

Quarterly Activities Report for period ending 30th September 2018

Buxton Resources Limited (ASX: BUX or “Buxton”) is pleased to release the quarterly activities report and Appendix 5B for the period ended 30th September 2018 (the Quarter).

Double Magic Project-Merlin

- **Diamond Drill Rig arrived safely onsite and commenced drilling**
- **Several high priority open conductors to be followed up, including >600m long AB plate**
- **All drilling vectoring toward Gravity High**
- **Significant brecciated massive sulphide intersections within very broad mineralised sequence at Conductor J**
- **Coarse grained Pentlandite, Chalcopyrite and Pyrrhotite visible throughout sulphide sequences**
- **Drill hole stepped out 40m from DMDD0014 testing an open ~25,000 Siemen Conductor J. DMDD0014 intersected sulphides assaying up to 7.1% Ni**
- **Conductor remains open and plunging towards gravity high**
- **DMDD015 reported 3 separate zones of brecciated massive sulphides enveloped by stringer and disseminated mineralisation**

Double Magic Project-Sentinel

- **High resolution aeromagnetic and radiometric survey commenced**
- **Geological mapping and surface geochemistry commenced**
- **Sentinel Project highlights**
 - **Underexplored for Ni-Cu-Co-PGE sulphide**
 - **Significant volumes of Ruins Dolerite intrusive rocks**
 - **Primitive rocks, highly prospective for Ni-Cu-Co-PGE sulphide**
 - **Crustal scale structures and favourable structural architecture**
- **Field work includes investigation of Lamproite intrusive for diamonds**

Corporate

- **Drilling Contractors elect shares as payment for drill program**
- **Exploration Incentive Scheme Co-funded Drilling grant for up to \$150,000**
- **The Company is well funded for the upcoming exploration program.**
- **Cash balance (30 September 2018) of approximately \$1.65 million**

Double Magic Project-Merlin

During the quarter, Buxton prepared for the 2018 drilling campaign. Buxton announced that its drilling contractors agreed to accept shares for the drilling campaign. Noting the importance of maintaining the Company's cash reserves, DDH1 Directors agreed to accept Buxton shares at a deemed price of \$0.135 per share, being the 5 day VWAP at the time of the agreement.

Additionally, the company confirmed the support of the Western Australian Department of Mines, Industry Regulation and Safety with an Exploration Incentive Scheme Co-funded Drilling grant for up to \$150,000 for direct drilling costs for the program. This allowed Buxton to enjoy the enviable position of not drawing on cash reserves for any part of the direct drilling costs of the 2018 drill program.

Buxton advised the market that DDH1 drill rig safely arrived at the 100% owned Merlin prospect and commenced drilling and that the first hole of the 2018 field season has intersected well-developed brecciated massive sulphide (Figures 1 - 5) within a very board, approximately 44m, interval of mineralised sequence.



Figure 1. Brecciated massive sulphide from DMDD0015 with visible Pentlandite, Chalcopyrite & Pyrrhotite, photograph is of NQ whole core, 310.25-310.72m downhole.



Figure 2. Brecciated massive sulphide interval from DMDD0015, core is NQ, from 306.5-315.3m downhole.

Hole DMDD0015 is a 40m step out hole from DMDD0014 that intersected high grade brecciated sulphide that returned nickel grades as high as 7.1% (ASX:BUX, 15/05/18). The brecciated massive sulphide intervals within DMDD0015 contains abundant visible coarse grained Pentlandite crystals associated with Pyrrhotite and Chalcopyrite. (Figure 3 & 4).

Three separate zones of brecciated massive sulphides of differing thickness have been recorded within DMDD0015 encompassed by a broader mineralised sequence Fig 1, 2, 3 and 4. Estimated sulphide percentage and species is listed in Appendix 2.

Zone 1	308.96 to 316.43m downhole
Zone 2	326.50 to 327.40m downhole
Zone 3	342.24 to 343.70m downhole.



Figure 4. Brecciated massive sulphide interval from Zone 1 DMDD0015 312.28 – 312.52m downhole



Figure 3. Massive sulphide from Zone 3 DMDD0015 342.2 – 342.46m downhole

On 27th August, Buxton advised the market that laboratory assays for DMDD0015 have been received with results showing 3 strongly mineralised zones within a broader mineralised sequence (Table 1).

The overall interval is an impressive **40m @ 1.0% Ni equivalent** from 304m down hole. Individual assays returned grades up to **7.26% Nickel** and **1.73% Copper, 0.18% Cobalt** plus **11.7 grams per ton PGEs** (Platinum + Palladium).

Drill hole DMDD0015 stepped out 40m to the northwest from DMDD0014 testing an open ~25,000 Siemen Conductor J (Figure 5). Conductor J is still open and additional drilling is planned post DHTM results.



All holes from the current 2018 drill program have intersected visible nickel-copper sulphide mineralisation, including numerous occurrences of brecciated massive sulphide with coarse pentlandite and chalcopyrite.

Downhole Electromagnetic (DHTEM) surveying commenced on the 22nd of August with work planned to coincide with a short break in the drill program. Electromagnetic surveying is a critical targeting tool for defining accumulations of highly conductive massive nickel-copper sulphide mineralisation (such as that in DMDD0015). Buxton eagerly awaits the results of this current round of DHTEM.

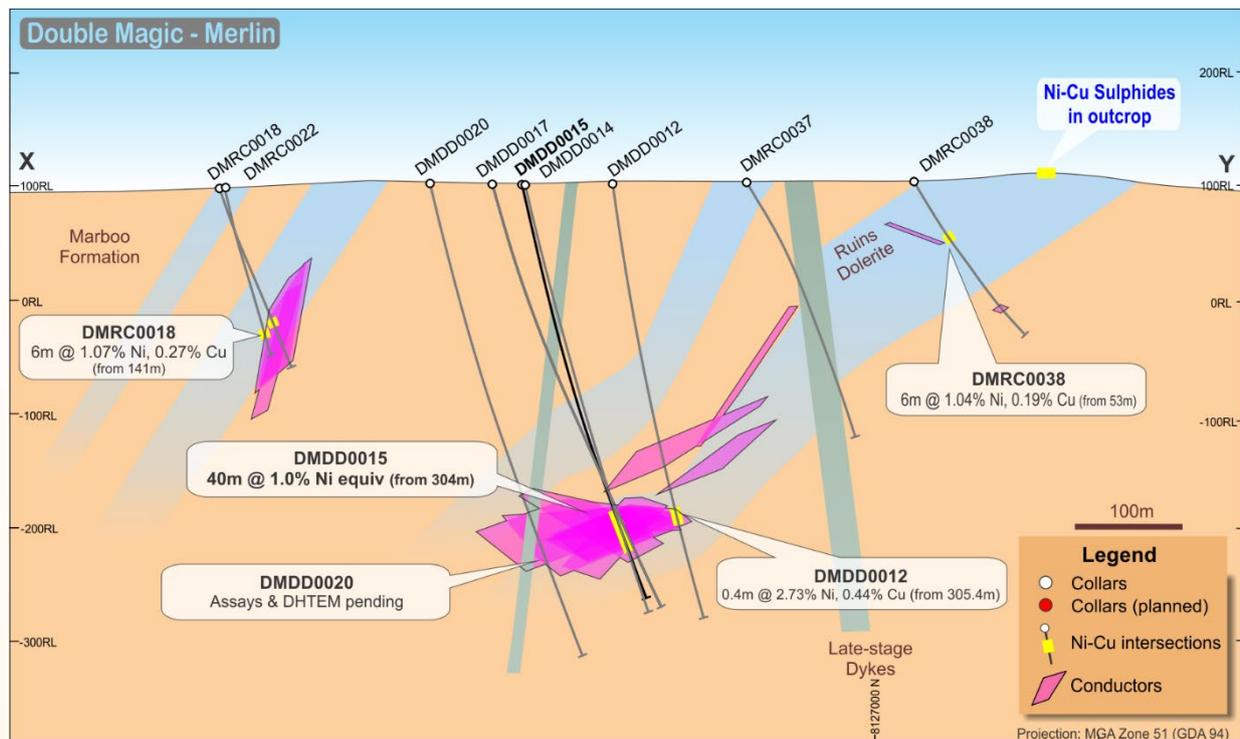


Figure 5. Cross section at Conductor J, showing drill hole traces (including DMDD0015), modelled 2017 DHTEM plates and interpreted geology. DHTEM is pending on all 2018 holes including DMDD0015 & DMDD0020.

Table 1. 2018 Assay Intersections >0.25% Ni

Hole ID	Zone	From (m)	To (m)	Thickness (m)	Ni % Equiv	Ni %	Cu %	Co %
DMDD0015 <i>including</i> <i>including</i> <i>including</i>		269.9	271.9	2	0.40	0.32	0.11	0.01
	1	304	318	14	1.77	1.54	0.33	0.04
		309.4	316	6.6	3.23	2.83	0.57	0.07
	2	326.5	337	10.5	0.68	0.58	0.14	0.02
		326.5	329	2.5	1.32	1.15	0.24	0.03
	3	340.65	343.63	2.98	2.40	1.97	0.76	0.05
342.24		343.63	1.39	4.73	3.93	1.41	0.10	

Ni equivalent calculation: Ni % Equiv. = (Ni% x Ni recovery) + ((Cu% x Cu recovery) x (Cu price/Ni price)) + ((Co% x Co recovery) x (Co price/Ni price)) where Ni = US\$13,310/t, Cu = US\$6,001/t, Co = US\$64,500/t. Metal prices sourced from LME 24th August 2018. Ni recovery = 94%, Cu recovery = 99% and Co recovery = 88%. Recovery values based on preliminary metallurgical test work as reported ASX:BUX 16th August 2017

On 17 September, Buxton further updated the market that laboratory assays for DMDD0016 through to DMDD0018 have been received with each hole returning strong Nickel Copper Cobalt mineralisation (Table 1).

DMDD0018 was targeting a large and open electro-magnetic conductor in an area referred to as Conductor H and intersected ~6m of massive and disseminated sulphides. The assays from this drill hole have returned the following significant intersection;

- **6m @ 2.51% Ni equivalent** from 236.0m including **1.6m @ 7.22% Ni equivalent**

Individual assays returned grades up to;

- **7.34% Nickel, 2.74% Copper and 0.18% Cobalt.**

Double Magic Project-Sentinel

During the quarter, Buxton reported that an airborne survey and on ground field work has commenced at Buxton's 100% owned Sentinel Project. The Sentinel Project is located ~100km along strike from the Merlin Prospect, Double Magic Project in the West Kimberley region of Western Australia.

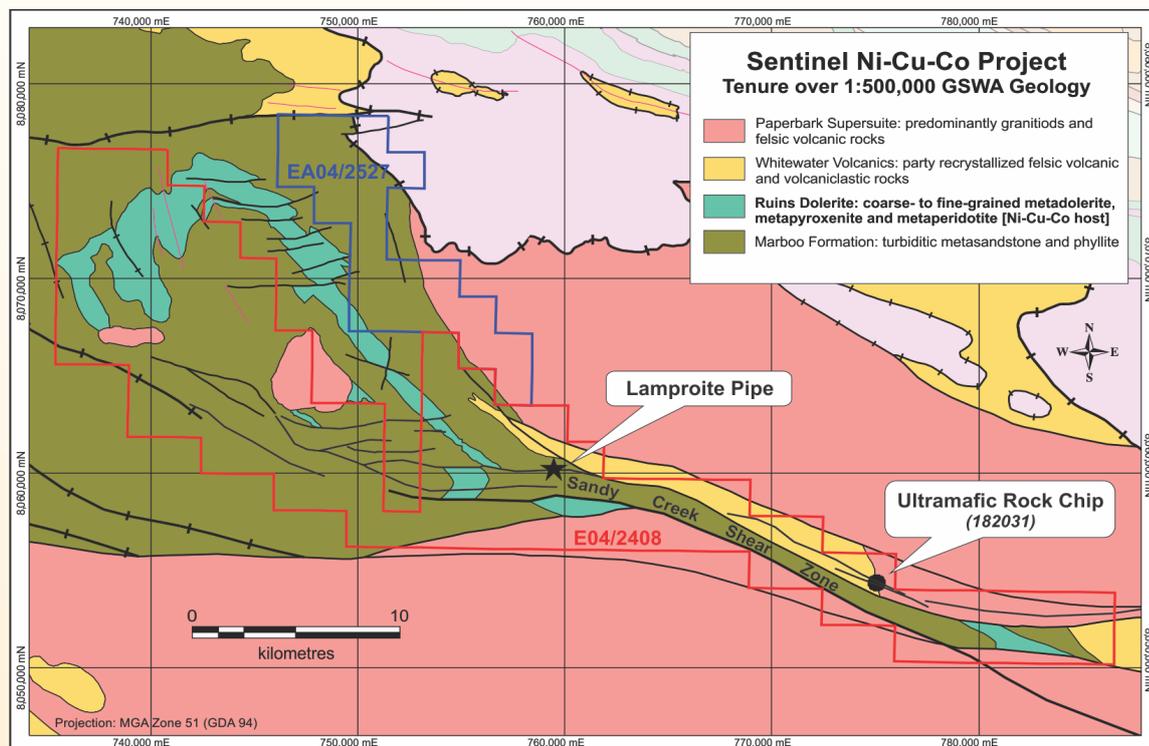


Figure 6. Interpreted bedrock geology of the Sentinel Ni-Cu-Co Project highlighting the location of the “Ruins Dolerite” ultramafic rock and Lamproite Pipe, both spatially associated with the Sandy Creek Shear Zone

Buxton has established the Ruins Dolerite and the West Kimberley as a de-risked, fertile and unexplored new Ni-Cu-Co-PGE province. Continued high grade intersections of Ni-Cu-Co-PGE sulphides within the Ruins Dolerite at Buxton’s Merlin Prospect, Double Magic Project demonstrate ‘proof of concept’ for the potential of this mineralised intrusive suite to host an economic accumulation of Ni-Cu-Co-PGE.

The Sentinel Project is underexplored for orthomagmatic Ni-Cu-Co-PGE sulphide mineralisation with no recent mineral exploration targeting this deposit style. The Project area contains many positive indicators such as; large volumes of Ruins Dolerite intrusive rocks, the occurrence of primitive ultramafic, and deep-seated crustal scale structures; as evidenced by a lamproite intrusive plug along the Sandy Creek Shear Zone (Figure 4).

Additional to exploration targeting Ni-Cu-Co-PGE sulphide, Buxton will investigate the diamond potential of the Sentinel Project. The West Kimberley lamproite province hosts the Ellendale Mine which, until its recent closure, produced more than 50% of the worlds fancy yellow diamonds. The province also hosts the recent discovery of diamond bearing lamproites at the Brooking Prospect by Lucapa Diamond Company Limited (refer to ASX announcements ASX:LOM).

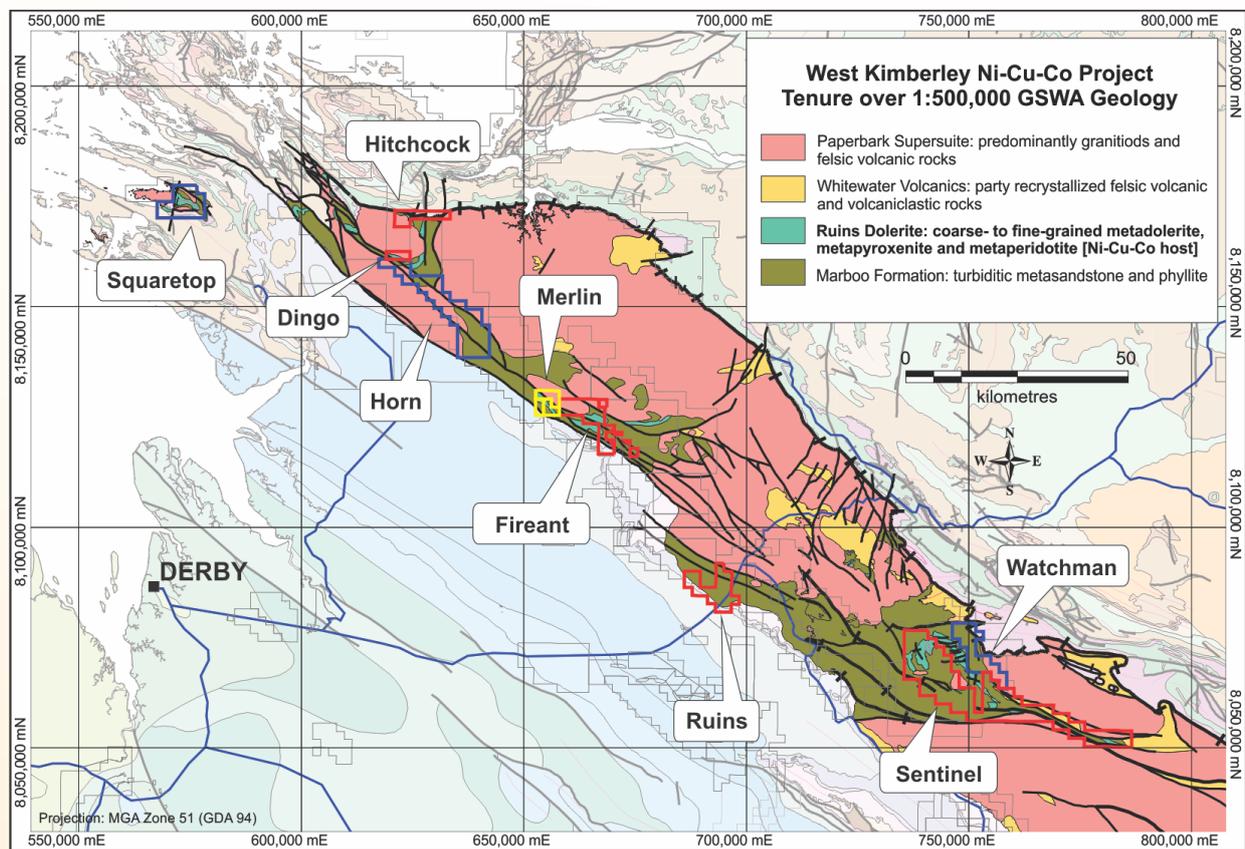


Figure 7. Buxton’s West Kimberley granted and pending tenements over interpreted bedrock geology (GSWA 1:500,000). Granted tenure in red, pending in blue, Merlin group (granted) in yellow.

CORPORATE

Buxton continues to meet all necessary expenditure needs and is, per usual, operating with demonstrable financial constraint and responsibility. Cash balance as at 30 September 2018 was approximately \$1.65 million.

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Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Mr. Derek Marshall, Member of the Australasian Institute of Geoscientists, and Mr. Eamon Hannon Fellow of the Australian Institute of Geoscientists. Mr. Marshall and Mr. Hannon are full-time employees of Buxton. Mr. Marshall and Mr. Hannon have sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", 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. Marshall and Mr. Hannon consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

**Appendix 1: Changes in interests in mining tenements - Buxton Resources Ltd
01/07/18 – 30/09/17**

Interests in mining tenements relinquished, reduced or lapsed	Tenement	Location	% at beginning of quarter	% at end of quarter

Interest in mining tenements acquired or increased	E04/268	Derby/West Kimberley	0	100

The mining tenements held at the end of the quarter and their location	E 28/2201	Widowmaker	10	10
	E 28/1959	Zanthus	10	10
	E 63/1720	Dempster	100	100
	ELA63/1675	Dempster	100	100
	ELA63/1676	Dempster	100	100
	ELA63/1677	Dempster	100	100
	ELA63/1685	Dempster	100	100
	ELA63/1686	Dempster	100	100
	ELA63/1687	Dempster	100	100
	E04/2527	Kimberley	0	100
	E80/5183	Kimberley	0	100
	E80/5184	Kimberley	0	100
	ELA04/2466	Kimberley	100	100
	ELA04/2467	Kimberley	100	100
	ELA04/2468	Kimberley	100	100
	ELA04/2469	Kimberley	100	100
	ELA04/2480	Kimberley	100	100
	E09/1985	Yalbra	100	100
	ELA77/2237	Yilgarn	100	100
	ELA77/2238	Yilgarn	100	100
	E04/1533	Derby/West Kimberley	100	100
	E04/2026	Derby/West Kimberley	100	100
	E04/2060	Derby/West Kimberley	100	100
	E04/2142	Derby/West Kimberley	100	100

	E04/2408	Derby/West Kimberley	100	100
	E04/2407	Derby/West Kimberley	100	100
	E04/2411	Derby/West Kimberley	100	100
	E04/268	Derby/West Kimberley	0	100
	P04/269	Derby/West Kimberley	100	100
	E28/2620	Fraser Range	100	100

Abbreviations and Definitions used in Tenement Schedule:

E Exploration Licence ELA Exploration Licence Application P Prospecting Licence

