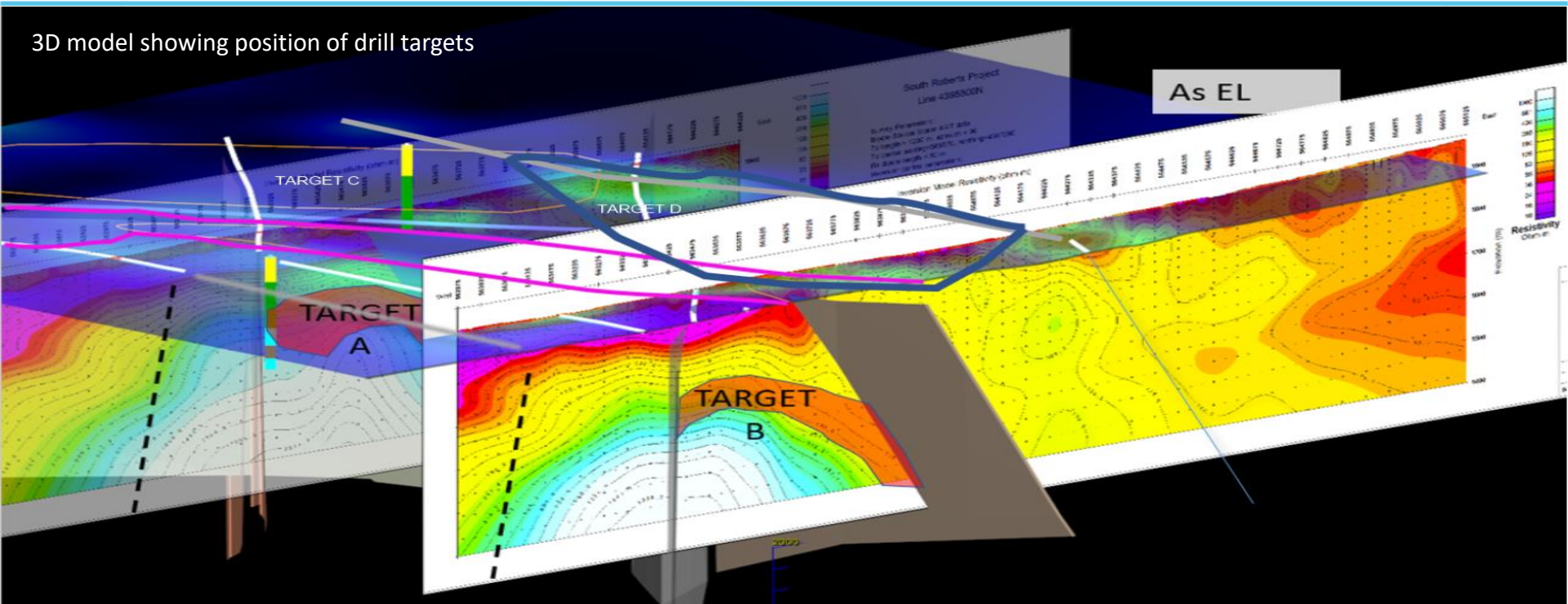
The geochem and CSAMT forms the basis for two initial drill tests of the concept (underway)



CSAMT pseudosection showing resistivity pattern consistent with presence of favourable carbonates at core of anticline beneath pediment cover with fault and rift to the east

# South Roberts: a simple test of a Goldrush analogue

3D model showing position of drill targets





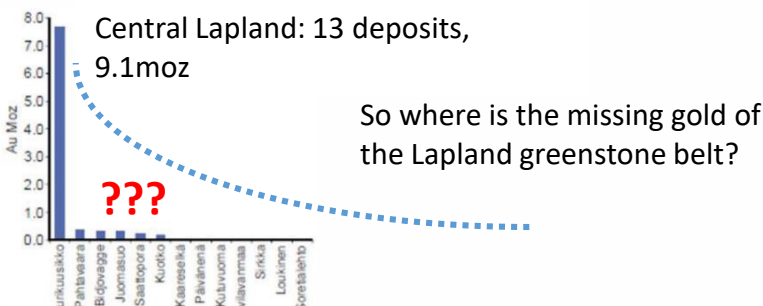
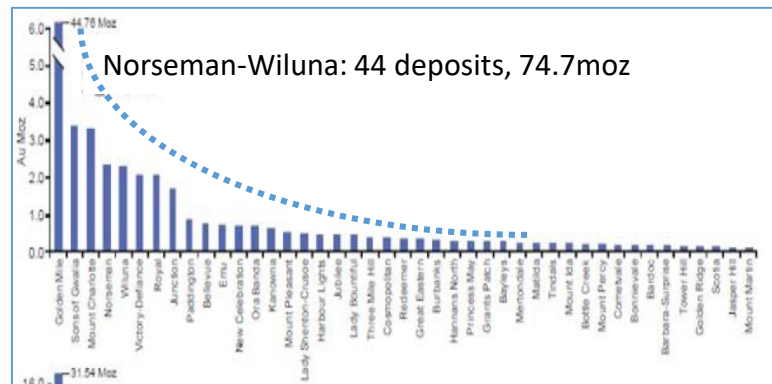
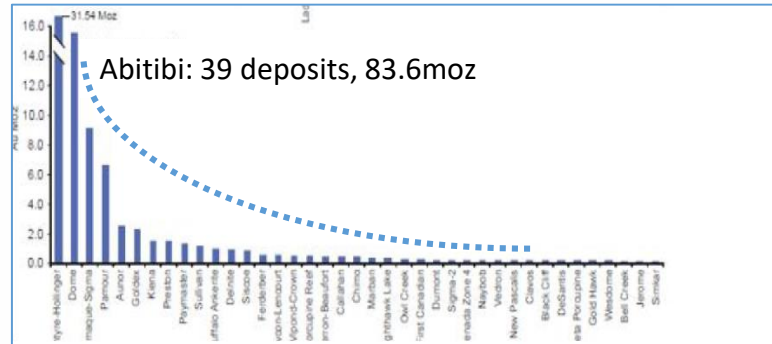




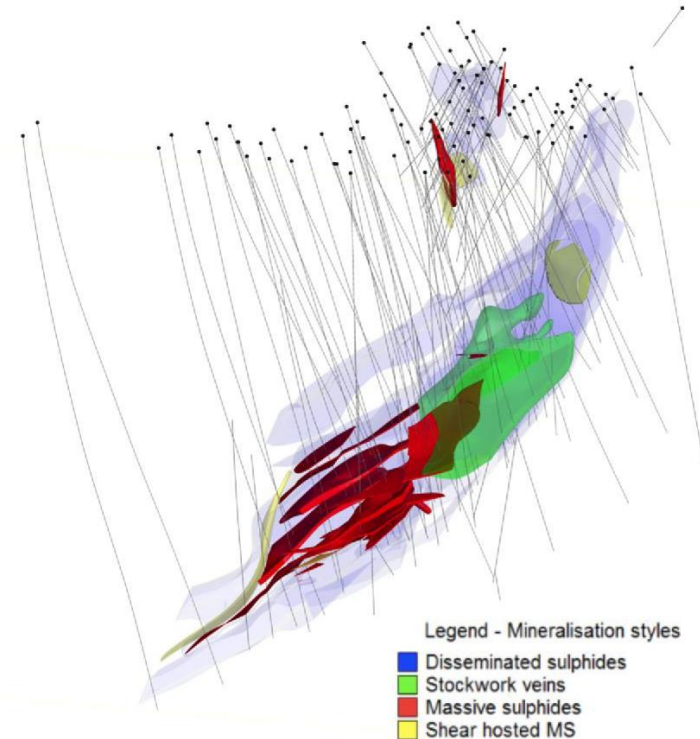
# Why Lapland?

High endowment + limited exploration = opportunity

**Gold potential:** all well explored (mature) gold belts show a similar number and size distribution of gold deposits



**Magmatic copper-nickel-PGM potential:** Kevitsa mine (Boliden) and now the giant Sakatti discovery (Anglo American):



SAKATTI CU-NI-PGE							
Class	Mt	Cu%	Ni%	Co%	Pt g/t	Pd g/t	Au g/t
Measured	-	-	-	-	-	-	-
Indicated	3.5	3.45	2.47	0.11	0.98	1.18	0.33
Inferred	40.9	1.77	0.83	0.04	0.61	0.43	0.33
Yht.	44.4	1.9	0.96	0.04	0.64	0.49	0.33

Image and table reproduced from Anglo American's presentation at the Fennoscandia Exploration and Mining conference, Levi, Finland, November 2017



# Why Lapland? Exceptional government data

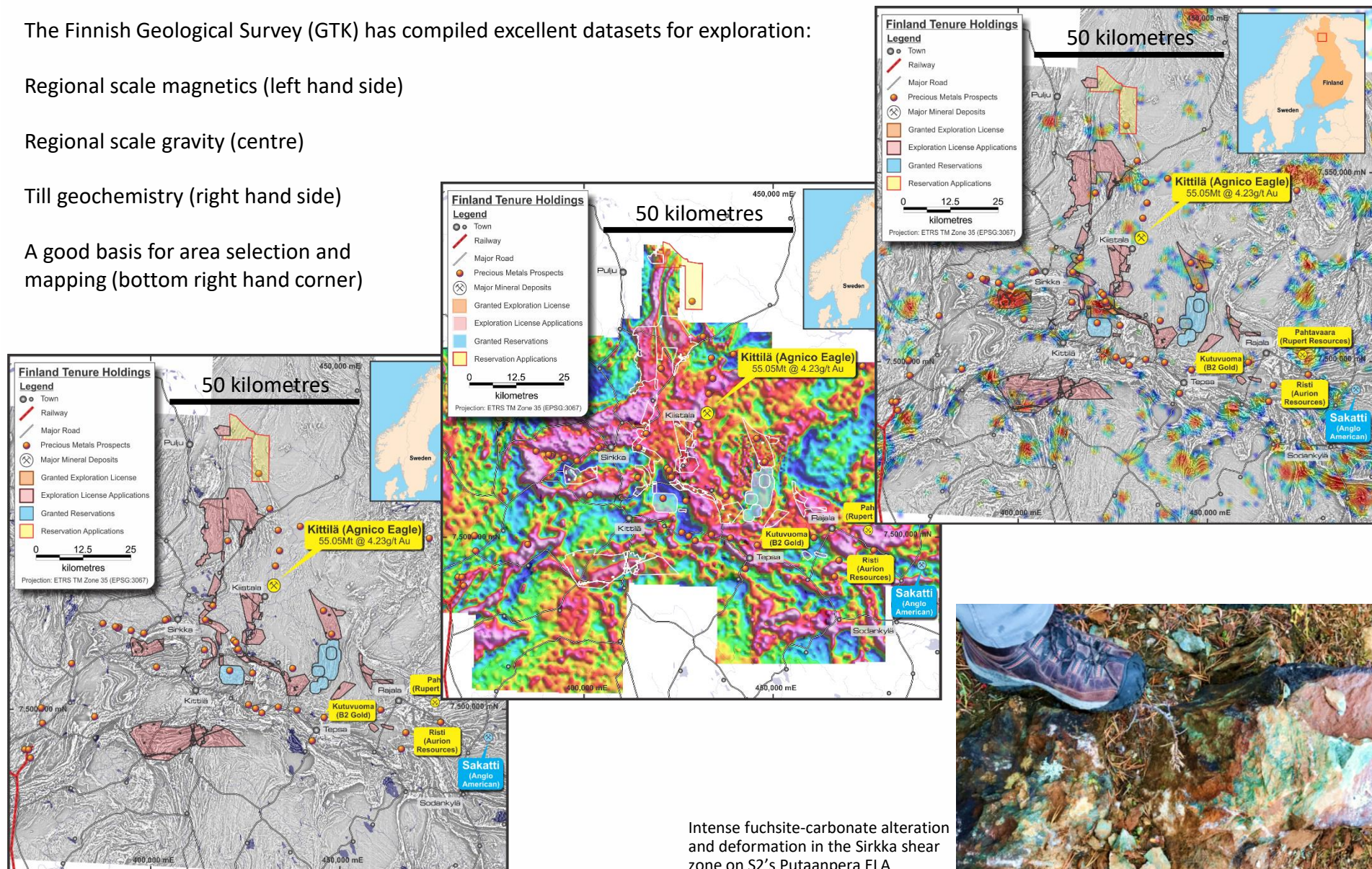
The Finnish Geological Survey (GTK) has compiled excellent datasets for exploration:

Regional scale magnetics (left hand side)

Regional scale gravity (centre)

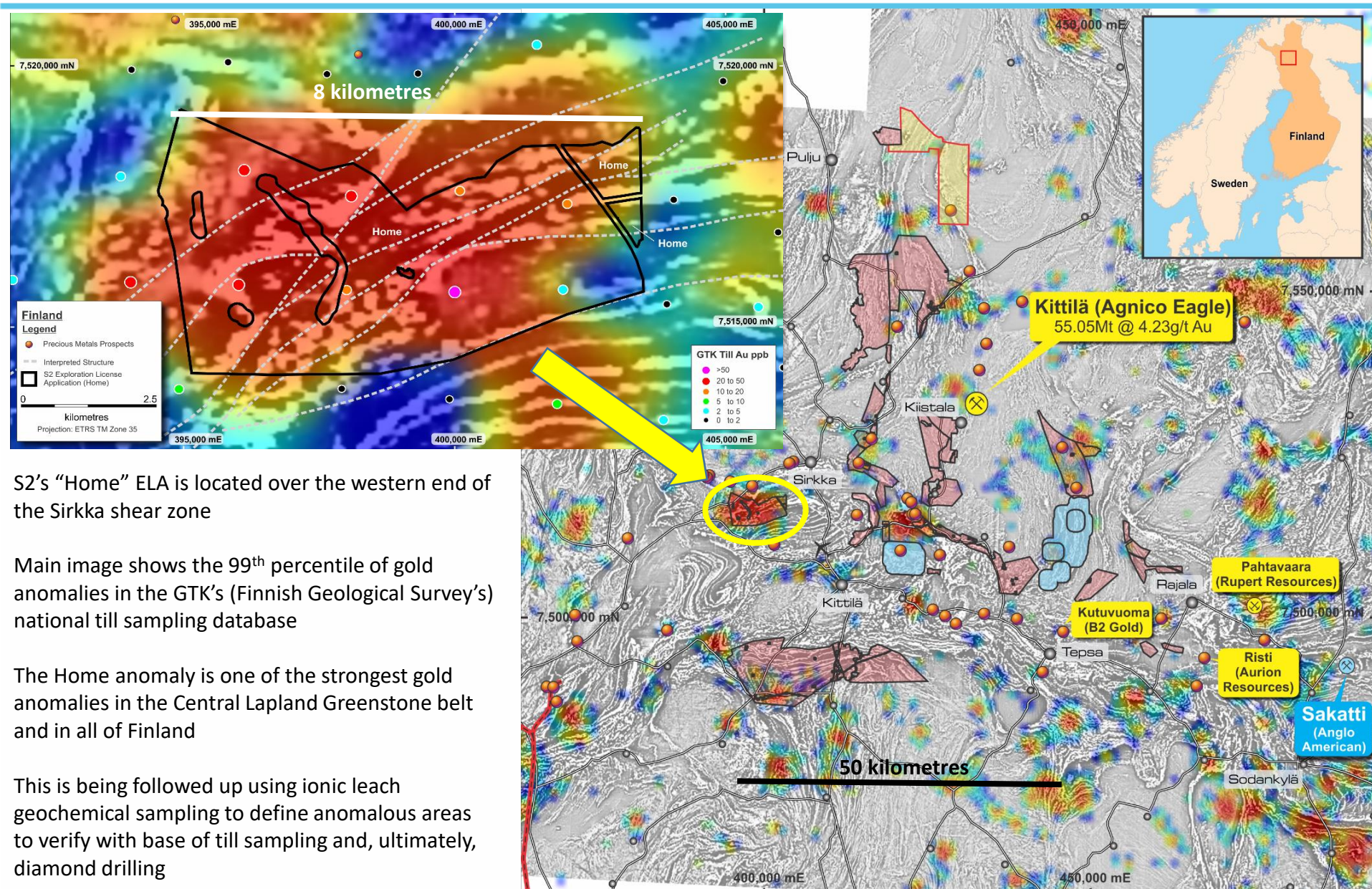
Till geochemistry (right hand side)

A good basis for area selection and mapping (bottom right hand corner)





# Home: the most prominent gold in till anomaly in Finland



S2's "Home" ELA is located over the western end of the Sirkka shear zone

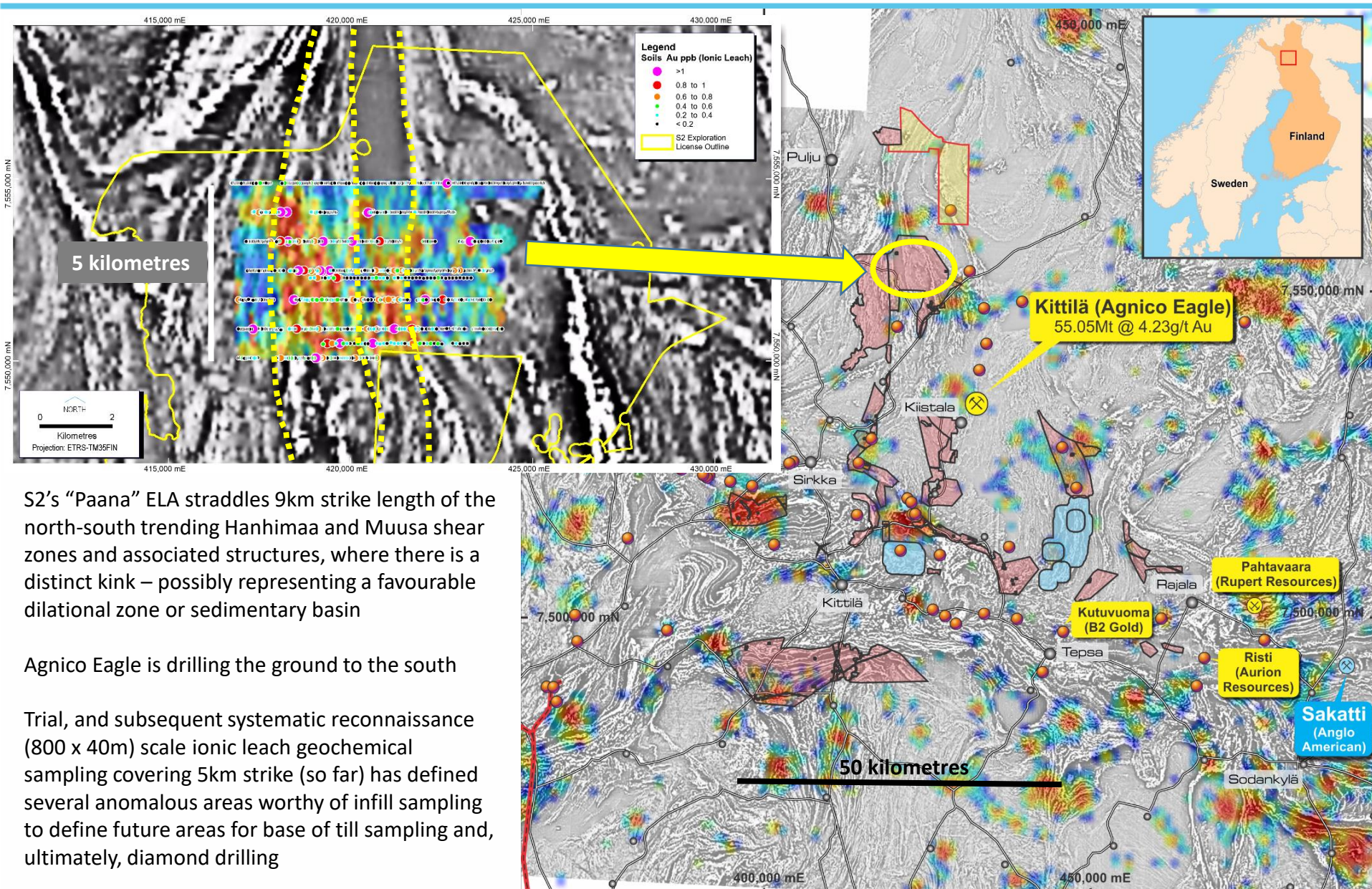
Main image shows the 99<sup>th</sup> percentile of gold anomalies in the GTK's (Finnish Geological Survey's) national till sampling database

The Home anomaly is one of the strongest gold anomalies in the Central Lapland Greenstone belt and in all of Finland

This is being followed up using ionic leach geochemical sampling to define anomalous areas to verify with base of till sampling and, ultimately, diamond drilling



# Paana: new gold anomalies on untested shear zones



S2's "Paana" ELA straddles 9km strike length of the north-south trending Hanhimaa and Muusa shear zones and associated structures, where there is a distinct kink – possibly representing a favourable dilational zone or sedimentary basin

Agnico Eagle is drilling the ground to the south

Trial, and subsequent systematic reconnaissance (800 x 40m) scale ionic leach geochemical sampling covering 5km strike (so far) has defined several anomalous areas worthy of infill sampling to define future areas for base of till sampling and, ultimately, diamond drilling



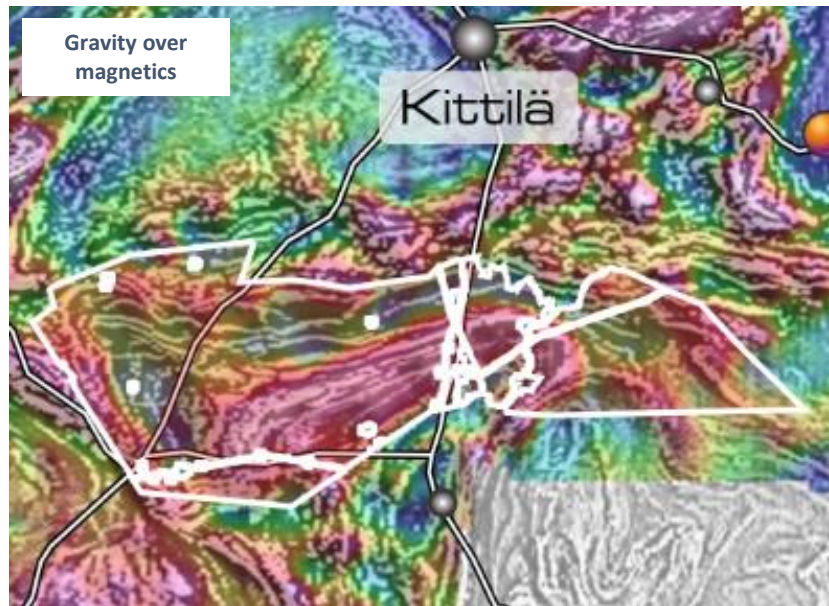
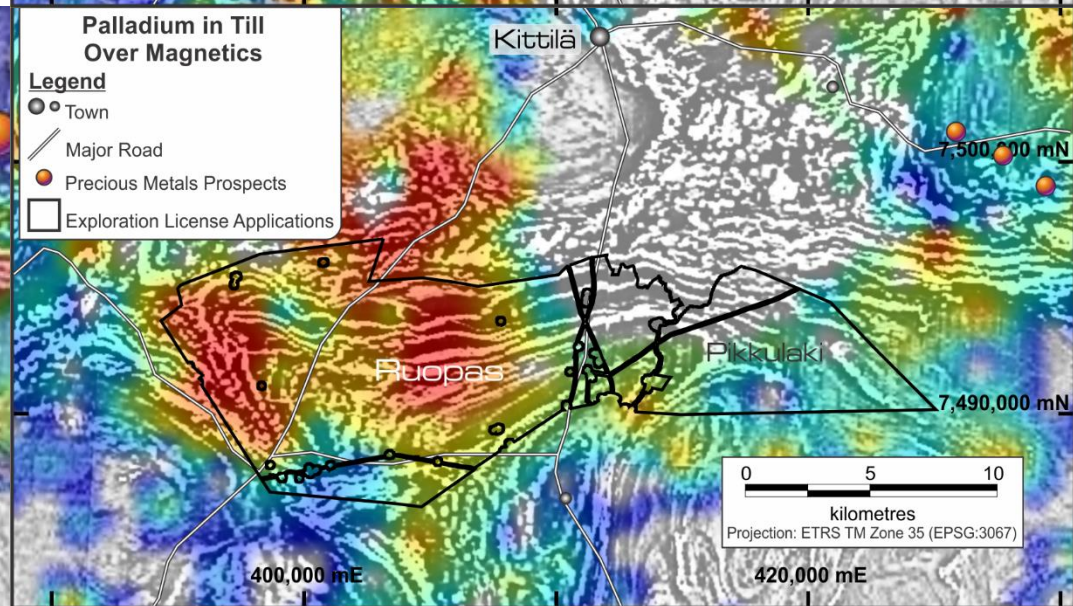
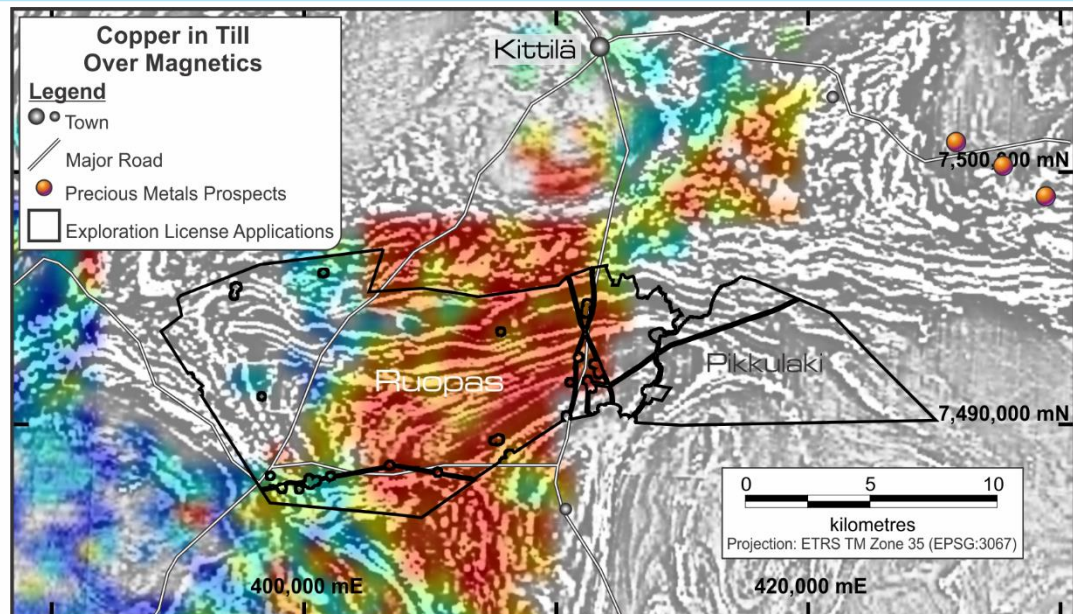
# Ruopas: searching for the next Sakatti-style deposit

The Central Lapland Greenstone belt is highly prospective for magmatic copper-nickel-PGM mineralization, as evidenced by Boliden's Kevitsa mine and Anglo American's Sakatti deposit, located further to the east in the same belt

S2's "Ruopas" ELA covers a 25km long zone containing coincident copper and palladium anomalism defined in the GTK's (Geological Survey of Finland's) till sampling database

It also contains a significant large scale gravity anomaly and smaller scale discrete magnetic anomalies

This is a district scale magmatic sulphide exploration target





## **Continuing diamond drilling at South Roberts, Nevada**

*Initial two holes underway until mid May, assays anticipated by end June*

## **Planned diamond drilling at Ecu, Nevada**

*Starting third quarter*

## **Summer exploration campaign, Finland**

*Reconnaissance geochemistry over gold target areas, starting May/June, for 3-4 months, to generate base of till drill targets*

*VTEM survey over nickel target areas, starting July/August*

