Red Hill Vanadium Project shows high-grade zones of up to 1.14% V_2O_5

Highlights:

- **Vanadium mineralisation intersected within multiple zones by historic drilling with significant intercepts including:**
  - *56m at 0.44% V2O5 and 22.94 % Fe from 0m including 3m at 1.14% V2O5 and 27.09% Fe in 12KTR096*
  - *20m at 0.65% V2O5 and 24.3 % Fe from 6m including 2m at 1.03% V2O5 and 27.09% Fe in 08KTR075*
- **Further exploration potential identified within sixteen target zones mapped along a 17km strike length**
- **Project well supported by infrastructure with rail, road and grid power readily accessible**

Ausgold Limited (ASX: AUC) ("Ausgold" or "the Company") is pleased to provide shareholders with an update on the Company's 100% owned Red Hill Vanadium Project ("Red Hill") which lies 20km north of the southern wheat belt town of Katanning, located 240km southeast of Perth, Western Australia. The project comprises of two granted and two pending exploration licenses for a total area of 450km².

Red Hill is an advanced vanadium exploration project which includes the Mine Hill (E70/4863) Red Hill (E70/5142) Kalang (E70/5142) and Martling (E70/5142) prospects. Past exploration includes 108 Reverse Circulation and 6 diamond drill holes which have intersected significant widths of vanadium (V_2O_5) mineralisation from surface, with thicknesses of up to 60m and multiple zones of mineralisation identified.

Management Comment:

Ausgold's Managing Director, Matthew Greentree commented:

"Ausgold's focus on the highly prospective Southwest Yilgarn region has led to the acquisition of the Red Hill Vanadium Project. Red Hill is an advanced vanadium exploration project located west of Ausgold Katanning Gold Project. Past exploration at the Red Hill and Mine Hill prospects has identified significant vanadium – titanium – magnetite mineralisation associated with a layered intrusive complex."

"After regional and historical review the Company has compiled the results of past work on the project which included soil sampling, geophysics and 106 drill holes targeting Vanadium – magnetite mineralisation. In addition to the exploration potential, the project is well located near to rail, road, grid power and port facilities. The coarse grained rocks have shown that preliminary metallurgy is very encouraging, although further work is required."

Key prospects

The project consists of four prospect areas namely the Red Hill, Martling, Mine Hill and Kenine Hill. Drilling has tested vanadium-magnetite mineralisation intersected in shallow drilling over 2km strike length (*Figure 1* and *Figure 2)*.

Past exploration including 114 drill holes (108 reverse circulation holes for 8,291m and 6 diamond holes for 788m) identified mineralisation with relatively shallow dips from surface to a lower limit of approximately 80m (Appendix 1 and 2). Based on Ausgold's review of the project, a further sixteen high priority targets which cover a total strike length of over 17km has been identified.

Within the Red Hill prospect vanadiferous titano-magnetite mineralisation is defined by drilling over a strike of 2km. The layered mafic intrusion presents as an open fold striking north-south and dipping shallowly towards the west to steepening to the east.

Significant intercepts at Red Hill include (*Figure 2, Figure 3, Figure 4 and Table 2*)

- ***56m at 0.44% V_2O_5 and 22.94 % Fe from 0m including 3m at 1.14% V_2O_5 and 27.09% Fe in 12KTR096***
- ***20m at 0.65% V2O5 and 24.3 % Fe from 6m including 2m at 1.03% V_2O_5 and 27.09% Fe in 08KTR075***
- ***3m @ 1.12 % V_2O_5 from 12m in 08KTR009***
- ***4m @ 1.07 % V_2O_5 from 61m 08KTR013***
- ***8m @ 0.71% V_2O_5 from 79m including 1m @1.32% V_2O_5 from 83m in 10KTD005***

Mine Hill prospect consists of layered gabbro and pyroxenite over a strike length of 800m with significant intercepts including:

- ***5m @ 0.4% V_2O_5 from 35m in 12KTR092***
- ***2m @ 0.9% V_2O_5 from 17m and 16m @ 0.56% V_2O_5 from 41m in 10KTD001***

Vanadiferous titano-magnetite at Martling prospect been intersected in 4 drill holes

- ***4m @ 0.49% V2O5 from 54m in 08KTR079***

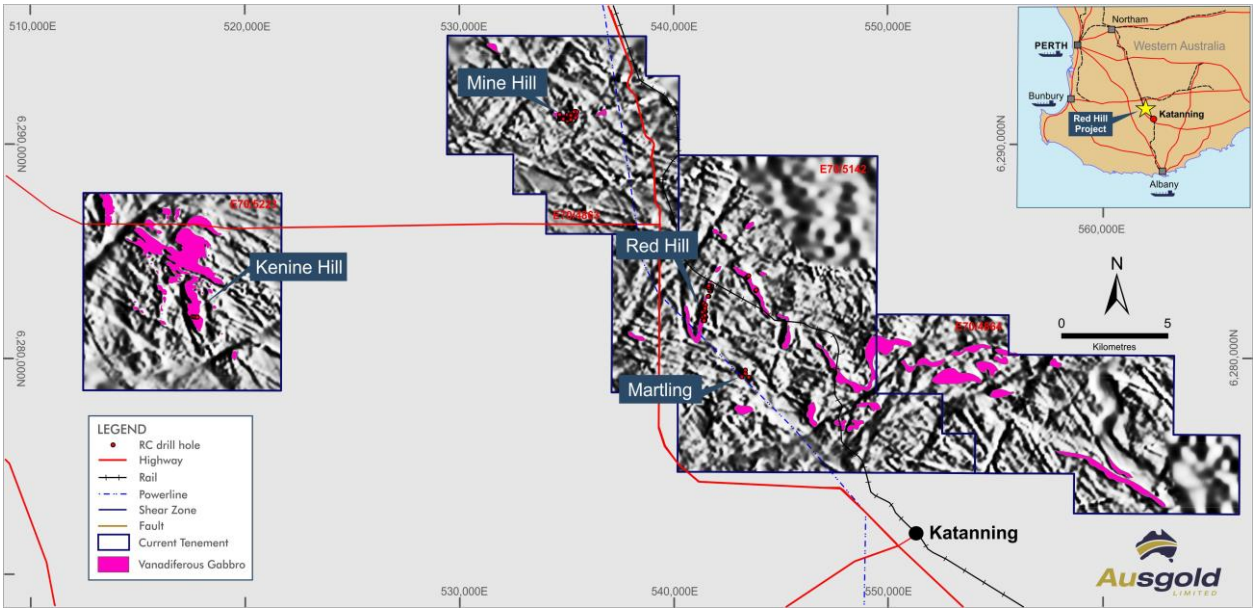

Figure 1 - Red hill Project tenements shown on total magnetic intensity image

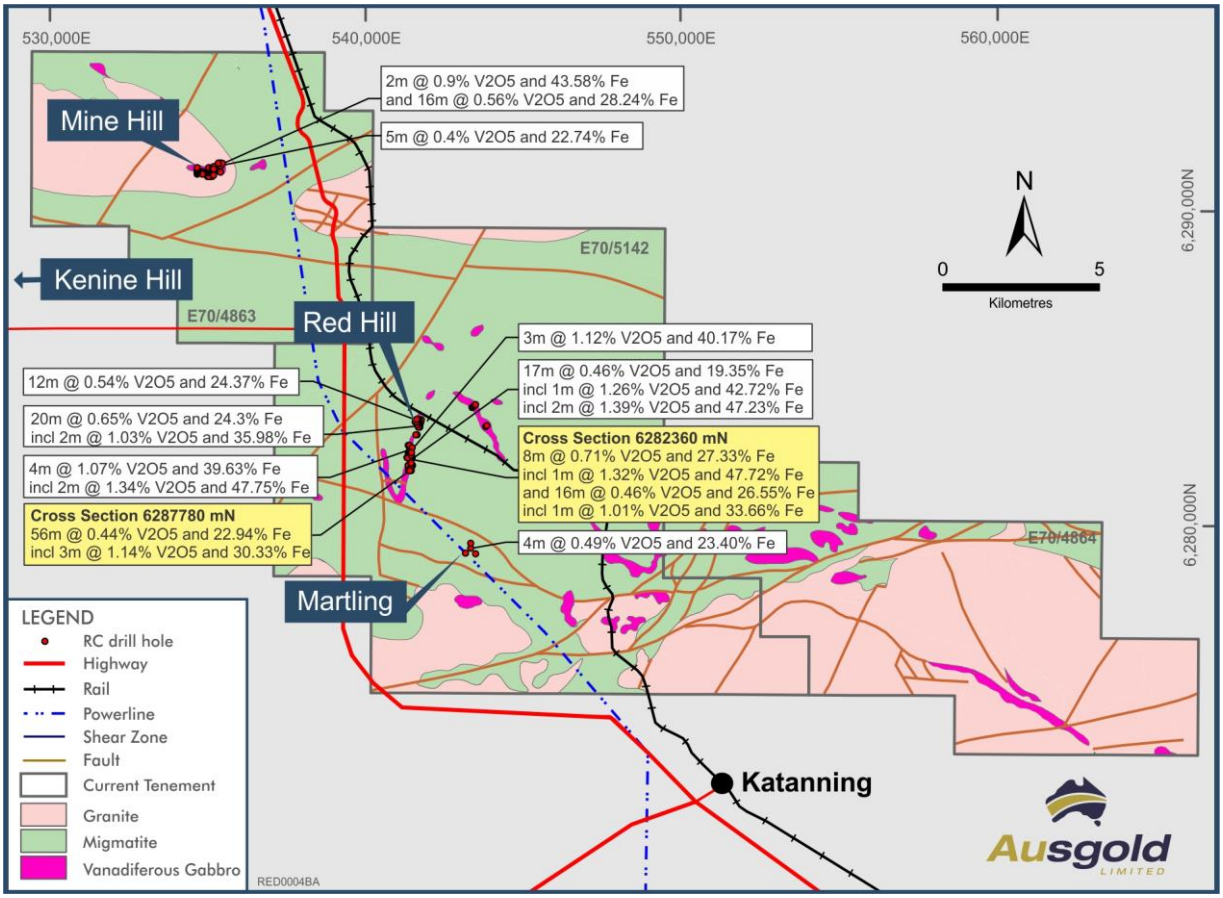

Figure 2- Red Hill Vanadium Project locations

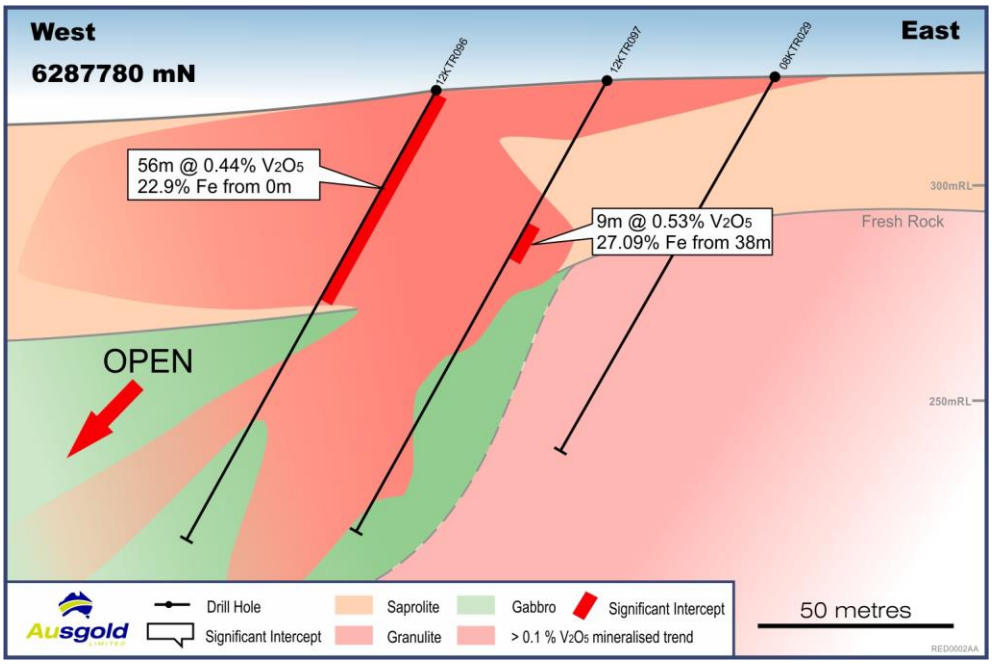

Figure 3 - Cross-section 6287780 mN

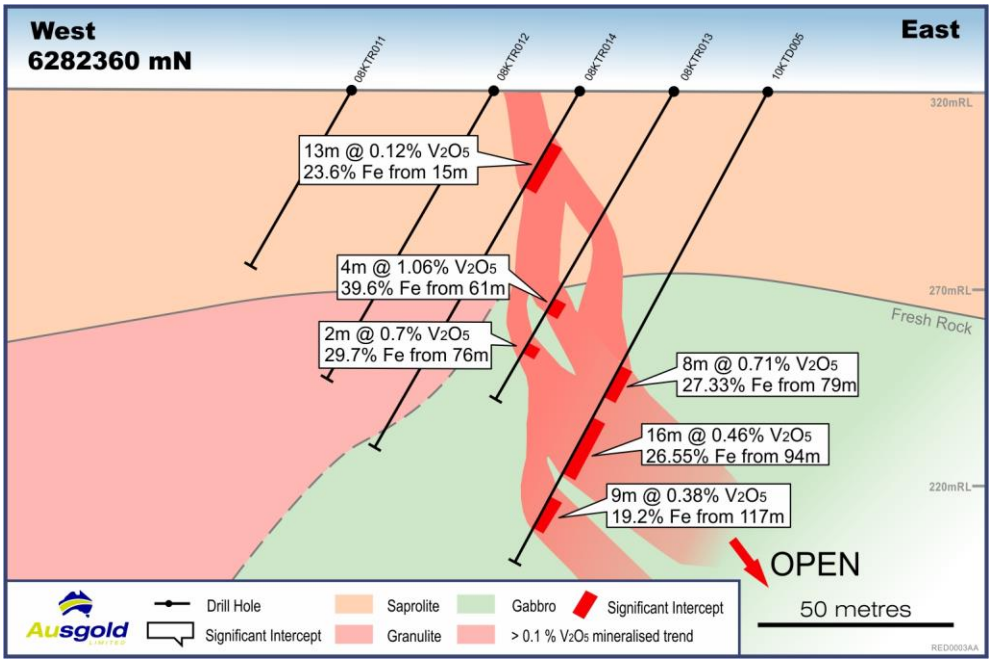

Figure 4 - Cross-section 6282360 mN

Project Geology

Vanadium mineralisation occurs with layered mafic intrusions that have strong coincident gravity and magnetic anomalies which can be traced over a strike length of 30km (*Figure 2*). The layered intrusions have an overall easterly strike direction with vanadium mineralisation occurring along this trend, open folding is noted with a northerly plunge.

The primary vanadium – magnetite mineralisation occurs as bands and broad "disseminated" zones, often with multiple zones being present over tens of metres within the layered intrusions. The vanadium endowment is strongly correlated with magnetite and has a strong geophysical (magnetic) response which can be used for exploration targeting. Near surface vanadium – magnetite mineralisation has undergone martitisation, a process where magnetite alters to martite a non-magnetic mineral. Drilling has shown the vanadium tenor in areas of low

to moderate magnetic response have returned significant V_2O_5 grades from the drilling which highlights additional strike extensions which remain largely untested.

Exploration targets

Exploration potential is considered high within the magnetite rich zones which are mapped along a 17km strike length. Historic drilling has intersected significant V_2O_5 mineralisation greater than 1% in multiple zone (***Figure 2***). The interpretation of geophysics including ground magnetic surveys provides an effective exploration tool, however, given there is strong vanadium mineralisation in areas of low to moderate magnetic intensity other geophysical methods including ground gravity will likely delineate further targets.

The base of the main sill or within the upper feeder complex represents the highest V2O5 grades. The mineralisation is contained within both magma chambers and feeder zones which have the potential for higher metal endowment. Additional ground-based gravity will be used to delineate these intrusions and feeder zones due to the strong density contrast compared to the surrounding gneiss and granite. This will better delineate drill targets in these areas.

About Ausgold Limited

Ausgold Limited is a gold exploration and development company based in Western Australia.

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 1.04 Moz gold (Table 1).

Ausgold's portfolio also includes the Doolgunna Station Cu-Au project and the Yamarna Ni-Cu-Co project in Western Australia and the Cracow Au project in Queensland.

Table 1 - Current Mineral Resource
(details in ASX release 26 November 2018)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	2.07	2.15	143
Indicated	8.29	1.28	340
Inferred	14.79	1.17	556
Total	**25.1**	**1.29**	**1,039**

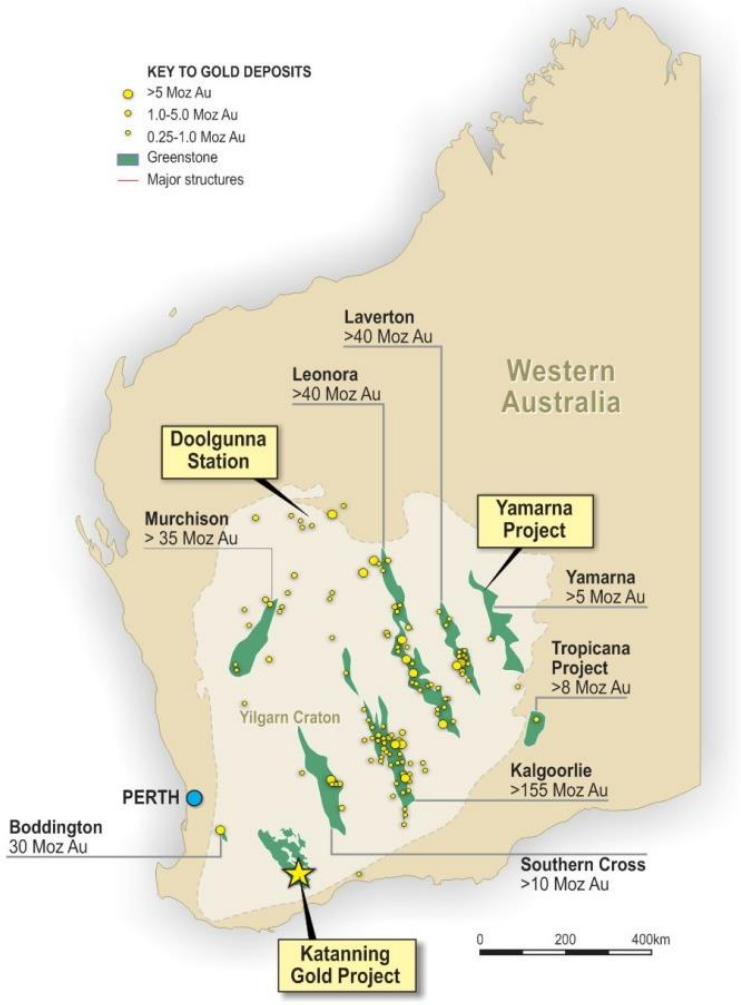

Figure 5 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

On behalf of the Board,

Matthew Greentree
Managing Director
Ausgold Limited

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Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Mr Michael Lowry of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited. Dr Greentree is Managing Director and is a Share and Option holder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results including sampling, assaying, QA/QC, the preparation of the geological interpretations and Exploration Targets. Mr Michael Lowry takes responsibility for the Mineral Resource Estimate.

Mr Lowry and Dr Greentree are Members of The Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Forward-Looking Statements

This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for coal and base metal materials; fluctuations in exchange rates between the U.S. Dollar, and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Ausgold Limited. The ability of the company to achieve any targets will be largely determined by the company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. Although Ausgold Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

APPENDIX 1

Table 2 - Significant V2O5 intercepts in historic drilling in the Red Hill and Mine Hill area prospects

Hole Id	Prospect	From	To	Thickness (m)	V_2O_5%	Fe%
12KTR096	Red Hill	0	56	56	0.44	22.94
including		4	7	3	1.14	30.33
08KTR075	Red Hill	6	26	20	0.65	24.3
including		18	20	2	1.03	35.98
10KTD001	Mine Hill	5	7	2	0.21	15.71
10KTD001	Mine Hill	17	19	2	0.9	43.58
10KTD001	Mine Hill	41	61	20	0.51	26.2
08KTR009	Red Hill	0	17	17	0.46	19.35
including		7	8	1	1.26	42.72
		13	15	2	1.39	47.23
10KTD005	Red Hill	79	87	8	0.71	27.33
including		83	84	1	1.32	46.72
10KTD005	Red Hill	94	110	16	0.46	26.55
including		95	96	1	1.01	33.66
10KTD005	Red Hill	117	126	9	0.38	19.22
12KTR097	Red Hill	38	47	9	0.53	27.09
08KTR076	Mine Hill	0	12	12	0.54	24.37
12KTR092	Mine Hill	0	7	7	0.68	34.37
including		2	3	1	1.04	42.96
		6	7	1	1.06	42.67
12KTR092	Mine Hill	35	40	5	0.4	22.74
10KTD006	Red Hill	25.5	32.5	7	0.63	25.4
including		25.5	28	2.5	1.23	43.51
08KTR013	Red Hill	61	65	4	1.07	39.63
including		62	64	2	1.34	47.75
08KTR013	Red Hill	74	76	2	0.7	29.75
12KTR091	Mine Hill	46	59	13	0.32	19.87
10KTD003	Red Hill	46	58	12	0.24	12.01
10KTD003	Red Hill	64	65	1	0.43	26.02
08KTR001	Red Hill	0	4	4	0.62	29.96
08KTR079	Martling	40	44	4	0.22	20.63
08KTR079	Martling	54	58	4	0.49	23.4
08KTR031	Red Hill	68	72	4	0.42	29.85
08KTR023	Red Hill	66	68	2	0.24	13.03
08KTR023	Red Hill	72	76	4	0.32	18.02
08KTR030	Red Hill	8	12	4	0.32	19.81
08KTR030	Red Hill	46	48	2	0.24	23
08KTR034	Red Hill	0	4	4	0.3	21.32
08KTR008	Red Hill	55	58	3	0.37	19.76
08KTR053	Mine Hill	2	4	2	0.46	22.68
08KTR053	Mine Hill	10	14	4	0.24	16.66

Hole Id	Prospect	From	To	Thickness (m)	V_2O_5%	Fe%
08KTR021	Red Hill	60	62	2	0.2	10.37
08KTR021	Red Hill	88	92	4	0.22	20.29
08KTR070	Mine Hill	2	4	2	0.44	30.02
08KTR028	Red Hill	62	64	2	0.37	28.57
08KTR033	Red Hill	0	2	2	0.35	24
08KTR006	Red Hill	0	2	2	0.25	29.42
08KTR006	Red Hill	5	6	1	0.21	13.95
08KTR006	Red Hill	7	8	1	0.2	13.83
08KTR006	Red Hill	9	10	1	0.23	6.47
08KTR068	Mine Hill	14	16	2	0.22	21.72
08KTR024	Red Hill	8	10	2	0.21	11.37
08KTR052	Mine Hill	16	18	2	0.2	25.39
08KTR015	Red Hill	8	9	1	0.21	9.18

Assay results the intervals reported are thickness weighted averages (ie. XXm grading XX percent per tonne V_2O_5 content). Reported intervals are calculated using ≥ 0.2% V_2O_5 cut-off grade and using a ≤ 4m minimum internal dilution (unless otherwise stated).

Table 3 - Collar location for Red Hill and Mine Hill area prospects

Hole ID		Type	East	North	RL (m)	Depth	Dip	Azimuth
08KTA001	Red Hill	AC	541720	6283408	291	18	-90	0
08KTR001	Red Hill	RC	541379	6282202	323	40	-90	0
08KTR002	Red Hill	RC	541335	6282207	324	30	-90	0
08KTR003	Red Hill	RC	541418	6282201	321	30	-90	0
08KTR004	Red Hill	RC	541463	6282200	319	30	-90	0
08KTR005	Red Hill	RC	541303	6282200	323	30	-90	0
08KTR006	Red Hill	RC	541339	6281959	325	60	-90	0
08KTR007	Red Hill	RC	541381	6281956	327	60	-90	0
08KTR008	Red Hill	RC	541431	6282189	321	88	-60	270
08KTR009	Red Hill	RC	541399	6282202	322	60	-60	270
08KTR010	Red Hill	RC	541321	6282197	324	101	-60	90
08KTR011	Red Hill	RC	541342	6282366	314	51	-60	270
08KTR012	Red Hill	RC	541378	6282360	316	84	-60	270
08KTR013	Red Hill	RC	541424	6282362	318	90	-60	270
08KTR014	Red Hill	RC	541400	6282365	315	104	-60	270
08KTR015	Red Hill	RC	541400	6282445	311	109	-60	270
08KTR016	Red Hill	RC	541413	6282434	313	119	-60	270
08KTR017	Red Hill	RC	541422	6282513	309	101	-60	270
08KTR018	Red Hill	RC	541385	6282517	307	104	-60	270
08KTR019	Red Hill	RC	541344	6282593	308	56	-60	270
08KTR020	Red Hill	RC	541383	6282593	307	50	-60	270
08KTR021	Red Hill	RC	541378	6281878	325	128	-60	270
08KTR022	Red Hill	RC	541399	6281880	326	110	-70	270
08KTR023	Red Hill	RC	541359	6281880	323	77	-60	270
08KTR024	Red Hill	RC	541339	6281959	325	98	-60	270
08KTR025	Red Hill	RC	541478	6281950	327	80	-60	270
08KTR026	Red Hill	RC	541463	6281950	327	94	-60	270
08KTR027	Red Hill	RC	541430	6281948	327	101	-60	270
08KTR028	Red Hill	RC	541430	6281868	326	116	-60	270
08KTR029	Red Hill	RC	541430	6281788	326	100	-60	270
08KTR030	Red Hill	RC	541430	6282028	326	77	-60	270
08KTR031	Red Hill	RC	541430	6282278	320	107	-60	270
08KTR032	Red Hill	RC	541460	6282518	309	87	-60	270
08KTR033	Red Hill	RC	541694	6283328	293	35	-90	0
08KTR034	Red Hill	RC	541734	6283328	293	20	-90	0
08KTR035	Red Hill	RC	541760	6283408	290	29	-90	0
08KTR036	Red Hill	RC	541720	6283248	294	40	-90	0
08KTR037	Red Hill	RC	541680	6283248	295	40	-90	0
08KTR038	Red Hill	RC	541700	6283168	295	40	-90	0
08KTR039	Red Hill	RC	541660	6283168	296	40	-90	0
08KTR040	Red Hill	RC	541620	6282928	299	40	-90	0
08KTR041	Red Hill	RC	541580	6282928	301	40	-90	0
08KTR042	Mine Hill	RC	535040	6291128	323	50	-90	0

08KTR043	Mine Hill	RC	535080	6291128	324	48	-90	0
08KTR044	Mine Hill	RC	535120	6291128	324	40	-90	0
08KTR045	Mine Hill	RC	535120	6291208	317	40	-90	0
08KTR046	Mine Hill	RC	535080	6291208	317	50	-90	0
08KTR047	Mine Hill	RC	535040	6291208	316	45	-90	0
08KTR048	Mine Hill	RC	535000	6291208	314	65	-90	0
08KTR049	Mine Hill	RC	534960	6291208	312	50	-90	0
08KTR050	Mine Hill	RC	534960	6291128	317	50	-90	0
08KTR051	Mine Hill	RC	535000	6291128	321	48	-90	0
08KTR052	Mine Hill	RC	534800	6291288	303	60	-90	0
08KTR053	Mine Hill	RC	534800	6291248	304	60	-90	0
08KTR054	Mine Hill	RC	534800	6291208	305	60	-90	0
08KTR055	Mine Hill	RC	535000	6291248	311	70	-90	0
08KTR056	Mine Hill	RC	535000	6291288	309	70	-90	0
08KTR057	Mine Hill	RC	535000	6291331	307	90	-90	0
08KTR058	Mine Hill	RC	535000	6291368	308	60	-90	0
08KTR059	Mine Hill	RC	535000	6291408	308	60	-90	0
08KTR060	Mine Hill	RC	534640	6291208	299	60	-90	0
08KTR061	Mine Hill	RC	534640	6291248	297	60	-90	0
08KTR062	Mine Hill	RC	534640	6291288	297	60	-90	0
08KTR063	Mine Hill	RC	534640	6291328	295	60	-90	0
08KTR064	Mine Hill	RC	534640	6291368	293	80	-90	0
08KTR065	Mine Hill	RC	534640	6291408	293	62	-90	0
08KTR066	Mine Hill	RC	535160	6291248	318	100	-90	0
08KTR067	Mine Hill	RC	535160	6291328	320	60	-90	0
08KTR068	Mine Hill	RC	535160	6291408	319	65	-60	90
08KTR069	Mine Hill	RC	535200	6291408	325	60	-60	90
08KTR070	Mine Hill	RC	535120	6291408	317	60	-60	90
08KTR071	Mine Hill	RC	535160	6291448	318	60	-90	0
08KTR072	Mine Hill	RC	535160	6291368	319	60	-90	0
08KTR073	Mine Hill	RC	535160	6291168	320	43	-90	0
08KTR074	Mine Hill	RC	541634	6283241	296	44	-90	0
08KTR075	Mine Hill	RC	541654	6283317	295	50	-90	0
08KTR076	Mine Hill	RC	541685	6283408	292	35	-90	0
08KTR077	Martling	RC	543160	6279166	326	60	-90	0
08KTR078	Martling	RC	543480	6279148	344	70	-90	0
08KTR079	Martling	RC	543320	6279318	352	70	-90	0
08KTR080	Martling	RC	543320	6279478	351	74	-90	0
10KTD001	Mine Hill	DD	535385	6291468	337	85.1	-80	182
10KTD002	Mine Hill	DD	535379	6291265	340	213.7	-51	1
10KTD003	Red Hill	DD	541602	6283330	296	90.4	-61	98
10KTD004	Red Hill	DD	541556	6283332	296	139	-61	93
10KTD005	Red Hill	DD	541448	6282360	319	135.5	-61	268
10KTD006	Red Hill	DD	541625	6283330	295	124	-60	84
11KTR085	Red Hill	RC	543800	6283184	305	111	-60	233

11KTR086	Red Hill	RC	543840	6283217	299	120	-60	224
11KTR087	Kenine Hill	RC	517649	6281949	272	120	-61	89
11KTR088	Kenine Hill	RC	517601	6281949	272	120	-60	83
11KTR089	Kenine Hill	RC	517549	6281954	272	120	-60	90
11KTR090	Kenine Hill	RC	517502	6281949	272	120	-59	93
12KTR091	Mine Hill	RC	535383	6291549	328	100	-89	270
12KTR092	Mine Hill	RC	535441	6291549	335	100	-90	183
12KTR093	Mine Hill	RC	535303	6291550	323	100	-89	297
12KTR094	Red Hill	RC	541648	6283412	293	120	-64	99
12KTR095	Red Hill	RC	541608	6283412	294	120	-59	93
12KTR096	Red Hill	RC	541351	6281788	323	120	-60	263
12KTR097	Red Hill	RC	541391	6281785	325	120	-60	266
12KTR098	Red Hill	RC	543361	6283792	318	120	-59	224
12KTR099	Red Hill	RC	543404	6283823	321	120	-59	214
12KTR100	Red Hill	RC	543437	6283855	323	120	-60	228
12KTR101	Red Hill	RC	543480	6283885	323	120	-60	219

APPENDIX 2 – TABLE 4

JORC Code 2012 Edition Table 2 Report – Red Hill Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	**Red Hill** Aircore hole 08KTA001 was drilled by Accent Resources in 2008 to a depth of 18 meters. 2m composites ware analysed. Reverse circulation (RC) percussion holes 08KTR001 to 08KTR041 and 08KTR074 to 08KTR076 where drilled by Accent Resources in 2008 to depths between 20 to 80 m. Holes 08KTR013, 08KTR014 and 08KTR008 were sampled at one meter intervals collected via riffle splitter after cyclone. Other holes are two meter composites, collected via riffle splitter after cyclone. Diamond drilling (DD) holes 10KTD003-006 where drilled by Accent Resources in 2010. Assay samples are half HQ or NQ core selected to geological intervals and standard 1 or 2 meter lengths. RC percussion holes 12KTR094-97 where drilled by Accent Resources in 2012 to a depth of 120m. Four metre composite samples were collected from the 1m calico split using the 'spear sample' method. The 1m calico split was collected from the drill rig's cyclone splitter. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the oxide (i.e. non-magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe, Ti and V values. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the transition (i.e. weakly magnetic) and fresh (i.e. magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe – Ti – V values. The 1m re-samples were submitted to Amdel Laboratory in Canning Vale, WA for Davis Tube Recovery ('DTR') test work. **Mine Hill** Reverse circulation (RC) percussion holes 08KTR042 to 08KTR073 where drilled by Accent Resources in 2008 to depths between 40 to 128 m. All holes are two meter composites, collected via riffle splitter after cyclone.

Criteria	JORC Code explanation	Commentary
		Historical Diamond drilling (DD) holes 10KTD001-002 where drilled by Accent Resources in 2010. Assay samples are half HQ or NQ core selected to geological intervals and standard 1 or 2 meter lengths Reverse circulation (RC) percussion holes 12KTR091-93 where drilled by Accent Resources in 2012 to a depth of 100m for all holes. Four metre RC composite samples were collected from the 1m calico split using the 'spear sample' method. The 1m calico split was collected from the drill rig's cyclone splitter. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the oxide (i.e. non-magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe – Ti – V values. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the transition (i.e. weakly magnetic) and fresh (i.e. magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe – Ti – V values. The 1m resamples were submitted to Amdel Laboratory in Canning Vale, WA for Davis Tube Recovery ('DTR') test work. **Soil Sampling** Surface sampling has been carried out using a light weight trailer mounted auger rig and allowed a consistent Base of Interface (BOI) soil sample above saprolite bedrock to be recognized and collected. Phase I ('first pass') soil programs collected samples at nominal 100m spacing along east – west orientated (i.e. perpendicular to the aeromagnetic structures) public roads and, with the freehold land owner's permission, farm access tracks and fence lines if required (i.e. 'track & trail' sampling). The Phase I samples were quick to collect and could be undertaken between the April (~crop seeding) – November (~crop harvest) period. If Phase I gold- in- soil anomalism was detected then Phase II ('gridded') soils were collected at regular spaced intervals across an east – west orientated grid. Phase II sampling could only be conducted with the freehold land owner's permission and outside of the crop growing season. Phase III ('gridded-infill') samples were collected on E70/3311 to investigate the gold-in-soil anomalies located in the east and northeast of the tenement. Samples were nominally collected at 0.05 – 0.2m depth below the natural surface and screened to -1.9mm or -2.5mm. Subordinate early-stage soil samples were collected as whole soil.

Criteria	JORC Code explanation	Commentary
		All samples were submitted for multi-element analysis to Ultra Trace Laboratory in Canning Vale, Western Australia. Sample Preparation, Samples were sorted, dried and split with a riffle splitter to obtain a sub-fraction where necessary. Samples were then pulverised in a vibrating disc pulveriser.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	Red Hill and Mine Hill in 2008 Drilling was undertaken by Drillwest Pty Ltd with a KL150 rig (Rig 2) using 4.5 inch (11.4cm) face sampling hammer and 750cfm / 450psi air. All holes were either vertical or inclined at -60. Red Hill and Mine Hill 2010 Drilling was undertaken by Core Drilling Services (Rig 1). Holes where HQ pre-collar with NQ tails at various depths of between 42 to 59.5 meters except 10TKD003 which was drilled HQ from surface. Red Hill and Mine Hill 2012 Drilling was undertaken by Egan Drilling Services with a brand new, custom built EX400 deep hole RC rig (EX400 rig is a custom UDR RC400 deep hole RC rig) using 5.5 inch (13.9 cm) face sampling hammer and 1470 cfm / 900 psi air. All holes where either vertical or inclined at -60.
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.*	Red Hill and Mine Hill (2008) No details are available for the historical drill holes. Red Hill and Mine hill (2010) Diamond core recoveries were logged. Core recoveries were generally good (>90%) Red Hill and Mine Hill (2012) No details are available for the historical drill holes.
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.*	All holes were geologically logged
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*	Red Hill and Mine hill(2010) Assay samples are half HQ or NQ core. Red Hill and Mine Hill (2008) All holes were riffle sampled as either 2m composite or 1m samples collected through a cyclone. A small number of wet samples were spear sampled.

Criteria	JORC Code explanation	Commentary
	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.*	Red Hill and Mine Hill (2012) Four metre RC composite samples were collected from the 1m calico split using the 'spear sample' method. The 1m calico split was collected from the drill rig's cyclone splitter. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the oxide (i.e. non-magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe–Ti–V values. Subsequent 1m resamples were collected from the archived 1m calico sample bags of the transition (i.e. weakly magnetic) and fresh (i.e. magnetic) drill intervals whose 4m composite samples had returned elevated (greater than nominal 0.1% V2O5) Fe–Ti–V values. The 1m resamples were submitted to Amdel Laboratory in Canning Vale, WA for Davis Tube Recovery ('DTR') test work. The DTR procedure creates a pair of assay results for each sample: (i) XRF analysis on the primary sample which determines the head grade, and (ii) XRF analysis on the concentrate produced from the DTR test which determines the composition of the magnetically recoverable component. Samples were also recorded as wet, dry or moist with 88% of samples recorded as dry and only 3% recorded as wet. These results are considered adequate. Red Hill and Mine Hill (2008) duplicate samples were collected every 20th sample corresponding to either 40m (2m composites) or 20m intervals. No Certified Reference standards were available. Red Hill and Mine Hill (2010) industry prepared standards were inserted every 20th sample. Red Hill and Mine Hill (2012) geologist recorded sample recoveries of RC bags as small, Average, or large with 80% being average in size. Standards, either field duplicates or industry prepared standards were inserted every 20th sample.
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 derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory*	**Red Hill and Mine Hill (2008**) All samples were assayed by Ultratrace Laboratory – Canning Vale for Fe, SiO2, Al2O3, TiO2, MnO, CaO, PXRF, SXRF, MgO, K2O, V2O5 (0.001 % lower Detection) and Cr2O3 by XRF Fusion using a 12:22 flux. Holes 08KTR001 - 031 and 08KTR071 - 080 were also assayed for Au, Pt and Pd by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry (OES). This technique provides total analysis with high precision and is considered an appropriate assay method for detecting vanadium and gold mineralisation.

Criteria	JORC Code explanation	Commentary
	checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	**Red Hill and Mine Hill (2010)** All samples were assayed by Ultratrace Laboratory – Canning Vale for Fe, SiO2, Al2O3, TiO2, MnO, CaO, P XRF, S XRF, MgO, K2O, V2O5 (0.001 % lower Detection) and Cr2O3 by XRF Fusion using a 12:22 flux. This technique provides total analysis with high precision and is considered an appropriate assay method for detecting vanadium and gold mineralisation. **Red Hill and Mine Hill (2012)** All samples were assayed by Ultratrace Laboratory – Canning Vale for Fe, SiO2, Al2O3, TiO2, MnO, CaO, P XRF, S XRF, MgO, K2O, V2O5 (0.001 % lower Detection) and Cr2O3 by XRF Fusion using a 12:22 flux. This technique provides total analysis with high precision and is considered an appropriate assay method for detecting vanadium and gold mineralisation. The 1m resamples of transitional and fresh material were submitted to Amdel Laboratory ('Amdel') in Canning Vale, WA for DTR test work. A total of 76 1m resamples were collected from 4 of the 11 RC holes (12KTR091 – 2 and 12KTR096 – 97) and submitted for DTR test work. The DTR procedure creates a pair of assay results for each sample: (i) a XRF analysis on the primary sample which determines the head grade, and (ii) an XRF analysis on the concentrate produced from the DTR test which determines the composition of the magnetically recoverable component **Red Hill and Mine Hill (2008)** Duplicate samples were collected every 20th sample corresponding to either 40m (2m composites) or 20m intervals. No Certified Reference standards were available. The analytical laboratory provide their own routine quality controls within their own practices. The results from their own validations were provided to Accent Resources. No details are available on analysis of the QAQC results. **Red Hill and Mine Hill (2010)** Industry prepared standards were inserted every 20th sample. Red Hill and Mine Hill (2012) Geologist recorded sample recoveries of RC bags as small, average, or large with 80% being average in size. Standards, either field duplicates or industry prepared standards were inserted every 20th sample. No details are available on analysis of the QAQC results.

Criteria	JORC Code explanation	Commentary
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.*	Drill holes have not be verified by Ausgold personnel. No details are given for the historical drilling. The analytical laboratory provides their own routine quality controls within their own practices. The results from their own validations were provided to Accent Resources. No details are available on analysis of the QAQC results No twinned holes have been drilled. No details provided for historical drilling. Data reconstructed from WAMEX technical reports No adjustments or calibrations were made to any assay data used in this report.
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.*	**Red Hill and Mine Hill (2008)** Collar positions established with handheld GPS; expected accuracy +/- 5m. This is considered appropriate at this early stage of exploration. Azimuths in magnetic degrees. No downhole surveys taken. **Red Hill and Mine Hill (2010)** Collar positions surveyed by averaging with handheld GPS, accurate to +/- 5m (MGA94 Zone 50). This is considered appropriate at this early stage of exploration. Downhole surveys were taken using a single shot Reflect EzTrac survey tool every 30m downhole and were taken by the drilling contractor. **Red Hill and Mine Hill (2012)** Collar positions surveyed by averaging with handheld GPS, accurate to +/- 5m (MGA94 Zone 50). This is considered appropriate at this early stage of exploration. Downhole surveys were taken using a single shot Reflect EzTrac survey tool every 40 to 60 m downhole and were taken by the drilling contractor. The grid system used is GDA94, zone 50. All collars were reprojected to a single DEM generated/derived from SRTM.
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.*	**Red Hill (2008)** The drilling is generally reconnaissance in nature with some areas drilled at 80 x 40m spacing. **Mine Hill (2008)** The drilling is generally reconnaissance in nature with some areas drilled at 160 x 40m spacing. Red Hill and Mine Hill (2010) Drilling was designed to infill and extend drilling conducted on 2008 and is of a similar spacing. **Red Hill and Mine Hill (2012)** Drilling was designed to extend drilling conducted on 2008/2010 and is of a similar spacing. No compositing has been applied to the drilling.

Criteria	JORC Code explanation	Commentary
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.*	**Red Hill (2008)** The drilling was oriented at -60 toward 270 to perpendicularly intercept the magnetic features. Mine Hill (2008) Drilling was oriented vertically to test the magnetic feature. **Red Hill and Mine Hill (2010)** 10KTD001 was oriented -80 dip azimuth of 180 10KTD002 was oriented -50 dip azimuth of 0 10KTD003 was oriented -60 dip azimuth of 095 10KTD004 was oriented -60 dip azimuth of 090 10KTD005 was oriented -60 dip azimuth of 270 10KTD006 was oriented -60 dip azimuth of 085 **Red Hill and Mine Hill (2012)** 12KTR091 was oriented -90 12KTR092 was oriented -90 12KTR093 was oriented -90 12KTR094 was oriented -60 toward 090 (azimuth) 12KTR095 was oriented -60 toward 090 (azimuth) 12KTR096 was oriented -60 toward 260 (azimuth) 12KTR096 was oriented -60 toward 260 (azimuth) Drilling is not always perpendicular to the dip of mineralisation and true widths are less than downhole widths. Estimates of true widths will only be possible when all results are received, and final geological interpretations have been completed
Sample security	• *The measures taken to ensure sample security.*	No details provided for historical drilling.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of the data management system has been carried out.

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.*	Reported results are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), including E70/4863, E70/5142, E70/4864, E70/5223. The land is used primarily for grazing and cropping. The tenements are in good standing, and all work is conducted under specific approvals from the Department of Mines and Petroleum ("DMP"). Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities. Only registered Aboriginal Heritage Site 35607 known as "Boyerine Reserve Burial" which is located on the north eastern corner of E70/4863 occurs over the tenement package. This heritage site lies within a reserve as well. The following reserves occur on the tenement package and will limit / hinder exploration activities, R 28471, R 25243, R 25242, R 13145, and R 20987. The tenements also cover the following town sites which will limit / hinder exploration activities Woodanilling, Boyerine, Moojebing, and Pinwernying
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Vanadium Mineralisation was first noted around 1930 in the Mine Hill area some 25km NW of Katanning. No other occurences of magnetite were recorded in the district until Otter Exploration geologists discovered titanifeous magnetite 6 km south east of Katanning in March 1980. Otter and AK Minerals (early 1980s):- which included ground and airborne magnetic surveys, geological mapping . The airborne survey helped to outline magnetic anomalies at Martling Farm, Mine Hill and Red Hill. A drilling programme was carried out at Red Hill by AK Minerals but attempts by Accent Resources NL to locate the drill logs and assay results have yet to meet with success. Remote Sensing and Geological Services (1999-2001):- remote sensing, rock and soil sampling and ground magnetometer traverses. Platinum Australia Limited (2005-2006):- carried out a database compilation of previous work, plus stream sediment sampling, mag-lag sampling, aerial photo interpretation and regolith mapping. This

Criteria	JORC Code explanation	Commentary
		exploration programme was orientated towards the platinum group metals. Accent Resources NL's exploration programme was focused towards the discovery and evaluation of vanadium-titanium-magnetite occurrences. The work included remote sensing, an airborne radiometric and magnetic survey, geological mapping and sampling and metallurgical test work. A detailed aeromagnetic and radiometric survey commissioned by Accent Resources NL was flown over the Katanning area in September/October 2007. The purpose of this survey was to pinpoint highly magnetic areas indicative of potential vanadium-titanium-magnetite deposits.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The geology in the project area consists predominantly of fresh granite and minor metagabbro and metadolerite. Extensive laterite cover occurs across much of the combined license area. Anomalous vanadiferous titanomagnetite occurrences are located in the region associated with a titanomagnetite gabbro intrusive
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.*	Tables and plans are shown in the body of the text.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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 such aggregations should be shown in detail.*	Higher grade intervals within larger intersections are reported as included intervals and noted in results table. No top-cut off grades have been applied until more assay results become available to allow statistical determination. Iron content and Titanium content is determined subsequent to determining the Vanadium intercept of interest.

Criteria	JORC Code explanation	Commentary
	• *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 (e.g. 'down hole length, true width not known').*	The geometry of any primary mineralisation is not known at present due to the early stage of exploration. The angled orientation of RC drilling may introduce some sampling bias (increasing the intercept width of flat lying or vertical mineralisation). All intersections are subsequently presented as downhole lengths. If down hole length varies significantly from known true width then appropriate notes are provided.
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.*	Please refer to Figures in the text
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.*	Please see information provided in results tables in Report
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.*	A detailed aeromagnetic and radiometric survey commissioned by Accent Resources NL was flown in September and October 2007. The survey area amounted to 11017.5 line kilometres on a 100m line spacing at a height of 50m. Ground magnetic traverses were taken every 5m using a G-856AX Magnetometer with 2.4m staff over several targets in the area. Accent resources had collected 9000 samples using ICP-OES method for geochemical examination of targets. These results are stored in an aquire database hosted in AusGold head office
Further work	• *The nature and scale of planned further work (e.g. 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.*	Finalisation of land access agreements with landowners over the areas of interest. Commissioning of ground magnetic survey and ground gravity survey to allow predictive modelling of denser magnetite bearing gabbros to develop exploration targets both conceptual for project viability consideration and for drill planning purposes Drilling of targets to extend known mineralisation and provide material for metallurgical and engineering test work.

Section 3 Estimation and Reporting of Mineral Resources

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.*	Reported results are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), including E70/4863, E70/5142, E70/4864, E70/5223. The land is used primarily for grazing and cropping. The tenements are in good standing, and all work is conducted under specific approvals from the Department of Mines and Petroleum ("DMP"). Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities. Only registered Aboriginal Heritage Site 35607 known as "Boyerine Reserve Burial" which is located on the north eastern corner of E70/4863 occurs over the tenement package. This heritage site lies within a reserve as well. The following reserves occur on the tenement package and will limit / hinder exploration activities, R 28471, R 25243, R 25242, R 13145, and R 20987. The tenements also cover the following town sites which will limit / hinder exploration activities Woodanilling, Boyerine, Moojebing, and Pinwernying
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Vanadium Mineralisation was first noted around 1930 in the Mine Hill area some 25km NW of Katanning. No other occurrence of magnetite were recorded in the district until Otter Exploration geologists discovered titanifeous magnetite 6 km south east of Katanning in March 1980. Otter and AK Minerals (early 1980s):- which included ground and airborne magnetic surveys, geological mapping . The airborne survey helped to outline magnetic anomalies at Martling Farm, Mine Hill and Red Hill. A drilling programme was carried out at Red Hill by AK Minerals but attempts by Accent Resources NL to locate the drill logs and assay results have yet to meet with success. Remote Sensing and Geological Services (1999-2001):- remote sensing, rock and soil sampling and ground magnetometer traverses. Platinum Australia Limited (2005-2006):- carried out a database compilation of previous work, plus stream sediment sampling, mag-lag sampling, aerial photo interpretation and regolith mapping. This

Criteria	JORC Code explanation	Commentary
		exploration programme was orientated towards the platinum group metals. Accent Resources NL's exploration programme was focused towards the discovery and evaluation of vanadium-titanium-magnetite occurrences. The work included remote sensing, an airborne radiometric and magnetic survey, geological mapping and sampling and metallurgical test work. A detailed aeromagnetic and radiometric survey commissioned by Accent Resources NL was flown over the Katanning area in September/October 2007. The purpose of this survey was to pinpoint highly magnetic areas indicative of potential vanadium-titanium-magnetite deposits.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The geology in the project area consists predominantly of fresh granite and minor metagabbro and metadolerite. Extensive laterite cover occurs across much of the combined license area. Anomalous vanadiferous titanomagnetite occurrences are located in the region associated with a titanomagnetite gabbro intrusive

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 Drilling recorded in WAMEX in the project area

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 such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	All reported assays have been arithmetically length weighted. A nominal 0.2 % V_2O_5 lower cut- off is reported with internal waste intervals (i.e. <0.2 % V_2O_5) to not exceed the width of a 4m. Higher grade intervals within larger intersections are reported as included intervals and noted in results table. No top-cut off grades have been applied until more assay results become available to allow statistical determination. Iron content and Titanium content is determined subsequent to determining the Vanadium intercept of interest.

Criteria	JORC Code explanation	Commentary
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').*	The geometry of any primary mineralisation is not known at present due to the early stage of exploration. The angled orientation of RC drilling may introduce some sampling bias (increasing the intercept width of flat lying or vertical mineralisation). All intersections are subsequently presented as downhole lengths. If down hole length varies significantly from known true width then appropriate notes are provided.
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.*	Refer to figures
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.*	Please see information provided in results tables in Report
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.*	A detailed aeromagnetic and radiometric survey commissioned by Accent Resources NL was flown in September and October 2007. The survey area amounted to 11017.5 line kilometres on a 100m line spacing at a height of 50m. Ground magnetic traverses were taken every 5m using a G-856AX Magnetometer with 2.4m staff over several targets in the area. Accent resources had collected 9000 samples using ICP-OES method for geochemical examination of targets. These results are stored in an acquire database
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.*	Finalisation of land access agreements with landowners over the areas of interest. Commissioning of ground magnetic survey and ground gravity survey to allow predictive modelling of denser magnetite bearing gabbros to develop exploration targets both conceptual for project viability consideration and for drill planning purposes Drilling of targets to extend known mineralisation and provide material for metallurgical and engineering test work.