

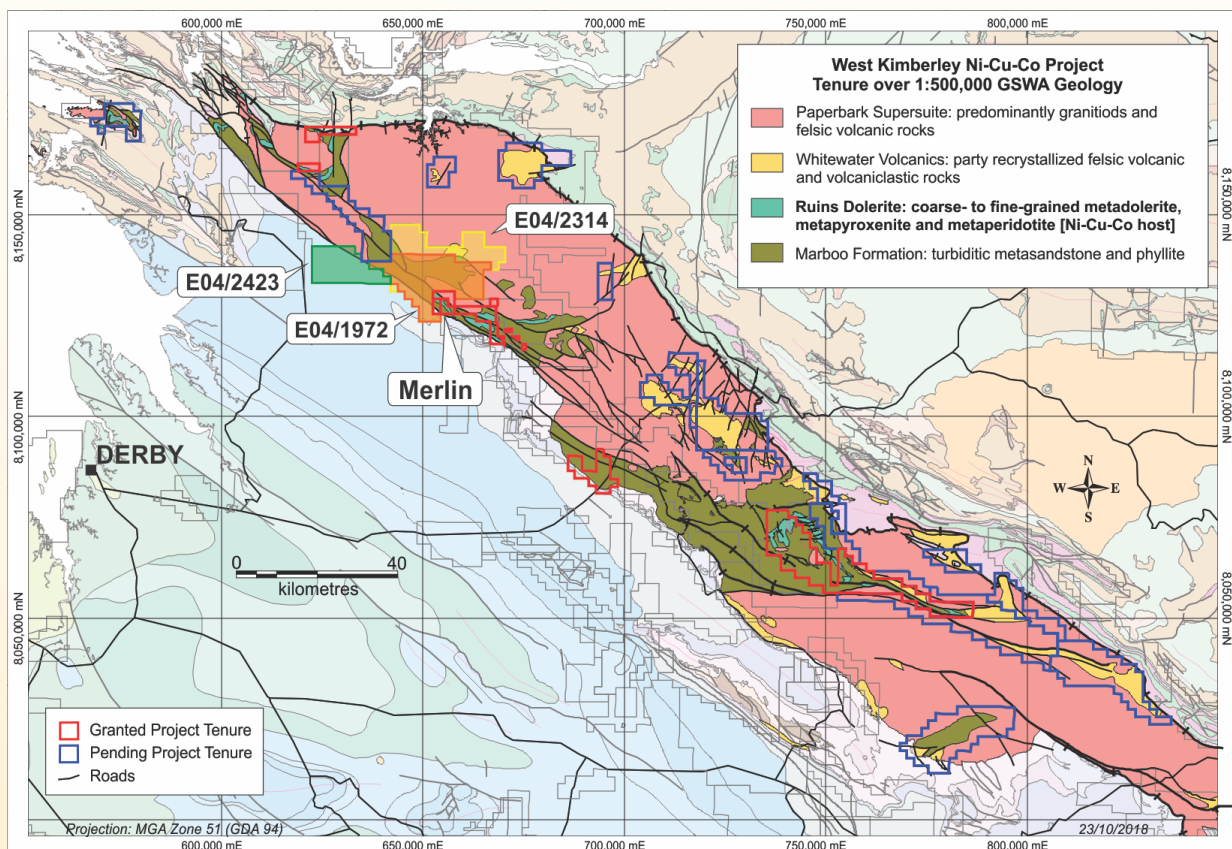
ASX Release

6 November 2018

## Buxton Acquires Large Land Holding Adjacent to Merlin, Double Magic

- Buxton to acquire New World Cobalt's West Kimberley Project
- Highly prospective host rocks known to continue in newly acquired land holding
- Approximately 552 square kilometres contiguous to Merlin
- Buxton now holds the majority of the Ruins dolerite trend within West Kimberley belt
- Drilling at Merlin temporarily halted awaiting receipt of assays and downhole EM surveys

Buxton Resources Limited (ASX:BUX; "Buxton") advises that it has entered into an agreement with New World Cobalt Limited (ASX: NWC; "New World") to acquire its West Kimberley Project ("the WK Project"), which comprises New World's interest in three tenements adjacent and contiguous to Buxton's Merlin prospect.



**Figure 1.** Buxton's West Kimberley Ni-Cu-Co Project granted and pending tenements over interpreted bedrock geology (GSWA 1:500,000) highlighting the Merlin Prospect location and the Exploration Licences New World holds interests in (E04/2423, E04/1972 & E04/2314).

Notably, New World's WK Project includes the north-western continuation of the geological sequence that hosts Buxton's Merlin (Double Magic) Prospect, so it is considered highly prospective for additional Ni-Cu-Co sulphide mineralisation within the Ruins Dolerite (Figure 1).

Key acquisition terms are:

1. Buxton to acquire the WK Project which comprises New World's:
  - 100% interest in E04/2423; and
  - right to acquire an 80% interest in E04/1972 and E04/2314.
2. Consideration payable to New World comprises:
  - the issue of 1,333,333 fully paid ordinary shares in the capital of the Buxton ("Shares") on completion;
  - within 5 days of Buxton announcing it has intersected in drilling on the WK Project, on a grade-thickness basis,  $\geq 20\%$  Ni equivalent, providing the grade of the mineralisation intersected is  $\geq 1.5\%$  Ni equivalent (e.g.  $\geq 10\text{m}$  @  $2.0\%$  Ni, or  $\geq 13.33\text{m}$  @  $1.5\%$  Ni), the issue of an additional number of Shares equal to \$250,000;
  - within 5 days of Buxton announcing that it has a JORC compliant resource (inferred, indicated and/or measured; of any size and/or grade; for any commodity) within the WK Project, the issue of an additional number of Shares equal to \$250,000; and
  - within 5 days of Buxton announcing that it has a JORC compliant resource that exceeds 15,000 tonnes of contained nickel equivalent within the WK Project, the issue of additional Shares equal to AUD\$500,000.

In each case the number of Shares to be issued to New World will be based on the 10-day VWAP prior to the date on which each relevant milestone is met.

3. Completion is subject to receipt of requisite consent from the owner of E04/1972 and E04/2314.

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