SUREFIRE RESOURCES NL

20 July 2018

ASX Announcement

ASX Codes: SRN and SRNOB

Progress Report

Unaly Hill Vanadium

- **345.5 metres of HQ diamond drill hole completed**
- **Mineralised core submitted for detailed metallurgical testwork to ALS IOTC**
- **Core cutting completed and assay work underway**

During June 2018, Surefire Resources NL ("**SRN**") executed a single hole diamond-drilling program at their Unaly Hill Vanadium Project. The hole, UHDM001, was drilled to acquire sufficient volume of mineralised drill core for the purpose of advancing metallurgical testing. The target is a strongly mineralised part of the project and within the previously defined inferred mineral resource which contains **86.2 million tonnes of 0.42% V_2O_5 at a 0.3% cut-off**.

Program Details

The drilling of UHDM001 commenced on 10th June 2018 after some initial weather delays due to rain. Utilising an EDM 2000 diamond drill rig mounted on an 8-wheel-drive MAN truck, a total of 345.5 metres were drilled which took the hole through the main zone of mineralisation. Once set up and after casing off the top 15 metres with HWT casing, the hole progressed at rates up to 48 metres per 12-hour shift through competent rock, to the end of the hole.

During the program the core was oriented every run beyond 50m depth using a Boart Longyear digital orientation tool.

Metallurgical Testing and Assay

The HQ diamond drill core was delivered to ALS Iron Ore Technical Centre in Wangara for metallurgical testwork and assay. This work will be undertaken under the supervision of METS Engineering of West Perth.

The core cutting has now been completed, with ¼ core being submitted for assay with the results pending. Once these assays have been received the next stage is the selection of meterages for the composites for process work as well as sample ½ core sections for comminution testwork. No results are currently available.

Geological Background and Setting

The Unaly Hill Project is elongated in an NNE/SSW orientation and runs along the axis of the regional scale Youanmi Fault, a regionally dominant geological feature. The Youanmi Fault forms the

boundary between the Southern Cross Granite-Greenstone Terrane, and the Murchison Granite-Greenstone Terrane within the Archaean Yilgarn Craton of Western Australia.

The position of the fault is marked by a large quartz outcrop that forms the geographic feature Unaly Hill. The Atley Intrusion of a layered gabbroic unit has rhythmic layering and cumulate textures. The body has a maximum thickness of 4.5 km and there are exposures over a strike length of 17 km. The compositional layers recognised are gabbro, leucogabbro, pyroxenite (completely altered to talc, chlorite and tremolite), anorthosite and magnetite rock. The iron-vanadium-titanium mineralisation is situated within cyclical cumulous layers within the intrusive complex.

For further information, contact*:*

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Director

QUALIFYING STATEMENT

JORC Compliance:

Competent Persons Statement:

Information in this report relating to exploration results is based on information compiled by Martin Dormer Consultant Geologist. Mr. Martin Dormer, who is a member of the Australian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dormer consents to the inclusion of such information in this report and the context in which it appears.