

ASX ANNOUNCEMENT – DISCOVEX RESOURCES LIMITED

21 MAY 2020

HIGH GRADE RE-SPLITS & VISIBLE GOLD AT EDJUDINA

Major NEW gold discovery potentially emerging

- **Single metre re-split samples from DCX maiden target definition drilling at Hornet confirm the potential for a major new gold discovery: -**
 - **HOAC012: 2m @ 3.0 g/t Au from 50-52m* (Includes 1m @ 5.3 g/t Au)**
 - **HOAC032: 7m @ 1.4 g/t Au from 40-47m* (Includes 3m @ 2.8g/t Au)**
 - **HOAC026: 1m @ 3.4 g/t Au from 54-55m**
*(*End of hole mineralisation)*
- **Visible gold panned from end of hole intersections in HOAC012 and HOA0C32**
- **End of hole intersections confirmed as weathered bedrock – biotite altered gneiss and granitoid**
- **Follow-up AC drilling to commence ASAP (subject to rig availability)**
- **Similar exploration history to the >7Moz Tropicana Deposit emerging**

Putting the Explore back into Modern Exploration

DiscoverEx Resources Limited (ASX:DCX) is delighted to confirm that follow-up work at the Hornet Prospect in the southern Laverton District of Western Australia indicates the potential for a major new gold discovery in the region.

Single metre re-split sampling conducted recently, following DCX's maiden target definition AC drilling programme at Hornet, has confirmed the high-grade gold mineralisation present in several end of hole intersections is within weathered, primary bedrock. Panning of these intervals has also produced fine grained visible gold providing further confidence that the mineralisation is in-situ and potentially amenable to conventional processing (yet to be confirmed with cyanide leach assay testing).

The DiscoverEx team plans to continue aircore drilling at Hornet as soon as a rig becomes available.

"It's such an exciting time to be involved in a greenfields project in a largely overlooked area of the Laverton District. I was recently on site soil sampling and was panning gold from our drill-holes, the feeling of seeing gold in the pan is like nothing else, it's fantastic!" said Managing Director, Bradley Drabsch.

EDJUDINA GOLD PROJECT – OVERVIEW

The Edjudina Project is situated within the southern portion of the Laverton District, about 700km north-east of Perth. The area hosts numerous major gold deposits, including AngloGold Ashanti's Sunrise Dam (> 12 Moz Au), Saracen Mineral Holdings' Carosue Dam (>2 Moz Au) and Matsa Resources' Red October project (>0.5 Moz Au).

The Edjudina project covers a strike extent of over 50km within the Linden Terrain, east of the Pinjin Fault, over a north-northwest trending sequence of prospective greenstone, gneisses and granites and is immediately along strike from Matsa Resources' Fortitude gold project (>385,000oz Au), which it continues to actively explore and expand.

Previous work on the Edjudina tenure, mostly during the 1980's and 1990's, included soil sampling, geophysics (both airborne and ground-based), air core (AC) drilling and minimal reverse circulation (RC) drilling. Several gold-in-soil anomalies were identified during previous exploration programs, in particular at two prospect locations, Hornet and Phantom (Figure 3). Both areas of soil anomalism were the subject of shallow AC drilling to blade refusal. Much of this exploration effort was undertaken at a time when the gold price was less than US\$300/oz and therefore the hurdles to mining were much higher than today, with gold prices currently around US\$1,700.

The extended project, following the recently announced DCX 80/20 joint venture with Crest Investments Group Ltd includes four granted exploration tenements (E31/1134, E31/1150, E39/1765 and E39/1882), for a total of 590km² of drastically underexplored, and highly prospective rocks.

RE-SPLIT SAMPLING AND VISIBLE GOLD

Single metre re-split sampling of intervals greater than 100ppb Au from the recent aircore drilling programme at the Hornet Prospect has been conducted, with results now returned. Table 1 provides a full breakdown of the original intersection and it's re-split companion Fire Assay. The best of the returned intersections were **2m @ 3.0g/t Au** from 50-52m within hole HOAC012 which included **1m @ 5.3g/t Au** from 51-52m and **7m @ 1.4g/t Au** from 40-47m within hole HOAC032 which included **3m @ 2.8g/t Au** from 42-45m (refer figures 4, 5 and 6). Most significantly, both these mineralised intervals are at the end of the drillhole.

These results, along with geological observations made at the time of re-sampling, confirm that the bottom of hole intersections, for example those in HOAC012 and HOAC032, are from primary bedrock (field observations indicate these are biotite altered gneiss and granitoids). In addition, a gold panning exercise conducted in the field on an approximate 2kg sub-sample from the intervals from HOAC012 and HOAC032, produced several dozen small gold pieces (less than 0.5mm in diameter).

The fact that free gold was present in these samples provides DCX with further confidence that these intervals are primary in nature and that the mineralisation is potentially amenable to conventional gold processing methods. This will be confirmed with further laboratory testing utilising a cyanide leach assay method.

SIMILAR EXPLORATION HISTORY TO THE > 7MOZ TROPICANA DEPOSIT EMERGING

The World Class Tropicana Deposit discovered in the early 2000's through a joint venture between Independence Group (IGO, ASX:IGO) and AngloGold Ashanti (Anglo, ASX:AGO) provides a prime example of a discovery history that began with a historic, low tenor soil anomaly in a new region, followed by systematic, step by step exploration.

Figure 1 below, has been adapted from an early ASX announcement made by IGO (refer IGO ASX announcement 11 June 2003) overlaid with the original Western Mining Corporation (WMC) soil data (sourced from Dept. of Mines, Industry Regulation and Safety open file report – A56210). The figure demonstrates what early stage exploration intersections look like and why DCX believes the Hornet Prospect has so much potential. It was not until over 2 years later that IGO released the results from a diamond drilling programme (refer IGO ASX announcement 18 August 2005) that truly showed the scale of what would ultimately become one of the great discoveries of the 2000's and now produces over 500,000 ounces of gold per annum (sourced from AngloGold Ashanti Annual Report 2019).

The initial AC/RAB drilling at Tropicana displayed many of the same attributes, at a similar scale and tenor to those that DCX is uncovering at Hornet. The original WMC soil sampling was conducted in a similar regolith to that at Hornet and displayed similar tenor to the original Hornet soil anomaly.

For comparison purposes, DCX's Hornet Prospect drilling and soil sampling results to date, are presented at a similar scale in figure 2. The comparison in exploration history here is clear with both the soil and drilling results clearly demonstrating the potential at Hornet.

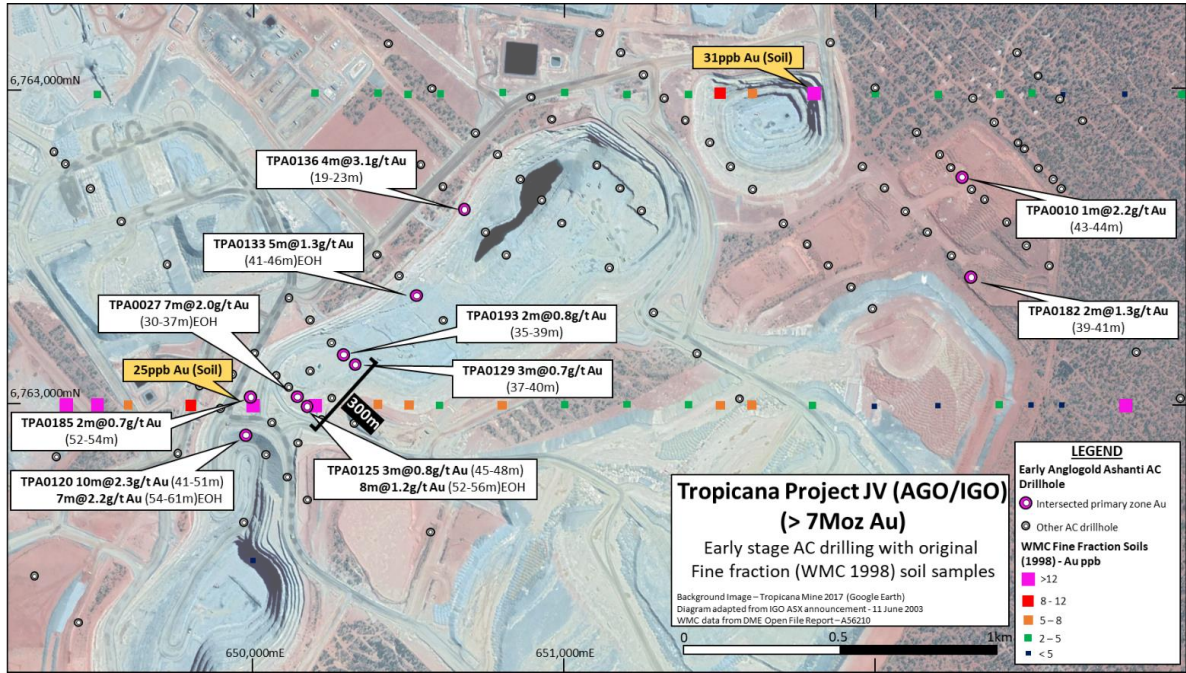


Figure 1: Tropicana Deposit showing early stage AC drilling with the original WMC fine fraction soil sampling.

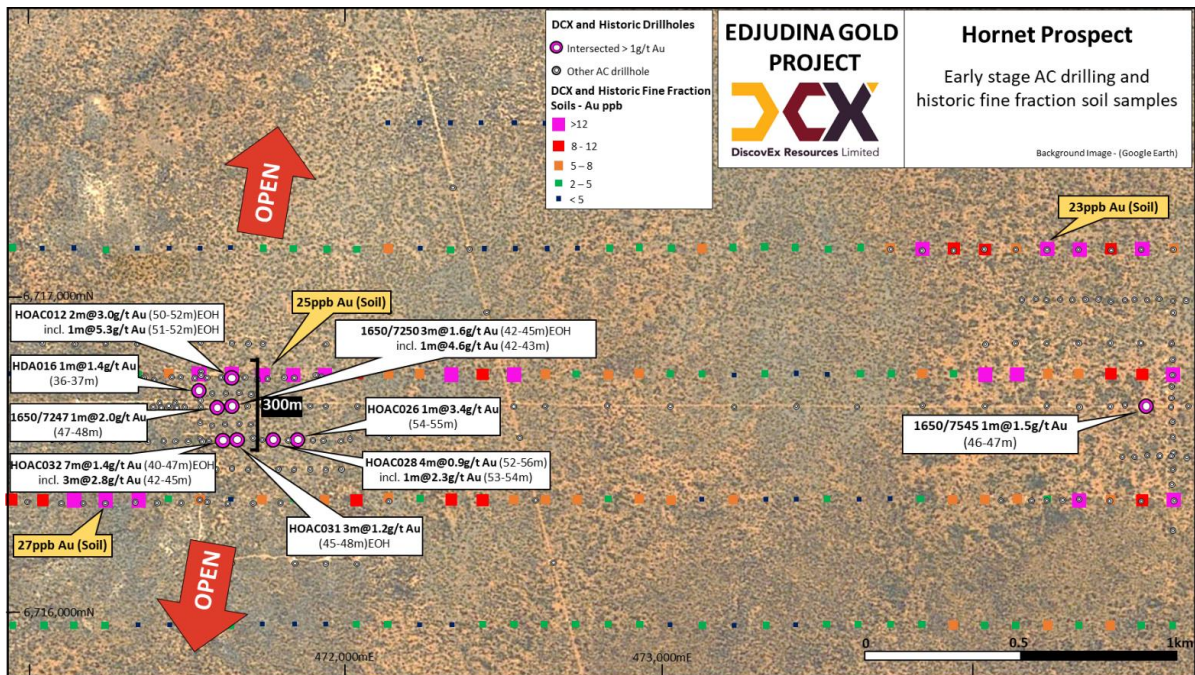


Figure 2: Hornet Prospect showing early stage AC drilling with the historic fine fraction soil sampling.

FUTURE WORK PROGRAMMES

An additional aircore drilling programme has now been planned to test for extensions, both north and south of the significant mineralisation already defined at Hornet. Drilling is anticipated to commence in the coming weeks once ground preparations are complete and a drill rig becomes available.

Deeper RC drill testing is anticipated following the upcoming aircore programme.

An application has also been submitted, for a diamond drill-hole, as part of the EIS co-funded exploration drilling scheme run by the Western Australian Dept. of Mines, Industry Regulation and Safety. This funding, should it be awarded, would assist DCX in testing deeper into the Hornet Prospect and attain valuable geological information that will assist future exploration.

Results from a recently completed soil programme designed to test if extensions to the north and south of Hornet are detectable in fine fraction soils are awaited. It is hoped that this sampling will provide DCX with a simple and cheap method of future target generation.

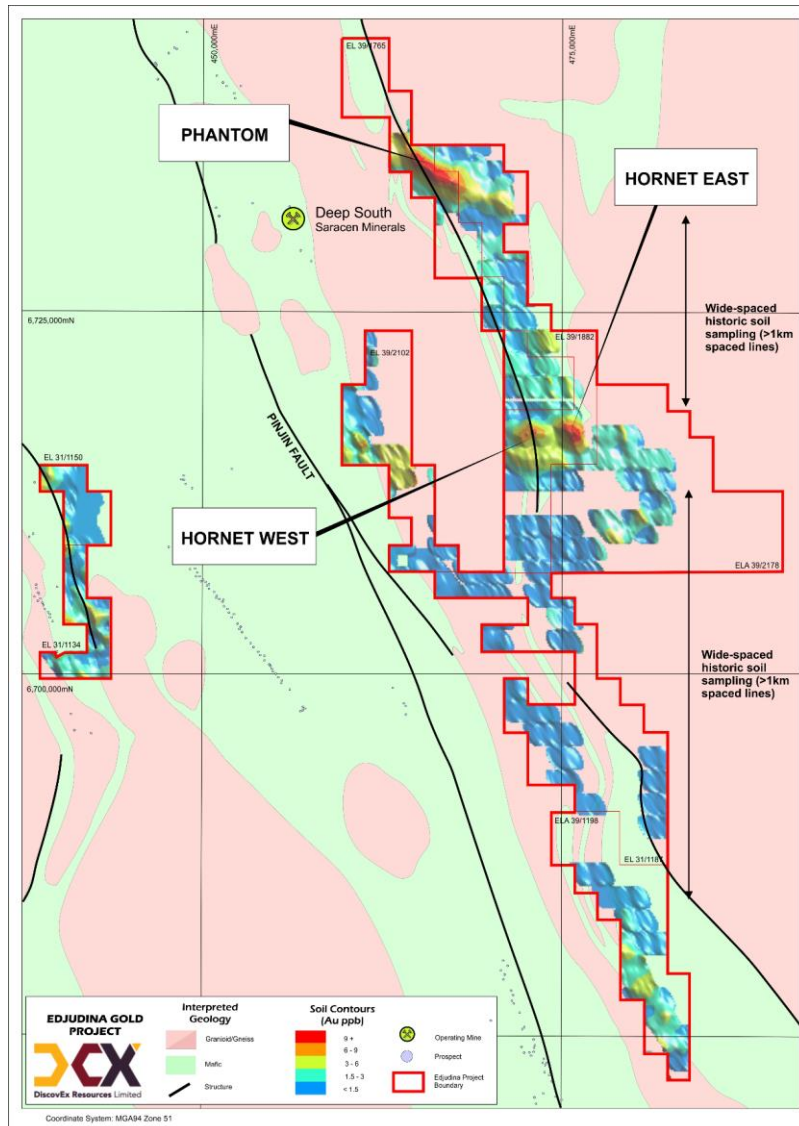


Figure 3: Edjudina Project showing contoured soils

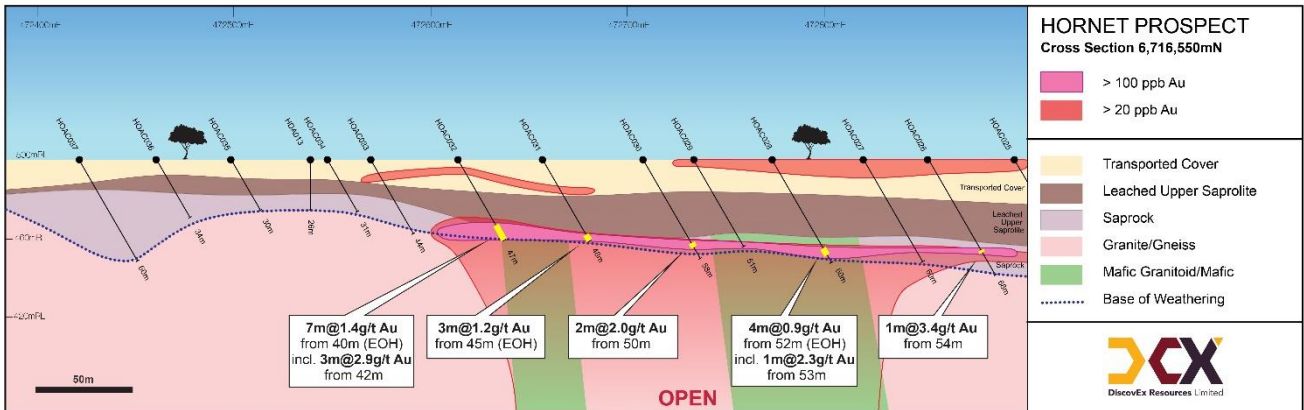


Figure 4: Hornet West section 6,716,550mN

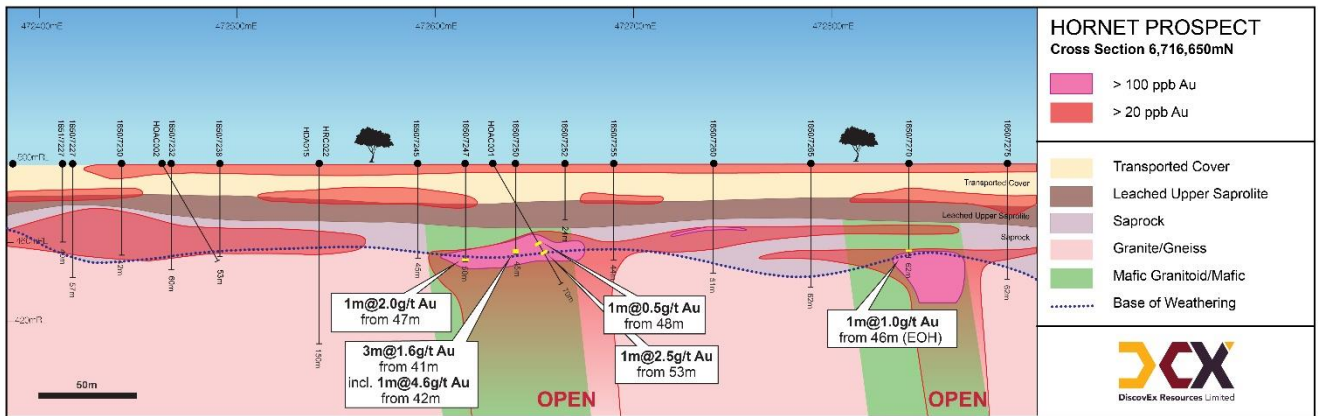


Figure 5: Hornet West section 6,716,650mN

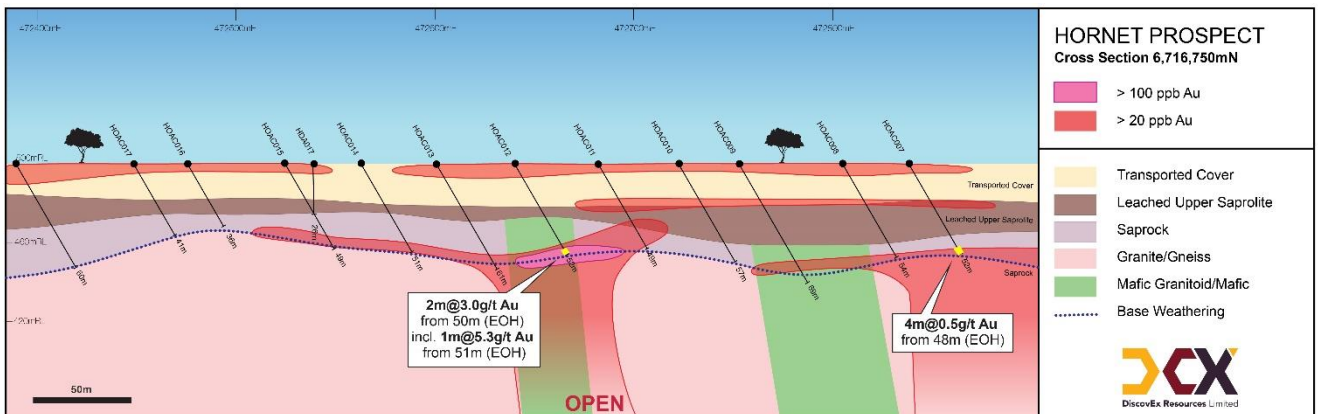


Figure 6: Hornet West section 6,716,750mN



Competent Person's Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Toby Wellman who is a Member of The Australasian Institute of Mining and Metallurgy (MAAusIMM) and who has sufficient experience 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 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Wellman is the Executive Technical Director and Exploration Manager of DiscovEx Resources Limited and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

Authorised for release by and investor enquiries to:

Mr Bradley Drabsch
Managing Director
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Table 1: Significant drill intersections (>0.1g/t Au) from both the Hornet West and Hornet East Prospects

| Hole_ID | Northing | Easting | mRL | Dip | Azi | Hole Depth | From | To | Interval | Comments |
|---------|----------|---------|-----|-----|-----|------------------|-----------|-----------|------------------------|-------------|
| HOAC001 | 6716663 | 472627 | 500 | -60 | 90 | 70 | 48 | 56 | 8m @ 0.6g/t Au | |
| | | | | | | | 48 | 49 | 1m @ 0.5g/t Au* | |
| | | | | | | | 53 | 54 | 1m @ 2.5g/t Au* | |
| HOAC007 | 6716749 | 472837 | 500 | -60 | 90 | 52 | 48 | 52 | 4m @ 0.5g/t Au | End of hole |
| | | | | | | | 48 | 52 | 4m @ 0.5g/t Au* | End of hole |
| HOAC010 | 6716746 | 472721 | 500 | -60 | 90 | 58 | 0 | 4 | 4m @ 0.1g/t Au | |
| HOAC011 | 6716750 | 472681 | 500 | -60 | 90 | 49 | 36 | 40 | 4m @ 0.2g/t Au | |
| | | | | | | | 36 | 37 | 1m @ 0.1g/t Au* | |
| | | | | | | | 44 | 45 | 1m @ 0.1g/t Au* | |
| HOAC012 | 6716748 | 472639 | 500 | -60 | 90 | 52 | 48 | 52 | 4m @ 1.7g/t Au | End of hole |
| | | | | | | | 50 | 52 | 2m @ 3.0g/t Au* | End of hole |
| | | | | | | <i>including</i> | 51 | 52 | 1m @ 5.3g/t Au* | End of hole |
| HOAC026 | 6716551 | 472852 | 500 | -60 | 90 | 68 | 52 | 56 | 4m @ 1.1g/t Au | |
| | | | | | | | 54 | 55 | 1m @ 3.4g/t Au* | |
| HOAC028 | 6716549 | 472773 | 500 | -60 | 90 | 60 | 52 | 56 | 4m @ 1.2g/t Au | |
| | | | | | | | 52 | 56 | 4m @ 0.9g/t Au* | |
| | | | | | | <i>including</i> | 53 | 54 | 1m @ 2.3g/t Au* | |
| HOAC029 | 6716549 | 472733 | 500 | -60 | 90 | 51 | 48 | 50 | 2m @ 0.2g/t Au | |
| | | | | | | | 48 | 50 | 2m @ 0.1g/t Au* | |
| HOAC030 | 6716554 | 472707 | 500 | -60 | 90 | 58 | 48 | 52 | 4m @ 0.9g/t Au | |
| | | | | | | | 50 | 52 | 2m @ 2.0g/t Au* | |
| HOAC031 | 6716549 | 472656 | 500 | -60 | 90 | 48 | 44 | 48 | 4m @ 0.8g/t Au | End of hole |
| | | | | | | | 45 | 48 | 3m @ 1.2g/t Au* | End of hole |
| | | | | | | <i>including</i> | 47 | 48 | 1m @ 1.1g/t Au* | End of hole |
| HOAC032 | 6716549 | 472613 | 500 | -60 | 90 | 47 | 40 | 47 | 7m @ 1.8g/t Au | End of hole |
| | | | | | | <i>including</i> | 44 | 46 | 2m @ 2.9g/t Au | |
| | | | | | | | 40 | 47 | 7m @ 1.4g/t Au* | End of hole |
| | | | | | | <i>including</i> | 42 | 45 | 3m @ 2.8g/t Au* | |
| HOAC038 | 6716548 | 472372 | 500 | -60 | 90 | 34 | 33 | 34 | 1m @ 0.1g/t Au* | End of hole |
| HOAC039 | 6716551 | 472342 | 500 | -60 | 90 | 44 | 36 | 40 | 4m @ 0.1g/t Au | |
| | | | | | | | 36 | 37 | 1m @ 0.3g/t Au* | |
| HOAC040 | 6716552 | 472296 | 500 | -60 | 90 | 60 | 36 | 44 | 8m @ 0.2g/t Au | |
| | | | | | | | 39 | 44 | 5m @ 0.2g/t Au* | |
| HOAC041 | 6716548 | 472261 | 500 | -60 | 90 | 60 | 36 | 40 | 4m @ 0.2g/t Au | |
| | | | | | | | 38 | 39 | 1m @ 0.1g/t Au* | |
| HOAC057 | 6716353 | 471910 | 500 | -60 | 90 | 37 | 36 | 37 | 1m @ 0.1g/t Au* | End of hole |
| HOAC062 | 6716699 | 472618 | 500 | -60 | 270 | 52 | 48 | 52 | 4m @ 0.3g/t Au | End of hole |
| | | | | | | | 49 | 51 | 2m @ 0.5g/t Au* | |
| HOAC063 | 6716700 | 472661 | 500 | -60 | 270 | 65 | 48 | 52 | 4m @ 0.3g/t Au | |
| | | | | | | | 51 | 53 | 2m @ 0.6g/t Au* | |
| | | | | | | | 56 | 58 | 2m @ 0.2g/t Au* | |

| Hole_ID | Northing | Easting | mRL | Dip | Azi | Hole Depth | From | To | Interval | Comments |
|---|----------|---------|-----|-----|-----|------------|------|----|------------------------|-------------|
| HOAC064 | 6716700 | 472700 | 500 | -60 | 270 | 59 | 44 | 52 | 8m @ 0.2g/t Au | |
| | | | | | | | 45 | 48 | 3m @ 0.4g/t Au* | |
| | | | | | | | 50 | 51 | 1m @ 0.3g/t Au* | |
| | | | | | | | 57 | 58 | 1m @ 0.2g/t Au* | |
| HOAC069 | 6716998 | 475319 | 500 | -60 | 270 | 60 | 24 | 32 | 8m @ 0.1g/t Au | |
| HOAC077 | 6716996 | 475641 | 500 | -60 | 270 | 62 | 61 | 62 | 1m @ 0.2g/t Au* | End of hole |
| HOAC078 | 6716994 | 475681 | 500 | -60 | 270 | 63 | 60 | 63 | 3m @ 0.6g/t Au | End of hole |
| | | | | | | | 61 | 63 | 2m @ 0.7g/t Au* | End of hole |
| HOAC085 | 6716496 | 475681 | 500 | -60 | 270 | 58 | 24 | 28 | 4m @ 0.2g/t Au | |
| HOAC086 | 6716495 | 475722 | 500 | -60 | 270 | 60 | 24 | 28 | 4m @ 0.2g/t Au | |
| HOAC087 | 6716499 | 475755 | 500 | -60 | 270 | 72 | 24 | 28 | 4m @ 0.1g/t Au | |
| HOAC096 | 6716599 | 472618 | 500 | -60 | 270 | 44 | 32 | 43 | 11m @ 0.4g/t Au | |
| | | | | | | | 32 | 34 | 2m @ 1.4g/t Au* | |
| | | | | | | | 38 | 42 | 4m @ 0.6g/t Au* | |
| HOAC097 | 6716603 | 472662 | 500 | -60 | 270 | 54 | 36 | 53 | 11m @ 0.2g/t Au | |
| | | | | | | | 39 | 40 | 1m @ 0.3g/t Au* | |
| | | | | | | | 46 | 53 | 7m @ 0.4g/t Au* | |
| HOAC098 | 6716602 | 472701 | 500 | -60 | 270 | 55 | 48 | 55 | 7m @ 0.1g/t Au | End of hole |
| | | | | | | | 50 | 52 | 2m @ 0.2g/t Au* | |
| Coordinate system: MGA94_51 | | | | | | | | | | |
| * Denotes single metre Fire Assay results – Individual metres are re-sampled and re-assayed using a Fire Assay separately to obtain a more accurate and precise interval. | | | | | | | | | | |
| Significant intervals above 0.1g/t Au with maximum 2m of internal dilution. | | | | | | | | | | |

Table 2: Historic intersections from previous explorers

| Hole_ID | Northing | Easting | Hole Depth | mRL | Dip | Azimuth | From | To | Interval |
|-----------|----------|---------|------------------|-----|-----|---------|------|----|----------------|
| 1650/7247 | 472613 | 6716658 | 50 | 500 | -90 | 0 | 47 | 48 | 1m @ 2.0g/t Au |
| 1650/7250 | 472638 | 6716658 | 45 | 500 | -90 | 0 | 42 | 45 | 3m @ 1.6g/t Au |
| " | " | " | <i>Including</i> | " | " | " | 42 | 43 | 1m @ 4.6g/t Au |
| 1650/7545 | 475588 | 6716658 | 73 | 500 | -90 | 0 | 46 | 47 | 1m @ 1.5g/t Au |
| 1650/7550 | 475638 | 6716658 | 58 | 500 | -90 | 0 | 55 | 56 | 1m @ 0.6g/t Au |

Previously reported historical intercepts (refer ASX announcements dated 6 November 2019 & 14 April 2020).

APPENDIX 1 – JORC CODE 2012 EDITION TABLE 1

| Criteria | JORC Code explanation | |
|---|--|---|
| Section 1 - Sampling Techniques and Data | | |
| Sampling techniques | <p><i>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.</i></p> | <p><i>DCX aircore drilling:</i> 2kg - 3kg samples collected and laid out on 1m intervals. Samples taken via a scoop on 4m composite intervals.</p> <p>Cyclone/sampling equipment cleaned regularly during drilling</p> <p>Mineralisation determined qualitatively through rock type, sulphide and quartz content and intensity of alteration.</p> <p>Mineralisation determined quantitatively via assay (aqua-regia digest followed by ICP-MS for gold and four-acid digest for multi-element data). Single metre assaying was completed using a 50g fire assay.</p> <p>Samples pulverized to 75 µm</p> <p><i>Historical Drilling:</i> No recorded exploration was undertaken on the tenements before 1989. From the late 1980's a number of exploration companies held the ground including Aberfoyle Resources Ltd, Barranco Resources, Arimco Mining, Midas Resources Ltd, Gryphon Minerals Ltd and Omni Projects Pty Ltd. Works undertaken over the project area involved:</p> <ul style="list-style-type: none"> • 1km spaced soil sampling by Aberfoyle (1989) • Infill soil sampling by Arimco Mining (1998) • Vertical AC drilling by Arimco (1998) • Airborne Magnetics survey by Arimco. (1998) <p>AC drilling was sampled on a 4m composite basis with follow up 1m splits taken post drilling from composites that returned assays >0.1g/t Au. Downholes samples were analysed for gold and multi-element determinations via Aqua Regia digest and carbon rod finish. End of hole samples were assayed for Ag, As, Bi, Co, Cr, Cu, Fe, Mo, Mn, Ni, Sb, Pb, V and Zn Aqua Regia digest and carbon rod finish.</p> |
| | <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> | <p><i>DCX aircore Drilling:</i> The sample from the cyclone was collected in buckets and dumped into neat piles on the ground.</p> <p>A scoop was used to sample individual piles for the 4m composite. Care was taken to sample to industry standards.</p> <p><i>Historical Drilling:</i> No information exists on sample procedures other than the use of 4m composites being used.</p> |

| | | |
|------------------------------|--|---|
| | <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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 (eg submarine nodules) may warrant disclosure of detailed information.</i></p> | <p><i>DCX aircore Drilling:</i> The sample from the cyclone was collected in buckets and dumped into neat piles on the ground.</p> <p>A scoop was used to sample individual piles for the 4m composite. Care was taken to sample to industry standards.</p> <p><i>Historical Drilling:</i> No information exists on sample procedures other than the use of 4m composites being used.</p> |
| Drilling techniques | <p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i></p> | <p><i>DCX aircore Drilling:</i> Strike Drilling was used. The rig consisted of a T450 Schramm truck mounted AC/RC rig with 1000cfm x 430psi on board compressor.</p> <p><i>Historical Drilling:</i> No information exists on drill size for all previous AC drilling.</p> |
| Drill sample recovery | <p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> | <p><i>DCX aircore Drilling:</i> During the AC sample collection process, recoveries recorded at the time of logging and stored in company database.</p> <p><i>Historical Drilling:</i> No information exists on the recording and assessment of sample recovery in AC drilling.</p> |
| | <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> | <p><i>DCX aircore Drilling:</i> Cyclone is cleaned at the end of each hole to ensure minimal sample contamination.</p> <p>The majority of samples were of good quality with no ground water intersected.</p> <p><i>Historical Drilling:</i> No information exists on any measures taken to maximise sample recovery and ensure the representative nature, recording and assessment of sample recovery in AC drilling.</p> |
| | <p><i>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.</i></p> | <p><i>DCX aircore Drilling:</i> From the collection of recovery data, no identifiable bias exists.</p> <p><i>Historical Drilling:</i> No information exists to determine whether there is a preferential bias in grade.</p> |
| Logging | <p><i>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.</i></p> | <p><i>DCX aircore Drilling:</i> Holes logged to a level of detail to support future mineral resource estimation: lithology; alteration; mineralization; structural. Qualitative: lithology, alteration, foliation. Quantitative: vein percentage; mineralization (sulphide) percentage</p> <p><i>Historical Drilling:</i> All logging was completed by a Geologist using standard logging procedures and standard logging codes. This logging was developed to accurately reflect the geology of the area and mineralisation styles.</p> <p>Paper recorded logging has been reported for all historical drill holes and can be found in Wamex report number a55048.</p> |
| | <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> | <p><i>DCX aircore Drilling:</i> Data on rock type, deformation, colour, structure, alteration, veining, mineralisation and oxidation state were recorded.</p> |

| | | |
|---|---|--|
| | | <p>Logging is both qualitative and quantitative or semi quantitative in nature.</p> <p><i>Historical Drilling:</i> Logging is qualitative and quantitative in nature and captured downhole depth, colour, lithology, texture, alteration, sulphide type, sulphide percentage and structure.</p> |
| | <i>The total length and percentage of the relevant intersections logged.</i> | <p><i>DCX aircore Drilling:</i> All holes logged for the entire length of hole.</p> <p><i>Historical Drilling:</i> Most RC, RAB and AC holes and all Diamond drill holes are logged in full. Some historic RC, RAB and AC holes are available as hole trace only.</p> |
| Sub-sampling techniques and sample preparation | <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> | No core taken. |
| | <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> | <p><i>DCX aircore Drilling:</i> For AC drilling, whole samples for each metre were collected and placed onto the ground in rows of 10 or 20. Sampling was completed with a scoop. All samples were dry.</p> <p><i>Historical Drilling:</i> No information exists on the recording and assessment of sample recovery in AC drilling.</p> |
| | <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> | <p><i>DCX aircore Drilling:</i> 2-3kgs of sample was submitted to Minanalytical in Kalgoorlie for sample prep, then transported to Canning Vale for analysis. Samples were oven dried at 10 degrees Celsius then pulverized in LM5 mills to 85% passing 75micron.</p> <p><i>Historical Drilling:</i> Samples were sent to an Amdel Laboratories in Perth for sample preparation and analysis. Amdel follows industry best standards in sample preparation including: optimal drying of the sample, crushing and pulverisation of the entire sample to a grind size of 80% passing at either 106 or 75 microns.</p> |
| | <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> | <p><i>DCX aircore Drilling:</i> The QC procedure adopted through the process includes:</p> <ul style="list-style-type: none"> • Field duplicates were collected at a rate of 1:50, these were collected during AC drilling at the same time as the primary sample. • OREAS certified material (CRM) was inserted at a rate of 1:50, the grade ranges of the CRM's were selected based on grade populations. <p><i>Historical Drilling:</i> No information exists on QAQC procedures for all previous drilling.</p> |
| | <i>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.</i> | <p><i>DCX aircore Drilling:</i> Field duplicates were collected at a rate of 1:50, these were collected during AC drilling at the same time as the primary sample.</p> <p><i>Historical Drilling:</i> No information exists on QAQC procedures for all previous drilling.</p> |

| | | |
|---|--|--|
| | <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | The sample sizes are believed to be appropriate to correctly represent the style and thickness of gold mineralisation in the Laverton/Edjudina region. |
| Quality of assay data and laboratory tests | <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> | <i>DCX aircore Drilling:</i> Samples were submitted to Minanalytical in Kalgoorlie for sample prep, then transported to Canning Vale for analysis. All samples were analysed by a 25g aqua regia. The use of aqua regia for low level gold is considered suitable. Aqua regia is a partial digest. For all samples assayed above 4g/t Au, a 50g Fire Assay was completed. Fire assay are classified as total assays. All single metre samples were subject to a 50g fire assay. <i>Historical Drilling:</i> Samples were submitted to Amdel Laboratories in Perth for analysis. All samples were analysed by a 25g aqua regia. The use of aqua regia for low level gold is considered suitable. Aqua regia is a partial digest. |
| | <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc.</i> | No geophysical tools were used to determine any element concentrations used in the reported results. |
| | <i>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.</i> | <i>DCX aircore Drilling:</i> Field duplicates are collected at a rate of 1:50 with CRM's inserted at a rate of 1:50 also. The grade ranges of the CRM's were selected based on grade populations. <i>Historical Drilling:</i> No information exists on the nature of quality control procedures or sample bias. |
| Verification of sampling and assaying | <i>The verification of significant intersections by either independent or alternative company personnel.</i> | Drilling results are cross checked by company geologists and consulting geologists (OMNI GeoX Pty Ltd.) <i>Historical Drilling:</i> None undertaken for the historical drilling data. |
| | <i>The use of twinned holes.</i> | None undertaken for the recent or historical drilling. |
| | <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> | <i>DCX aircore Drilling:</i> Data is recorded digitally at the project within standard industry software with assay results received digitally also. All data is stored within a suitable database. <i>Historical Drilling:</i> Geological and sampling information was collected using a paper logging system for historical logs. Paper logs have been converted to electronic data storage. |
| | <i>Discuss any adjustment to assay data.</i> | None undertaken for all drilling data. |
| Location of data points | <i>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.</i> | <i>DCX aircore Drilling:</i> Drill hole location is recorded with a handheld Garmin GPS (+/- 3m). <i>Historical Drilling:</i> No information exists on the accuracy or quality of surveys used to locate any historical drill collars. |
| | <i>Specification of the grid system used.</i> | MGA94 zone 51. |

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| | <i>Quality and adequacy of topographic control.</i> | No information is available on the quality or adequacy of topographic control. |
| Data spacing and distribution | <i>Data spacing for reporting of Exploration Results.</i> | Refer to figures within text for data spacing. |
| | <i>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.</i> | AC drilling is considered first-pass in nature, with data spacing not relevant to a Mineral Resource Estimate. |
| | <i>Whether sample compositing has been applied.</i> | <i>DCX aircore drilling:</i> Samples taken on a 4m composite basis. Smaller composites taken at the end of hole where remaining samples are less than 4m. <i>Historical Drilling:</i> All samples were collected at either 0.5m, 1m or 4m sample intervals. No compositing was completed. |
| Orientation of data in relation to geological structure | <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> | <i>DCX aircore drilling:</i> Drill lines are orientated perpendicular to the interpreted strike of the mineralised structure although this is an initial interpretation based on magnetics data. <i>Historical Drilling:</i> Drill lines are orientated perpendicular to the interpreted strike of the mineralised structure. From the sampling to date no bias has been identified due to the orientation. |
| | <i>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.</i> | No bias is currently known. |
| Sample security | <i>The measures taken to ensure sample security.</i> | Calico samples are sealed into poly weave bags and cable tied. These are then transported to the laboratory in Kalgoorlie by company staff. <i>Historical Drilling:</i> No documentation of the sample security procedures is available for any of the historical information. |
| Audits or reviews | <i>The results of any audits or reviews of sampling techniques and data.</i> | Drilling results are cross checked by company geologists and validated in three-dimension through Micromine software. <i>Historical Drilling:</i> Program and results reviewed by company senior personnel. |

| Criteria | JORC Code explanation | |
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| Section 2 – Reporting of Exploration Results | | |
| Mineral tenement and land tenure status | <i>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.</i> | <p>Completed drilling was conducted within tenement E39/1882. DCX owns 80% of the tenement with the remaining 20% owned by Gateway Projects WA Pty Ltd.</p> <p>On E39/1882:</p> <ul style="list-style-type: none"> a 1.5% royalty on future production greater than 200,000oz of gold or equivalent. <p>The project is located on unallocated crown land.</p> |
| | <i>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.</i> | The tenements are in good standing and no known impediments exist. |
| Exploration done by other parties | <p><i>Acknowledgment and appraisal of exploration by other parties.</i></p> <p>All historical drilling is as reported in Section 1.</p> <ul style="list-style-type: none"> 1km spaced soil sampling by Aberfoyle (1989) Infill soil sampling by Arimco Mining (1998) Vertical AC drilling by Arimco (1998) Airborne Magnetics survey by Arimco. (1998) | |
| Geology | <p><i>Deposit type, geological setting and style of mineralisation.</i></p> <p>The Edjudina Project is located in the Eastern Goldfields portion of the Yilgarn Craton, more specifically, within the Kurnalpi Terrane of the eastern portion of the Norseman-Wiluna Greenstone Belt.</p> <p>The Archaean rocks in the area consists of supracrustal sequences, comprising metamorphosed sedimentary and volcanic rocks in greenstone belts of lower greenschist to mid-upper amphibolite facies adjacent to regional granitoid and migmatitic gneisses. The area is almost entirely covered by transported material consisting of colluvium, subordinate laterite, alluvium, dunes and playas lake clays. The greenstone and granitoids are dominated by north–north westerly trending folds, and parallel fault zones that commonly mark apparent truncations of the lithostatigraphy.</p> | |
| Drill hole Information | <i>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:</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. |
| | <i>Easting and northing of the drill hole collar</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. |
| | <i>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. |
| | <i>Dip and azimuth of the hole</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. Holes HOAC001-060 were all drilled at -60° towards 90°. Holes HOAC061-098 were all drilled at -60° towards 270°. |
| | <i>Down hole length and interception depth</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. |

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| | <i>Hole length.</i> | Refer to Tables 1 and 2 and Figures 2 to 6 within this Announcement. |
| | <i>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.</i> | As this program is a first pass aircore program, total depths of all holes does not detract from the understanding of the report. Average hole depth for Hornet West and Hornet East is 49m and 54m respectively. |
| Data aggregation methods | <i>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.</i> | Significant intervals reported were taken above 0.1g/t Au with a maximum 2m of internal dilution |
| | <i>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.</i> | The high grades in the exploration results have not been cut. Weighted averaging has been used when calculating intervals of differing sample lengths. |
| | <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | No metal equivalent values are used for reporting exploration results. |
| Relationship between mineralisation widths and intercept lengths | <i>These relationships are particularly important in the reporting of Exploration Results.</i> | No metal equivalent values are used for reporting exploration results. |
| | <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> | The geometry of the mineralisation is interpreted as striking north/south, however there is no information to suggest a dip of the mineralisation and is therefore not known at this stage. |
| | <i>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').</i> | The geometry of the mineralisation is interpreted as striking north/south, however there is no information to suggest a dip of the mineralisation and is therefore not known at this stage. |
| Diagrams | <i>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.</i> | Refer to figures 2 to 6 within this Announcement. |
| Balanced reporting | <i>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.</i> | Maximum Au plots can be shown in Figures 2 to 6 and include all available drill information. |
| Other substantive exploration data | <i>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.</i> | The announcement was compiled through the use of publicly available data including aeromagnetics and drill information. |
| Further work | <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> | Additional exploration activities are planned to take place in 2020, inclusive of soil sampling, ac drilling and RC drilling. |
| | <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | Refer to figures 2 to 6 within this Announcement. |