ACQUISITION OF HIGHGATE VANADIUM PROJECT

HIGHLIGHTS

- **Gladiator Resources Limited to acquire a 100% interest in the Highgate Vanadium Project from Vecco Group Pty Ltd ("Proposed Transaction").**
- **Located 60km North West of Julia Creek in the renowned Mt. Isa minerals province, the Highgate Vanadium Project is a near-term project with a large and shallow vanadium exploration targets.**
- **The acquisition provides GLA exposure to the battery storage and renewable energy sectors.**
- **The Company to complete a further drill program focussing on battery metal grade vanadium.**

This announcement is an updated version of an announcement released to ASX on 22 January 2020, and contains additional information on the Exploration Target in compliance with the JORC Code and the ASX Listing Rules (including a completed JORC Code Table 1).

Gladiator Resources Limited ("Company" or "GLA") is pleased to announce that it has entered into a binding Share Sale Agreement ("SSA") with Vecco Group Pty Ltd ("Vecco") to acquire all of the issued share capital in NQ Utah Pty Ltd ("NQ Utah"), which holds the rights to 100% of the Highgate Vanadium Project ("Project") by way of Exploration Permit for Minerals 25968 ("Licence").

The Project is located in the renowned Mt. Isa minerals province in North West Queensland and is expected to provide significant near-term commercial potential to the Company.

Vanadium in the Renewable Energy Sector

Vanadium is a key mineral in the rapidly growing renewable energy storage sector. Vanadium flow batteries are increasingly being used as the preferred battery technology to capture large-scale energy generated through intermittent renewable sources.

The vanadium battery sector facilitates long-life, durable and recyclable battery storage technology, allowing renewable energy to be used continually.

Vanadium is also being trialled as a cathode in lithium batteries, offering the potential for additional valuable uses in other power-centric battery technologies.

Highgate Vanadium Project

The Project is located approximately 60km North West of Julia Creek in the Mt. Isa mining province, in close proximity to the large scale Debella and Arizona Vanadium projects and Rio Tinto Exploration tenements. The Project comprises the Licence which was granted on 14 March 2016 for an initial 5-year term and covers an area of 220km^2.

Previous drilling on the Licence site has focused on the formation which hosts the vanadium mineralisation and has established a large vanadium exploration target.

Figure 1 – Project location

The Project area has excellent infrastructure with high quality roads, airport and rail facilities nearby. Power and water are readily available and there are no known sensitive environment or community issues near the Project.

Previous exploration has been undertaken on the Project including 18 drill holes for a total of 1,268m of drilling, including 269m of diamond drill core. Existing exploration drill holes are spaced 2 – 3 km apart, providing reasonable stratigraphic definition of the host formation across the Project. Vanadium oxide (V_2O_5) and Molybdenum (Mo) grade definition across the Project is limited, being based on assay results from one hole (ERN8C) within the Project which contained 11.18m (from 55.79m to 66.97m) at 1,500 ppm Vanadium and 500 ppm Molybdenum. Assays were not completed on the other 17 holes; however, the stratigraphy was logged. A regional assay dataset also provided basis for the exploration target.

Modelling of the drill hole dataset by John T Boyd Company (consulting geologists) estimated an exploration target of 2,000 – 2,500 Mt at 0.26 – 0.50% V_2O_5 and an estimated depth of 42 to 65 m and thickness of 6.7 to 12.2 m. Aluminium oxides within the formation are a potential High Purity Alumina by-product.

The exploration target modelling and estimation was carried out using Vulcan modelling software on a 200m x 200m grid mesh (further information is contained in Table 1). A fixed relative density of 1.85 on a zero-moisture based was applied. The quantities and grades estimated are conceptual in nature and estimates only; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

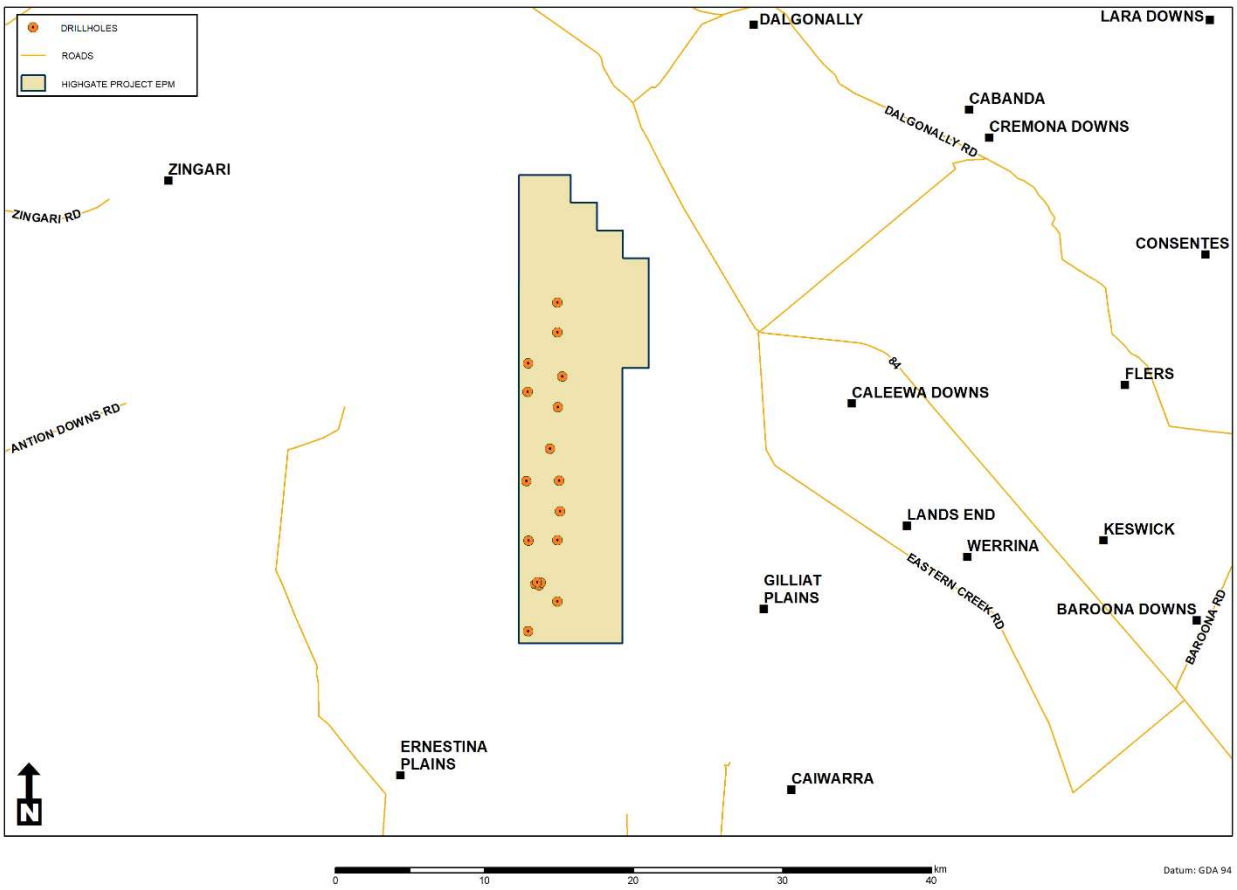

Figure 2 – Location of boreholes within the Project

Regional and Project Geology

The Project is a sedimentary deposit with the resource hosted in Cretaceous Toolebuc Formation and the majority of the ore body contained within the shallow fresh shale zone.

Primary vanadium enrichment occurs in the shale portion of the formation which consists of a roof ply, two ore body plys and an inferior floor ply. The Toolebuc Formation in this area is 10 to 15m thick, gently dipping and has minimal structural disturbance.

Processing Vanadium

Sedimentary hosted vanadium and the production of by-products utilises a low-cost process of flotation, atmospheric acid leaching and solvent extraction. This process allows for a smaller mining operation and the ability to scale up over time.

Planned Drilling and Work Programs

GLA intends to complete a further 15 to 17 drill holes to further define vanadium, molybdenum, aluminium and other battery metals potential ("Drilling Program").

Following the Drilling Program, the Company will:

- update the geological model and report any JORC Resources defined by the Drilling Program;
- undertake metallurgical testing (beneficiation and leaching) testing to complete a flowsheet methodology and expected recoveries; and
- commence desktop environmental assessments, preliminary mine planning and metallurgy flowsheet development to support economic project development potential.

The Company expects that the above work can be achieved within the next six months given the existing infrastructure present at the Project.

Key Acquisition Terms and Consideration

Pursuant to the SSA, GLA shall acquire ownership of all the issued capital of NQ Utah resulting in GLA obtaining a 100% indirect interest in the Project and Licence.

The SSA is subject to certain conditions which must be satisfied or waived for the Proposed Transaction to proceed, including:

- completion of satisfactory legal and technical due diligence by the Company;
- the Company obtaining all necessary ASX, shareholder, regulatory or Board approvals and consents (if required); and
- the Directors of GLA completing a capitalisation of outstanding Directors' Fees on the same terms and conditions as the Completion Shares (see below).

Under the terms of the SSA, the Company has agreed to pay Vecco the following milestone consideration:

1. On approval by the Company's shareholders of the Proposed Transaction and capitalisation of outstanding Directors Fees, the Company is to issue 200,000,000 fully paid ordinary shares in GLA to Vecco (or its nominee) at a deemed issue price of $0.001 per share (representing a total value of $200,000) ("Completion Shares").
2. On commencement of any activity contained within the approved work program for the Licence, GLA shall issue a further 200,000,000 fully paid ordinary shares in GLA to Vecco (or its nominee) at a deemed issue price of $0.001 (representing a total value of $200,000).
3. On completion of an Inferred JORC Resource (which will include consideration of the Project's economics) for the Project of not less than 50MT at 0.30% grade V_2O_5, GLA shall issue to Vecco (or its nominee) fully paid ordinary shares in GLA to the value of $250,000, calculated based on the 30-day VWAP immediately prior to the date of the proposed issue, plus $50,000 in cash.

4. On completion of an Indicated JORC Resource (which will include consideration of the Project's economics) for the Project of not less than 50MT at 0.30% grade V2O5, GLA shall issue to Vecco (or its nominee) fully paid ordinary shares in GLA to the value of $250,000, calculated based on the 30-day VWAP immediately prior to the date of the proposed issue, plus $50,000 in cash.
5. On completion of a positive feasibility study for the Project assessed as commercial, the issue of fully paid ordinary shares in GLA to the value of $250,000, calculated based on the 30-day VWAP immediately prior to the date of the proposed issue.

On completion of the Proposed Transaction, Mr. Luke Robinson will join the Company's Board of Directors as a nominee of NQ Utah.

Funding

The Company is currently assessing funding strategies that will provide the capital required for it to:

- progress the Highgate Vanadium and Marymia Gold projects; and
- ensure that the Company has sufficient working capital to fund ongoing commitments.

The Company is confident that it will be able to raise additional capital as required, subject to general market conditions and investor sentiment. The Company will provide further details about its funding plans as its due diligence with respect to the Proposed Transaction progresses and once the funding strategies are finalised.

As outlined above, subject to shareholder approval, the directors of the Company have also agreed to convert outstanding fees into shares in the Company at $0.001 per share in order to free up capital to advance exploration. The amount to be converted represents outstanding invoices to date for directors' fees, accounting, company secretarial services and corporate advisory services provided by the directors to the Company, which have been accrued over a period of time pending identification of a suitable project to advance the Company.

Next Steps

The Company has already commenced its legal and technical due diligence regarding the Proposed Transaction and has previously met with representatives of the Highgate Vanadium Project. The Company will convene a general meeting of shareholders, following successful completion of due diligence, seeking shareholder approval for the proposed issue of shares in connection with the Proposed Transaction. Further details of the general meeting will be disclosed by the Company at a later stage.

For further information, please contact:

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Andrew Draffin (Company Secretary) **+61 3 8611 5333**

Competent Persons Statement

The information in this release that relates to Exploration Results and Exploration Target Estimates is based on information prepared by Adrian Buck, a competent person who is a member of the Australasian Institute of Mining and Metallurgy (No. 316668). Mr Buck is employed by John T Boyd Company, who are consultants to Gladiator Resources Limited. Mr Buck has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Buck consents to the inclusion in the release of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This announcement may contain certain "forward looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward looking statements are subject to

risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed, projected or implied by such forward looking statements. Such risks include, but are not limited to Resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we operate, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

JORC CODE (2012) TABLE 1
CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA

Section 1 Sampling Techniques and Data

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.* • *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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Pacific Coal and others carried out exploration drilling and sampling from 1975 to 1992, exploration target estimations are based on their data. • Samples were taken from HMLC Drill Core. Recovery of core is recorded in the drill hole lithological logs which are recorded by suitably experienced geologists present at the time of drilling. • Geophysical logs were run and were used to correct the recorded depths of working section roof and floor intersections. Toolebuc Formation and upper parts of the underlying Wallimbilla Formation was cored and sampled on the basis of a maximum sample length of 2m, dependant on visual lithological breaks. • Pacific Coal exploration sampling principally focused on oil shale yield, and routinely completed the Modified Fischer Assay method. • Vanadium and Molybdenum assay results from within the tenement are from Pacific Coal drill hole Ernestina Plains 8C located in the southwest. • A regional database of assay results for the Toolebuc Formation has been assembled to support the exploration targets. The regional dataset comprises a range of test types, typically XRF.
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).*	• Drilling was completed with Mayhew 1000 drill rigs, operated by Henderson Drilling. • 18 partly cored drill holes have been completed within the tenement. • Drill holes comprise 16 hole HMLC size, and 2 large diameter (147 mm) holes. • Total drilling meterage within the tenement was 1,268m, including 269m of diamond drill core. • Holes were drilled vertical.
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.*	• Drill chips and core were assessed and logged on site by suitably qualified geologists. • Linear recovery was recorded for each core run. • There is no known relationship between sample recovery and the assay results received from the laboratory.
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.*	• All core and chip samples have been logged in detail that supports exploration target estimation. • Logging has been quantitative for recording depth. • Geologist's visual interpretation of grain size has been used to differentiate rock types. • Qualitative records include percentages of lithologies where interbedded intervals have been encountered, degree of weathering and rock strength.
Sub-sampling techniques and sample preparation	• *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 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.*	• The sample from Ernestina Plains 8C was prepared as a composite Toolebuc sample, as a low temperature ash analysis. Testing was completed by ACIRL gas chromatograph. Results were 1,500 ppm Vanadium and 500 ppm Molybdenum. • Pre-treatment and analysis of the samples was carried out by accredited laboratory in accordance with relevant standards. • Australian Standards laboratory procedures are used for sample pre-treatment and splitting of analysis samples.

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	
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.*	• The analyses included relevant parameters to unambiguously determine the occurrence of the exploration target and estimate its quality to a suitable level to define potential products. • Down hole geophysical surveying was undertaken using industry standard coalfield sondes. • The parameters surveyed are appropriate for use in conjunction with lithological data to determine working section roof and floor locations.
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.*	• Regional assay grade data is verified by summation of major element data. The primary dataset is stored in ISIS and directly linked to Vulcan. The dataset is supported by spreadsheets and PDF files of field logs and final lithological logs. • Adjustment were made to the reported assay data; where Lab reported vanadium results as element or ppm it was converted to oxide weight percent using standard practices. • Verification of Pacific Coal's testing has been completed by Vecco using XRF and ICP on associated neighbouring projects. Verification testing has established Pacific Coal results typically represent "low-case" relative to higher precision test results.
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.*	• Survey Collar locations were established Pacific Coal exploration reports. • Collar locations are stored in grid datum GDA94 projected onto MGA94 zone 54. • The topography model was created from Australian 9 second dataset.
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 classifications applied.* • *Whether sample compositing has been applied.*	• Drill hole spacing is sufficient to demonstrate continuity of target horizons where they occur throughout the estimation area. The confidence classification accounts for distribution of drill hole data. • Compositing of grade data regionally was calculated by mass weighted averages from individual samples across ply and working section intervals. • The single sample within the tenement was a composite of the targeted Toolebuc interval.
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.*	• Drill holes have been equally spaced across the deposit at approximately 2 -3 km. This drilling pattern is considered appropriate due to the shallow dipping nature of the formation. The locations of the drill holes have been sited to achieve maximum understanding of the mineable deposit. • The drill hole pattern to date is not expected to introduce any bias to the resource estimate.
Sample security	• *The measures taken to ensure sample security.*	• Core samples and testing were completed by reputable exploration company and laboratory. Appropriate sample records, identification and instructions are reported in the exploration reports.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• There are no documented reviews or audits at the time of this estimate. The geological model was reviewed internally by BOYD and deemed acceptable for the estimation.

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

Section 2 Reporting of Exploration Results

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.*	• Project is with EPM 25968 covering 220km^2, held by NQ Utah Pty Ltd. • There are no known impediments to obtaining approval for mining over the entire resource area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous work has been undertaken by Pacific Coal and Shell Development. Pacific Coal and others carried out exploration drilling and sampling from 1975 to 1992, exploration target estimations are based on their data.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Project is a sedimentary deposit with the resource hosted in Cretaceous Toolebuc Formation and the majority of the ore body contained within the shallow fresh shale zone. • Primary vanadium enrichment occurs in the shale portion of the formation which consists of a roof ply, two ore body plys and an inferior floor ply. The Toolebuc Formation in this area is 10 to 15m thick, gently dipping and has minimal structural disturbance.

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 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.*
		• Drill hole summary is provided below.

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*	• Compositing of grade data was regionally calculated by mass weighted averages from individual samples across ply and working section intervals. • The single sample within the tenement was a composite of the targeted Toolebuc interval.

Hole ID	East	North	Collar	Total Depth	Toolebuc Depth	Toolebuc Thickness
ERN8C	518820.6	7737474.2	105.0	72.0	48.2	18.8
ERN18C	519620.7	7746374.2	98.0	66.0	43.8	10.5
ERN32C	518120.6	7734174.2	115.0	72.0	46.9	17.4
ERN34C	520120.6	7736174.2	104.0	72.0	47.8	15.1
ERN36C	518120.6	7740174.2	94.0	72.0	46.5	17.3
ERN42L	518720.6	7737374.2	104.0	68.5	48.2	18.5
ERN44L	518720.6	7737374.2	104.0	67.8	48.2	19.3
ERN51C	518720.6	7737374.2	104.0	68.0	48.3	17.2
ERN54C	520220.7	7744174.2	93.0	66.0	45.3	12.3
ERN55C	520320.7	7742174.2	92.0	71.0	42.4	16.8
ERN56C	517920.7	7744174.2	92.0	78.0	54.6	14.2
ERN57C	520120.6	7740174.2	94.0	69.0	42.9	16.1
FUL11C	520520.8	7751174.2	95.0	61.5	49.0	9.2
FUL22C	520120.9	7756174.2	91.0	76.0	55.4	9.4
FUL23C	520120.8	7754174.2	92.0	75.2	54.5	10.2
FUL25C	518120.8	7752174.2	97.0	72.0	51.4	10.4
FUL31C	518120.8	7750174.2	97.0	72.0	50.4	12.6
FUL32C	520120.8	7749174.2	98.0	69.0	-	-

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
	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.*	
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').*	• All holes were intended to be drilled vertically. Verticality logs were not run to confirm deviation. • The down hole deviation of the shallow holes is considered to be negligible.
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.*	• A map of the tenement and drill hole locations is provided.
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.*	• Table of the drill hole data is provided. • A map of the tenement and drill hole locations is provided.
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.*	• Table of the drill hole data is provided.
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.*	• Further work will be conducted. Gladiator intends to complete a further 15 to 17 drill holes to further define vanadium, molybdenum, and other by products across the project.

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Section 3 Estimation and Reporting of Mineral Resources

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.*	• Field logs are entered into excel where code and depth checks were made, before loading into the ISIS database. The ISIS database also has auditing and validation tools that are applied when the data is uploaded. • Thickness anomalies were investigated to ensure they did not introduce inaccurate bias to the model.
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.*	• The project tenement was not visited for the exploration target estimation. A site visit to Vecco project areas was undertaken by the competent person twice in 2015. The site visit included inspection of Toolebuc Formation drilling and coring activities.
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.*	• The density of drilling allows for suitable confidence in the volume of Toolebuc Formation within the project area. The confidence in this area is reduced due to the limited assay work, which is reflected in the estimation classification.
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 strike length of the deposit is approximately 30 km. The total width is 6 km. The subcrop is typically between 25 m to 30 m deep. The estimate was reported by working section.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Estimation and modeling 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 modelling and estimation was carried out using Vulcan; a mine planning software package that is suitable to model stratigraphic deposits of this nature. A 200 m x 200 m grid mesh was used. • A fixed Relative Density of 1.85 on a zero-moisture basis was applied for the Toolebuc Formation estimation (as established and used by CRA). • Down-dip extrapolation of the resource is minimal due to the width of the tenement. • The grades definition across the deposit is limited. Exclusions on the basis of statistical analysis were not applied.
	• *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 characterization).*	• This estimate build on the previous Pacific Coal work completed across the tenement and the Oil Shale Resource reported by Oilcorp 2016.
	• *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.*	• This section is not applicable.
	• *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.*	• The use of design strings was used in part to control the structural interpretation. This is necessary as the modelling interpolator applied to the data does not honour linear trends such as fold axes. The use of such data provides a more robust geological model. • No grade limits were applied to the estimate. • Contours of thickness and projected grade parameters were generated and compared to the drill hole data. • Modelled surfaces were checked to ensure they were positioned at the appropriate horizon in the drill holes. • Resource area, volumes & mass were checked by arithmetic
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnage was reported on a dry basis. Quality parameters are reported on a dried basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• No V_2O_5 cut-off was applied, as the single assay for the project was above typical cut-off grade.
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.*	• The working section is of sufficient thickness to allow open cut excavation using common mining equipment currently used in the mining industry.
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.*	• Brisbane Met Labs prepared preliminary vanadium metallurgical options for ore from Vecco's associated Toolebuc Vanadium project. They report that, based on comparable metallurgical work on the Toolebuc Formation, atmospheric acid leaching is expected to achieve vanadium extraction of 80% to 90%.

Criteria	JORC Code explanation	Commentary
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 resource lies adjacent to rivers. Design requirements to manage potential surface water flows will require study in future.
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 (vugs, 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.*	• A fixed Relative Density of 1.85 on a zero-moisture basis was applied for the Toolebuc Formation estimation (as established and used by CRA).
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.*	• The distances between points of observation were used as a guide to classifying the estimate. However, the limits were refined based on geological information and the competent person's confidence in the data's representation of the deposit • Grade definition is limited. • The results of the estimate are consistent with the views of the competent person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The geological model and resource estimate were reviewed internally by experienced mining professionals.
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 confidence in the estimate is currently limited by a single grade result with in the tenement, additional grade control is required to upgrade geological confidence. • There were no known geostatistical studies available at the time of this report. Factors that could affect the estimate include rapid degradation of horizon thickness and / or grade between points of observation and supporting drill holes. This is unlikely as it has not been observed within the data at hand which is of sufficient density to exclude such features. • There is potential for undetected faults to impact the tonnage of Vanadium. However, due to the density of drilling it is expected that any such features would only cause minimal changes to the resource and / or localized degradation of grade.
Discussion of relative accuracy/ confidence – cont.	• *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 of the estimate is reflected in the confidence classification applied to the resource.