

## Market Update

### Gold Exploration - Victory Bore /Unaly Hill

The Company's tenements E08/1068 and E08/1036 cover a contiguous 25km strike length of extensive greenstones that lie between the Sandstone and Youanmi gold mining centres. The project area contains advanced gold targets and other aeromagnetic targets that are completely untested. Large tracts of the greenstones within the tenements are underexplored by modern methods

The Company is currently finalising a drilling programme to test the main anomalous zones of gold mineralisation previously identified within the Victory Bore project area

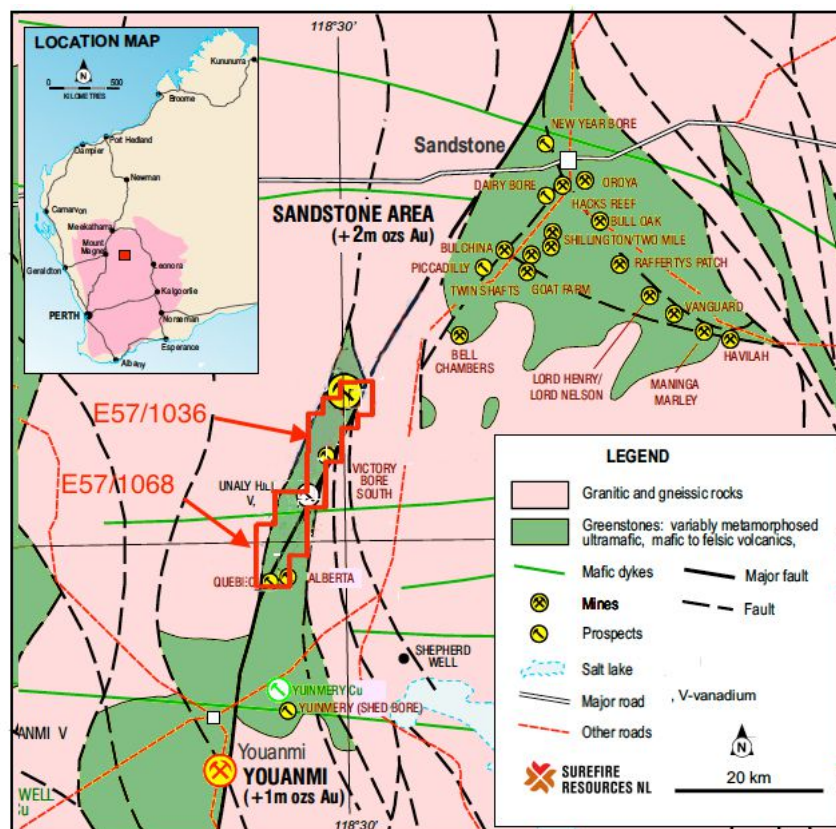


Figure 1: Victory Bore and Unaly Hill Tenement Location

Between 1995-1997 a programme of shallow vertical Rotary Air Blast (RAB) holes drilled down to bedrock defined a large elongate gold-in-soil anomaly some 4.4km long and up to 750m wide within the Victory Bore tenement. The RAB results were then followed up with a limited, shallow (~80m), Reverse Circulation (RC) drill programme that intersected some significant gold mineralisation (Table 1) including values of:

- 8m @ 10.2g/t Au
- 12m @ 1.6g/t Au
- 4m @ 3.5g/t Au

The RC intersections encountered mineralisation in the bedrock geology at depths from as shallow as 20 metres (YR780) and some holes “bottomed out” in mineralisation (YR 885).

In addition to these targets resulting from the drill programmes a low level aeromagnetic survey by Southern Geoscience Consultants Pty Ltd (Jones 1999) provided a new geological concept for gold exploration at Victory Bore, and a total of 14 additional targets were generated.

However, little further exploration was undertaken and the large majority of the anomalous zones and gold targets remain untested.

**Table 1:**

Hole ID	Hole Type	Position*		Intersection	Rock Type
		mN	mE		
YR867	RC	*6870758	694853	4m @ 3.5g/t from 52m	Gabbro, minor basalt
YR875	RC	*6870552	694726	12m @ 1.6g/t from 56m	Gabbro, vein quartz
YR780	RC	6870600	694600	8m @ 10.2g/t from 20m	Gabbro
YR863	RC	*6870913	695752	4m @ 0.11g/t from 60m	Gabbro, basalt, vein quartz
YR883	RC	*6868494	693722	14m @ 0.24g/t from 58m	Gabbro
YR885	RC	6868400	693570	4m @ 0.39g/t from 76m	Gabbro
YP793	RAB	6870200	694800	6m @ 0.11g/t	Gabbro
YP590	RAB	6870000	695490	4m @ 0.26g/t	metasediments

*NB \* indicates adjusted position compared to reported position on superseded GMA84 Grid and were located by Quest Minerals NL and transformed to UTM Zone 50GDA95 (ASX QNL. 17.4.2017)*

Vladimir Nikolaenko

**CHAIRMAN**

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### **Competent Person Statement**

*The information in this announcement that relates to the historical Exploration Results is based on and fairly represents information compiled by Mr Michael Povey who is a Member of the Australian Institute of Mining and Metallurgy. Mr Povey has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserve Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Povey consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.*