

## Yandal Exploration Update

- Drilling at Flinders Park gold prospect returns 15m @ 2.03g/t Au from 77m including 1m @ 14.52g/t Au from 79m
- Drilling at Flushing Meadows gold prospect returns 6m @ 3.92g/t Au from 18m including 2m @ 9.87g/t Au from 21m
- Follow up exploration programs planned to commence in January 2019

**Yandal Resources Ltd (ASX: YRL, “Yandal Resources” or the “Company”)** is pleased to provide an update on recent exploration activity at the Ironstone Well, Barwidgee and Mt McClure Gold Projects within the Yandal Greenstone Belt in Western Australia (Figure 1).

A total of 1,484m of reverse circulation (“RC”) drilling was completed at the Ironstone Well and Mt McClure projects in the September Quarter with final 1m assay results received on December 14<sup>th</sup> 2018. Holes completed at the Flinders Park prospect were to follow up encouraging historic Aircore (“AC”) intercepts and at the Flushing Meadows prospect drilling aimed to confirm historically reported mineralisation and provide initial QA/QC data for potential Resource compilation. An additional hole was completed at the Challenger Way South prospect also to confirm the location of historic mineralisation.

### Yandal Resources’ Managing Director; Mr Lorry Hughes commented:

*“The result from Flinders Park is a great start and now provides us with encouragement to conduct substantial follow-up exploration in the new year. The historic drilling at Flinders Park indicated some potential and now we have expanded on that. We are hopeful that a re-interpretation of the mineralisation to be westerly dipping and having this early success could be a pathway to a new discovery.*

*At Flushing Meadows the new results were largely in line with our expectations and provides confirmation of the reliability of data that has been used for historic Resource Estimates. New program planning to extend the areas that have sufficient quality of data capable of being included in JORC 2012 Compliant Resources is underway.*

*Our Yandal projects contain numerous prospects that are along strike or adjacent to significant historically reported deposits and the exploration team is looking forward to thoroughly testing several of them in the first half of next year”.*



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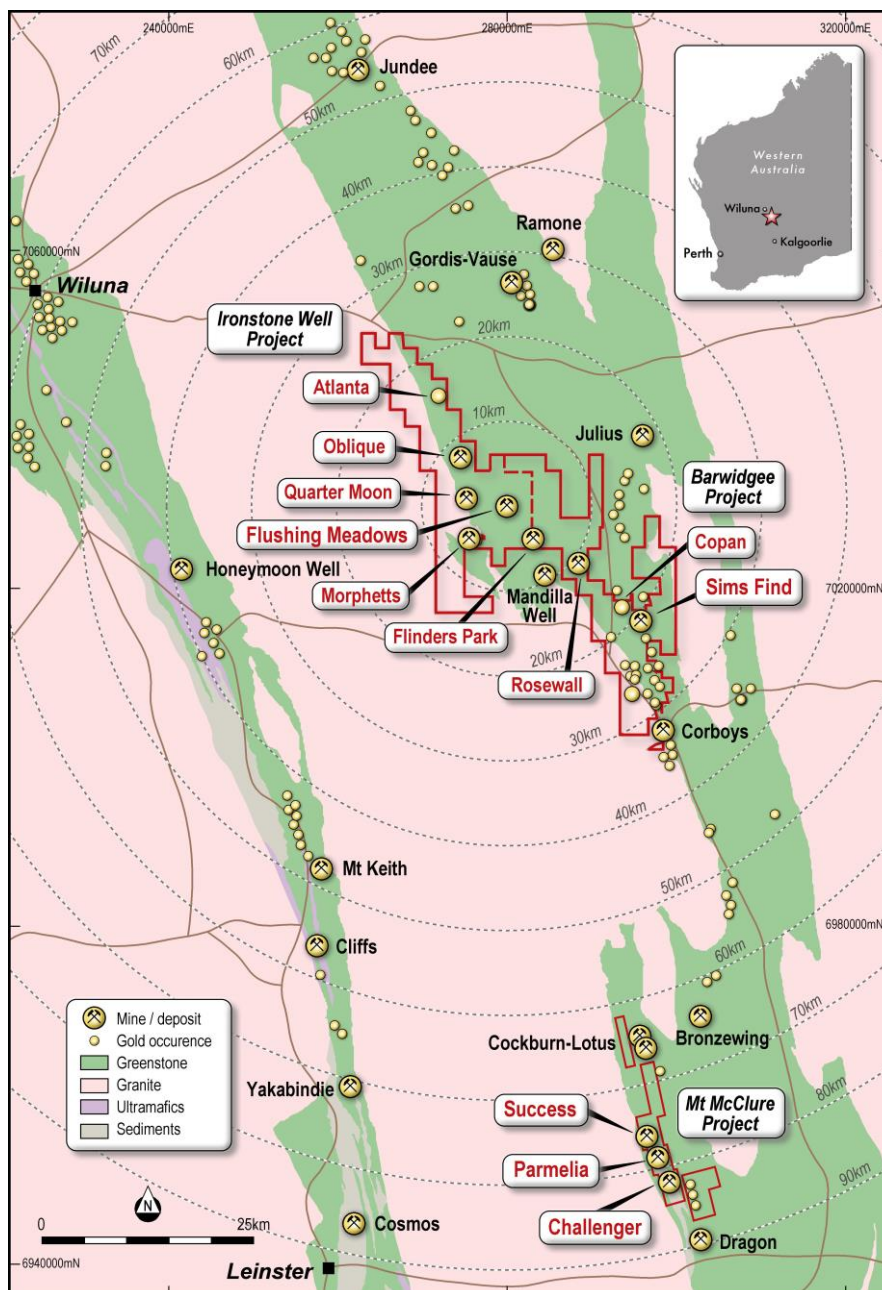
#### Gold Projects

Ironstone Well (100% owned)	
Barwidgee (100% owned)	
Mt McClure (100% owned)	
Gordons (100% owned)	
Shares on Issue	53,308,348
Share Price	\$0.20
Market Cap	\$11M
ASX Code	YRL

## Flinders Park Prospect

The Flinders Park prospect is located within a highly mineralised part of the regionally extensive Barwidgee Shear Zone which hosts numerous significant gold prospects including Flushing Meadows, Oblique and Atlanta. These combined occur along a 20km long regional strike zone (Figures 1 & 2). Five angled RC holes for 420m were completed to follow up broadly spaced supergene gold intercepts from historic Aircore ("AC") drill holes interpreted to be hosted within extremely oxidised mafic and felsic schists<sup>1</sup>.

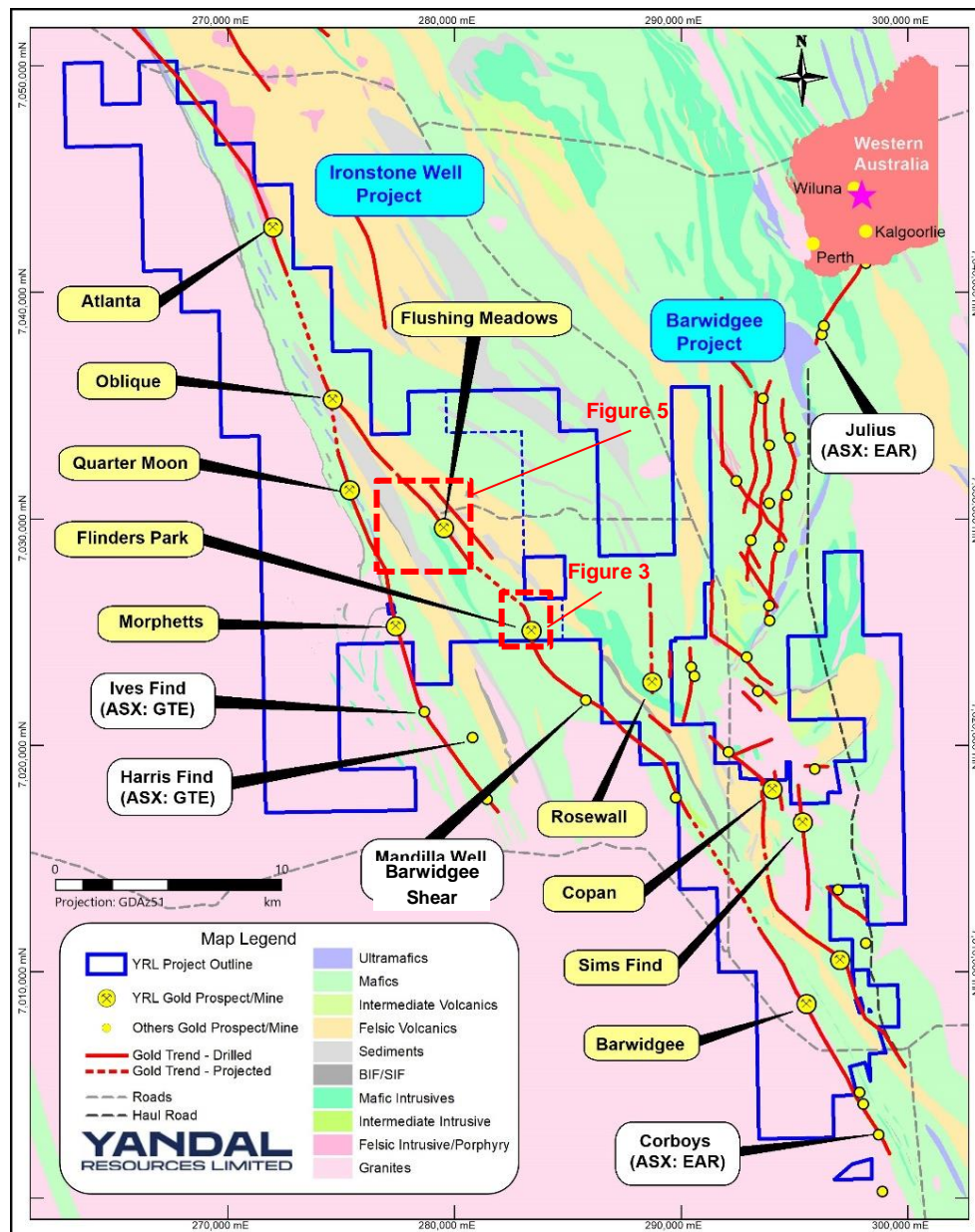
Significant oxide mineralisation was intersected in two holes which have improved the prospectivity of Flinders Park particularly as over 1.5km immediately northwest along the interpreted strike is considered ineffectively tested. Hole YRLRC0017 returned an impressive **15m @ 2.03g/t Au from 77m including 1m @ 14.52g/t Au from 79m** within heavily weathered mafic rocks.



**Figure 1 – Location of the Ironstone Well, Barwidgee and Mt McClure gold projects.**

<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report

The result in hole YRLRC0017 is the **highest grade and widest intercept to date** at the prospect and the mineralisation is interpreted to be open in all directions. The fresh rock interface at Flinders Park is particularly deep, estimated to be approximately 125m in places, a fact that hampered the geological understanding of the prospect by previous explorers.



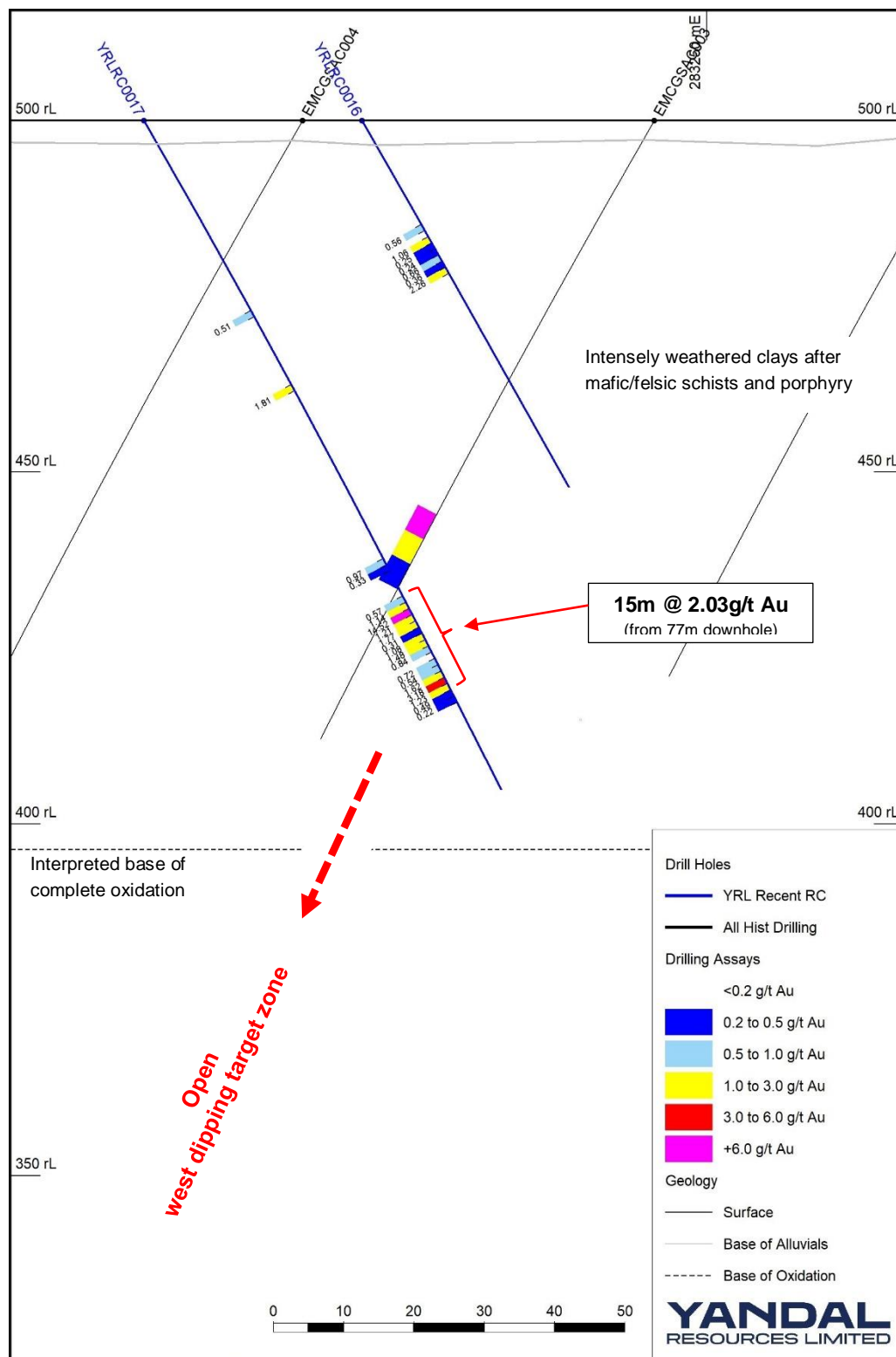
**Figure 2 – Ironstone Well and Barwidgee gold project geological interpretation map including known prospects and structures.**

To follow up anomalous historic AC results<sup>1</sup>, previous explorer Eagle Mining Corporation N.L. completed several RC holes in a northwest zone approximately 200-400m east of and one in a zone beneath YRLRC0017. Given the location of the new results and the interpretation of the historic drilling there is potential for the mineralisation to dip steeply to the west. The presence of steeply west dipping mineralisation had not been previously recognised by previous explorers and was not effectively tested. Most of the historic RAB or AC drill holes along strike from YRLRC0017 were oriented vertical or 270 degrees grid west (Figures 3 & 4).

<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report

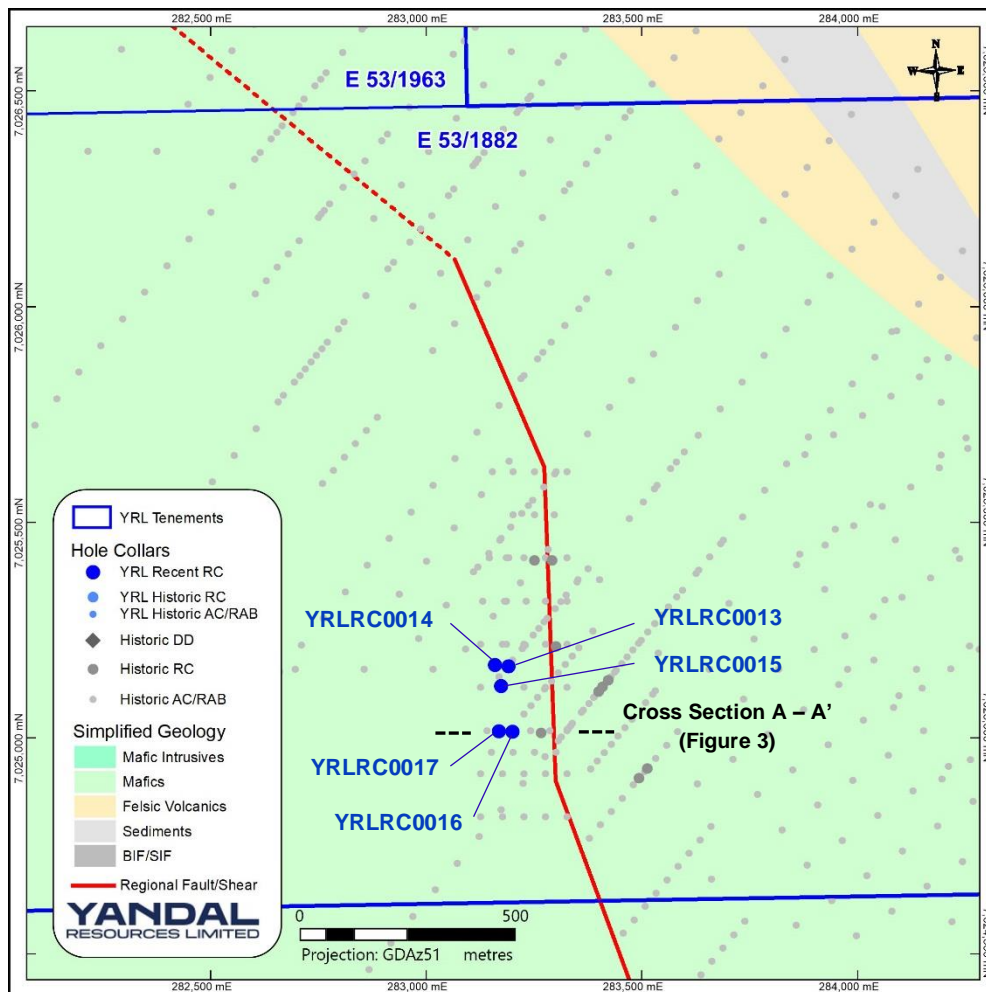


Initial follow up exploration programs are in the advanced planning stages and will involve further staged RC drilling programs to extend mineralisation and confirm its geometry. A database review is underway to assess the effectiveness of the previous drill coverage in the area immediately surrounding YRLRC0017 to evaluate the potential for low cost AC drilling ahead of RC drilling. An initial program of 20m by 20m step out drilling will commence as soon as practicable in the March Quarter 2019.



**Figure 3 - Flinders Park prospect schematic cross section plan (A – A')¹.**

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report



**Figure 4 - Flinders Park prospect collar plan with schematic cross section (A – A') location<sup>1</sup>.**

Results from all current holes from the Flinders Park prospect are included in Table 1.

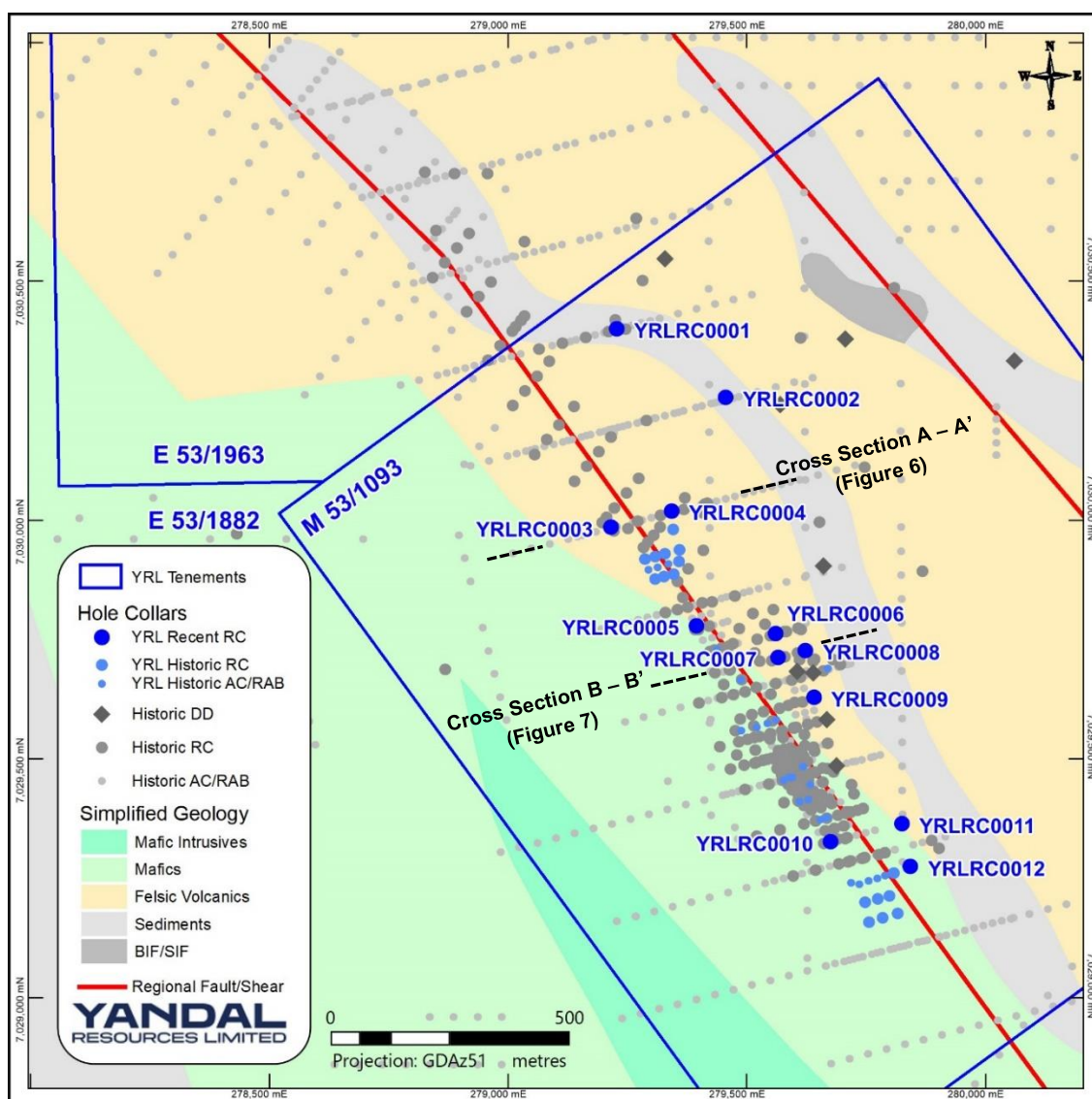
### Flushing Meadows Prospect

The Flushing Meadows prospect is located approximately 5km north west along strike from the Flinders Park prospect and is within the Barwidgee Shear Zone (Figures 1 & 2). Twelve angled RC holes for 974m were completed as an initial confirmation study to evaluate oxide gold assay results returned from extensive historic RC/AC drill programs<sup>1</sup>. The purpose of the program was to collect new information, to verify the historic database and possibly classify the mineralisation under the JORC 2012 Code.

Significant shallow oxide mineralisation was intersected in a number of holes which have confirmed the prospectivity of Flushing Meadows. A collar plan showing all holes within the database, the location of holes from the current program and the location of two representative cross section plans (Figure 6 & 7) are included as Figure 5. Significant downhole intercepts include;

- **6m @ 3.92g/t Au from 18m (YRLRC0003) including;**
  - **2m @ 9.87g/t Au from 21m;**
- **6m @ 1.10g/t Au from 50m (YRLRC0003);**
- **6m @ 1.96g/t Au from 8m (YRLRC0004); and**
- **2m @ 3.36g/t Au from 18m (YRLRC0005).**

<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report



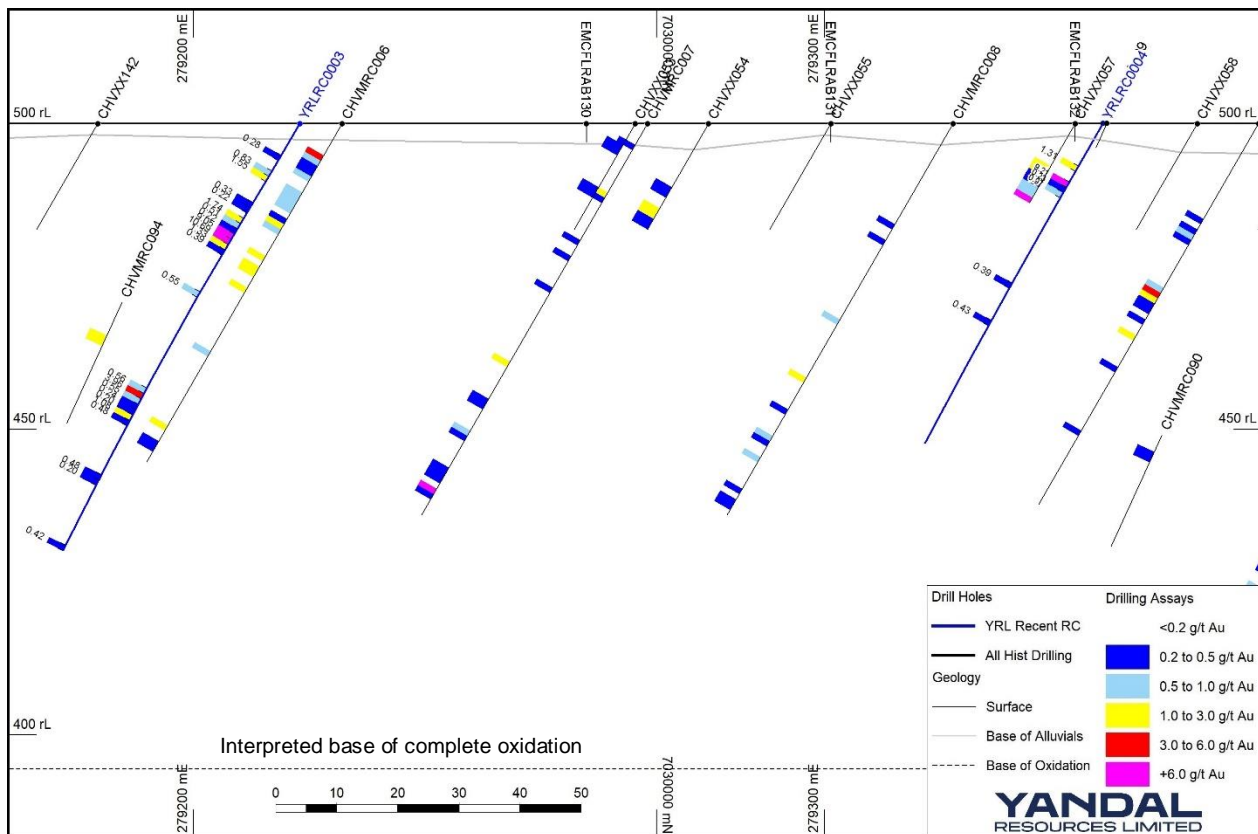
**Figure 5 – Flushing Meadows prospect collar plan with schematic cross section locations<sup>1</sup>.**

Due to the relatively shallow depth of drilling, the majority of rocks types intersected are extremely weathered clays interpreted to be derived from felsic volcanogenic sediments and minor mafics. The results indicate widespread dispersion of gold via supergene enrichment and depletion weathering processes which is a common feature of gold deposits in the Yandal Greenstone Belt.

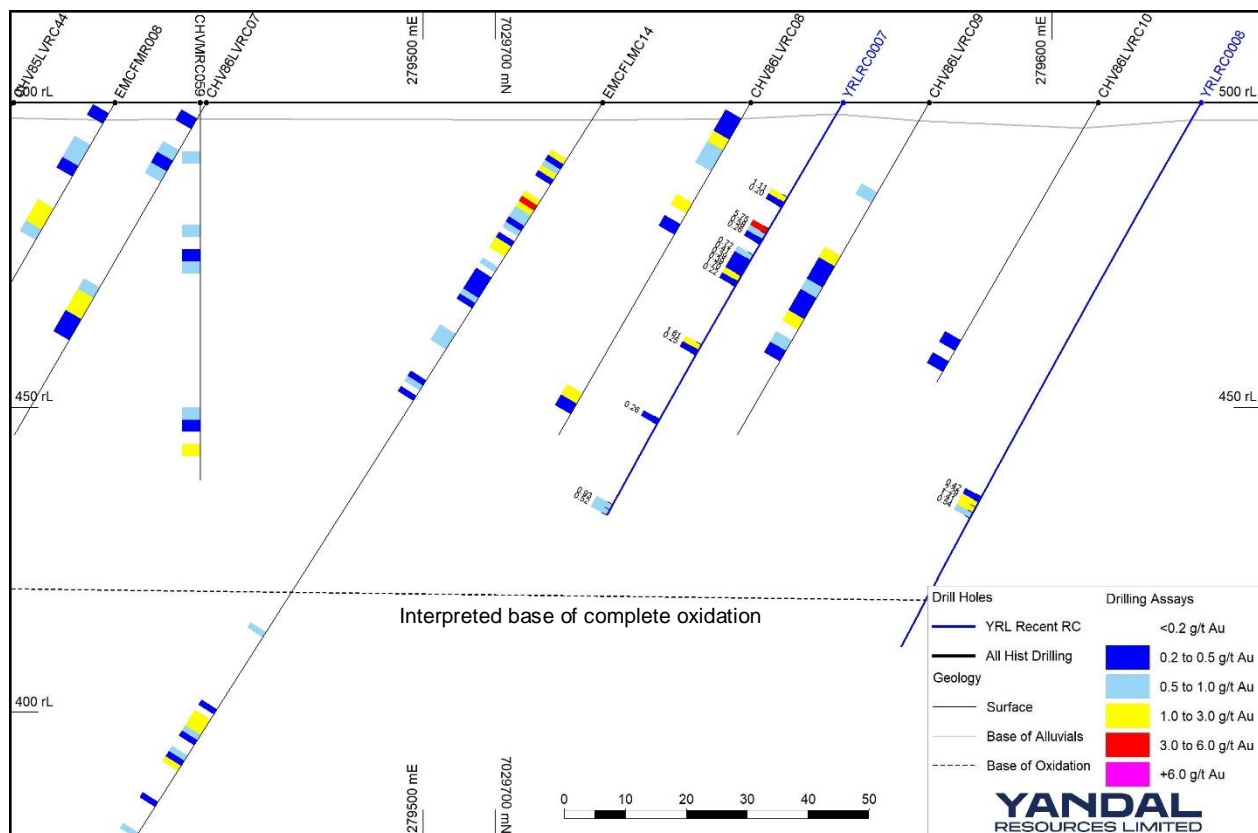
The new assay results correlate reasonably well with the Company's interpretation of the historically defined mineralisation and is the first step to assess the reliability of the historic database. Further drilling and QA/QC programs are required to confirm the location and reliability of historic intercepts on a number of additional drilling sections throughout the areas of known mineralisation. In addition infill drill holes are planned to assess open mineralisation positions particularly north along strike from YRLRC0003 and YRLRC0004.

Results from all current holes from the Flushing Meadows prospect are included in Table 1.

<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report



**Figure 6 – Flushing Meadows prospect schematic cross section plan (A – A')¹.**



**Figure 7 – Flushing Meadows prospect schematic cross section plan (B – B')¹.**

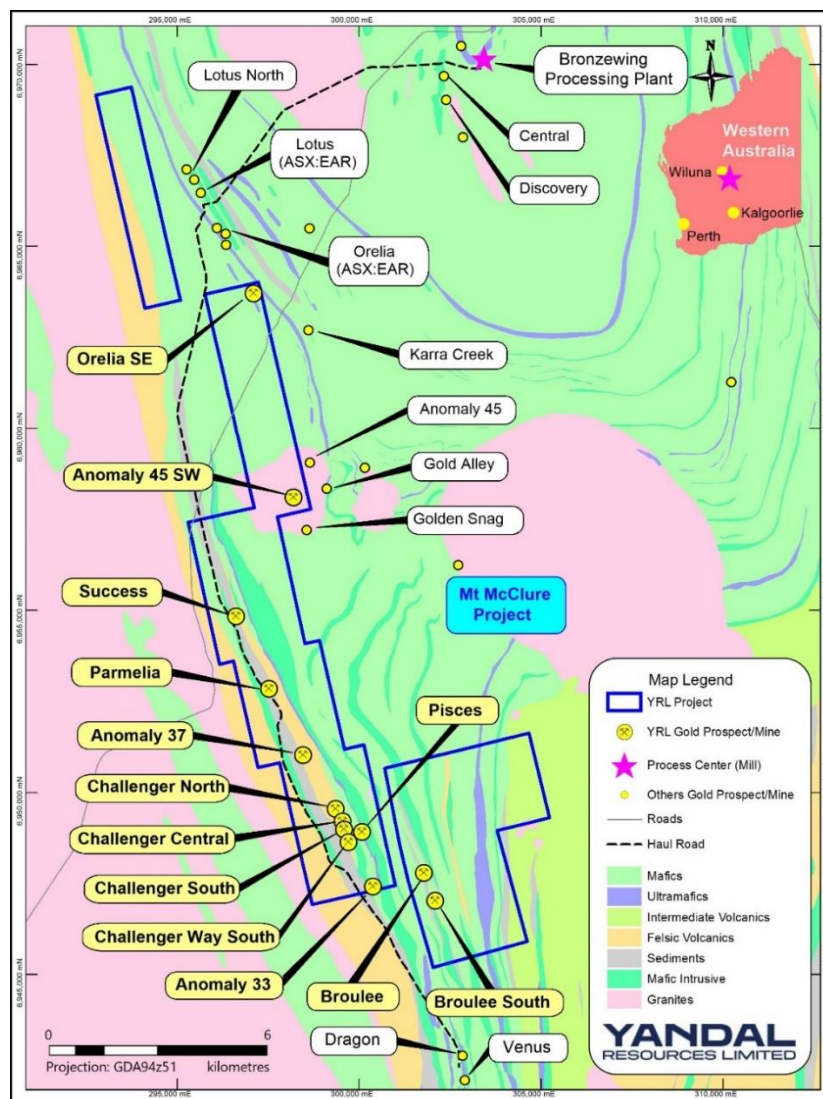
<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report



## Challenger Way South Prospect

The Challenger Way South prospect is located approximately 20km south of the Bronzewing processing facility on the southern end of the extensively mineralised structure locally named the South West Trend. The South West Trend is host to a series of gold prospects occurring over a strike length of approximately 20km including the Success, Parmelia and Challenger Group which were initially mined in the early 1990's (Figure 1 & 8).

Host rocks to the known mineralisation within the South West Trend include a volcano-sedimentary package of felsic to mafic composition. One angled RC hole for 90m was completed to confirm the location and tenure of gold mineralisation contained within the historic database and it did not intersect any significant gold mineralisation.



**Figure 8 – Mt McClure gold project plan including the Challenger Way South prospect<sup>1</sup>.**

Upon review of the assay results, geological logs and further investigations, the Company believes that the historic grid reference used was erroneous. Once a correction was applied and the drilled location of YRLRC0018 reassessed, it was determined that the hole was unlikely to intersect the intended target mineralisation as it was not deep enough.

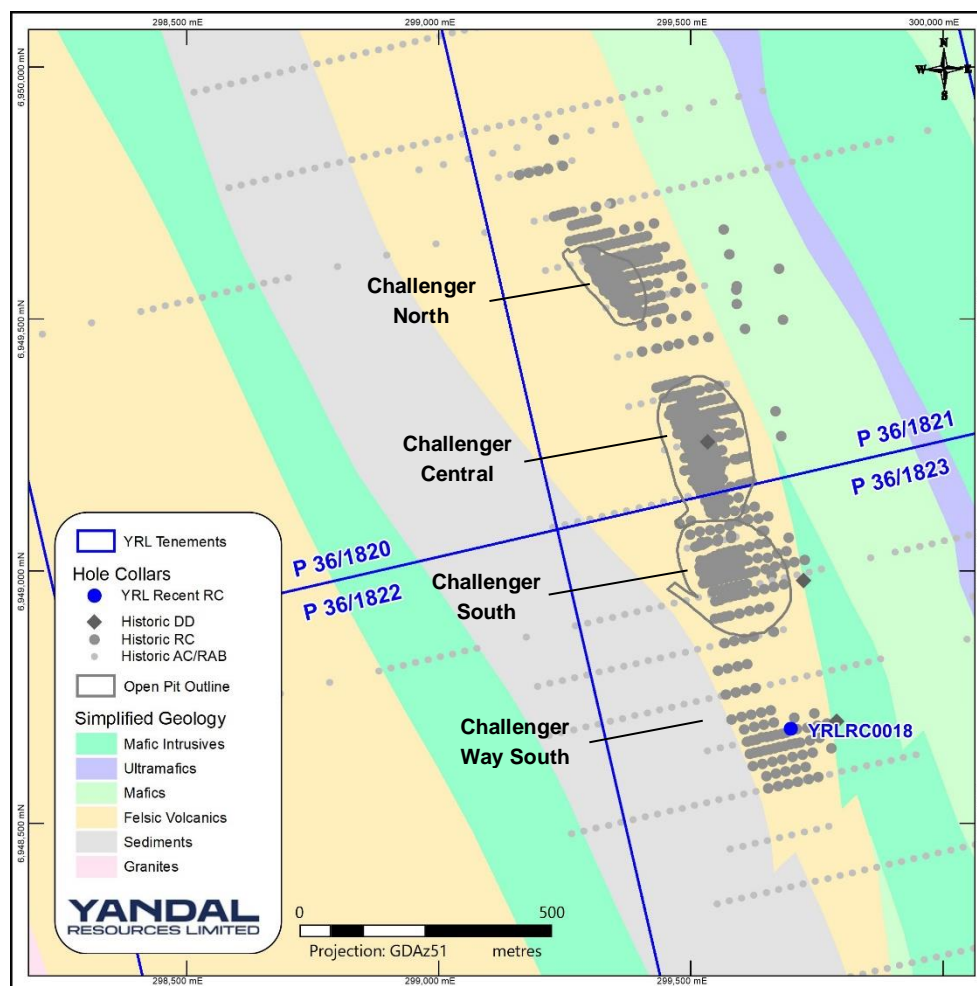
<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report



Rocks encountered in the hole were highly weathered felsic sediments and tuffs with thin pyritic units which are typically encountered just before the gold mineralisation in other parts of the system.

The result has improved the Company's confidence in the accuracy of the historic database and the prospect is planned to be tested with follow up programs in the near term.

Results from all current holes from the Challenger Way South prospect are included in Table 1.



**Figure 9 – Challenger Group drill collar plan including the Challenger Way South prospect<sup>1</sup>.**

## Next Steps

The Company has completed exploration drilling for 2018 and is in the process of designing and gaining approvals for initial follow up programs at all its Yandal Belt projects. Once completed in late December the drilling will commence as soon as practicable in 2019. Initial priority drill program designs are not finalised at this stage however may comprise;

- Ironstone Well Project - Flinders Park – a staged AC/RC program of 5-15 holes to a maximum depth of 150m (up to 2,000m) to extend new oxide mineralisation in hole YRLRC0017 along strike;
- Ironstone Well Project - Flushing Meadows – a staged AC/RC program of 40-50 holes to a maximum depth of 150m (up to 5,000m) to confirm and extend historic oxide mineralisation and complete JORC 2012 QA/QC sampling followed by mineralisation modelling;

<sup>1</sup> Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Specific References in this report

- Barwidgee Project – Rosewall – a staged RC program of 2-5 holes to a maximum depth of up to 100m (up to 500m) to confirm and extend historic quartz hosted mineralisation;
- Mt McClure – Success - a staged RC program of 2-10 RC/Diamond holes to a maximum depth of 300m (up to 2,000m) to confirm and extend historic primary mineralisation and complete JORC 2012 QA/QC sampling.

**Table 1 – RC drill collar locations, orientation and down hole assay results.**

Hole Id	North (m)	East (m)	Depth (m)	Dip (Deg.)	Azimuth (Deg.)	From (m)	To (m)	Interval (m)	Au g/t (FA50)
<b>Flinders Park Prospect (&gt;0.50g/t Au)</b>									
YRLRC0013	7025166	283192	60	-60	90				NSA
YRLRC0014	7025169	283161	102	-60	90				NSA
YRLRC0015	7025120	283175	90	-60	90				NSA
YRLRC0016	7025015	283201	60	-60	90	17	25	8	0.69
					including	24	25	1	2.26
YRLRC0017	7025016	283170	108	-60	90	31	32	1	0.51
						43	44	1	1.81
						71	72	1	0.97
						77	92	15	2.03
					including	79	80	1	14.52
					including	90	91	1	3.18
<b>Flushing Meadows Prospect (&gt;0.50g/t Au)</b>									
YRLRC0001	7030400	279229	90	-60	256	49	51	2	0.97
						56	57	1	0.65
YRLRC0002	7030257	279457	60	-60	256	27	28	1	0.58
YRLRC0003	7029985	279217	80	-60	256	9	11	2	1.19
						18	24	6	3.92
					including	21	23	2	9.87
						32	33	1	0.55
						50	56	6	1.10
					including	51	52	1	3.96
YRLRC0004	7030019	279344	60	-60	256	8	9	6	1.96
					including	11	12	1	9.21
YRLRC0005	7029779	279396	60	-60	256	5	6	1	0.72
						13	14	1	1.05
						18	20	2	3.36
						45	46	1	0.54
YRLRC0006	7029762	279562	78	-60	256	40	41	1	0.61
						52	53	1	2.06
YRLRC0007	7029713	279567	78	-60	256	18	19	1	1.11
						24	26	2	3.17
					including	24	25	1	5.75
						29	30	1	0.72
						33	34	1	1.70
						46	47	1	1.61
						76	78	2	0.73

Hole Id	North (m)	East (m)	Depth (m)	Dip (Deg.)	Azimuth (Deg.)	From (m)	To (m)	Interval (m)	Au g/t (FA50)
YRLRC0008	7029727	279624	102	-60	256	75	78	3	1.41
YRLRC0009	7029629	279642	102	-60	256	66	67	1	0.61
						77	78	1	0.73
YRLRC0010	7029327	279677	60	-60	256	15	19	4	1.29
						22	25	3	0.71
YRLRC0011	7029365	279826	102	-60	256	52	53	1	0.83
YRLRC0012	7029275	279844	102	-60	256	25	28	3	1.26
						82	83	1	1.56
<b>Challenger Way South Prospect (&gt;0.50g/t Au)</b>									
YRLRC0018	6948687	299699	90	-60	257				NSA

*Notes to Table 1*

1. An accurate dip and strike and the controls on mineralisation are only interpreted and the true width of mineralisation is unknown at this stage.
2. For RC drilling, 1m individual samples are submitted for priority analysis and where 4m composite assays were greater than 100ppb Au. All samples are analysed using a 50g fire assay with ICP-MS (inductively coupled plasma - mass spectrometry) finish gold analysis (0.01ppm detection limit) by Aurum Laboratories in Beckenham, Western Australia
3. g/t (grams per tonne)
4. NSA (No Significant Assay) – No gold assay above 0.5g/t
5. Intersections are generally calculated over intervals >0.1g/t where zones of internal dilution are not weaker than 2m < 0.1g/t Au.
6. Drill type RC = Reverse Circulation
7. Coordinates are in GDA94, MGA Z51

**For and on behalf of the Board**



**Lorry Hughes**  
**Managing Director & CEO**



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### **About Yandal Resources Limited**

Yandal Resources listed on the ASX in December 2018 and has a portfolio of advanced gold exploration projects in the highly prospective Yandal and Norseman-Wiluna Greenstone Belts of Western Australia.

Yandal Resources' Board has a track record of successful discovery, mine development and production.

### **Competent Person Statement**

The information in this document that relates to Exploration Results is based on information compiled by Mr Trevor Saul, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy (AusIMM). Mr Saul is the Exploration Manager of Yandal Resources. He is a full-time employee of Yandal Resources and holds shares and options in the Company.

Mr Saul 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Saul consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

- Information on historical results for the Ironstone Well, Barwidgee and Mt McClure projects, including Table 1 information, is contained in the Independent Geologists Report in the Yandal Resources Replacement Prospectus dated 22 November 2018.

The Company confirms that it is not aware of any new information or data other than the content of this report that materially affects the information in the Replacement Prospectus, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the Replacement Prospectus.

## Specific References

A comprehensive list of all references to historic exploration reports for all Company projects is included in the Yandal Resources Limited Replacement Prospectus dated 22<sup>nd</sup> November 2018. A list pertaining to projects discussed in this report is included below.

- JORC, 2012, Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code) [online]. Available from: <http://www.jorc.org> (The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia);
- Yandal Resources Limited Replacement Prospectus dated 22 November 2018 and lodged on the ASX 12 December 2018;

A-Number	Author	Date	Report Title	Company/Operator
33038	CYPRUS	1991	Annual Report for the Period Ending 20/03/91 Ironstone Well Project E53/170,134; M53/176.	CYPRUS
33101	CYPRUS	1991	Ironstone Well Project, Partial Surrender Report for the period ending 20th December 1990, E53/134.	CYPRUS
33102	CYPRUS	1991	Ironstone Well Project, Partial Surrender Report for the period ending March 20th 1991, E53/170.	CYPRUS
35509	CYPRUS	1992	Ironstone Well Project, Partial Surrender Report for the period ending December 20th 1991, E53/134.	CYPRUS
35510	CYPRUS	1992	Ironstone Well Project, Partial Surrender Report for the period ending March 20th 1992, E53/170.	CYPRUS
35820	CYPRUS	1992	Annual Report for the Period 21/03/91 - 20/03/92 Ironstone Well Project E53/170,134,176.	CYPRUS
38372	CYPRUS	1993	Annual Report for the period 21/03/92-20/03/93 Ironstone Well Project E53/163.	CYPRUS
38373	CYPRUS	1993	Annual Report for the period 12/92-03/93 Ironstone Well Project E53/134, 162, 170, 176.	CYPRUS
41431	HOLDEN D	1994	Annual report for the period 01/04/93-30/03/94 Grand Slam Project P53/722-739, P53/830.	EAGLE
41432	HOLDEN D	1994	Biddy Well - Barwidgee Project, Partial Surrender Report for period ending April 1994, E53/247.	EAGLE
43458	EAGLE	1995	Moilers Find. Project, Partial surrender report for the period 05/06/1991 to 06/02/1995, E53/273.	EAGLE
44044	EAGLE	1995	Grand Slam (including Flushing Meadows and Flinders Park Prospect) Annual Report Prospecting Licences 53/722-739 & 53/830. Feb 1994 - Feb 1995.	EAGLE
44231	CYPRUS	1995	Ironstone Well M53/265 M53/269 M53/276 to M53/280 P53/744 P53/746 to P53/753 P53/760 Annual report for the period ending March 20, 1995.	CYPRUS
47406	DAVIES A	1996	Annual report on the Nimary Project Area E53/219 E53/273 E53/311 E53/324 E53/346 E53/372 E53/377 E53/434 E53/498 E53/563 E53/585 P53/791 to P53/796 inclusive P53/798 P53/799 P53/800 M532/357 M53/358 M53/359 M53/420 and 'Development Area' M53/412 M53/413 M53/414 M53/446 M53/451 for the period 1 January to 31 December 1995.	EAGLE
47540	CYPRUS	1996	Ironstone Well M53/265 M53/269 M53/276 to M53/280 P53/744, P53/746 to P53/753 P53/760 annual report for the period ending March 20, 1996.	CYPRUS
50674	DAVIES A	1997	Annual report on the Nimary Project Area E53/219 E53/273 E53/311 E53/324 E53/346 E53/372 E53/377 E53/434 E53/498 E53/563 E53/585 E53/599 M53/357 M53/358 M53/359 M53/420 M53/452 and 'Development Area' M53/412 M53/413 M53/414 M53/446 M53/451 for the period 1 January to 31 December 1996.	EAGLE
50675	DAVIES A	1997	Annual Report, Lake Violet Project, E53/241 E53/424 E53/258 E53/260 E53/302 E53/326 E53/343 E53/359 E53/360 E53/366 E53/373 E53/461A E53/646 P53/828 M53/442 M53/443 for the period 1 January to 31 December 1996.	EAGLE
54722	THORNE L H	1998	Grand Slam Project, Annual Report, P53/722-739 & 830, for the Period 12th February 1997 to 11th February 1998.	EAGLE
54724	THORNE L H	1998	Annual Report, Biddy Well Joint Venture Project, Exploration Licence: 53/247 22/11/96 - 21/11/97	EAGLE
54725	THORNE L H	1998	Annual Report, Lake Violet Project 01/01/97 to 31/12/97 E53/241, E53/242, E53/260, E53/302, E53/326, E53/343, E53/359, E53/360, E53/366, E53/373, E53/461A, E53/646, M53/442, M53/443 and P53/828.	EAGLE
54728	THORNE L H	1998	Annual Report Bills Find on Exploration Licence 53/640 for the Period 1 July 1996 to 30 June 1997.	EAGLE

A-Number	Author	Date	Report Title	Company/Operator
54783	THORNE L H	1998	Annual Report, Nimary Project 01/01/97 to 31/12/97 E53/219, E53/273, E53/311, E53/324, E53/346, E53/372, E53/377, E53/434, E53/498, E53/563, E53/599, M53/357 to M53/359, M53/412 to M53/414, M53/420, M53/446, M53/451 and M53/452 Wiluna JV: Eagle Mining corporation: Hunter Resources.	EAGLE
57495	HOWLAND J P	1999	Annual Report E53/247 Bidy Well. Period 22/11/97-21/11/98.	EAGLE
58600	HOWLAND J P	1999	Annual Report for C107/1993 Grand Slam P53/722-739, 830 for the Period 13 February 1998 to 12 February 1999.	EAGLE
58800	HOWLAND J P	1999	Annual report for C121/1993 - 'Lake Violet Project' E53/241, 242, 302, 326, 343, 359, 360, 366, 373, 461A, 646 M53/442-443 P53/828.	EAGLE



**Appendix 1 – Ironstone Well and Mt McClure Gold Projects**  
**JORC Code (2012) Table 1, Section 1 and 2**

Mr Trevor Saul, Exploration Manager of Yandal Resources compiled the information in Section 1 and Section 2 of the following JORC Table 1 and is the Competent Person for those sections. The following Table and Sections are provided to ensure compliance with the JORC Code (2012 edition) requirements for the reporting of Mineral Resources.

**Section 1 Sampling Techniques and Data**

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>4m composite samples taken with a 450mm x 50mm PVC spear being thrust to the bottom of the sample bag for RC drilling. 1m single splits taken using riffle splitter. Average sample weights about 4.0kg for 4m composites and 2.0-2.5kg for 1m samples.</li> <li>The sampling techniques for the historical drilling is highly variable with sample intervals usually being between 3 and 4m composite samples collected from samples laid on the ground or collected sample bags with the composites generated either via spear sampling or splitting. Single meter samples were collected either from the original residue in the field or by collecting a one meter sample from a cyclone / splitter. Composite or single meter sample weights were usually less than 3kg.</li> </ul>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<ul style="list-style-type: none"> <li>For RC drilling regular air and manual cleaning of cyclone to remove hung up clays where present. Regular duplicates, blanks and standards were taken or inserted in the field at regular intervals and replicate and standard completed by the laboratory at regular intervals. Based on statistical analysis and cross checks of these results, there is no evidence to suggest the samples are not representative.</li> <li>Historical sampling has had highly variable QAQC procedures depending on the operator. However, these would usually include submitting regular duplicates, blanks and standards. Sampling equipment (cyclones, splitters, sampling spears) were reported as being regularly cleaned however again this is highly variable depending on the operator. Standards &amp; replicate assays taken by the laboratory.</li> </ul>
	<i>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.</i>	<ul style="list-style-type: none"> <li>RC drilling was used to obtain 1m samples from which approximately 2.0-2.5kg was pulverised to produce a 50 g charge for fire assay. RC chips were geologically logged over 1m intervals, initially sampled over 4m composite intervals and then specific anomalous intervals were sampled over 1m intervals. Depending on the hole depth, the maximum composite interval was 4m and minimum was 1m. Samples assayed for Au only for this program. Drilling intersected oxide, transitional and primary mineralisation to a maximum drill depth of 108m. Assays were determined by Fire assay with checks routinely undertaken.</li> <li>A number of historic drill hole intervals have been included for comparison purposes (to determine the accuracy of the historic data) coloured by grade range in Figure 3, 6 &amp; 7. As the data is derived from multiple operators there is inconsistency in sample size, assay methodology and QA/QC procedures along with field procedures and targeting strategy. For RC holes with prefixes CH (Chevron) the sample size, assay methodology and QA/QC are unknown. For AC and RC holes with prefixes EMC (Eagle Mining) routine sampling involved riffle splitting dry samples (wet –grab), 1-2kg sample size, 1m samples, oven dried pulverised to nominal -75 microns, 400-500gm split, Aqua Regia digest with selected repeats using fire assay for Au at 0.01 ppm detection at Analabs in the Eastern Goldfields.</li> <li>A the majority of the exploration results included in this report are historical and derived from multiple operators hence there is inconsistency in sample size, assay methodology and QAQC procedures along with field procedures and targeting strategy.</li> </ul>
<b>Drilling techniques</b>	<i>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,</i>	<ul style="list-style-type: none"> <li>RC drilling with a 5' 1/4 inch face sampling hammer bit.</li> <li>Historical drilling was highly variable depending on the operators with industry standard drilling methods used (RAB, Aircore, RC or diamond drilling) with sampling usually consisting of a four meter composite sample initially assayed for the entire hole and single meter samples collected and stored on site until</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	the assay results from the composite samples are received. The assay sample, usually consisting of a 2 - 3kg sample were crushed, pulverised with a standard analytical technique used. Initial samples would have been assayed via an AA determination with more recent assays from either an ICP-OEX or an ICP-MS.
<b>Drill sample recovery</b>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> <li>• RC recovery and meterage was assessed by comparing drill chip volumes (sample bags) for individual meters. Estimates of sample recoveries were recorded. Routine checks for correct sample depths are undertaken every RC rod (6m).</li> <li>• RC sample recoveries were visually checked for recovery, moisture and contamination. The cyclone was routinely cleaned ensuring no material build up.</li> <li>• Due to the generally good/standard drilling conditions around sample intervals (dry) the geologist believes the samples are representative, some bias would occur in the advent of poor sample recovery which was logged where rarely encountered. At depth there were some wet samples and these were recorded on geological logs.</li> <li>• Historical recording the sample recovery has been very highly variable, especially for the RAB, Aircore and RC drilling. Diamond core is assumed to be generally well recorded with the recovered core compared to the drilling core blocks however the rate that this was accurately recorded is unknown. More recent RAB, Aircore and RC drilling has included a visual estimate of the recovery by comparing drill chip volumes (sample bags) for individual meters. The routine nature and accuracy of recording wet samples and recovery estimate is unknown.</li> </ul>
<b>Logging</b>	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<ul style="list-style-type: none"> <li>• Drill chip logging was completed on one metre intervals at the rig by the geologist. The log was made to standard logging descriptive sheets, and transferred into Micromine computer once back at the office. Logging was qualitative in nature.</li> <li>• All intervals logged for RC drilling completed during drill program.</li> <li>• Historic geological logging has been undertaken in multiple ways depending on the drilling method, the geologist logging the holes and the exploration company. Most exploration was undertaken using a company defied lithology and logging code however this was variable for each explorer. Some of the explorers undertook geological logging directly into a logging computer / digital system while others logged onto geological logging sheets and then undertook data entry of this information.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>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.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<ul style="list-style-type: none"> <li>• RC samples taken.</li> <li>• RC samples were collected from the drill rig by spearing each 1m collection bag and compiling a 4m composite sample. Single splits were automatically taken by emptying the bulk sample bag into a riffle splitter. Samples collected in mineralisation were all dry.</li> <li>• For Yandal Resources Ltd samples, duplicate 1m samples were taken in the field, with standards and blanks inserted. 4m and 1m samples were analysed by Aurum Laboratories Pty Ltd in Beckenham, Perth, WA.</li> <li>• Samples were consistent and weighed approximately 2.0-2.5 kg and it is common practice to review 1m results and then review sampling procedures to suit.</li> <li>• Once samples arrived in Perth, further work including duplicates and QC was undertaken at the laboratory. Yandal Resources Ltd has determined that sufficient drill data density is demonstrated at the mentioned prospects.</li> <li>• Mineralisation is located in intensely oxidised saprolitic clays, transitional and fresh mafics, volcanogenic sediments and porphyry rock types (typical greenstone geology). The sample size is standard practice in the WA Goldfields to ensure representivity.</li> <li>• For the historical samples there has been multiple different sampling and sub sampling techniques including core, RC samples (both composites and single meter samples, Aircore and RAB sampling</li> </ul>

Criteria	JORC Code explanation	Commentary
		(both composites and single meter samples.
<b>Quality of assay data and laboratory tests</b>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>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.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<ul style="list-style-type: none"> <li>• The 4m composite samples were assayed by Aqua Regia and the 1m splits by Fire Assay (FAAu50) by accredited Aurum Laboratories Pty Ltd in Beckenham, Perth, WA. for gold only.</li> <li>• No geophysical assay tools were used.</li> <li>• Laboratory QA/QC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in-house procedures. QC results (blanks, duplicates, standards) were in line with commercial procedures, reproducibility and accuracy. These comparisons were deemed satisfactory.</li> <li>• Historical assay data used various laboratory techniques and laboratories. QAQC procedures are variable and additional validation work on the QAQC samples is required.</li> </ul>
<b>Verification of sampling and assaying</b>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<ul style="list-style-type: none"> <li>• Work was supervised by senior Aurum Laboratory staff experienced in metals assaying. QC data reports confirming the sample quality are supplied.</li> <li>• Data storage as PDF/XL files on company PC in Perth office.</li> <li>• No data was adjusted.</li> <li>• Significant intersections in Figures 3, 6 &amp; 7 included in this report have been checked by Mr Trevor Saul of Yandal Resources were generated by compositing using Micromine software with a minimum thickness of three meters, a 1g/t lower cut-off, no top cut, a maximum of three meters of continuous dilution and no external dilution.</li> </ul>
<b>Location of data points</b>	<p><i>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.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<ul style="list-style-type: none"> <li>• All drill collar locations were initially pegged and surveyed using a hand held Garmin GPS, accurate to within 3-5m. Holes were drilled on a close grid in places and wider in less advanced areas. All reported coordinates are referenced to this grid. The topography is flat at the location of the drilling. Down hole surveys utilised a proshot camera every 30m and at end of hole for RC drilling.</li> <li>• Grid MGA94 Zone 51.</li> <li>• Topography is very flat, small differences in elevation between drill holes will have little effect on mineralisation widths on initial interpretation. The topographic surface has been generated by using the hole collar surveys. It is considered to be of sufficient quality to be valid for this stage of exploration.</li> <li>• Historical drilling was located using various survey methods and multiple grids including local grids, AMG, Latitude and Longitude.</li> </ul>
<b>Data spacing and distribution</b>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<ul style="list-style-type: none"> <li>• Holes were variably spaced and were consistent with industry standard exploration style drilling in accordance with the collar details/coordinates supplied in Table 1.</li> <li>• The hole spacing was determined by Yandal Resources Ltd to be sufficient when combined with confirmed historic drilling results to define mineralisation in preparation for a JORC Compliant Resource Estimate if completed at the Flushing Meadows prospect only. Some historic holes will be redrilled for comparative purposes. The sample spacing and the appropriateness of each hole to be included to make up data points for a Mineral Resource has not been determined. It will depend on results from all the drilling and geological interpretations when complete.</li> <li>• Given the highly variable drilling within the project the hole spacing and depths are highly variable. The locations of relevant AC and RC drilling with significant intersections are shown by coloured grade bin on section in Figures 3, 6 &amp; 7 for comparison purposes to current RC drilling. There are no JORC 2012 Mineral Resource Estimates within the project.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> <li>No, drilling angle holes is deemed to be appropriate to intersect the supergene mineralisation and potential residual dipping structures. At depth angle holes have been used to intersect the interpreted steeply dipping lodes. True widths are often calculated depending upon the geometry.</li> <li>The relationship between the drilling orientation and the orientation of mineralised structures is not considered to have introduced a sampling bias. Given the style of mineralisation and drill spacing/method, it is the most common routine for delineating shallow gold resources in Australia.</li> <li>Angle holes are the most appropriate for exploration style and Resource style drilling for the type and location of mineralisation intersected. A significant number of historic holes in the database of a reconnaissance exploration nature were drilled vertically which in Mr Saul's opinion suggest they were largely ineffective.</li> </ul>
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	<ul style="list-style-type: none"> <li>Samples were collected on site under supervision of the responsible geologist. The work site is on a pastoral station. Visitors need permission to visit site. Once collected samples were wrapped and transported to Perth for analysis. Dispatch and consignment notes were delivered and checked for discrepancies.</li> <li>Sample security for historical samples was highly variable and dependent on the exploration company however most of the companies working in the area are considered leaders in improving the sample security, QAQC procedures and exploration procedures.</li> </ul>
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<ul style="list-style-type: none"> <li>No Audits have been commissioned.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<p><i>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.</i></p> <p><i>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.</i></p>	<ul style="list-style-type: none"> <li>The Flinders Park prospect drilling is located on E53/1882 and is 100% owned by Yandal Resources unencumbered.</li> <li>The Flushing Meadows prospect drilling is located on M53/1093 and is 100% owned by Yandal Resources. As detailed in the Solicitors Report in the Replacement Prospectus tenement M53/1093 is subject to a Net Smelter Royalty of 1%, being payable to Franco-Nevada Australia Pty Ltd. A secondary royalty over M53/1093 is payable to Maximus Resources Ltd comprising \$40 per ounce for the first 50,000 ounces produced, prepaid for the first 5,000 ounces (\$200,000) on a decision to mine. The royalty reduces to \$20 per ounce for production between 50,000 and 150,000 ounces and is capped at 150,000 ounces.</li> <li>The Challenger Way South prospect drilling is located on P36/1823 and is 100% owned by Yandal Resources. As detailed in the Solicitors Report of the original prospectus The Mt McClure project tenements P36/1823 is subject to a royalty equal to 1% of the gross sales proceeds received by Yandal Resources from minerals recovered by Yandal Resources.</li> <li>The tenements are in good standing and no known impediments exist.</li> </ul>
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> <li>Previous workers in the area include Eagle Mining, Cyprus Gold, Wiluna Mines, Homestake Gold, Great Central Mines, Normandy Mining, Oresearch, Newmont, Australian Resources Limited, View Resources, Navigator Mining, Metaliko Resources and Maximus Resources.</li> </ul>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> <li>Archaean Orogenic Gold mineralisation hosted within the Yandal Greenstone Belt, a part of the granite / greenstone terrain of the Yilgarn Craton. Oxide supergene gold intersected from mafic and felsic volcanogenic sediments and schists.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<p>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:</p> <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> <p>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.</p>	<ul style="list-style-type: none"> <li>See Table 1.</li> <li>Due to the significant number of holes within the project Mr Saul considers the listing all of the drilling is prohibitive and would not improve transparency or materiality of the report. Plan view diagrams are shown in the report of all drilling collars in the database for specific prospect areas for exploration context in Figures 4, 5 &amp; 9 and for a number of holes that are located on the same section as the current drilling in Figures 3, 6 &amp; 7.</li> <li>No information is excluded.</li> </ul>
<b>Data aggregation methods</b>	<p>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.</p> <p>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.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<ul style="list-style-type: none"> <li>No weighting or averaging calculations were made, assays reported and compiled are as tabulated in Table 1.</li> <li>All assay intervals reported in Table 1 are 1m downhole intervals or as indicated.</li> <li>No metal equivalent calculations were applied.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>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').</p>	<ul style="list-style-type: none"> <li>Oxide and Transitional mineralisation is generally flat lying (blanket like) while mineralisation at depth is generally steeper dipping. Further orientation studies are required.</li> <li>Drill intercepts and true width appear to be close to each other, or within reason allowing for the minimum intercept width of 1m. Yandal Resources Ltd estimates that the true width is variable but probably around 80-90% of the intercepted widths.</li> <li>Given the nature of RC drilling, the minimum width and assay is 1m.</li> <li>Given the highly variable geology and mineralisation including supergene mineralisation and structurally hosted gold mineralisation there is no project wide relationship between the widths and intercept lengths.</li> </ul>
<b>Diagrams</b>	<p>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.</p>	<ul style="list-style-type: none"> <li>See Figures 1-9.</li> </ul>
<b>Balanced reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high</p>	<ul style="list-style-type: none"> <li>Summary results showing 1m assays &gt; 0.5 g/t Au are shown in Table 1 for the current drilling.</li> <li>Diagrammatic results are shown for relevant historical drilling using the grade range colours in Figures 3, 6 &amp; 7.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	
<b>Other substantive exploration data</b>	<i>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.</i>	<ul style="list-style-type: none"> <li>• There have been historical and JORC 2004 Mineral Resource Estimates for the Flushing Meadows deposit and the Challenger Way South deposit however there are no JORC 2012 Resources or Reserves.</li> <li>• No historic mining has occurred within the Ironstone Well Project. Historic mining has occurred via open pit methods</li> </ul>
<b>Further work</b>	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<ul style="list-style-type: none"> <li>• Additional exploration including RC drilling to advance known gold mineralisation to a JORC 2012 Resource standard is planned at Flushing Meadows. Additional exploration including AC and RC drilling to expand known mineralisation is planned at Flinders Park. Additional exploration including RC drilling to expand known mineralisation is planned at Challenger Way South.</li> </ul>