21st December 2018 ASX Release

Woolgar Gold Project, Queensland
(Strategic Minerals Corporation N. L. (Strategic) 100%)

Resource Update for Big Vein South

The Company is pleased to announce an update to the Mineral Resources for the Big Vein South (BVS) gold deposit in the Woolgar Project in North Queensland. The update has been prepared by H&S Consultants Pty Ltd (H&SC), an independent consultancy, on behalf of Strategic, and is reported according to the 2012 JORC Code & Guidelines and the ASX Listing Rules, Chapter 5.8.1.

HIGHLIGHTS INCLUDE:

- A 21% increase in the global resource to 24.0Mt at 1.84 g/t, containing 1,417,700 oz. gold at a 0.75g/t gold cut-off.

Table 1: Resource Update –Big Vein South, 19th December 2018, at 0.75 g/t cut-off (minor rounding errors)

Category	Mt	Au g/t	Au Koz	Density t/m3
Measured	0.6	1.90	33.7	2.61
Indicated	10.0	1.93	621.4	2.71
Inferred	13.5	1.76	762.6	2.70
Total	**24.0**	**1.84**	**1,417.7**	**2.71**

- The new Indicated Resources includes a 108% increase in tonnes and a 92% increase in gold ounces for an 8% drop in gold grade, mostly within the Crossover zone where the Measured and Indicated (M&I) Resources locally increased from 18% to 91% of contained ounces.
- The increase in the Mineral Resources is due to broader than expected mineralised drill intercepts from the 2017 drilling, the joining of the four sectors from the 2017 geological interpretation into a single mineralised body and a revision of the search ellipse parameters.
- The results from the Crossover zone indicate that 50m drill spacing with localised 25m infill should be sufficient for future infill programs to convert Inferred to M&I.
- The results of this program continue to reinforce the approach undertaken by the company in developing the resource base at Big Vein South and will influence future drilling programs.

Outcomes of the of the 2017 BVS Resource Infill Programme

The main aim of the 2017 drilling programme was to upgrade the resource estimates and provide a measure of the likely drill spacing required to convert the majority of the remainder of the deposit to Measured and Indicated Resource status, as required to commence Pre-Feasibility Studies. Further aims included assembling important information for geotechnical, metallurgical and other technical studies necessary for Feasibility and permitting, which remain ongoing.

The 2017 BVS drill programme focussed on the central "Crossover" sector since this contained a significant portion of the overall resource and had been interpreted as being bound by faults to the north and south.

Within the Crossover sector itself, the drilling has resulted in an increase in the amount of Indicated Resources from 17% of the sector's resource (in 2017) to 88% of a slightly larger resource.

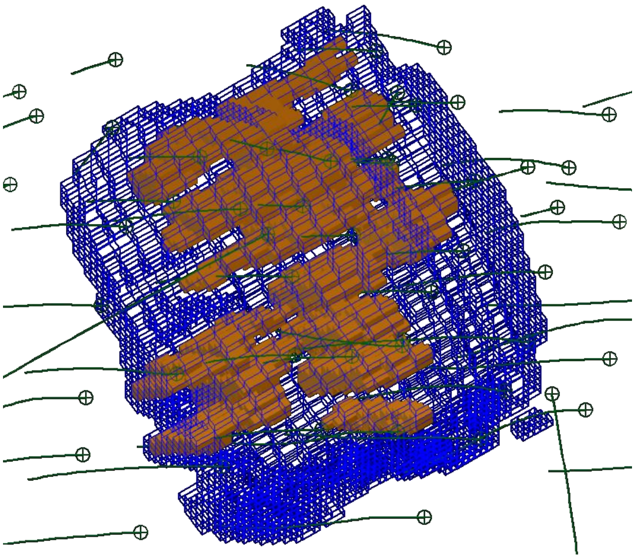
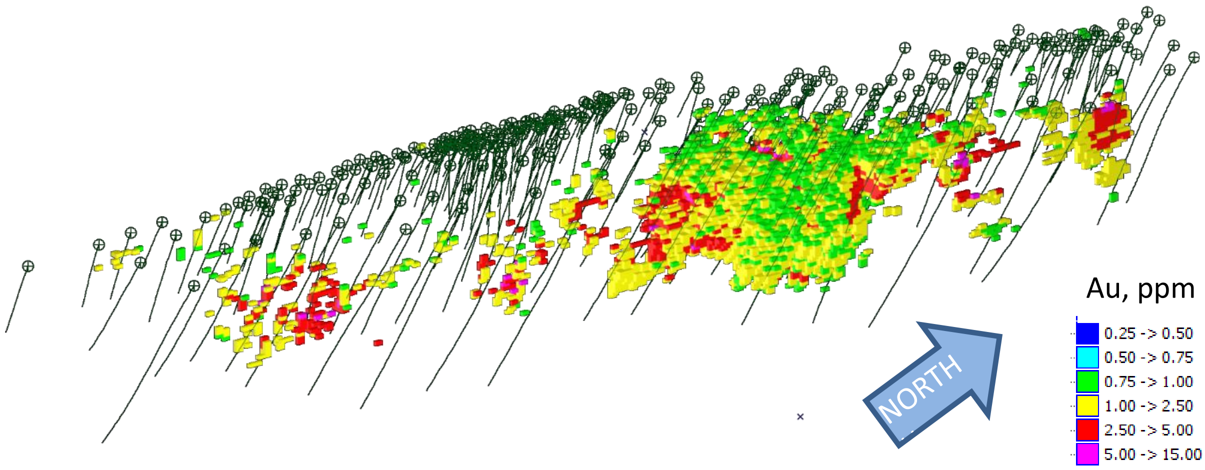


Figure 1: (right) 3D representation of the central "Crossover" sector of the BVS resource from above. The old (Feb 2017) Indicated Resources are in solid orange within the current Indicated Resources in blue. This clearly demonstrates the effectiveness of the infill drilling at converting the less confident resource classifications to Measured and Indicated.

Figure 2: (below) View of the BVS resource looking down to grid north west showing blocks of Inferred Resource from the 2017 Resource that have been converted to Indicated Resource in 2018.



A secondary objective was to increase the drill density across the two bounding faults on the Crossover in particular, both to confirm their existence and to improve and upgrade the resource estimates, since these represented breaks in the mineralisation. The new geological interpretation indicates that the two faults may have had a lesser impact than previously thought and it is now possible to interpret the mineralisation as a single, continuous, sigmoidal deposit.

Further Reverse Circulation (RC) infill drilling was completed to upgrade the resource estimates in the northern sector of the deposit. Diamond drilling was used to twin high-grade RC holes for quality control purposes in the Crossover. Additional diamond drilling was carried out for metallurgical and geotechnical studies. Where appropriate these holes were modified to intersect mineralisation and are incorporated in to the Mineral Resources.

The completion of the BVS resource update has been severely delayed as result of the Takeover Panel application and the resulting suspension earlier this year.

Resource Update for the BVS Deposit, Woolgar Project

H&S Consultants Pty Ltd ("H&SC") was requested by Strategic Minerals Corporation NL ("Strategic") to complete updated resource estimates for the Big Vein South ("BVS") gold deposit of the Woolgar Project. The project is located in North Queensland, approximately 120km north of Richmond. H&SC had completed new resource estimates for the deposit in May 2015 and updated resource estimates in November 2015 and February 2017. The updated resource estimates have been reported according to the 2012 JORC Code & Guidelines.

Drilling Techniques

Historical drilling has consisted of seven phases undertaken from 2010 to 2016 amounting to 247 drillholes for a total of 28,911m and 28,487 samples. Drillhole spacing is variable from 15m, generally targeting near surface mineralisation, to 50-100m along strike and down dip. The new drilling, completed in December 2017, comprises 22 RC holes for 4,710m and 4,671 samples and 6 diamond drillholes for 1,292m and 1,013 samples. The drilling was targeted as infill drilling for the central part of the deposit in order to improve the understanding of geological controls to mineralisation and to improve the mineral resource classification for that zone.

Strategic supplied the drillhole database for the deposit, which H&SC accepted in good faith as an accurate, reliable and complete representation of the available data. H&SC imported the data into an Access database that was then connected to the Surpac mining software. H&SC performed limited validation of the data including error checking, and completed some data processing to improve the database and enable easier geological interpretation. The drillhole database for the BVS deposit is satisfactory for resource estimation purposes; however responsibility for data quality resides solely with Strategic. Drilling for the deposit is predominantly RC with some additional diamond core drilling.

Sampling & Sub-sampling Techniques

RC samples were cone split integrally to the cyclone with dry samples in virtually all cases. The core samples were sawn in half using a diamond-blade saw with the same half of the core selected for sampling for the length of the hole. All sample preparation, sample sizes and analytical methods are deemed appropriate.

Sample Analysis Method

All samples were analysed by Fire Assay of a 50g charge. Most samples were also analysed for a 35-element suite by ICP-MS.

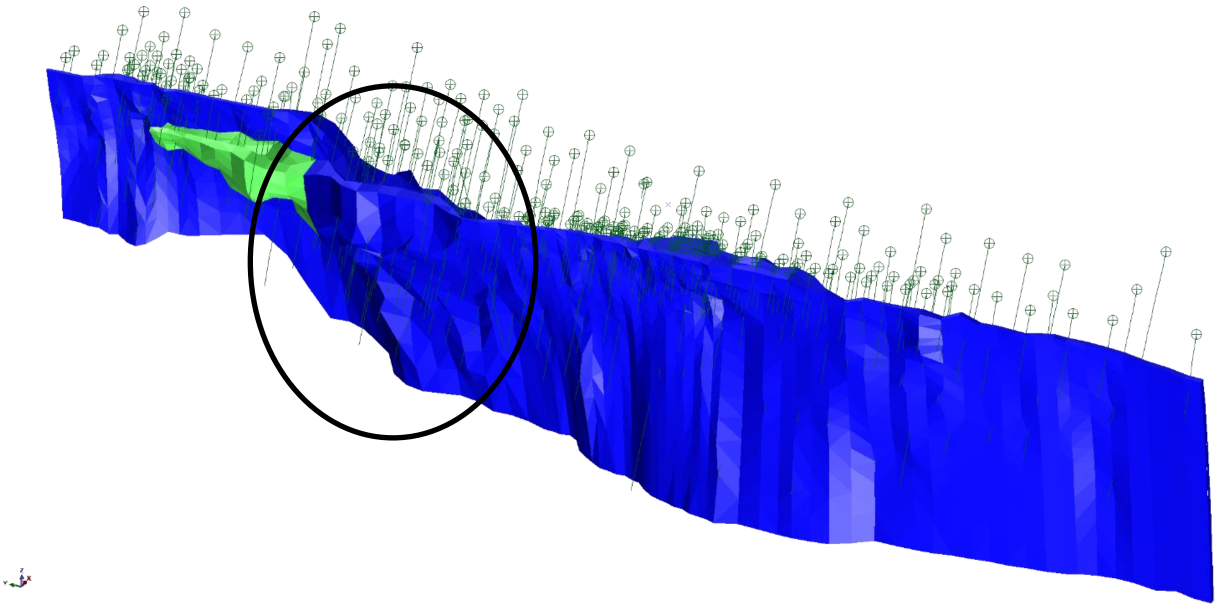
The QAQC programme has included the use of sample weights for sample recovery, certified standards for gold, field duplicates, lab duplicates, umpire lab checks, screen fire assays and fire assay checks on roasted samples. The quality of the QAQC programme has increased during the exploration campaigns such that it is of a reasonably high standard for the more recent drilling. QAQC results have indicated no significant issues with the sampling or assaying. Screen fire assay checks have indicated no significant coarse gold. There is no relationship between gold grade and RC sample recovery. The roasting analyses indicated no refractory gold.

Geology & Geological Interpretation

The BVS mineralisation comprises deformed, auriferous, quartz-sulphide veins with pervasive silica and sericite alteration. Host rocks consist of Proterozoic-aged, amphibolite grade quartz-feldspar-biotite-mica schists within a ductile deformation zone. The type of mineralisation is a mesothermal vein style. Structurally the deposit appears to be controlled by an upright sigmoidal development during ductile deformation with subsequent small-scale brittle offset faulting.

The new drilling which concentrated on the central "Crossover" sector (see black circle in Figure 3 below), has resulted in minor changes to the geological interpretation for the mineral lodes. The previous geological interpretation had identified Southern, Central and Northern Zones for the mineralisation but the recent 2017 drilling has allowed for the combining of these zones into a single Main zone. The previously identified Splay zone is retained from the 2017 interpretation and butts against the northern part of the Main zone i.e. the old Northern zone. The mineral wireframes are based on using logged geology, sulphur, silver and aluminium assays, a nominal gold cut off grade of 0.1g/t, and geological sense.

Figure 3: Mineral Lode Interpretation highlighting the Crossover sector, focus of most of the drilling.



(blue = Main zone; green = Splay zone)

Estimation Methodology

The mineral wireframes were used to extract a total of 5,655 2m composites for subsequent gold grade interpolation. The Splay zone composites were combined with the Main zone material and modelled together. Experimentation with applying top cuts to the gold composite data still indicated that top cutting was considered unnecessary. Variography indicated reasonable downhole and directional grade continuity. The old Central zone composite data maintained the previously observed 'flatter-than-expected' down dip directional structure to the gold mineralisation. This may be related to higher grade zones, possibly in low pressure zones, formed as part of the sigmoidal growth associated with the dilatant structure responsible for the mineral body formation.

Gold grade interpolation for the entire mineral domain used Ordinary Kriging (GS3M software) with the resultant models loaded into a Surpac block model. A 5m by 10m by 5m compromise block size was used to accommodate both close and wide spaced drilling. Domaining was limited to the mineral zone and to its subtle variations in spatial orientation i.e. geological dip and strike, a total of 12 search domains were used. Modelling used an expanding search pass strategy, with the initial search radii based on the localised near-surface detailed drill spacing, increasing in size to take in the general geometry of the mineralisation and the variography. Modelling consisted of two estimation runs, both with 3 passes. The minimum search ellipse radii used was 5m by 25m by 25m (X, Y & Z) with an initial minimum number of 12 data and 4 octants, expanding by 25m increments in the Y and Z directions to a maximum of 75m (and up to 15m in the across strike, X, direction). The minimum number of data was 6 samples and 2 octants. The fifth and sixth pass runs used a

20m by 100m by 100m search ellipse with a minimum of 6 data and 2 octants and a minimum of 3 data and 1 octant respectively. Rotation axes of the search ellipses were controlled by a combination of the variogram axes rotations and/or the general geometry of the mineralisation.

Density values for mineralisation and waste rock were derived from 741 single pieces of drillcore using the Archimedes weight in air/weight in water method and included 656 fresh rock (mean 2.71t/m^3) and 85 oxide zone samples (mean 2.56t/m^3). Ordinary Kriging was used to model the density data however the nature of the data meant only limited grade interpolation could be achieved for the mineral zone. In an effort to provide more data for modelling (including ascribing density values to the waste rock) default density values based on the 751 samples were allocated to the various lithologies in the drillhole database and their respective oxidation levels. This generated 27,614 data points which were subsequently modelled using Ordinary Kriging. A horizontal search was used for the oxide zones and a steeply east dipping moderately wide search ellipse was used for the fresh rock data.

Classification Criteria

Resource classification is based primarily on the drillhole spacing (and hence the data point density), grade continuity (variography), the geological model, density data and the good quality QAQC data.

Cut-off Grades

The resource estimates are reported for a 0.75g/t Au cut off with the block centroid inside the constraining mineral wireframe. No segregation has been made for the partially oxidised zone which accounts for <2% of the deposit.

Mining & Metallurgical Methods & Parameters, and other Material Modifying Factors Considered to Date

Strategic has informed H&SC that their intension is to mine the BVS deposit using an open pit bulk mining scenario. A conceptual Pit Optimisation Study has been undertaken by Strategic as a high-level assessment of potential project economics. Although limited by estimated assumptions, this indicated reasonable prospects for open-pit extraction. Further, more detailed, engineering assessments were recommended, pending favourable ongoing exploration. Assessments currently under consideration include geotechnical, ARG, groundwater and further metallurgy. Initial geotechnical results indicate that a moderate pit-wall angle may be necessary, but that this is within the parameters of the conceptual study. The model block size (5x10x5m) is the effective minimum mining dimension for this estimate. Any internal dilution has been factored in with the modelling and as such is appropriate to the block size.

A simple grinding and CIL plant operation is envisaged by Strategic. It is assumed that there will be no significant problems recovering the gold. Initial metallurgical results indicated gold recovery averaged 96% across the six samples tested. No refractory ore characteristics were observed in any of the tests, indicating the ore is suitable for gold recovery in a standard CIL processing plant. The consumption of reagents is considered moderate and silver, copper, lead and zinc values are moderate and are not considered to significantly affect the design of any future processing facilities. In addition, screen fire assays indicate a relatively benign deposit with no significant coarse grained gold. Pre-roasting of Fire Assay samples showed no appreciable bias in results indicating that the ore does not appear refractory. No penalty elements have been identified in the work so far.

The area lies within flat terrain with broad watercourses with sparse vegetation typical of that part of North Central Queensland. Environmental (Flora, Fauna, Hydrological) studies are underway covering the Lower Camp (BVS) resource area.

Resource Estimates

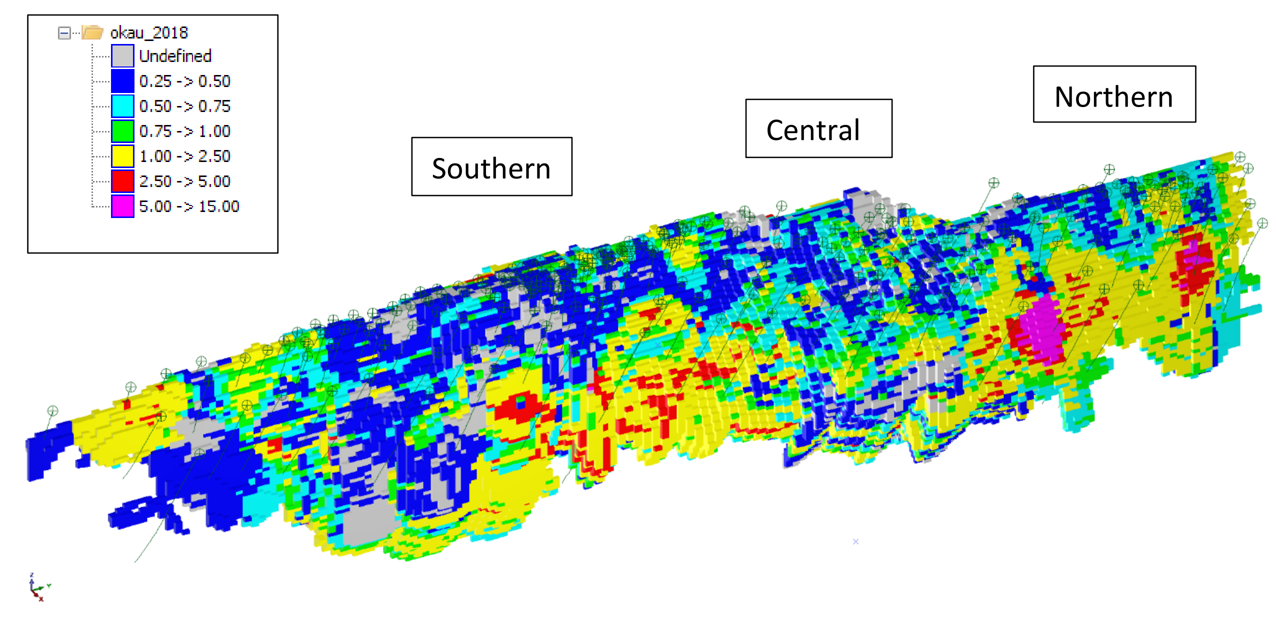
The new resource estimates for a 0.75g/t Au cut off are tabled below (Table 2) with examples of the gold block grade distribution shown in Figure 4.

Table 2: Resource Update –Big Vein South, 15th December 2018, at 0.75 g/t cut-off (minor rounding errors)

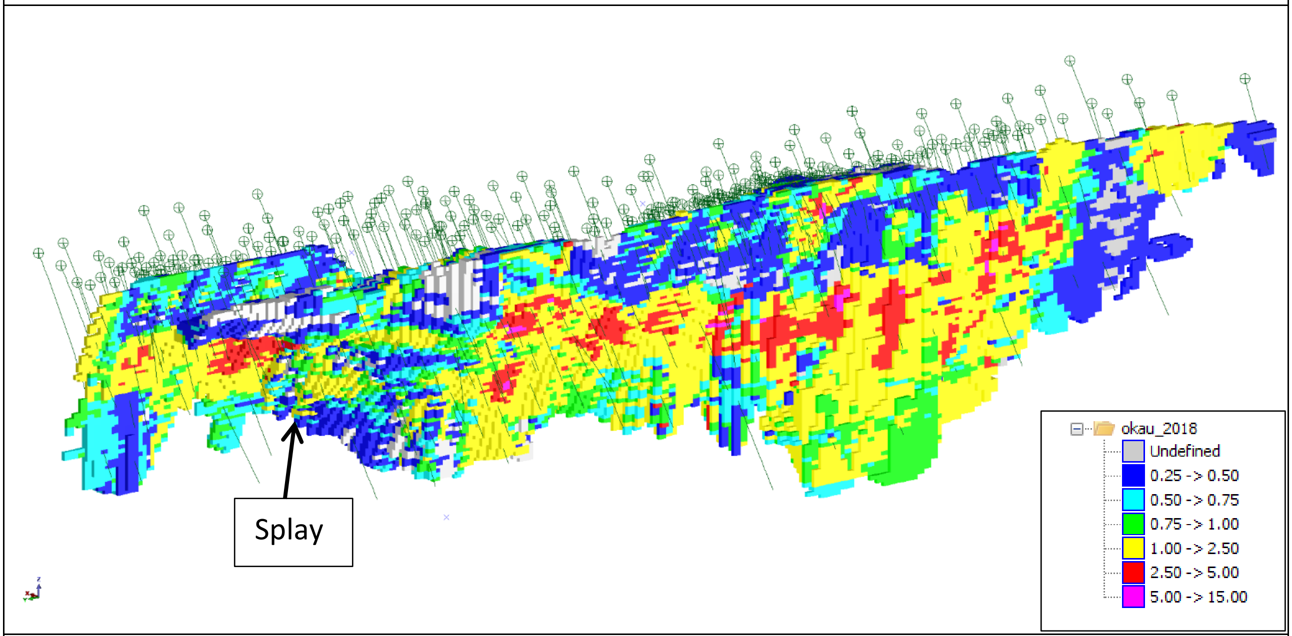
Category	Mt	Au g/t	Au Koz	Density t/m^3
Measured	0.6	1.90	33.7	2.61
Indicated	10.0	1.93	621.4	2.71
Inferred	13.5	1.76	762.6	2.70
Total	24.0	1.84	1,417.7	2.71

Less than 2% of the deposit tonnage is in the oxide zone with just under 1.4% of the ounces.

Figure 4: Global Gold Block Grade Distribution for Resource Estimates



View looking down to grid north west (the 2017 mineral domains are included)

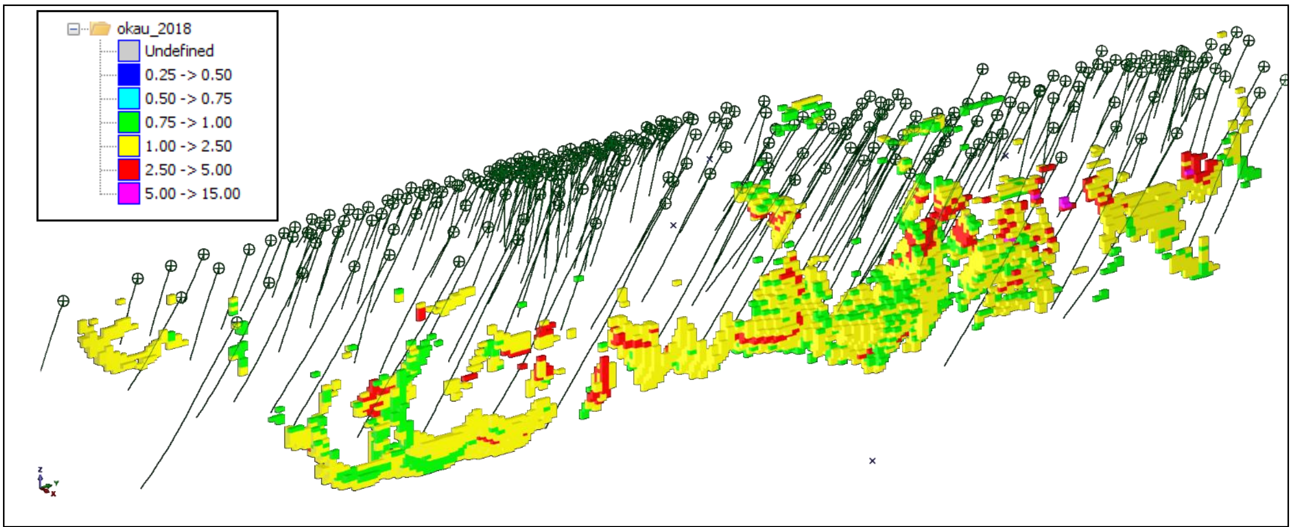


View looking down to grid south east

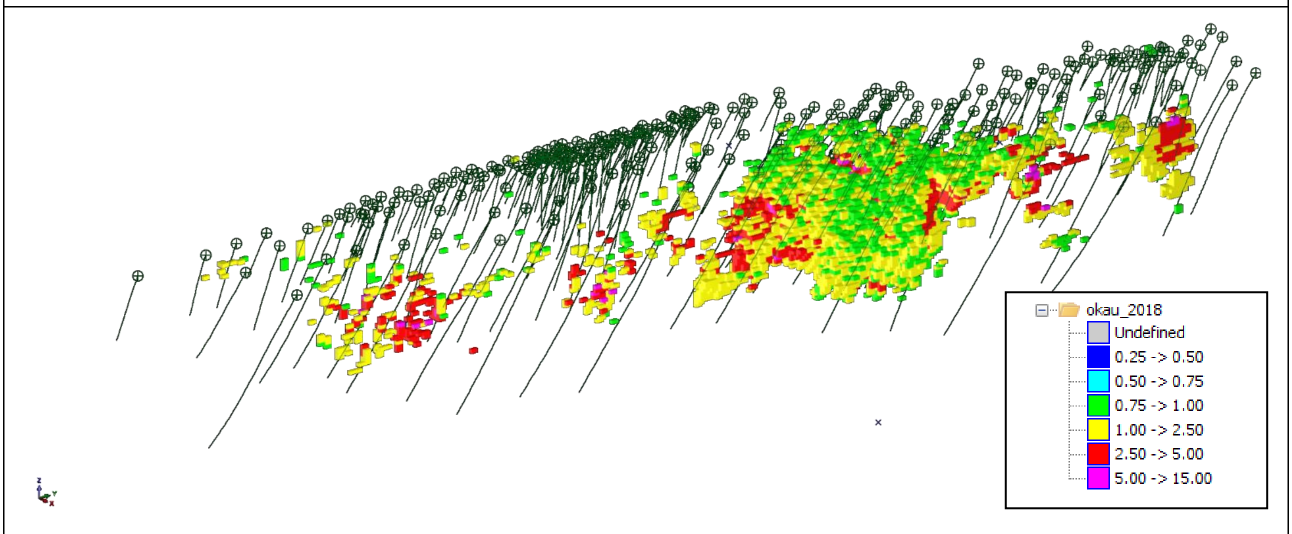
The new resources estimates represent a 31% increase in tonnes relative to the February 2017 estimate with an 8% drop in gold grade and a 21% increase in the number of ounces. This increase is due to a modest increase in the size of the interpretation of the deposit (derived from broader than predicted intersections in the drilling), the joining of the Southern, Central and Northern zones into one mineral zone and modest enlargements to the search ellipse axes. As most of the drilling was infill drilling there has been a considerable increase in the amount of Indicated Resource material ie 108% increase in tonnes, 8% drop in grade and 92% increase in gold ounces.

In Figure 5 the upper image shows the gained Mineral Resources, at a 0.75g/t Au cut off, relative to exploration potential in the February 2017 model. The majority of this new material comes from the periphery of the old central zone (a function of joining the Southern, Central and Northern zones) and deeper parts of the deposit (a function of the slightly changed search ellipse axes). The lower figure shows the conversion of 2017 Inferred Resources to 2018 Indicated Resources, where the majority of the conversion has occurred in the old Central zone i.e. the Crossover.

Figure 5: February 2017 – December 2018 Comparison of Resource Models



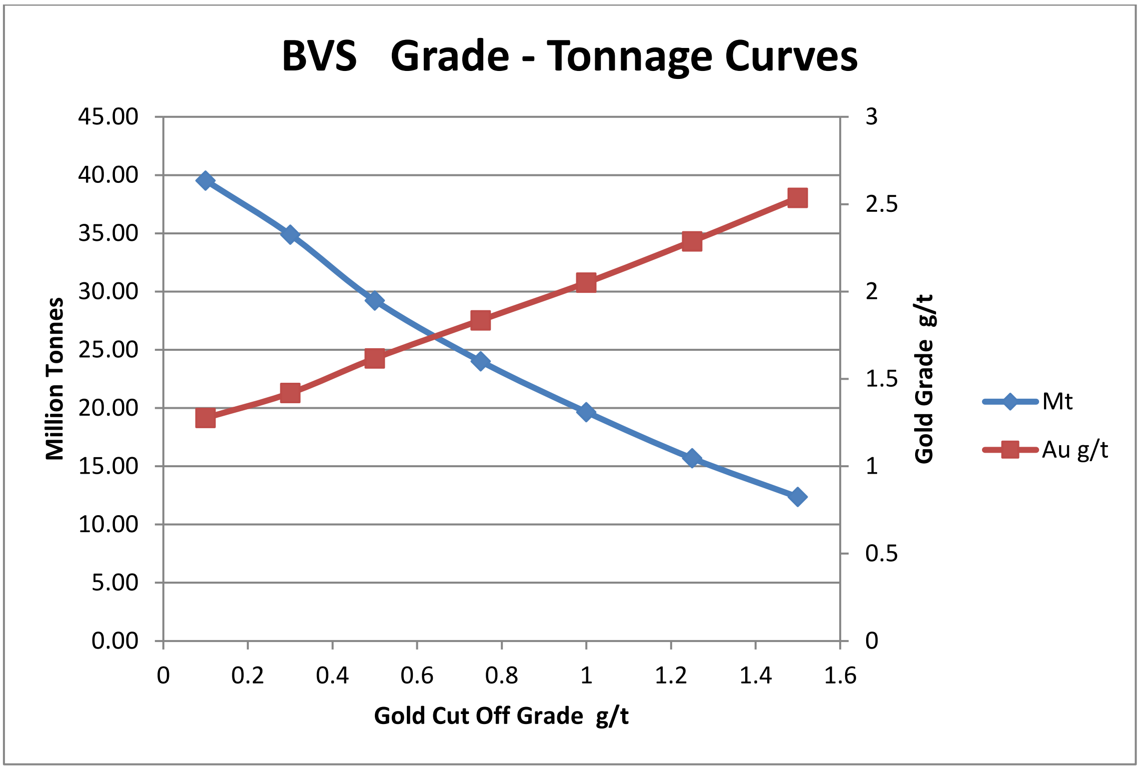
Additional Resource in 2018 Model: View looking down to grid north west



2017 Inferred Resource converted to Indicated Resource: View looking down to grid north west

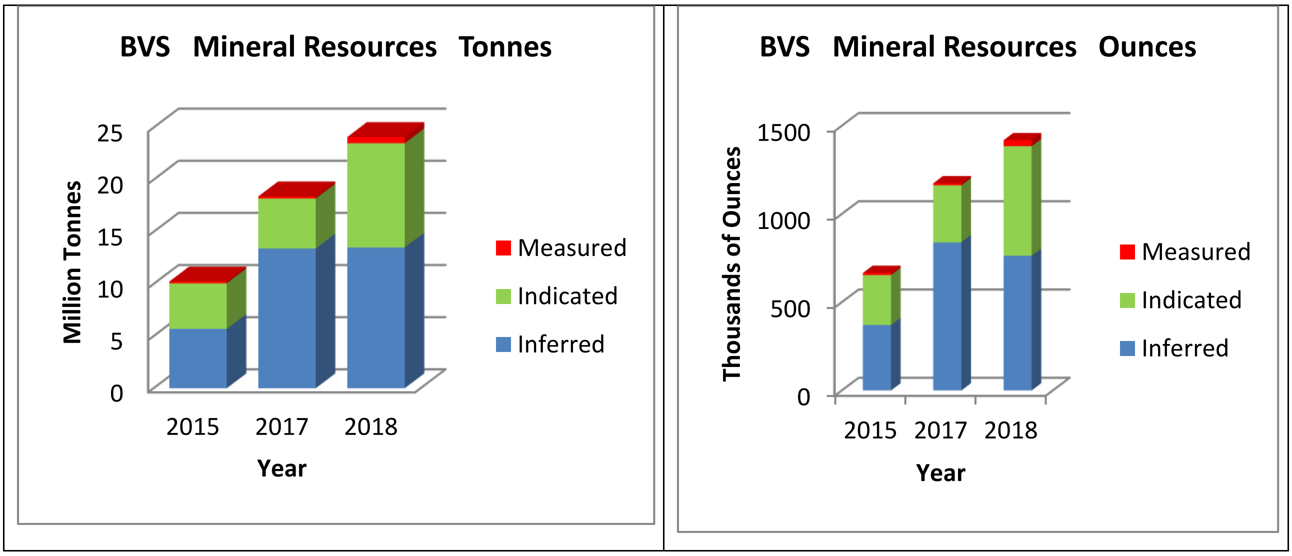
Validation of the block model consisted of visual comparisons of block grades with the drillhole data, a review of the global statistics for composites and block grades, a review of previous resource estimates and grade tonnage curves (Figure 6). Validation confirmed the modelling strategy as acceptable with no significant issues.

Figure 6: BVS Mineral Resources Grade Tonnage Curves



A summary of the progress of resource increases during the recent Strategic exploration campaigns is included as Figure 7.

Figure 7: Strategic Resource Estimates 2015, 2017 and2018

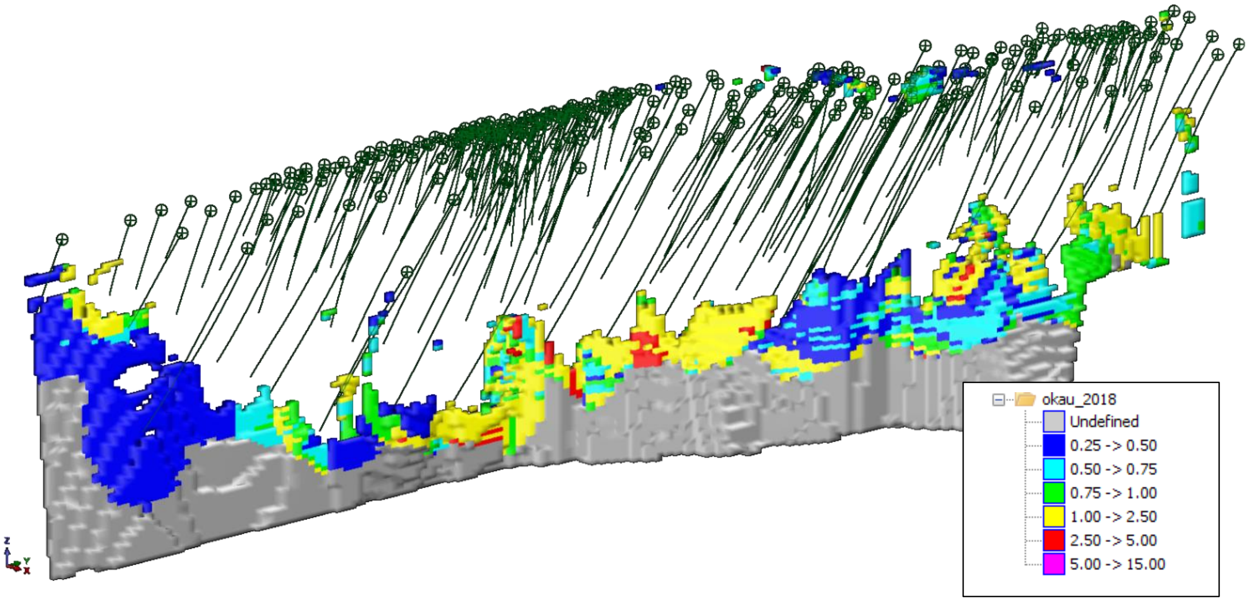


(at a 0.75g/t gold cut off grade)

Exploration potential exists in the immediate vicinity of the mineral zone within the interpreted mineral wireframe, but generally at depth i.e. down dip (Figure 8). An Exploration Target, at a 0.75g/t Au cut-off, of 5 to 9Mt at 1.2 to 1.6g/t for 0.15 to 0.25Moz is defined by using the estimation results from Passes 5 & 6 and the blocks with no interpolated grades within the mineral wireframe (Figure 8).

The potential quantity and grade of the Exploration Target is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Figure 8: BVS Exploration Potential



Laif Allen McLoughlin

EXECUTIVE CHAIRMAN

COMPETENT PERSON STATEMENT

The information in the report to which this statement is attached that relates to Exploration Results is based on information compiled by Alistair Grahame, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr Grahame is a full-time employee of Strategic Mineral Corporation NL. Mr Grahame has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Grahame consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources and Exploration Targets for the BVS Deposit is based on information compiled by Simon Tear, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Tear is a Director of H&SC Consultants Pty Ltd. Mr Tear has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Tear consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1: Additional Information

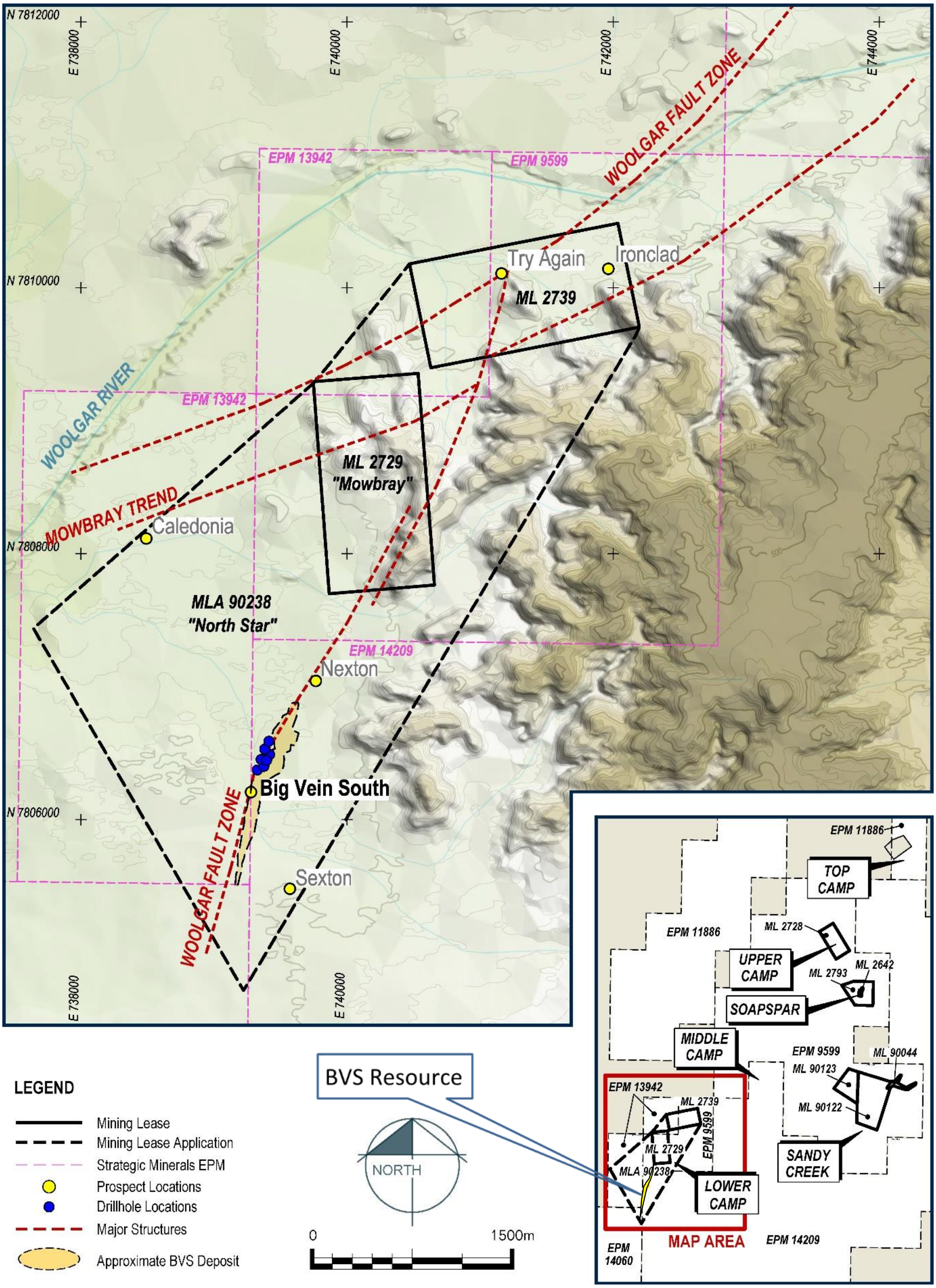


Figure 9: Plan of the Lower Camp in the southern sector of the Woolgar Project, highlighting the five main sectors (camps) and the Big Vein South prospect, subject to this report with the resource in orange.

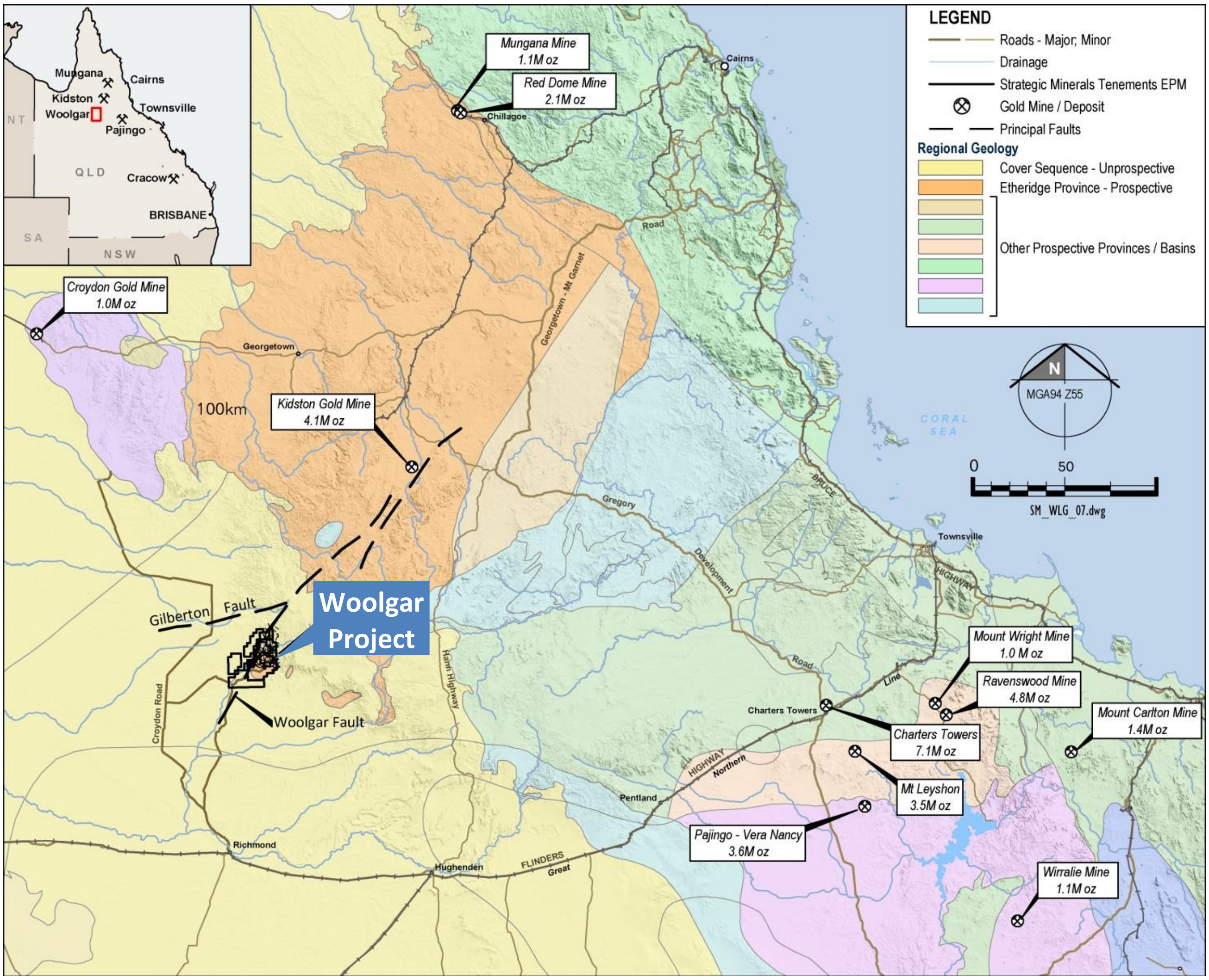


Figure 10: Geological location map of the Woolgar Project showing principle road and rail infrastructure, and the regional geological provinces. The deposits shown are existing epithermal, mesothermal and IRGS gold deposits greater than 1Moz throughout Northeast Queensland, which are considered to be of comparable ages, styles and occurrences to the known mineralisation at Woolgar. As can be seen, the Woolgar Goldfield corresponds to an inlier (erosional window) of the highly prospective and historically productive Etheridge Province exposed within the overlying non-prospective sedimentary cover sequences.

The Woolgar Project consists of exploration permits and mining leases, in central north Queensland over a window of basement rocks within younger sedimentary cover. Initial exploration work targeted widespread historic workings from alluvial and reef mining from a gold rush in the 1880's.

Strategic has identified three styles of mineralisation at Woolgar: epithermal vein deposits at Sandy Creek, mesothermal veins along the Woolgar Fault Zone and in the Upper Camp, as well as the alluvial gold associated with these. The Company has published resources from epithermal and mesothermal styles of mineralisation, see **www.stratmin.com.au.**

The Company's recent focus has been on the mesothermal veins in the Lower Camp area, but is now expanding its activities to reappraise the epithermal and further mesothermal veining.

Appendix 2: Epithermal and Mesothermal Resource Estimates

The Woolgar Project also hosts further resource estimates over epithermal and mesothermal styles of mineralisation, which differ in their characteristics from the mesothermal style mineralisation reported in this updated resource statement. There is insufficient information currently to determine whether these varying styles of mineralisation have compatible metallurgy, nor that further studies will determine this to be so and the Company makes no representation to this effect.

Table 3: Summary of the resource estimates for other deposits within the Woolgar Project as at 15st December 2018. For the full resource statement, please refer to "Annual Report to Shareholders" published 23rd March 2018, available at www.stratmin.com.au

		Cut off	Local Tonnage	Au Local	Au Local
Soapspar Deposit (Vein-hosted and mesothermal)		g/t	kt	ppm	Oz
	Measured	0.4	1,667	0.91	49,000
	Indicated	0.4	1,175	0.9	34,000
	Inferred	0.4	472	0.82	12,000
	Total	**0.4**	**3,314**	**0.89**	**95,000**
Camp Vein & Grand Central Deposits (Low-sulphidation Epithermal)		Cut off	Local Tonnage	Au Local	Au Local
		g/t	kt	ppm	Oz
	Measured	-	-	-	-
	Indicated	0.4	2,157	1.18	82,000
	Inferred	0.4	607	1.02	20,000
	Total	**0.4**	**2,764**	**1.14**	**102,000**
Explorer Deposit (Low-sulphidation Epithermal)		Cut off	Local Tonnage	Au Local	Au Local
		g/t	kt	ppm	Oz
	Measured	1	395	3.61	46,000
	Indicated	1	149	2.22	11,000
	Inferred	1	351	1.45	16,000
	Total	**1**	**895**	**2.55**	**73,000**
Lost World Deposit (Low-sulphidation Epithermal)		Cut off	Local Tonnage	Au Local	Au Local
		g/t	kt	ppm	Oz
	Measured	0.4	3,474	0.87	97,000
	Indicated	0.4	8,074	0.68	177,000
	Inferred	0.4	3,155	0.66	66,000
	Total	**0.4**	**14,703**	**0.72**	**340,000**

Appendix 3: JORC Code, 2012 Edition – Table 1 BVS Gold Deposit

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 (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampling has used the reverse circulation drilling (RC) method with some additional diamond core holes. • RC sample intervals were 1.0m, carried out by the drill contractor using a cone-splitter integral with the recovery cyclone. • Core samples were selected and marked by SMC staff, then photographed and cut by ALS-Townsville. The core was sawn equally using a diamond-blade saw and half selected for sampling. • Sampling generated approx. 3kg samples that were sent to a commercial lab for analysis. Fire assay was the analytical technique for gold using a 50g charge and AAS finish. • Sampling and assaying has been to industry standard practice. • Documented core handling and sampling procedures available. • Additional Screen Fire and pre-roasted Fire Assay sample checks were run to ensure coarse gold or underreporting are not issues. • Sampling and assaying techniques are considered appropriate for deposit type.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	See summary table below.

Summary of drillholes and metres at BVS.

Year	Drill type	No. of holes	RC, m	DDH, m
2010	RC	11	654	
2011	RC	45	3,708	
2012	RC	79	5,369	
2013	RC	42	5,047	
	PreCollar	7	596	499
	DD	3		327
2014	RC	30	7,867	
2015	RC	13	2,968	
2016	RC	10	1,876	
2017	RC	22	4,720	
	DD	8		1,612
Totals	**RC & DD**	270	32,805	2,438

Criteria	JORC Code explanation	Commentary
		• 2008 to 2016 Reverse circulation drilling with 5¼ & 5½" face hammer. • 2013 & 2017 Diamond holes consist of digitally orientated HQ3 core. • Drilling techniques are considered appropriate for deposit type.
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.*	• 2013 & 2017: DD core recovery was measured during logging. Average >99%. • 2008 – 2013: RC reject weights were not recorded. The weights of all samples submitted for analysis were recorded. These were collected on integral cyclone splitters at a fixed 10:1 ratio to the overall sample. General RC sample recovery was noted on the sample control sheet. Any anomalies were brought to the driller's attention. • 2014: RC sample weights were recorded for 6 holes. Analysis of these results indicated high recoveries except for the top of hole samples and rare occasions downhole. • The reject and sample weights were compared for these holes, which indicated that the submitted weights are broadly comparable to the overall weights and therefore good recoveries with the RC drilling. • 2015 & 2016: RC sample weights were measured for all intervals. Recovery averaged 92%. There is no relationship between sample recovery and gold grade. • 2017: RC sample weights were recorded for select holes and parts of holes, for 2,019 metre intervals, including intersections and wallrock. • There is no obvious relationship between recovery and gold grade.

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.*
		• 2008 to 2013: Logging consisted of hand written, detailed hardcopy log sheets transcribed into digital data. From late 2013 onwards, hardcopy logging was replaced by direct digital entry using "toughbooks" to record the drilling information.
		• 100% of RC chips logged on site using a qualitative system.
		• 100% of RC chip trays and DD core trays are photographed.
		• All logging was done using coded systems for digital manipulation:
		  ○ From 2008 - 2012, logging used a general system designed for district scale exploration.
		  ○ From 2013 a prospect specific logging system was introduced as focus centred on this resource area. Both systems are considered appropriate for resource estimation.
		• 100% of core logged for geological and geotechnical purposes.

Sub-sampling techniques and sample	• *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*	• RC samples were cone split integrally to the cyclone. In virtually all cases, samples were dry. • The core samples were sawn in half using a diamond-blade saw at 20°

Criteria	JORC Code explanation	Commentary
preparation	*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 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.*	rotation from the orientation line to preserve that data. The same half of the core was selected for sampling for the length of the hole. • All sample preparation, sample sizes and analytical methods are deemed appropriate. • All laboratories were certified commercial laboratories working to best practices. • The QAQC field programme used weights, field duplicates and coarse blanks for the RC drilling. ○ % recovery was calculated for all DD core. RC sample weights were recorded from mid-2014, unless time and climatic conditions curtailed this. ○ DDH: No field duplicates were taken for the core sampling. ○ RC field duplicates for all campaigns were taken using a manual riffle splitter, (vs. rig sampling by cone splitter). ▪ 2008 to 2012: one field duplicate per hole. Additionally second pulps (lab duplicates) were taken after milling of 1 in 20 samples on a fixed frequency and tested in the same lab. ▪ 2013-2016: field duplicates were chosen on geological criteria to focus on more meaningful mineralised intercepts. Frequency varied between 1 and 6 per hole, depending on the width of intersection. ○ Select Lab duplicates (a 2nd pulp) were taken for all types of samples. ○ Coarse blank samples were used to assess potential for contamination during the sample preparation and were inserted within mineralised sequences on geological criteria to maximise efficacity. ○ Screen fire assays were used to check for the impact of any coarse gold in the sample preparation and pulp selection. • Field Duplicates: ○ 2013 – 2014: (162 samples) for the RC drilling indicated an approximate 10% bias for the original sample for samples with a gold grade >2g/t. The reason for this uncertain and other tests did not repeat this. It could be the splitting method. ○ 2015: No issues occurred with the 39 Field Duplicates in 2015. ○ 2016: Most samples plot within the acceptable tolerances and with no appreciable bias. The two higher grade samples plot in the higher limits of acceptability, but it is not possible to define this as a definite skew based on only two results, which

Criteria	JORC Code explanation	Commentary
		constitutes a highly statistically insignificant number. Given the lack of bias in the majority of the dataset, known previous broad scatter at higher grades and the potential for minor variation due to cone vs. riffle split samples, these are considered not to present any obvious bias. ◦ 2017: The spread is fairly even, similar to previous years: with moderate variability considered due to the uneven distribution of gold on a sub-one metre scale. In all years, there appears to be a small, but not statistically excessive bias to slightly higher grades in the Field Duplicates, which is considered an aspect of the Riffle split duplicates, compared to the cone split originals. The variography and lack of effect of a top-cut, both support this. • Lab duplicates indicating no bias, confirm the homogeneity of the sample preparation • The screen fire assays indicate no coarse gold issue with sample preparation • The coarse blanks from 2013 - 2016 were inserted on geological criteria (in conjunction with duplicates in order to maximize juxtaposition with higher grades) None of these indicated any contamination issue with the sample preparation
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• 2008 – 2012: Samples were prepared by SGS Australia Pty Ltd, Mineral Services Division in Townsville. Methods used were: gold by fire assay, AA finish 50 gram charge and Pb, Zn, +/- Ag & Cu by AAS. • 2013 – 2016: Samples were prepared and assayed at the ALS Minerals Division - Geochemistry (“ALS”) laboratory in Townsville; an ISO-9001:2013 certified facility. Methods used were: gold by fire assay, AA finish (50 gram charge); and other elements by aqua regia ICP-AES (35 elements). Samples returning greater than 100 g/t gold were automatically re-assayed using a dilution analyses. • Fire assay for gold is considered a total analytical technique. • The analytical QAQC programme for the 2010-2011 period utilised standards. The number of QAQC samples was limited with insufficient data offering relatively inconclusive results. • 2010 – 2012: At least one standard per hole plus 120 umpire laboratory checks. • The 2013-2016 drilling campaigns implemented a substantial analytical QAQC programme comprising laboratory duplicates, umpire laboratory checks and standards.

Criteria	JORC Code explanation	Commentary
		• The 2013-2016 programme also included blank pulps. • 2013 – 2016: 4 different pulp standards (later reduced to 3 to ensure statistical representation) of gold grades varying between "Below Limit of Detection" to 11ppm gold, and umpire lab checks were used. Standards were inserted on a fixed 1:20 ratio. • The standards indicated an acceptable level of accuracy for the assays for all the drilling programmes. During 2015 and 2016, a very minor bias in the standards, supported by weak anomalies in the Umpire and lab duplicate checks suggest a very slight over-reporting of grade. Samples reported within acceptable limits of variation, but the mean was slightly (1.0 - 1.5%) above the standard grades. This did not affect the pulp-blank standard and the overall affect is considered too small to significantly affect the resource. The issue has been brought to the attention of the resource geologist and the laboratory, and will be closely monitored in the future. During 2017, the standards were mostly within acceptable tolerances and where individual samples were anomalous, the remainder of the standards in the batch assured reliability. • The blank pulps indicated no contamination issues. • The umpire lab checks indicate no major issues: ○ The 2013 samples with gold grades above 2g/t, indicated an approximate 10% bias towards the original sample. ○ The 2016 samples indicate and approximate 10% bias to the original. This is a steady trend in the dataset, and is considered to be due to variations between the labs. Due to the lack of support for significant enrichment in the standard and screenfire tests, this is not considered likely to significantly affect the resource. ○ During 2017, the umpire lab showed a slight bias to higher grades, but the quantity and magnitude are too small to indicate a systematic under-reporting by the primary lab.
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.*	• No independent verification has been conducted at this stage. • Older logging consisted of hand written, detailed hardcopy log sheets transcribed into digital data. In 2014 this was replaced by using digital "toughbooks" to record the drilling information at source. • Laboratory results were received digitally in SIF and CSV spreadsheets and certified pdf formats, as well as hard copy. The text files were loaded into an Access database and verified by the Project Geologist. • Core and chip tray digital photographs are available for all drilling.

Criteria	JORC Code explanation	Commentary
		• Twin Holes: In 2013 DD was used to twin two RC holes with particularly high-grade intersections from the 2012 drilling. This was limited by physical constraints on the platforms resulting with the holes drilled from as close as possible and intersecting as closely as possible to the original intersection. It shows significant variability, but a broadly comparable mineral grade and distribution, interpreted to be a similar mineral interval. This would imply poor to moderate grade continuity for the gold on a very local scale. Also of interest is that neither the RC nor the diamond gold intercept average grades are consistently higher than the other suggesting no bias with the drilling methods. In 2017, two DD holes directly twinned two higher-grade RC holes. These show strongly comparable intercepts limits and distribution, however the grade in both DD are lower. This is considered a function of the volume of the sample collected: the semi-circular half of a 61mm core, which represents 18.5 % of the volume of a 140mm sample. Given that the higher grade gold in particular appears to have a variable distribution at a sub-1metre scale (as per field, lab, slave & screen-fire duplicates, petrography, and metallurgical studies) it is considered that the smaller sample does not provide as statistically representative a result as the larger one. This is further supported by the variation not being a direct ratio: In most samples the RC is the higher grade, but in approximately 1 in 5 higher grade samples, the DD is higher than RC, which would be expected of an unevenly distributed material. Taking the variography and lack of effect of a top-cut, this is not considered to significantly compromise the resource, although further DD twins will be considered to further assess this. • Assay data is imported electronically using automated routines as part of the database validation. No checks have been completed between original assay sheets and entered data. • The entire historic drillhole database has been recompiled from original sources into a unified SQL format, using Access as a frontend. The data was validated during this process. • Simple error checking of the drillhole database has been completed by H&SC including duplicate entries, incorrect hole depths and overlapping samples. Visual checks have been made for excessive deviation of drillholes. • No adjustments made to assay data except for replacement of below-limit-of-detection values or text with half-limit-of-detection in working exports. Adjustments to the geological codes from the logging were made by H&SC in the Access database to facilitate the 3D geological

Criteria	JORC Code explanation	Commentary
		interpretation
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.*	• Drill collars were surveyed in using a Magellan DGPS undertaken by Strategic personnel. Collar data was supplied in MGA94 Zone 54 grid projection. • Downhole surveys for the 2010-2012 drilling were measured using a digital single shot Reflex instrument at 30m and then every 30m. No surface measurement was included for most holes but some short holes only had a surface measurement. The 2013-2015 drilling used the same measuring instrument but with a surface sighted measurement and downhole readings at 20m, then approximately every 50m. If EoH was over 25m from the previous survey, an extra EoH survey was carried out. • From 2014 to 2016 the deeper holes tended to plunge steeply. Any deviation was controlled by the removal, and occasional replacement, of the rear stabiliser in order to control the plunge. This caused a shortening of the rod-string by 0.5m, which was then taken into account by the drillers and field crew to modify the sampling rhythm accordingly. No variation to the drill intervals resulted. • Core orientation used a Reflex Digital tool. • Primary topographic control utilises the DGPS data. Topographic data was supplied by Strategic as gridded data (processed Lidar topographic survey data) which was exported to Surpac and combined with surveyed collar data to create a 3D surface. • Topographic control is considered adequate given the very subdued relief in the resource area. • To facilitate the resource modelling the data was rotated 10° anti-clockwise to a local N-S grid, are details of which included below.

MGA94 Zone 56 Coordinates		**Local Grid Coordinates**	
Y1	7,805219.280	Y1	50,000
X1	739,143.282	X1	10,000
Y2	7,807,188.896	Y2	52,000
X2	739,490.578	X2	10,000

Criteria	JORC Code explanation	Commentary
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*	• Drillhole collar spacings varied from 12 to 50m where stepping back on previous results to 200m step-outs where prospecting along strike. This is considered suitable for the exploratory nature of this program. • Most holes are moderate to steeply dipping to grid west. Angled holes

Criteria	JORC Code explanation	Commentary
	classifications applied. • *Whether sample compositing has been applied.*	have a range of dips from 45º to 85º, predominantly -55º. • Downhole sampling interval is generally 1m in RC and DDH, but can range from 0.4 to 2m in core with 1m as the default. • Drilling depth is generally to -175mRL with starting elevations ranging from 60 to 190mRL. Max depth of drilling is generally 350m • No sample compositing was used.
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.*	• Drilling is generally at high angles to a steeply dipping zone of gold mineralisation. • Extents to mineralisation have not yet been properly established • Drilling orientations are appropriate with no bias.
Sample security	• *The measures taken to ensure sample security.*	• Samples were bagged in rice-sacks with 5 samples per sack. These were secured with cable ties then returned to the camp daily and deposited in caged pallets for shipment. • DD core trays were stacked on pallets with 3 columns of 10 per pallet. A second pallet was placed on top to stabilise the stacks and prevent tampering. Each pallet was then plastic wrapped and secured with two 2.5T tie-down straps to restrict movement during transport. This was repeated where core was submitted to the DNRME for HyLogger scanning, then again under supervision from SMC geologists before shipping on to the lab in Townsville. • All shipment was by SMC chartered lorry to a private depot in Richmond and then via a local transport company direct to the lab in Townsville. Shipments were not sent via regional transport hubs to avoid multiple handling or insecure temporary storage. • A paper trail, including the contents of individual sacks is maintained.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Sample technique is reviewed frequently. The use of standards and blanks was optimized for this program. • Sampling procedures and data quality for the 2013-2017 drilling was reviewed by H&SC and was found to be acceptable overall. This included a field inspection of the site whilst RD drilling and DD core processing was underway.

Section 2 Reporting of Exploration Results

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

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.*	• The Woolgar project is comprised of 6 EPMs, 9 MLs. These are wholly owned by Strategic Minerals. 5 of the 6 EPMs are operated jointly as a project under approval of the Mines Registrar. • There is no known impediment to operations in the area. • Woolgar Project tenements: (see tenement table below)
Exploration done	• *Acknowledgment and appraisal of exploration by other parties.*	• The Lower Camp was partially explored during the 1990's, until

License No	Date Granted	Area	Interest	Comments
ML 2728	01/06/89	128 Ha	100%	Granted
ML 2729	01/06/89	128 Ha	100%	Granted
ML 2739	01/06/89	128 Ha	100%	Granted
ML 2642	01/02/89	405 Ha	100%	Granted
ML 2793	08/08/91	146.4 Ha	100%	Granted
ML 90044	27/04/95	29.2 Ha	100%	Granted
EPM 9599	01/09/93	103 sq km	100%	Granted
ML 90122	02/09/04	350.90 Ha	100%	Granted
ML 90123	18/11/04	124.70 Ha	100%	Granted
ML 90238	19/09/17	883.5 Ha	100%	Granted
EPM 11886	21/04/04	74 sq km	100%	Granted
EPM 14060	21/04/04	148 sq km	100%	Granted
EPM 14209	21/04/04	158 sq km	100%	Granted
EPM 13942	09/11/06	10 sq km	100%	Granted
EPM 26263	05/12/16	322	100%	Granted

Criteria	JORC Code explanation	Commentary
by other parties		attention focused on the Epithermal veining ~12km to the northeast. • This included localised geological mapping and sampling, and limited drill-testing of principal targets. None of this work identified the potential of the Big Vein South deposit and no drilling occurred on this prospect prior to 2010. • Little recent work has been carried out in the Lower Camp area prior to the RC and DDH programs by SMC from 2008. The current project management reviewed the available data and found them acceptable as a basis for exploration.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Lower Camp is a mesothermal style of mineralisation. • It is shear hosted within the regional-scale Woolgar Fault Zone. Structural style is interpreted to be a sinistral steeply oriented sigmoidal tension zone exhibiting substantial dilation to accommodate silica-gold-sulphide mineralisation. • It consists of quartz and quartz-carbonate veins, mineralised tectonic breccias, stockworks and veinlets. It is regarded as diffuse mineralisation with no discrete mineral boundaries. • Gold mineralisation is associated with disseminated pyrite, and lesser galena, sphalerite and pyrrhotite, that occur within strongly phyllic altered, sheared and brecciated schists, silicified breccias and veins. • The mineralisation is associated with a phyllic alteration, which is locally strong to intense around the mineralisation, with a silicified zone overlying the best mineralisation in the central part of the BVS. • The mineralisation often occurs as multiple sub-structures, occurring obliquely within a lower-grade mineralised envelope within the shear zone. • The host rocks are a strongly deformed amphibolite-grade schists, gneisses and migmatites with granitic bodies locally. These are intruded by granodiorite and minor dolerites.
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*	• Exploration results not being reported.

Criteria	JORC Code explanation	Commentary
	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.	
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.*	• Exploration results not being reported.
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').*	• Exploration results not being reported.
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.*	• Exploration results not being reported.
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.*	• Exploration results not being reported.
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.*	• Exploration results not being reported.
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.*	• Exploration results not being reported.

Section 3 Estimation and Reporting of Mineral Resources

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

Criteria	JORC Code explanation	Commentary

Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*
	• *Data validation procedures used.*
		• Data collated by Strategic from a mixture of hardcopy and digital logging
		• H&SC has compiled an Access database for Strategic
		• Responsibility for the data resides with Strategic
		• Checks completed by H&SC include:
		  ◦ Data was imported into an Access database with indexed fields, including checks for duplicate entries, unusual assay values and missing data.
		  ◦ Additional error checking using the Surpac database audit option for incorrect hole depth, sample/logging overlaps and missing downhole surveys.
		  ◦ Manual checking of logging codes for consistency, plausibility of drill hole trajectories and assay grades. Modifications made to lithology codes for easier use in interpretation.
		• Assessment of the data confirms that it is suitable for resource estimation.

Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Alistair Grahame, Senior Geologist & Project Manager for Strategic completed numerous site visits, helped conduct and supervised logging from 2013 onwards, and has reviewed much of the drill core and RC chips, and all geological mapping and interpretation. • A site visit to the project was completed by Simon Tear, director for H&SC during the 2017 drilling campaign. This included a review of procedures and viewing core for 11 diamond holes.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Interpretation of the drillhole database allowed for the generation of a 3D mineral constraining solid and geological surfaces for a combination of 12.5m and 25m spaced sections. • A single mineral zone was defined using logged geology, sulphur, silver and aluminium assays, a nominal gold cut-off grade of 0.1g/t and geological sense plus magnetic interpretation. The elevated sulphur assays act as a proxy for the auriferous pyrite mineralisation and low aluminium values act as a proxy for the host rock dilution associated with the silica veining. The Splay zone is still interpreted to abut the footwall side of the northern zone of the main mineralisation • Geological surfaces were created for the base of Phanerozoic cover, the base of complete oxidation, base of partial oxidation and two small

Criteria	JORC Code explanation	Commentary
		scale cross cutting and potentially offsetting fault structures. In the central part of the deposit. • A lack of drilling indicates the mineralisation is open along strike and at depth. An occasional drillhole has terminated in significant gold mineralisation. • Oxidation due to weathering has been defined by logged codes and low value sulphur assays. There is no evidence of gold enrichment or depletion in the oxide zone. • Geological understanding appears to be good and appropriate for resource estimation. • Alternative interpretations are possible for the mineral zone definition but are unlikely to significantly affect the estimates. • The style of mineralisation and the orebody type means there is a strong structural control to the grade and geological continuity. Structural controls include quartz sulphide veining and silicification within an upright sigmoidal ductile shear zone. There is a sub-horizontal band of higher grade material between 100m and 210m below surface associated with some currently unknown structural or lithological feature.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The main mineral zone is a steeply east-dipping structure with a strike length of 1.5km to a depth of 380m below surface. Locally the mineralisation expands out to 125m downhole widths and is exposed as a narrow lode (<4m wide) for at least 500m of strike. The Splay zone has a strike of 300m with a dip length of 115m and a thickness between 20 & 45m. It is approximately 100m below surface. It has an initial flat dipping zone and has been interpreted to have a rollover to a steeper dip for a 100m extension adjunct and parallel to the northern part of the main mineral zone.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage*	• The gold block grade was estimated using Ordinary Kriging in the GS3M software with the block model loaded into the Surpac mining software for validation, resource reporting and subsequent mine planning studies. • H&SC considers Ordinary Kriging to be an appropriate estimation technique for this type of gold mineralisation. • There is no correlation between gold and any other elements eg Cu, Ag, Pb & Zn. • H&SC created one mineral zone, including the Splay zone, which was treated as a hard boundary during estimation. The base of complete oxidation and the base of partial oxidation were treated as soft boundaries.

Criteria	JORC Code explanation	Commentary
	characterisation). • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• A total of 5,655 two metre composites were used to estimate the mineralised bedrock. Coefficient of variation for the mineral zone was modest, ie =2 • The absence of extreme values and high grade clustering precluded the need for top-cutting. • Domaining was limited to the mineral zone, and to spatial orientations of search ellipses based on the undulating geological dip and strike of the mineral zone. • No assumptions were made regarding the recovery of by-products. • Variography was performed for the gold composite data for the mineralised bedrock. Grade continuity was reasonable in both the downhole and the directional variograms mainly due to areas of denser drilling in the Crossover area and the south-central part of the deposit. • Drill holes are on relatively regular but variably spaced grids with a nominal spacing of 12.5 by 12.5m increasing to 25 by 25m to 50 by 50m and ultimately to 100m by 100m. Block dimensions are 5x10x5m (E, N, RL respectively). The Y-axis dimension was chosen as a compromise that is nominally half to a third of the drill hole spacing. The X-axis direction was a compromise between the drilling data and the variable width of the deposit. The vertical dimension reflects downhole data spacing in conjunction with possible bench heights. Discretisation was set to 3x5x3 (E, N, RL respectively). • Modelling used an expanding search pass strategy with the initial search radii based on the detailed drill spacing increasing to take in the geometry of the mineralisation and the variography. Modelling consisted of two estimation runs, both with 3 passes. The minimum search used was 5m by 25m by 25m (X, Y & Z) and expanding by 25m increments in the Y and Z directions to a maximum of 75m (and to 15m in the across strike, X, direction). The minimum number of data was 12 samples and 4 octants decreasing to a minimum of 6 data and 2 octants. Passes 5 and 6, used for the definition of an Exploration Target, had 20m by 100m by 100m search radii with a minimum of 6 data and 2 octants and 3 data and 1 octant respectively. • The maximum extrapolation of the estimates is 75m. • The estimation procedure was reviewed as part of an internal H&SC peer review. • No deleterious elements or acid mine drainage has been factored in. • The final H&SC block model was reviewed visually by H&SC and it was concluded that the block model fairly represents the grades

Criteria	JORC Code explanation	Commentary
		observed in the drill holes. H&SC also validated the block model statistically using a variety of histograms and summary statistics and comparison with a previous resource estimate. An unconstrained 2017 check estimate using the 2m composite data indicated no significant issues with the 2017 estimate. The current estimates are based on a very similar modelling strategy to the 2017 estimates • Validation confirmed the modelling strategy as acceptable with no significant issues. • No production has taken place so no reconciliation data is available.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry weight basis; moisture not determined.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• 0.75 g/t gold cut off used, constrained to the block centroid inside the mineral wireframe irrespective of oxidation status • The cut-off grade at which the resource is quoted reflects an intended bulk-mining approach.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• H&SC's understanding of a bulk mining scenario is based on information supplied by Strategic. ○ A conceptual Pit Optimisation Study has been undertaken by Strategic as a high-level assessment of potential project economics. Although limited by estimated assumptions, this indicated reasonable prospects for open-pit extraction. ○ Further, more detailed, engineering assessments were recommended, pending favourable ongoing exploration. ○ Assessments currently under consideration include geotechnical, ARG, groundwater and further metallurgy. • The model block size (5x10x5m) is the effective minimum mining dimension for this estimate. • Any internal dilution has been factored in with the modelling and as such is appropriate to the block size.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• A simple grinding and CIL plant operation is envisaged by Strategic • It is assumed that there will be no significant problems recovering the gold. • Initial metallurgical results indicate: • Gold recovery averaged 96% across the six samples tested; • No refractory ore characteristics were observed in any of the tests, indicating the ore is suitable for gold recovery in a standard CIL processing plant; • The consumption of reagents is considered moderate; and

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Criteria	JORC Code explanation	Commentary
		• Silver, copper, lead and zinc values are moderate and are not considered to significantly affect the design of any future processing facilities, although a flotation circuit for the production of a base metal concentrate may be viable and will be examined later in the testwork program. Published 27 Feb 2015 "*Testwork Indicates 96% Gold Recovery in Lower Camp", www.stratmin.com.au* • Screen fire assays indicate a relatively benign deposit with no significant coarse grained gold. • No penalty elements identified in work so far. • Pre-roasting of Fire Assay samples showed no appreciable bias in results indicating that the ore does not appear refractory.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• The area lies within flat terrain with broad watercourses. • The area is covered with sparse vegetation typical of that part of North Central Queensland. • Environmental (Flora, Fauna, Hydrological) studies are underway.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vughs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• 741 density values for single pieces of core representing mineralisation and waste rock were collected by Strategic using the Archimedes weight in air / weight in water method, including 656 fresh rock and 85 oxide samples. • Density grade interpolation initially used unconstrained Ordinary Kriging on the actual data points (741) to populate blocks in the resource model • Average density values for the different rocktypes were generated from the density data. There is a very limited range of average density values for the different rocktypes. The average densities were allocated to the lithology codes in the drillhole database. These data (27,614 samples) were then modelled unconstrained using Ordinary Kriging and added to the already existing modelled data in the block model.

Criteria	JORC Code explanation	Commentary
		• Density grade interpolation used a flat search for the oxide zone and a steeply east-dipping moderately wide search ellipse for the fresh rock zone. • The impact of oxidation is considered modest both in intensity and depth of penetration; with only low levels of sulphide associated with the gold mineralisation, oxidised material is quite competent with no significant vughs.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Mineral Resources have been classified on sample spacing, grade continuity, QAQC and geological understanding. • All other relevant factors have been taken into consideration eg topographic data, drilling methods, density data, etc. • Classification has included Measured, Indicated & Inferred Resources • The classification appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No audits completed. • The estimation procedure has been reviewed as part of an internal H&SC peer review completed for the 2017 estimates.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The relative accuracy and confidence level in the Mineral Resource estimates are considered to be in line with the generally accepted accuracy and confidence of the nominated Mineral Resource categories. This has been determined on a qualitative, rather than quantitative, basis, and is based on the Competent Person's experience with similar deposits • The geological nature of the deposit, composite/block grade comparison and the modest coefficients of variation lend themselves to a reasonable level of confidence in the resource estimates. • The Mineral Resource estimates are considered to be reasonably accurate globally, but there is some uncertainty in the local estimates due to the current drillhole spacing, some small scale clustering of grade and/or localised domains of different grade • No mining of the deposit has taken place so no production data is available for comparison.