ASX Announcement 31st January, 2020

ACTIVITIES REPORT – DECEMBER 2019

Status

Earlier work planning for the next stage of drilling, to support the development of the Westminster Gold Project, was reviewed and completed. The planed drilling direction and the central corridor along which drilling will be focused have been defined and are supported by a set of planning and drill control sections.

The accumulation of observations and knowledge over an extensive time has resulted in a high level of management planning and technical control being available to support the next stage of resource extension drilling level.

With market conditions and gold prices trending favourably Truscott is now engaging with an increasing number of interested parties and potential joint venture participants. Commercial considerations relating to advancing the Westminster Gold Project are expected to be the focus of work programs in the next quarter.

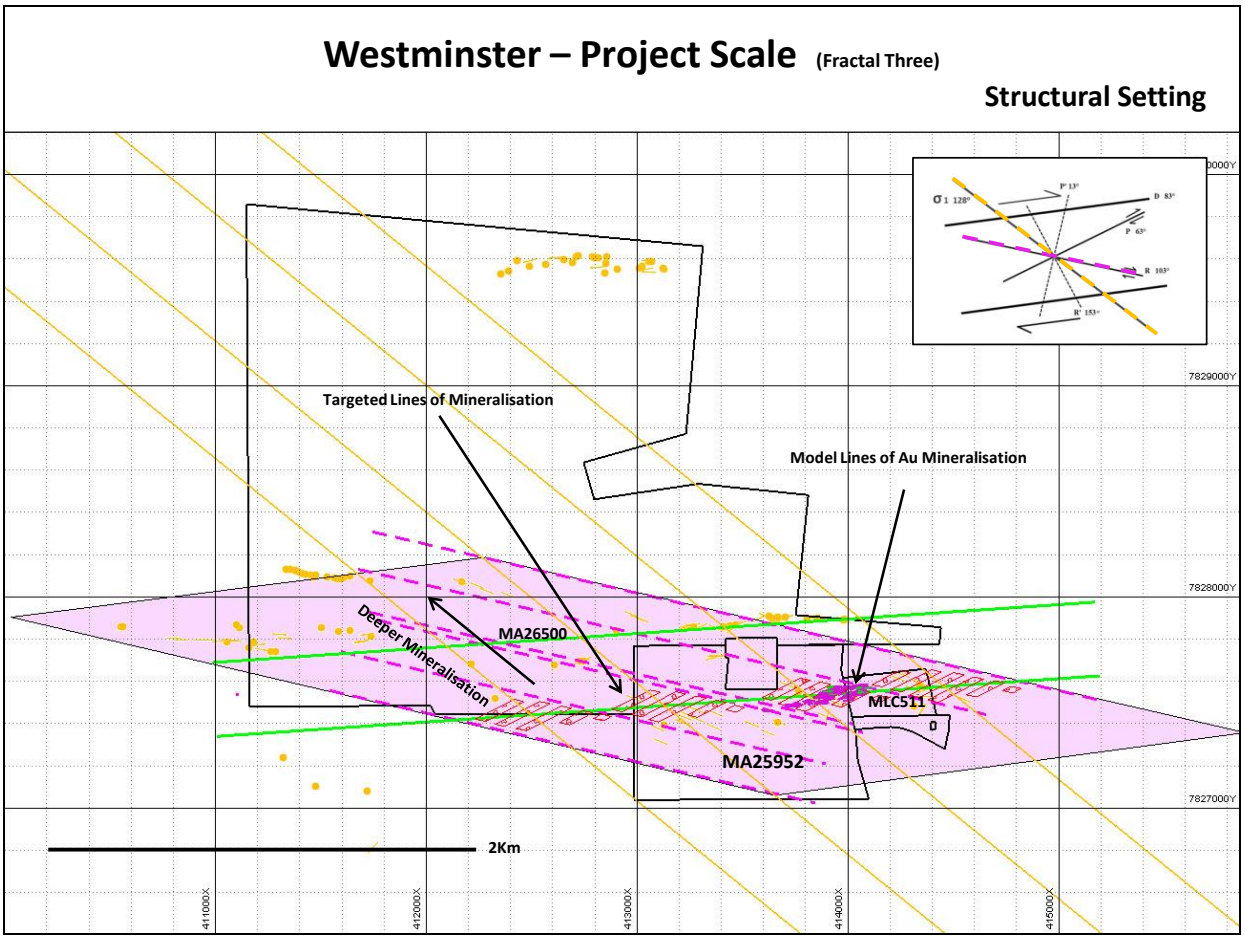

Figure One: Westminster Project – Structural Setting

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Westminster Project

Operation Potential

The Westminster Project Area (Figure 1) contains a historical mineral resource, the location of which is indicated by the drill intersection pattern in figure two as part of Ore Body One. It can be observed that this Ore Body straddles MA 25952 and MLC 511. The potential to define a large ore body within the substantial mineralised zone at the Westminster Project is evident, with over two kilometres of strike length and repetitions of lines of mineralisation.

Truscott's ongoing research indicates that whilst the Tennant Creek mineral deposits have historically been described as Iron Oxide Copper Gold (IOCG) systems, they also exist within a major strike slip shear that is Orogenic in scale and provides a structural setting for mineralisation of considerable extent and depth.

Planning has commenced to provide for the establishment of an increased mining operations lease holding, sufficient in size to provide for the area necessary to support mining operations. A natural gas supply pipeline passes through the south western corner of the extended lease and the Tennant Creek power station is a further 500 metres to the south.

A southern line of mineralisation with shear elements oriented on 083^{O} (D) hosts the initial four main targets for underground mining. A second line of shear located 300 metres to the north exhibits all the structural elements evident in the southern line of shear. In addition to evidence of fluid channels along structure, it also has significant sections of explosive breccia including zones with large clasts of ironstone.

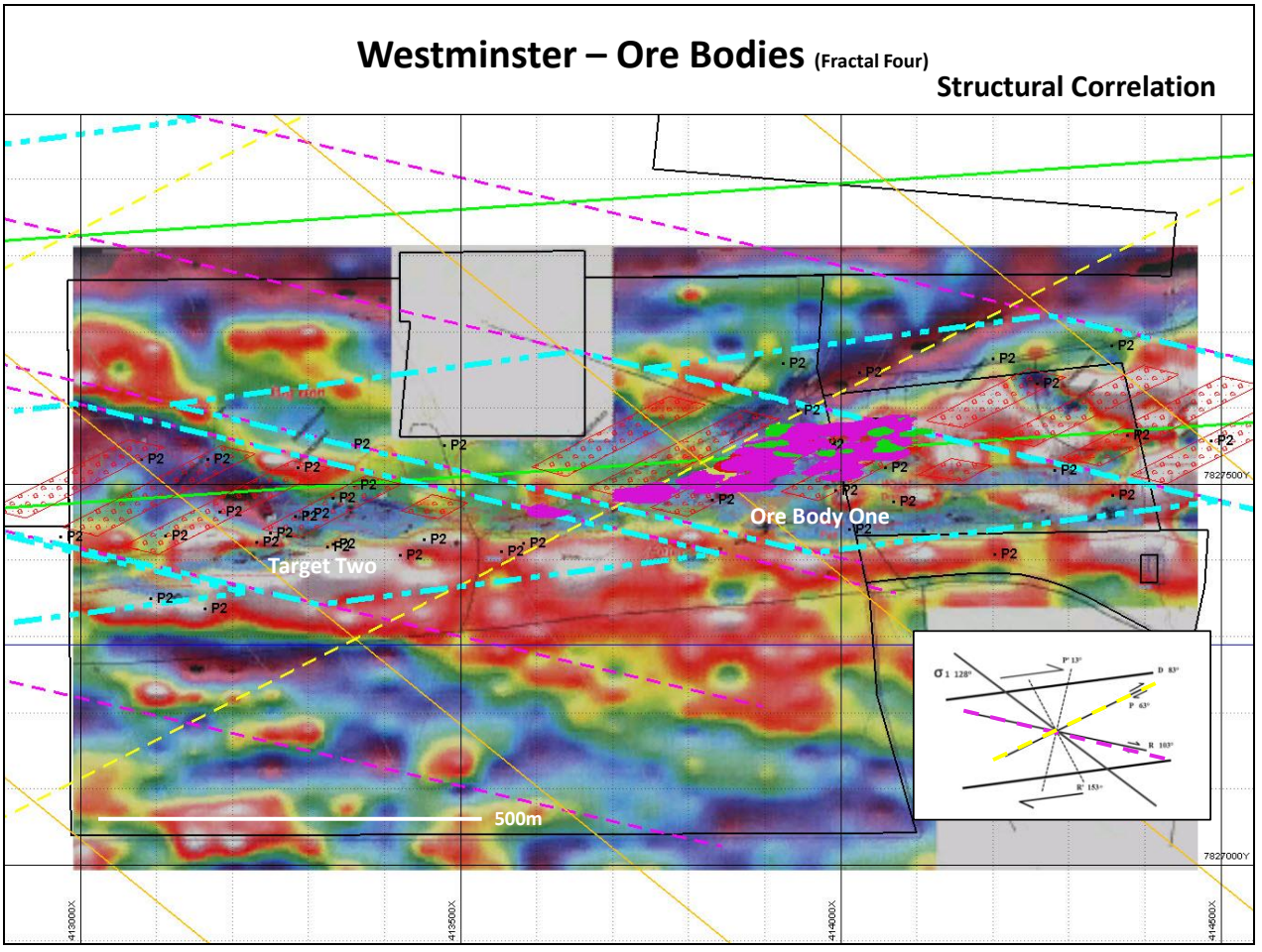


Figure Two: Westminster Ore Body One – Block Model Location

Ore body Modelling

Previous work has concentrated on providing a three dimensional model to describe the distribution of gold mineralisation. The location of the model (Figure 2), describing the top part of ore-body one of the Westminster Project, can be referenced relative to the structural framework over the gravity image.

The initial block model for Ore Body One has been developed utilising the structural constraints defined by Truscott as is part of the procedure for confirming the direction mineralisation is plunging. A more detailed plan view of the block model (Figure 3) indicates the location of the modelled cross section A-B (413880E).

At this level of detail ore zones which are the consequence of interaction of multiple structural elements becomes evident. The interaction between shearing on 063^{O} (P) and 103^{O} (R) provides the nuclei about which zones of high grade gold mineralisation are concentrated.

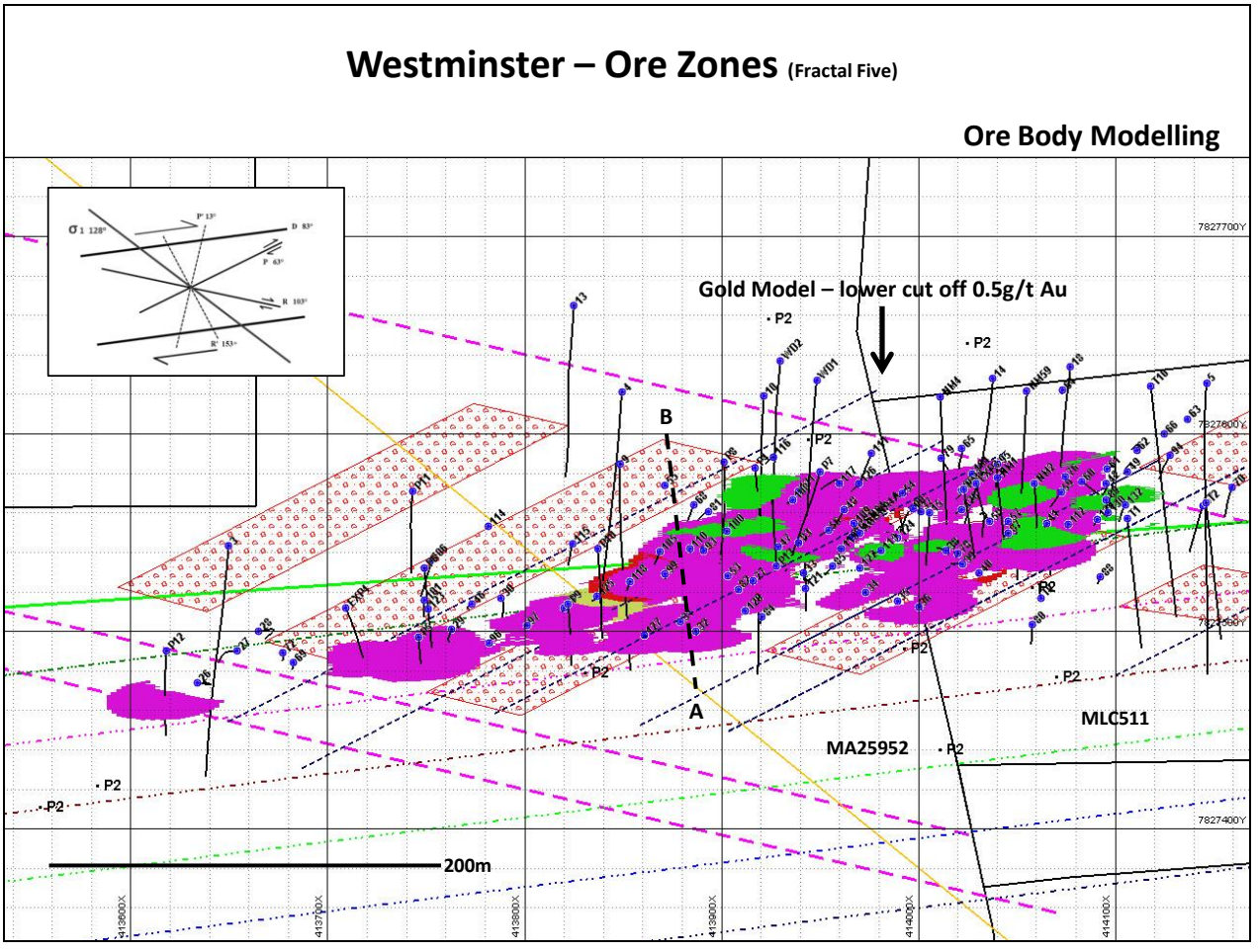
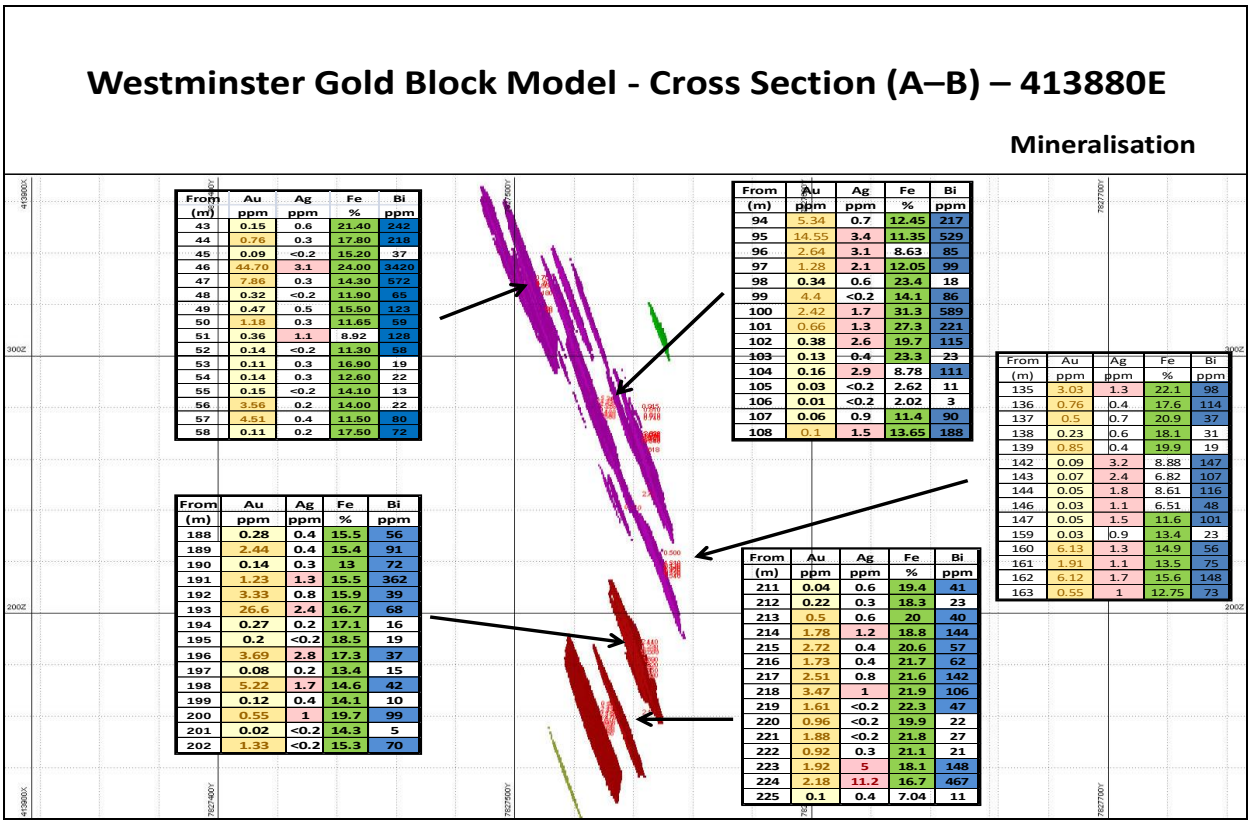


Figure Three: Westminster Ore Body One – Gold Mineralisation. Modelling

Mineralisation

The poly-metallic nature of the mineralisation is demonstrated (Figure 4) from a number of intersections from within the modelled cross sections of ore body one. Other minerals assayed, which may become significant in some parts of the system, include cobalt, copper, and selenium. The principal focus at this time remains justifying project development on the basis of high grade gold mineralisation alone.

The Westminster project appears to be located on the northern side of a large anticline fold such that the sediment bedding plains to the depths currently drilled are observed to be linear. The bedding plains are measured as dipping 65-70 degrees to the North.



From (m)	Au ppm	Ag ppm	Fe %	Bi ppm
43	0.15	0.6	21.40	242
44	0.76	0.3	17.80	218
45	0.09	<0.2	15.20	37
46	44.70	3.1	24.00	3420
47	7.86	0.3	14.30	572
48	0.32	<0.2	11.90	65
49	0.47	0.5	15.50	123
50	1.18	0.3	11.65	59
51	0.36	1.1	8.92	128
52	0.14	<0.2	11.30	58
53	0.11	0.3	16.90	19
54	0.14	0.3	12.60	22
55	0.15	<0.2	14.10	13
56	3.56	0.2	14.00	22
57	4.51	0.4	11.50	80
58	0.11	0.2	17.50	72

From (m)	Au ppm	Ag ppm	Fe %	Bi ppm
94	5.34	0.7	12.45	217
95	14.55	3.4	11.35	529
96	2.64	3.1	8.63	85
97	1.28	2.1	12.05	99
98	0.34	0.6	23.4	18
99	4.4	<0.2	14.1	86
100	2.42	1.7	31.3	589
101	0.66	1.3	27.3	221
102	0.38	2.6	19.7	115
103	0.13	0.4	23.3	23
104	0.16	2.9	8.78	111
105	0.03	<0.2	2.62	11
106	0.01	<0.2	2.02	3
107	0.06	0.9	11.4	90
108	0.1	1.5	13.65	188

From (m)	Au ppm	Ag ppm	Fe %	Bi ppm
135	3.03	1.3	22.1	98
136	0.76	0.4	17.6	114
137	0.5	0.7	20.9	37
138	0.23	0.6	18.1	31
139	0.85	0.4	19.9	19
142	0.09	3.2	8.88	147
143	0.07	2.4	6.82	107
144	0.05	1.8	8.61	116
146	0.03	1.1	6.51	48
147	0.05	1.5	11.6	101
159	0.03	0.9	13.4	23
160	6.13	1.3	14.9	56
161	1.91	1.1	13.5	75
162	6.12	1.7	15.6	148
163	0.55	1	12.75	73

From (m)	Au ppm	Ag ppm	Fe %	Bi ppm
188	0.28	0.4	15.5	56
189	2.44	0.4	15.4	91
190	0.14	0.3	13	72
191	1.23	1.3	15.5	362
192	3.33	0.8	15.9	39
193	26.6	2.4	16.7	68
194	0.27	0.2	17.1	16
195	0.2	<0.2	18.5	19
196	3.69	2.8	17.3	37
197	0.08	0.2	13.4	15
198	5.22	1.7	14.6	42
199	0.12	0.4	14.1	10
200	0.55	1	19.7	99
201	0.02	<0.2	14.3	5
202	1.33	<0.2	15.3	70

From (m)	Au ppm	Ag ppm	Fe %	Bi ppm
211	0.04	0.6	19.4	41
212	0.22	0.3	18.3	23
213	0.5	0.6	20	40
214	1.78	1.2	18.8	144
215	2.72	0.4	20.6	57
216	1.73	0.4	21.7	62
217	2.51	0.8	21.6	142
218	3.47	1	21.9	106
219	1.61	<0.2	22.3	47
220	0.96	<0.2	19.9	22
221	1.88	<0.2	21.8	27
222	0.92	0.3	21.1	21
223	1.92	5	18.1	148
224	2.18	11.2	16.7	467
225	0.1	0.4	7.04	11

Figure Four: Westminster Ore Body One – Poly-Metallic Mineralisation

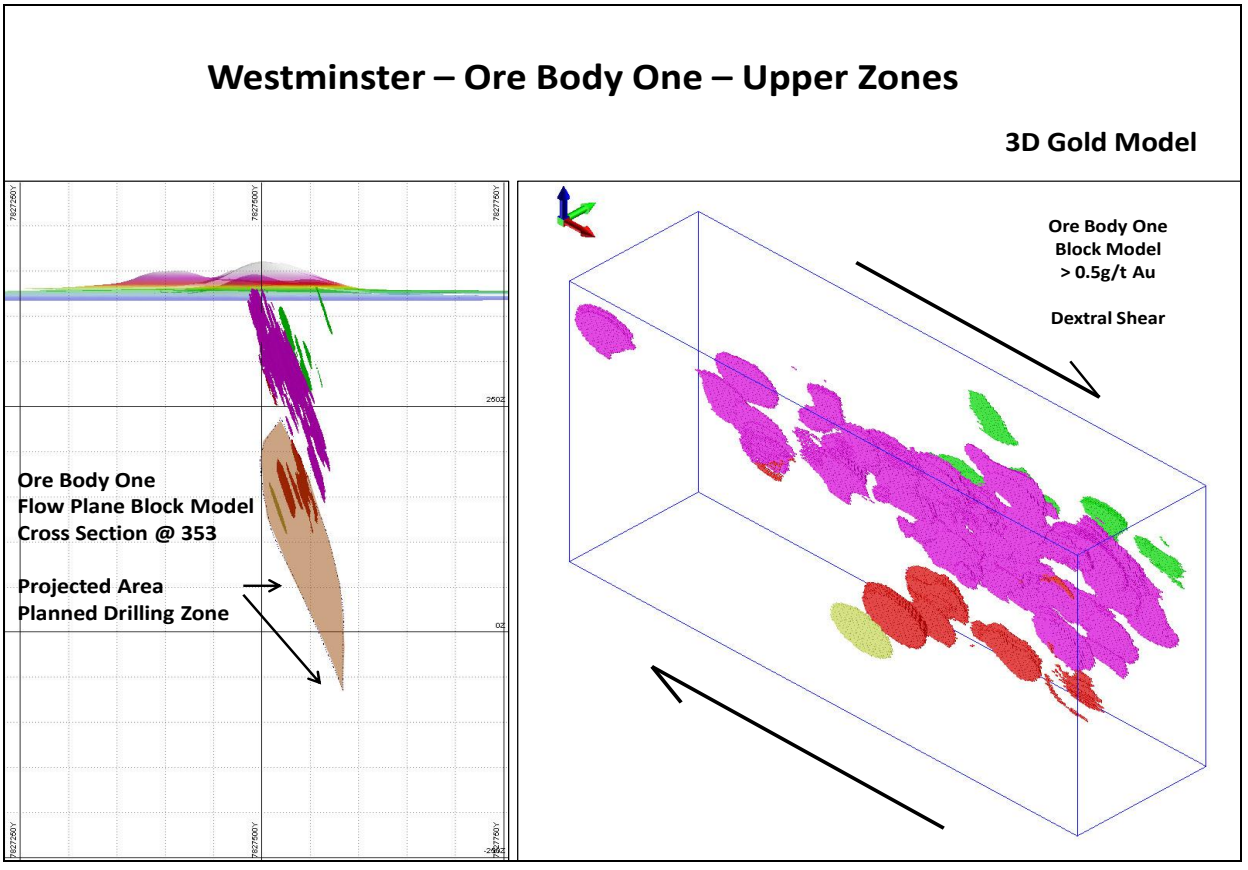


Figure Five: Westminster Ore Body One – Three-Dimensional Model

Three Dimensional Modelling

The complexity of the ore systems within the Tennant Creek Field have been a barrier for previous exploration companies. Truscott has made a significant intellectual investment into developing three dimensional models that demonstrate (Figure 5) an understanding of the structural constraints influencing gold mineralisation.

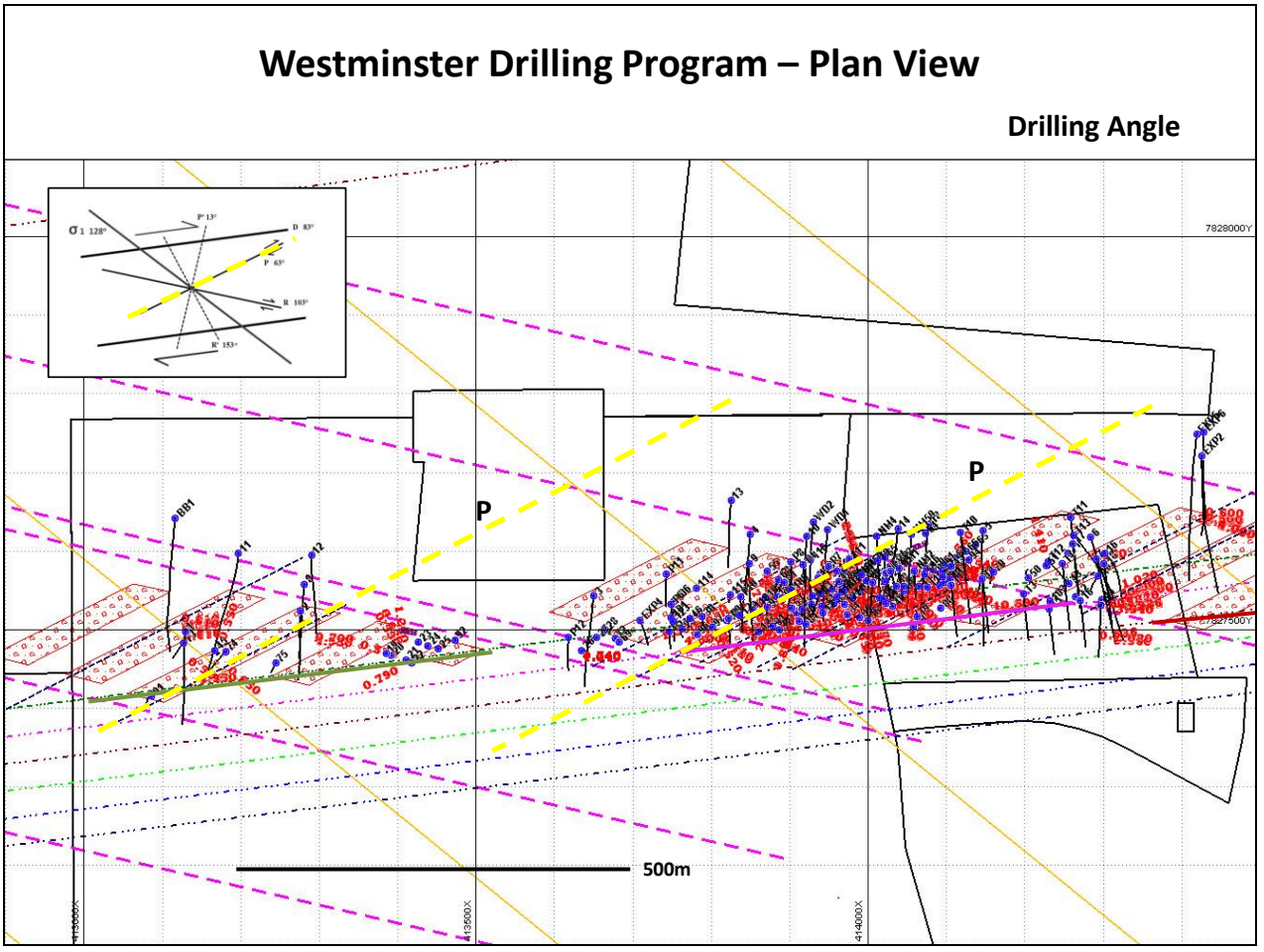


Figure Six: Plan View – Drilling Angle

Drilling Angle

Recent analysis and ore body modelling has determined that the strongest continuity of gold mineralisation can be demonstrated as being along dilation elements associated with the 063^{O} (P) direction.

Work was undertaken therefore to develop a number of drilling control sections for both ore body one, and mineralised target two (Figure 6) located 700 metres west of ore body one that align with 063^{O} (P).

As a consequence of the overall geometry of the mineralised system all drill holes are currently planned as vertical drill holes.

The mineralisation of the 083^{O} (D) direction has been observed across the extent of the tenement, and as illustrated in figure six (green, purple, brown) the leading edge where particular flow plains encounter shearing and mineralisation is different for each of the target zones.

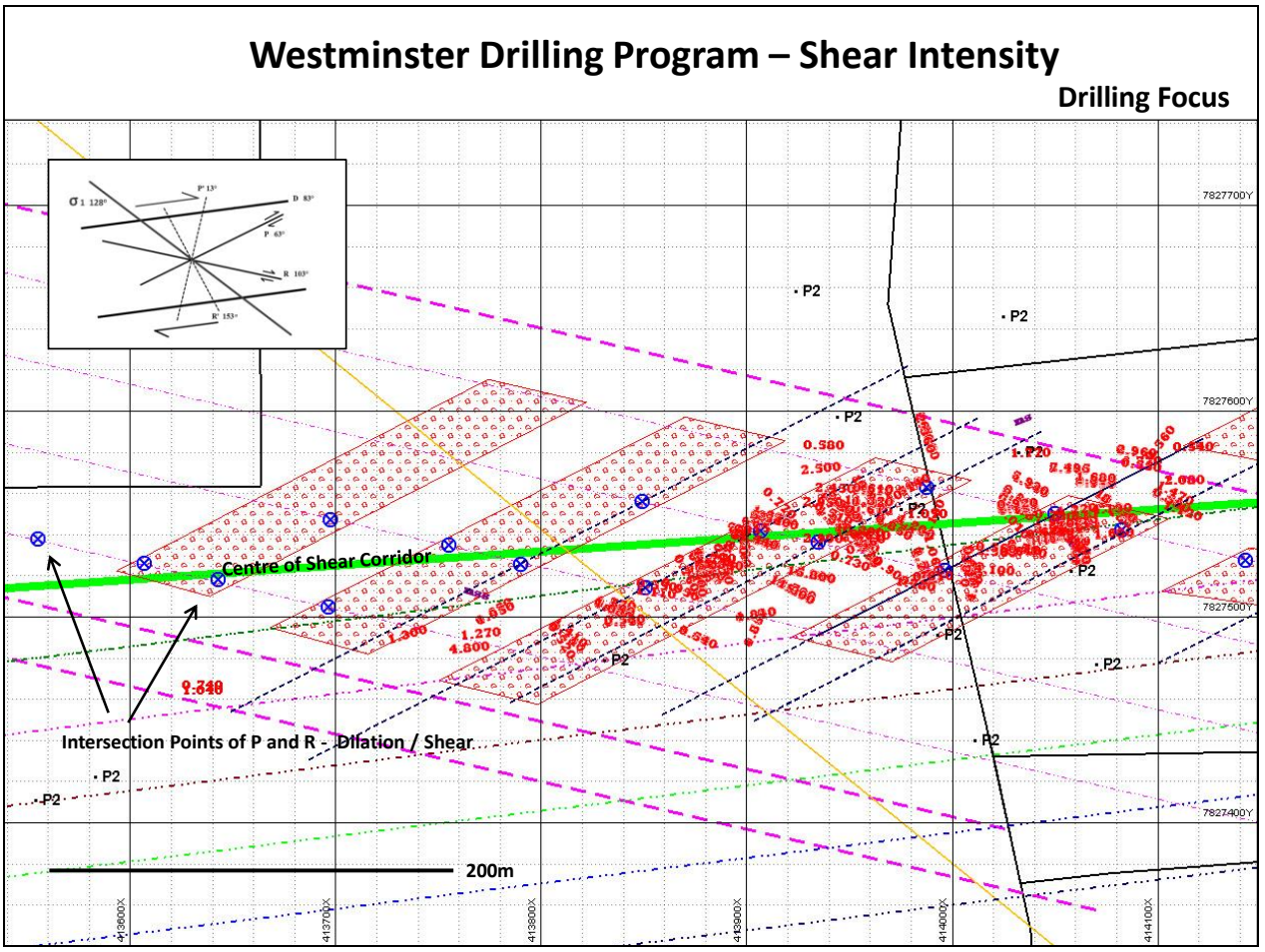


Figure Seven: Strike- Centre of Shear Corridor

Drilling Focus

The centres of corridors (Figure 7) of strike slip activity determine the zones experiencing higher levels of resultant shear and mineralisation.

Modelling confirms that strike slip action on 87 degrees generates the observed shear & mineralisation signatures observed at surface on 083^{O} (D).

The plan view demonstrates the direction of the first shear corridor at ore body one and the expected central zone in which to drill the system to depth.

The trend to narrow or less massive gold mineralisation is observed as drilling along 063^{O} (P) becomes more distal from the central zone.

Increased levels of lead, zinc and silver are also commonly associated with the lower grade gold mineralisation of the more distal locations

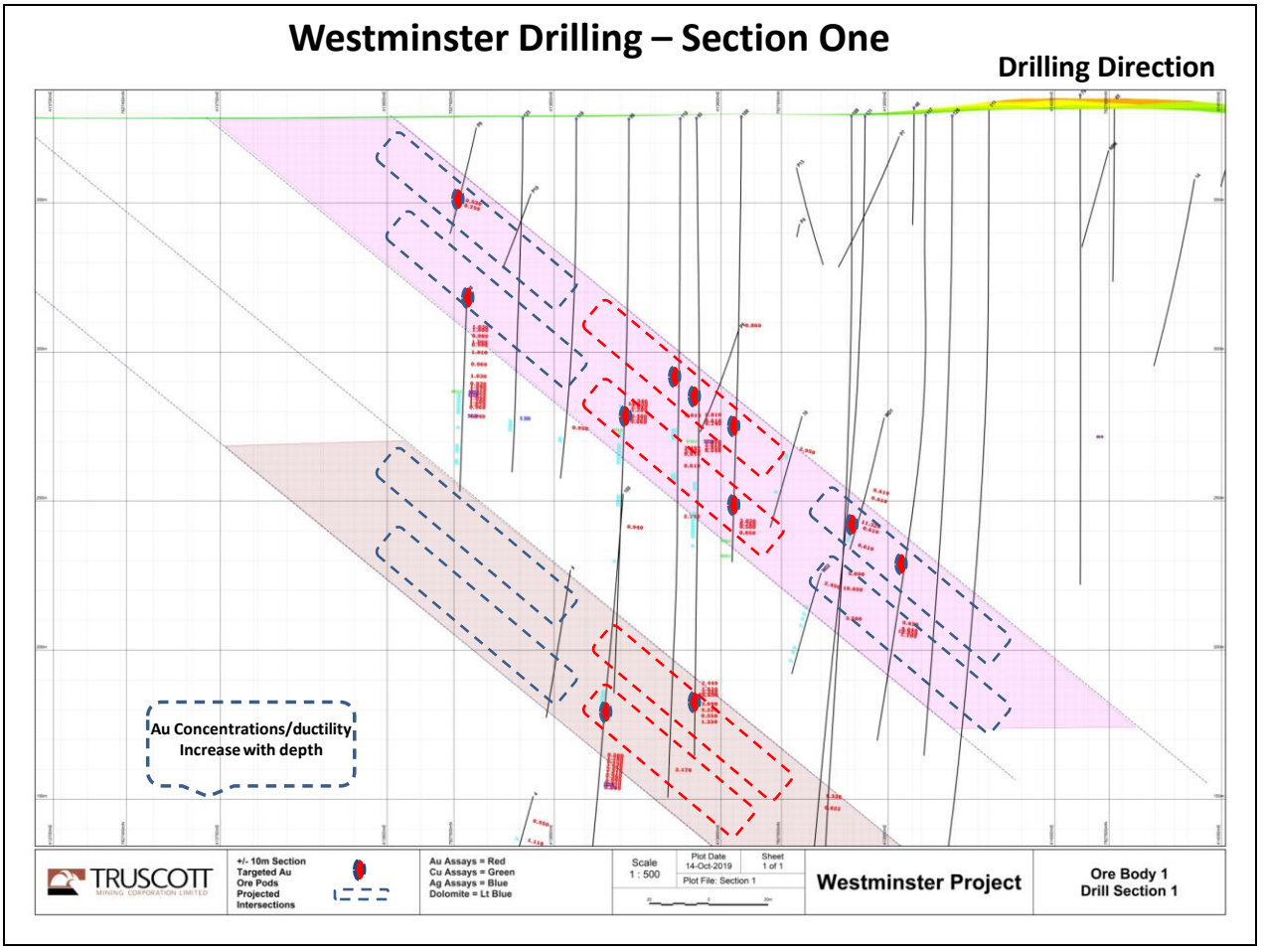


Figure Eight: Ore Body One- Section 1 – Target Zones on 063^{O} (P)

Drilling Direction

A series of drill control sections has been generated that align with the most pervasive concentration of gold mineralisation within cross shearing on the 063^{O} (P) direction.

Increased mineralisation intensity ore target zones occur at intervals along these sections where elements of 063^{O} (P) and 103^{O} (R) structure intersect.

Vertical drilling has been shown to be the most effective method of delineating the mineralisation as a consequence of the vertical zoning or spacing of the mineralisation.

Drilling and subsequent modelling has demonstrated that mineralisation in the upper part of the ore body exhibits paired zones at a vertical spacing of 35 metres. These paired mineralisation zones repeat with a vertical depth interval of 105 metres.

In this drill section (Figure 8) a number of existing drill-holes partially define the target zones for the upper and second levels. A third level is indicated, though initial drilling is now designed to better define the upper two and confirm the extent of level three

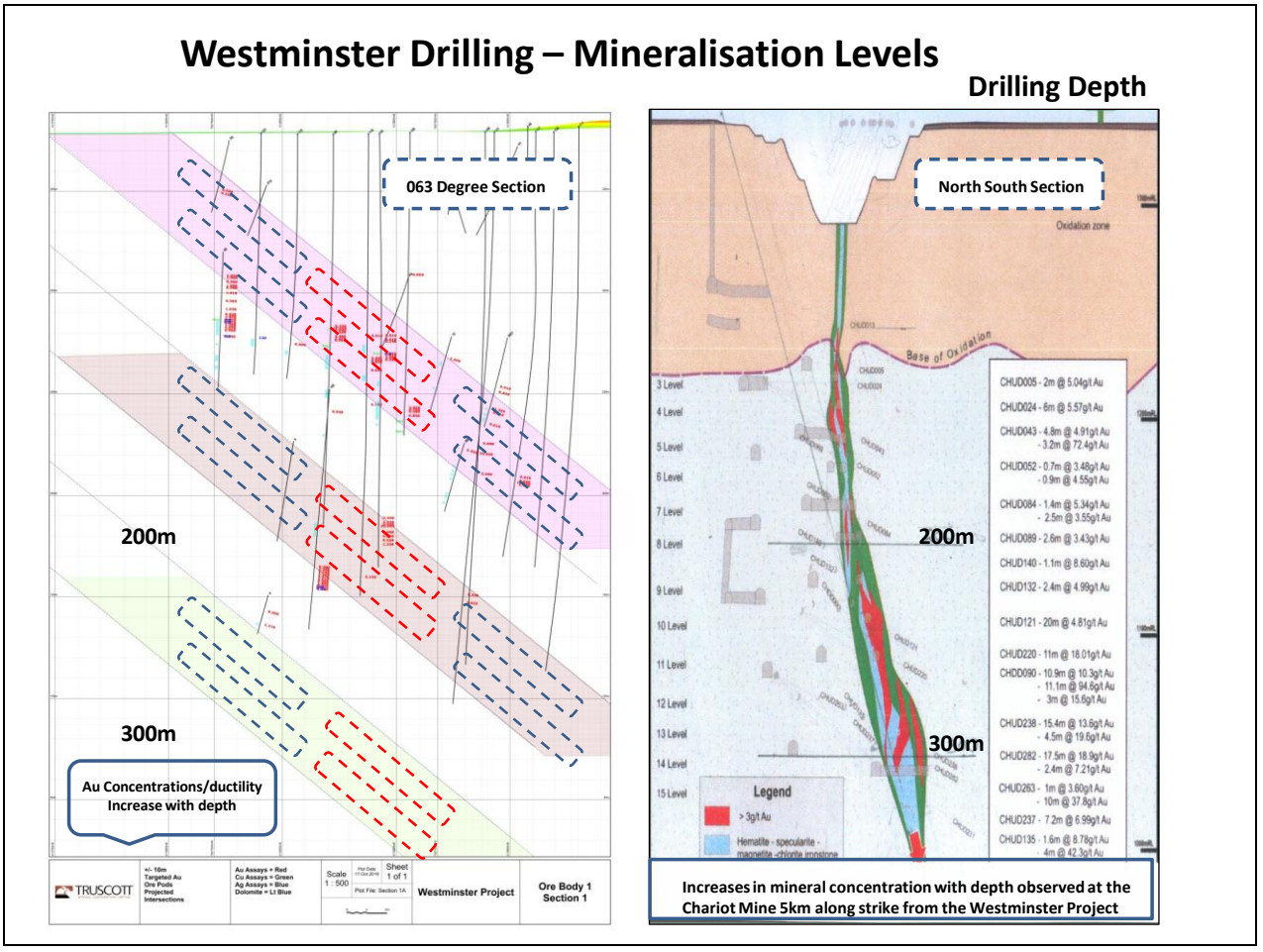


Figure Nine: Development of Mineral Concentration with Depth

Drilling Depth

Discrete zones of mineralisation plunge to the north east in accordance with 063^{O} (P) dilation. The aggregate or overall plunge for the ore body is towards the north-west. As a consequence of these geometries the ore body which outcrops to surface at the eastern end, requires deeper drilling than at the western end.

Initial drilling has delineated part of the upper two paired zones of mineralisation with surface mapping indicating there are multiple zones to follow at depth.

The smaller Chariot Deposit along strike was drilled by a previous explorer with limited knowledge of the structural setting. Comparison shows (Figure 9) that the deposit was drilled in depth to the equivalent of three paired zones of mineralisation.

At depth the paired zones located close to the core of the shear corridor have potential for increased levels of mineralisation that coalesce. The potential for substantial accumulations of mineralisation at depth is therefore recognised. Any of the individual ore pods, as illustrated in the drill sections, being approximately 60 metres by 60 metres with possible mineralisation thicknesses to 35-40 metres.

Truscott has already reported drilling wider zones of mineralisation at depths down to 200 metres, however significant parts of the system between 100 and 200 metres are still considered mineral inventory with further drilling required to raise the level of confidence sufficiently to allow conversion to resource status.

Project Scope

All work completed to date continues to build a picture of substantial mineralisation, with the Westminster Project having the potential to become a significant mineral resource. It is estimated that 50-60,000 metres of drilling would be required for the Westminster systems to be drilled out sufficiently to support initial development of a project with a 10-15 year production profile.

The proposed drilling metres, target only mineralisation within part of the mineralised zone for the Westminster Project area. Additional drilling to be funded from future production revenues would be required before the overall scale of the system could be more fully characterised.

Research & Strategic Initiatives

Truscott previously observed the concordant geological and geographical linear structures can be observed throughout the Central Northern Territory. The lineation observed on 128^{O} (Sigma 1) was treated as being the principal stress direction that is a consequence of inter-plate collision.

Crustal thinning appears evident on the sigma one lineament passing through Tennant Creek, with basement rocks closer to surface and adjacent basin development. The focus of stress development associated with uplift along Sigma one (128^{O}) provides the potential for rising fluid intrusions.

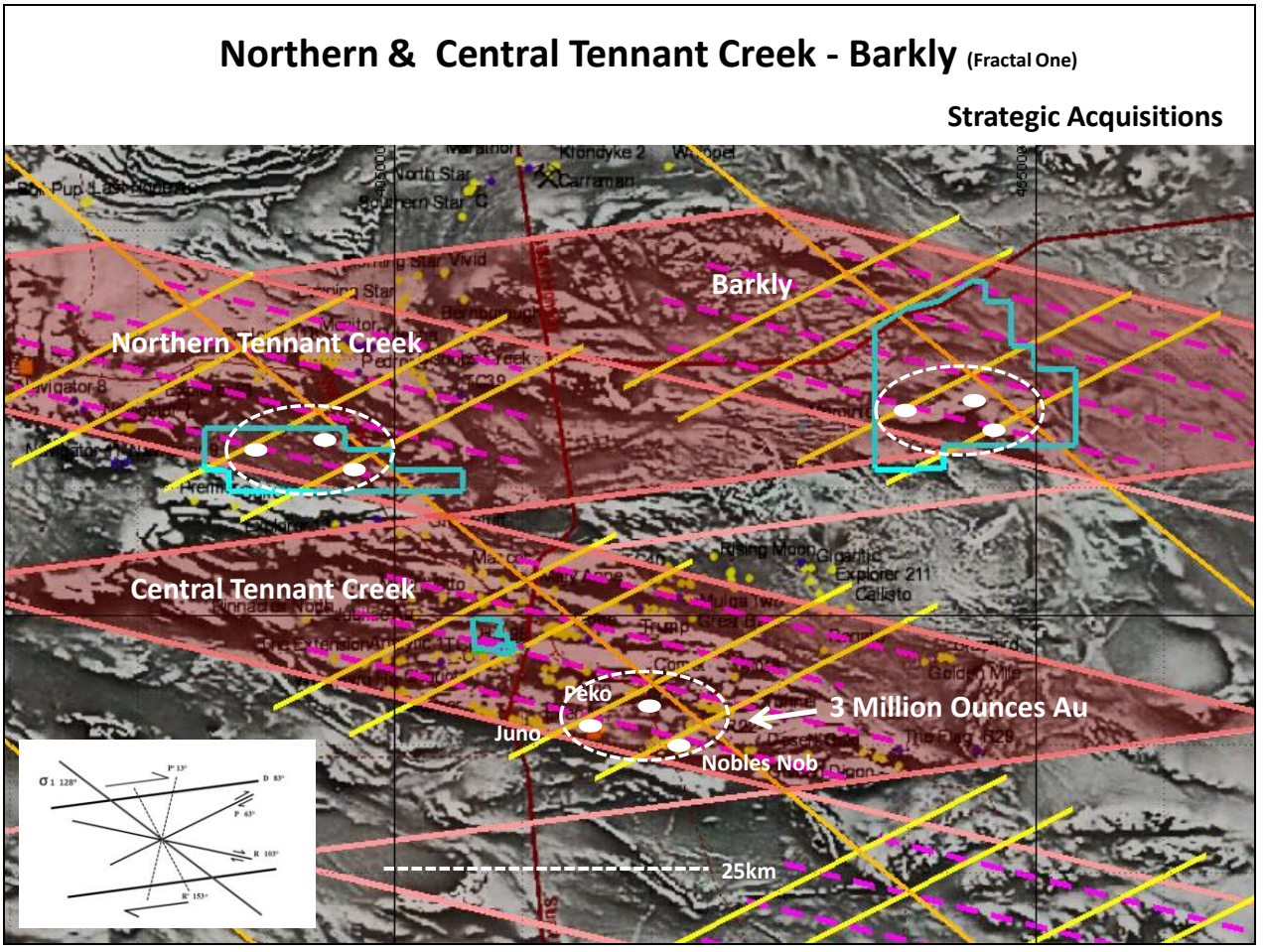


Figure Ten: Target Generation – 1VD Magnetic Image

Theory describes that ongoing primary stress (Sigma 1) has the capacity to develop major strike slip corridors which exhibit characteristic resultant structural elements. Early D2 compression folding is initially aligned with 063^{O} (P) as the strike slip shear corridor develops. Ongoing dynamic action within the central corridor allows for the movement of mineralised fluids, which concentrate in resultant reidel shears 103^{O} (R) and late stage cross shearing that is sympathetic to the earlier folding on 063^{O} (P).

Fractal observations point to a stress continuum that has preconditioned the older rocks and subsequently been a controlling influence focusing mineral flows and later ore deposit formation. It follows that the shearing and fluid pathways set up by the stress regime will commonly be discordant to later geological formations

For the Tennant Creek region, the spatial arrangement of repeating patterns of sets of characteristic structural elements is clearly observable against the first vertical derivative of the magnetic image. For the purposes of analysis these discrete observational windows are described as fractal one of the stress continuum that has preconditioned basement rocks.

Utilising a fractal one scale of reference window, a review of Central Tennant Creek was undertaken. This demonstrated that the most mineralised quadrant of the window was the Juno, Peko, Nobles Nob cluster (Figure 10) with ore resources of circa three million ounces of gold.

Truscott has recently taken the strategic initiative to acquire tenure (Figure 10) that covers similar structural settings to the core mineralised quadrant at Central Tennant Creek. The extent to which the two new zones (North Tennant & Barkly) demonstrate the structural similarities to the Central Tennant Creek cluster is illustrated in figure ten.

Fundamental research work continues in association with these recently acquired project areas at Barkly and Northern Tennant Creek. This work considers the influence of forces on ore-body formation by investigating the expected equilibrium established between incoming linear stresses and the dissipation of energy.

Field recognisance work, within selected areas of the Barkly Project expected to exhibit significant shear and having potential for mineralisation are planned for the coming quarter.

Peter N Smith
Executive Chairman

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types 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. Dr Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Regulatory Information*: The Company does not suggest that economic mineralisation is contained in the untested areas, the information relating to historical drilling records have been compiled, reviewed and verified as best as the company was able. The company is planning further exploration drilling programs to confirm the geology, structure and potential of untested areas within the Westminster Project area. The company cautions investors against using this announcement solely as a basis for investment decisions without regard to this disclaimer.*

Appendix 1

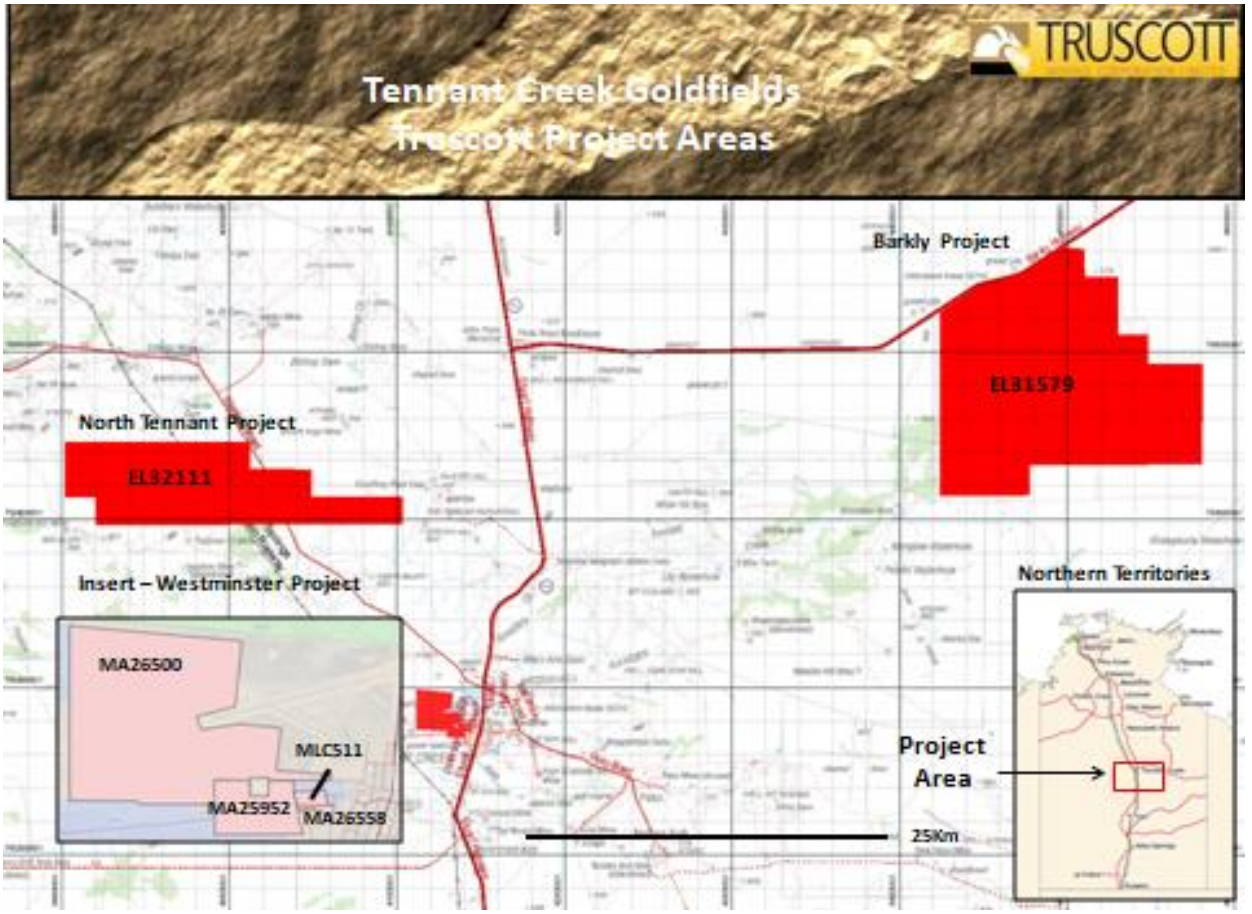


Figure Eleven: Truscott Exploration & Development Projects

Mining Tenements Held at 31 December 2019 (Table 1)

Project Tenement		Interest at Beginning	Interest at End	Acquired	Disposed
Westminster	Northern Territory				
MLC 511		100%	100%		
MA25952		100%	100%		
MA26500		100%	100%		
MA26558		100%	100%		
Barkly	Northern Territory				
EL 31579		100%	100%		
North Tennant	Northern Territory				
ELA 32111		100%	100%		