

31 July 2018

ASX Announcement

ASX Codes: SRN and SRNOB

JUNE 2018 QUARTERLY ACTIVITIES REPORT

Highlights**Unaly Hill - Vanadium**

- 345.5 metres of HQ diamond drilling completed
- Massive vanadiferous titanomagnetite mineralisation intersected
- Metallurgical testwork commenced
- Planned RC drilling to commence in August

Kooline - Lead/Silver

- High-grade rock chip samples up to 79.3% Pb
- Costean samples up to 55.3% Pb
- Mineralised samples taken over approximately 4km of strike

Unaly Hill - Vanadium

During the quarter Surefire Resources NL ("SRN") executed a single HQ diamond drill hole which was completed at a depth of 345.5m. The hole, UHDM001, was drilled to acquire sufficient core sample to advance metallurgical testing. The hole intersected four zones of extensive mineralisation with mineralisation occurring as course, euhedral magnetite in a chloritic gabbro from the layered Atley Intrusion. The mineralisation graded from moderate-heavily disseminated, to matrix and massive concentrations of cumulate magnetite. Visual logging, supported by a magnetic susceptibility metre recorded the following mineralised zones: 108m to 149m, 186m to 207m, 212m to 251m, and 298m to 340m.

The hole was drilled near historic diamond drill hole UH4 within the previously announced Inferred Mineral Resource at the project. Further details will be reported once assays have been received and interpreted.

Drill Program Details

The drilling of UHDM001 utilised an EDM 2000 diamond drill rig mounted on an 8-wheel drive Man truck, (Figure 1) a total of 345.5m were drilled which took the hole through the main zone of mineralisation. The diamond core (Figure 2) is to provide advanced metallurgical process testing and a full suite of elemental assay work. The assay data from the hole will also be used to correlate with previous work and add to the resource database.



Figure 1: Drilling UHDM 001

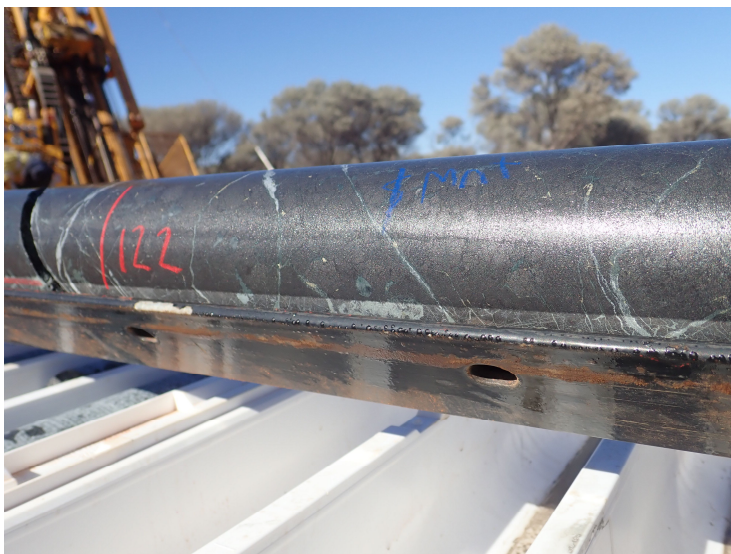


Figure 2: Vanadiferous-Magnetite intersection

The second stage of the Unaly Hill drill program will consist of more extensive RC drilling that will test additional magnetic anomalies and areas of potential higher-grade mineralisation.

Southern Geoscience (SGC) produced the original target drill hole model plots and have been engaged to analyse and assess the detailed geophysical data available for the areas north of the 2010 drilling program. The previous SGC generated target drill holes intersected significant high-

grade vanadium mineralisation and provided a sound targeting rationale.

Metallurgical Testing and Assay

Historical testwork on the Unaly Hill mineralisation has previously confirmed a high-grade vanadium concentrate can be produced from the Unaly Hill mineralisation. A comprehensive metallurgical test work program has been designed for the new mineralised core and the Company has engaged metallurgical consultancy company METS Engineering of West Perth, to manage the testwork program in conjunction with ALS Metallurgy Pty Ltd (ALS) part of the ALS Global group specialising in assay and metallurgical process work

The HQ diamond drill core from UHDM001 was delivered to ALS Technical Centre in Wangara for metallurgical testwork and assay.

The core cutting was 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 metallurgical process work as well as sample ½ core sections for comminution testwork.

Geological Setting

The Unaly Hill Vanadium project licence area, E57/1068 lies within the Atley Igneous Complex located approximately 48 km south of Sandstone in the East Murchison Mineral field of Western Australia. The Atley Intrusion is a layered gabbroic body that is elongate in an NNE/SSW orientation and runs along the axis of the regional scale Youanmi Fault, a regionally dominant geological feature. It has a maximum thickness of 4.5 km and there are exposures over a strike length of 17 km. The compositional layers recognized 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.

The Company has previously established a substantial vanadium resource from drilling 3 kilometres of anomalous magnetic. The mineralisation remains open at depth and along strike and magnetic target over 7 km along the anomaly remain untested.

Kooline Project

High-Grade Lead/Silver

The Kooline Project is centred 55 kilometres south of the Paulsen's goldmine within the Ashburton province of Western Australia. The project area tenements covers a total of 386 km², and more importantly, includes 48km of contiguously striking licences linking a number of clusters of historic artisanal high-grade lead/silver workings

Rock Chip Sampling

The cluster of over thirty mines at Kooline has seen rock-chip samples containing galena cerussite and silver returning some extremely high grades. A number of rock chip samples were collected from the main areas during the March quarter field trip by geological consultants Unearthed Elements.

The assay results obtained from these samples in the June quarter continue to confirm the high-grade nature of the mineralisation with results up to 79% Pb and 232g/t Ag.

The significant sample results are shown in Table 1 below:

Table 1

KOOL-001	Pb	Ag	Cu	Au	PROSPECT
UNITS	%	PPM	PPM	PPM	
KRK001	12.3	24	5120	0.15	Rainbow Costean
KRK002	30.9	36	12300	0.23	Rainbow Costean
KRK005	55.3	249	615	0.11	Bilrose - costean
KRK006	48.1	170	9350	0.52	June Audrey
KRK007	7	39	150	0.03	Bilrose channel sample 1m
KRK008	79.3	232	1390	0.21	June Audrey - spoils pile
KRK009	12	78	26200	0.15	Phar Lap
KRK011	44.7	40	690	0.05	Big Chief - costean
KRK013	7.28	23	145	0.04	Kooline Griffiths

Due to the high grade in the samples all were re-analysed using XRF in order to provide a more accurate determination of the lead grade. It is notable that all the samples carried anomalous gold and copper values.

For further information, contact:

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Director

QUALIFYING STATEMENTS

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.



APPENDIX 1

TENEMENT HOLDINGS AT 30 JUNE 2018

Tenement	Nature of Interest	Project	Equity (%)
E08/2372	Granted	Kooline Lead/Silver – Ashburton Region	100%
E08/2373	Granted	Kooline Lead/Silver – Ashburton Region	100%
ELA08/2956	Application	Kooline Lead/Silver – Ashburton Region	100%
E57/1068	Granted	Unaly Hill – Sandstone Region	100%