

## **ACQUISITION OF WESTERN DESERT GOLD - COPPER PROJECT, UTAH, USA**

### **HIGHLIGHTS**

- **Hawkstone Mining Limited has acquired a 100% interest in the Western Desert Gold-Copper Project located in Western Utah, USA.**
- **The Project, consisting of 30 BLM claims, lies within the same geological terrain that hosts the Carlin, Cortez gold trends and the Long Canyon gold mine.**
- **Sampling in the adit has returned high grade:**
  - **Gold (Au) up to 25 grams per tonne**
  - **Copper (Cu) up to 4.6%**
  - **Silver (Ag) up to 95 grams per tonne**
- **Surface grab samples returned high grade:**
  - **Gold (Au) up to 6.7 grams per tonne**
  - **Copper (Cu) up to 6.3%**
- **Channel sampling across 1m in the historical trench returned:**
  - **Gold (Au) up to 4.42 grams per tonne**
  - **Copper (Cu) up to 1.03%**
  - **Silver (Ag) up to 11.8 grams per tonne**
- **The acquisition of the Project aligns with Hawkstone's strategy of diversifying its asset portfolio to include gold and represents an addition to the Company's existing gold assets, namely the recently acquired Lone Pine Gold Project in Idaho, USA.**
- **The Project has not been subjected to modern exploration techniques, providing a significant opportunity for Hawkstone.**

Hawkstone Mining Limited (ASX:HWK) ("Hawkstone" or the "Company") is pleased to announce the acquisition of 100% of the Western Desert Gold-Copper Project located in Utah, USA. The acquisition of the Project aligns with Hawkstone's strategy of diversifying its asset portfolio to include gold, a metal which has recently shown price rises, and represents an addition to the Company's gold assets, including the recently acquired Lone Pine Gold Project in Idaho, USA. The Western Desert Gold-Copper Project is located in Utah, USA, a world-class mining jurisdiction ranked 7<sup>th</sup> globally for Investment Attractiveness by the Fraser Institute<sup>1</sup>. The Western Desert Gold-Copper Project was prospected via adits, shafts and pits during the early 1900's and by limited surface work in the latter 1900's.

<sup>1</sup> Fraser Institute, Annual Survey of Mining Companies, 2018, <https://www.fraserinstitute.org/studies/annual-survey-of-mining-companies-2018>

**Hawkstone Mining Managing Director, Paul Lloyd, commented:** *“In keeping with our strategy of asset diversification, the Company has acquired a project that demonstrates the presence of significant gold, copper and silver mineralisation at surface, in a highly prospective terrain that has not been subject to modern exploration. The acquisition allows us to leverage off the years of experience working in the USA and the professional exploration team built up over that period. Hawkstone will be able to rapidly advance the project using proven exploration methods, enabling assessment of the project following each stage. This project is in close proximity to several significant projects and therefore has the potential to add substantial shareholder value.*

*The Western Desert Gold-Copper project **completes** our acquisition of USA exploration projects, providing the Company with exposure to Lithium, Gold and Copper. To maximise and leverage our highly experienced team on the ground in the US, the Big Sandy project and the Western Desert project can be explored in the Northern Winter months allowing year round exploration.*

*We are eagerly awaiting the commencement of the maiden drilling program at the Lone Pine Gold project and look forward to updating the market further.”*



**Image 1 – The Western Desert Gold-Copper Project, Shaft in Foreground**

## WESTERN DESERT GOLD-COPPER PROJECT

Hawkstone has acquired 100% of the the advanced Western Desert Gold-Copper Project, which offers significant upside via exploration success and the Company’s aims to progress the Project using established exploration methodology.

## Tenure & Location

The Western Desert Gold-Copper Project (WD) consists of 30 BLM lode mining claims, located in western Utah near to the Nevada Border. The closest town is Wendover, 42km South West of the project, which straddles the Utah-Nevada Border, with good access to all services and amenities (Figures 1 & 2). The Project is readily accessible via maintained gravel roads from Wendover.

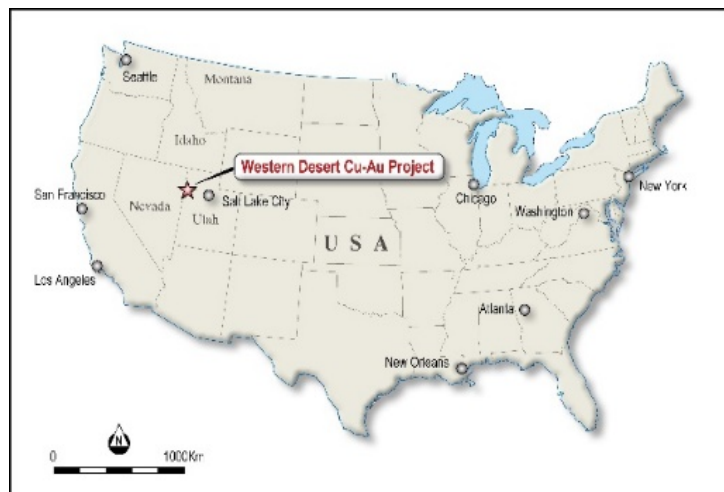


Figure 1 – Western Desert Gold-Copper Project, USA

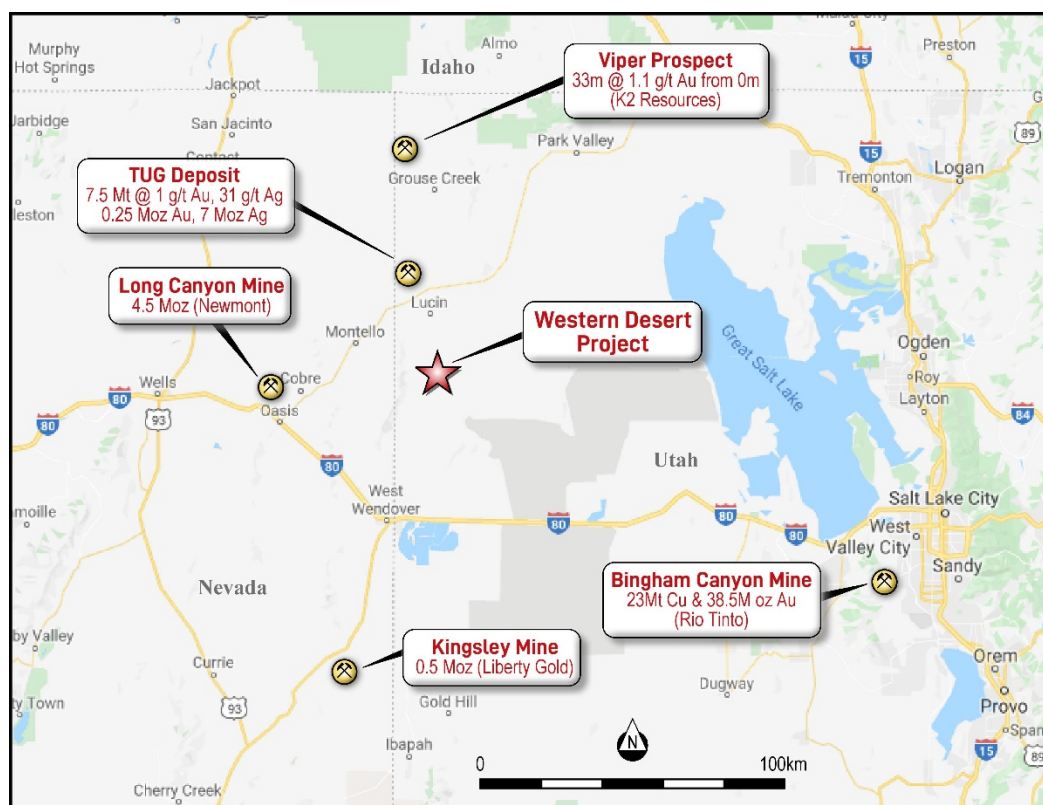


Figure 2 – Western Desert Gold-Copper Project, Location Map



## Regional Geology

The Western Desert project is located within the Basin & Range Province of the Western USA, comprising a series of northerly striking, fault bounded ranges. The project lies within the same sequence of Cambro-Ordovician carbonate and sedimentary rocks, that host the Carlin Trend gold deposits 200km to the west, the **Long Canyon gold mine** (Newmont 4.5M oz Au)<sup>2</sup>, 65 km to the North West, and Tug Deposit (431,000 oz Au and 13.8M oz Ag) of West Kirkland Mining INC<sup>3</sup> 40km to the north (Figure 4). The project lies 150 km West-North-West of the **Bingham Canyon Mine** (Rio Tinto 23Mt Cu & 38.5M oz Au)<sup>4</sup> (Figure 3).

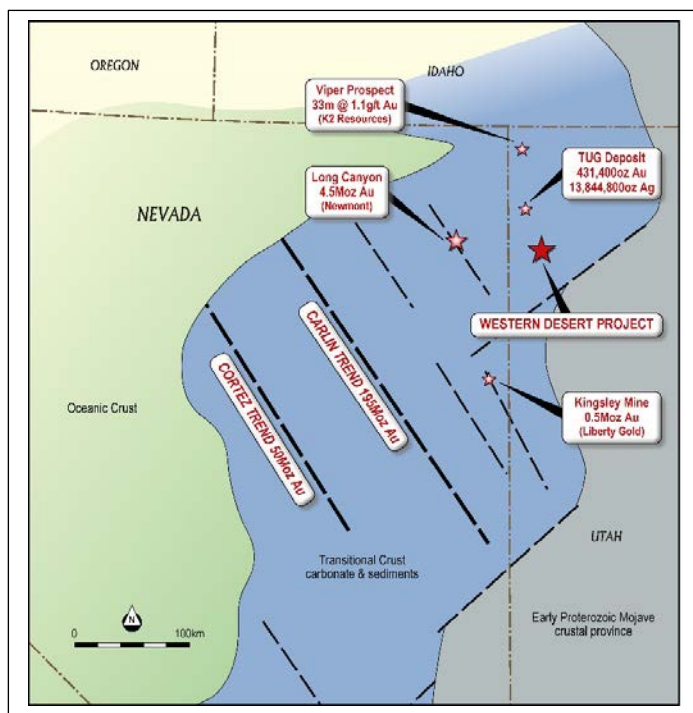


Figure 3 – Geological Setting

## Previous Exploration

No data relating to previous exploration is available although surface pitting/shafts and an adit were apparently completed in the early 1990's. Dozer trenching was completed in the late 1990's, however no historical exploration data is available.

## Local Geology and Mineralisation

The Project area is predominately underlain by Carboniferous-Permian aged carbonate (limestone, dolomite, dolomitic clastic sediments) with lesser shales, conglomerates and sandstone intruded by Jurassic monzonites and diorites. Regional mapping indicates other intrusive events including later porphyries and crosscutting dykes.

Mineralisation consists of skarn style Au-Cu-Ag mineralisation within altered carbonate - sandy carbonate rocks proximal to intrusive contact. The mineralised zones strike ~290°/45°S over 350m+, possibly extending under cover to the east and at depth to the west (Figure 4).



Image 1 – Copper oxide mineralisation in dozer cut

<sup>2</sup> <https://miningdataonline.com/property/100/Long-Canyon-Mine.aspx#Reserves>

<sup>3</sup> News Release, No. 36-2012 July 16, 2012, West Kirkland Files TUG Resource Estimate on SEDAR

<sup>4</sup> [https://www.researchgate.net/publication/328676854\\_Production\\_history\\_of\\_the\\_Bingham\\_mining\\_district\\_Salt\\_Lake\\_County\\_Utah\\_-\\_an\\_update](https://www.researchgate.net/publication/328676854_Production_history_of_the_Bingham_mining_district_Salt_Lake_County_Utah_-_an_update)

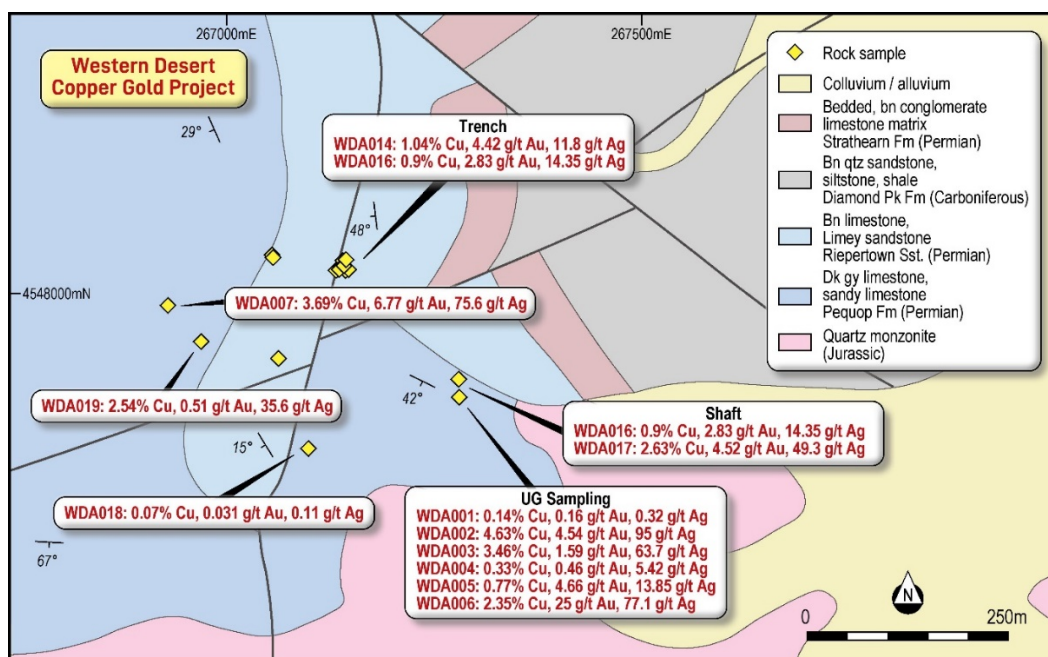


Figure 4 – Geology and Sampling

A total of 21 samples (WDA001-022) were collected as part of the due diligence on the project (Table 1)<sup>5</sup>. Sampling consisted of mainly grab samples from 'ore' piles near old workings as well as chip channel sampling along an historic trench (8m x 30m) west of the old workings. Copper staining, ex-sulphide textures, stockwork veining and alteration, mainly silicification (+/- epidote, garnet, diopside), was noted within limestones, sandy limestones and altered felsic intrusives (Figure 4).

#### High grade results included:

- Underground in Adit 1, chip samples returned high grade **Au to 25 g/t, Cu to 4.6% and Ag to 95 g/t** from sulphide (chalcopyrite-bornite) mineralisation (WDA001-006).
- Surface grab samples returned **Au to 6.7 g/t and Cu to 6.3%** (WDA007 & WDA017-22).
- Chip channel sampling along the highly altered limestone/sediment package located in a historical trench, samples WDA008-16, returned 1m grading **4.42 g/t Au, 1.03% Cu and 11.8 g/t Ag** (WDA014) and a further metre at **2.83 g/t Au, 0.9% Cu and 14.35 g/t Ag** (WDA016).

<sup>5</sup> Thorne L., November 2019, Abbyrok Consulting, MINERAL PROJECT REVIEW WESTERN USA



Image 2 – Adit

Table 1 – Samples WDA001 – WDA022 Results

Sample No	Easting	Northing	Au g/t	Cu %	Ag g/t
WDA001	267271	4548408	0.16	0.14	0.32
WDA002	267271	4548409	4.54	4.63	95
WDA003	267271	4548410	1.59	3.46	63.7
WDA004	267272	4548408	0.46	0.33	5.42
WDA005	267273	4548408	4.66	0.77	13.85
WDA006	267271	4548409	25.00	2.35	77.1
WDA007	266922	4548987	6.77	3.69	75.6
WDA008	267135	4548563	0	0.012	0.53
WDA009	267129	4548562	0	0.005	0.38
WDA010	267131	4548568	0.18	0.18	0.8
WDA011	267133	4548568	0	0.03	0.23
WDA012	267134	4548572	0	0.006	0.13
WDA013	267134	4548573	0	0.009	0.12
WDA014	267134	4548575	4.42	1.035	11.8
WDA015	267055	4548432	0	0.004	0.73
WDA016	267270	4548432	2.83	0.9	14.35
WDA017	267270	4548430	4.52	2.63	49.3
WDA018	267088	4548315	0.03	0.067	0.11
WDA019	266962	4548443	0.51	2.54	36.5
WDA020	267050	4548572	0	0.01	0.51
WDA021	267050	4548571	0	0.01	0.27
WDA022	269680	4548249	0.19	6.33	23.3

Note: Easting and Northing coordinates: NAD83 / UTM zone 12N

## Highlights

- The Project contains high grade gold, copper and silver mineralisation identified by reconnaissance sampling over significant widths and strike lengths.
- The geology is similar to the Long Canyon and the Carlin Trends to the west, part of same Cambro-Ordovician carbonate and sedimentary rocks that host the Carlin Trend gold deposits and the Long Canyon gold mine.
- Several known distinct mineralised stratigraphic horizons/structures host the mineralisation.
- The mineralisation lies on and near the contact of an intrusive monzonite stock and is cut by later dykes.
- There is excellent potential for other mineralised horizons and skarn replacement zones.

## Exploration

The Company is currently planning to complete a **two Phase Exploration Program**:

### Phase 1

- Photogeological /structural mapping to locate target regions
- Ground prospecting including Niton XRF soil geochemistry

### Phase 2

- Geophysical survey(s) following completion of mapping and geochemistry
- Diamond drilling of selected priority targets

This announcement has been authorised for release by the Board.

## FOR FURTHER INFORMATION PLEASE CONTACT:

### MR. PAUL LLOYD

Managing Director

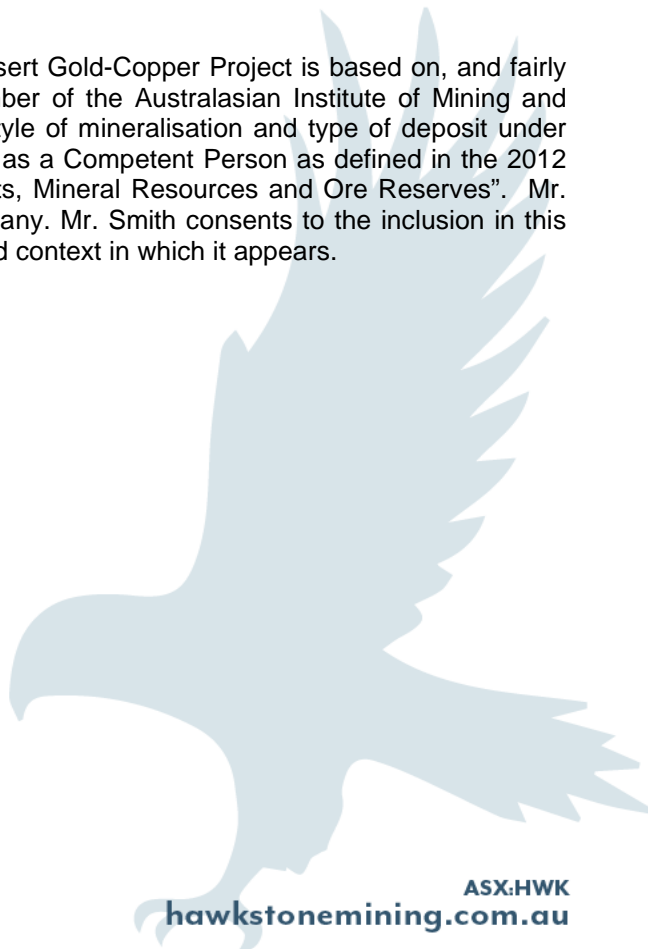
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## Competent Persons Statement

The information in this announcement that relates to the Western Desert Gold-Copper Project is based on, and fairly represents information compiled by Gregory L Smith who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Smith is a consultant to the Company and holds shares in the Company. Mr. Smith consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.





## APPENDIX 1

### 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
<b>Sampling techniques</b>	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.	This announcement primarily relates to results of a sampling programme consisting of grab and chip channel samples.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Rock grab samples were randomly taken over an area of 1m <sup>2</sup> . Chip channels were taken across strike over 1m.
	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 (e.g. 'reverse circulation drilling was used to obtain 1m 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.	The samples are considered indicative of the presence of gold-copper mineralisation. Abbyrok collected samples of 2-3kg in weight and dispatched these to ALS Laboratories where all samples were analysed by method ME-MS41, ME-OG46, Cu-OG46 and a 30gm charge was analysed by method PGM-ICP27 that includes Au and Pt/Pd.
<b>Drilling techniques</b>	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,	No drilling has been completed
	depth of diamond tails, face sampling bit or other type, whether core is oriented and if so, by what method, etc.).	No drilling has been completed
<b>Drill sample recovery</b>	Method of recording and assessing core and chip sample recoveries and results assessed.	No drilling has been completed
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No drilling has been completed
	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.	No drilling has been completed



Criteria	JORC Code Explanation	Commentary
<b>Logging</b>	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.	No drilling has been completed
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography	No drilling has been completed
	The total length and percentage of the relevant intersections logged.	No drilling has been completed
<b>Sub-sampling techniques and sample preparation</b>	If core, whether cut or sawn and whether quarter, half or all core taken.	No drilling has been completed
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Rock chips were placed in Calico bags and shipped to lab.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Representative of mineralisation and surrounding material.
	Quality control procedures adopted for all subsampling stages to maximise representivity of samples.	No quality control measures were used.
	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 rock chip and chip channel samples taken are representative of the material composing the mineralised zone and wall rocks. No duplicate or half samples were collected as they will not form part of the JORC resource.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are appropriate for grain size of material sampled. They will not be used in the calculation of resources.
<b>Quality of assay data and laboratory tests</b>	The nature, quality and appropriateness of the Assaying and laboratory procedures used and whether the technique is considered partial or total.	The assay techniques used are standard in the industry using a 30gm charge riffled from a total crush and milling of the original sample.
	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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	No geophysical methods or instruments have been used.  No quality control measures have been instituted as the results will not be used in the calculation of a JORC compliant resource.
<b>Verification of sampling and assaying</b>	The verification of significant intersections by either independent or alternative Company personnel.	No drilling has been completed.
	The use of twinned holes.	No twin holes were drilled or have been drilled.

Criteria	JORC Code Explanation	Commentary
	Documentation of primary data, data entry procedures, data	The data are currently stored in hardcopy and digital format in the Company's office.
	verification, data storage (physical and electronic) protocols.	A hard drive copy of this is stored with GL Smith.
	Discuss any adjustment to assay data.	No adjustment was made to assay data.
<b>Location of data points</b>	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.	No drilling was completed. All sample location and mapping pints were located with a hand held GPS accurate to ~3m in the X-Y axis. Elevations are far less accurate.
	Specification of the grid system used.	UTM NAD83 Zone 12
	Quality and adequacy of topographic control.	No survey has been undertaken. Hand held GPS coordinates have been utilized to locate sample locations.
<b>Data spacing and distribution</b>	Data spacing for reporting of Exploration Results.	The rock chip sampling described in the report preceding this table are at no specific spacing.
	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.	The sampling is not of a spacing or distribution to establish a Resource.
	Whether sample compositing has been applied.	No sample compositing has been applied.
<b>Orientation of data in relation to geological structure</b>	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Where rock samples were taken, they were sampled across the mineralised zone.
	If the relationship between the drilling orientation and the orientation of key mineralised structures are considered to have introduced a sampling bias, this should be assessed and reported if material.	No drilling to date.
<b>Sample security</b>	The measures taken to ensure sample security.	All samples were sampled and delivered directly to the relative sample preparation/lab facilities.
<b>Audits or reviews</b>	The results of any audits or reviews of sampling techniques and data.	No reviews have yet been completed.

## Section 2: Reporting of Exploration Results

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

Criteria	JORC Code Explanation	Commentary
<b>Mineral tenement and land tenure status</b>	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.	<p>The Western Desert Gold-Copper project consists of 30 BLM claims of approximately 20 acres each, covering 243 ha physically staked on Bureau of Land Management, Federally administered land.</p> <p>All indigenous title is cleared and there are no other known historical or environmentally sensitive areas.</p>

	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The claims have been granted and are subject to an annual payment. Other than the payment there is no requirement for minimum exploration or reporting. There is no expiry date on the claims.
<b>Exploration done by other parties</b>	Acknowledgment and appraisal of exploration by other parties.	Other than the exploration pits and shafts and dozer trenching completed during the 1900's there has been no known exploration completed by other parties.
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	Gold and copper mineralisation are hosted by skarn style alteration within carbonate rocks that trend NW and dip moderately to the SW.
<b>Drill hole Information</b>	<p>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:</p> <p>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.</p>	All information as listed is provided in the preceding tables.
	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.	No information has been excluded.
<b>Data aggregation methods</b>	<p>In reporting Exploration Results, weighting averaging techniques,</p> <p>maximum and/or minimum grade</p> <p>truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p>	No weighted averages were used.
	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.	No weighted averages were used.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are stated.
<b>Relationship between mineralization</b>	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the	Chip sampling was confined to separate potentially mineralised units. Chip channel sampling was completed across the strike of the rock.

<b>widths and intercept lengths</b>	mineralization 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 (e.g. 'down hole length, true width not known').	No drilling was completed.
<b>Diagrams</b>	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.	Appropriate maps are included.
<b>Balanced reporting</b>	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.	This release includes results to date from the rock chip sampling.
<b>Other substantive exploration data</b>	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.	<p>The geology of the deposit consists of replacement mineralisation in carbonate rocks.</p> <p>No geophysics has been completed.</p> <p>No metallurgical test work has been completed.</p> <p>No water table has been identified.</p>
<b>Further work</b>	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	<p>Further geological mapping including a regional and detailed structural interpretation and Niton geochemistry in conjunction with magnetic susceptibility are planned.</p> <p>Geophysics and diamond drill testing will be completed dependent upon results.</p>
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The diagrams in the attached release show the basic geology and results of sampling to date. No drilling has been planned.