SUREFIRE RESOURCES NL

17 December 2018

ASX Announcement
ASX Codes: SRN and SRNOB

Clarifying Announcement

At the request of the ASX, Surefire provides this updated version of an announcement made on 11 December 2018. This revised release includes an additional **Table 2: 2018 RC Drilling Details** at page 5.

In all other respects, the content of the announcement remains unchanged.

Unaly Hill Vanadium Project
RC Drilling Results

Highlights:

- **All drill holes intersected vanadium mineralisation with individual high grades up to 0.90% V_2O_5**
- **Intersection widths with significant grade include:**

  40m @ 0.44% V_2O_5 from 82m in UHRC008 Including 24m @0.51% V_2O_5

  34m @ 0.53% V_2O_5 from 79m in UHRC009 including 16m @0.69% V_2O_5

  36m @ 0.43% V_2O_5 from 64m in UHR007 including 14m @0.58% V_2O_5
- **Mineralisation continues to show robust grades at shallow depths (<150m)**
- **Results provide strong support for an extensive vanadium resource**
- **Simple geometry of mineralisation**
- **Mineralisation is still open for several km along strike and at depth**

Surefire Resources NL (ASX: SRN, "the Company" or SRN") is pleased to announce the results of the first phase of its new RC drilling program at its Unaly Hill vanadium project near Sandstone. All the holes intersected the target magnetite layers as planned and the results have confirmed the presence of significant widths of vanadium mineralisation of robust grade, including zones of higher grade vanadium.

RC Drilling at Unaly Hill Vanadium

The 2018 RC drilling program was designed to extend the known mineral resource at Unaly Hill to the north along strike (Figure 1). A total of 10 reverse circulation (RC) drill holes were completed along six traverses for an aggregate of 1,258m. The programme was based on detailed 2D forward modeling of high resolution airborne magnetic data carried out by Southern Geoscience Consultants

Pty Ltd (SGC) who were tasked with targeting extensions of the vanadium-titanium-magnetite mineralisation hosted within the Atley Layered Mafic Intrusion.

The NNE trending magnetic anomaly within the licence area is consistent in its magnetic signature, with vanadium and titanium mineralisation occurring fairly continuously along it. The aeromagnetic anomaly does vary in intensity but this may be due to differences in depths of weathering or variation in grade and width of the mineralised bands. All the RC drill holes were angled -60 degrees towards a bearing of 110 degrees, perpendicular to the strike of the host magnetite horizon. The only exception being 18UHRC013, which was drilled towards a bearing of 290 degrees, also dipping at -60 degrees. The holes ranged in depth from 100m to 200m.

Hard, fresh rock drilling conditions were encountered from close to the surface with transported overburden and weathering/oxidation being reasonably shallow.

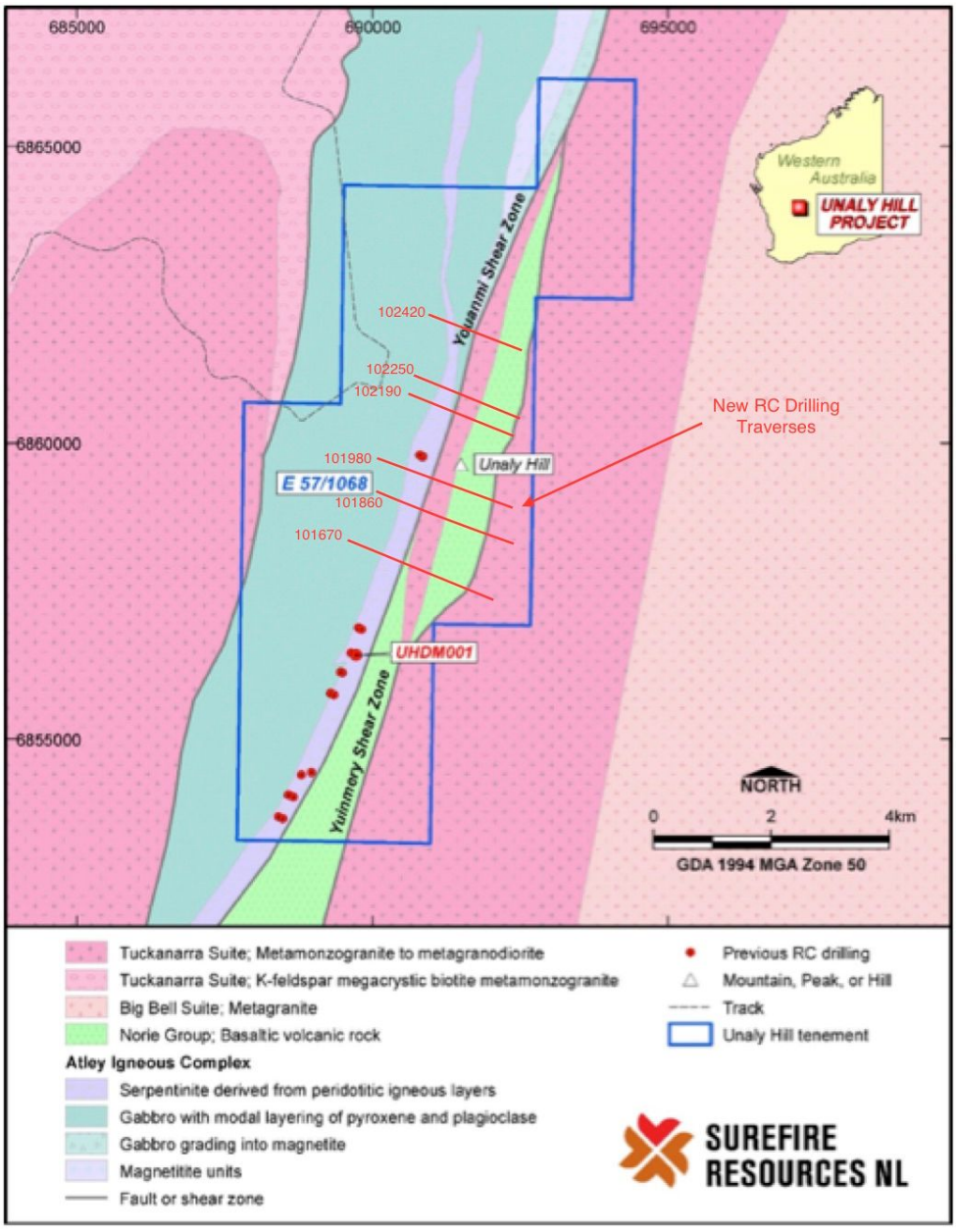

Figure 1

Results

A total of 524 drill samples were transported from site and submitted to ALS Laboratories at Malaga, Western Australia for ME-XRF21 analysis. All the drill holes intersected a number of vanadiferous titano-magnetite layers and assay results have confirmed the presence of consistent bands of significant grades of vanadium mineralisation up to 40m in down-hole width. The list of the main intersections is contained in Table 1.

The new results contain:

- Individual composite intersections of grades up to 0.90% V_2O_5
- 15 intersections greater than 0.50% V_2O_5 and wider than 4 metres.
- Significant intersection widths of:
  40m @ 0.44% V_2O_5 from 82m in UHRC008 Including 24m @ 0.51% V_2O_5
  34m @ 0.53% V_2O_5 from 79m in UHRC009 including 16m @ 0.69% V_2O_5
  36m @ 0.43% V_2O_5 from 64m in UHR007 including 14m @ 0.58% V_2O_5
- Drilling results are consistent with grades attained from historic resource drilling at Unaly Hill.
- Confirms extensive areas of vanadium-bearing magnetite mineralisation some 4km north of the current mineral resource.
- Approximately 7km of strike remain untested.
- Diamond drilling and RC programme indicate a robust resource with potential for increased grade over the current JORC resource grade.
- Mineralisation occurs as numerous adjacent parallel bands, dipping steeply easterly on some sections.
- Drilling has also identified relatively shallow levels of weathered/oxidized cover.
- The mineralisation remains open along strike and depth.
- Promising results enable Company to plan an extended drilling programme to advance the resource to an Indicated JORC status that will enable economic evaluation.
- Geological consultants are currently evaluating the target areas for further in-drill testing.

Table 1

Hole ID		From (m)	To (m)	Int. (m)	V_2O_5 %	TiO_2 %	Fe %
18UHRC003		10	19	9	**0.52**	6.49	25.59
18UHRC003	*including*	10	14	4	**0.83**	10.14	39.07
18UHRC003		45	63	18	0.46	6.27	24.37
18UHRC003	*including*	51	59	8	**0.58**	7.88	30.02
18UHRC003		71	81	10	0.34	4.93	19.3
18UHRC005		106	116	10	0.48	6.69	25.28
18UHRC006		22	30	8	0.47	5.68	21.97
18UHRC006		101	133	32	0.35	4.51	18.68
18UHRC006	*including*	107	117	10	0.42	5.24	22.03
18UHRC007		28	34	6	**0.5**	6	24.26
18UHRC007		64	100	36	0.42	5.64	22.82
18UHRC007	*including*	74	88	14	**0.58**	7.8	29.95
18UHRC008		18	24	6	0.48	5.65	22.7
18UHRC008		30	34	4	**0.53**	6.4	25.2
18UHRC008		82	122	40	0.44	5.54	22.08
18UHRC008	*including*	82	106	24	**0.51**	6.45	25.35
18UHRC008		146	162	16	0.45	6.11	24.03
18UHRC008		154	162	8	**0.59**	7.89	29.97
18UHRC008		168	176	8	0.38	5.14	20
18UHRC009		28	34	6	**0.59**	7.61	29.75
18UHRC009		40	52	12	**0.51**	6.71	25.46
18UHRC009		79	113	34	**0.53**	7.2	27.71
18UHRC009	*including*	89	105	16	**0.69**	9.34	34.52
18UHRC010		38	54	16	0.37	4.5	18.69
18UHRC010	*including*	40	46	6	0.49	5.92	24.1
18UHRC011	*including*	20	26	6	**0.68**	8.53	33.03
18UHRC011		54	60	6	**0.55**	7.12	26.79
18UHRC011		88	116	28	0.4	5.6	22.36
18UHRC012		32	48	16	0.33	4.12	16.38
18UHRC012		90	98	8	0.45	5.86	23.42
18UHRC012	*including*	92	96	4	**0.72**	9.07	34.8
18UHRC012		106	114	8	0.48	6.33	23.73
18UHRC013		4	12	8	0.3	3.68	15
18UHRC013		16	30	14	0.33	4.27	16.59
18UHRC013		38	68	30	0.34	4.15	16.51
18UHRC013	*including*	44	58	14	0.41	5.1	19.95

The intersections are calculated with a cut-off grade of 0.2% V_2O_5.

Table 2: 2018 RC Drilling Details

Coordinates MGA 94, Zone 50

Hole ID	East m	North m	RL	Depth m	Dip	Azimuth
18UHRC003	690165	6857575	437	108	-60	110
18UHRC005	690457	6858518	437	126	-60	110
18UHRC006	690424	6858538	437	144	-60	110
18UHRC007	690628	6859085	441	108	-60	110
18UHRC008	690570	6859095	440	200	-60	110
18UHRC009	690908	6860075	444	138	-60	110
18UHRC010	690818	6860118	444	100	-60	110
18UHRC011	691005	6860360	446	120	-60	110
18UHRC012	690950	6860380	446	114	-60	110
18UHRC013	691328	6861142	446	100	-60	290

Project Status

Metallurgical test work of diamond drill core from UHDM001 is nearing completion with salt roast tests to assess the recoverable vanadium from the magnetic concentrate as the final stage of the programme. Metallurgical testwork to date indicates:

- **192% to 367% vanadium upgrade**
- **V_2O_5 grades up to 1.46% achieved**
- **Lower grade mineralised zone beneficiates exceptionally well**
- **Ore below a nominal cut-off grade shown to beneficiate to similar grades as high-grade zones**
- **Excellent rejection of gangue minerals**

Drilling has confirmed extensive areas of mineralisation along strike at grades similar to or above the previously announced 86Mt@ 0.42% V_2O_5 (0.30% V_2O_5 cut-off).

Future Activities

The positive drilling and metallurgical results to date enable the Company to plan to an in-fill drilling programme in order to establish an Indicated JORC resource on the most favourable area of the mineralisation. This category of resource definition will enable the Company to undertake an appraisal of the project's economic potential by allowing commencement and completion a Scoping Study level of evaluation.

Executive Chairman Vladimir Nikolaenko commented, "*The RC drilling programme has provided confirmation of the extent and good grades of the vanadium resource at Unaly Hill. Combined with the excellent metallurgical testwork results, it enables the Company to continue to advance its Unaly Hill project towards a Scoping Study level of evaluation of its economic potential"*

For further information, contact*:*

Vladimir Nikolaenko
CHAIRMAN

Competent Persons Statement

Information in this report relating to exploration results is based on information compiled by Martin Dormer Consultant Geologist. Mr Martin Dormer, who is a member of the Australian Institute of Mining and Metallurgy, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Dormer consents to the inclusion of such information in this report and the context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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APPENDIX 1 JORC 2012 Table 1 Exploration Results - 2018 RC Drill Program

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 gammas nodes, or hand held XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse Circulation ("RC") drilling was carried out with a Hydco 350 drilling rig mounted on a Man 8-wheel truck. The hole was drilled to 137mm diameter.
	Include reference to the measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Samples were taken from one to four metre composites from either collar, or base of clay zone, to the end of hole depth. Magnetic susceptibility readings were taken on each metre with a KT-10 hand held magnetic susceptibility reader. Each metre was chi trayed and geologically logged. Drill collar positions were captured with a handheld GARMIN 64st GPS to +/-3m accuracy.
	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 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay') In other cases more explanation may be required, such as where there is course gold that has inherent sampling problems. Unusual commodities mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Each metre of samples was split with a three-tier rifle splitter mounted beneath the cyclone on the drill rig. Metre samples were collected in green mining bags and calico bags. Each metre was also sieved and collected in a chip tray for geological logging. Composite sample intervals were determined on site and collected via a sample spear. Samples were delivered to ALS Laboratories in Malaga for multielement assay. Samples were crushed, dried, and pulverised to -75um. Multielement analysis was completed using ME-MS61 (ICP-MS and ICP-OES). 24 elements were analysed using XRF spectrometry.
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*	10 137mm RC holes were drilled for a total of 1,258 metres
	bit or other type, whether core is	Sample piles were recorded for each 6m rod. Rods were counted when pulled at the end of each hole. A Reflex true north seeking gyro survey was carried out at the end of each hole.
	oriented and if so, by what method, etc.)	
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Geologist supervising the drilling program recorded each metre as it was drilled. Geological logs, samples logs, daily drill logs, magnetic susceptibility logs, and sample piles all recorded hole depths. No aberrations were found.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	All logs of sampling and drilling lengths matched. Cuttings were crushed to >70% passing 6mm, with pulverising to 85% passing -75um. 25g of material analysed.

	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.	Each metre was recovered. No redrilling was necessary. No biases were recorded.

Criteria	*JORC Code Explanation*	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies*	Drill cuttings were geologically logged to the level of detail deemed appropriate for mineral exploration, with details entered into geological database.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography	Drilling logs record weathering, oxidation, mineralogy, colour, texture, and mineralisation. All logging is quantitative.
	The total length and percentage of the relevant intersections logged.	The drill holes reported were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No core drilling carried out
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Three tier riffle splitter was used to take one metre samples. Samples were combined to form composites at varying intervals.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	All samples were transported to an external sample preparation/assay laboratory. The sample preparation followed industry best practise. All samples pulverised to -75um passing 85%.
	Quality control procedures adopted for all sub-sampling stages to maximise representatively of samples.	The external laboratory's QA/QC procedures involved the use of appropriate standards, duplicates and blanks which are inserted into sample batches at a frequency deemed appropriate for the exploration results.
	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	Sample size was approximately 2kg – 3kg in weight
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Given the exploration stage nature of this work the sample sizes are deemed appropriate.
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.*	The analytical technique used a 4-acid digest on 1-2 metre quarter core samples. The HQ diamond drill core from UHDM001 was delivered to ALS Technical Centre in Wangara for metallurgical testwork and assay. Multi-element analysis was completed using ME-MS61 ICP-MS and ICP AES (44 elements using a four-acid digest) technique. A prepared sample (0.66 g) was fused and then poured into a platinum mould. The resultant disk was in turn analysed by XRF spectrometry (24 elements). These techniques are considered total.
	For geophysical tools, spectrometers, handheld XRF instruments, etc. the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc.	No geophysical results are reported.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	The Company has relied upon the Laboratory for standards and QA/QC. The external laboratory used maintains their own process of QA/QC using standards, and blanks. Review of the external laboratory quality QA/QC reports, has shown no sample preparation issues, acceptable levels of accuracy and precision and no bias in the analytical datasets.

Criteria	*JORC Code Explanation*	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The sampling techniques were reviewed in the field by an external consultant.
	The use of twinned holes.	No twinned holes were drilled.
	Documentation of primary data, data entry procedures, data verifications, data storage (physical and electronic) protocols.	All data is recorded in specifically designed templates. Assay data was received in spreadsheets and downloaded into geological database.
	Discuss any adjustment to assay data	The analysis of Vanadium was multiplied by 1.7852 to derive V2O5. No other adjustments were made to the data on receipt from the assay laboratory.
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.*	Drill hole collars was located with hand held Garmin GPS. Elevation value is in AHD. Accuracy is +/-3m for east and north, and +/=10m for elevation.
	Specification of the grid system used.	Drill hole location is reported using the GDA94_MGAz50 grid system.
	Quality and adequacy of topographic control	Drill hole collar was located by GPS. Elevation value is in AHD. Expected accuracy was +/-10m for elevation coordinates.
Data spacing and distribution	*Data spacing for reporting of Exploration Results*	RC holes were drilled at variable hole and line spacings.
	Whether the data spacing and distributions sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing is considered sufficient to assume geological and grade continuity. It is expected that further drilling will allow the estimation of Mineral Resources.
	Whether sample compositing has been applied	Samples were composited from 1m to 4m according to supervising geologist.

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.*	The drill hole was angled perpendicular to the strike of the target horizon to achieve unbiased sampling of the target horizon.
	If the relationship between 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.	Drill intersections are not true widths.
Sample security	*The measures taken to ensure sample security*	Chain of custody of samples was managed by the company and the laboratory. Logging and sampling was carried out in the field at the time of drilling.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data*	Sample preparation followed industry best practice at the commercial laboratory facility. QA/QC of assay analyses shows there are no issues with sampling, analytical techniques or results.

Section 2: Reporting of Exploration Results
(Criteria listed in previous 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 exploration results in this report relate to Exploration Licences E57/1068. This EL is 100% owned by Surefire Resources NL.
	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.	Tenure in the form of Exploration Licences with standard 5-year expiry dates which may be renewed. There are no known impediments to obtaining a licence to operate in this area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Previous regional exploration on the project was undertaken by the company and included, geophysical surveys, geochemical surveys, rock sampling and RC drilling. Historical geophysical surveys included an airborne (helicopter) magnetic survey. Geochemical surveys included soil sampling. A detailed assessment of the historic data is in progress. No significant issues with the data have been detected to-date.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Project occurs within the Atley Igneous Complex in the East Murchison Mineral field of Western Australia. The Atley Intrusion is a layered gabbroic body that is elongate in an NNE/SSW orientation and runs along the axis of the regional scale Youanmi Fault, a regionally dominant geological feature. Further drilling and assaying is required to fully assess the geology and style of mineralisation. Mineralogy and petrology studies completed suggest that host rocks at Unaly Hill are magnetite cumulate layers within gabbros in a layered mafic complex. The targeted deposit type and style of mineralisation is Fe-Ti-V) magmatic magnetite layered systems.
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: (i) easting and northing of the drill hole collar (ii) elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar (iii) dip and azimuth of the hole o down hole length and interception depth (iv) hole length.*	Refer to Table 2 of this report where drill hole collar and downhole orientation and depth information is tabulated
	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.	No information has been excluded.

Criteria	*JORC Code Explanation*	Commentary
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 assays were composited for summary purposes, all assays were weighted by drill interval. No high-grade cuts have been applied to the sample data reported.
	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.	Where assays were composited for summary purposes, all assays were weighted by drill interval
	The assumptions used for any reporting of metal equivalent values should be clearly stated	No metal equivalent values are used
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results*	The orientation of mineralization relative to the drill hole is depicted in figures. Drill intersections are not true widths.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	All drill hole results reported are downhole length, true widths are unknown.
	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').	All drill hole results reported are downhole length, true widths are unknown.
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*	Appropriate diagrams are included in the main body of this report.
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.*	Reporting of the drill results is considered balanced.
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*	No additional meaningful and material exploration data has been excluded from this report.
	characteristics; potential deleterious or contaminating substances	
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).*	Further regional exploration related work planned for the Project includes ongoing RC percussion and/or diamond drilling to be undertaken on priority targets identified.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	These diagrams are included in the main body of this report.