**ASX Announcement**

26 February 2019

# Encouraging reconnaissance drilling results at Farno JV

De Grey Mining Limited (ASX: DEG, "De Grey", "Company") is pleased to report on recent activities completed on the Farno McMahon Joint Venture (Farno JV) areas, located within 20km south of the Withnell Deposit.

The Farno JV covers a large tenement area with strong north east trending structures and many large geochemical gold anomalies defined by previous exploration. Bedrock gold mineralisation has been defined by limited earlier drilling, however most of the anomalies remain untested.

Recent drilling at White Quartz Hill, Clarke, and Gillies Prospects has defined anomalous gold zones at all three prospects. The results are considered encouraging as each prospect has never been drilled previously. Further exploration activities are currently being planned.

De Grey is well advanced on earning an initial 30% equity in tenement E45/2502 and expects to achieve this milestone during 2019 work programs. Novo Resources recently acquired the holding company Farno McMahon Pty Ltd from whom De Grey is earning its Joint Venture interest.

**White Quartz Hill**

- Zone of fine quartz veining intersected with anomalous gold west of the targeted larger quartz vein.
  **11m @ 0.29g/t Au** from 0m in WQRC002, incl **1m @ 0.93g/t Au**
  **5m @ 0.53g/t Au** form 0m in WQRC003, incl **1m @ 1.04g/t Au**
  **10m @ 0.23g/t Au** from 0m in WQRC004, incl **1m @ 0.74g/t Au**

**Clarke Prospect**

- Significant zone of quartz veining up to 10m wide intersected with sericite and lesser sulphide alteration
  **3m @ 0.44g/t Au** from 32m in CLRC001, incl **1m @ 0.83g/t Au**
  **13m @ 0.27g/t Au** from 22m in CLRC003, incl **1m @ 1.72g/t Au**
  **1m @ 1.13g/t Au** from 39m in CLRC 003
  **2m @ 0.61g/t Au** from 38m in CLRC006, incl **1m @ 1.04g/t Au**

**Gillies Prospect**

- Anomalous gold zones intersected in all three lines of reconnaissance geochemical drilling
  11m @ 0.28g/t Au from 1m in GLAC012 incl **1m @ 0.89g/t Au**
  **1m @ 1.19g/t Au** from 16m in GLAC013

## Farno JV - DEG earning up to 75% in E47/2502

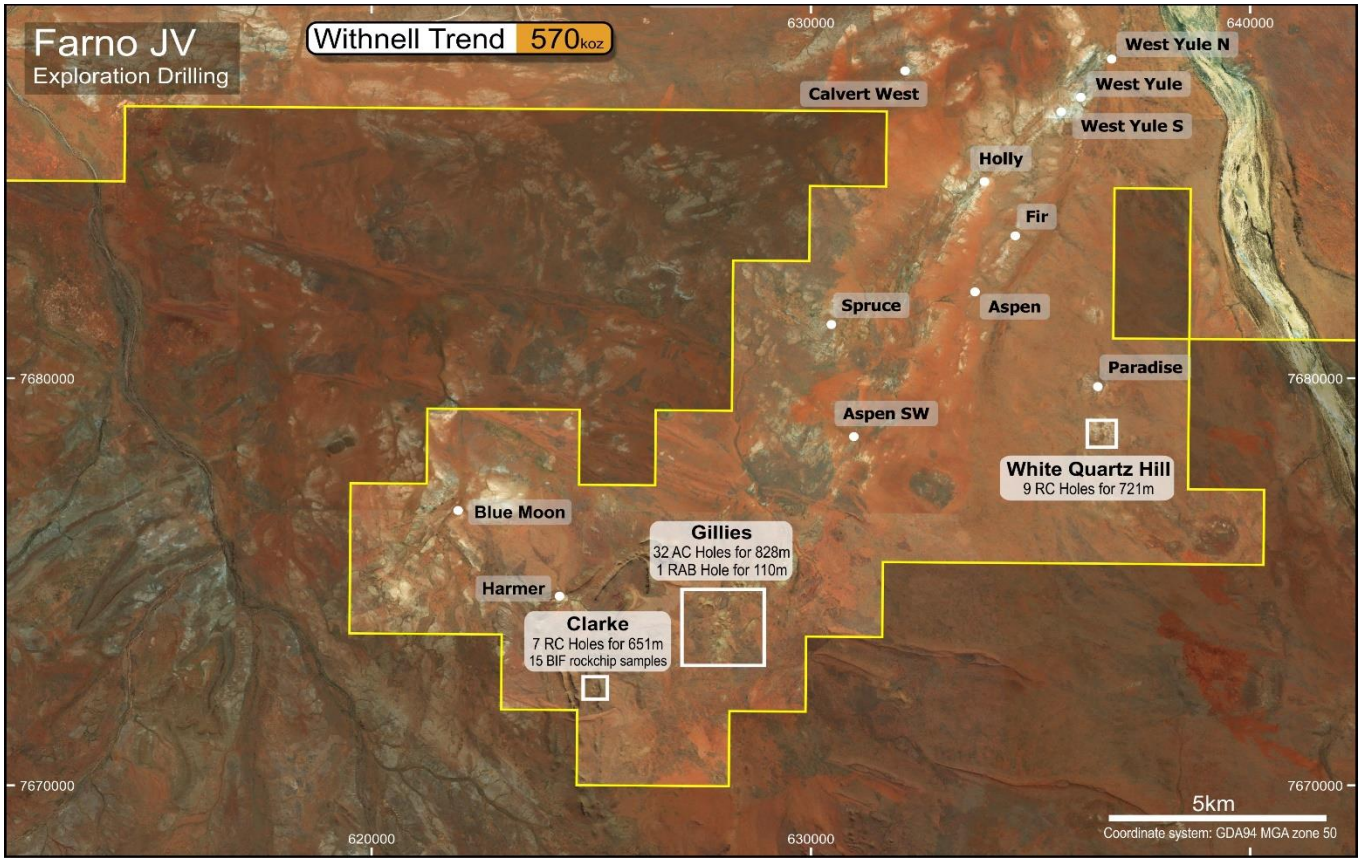
Prior to conducting any ground disturbing drilling activity, De Grey engaged with the local aboriginal community responsible for the area to undertake a large heritage clearance program. This survey was successfully completed in September 2018 and paved the way for more substantial drilling programs to be undertaken during late 2018 and ongoing planned programs during 2019.

The drilling includes initial RC and RAB/aircore drilling programs at the White Quartz Hill, Clarke and Gillies prospects as shown in Figure 2. Programs were limited in scope due to rig availability and follow up work in 2019 is being planned.

Drilling totals include:

| | |
|---|---|
| White Quartz Hill | 9 RC holes for 721m |
| Clarke | 7 RC holes for 651m |
| Gillies | 33 RAB/Aircore holes or 938m |

**Figure 1 Farno JV – Program areas**




## White Quartz Hill - RC drilling

A drilling program comprising 9 RC holes for a total of 721m was completed at White Quartz Hill prospect. This drilling targeted a significant outcropping quartz vein corridor associated with historic surface prospector activity over several hundred metres along the strike of the quartz ridge.

Drilling encountered sediments and ultramafic lithologies, with quartz veining and strong sericite alteration noted. Wide zones of low-grade gold mineralisation were intersected in the drilling, associated with small quartz stringers along the western flank of the main quartz ridge (Figure 2).

Massive quartz veins which outcrop at the top of the ridge are not well mineralised, but the results from the set of sheeted fine quartz veins to the west are considered encouraging. Results are provided in Table 1 and significant results listed below. Follow up drilling to better test the newly defined quartz stringer mineralisation is being planned.

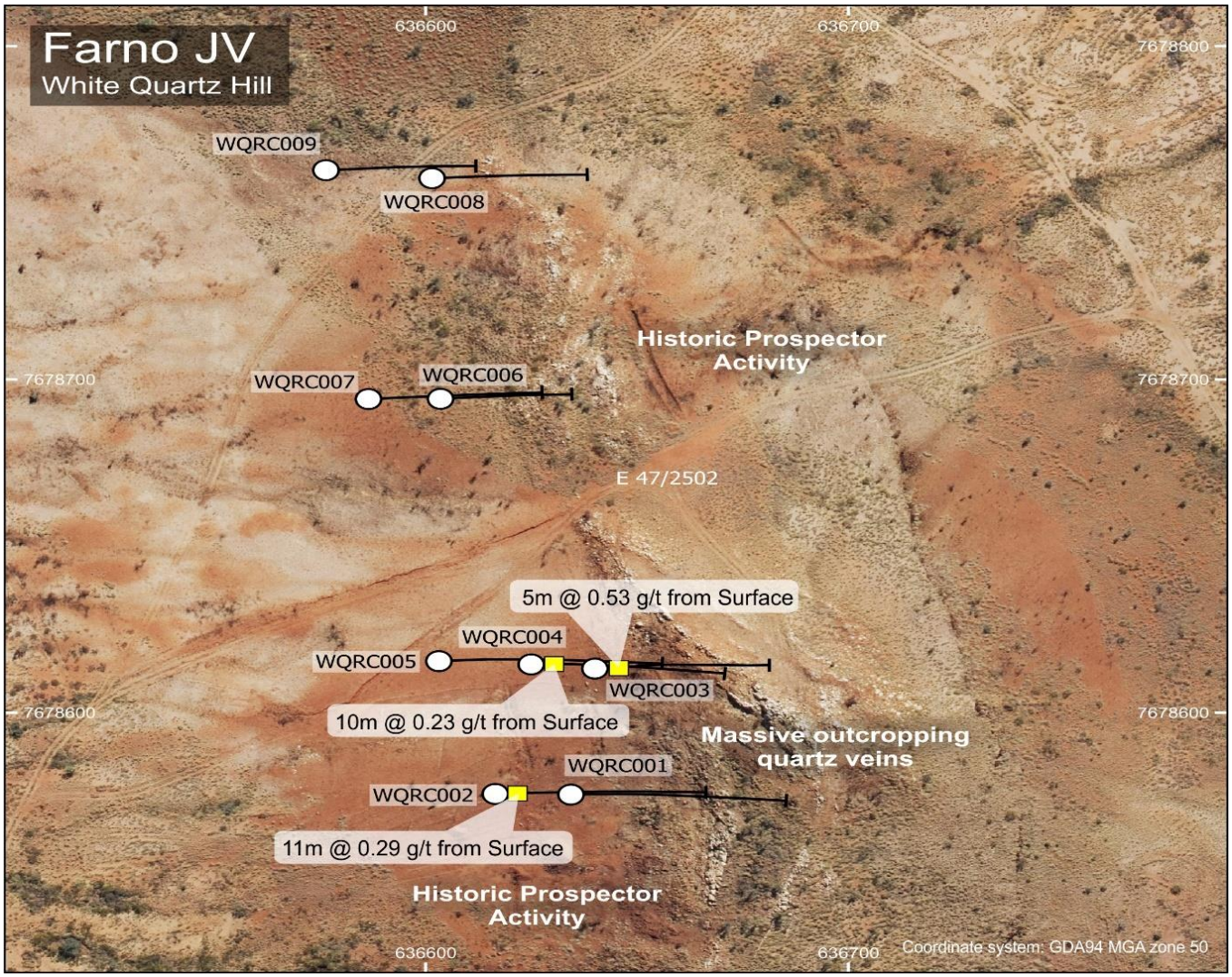
Significant drill intercepts include:

**11m @ 0.29g/t Au** from 0m in WQRC002, incl **1m @ 0.93g/t Au**

**5m @ 0.53g/t Au** form 0m in WQRC003, incl **1m @ 1.04g/t Au**

**10m @ 0.23g/t Au** from 0m in WQRC004, incl **1m @ 0.74g/t Au**

**Figure 2 White Quartz Hill – Drilling location plan**



## Clarke - RC Drilling

A program of 7 RC drill holes for a total of 651m was completed at the Clarke Prospect to test high grade (>1g/t Au) rock chip sample results along outcropping quartz veins over a strike length of around 150m. No known previous drilling has been conducted at this prospect.

Drilling intersected mafic intrusive units and significant quartz veining in most holes as expected. The zone of quartz veining appears up to 10m wide in some holes. Strong silica, sericite and lesser sulphide alteration occurs with the quartz veining.

Results show the quartz vein material is gold anomalous however only limited values >1g/t were intersected (Figure 3). The low order gold results in drilling do not match well with the earlier surface rock chip samples along the quartz nor with the fact nuggets have been detected along the margins of the quartz veins. This suggests there could be a coarse nuggety gold effect and that the drilling under represents the mineralisation. 15 rock chip samples were also sampled along the neighbouring BIF ridge with no significant gold results.

Additional mapping and data interpretation will be carried out prior to designing follow up drilling and/or trenching being planned. Results are provided in Table 1 and significant results listed below

Significant results include:

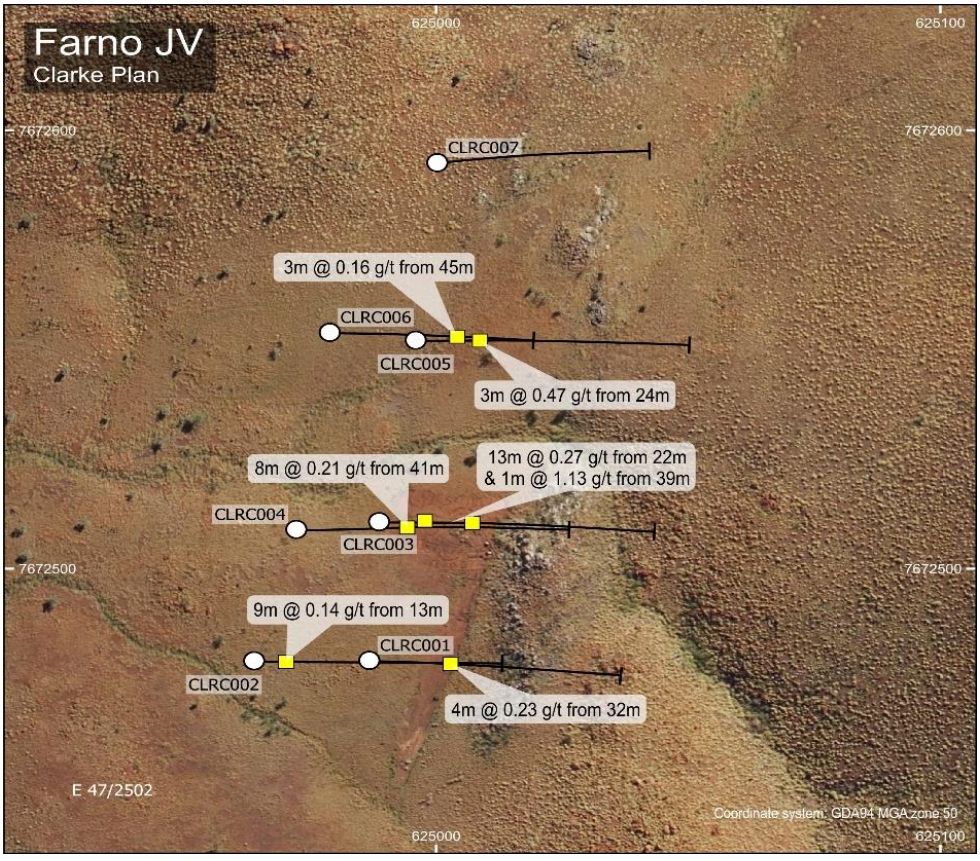
3m @ 0.44g/t Au from 32m in CLRC001, incl **1m @ 0.83g/t Au**

13m @ 0.27g/t Au from 22m in CLRC003, incl **1m @ 1.72g/t Au**

**1m @ 1.13g/t Au** from 39m in CLRC 003

2m @ 0.61g/t Au from 38m in CLRC006, incl **1m @ 1.04g/t Au**

**Figure 3** **Clarke - Drilling location plan**



## Gillies - Aircore/RAB drilling

At the Gillies prospect, 32 aircore holes and 1 RAB hole were drilled for a total of 938m. The program partially tested the northern portion of the large 2.5km long soil anomaly and selected areas of high-grade gold rock samples from previous work, which had never been tested with drilling.

Drilling intersected Mallina Basin sediments, with minor porphyries, similar to the geological setting at the Mt Berghaus and Mallina gold deposits. Significant quartz veining, up to 10m wide with minor associated sulphide development was intersected in most drill holes. The more significant results occur along the western margin of the anomaly along an interpreted structure over approximately 800m strike length. Results are provided in Table 1 and Figure 5.

Further mapping and rock chip sampling is planned to be carried out prior to further drilling testing of the remaining anomaly later in the 2019 field season.

Significant drill intercepts include:

11m @ 0.28g/t Au from 1m in GLAC012 incl **1m @ 0.89g/t Au** from 1m

**1m @ 1.19g/t Au** from 16m in GLAC013

4m @ 0.26g/t Au from 0m in GLA023

**Figure 5** **Gillies – Drilling location plan Updating 1m samples**

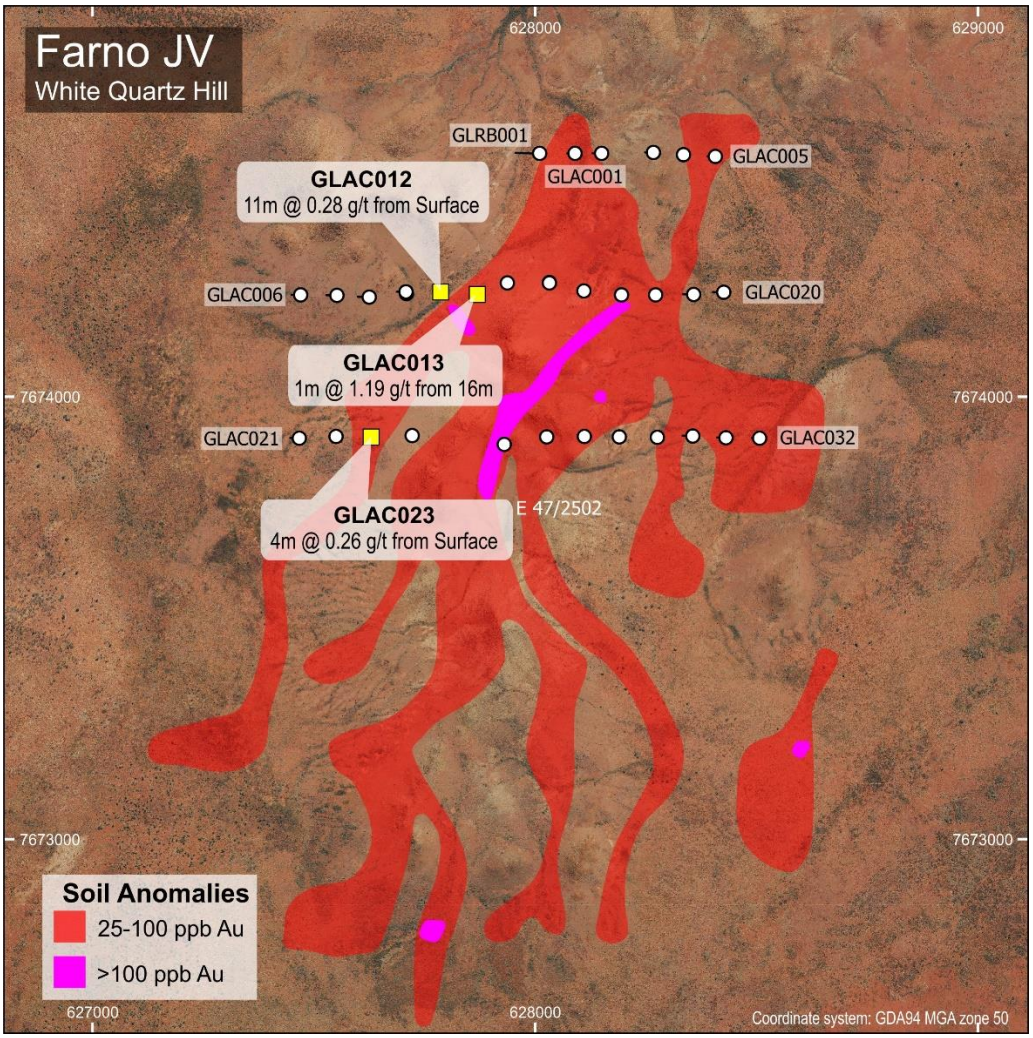


**Table 1 Farno JV – Drilling Results (.0.1 g/t and 3m max. internal dilution)**

| Prospect | HoleID | Depth From (m) | Depth To (m) | Downhole Width (m) | Au (g/t) | Collar East (GDA94) | Collar North (GDA94) | Collar RL (GDA94) | Dip (degrees) | Azimuth (GDA94) | Hole Depth |
|---|---|---|---|---|---|---|---|---|---|---|---|
| WQH | WQRC001 | 3 | 9 | 6 | 0.15 | 636634 | 7678575 | 94 | -55 | 89 | 102 |
| WQH | WQRC002 | 0 | 11 | 11 | 0.29 | 636617 | 7678576 | 92 | -55 | 88 | 102 |
| WQH | incl | 3 | 4 | 1 | 0.93 | 636617 | 7678576 | 92 | -55 | 88 | 102 |
| WQH | WQRC003 | 0 | 5 | 5 | 0.53 | 636640 | 7678613 | 96 | -56 | 88 | 78 |
| WQH | incl | 3 | 4 | 1 | 1.04 | 636640 | 7678613 | 96 | -56 | 88 | 78 |
| WQH | WQRC004 | 0 | 10 | 10 | 0.23 | 636625 | 7678614 | 94 | -56 | 88 | 90 |
| WQH | incl | 7 | 8 | 1 | 0.74 | 636625 | 7678614 | 94 | -56 | 88 | 90 |
| WQH | WQRC005 | 19 | 21 | 2 | 0.13 | 636603 | 7678615 | 91 | -53 | 86 | 96 |
| Clarke | CLRC001 | 32 | 35 | 3 | 0.44 | 624987 | 7672479 | 125 | -56 | 90 | 100 |
| Clarke | incl | 33 | 34 | 1 | 0.83 | 624987 | 7672479 | 125 | -56 | 90 | 100 |
| Clarke | CLRC002 | 13 | 22 | 9 | 0.14 | 624964 | 7672479 | 123 | -55 | 90 | 86 |
| Clarke | CLRC002 | 40 | 41 | 1 | 0.44 | 624964 | 7672479 | 123 | -55 | 90 | 86 |
| Clarke | CLRC003 | 0 | 1 | 1 | 0.16 | 624989 | 7672511 | 124 | -55 | 90 | 102 |
| Clarke | CLRC003 | 22 | 35 | 13 | 0.27 | 624989 | 7672511 | 124 | -55 | 90 | 102 |
| Clarke | incl | 30 | 31 | 1 | 1.72 | 624989 | 7672511 | 124 | -55 | 90 | 102 |
| Clarke | CLRC003 | 39 | 40 | 1 | 1.13 | 624989 | 7672511 | 124 | -55 | 90 | 102 |
| Clarke | CLRC004 | 41 | 49 | 8 | 0.21 | 624972 | 7672509 | 124 | -55 | 90 | 102 |
| Clarke | incl | 46 | 47 | 1 | 0.73 | 624972 | 7672509 | 124 | -55 | 90 | 102 |
| Clarke | CLRC004 | 52 | 53 | 1 | 0.12 | 624972 | 7672509 | 124 | -55 | 90 | 102 |
| Clarke | CLRC004 | 56 | 58 | 2 | 0.22 | 624972 | 7672509 | 124 | -55 | 90 | 102 |
| Clarke | CLRC005 | 24 | 27 | 3 | 0.47 | 624996 | 7672552 | 126 | -54 | 90 | 102 |
| Clarke | CLRC005 | 31 | 33 | 2 | 0.20 | 624996 | 7672552 | 126 | -54 | 90 | 102 |
| Clarke | CLRC006 | 38 | 40 | 2 | 0.61 | 624979 | 7672554 | 125 | -55 | 90 | 73 |
| Clarke | incl | 39 | 40 | 1 | 1.04 | 624979 | 7672554 | 125 | -55 | 90 | 73 |
| Clarke | CLRC006 | 45 | 48 | 3 | 0.16 | 624979 | 7672554 | 125 | -55 | 90 | 73 |
| Clarke | CLRC007 | 13 | 16 | 3 | 0.15 | 625000 | 7672593 | 132 | -57 | 83 | 86 |
| Clarke | CLRC007 | 77 | 78 | 1 | 0.44 | 625000 | 7672593 | 132 | -57 | 83 | 86 |
| Gillies | GLAC004 | 8 | 10 | 2 | 0.38 | 628335 | 7674547 | 104 | -60 | 272 | 27 |
| Gillies | incl | 9 | 10 | 1 | 0.63 | 628335 | 7674547 | 104 | -60 | 272 | 27 |
| Gillies | GLAC012 | 1 | 12 | 11 | 0.28 | 627870 | 7674230 | 106 | -60 | 272 | 12 |
| Gillies | incl | 1 | 2 | 1 | 0.89 | 627870 | 7674230 | 106 | -60 | 272 | 12 |
| Gillies | incl | 10 | 11 | 1 | 0.65 | 627870 | 7674230 | 106 | -60 | 272 | 12 |
| Gillies | GLAC013 | 4 | 5 | 1 | 0.32 | 627937 | 7674257 | 108 | -60 | 272 | 17 |
| Gillies | GLAC013 | 16 | 17 | 1 | 1.19 | 627937 | 7674257 | 108 | -60 | 272 | 17 |
| Gillies | GLAC023 | 0 | 4 | 4 | 0.26 | 627630 | 7673910 | 101 | -60 | 272 | 8 |

**For further information:**

**Simon Lill (***Executive Chairman***) or**

**Andy Beckwith (***Technical Director and Operations Manager***)**

**De Grey Mining Ltd**

Phone +61 8 6117 9328

admin@degreymining.com.au

**Competent Person Statements**

*The information in this report that relates to exploration results is based on, and fairly represents information and supporting documentation prepared by Mr. Phil Tornatora, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Tornatora is a consultant to De Grey Mining Limited. Mr. Tornatora 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 Resource and Ore Reserves". Mr. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

## JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

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

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Sampling techniques*** | • *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *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.* | • All drilling and sampling was undertaken in an industry standard manner<br>• All RAB, aircore and RC holes were sampled on both a 1m and nominal 4m composite basis over the entire length of the hole. 4m composite samples were submitted for analysis for all intervals for Farno JV. Where assays over approximately 0.2g/t Au were received for 4m composite sample results, 1m samples were then submitted for these zones. For Amanda RC, all sampling was on a 1m basis.<br>• For RC, both the 4m and 1m samples were taken from a cone splitter mounted on the drill rig cyclone. The cyclone was calibrated to provide a continuous sample volume accordingly to sample length<br>• For RAB/aircore 1m samples were placed in piles on the ground and sampling was by scoop.<br>• Each 4m and 1m sample ranges from a typical 2.5-3.5kg<br>• The independent laboratory then takes the sample and pulverises the entire sample for analysis as described below |
| ***Drilling techniques*** | • *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | • Aircore holes were drilled with a 75mm blade bit.<br>• RC drill holes are Reverse Circulation (RC) with a 5 1/2-inch bit and face sampling hammer.<br>• The diamond drill holes produce NQ2 core of a diameter of 51mm. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *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.* | • Aircore and RC samples were visually assessed for recovery.<br>• Samples are considered representative with good recoveries. Only a small percentage of samples were considered low recovery primarily due to change of rods when a small amount of wet sample occurred.<br>• Core recovery is measured for each drilling run by the driller and then checked by the Company geological team during the mark up and logging process.<br>• Samples are considered representative with generally 100% recovery.<br>• No sample bias is observed |
| ***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.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*<br>• *The total length and percentage of the relevant* | • Company geologists logged each hole and supervised all sampling.<br>• RC and diamond sample results are appropriate for a resource estimation. The 1m sample results are considered the preferred sample to use in the resource estimation for more accurate definition of lodes |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *intersections logged.* | |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • Aircore and RAB sampling was carried out as a non-split grab sample on an initial 4m basis and then resamples on a 1m basis<br>• RC sampling was carried out by a cone splitter on the rig cyclone and drill cuttings were sampled on a 1m and 4m composite basis.<br>• Independent standard reference material was inserted approximately every 20 samples<br>• Duplicate samples were taken approximately every 60 samples for 1m resplits<br>• The RC samples are considered representative and appropriate for this type of drilling and for use in a resource estimate.<br>• The aircore and RAB samples are not considered suitable for use in a resource estimate. |
| ***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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | • The samples were submitted to a commercial independent laboratory in Perth, Australia.<br>• Each sample was dried, crushed and pulverised.<br>• Au was analysed by a 50gm charge Fire assay fusion technique with an AAS finish. In most cases 33 multi-elements were also analysed by HF-HNO3-HClO4 acid digestion, HCl leach and ICP-AES.<br>• The techniques are considered quantitative in nature.<br>• As discussed previously standards and duplicates samples were inserted by the Company and the laboratory also carries out internal standards in individual batches<br>• Results for the standards and duplicates were considered satisfactory |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • Sample results have been entered and then checked by a second company geologist<br>• Results have been uploaded into the company database, checked and verified<br>• No adjustments have been made to the assay data.<br>• Results are reported on a length weighted basis |
| ***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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Aircore/RAB hole collars are located with handheld GPS to an accuracy of approx. 5m.<br>• Drill hole collar locations for RC and diamond are located by Differential GPS to an accuracy of +/-20cm.<br>• Locations are given in either GDA94 zone 50 projection, or Wingina Local Grid.<br>• Location information is provided in the report. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • Aircore drilling was on a nominal 320m x 80m grid.<br>• RC and diamond drilling varied from 40 x 20m to 80 x 40m spacing.<br>• All holes have been geologically logged and provide a strong basis for geological control and continuity of mineralisation.<br>• RC spacing and distribution is sufficient to provide support for the results to be used in a resource estimate.<br>• Sample compositing has not been applied in RC drilling except in reporting of drill intercepts, as described in this Table. |
| ***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.*<br>• *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.* | • The drilling is approximately perpendicular to the strike of mineralisation and therefore the sampling is considered representative of the mineralised zone.<br>• In some cases, drilling is not at right angles to the dip of mineralised structures and as such true widths are less than downhole widths. This will be allowed for in resource estimates when geological interpretations are completed. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | • Samples were collected by company personnel and delivered direct to the laboratory via a transport contractor |
| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • No audits have been completed. Review of QAQC data has been carried out by company geologists |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Mineral tenement and land tenure status*** | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.* | • Farno drilling is on E47/2502 around 85km SSW of Port Hedland. The tenement is held by Farno-McMahon Pty Ltd. De Grey has an agreement to earn 75% of the tenement. |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • Farno - Most previous exploration on the tenement was completed by Bullion Resources from 2003-2005 with work including geophysics, geochemistry and RAB/AC. Some work including geochemical sampling and aircore was completed by Chalice Gold during 2006-2011. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • The mineralisation targeted is hydrothermally emplaced and chert/sediment hosted gold mineralisation within a shear zone and is similar in style to many other Western Australian gold deposits. |
| ***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:*<br>• *easting and northing of the drill hole collar* | • Drill hole location and directional information is provided in this report |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>• *dip and azimuth of the hole*<br>• *down hole length and interception depth*<br>• *hole length.*<br>• *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.* | |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • Results are reported to a minimum cutoff grade of 0.1g/t gold with an internal dilution of 3m maximum.<br>• Intercepts are length weighted averaged.<br>• No maximum cuts have been made. |
| ***Relationship between mineralisa-tion widths and intercept lengths*** | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').* | • The drill holes are interpreted to be approximately perpendicular to the strike of mineralisation.<br>• Drilling is not always perpendicular to the dip of mineralisation and true widths are less than downhole widths. Estimates of true widths will only be possible when all results have been received and final geological interpretations have been completed |
| ***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.* | • Plans are provided in the report. |
| ***Balanced reporting*** | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • All intercepts using parameters described above are reported, together with locations of all drill holes reported here.<br>• The report is considered balanced and provided in context. |
| ***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.* | • Previously reported substantial activities include aeromagnetic survey, air photography and previous third party exploration including some drilling and geochemical sampling |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| ***Further work*** | • *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Planning of follow up work at Farno is in progress and is likely to include mapping, sampling and further Aircore and RC drilling |