6 August 2018

Drilling Defines Higher Grade Gold Lode at Apollo Hill

Highlights:

- Significant shallow RC intersections include:
  - **11m @ 4.06g/t Au** from 132m within **18m @ 2.58g/t Au** from 126m – AHRC0038;
  - **10m @ 2.98g/t Au** from 92m within **28m @ 1.20g/t Au** from 82m – AHRC0036;
  - **11m @ 1.98/g/t Au** from 71m within **27m @ 1.19g/t Au** from 60m – AHRC0037.
- Intersections clearly define a continuous higher grade lode structure within a broader mineralised envelope at the northern end of the Apollo Hill deposit.
- Mineralisation remains open along strike at the northern end of the deposit for at least 600m where a historic aircore intersections including **5m @ 25.9g/Au** from 52m (AA090) require follow-up drill testing.
- In addition, an intersection of:
  - **16m @ 2.00g/t Au** from 103m within **36m @ 1.68g/t Au** from 103m was returned in hole AHRC0039 in the recently defined Armstrong Shoot.
- All results compare favourably to historic mineralised intervals, highlighting the potential to increase both the scale and grade of the known mineralised system from the existing 0.5Moz JORC 2012 compliant inferred gold resource of 17.2Mt at 0.9g/t Au[1].
- Assays remain pending for 26 of 30 drill holes drilled in this latest phase of resource upgrade drilling at Apollo Hill.
- All results will be used in Saturn's upcoming resource re-calculation with an updated resource statement planned for later in 2018.

[1]The Apollo Hill Gold Project (100% owned) contains a 0.505Moz JORC 2012 compliant inferred gold resource (17.2Mt at 0.9g/t Au) (refer to the Saturn Metals 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", "the Company") is pleased to report that resource upgrade drilling at its 100%-owned Apollo Hill Gold Project, near Leonora in the Western Australian goldfields, has defined a continuous, higher grade gold lode at the northern end of the deposit.

Figure 1 illustrates the new assay results (AHRC0036-AHRC0038) in geological cross section, showing that drilling has outlined a thick higher grade lode structure within a broad resource grade envelope. Potential exists to further define this robust lode along strike. Drilling remains open at the northern end of Apollo Hill where the structure has been identified.

The intersection of 16m @ 2.00g/t Au from 103m within 36m @ 1.68g/t Au from 103m is in the recently defined Armstrong Shoot position. This shoot, which is known to outcrop at surface, continues to develop as an important part of the Apollo Hill gold system. Recently reported results in shallower position have included AHRC0025, 8m @ 3.3 g/t Au from 16m (see Saturn Metals Limited's ASX Announcement of 22 May 2018).

Significant new results are listed in Table 1. Details of holes reported in this announcement and holes for which assays remain pending are included in Table 2. Figure 2 shows the latest round of RC hole positions in plan view.

Saturn Managing Director Ian Bamborough said: "We are delighted with the emerging picture at Apollo Hill. These excellent results have provided a step-change in our understanding of the deposit's potential. We look forward to assessing and reporting the remaining results from our latest phase of RC drilling and incorporating them into the resource re-calculation that will take place later this year.

"Based on the results received since we began drilling at Apollo Hill in March, it is reasonable to expect that the resource will grow".

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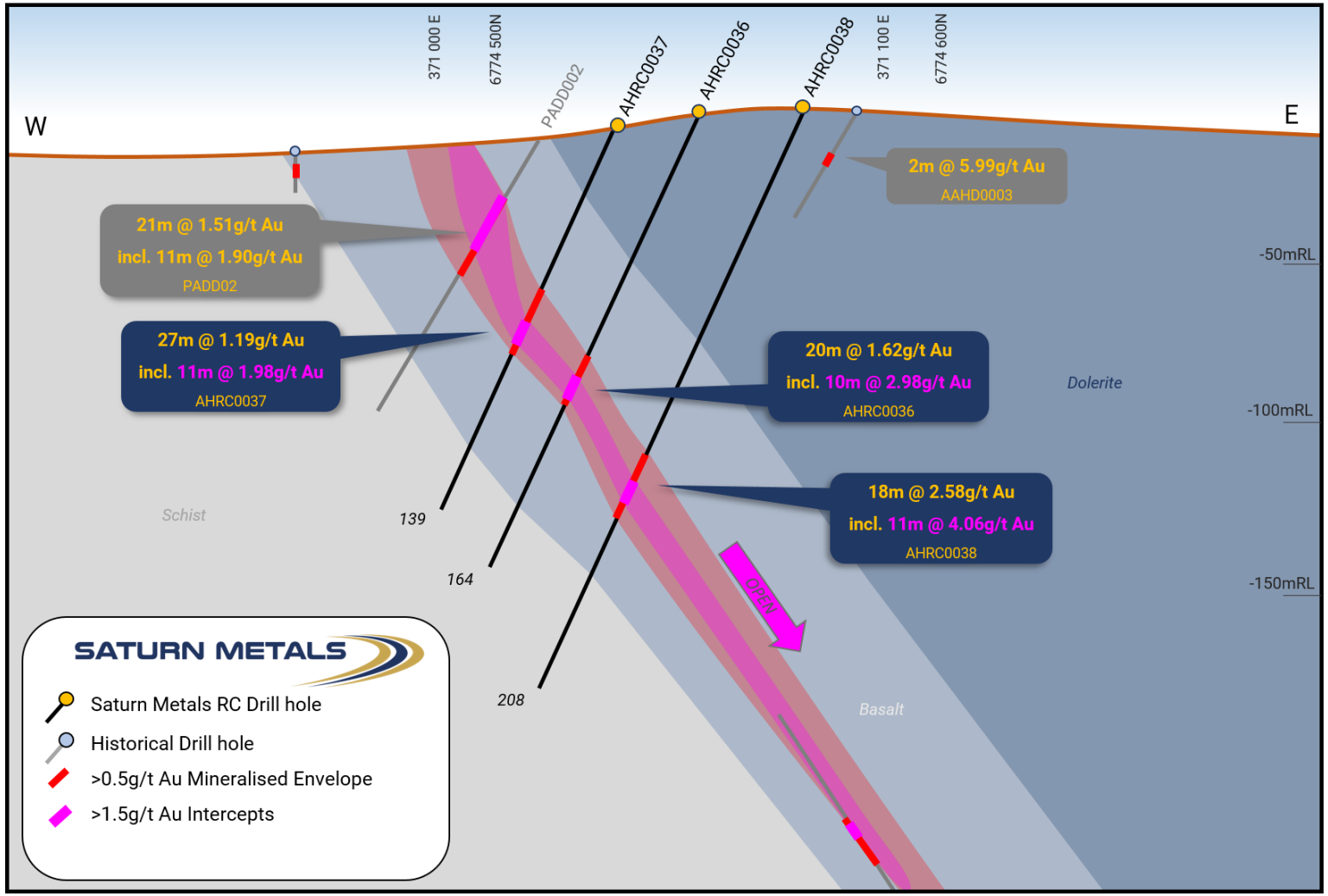

Figure 1. Cross Section (+/-30m) showing simple geology, new assay results and historic assay results at Apollo Hill. Recent results robust continuous, higher-grade lode structure within a broad resource grade envelope. Potential exists to further define this lode along strike to the north and south.

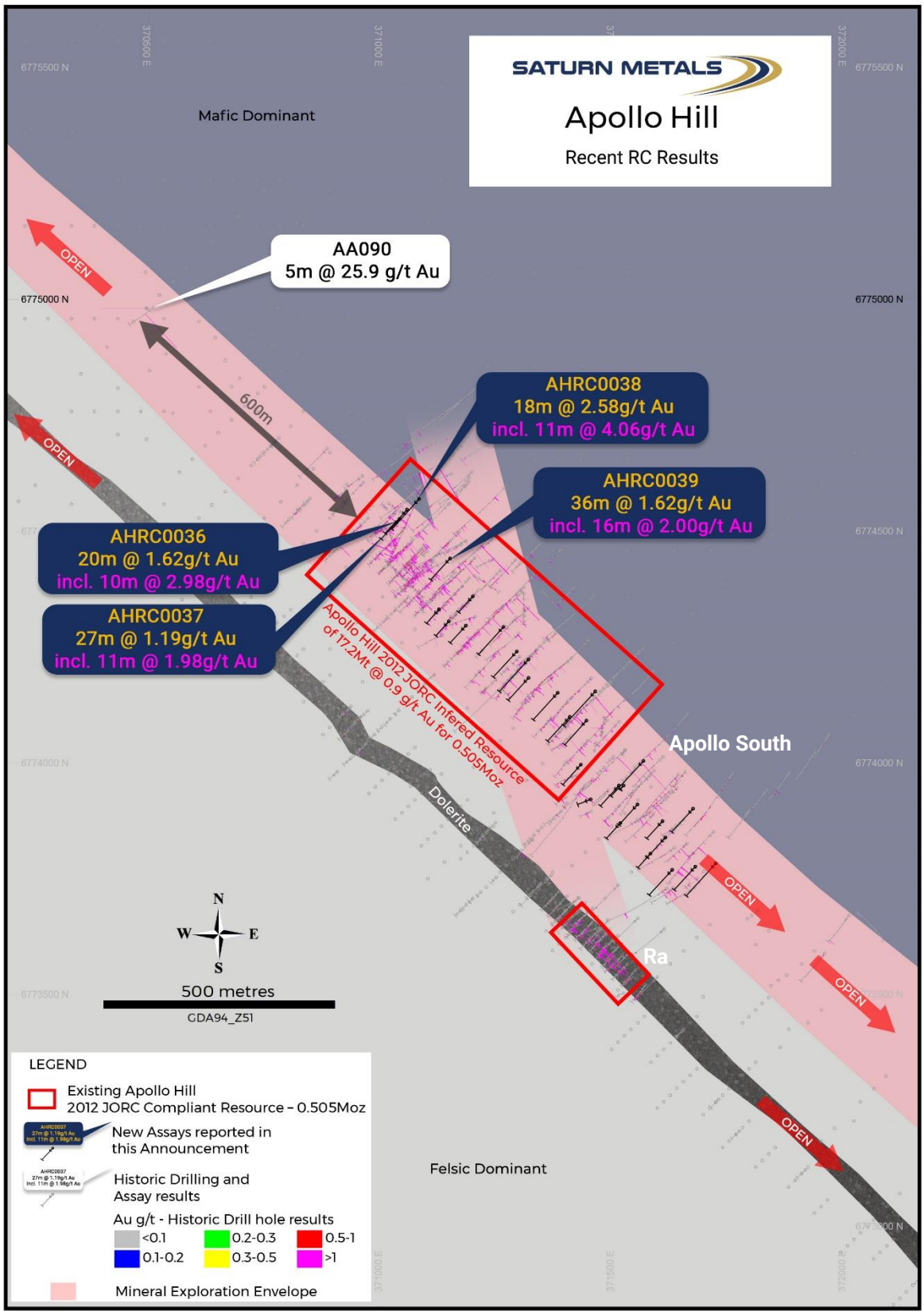

Figure 2. Apollo Hill phase 2 RC program in plan view showing recent significant assay results, historical drill results and Apollo Hill JORC 2012 compliant resource outline[1] .

Table 1. Significant drill results

Hole #	Down Hole Width (m)	Grade g/t Au	From (m)
AHRC0036	**28**	**1.2**	82
Incl.	**20**	**1.62**	82
Incl.	**10**	**2.98**	92
	2	2.53	67
	9	0.48	48
AHRC0037	**27**	**1.19**	60
Incl.	**11**	**1.98**	71
	17	0.27	24
AHRC0038	**18**	**2.58**	126
	11	**4.06**	132
	13	0.34	158
AHRC0039	**36**	**1.62**	103
	16	**2.00**	103

Table 2. Completed RC holes – reported hole details

Hole #	Easting GDA94_Z51	Northing GDA94_Z51	RL (m)	Dip°	Azi°	Depth (m)	Comments
AHRC0036	371063	6774545	372	-65	223	164	
AHRC0037	371047	6774525	369	-65	223	139	
AHRC0038	371089	6774568	373	-65	223	208	
AHRC0039	371156	6774440	372	-65	223	148	
AHRC0040	371132	6774330	365	-60	223	80	Assays Pending
AHRC0041	371153	6774304	362	-60	223	83	Assays Pending
AHRC0042	371620	6773838	351	-65	223	138	Assays Pending
AHRC0043	371588	6773803	354	-60	223	80	Assays Pending
AHRC0044	371523	6773869	355	-60	223	90	Assays Pending
AHRC0045	371635	6773768	350	-60	223	147	Assays Pending
AHRC0046	371560	6773909	358	-60	223	120	Assays Pending
AHRC0047	371685	6773775	350	-65	223	160	Assays Pending
AHRC0048	371458	6773920	355	-55	250	51	Assays Pending
AHRC0049	371729	6773782	354	-60	223	190	Assays Pending
AHRC0050	371414	6774098	362	-60	223	141	Assays Pending
AHRC0051	371680	6773900	350	-65	223	160	Assays Pending
AHRC0052	371450	6774090	366	-60	223	140	Assays Pending
AHRC0053	371614	6773873	354	-60	223	100	Assays Pending
AHRC0054	371325	6774182	366	-60	223	130	Assays Pending
AHRC0055	371520	6773950	358	-60	223	120	Assays Pending
AHRC0056	371190	6774295	366	-60	223	100	Assays Pending
AHRC0057	371530	6773950	358	-60	223	22	Assays Pending
AHRC0058	371573	6774003	361	-60	223	207	Assays Pending
AHRC0059	371438	6773995	359	-65	223	137	Assays Pending
AHRC0060	371469	6774153	359	-60	223	200	Assays Pending
AHRC0061	371325	6774222	367	-60	223	187	Assays Pending
AHRC0062	371388	6774150	362	-60	223	157	Assays Pending
AHRC0063	371300	6774239	375	-60	223	150	Assays Pending
AHRC0064	371271	6774292	372	-60	223	160	Assays Pending
AHRC0065	371205	6774358	368	-60	223	92	Assays Pending

Apollo Hill is located ~60km south-east of Leonora in the heart of WA's goldfields regions (Figure 3). The project is 100% owned by Saturn Metals and is surrounded by good infrastructure and a number of significant gold deposits.

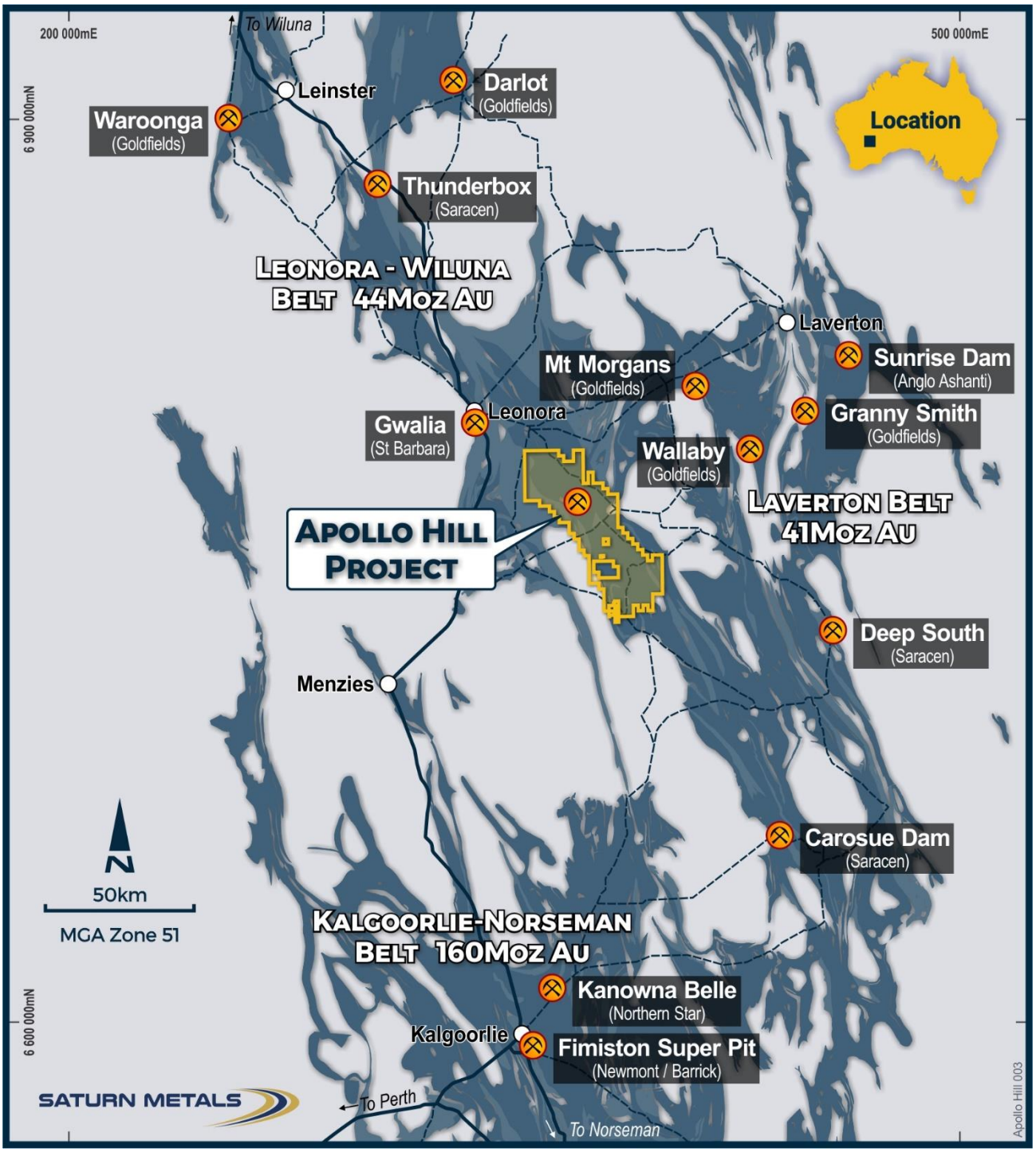

Figure 3 Apollo Hill location, Saturn Metals' tenements and surrounding gold deposits, gold endowment and infrastructure.

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.

JORC Code, 2012 Edition – Table 1 - Apollo Hill Exploration Area

Section 1 Sampling Techniques and Data

(Criteria in this section apply to the Apollo Hill and Ra exploration area and all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Measures taken to ensure the representivity RC sampling include close supervision by geologists, use of appropriate sub-sampling methods, routine cleaning of splitters and cyclones, and RC rigs with sufficient capacity to provide generally dry, reasonable recovery samples. Information available to demonstrate sample representivity includes RC sample weights, sample recovery, sample consistency, field duplicates, standards and blanks. • RC holes were sampled over 1m intervals by cone-splitting. RC samples were analysed by NAGROM in Kelmscott. At Kelmscott samples were oven dried and crushed to 90% passing 2mm, and pulverised to 95% passing 106 microns, with analysis by 50g fire assay.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Reverse Circulation (RC) • RC drilling used generally 5.5 " face- sampling bits.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Sample recovery was visually estimated by volume for each 1m bulk sample bag, and recorded digitally in the sample database. Very little variation was observed. • Measures taken to maximise recovery for RC drilling included use of face sampling bits and drilling rigs of sufficient capacity to provide generally dry, high recovery samples. RC sample weights indicate an average recovery of 85-95% and were dry.

Criteria	JORC Code explanation	Commentary
		• The cone splitter was regularly cleaned with compressed air at the completion of each rod.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill holes were geologically logged by industry standard methods, including lithology, alteration, mineralisation and weathering. • RC Chip trays were photographed. • The logging is qualitative in nature and of sufficient detail to support the current interpretation.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC holes were sampled over 1m intervals by cone-splitting. RC sampling was closely supervised by field geologists and included appropriate sampling methods, routine cleaning of splitters and cyclones, and rigs with sufficient capacity to provide generally dry, high recovery RC samples. Sample representivity monitoring included weighing RC samples and field duplicates. • Assay samples were crushed to 90% passing 2mm, and pulverised to 95% passing 75 microns, with fire assay of 50g sub-samples. Assay quality monitoring included reference standards and inter-laboratory checks assays. • Duplicate and blank samples were collected every 20 samples. • Certified reference material samples were submitted to the laboratory every 100 samples. • The project is at an early stage of evaluation and the suitability of sub-sampling methods and sub- sample sizes for all sampling groups has not been comprehensively established. The available data suggests that sampling procedures provide sufficiently representative sub-samples for the current interpretation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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*	• Sampling included field duplicates, blind reference standards, field blanks and inter-laboratory checks confirm assay precision and accuracy with sufficient confidence for the current results. • Samples were submitted to ALS Laboratories in Kalgoorlie, where they were prepared, processed and analysed via fire assay.

Criteria	JORC Code explanation	Commentary
	derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent geologists were engaged to verify results. Saturn Metals project geologists were supervised by the company's Exploration Manager. No adjustments were made to any assays of data. • Logs were recorded by field geologists on hard copy sampling sheets which were entered into spreadsheets for merging into a central SQL database. • Laboratory assay files were merged directly into the database. The project geologists routinely validate data when loading into the database.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Collars are surveyed by hand held GPS, utilising GDA94, Zone 51. • All RC holes were down-hole surveyed, by Gyro. • A topographic triangulation was generated from drill hole collar surveys.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Apollo Hill mineralisation has been tested by generally 30m spaced traverses of south- westerly inclined drill holes towards 225°. Across strike spacing is variable. The upper approximately 50m has been generally tested by 20-30m spaced holes, with deeper drilling ranging from locally 20m to commonly greater than 60m spacing. • The data spacing is sufficient to establish geological and grade and continuity.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Mineralised zones dip at an average of around 50° to the northeast. Detailed orientations of all short-scale mineralised features have not yet been confidently established. The majority of the drill holes were inclined at around 60° to the southwest.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Apollo Hill is in an isolated area, with little access by general public. Saturn's field sampling was supervised by Saturn geologists. Sub-samples selected for assaying were collected in heavy- duty polywoven plastic bags which were immediately sealed. These bags were delivered to the assay laboratory by independent couriers, Saturn employees or contractors. • Results of field duplicates, blanks and reference material, and the general consistency of results between sampling phases provide confidence in the general reliability of the drilling data.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The competent person independently reviewed Saturn's sample quality information and database validity. These reviews included consistency checks within and between database tables and comparison of assay entries with original source records for Saturn's drilling. These reviews showed no material discrepancies. The competent person considers that the Apollo Hill drilling data has been sufficiently verified to provide an adequate basis for the current reporting of exploration results.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• The results are from the Saturn Metals Limited's Apollo Hill Project which lies within Exploration Licence E39/1198, M31/486 and M39/296. These tenements are wholly-owned by Saturn Metals Limited. These tenements, along with certain other tenure, are the subject of a 5% gross over-riding royalty (payable to HHM) on Apollo Hill gold production exceeding 1 million ounces. M39/296 is the subject of a $1/t royalty (payable to a group of parties) on any production. • The tenements are in good standing and no known impediments exist.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Aircore, RC and diamond drilling by previous tenement holders provides around 82% of the estimation dataset. The data is primarily from RC and diamond drilling by Battle Mountain (33%), Apex Minerals (18%), Fimiston Mining (13%), Hampton Hill (12%). Homestake and MPI holes provide 5% and 1%, respectively.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Apollo Hill project comprises two deposits: The main Apollo Hill deposit in the north-west of the project area, and the smaller Ra Deposit in the south. Gold mineralisation is associated with quartz veins and carbonate-pyrite alteration along a steeply north-east dipping contact between felsic rocks to the west, and mafic dominated rocks to the east. The combined mineralised zones extend over a strike length of approximately 1.4km and have been intersected by drilling to approximately 350m depth. • The depth of complete oxidation averages around 4m with depth to fresh rock averaging around 21m.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *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.*
		• All relevant information material to the understanding of exploration results has been included within the body of the announcement or as appendices.
		• No information has been excluded.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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*	• No top-cuts have been applied. • No metal equivalent values are used for reporting exploration results.

Criteria	JORC Code explanation	Commentary
	such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• True widths are generally estimated to be about 60% of the down-hole width.
Diagrams	• *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.*	• See diagrams included.
Balanced reporting	• *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.*	• All results are reported.
Other substantive exploration data	• *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.*	• See release details.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Although not yet planned in detail, it is anticipated that further work will include infill, step out and twin-hole drilling. This work will be designed to improve confidence in, and test potential extensions to the current resource estimates.