



Middle Island RESOURCES LIMITED

Middle Island Resources Ltd
ACN 142 361 608
ASX code: MDI
www.middleisland.com.au

Capital Structure:

2,132 million ordinary shares
1,100 million unlisted options

Cash & Investments:

\$5.17m (as at 25 May 2020)
No debt

Directors & Management:

Peter Thomas
Non-Executive Chairman
Rick Yeates
Managing Director
Beau Nicholls
Non-Executive Director
Brad Marwood
Non-Executive Director
Dennis Wilkins
Company Secretary

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ASX Release – 29 May 2020

Fifth new gold deposit ends first 2020 drill campaign at WA's Sandstone project

- A fifth new BIF-hosted satellite gold deposit has been identified in final results from this year's initial 2020 13,400m Phase 1 RC drilling program at the Company's 100%-owned Sandstone gold project in central WA.
- The highly successful Phase 1 drilling will result in a significantly expanded Phase 2 program at Sandstone, scheduled to commence next week.
- The latest new deposit – the fifth from the 2020 program - was identified at Sandstone's Ridge prospect, via geological mapping and a reassessment of previous drilling, with shallow dipping mineralisation defined over a 225m strike length, including intercepts of **13m at 3.81g/t, 8m at 4.14g/t, 5m at 3.81g/t, 9m at 2.21g/t and 3m at 8.77g/t Au.**
- Following re-interpretation of airborne magnetic data, a significant undrilled exploration target has been identified over a 1.15km strike length of the highly mineralised Shillington BIF package between the Shillington deposit and Ridge prospect.
- The southern-most RC drill hole at Shillington includes an intercept of **3m at 6.86g/t Au**, while the northern-most RC drill hole at the Ridge Prospect includes an intercept of **3m at 8.77g/t Au**, both of which remain completely open and undrilled beneath cover to the southeast and northwest respectively.
- Other infill and extension drilling results returned from the Shillington deposit include intercepts of **10m at 3.02g/t and 8m at 4.48g/t Au.**
- Infill drilling at Sandstone's Goat Farm deposit, highlighted by an intercept of **10m at 1.73g/t Au**, confirms a southern extension that should permit a 2004 JORC Mineral Resource upgrade to JORC 2012 status.
- Geological mapping and outstanding drilling results derived from the cluster of new BIF-hosted deposits comprising McClaren, McIntyre and Ridge, now possibly linking to Shillington, provide context for significant resource potential that will be addressed in the imminent Phase 2 RC and diamond drilling programs.



SANDSTONE GOLD PROJECT (WA)

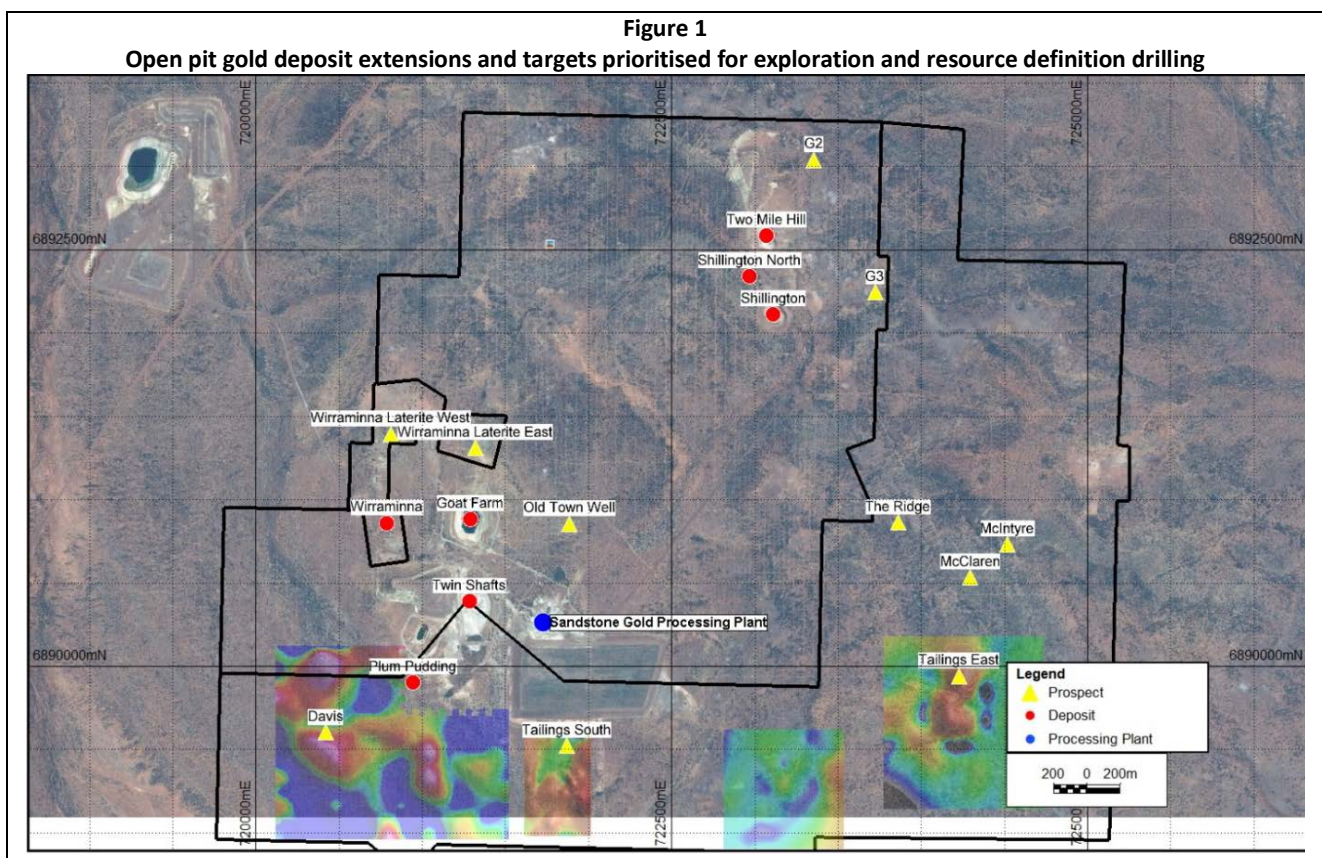
Explorer and aspiring gold developer, Middle Island Resources Limited (**Middle Island, MDI or the Company**) is pleased to announce the final tranche of results from the Company’s recently completed 13,400m, Phase 1, reverse circulation (RC) drilling program. The Phase 1 RC drilling represents the second of four planned programs that collectively comprise a campaign totalling at least 17,300m of exploration and resource definition drilling at the Company’s 100%-owned Sandstone gold project in the central goldfields of Western Australia.

The Phase 1 RC program, exclusively focussed on open pit targets at Sandstone, has tested some 14 gold deposits and prospects (Figure 1), all within 4km of the Company’s 100%-owned gold processing plant and the majority on permitted Mining Leases.

In the case of existing deposits, **drilling is designed to variously extend Mineral Resources, reclassify Mineral Resources from Inferred to Indicated status, and/or upgrade JORC Code 2004 Mineral Resources to JORC Code 2012 compliance.** These comprise the Two Mile Hill, Shillington, Wirraminna, Goat Farm, Twin Shafts and Plum Pudding deposits.

The additional eight prospects assessed by Phase 1 RC drilling represent those which have had little or no drilling, but **represent targets selected on the basis of their interpreted potential to generate open pit gold Mineral Resources.** These targets variously include the Ridge, McIntyre, McClaren, Old Town Well, Wirraminna Laterite (East & West), Davis, Tailings (South & East) prospects, and the G2 & G3 gravity targets.

The various deposits and prospects assessed by the Phase 1 RC drilling are shown in Figure 1 below.





This announcement details 1m assay results derived from drilling at the Shillington deposit (13 holes; 1,440m), Goat Farm deposit (21 holes; 1,275m), Ridge prospect (4 holes; 342m), and 4m composite assay results from the G2 and G3 gravity targets (7 holes; 876m), representing the final assay results derived from the 13,400m (172 hole) Phase 1 RC drilling program.

All material drill intercepts, based on 1m individual samples for the Shillington, Ridge and Goat Farm deposits are reported at a notional open pit cut-off grade of 0.6g/t Au and other parameters (Table 1). All results are based on 50g fire assay analyses completed by Intertek Laboratories in Perth. The exploration results have been prepared and reported in accordance with the JORC Code 2012.

Table 1
Significant RC drilling Intercepts

Prospect	Hole ID	East	North	RL	Dip	Azimuth	Hole Depth (m)	Depth From (m)	Depth To (m)	Thickness (m)	Grade (g/t Au)
Shillington	MSRC312	723024.82	6892352.80	512.44	-59.90	243.01	126	64	70	6	1.64
Shillington	MSRC313	723154.95	6892334.40	516.14	-60.10	236.28	150	121	131	10	3.02
Shillington	MSRC313	723154.95	6892334.40	516.14	-60.10	236.28	150	137	140	3	1.21
Shillington	MSRC314	723089.39	6892295.82	512.56	-61.34	237.19	114	50	57	7	1.10
Shillington	MSRC314	723089.39	6892295.82	512.56	-61.34	237.19	114	62	70	8	1.19
Shillington	MSRC315	723163.28	6892289.94	514.43	-60.45	237.50	168	99	103	4	1.54
Shillington	MSRC316	723116.22	6892265.97	512.30	-60.48	235.56	120	45	53	8	4.48
Shillington	MSRC316	723116.22	6892265.97	512.30	-60.48	235.56	120	73	76	3	1.93
Shillington	MSRC316	723116.22	6892265.97	512.30	-60.48	235.56	120	83	90	7	2.29
Shillington	MSRC317	723128.39	6892193.96	510.49	-61.88	235.79	126	57	60	3	2.83
Shillington	MSRC317	723128.39	6892193.96	510.49	-61.88	235.79	126	68	72	4	1.00
Shillington	MSRC318	723174.04	6892176.65	510.81	-61.67	233.73	144	78	80	2	3.00
Shillington	MSRC319	723016.99	6892168.84	513.25	-59.60	236.37	42	21	25	4	3.42
Shillington	MSRC322	723266.56	6892021.16	508.08	-59.63	234.95	84	62	64	2	1.92
Shillington	MSRC322	723266.56	6892021.16	508.08	-59.63	234.95	84	67	70	3	6.86
Ridge	MKL002	723821.38	6890852.17	516.92	-60	246	51	40	45	5	0.83
Ridge	MKL003	723812.82	6890870.28	514.86	-60	246	51	6	12	6	1.97
Ridge	MKL004	723821.76	6890874.52	514.81	-60	246	51	7	16	9	2.21
Ridge	MKL005	723786.2	6890879.63	513.23	-60	246	47	0	10	10	1.05
Ridge	MKL009	723786.63	6890902.11	511.73	-60	246	51	16	20	4	1.97
Ridge	MKL012	723787.01	6890924.55	510.62	-60	246	51	18	21	3	8.78
Ridge	MKL017	723928.38	6890814.02	517	-60	246	51	24	37	13	3.81
Ridge	TRC567	723922.15	6890810.29	521.03	-60	243	60	7	15	8	1.65
Ridge	TRC569	723951.26	6890822.83	518.49	-60	243	96	66	71	5	1.64
Ridge	TRC570	723931.12	6890788.77	522.2	-60	243	82	59	67	8	4.14
Ridge	TRC572	723912.95	6890824.83	519.94	-60	243	44	12	15	3	5.59
Ridge	TRC572	723912.95	6890824.83	519.94	-60	243	44	26	32	6	2.34
Ridge	TRC573	723930.47	6890833.04	518.52	-60	243	84	63	66	3	3.82
Ridge	TRC641	723888.23	6890861.91	517.01	-60	243	66	21	26	5	1.02
Ridge	TRC645	723892.94	6890842.1	518.59	-60	243	66	1	5	4	3.70
Goat Farm	MSRC379	721275.96	6890580.95	495.34	-60.90	91.80	72	14	18	4	1.04
Goat Farm	MSRC379	721275.96	6890580.95	495.34	-60.90	91.80	72	41	43	2	0.87



Table 1
Significant RC drilling Intercepts

Prospect	Hole ID	East	North	RL	Dip	Azimuth	Hole Depth (m)	Depth From (m)	Depth To (m)	Thickness (m)	Grade (g/t Au)
Goat Farm	MSRC380	721297.89	6890517.64	494.13	-60.87	91.70	102	39	44	5	1.49
Goat Farm	MSRC381	721276.96	6890516.61	494.12	-60.85	88.31	96	37	39	2	1.48
Goat Farm	MSRC384	721274.97	6890666.60	495.43	-61.36	85.44	72	9	13	4	1.05
Goat Farm	MSRC384	721274.97	6890666.60	495.43	-61.36	85.44	72	60	62	2	1.54
Goat Farm	MSRC386	721257.78	6890685.96	495.37	-61.18	87.56	60	26	28	2	1.31
Goat Farm	MSRC387	721256.32	6890702.45	495.72	-61.93	86.04	72	58	68	10	1.73
Goat Farm	MSRC390	721348.03	6890617.44	494.73	-60.59	97.44	36	0	4	4	0.72
Goat Farm	MSRC392	721244.46	6890705.02	495.85	-51.62	81.69	72	60	63	3	1.57
Goat Farm	MSRC394	721230.44	6890718.93	495.88	-52.40	85.34	102	36	38	2	1.17
Goat Farm	MSRC394	721230.44	6890718.93	495.88	-52.40	85.34	102	42	44	2	0.66
Goat Farm	MSRC394	721230.44	6890718.93	495.88	-52.40	85.34	102	90	92	2	0.91
Goat Farm	MSRC447	721286.89	6891024.76	499.78	-49.90	87.07	42	35	40	5	1.14

Note: Calculated at a 0.6g/t Au lower cut-off grade, a minimum intercept length of 2m and a maximum of 2m of included waste. Grid MGA94_50.

Shillington Deposit

RC drilling at the Shillington/Shillington North open pit deposit is primarily designed to extend and/or provide further confidence in the existing 2012 JORC Indicated and Inferred Mineral Resources. Several holes were targeted on the area between the Shillington and Shillington North deposits in order to establish a sufficiently mineralised link to combine the two into a single open pit. Together with a higher gold price, and subject to updating the resource estimate and completing pit re-optimisation, the program may well have successfully achieved this objective, with better intercepts of **10m at 3.02g/t** (from 121m in MSRC313), **8m at 4.48g/t** and **7m at 2.29g/t** (from 45m & 83m respectively in MSRC316) and **4m at 3.32g/t Au** (from 21m in MSRC319). A solitary RC hole was also completed on a new section to the south of the Shillington deposit, returning new intercepts of **2m at 1.92g/t** and **3m at 6.86g/t Au** (from 62m and 67m respectively in MSRC322).

The results suggest that modest Mineral Resource upgrades and/or additions may be expected between and peripheral to the deposits, and further drilling in Phase 2 will be required at the southern extremity of the Shillington deposit to confirm a resource extension to the south.

The new Shillington results are shown in plan (Figure 2) and sections (Figure 3 to Figure 9) below.



Figure 2
Plan view of the Shillington gold deposits showing new RC drilling results



Figure 3
Cross-Section A – Shillington gold deposits, showing new RC drilling results

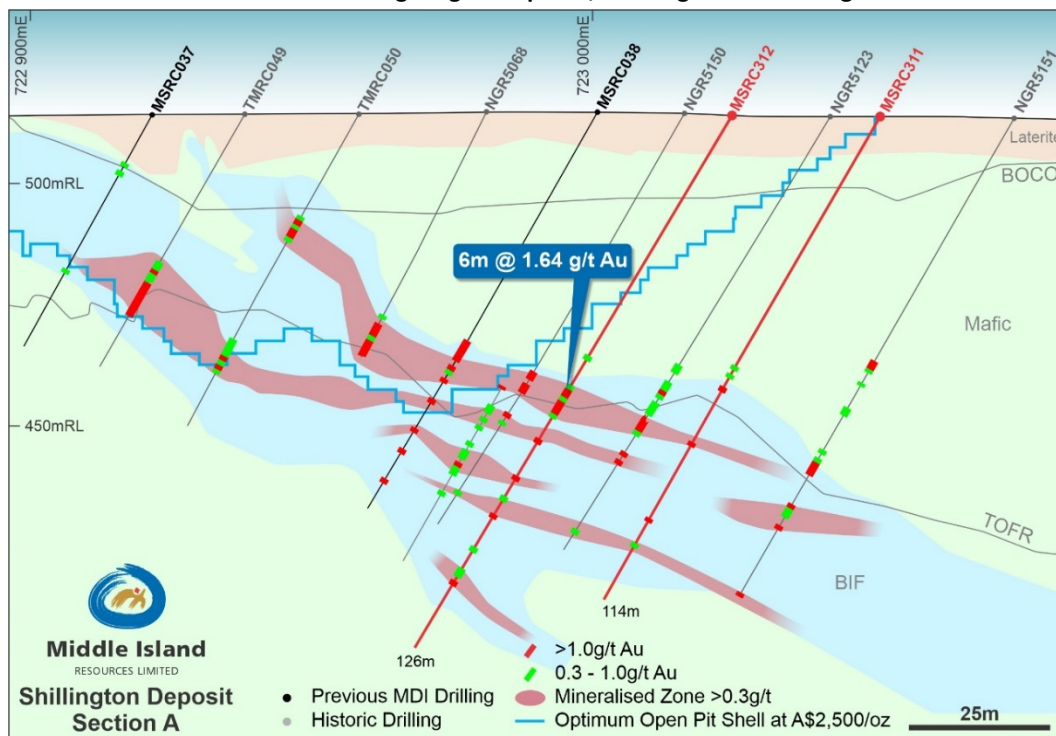




Figure 4

Cross-Section B – Shillington gold deposits, showing new RC drilling results

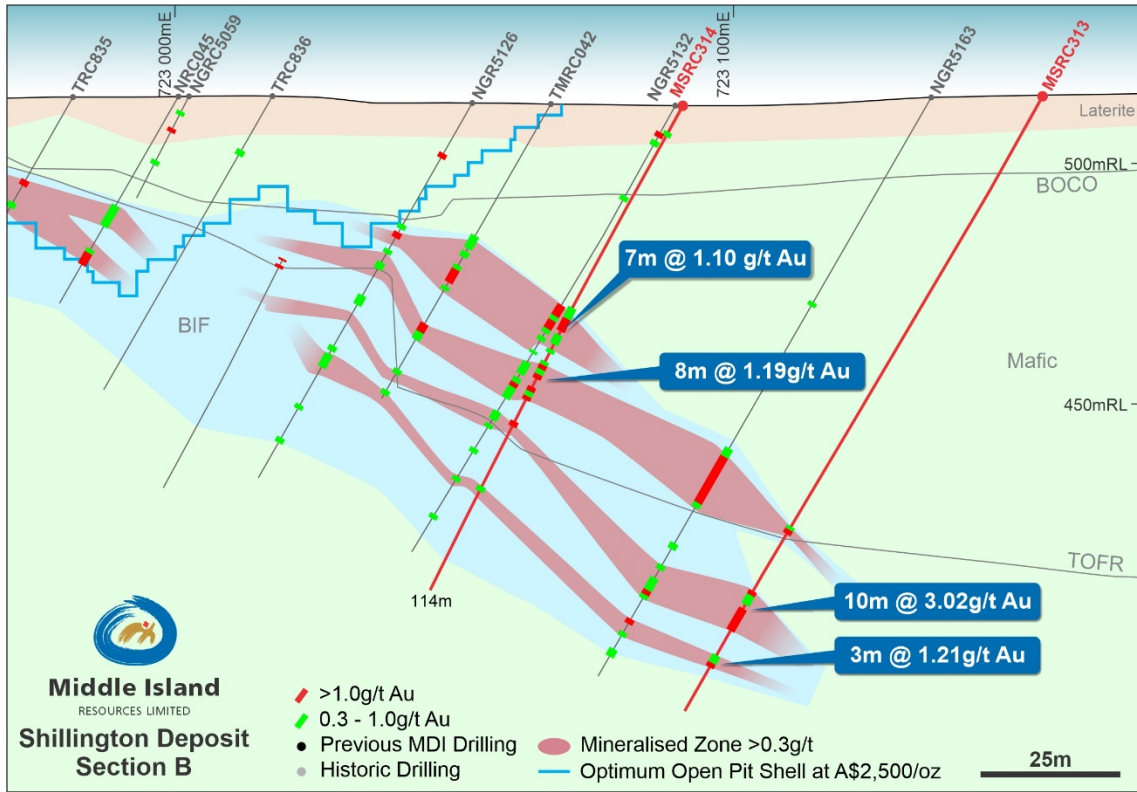


Figure 5

Cross-Section C – Shillington gold deposits, showing new RC drilling results

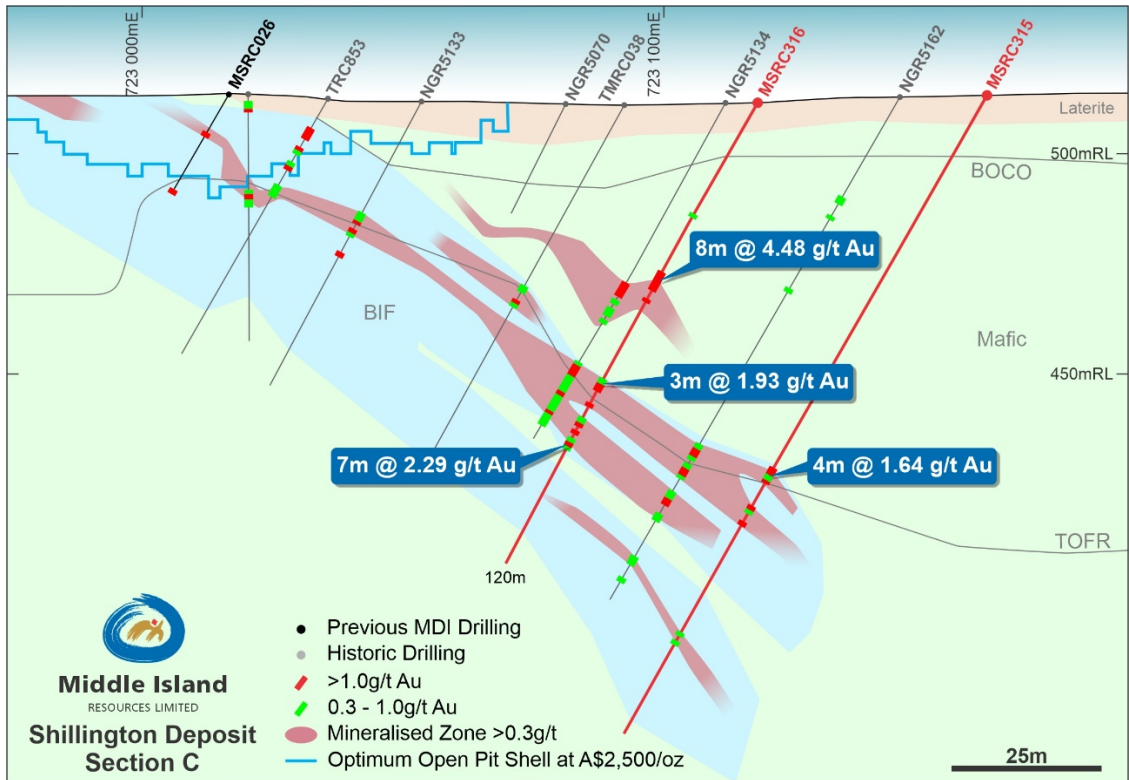




Figure 6
Cross-Section D – Shillington gold deposits, showing new RC drilling results

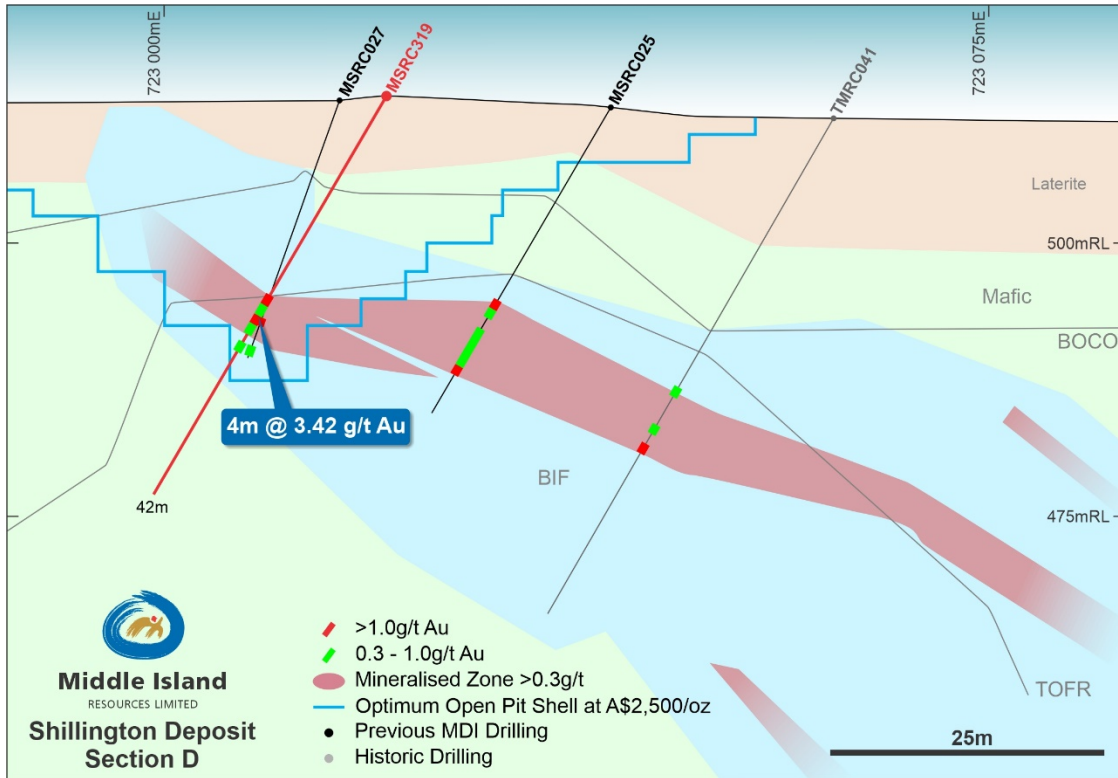


Figure 7
Cross-Section E – Shillington gold deposits, showing new RC drilling results

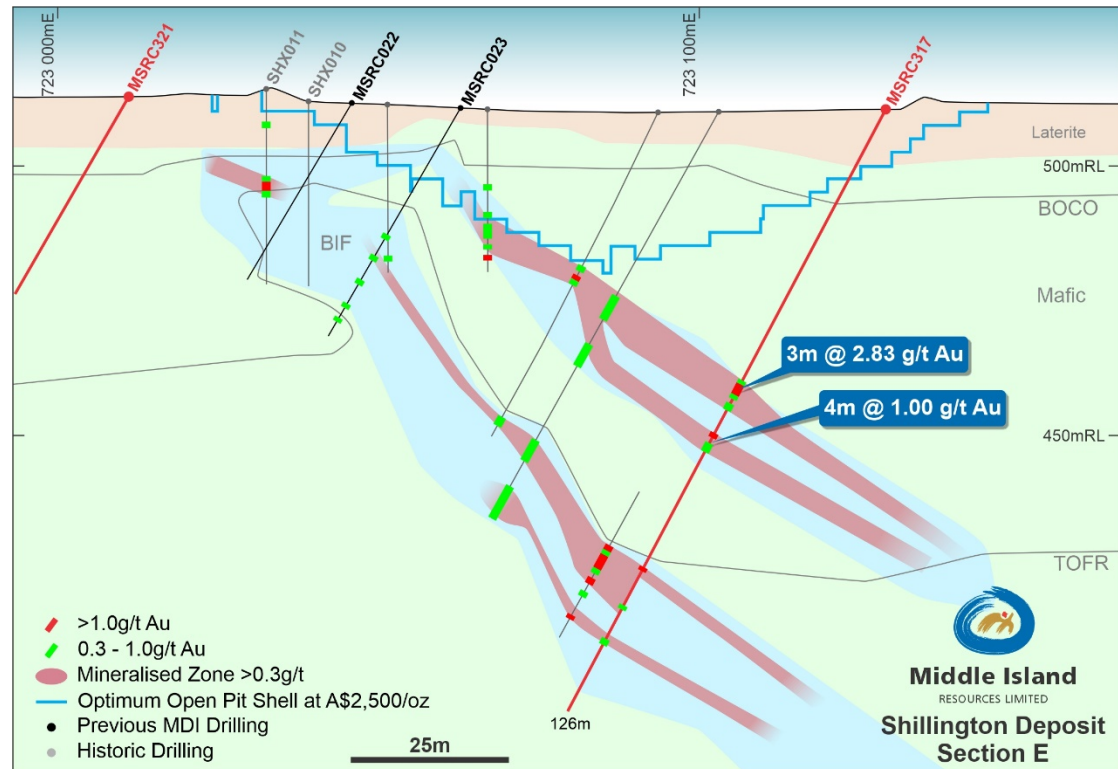




Figure 8
Cross-Section F – Shillington gold deposits, showing new RC drilling results

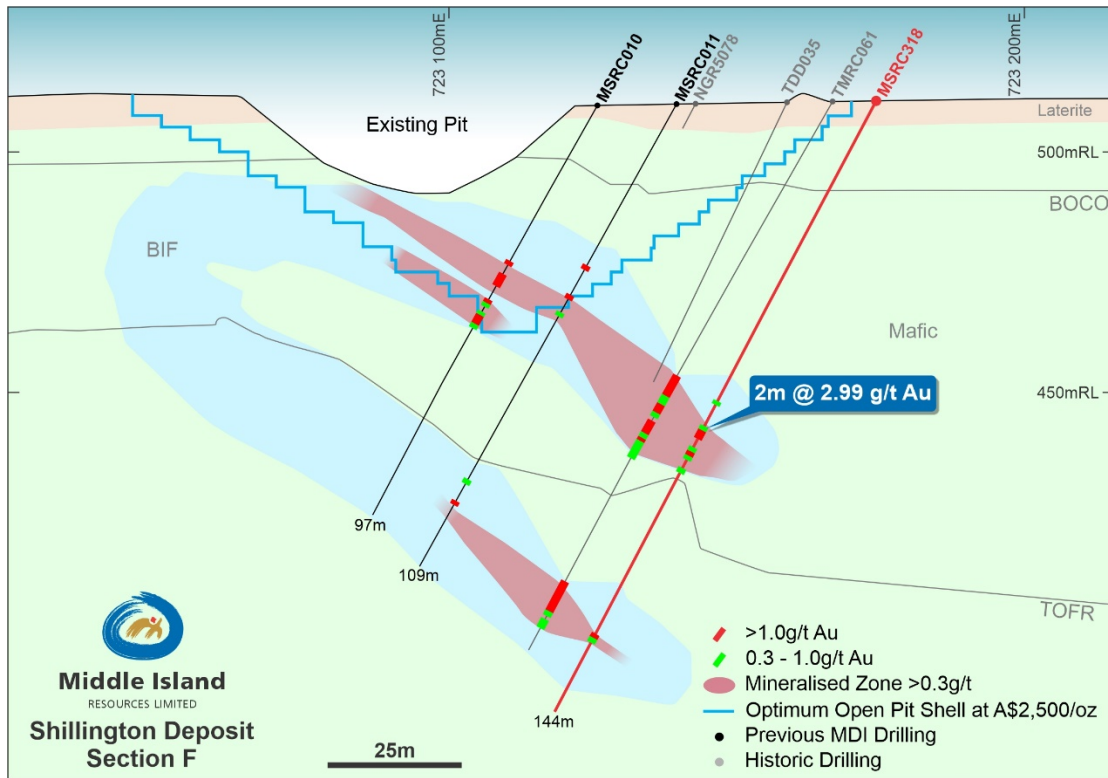
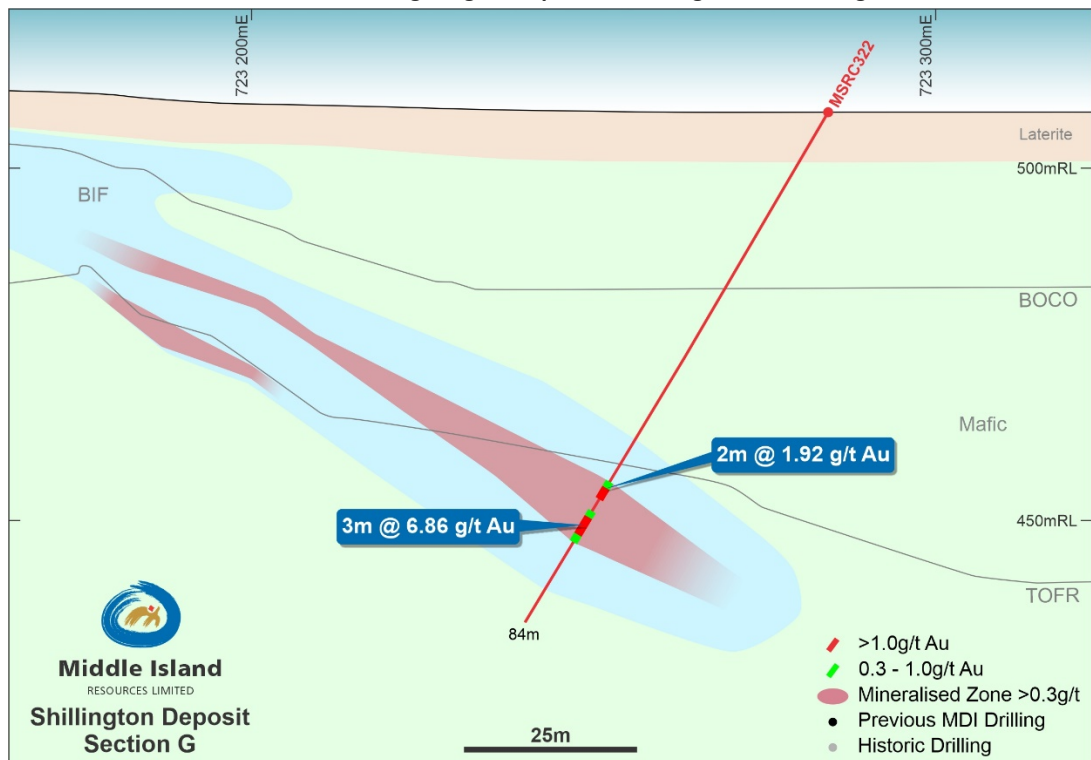


Figure 9
Cross-Section G – Shillington gold deposits, showing new RC drilling results





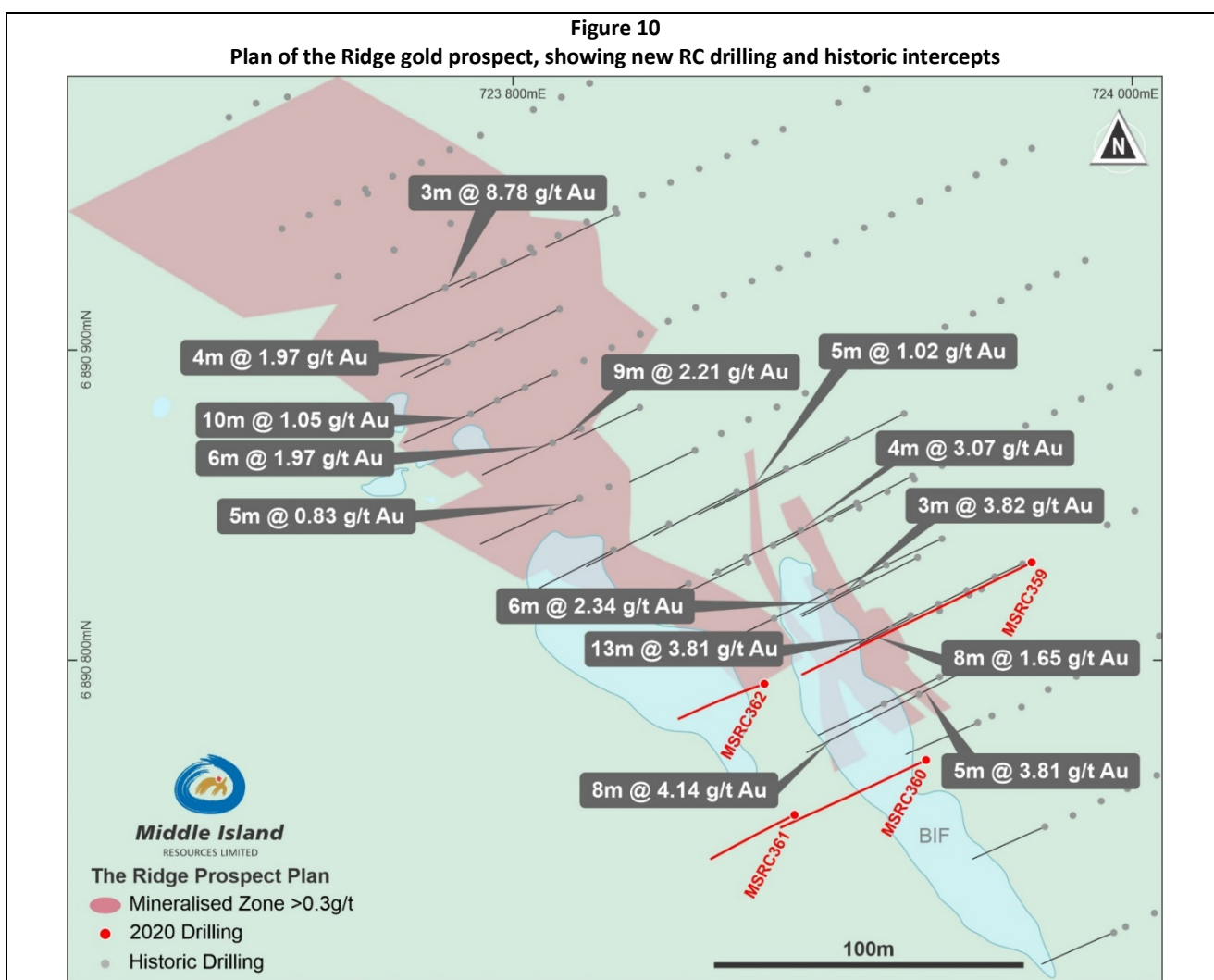
Ridge Prospect

Recent MDI mapping, a geophysical review and reassessment of drilling results has identified mineralised BIF and metasediments at **the Ridge prospect**, including historic intercepts of **13m at 3.81g/t, 8m at 4.14g/t, 5m at 3.81g/t, 9m at 2.21g/t** and **3m @ 8.77g/t Au**. **The Ridge prospect is consistently mineralisation over a 225m strike length, representing a fifth new deposit to be identified at the Sandstone gold project.**

Two traverses of Phase 1 RC drilling (4 holes; 342m) were completed at the southern extremity of the known gold mineralised trend in order to establish the continuity of gold mineralisation with the McClaren prospect to the southeast. However, no significant assay results were returned.

Prior RC drilling results are those generated by National Resources Exploration (MKL pre-fix) in 1986 and Troy Resources (TRC pre-fix) in 2007. While confidence in both generations of prior work is generally high, this drilling will require verification before incorporation into a formal resource estimate.

A plan of the Ridge prospect, showing recent and prior drilling, is provided as Figure 10 below.





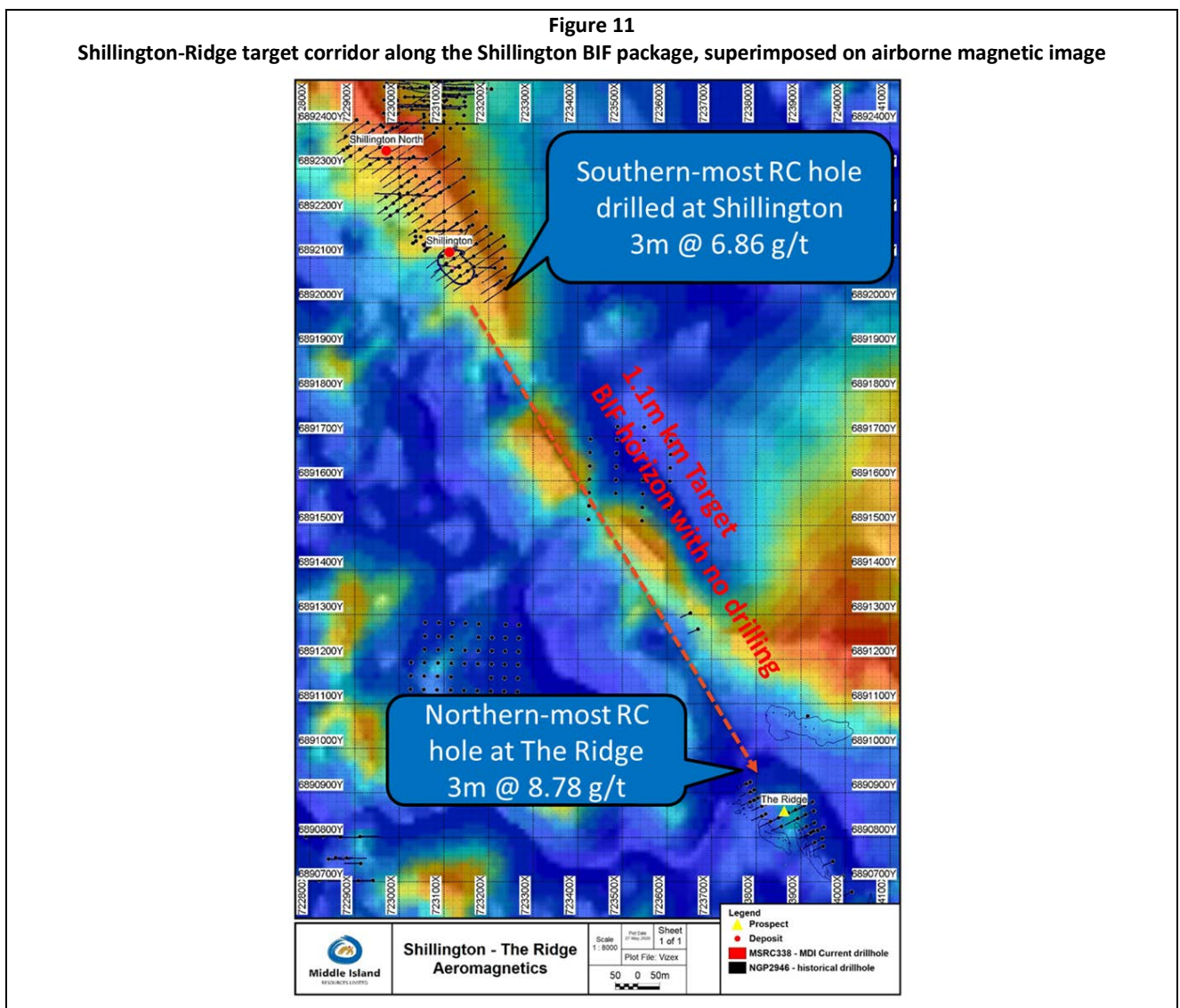
Recent drilling and mapping over the complex of proximal BIF-hosted deposits comprising McClaren, McIntyre and Ridge, together with a recent nugget find adjacent to McIntyre, strongly suggest that this area offers considerable resource potential, extensions to which will be investigated in what should prove an exciting Phase 2 RC drilling program.

Shillington - Ridge Target

Recent geological mapping, in conjunction with a review of previous drilling and airborne magnetic data, has identified a highly prospective 1.15km target horizon that extends beneath cover, to the northwest along the Shillington BIF package, from the northern-most RC drill hole at the Ridge Prospect (**3m at 8.77g/t Au**) to the southern-most RC drill hole at Shillington (**3m at 6.86g/t Au**). No recent or historic drilling has been completed along this entire target horizon, which is veneered by superficial transported cover.

Middle Island intends to commence testing of this target horizon via extensional drilling at both deposits in the Phase 2 program.

The relevant deposits and target corridor are superimposed on the imaged airborne magnetic data in Figure 11 below.



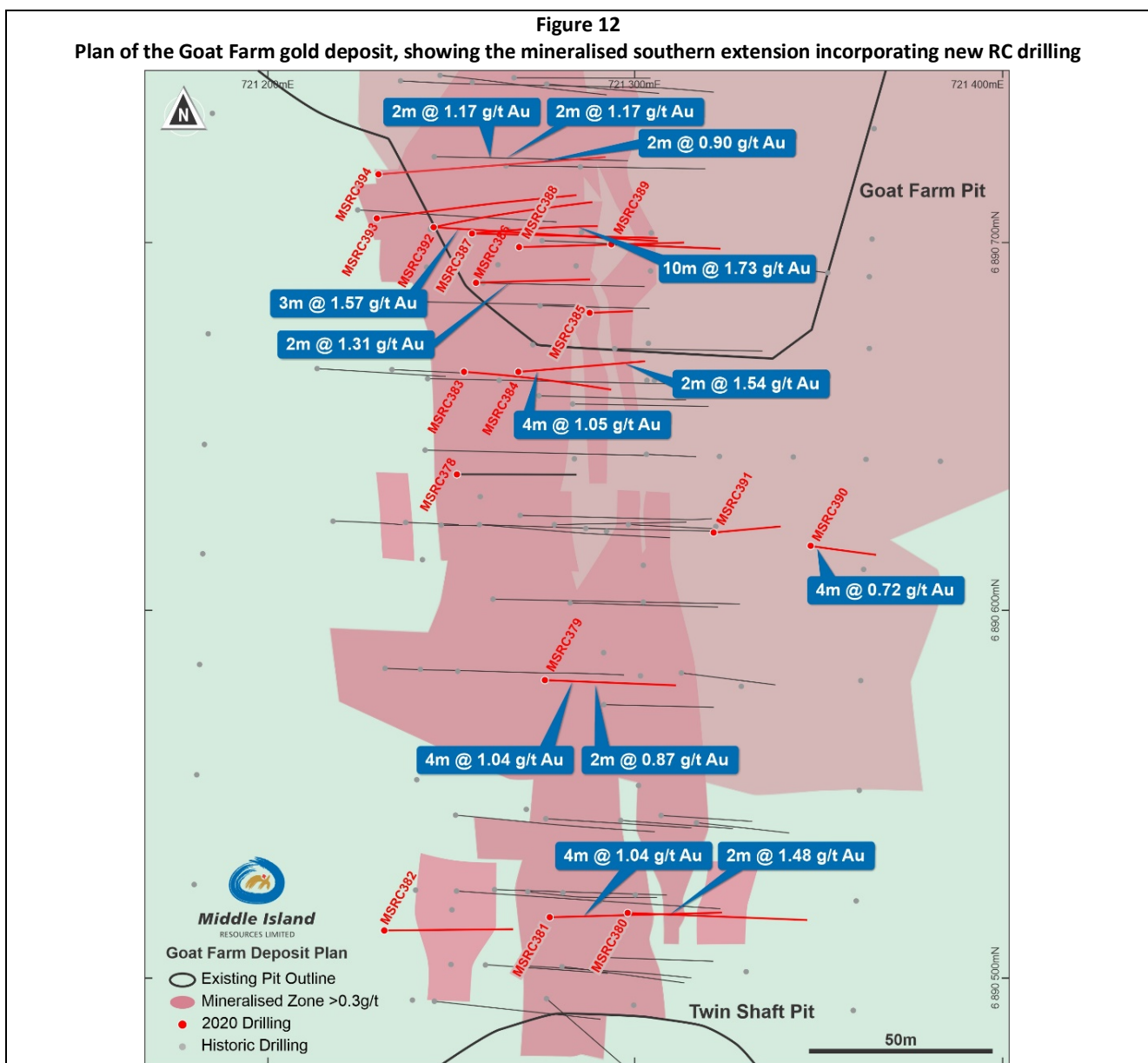


Goat Farm Deposit

New RC drill intercepts returned from infill and extension drilling at the **Goat Farm deposit** include multiple 2m to 10m intervals of circa 1g/t Au in laterite and saprolite, highlighted by **10m at 1.73g/t Au** (from 58m in MSRC387). These results are broadly consistent with previous drilling results in this area, effectively confirming continuity of mineralisation between the existing Goat Farm and Twin Shafts open pits, and will permit the existing Goat Farm JORC 2004 Mineral Resource to be upgraded and reported to JORC 2012 compliance.

The southern mineralised extension of the Goat Farm deposit is situated immediately north of the Twin Shafts in-pit tailings storage facility. If the mineralisation is optimised to confirm its economic significance as part of the updated feasibility study, waste generated from mining of the Goat Farm extension may well provide material required to undertake an extension of, or a lift on, the existing tailings facility, with the expanded Goat Farm pit itself providing a subsequent in-pit tailings storage option.

A plan of the new Goat Farm RC drilling results is provided as Figure 12.





G2 & G3 Gravity Targets

The **G2 and G3 gravity targets** are located proximal to Two Mile Hill and, along with G1, represent three priority gravity targets interpreted to reflect possible intrusive plugs similar to the Two Mile Hill tonalite. The top of the G1 gravity target is modelled to lie at approximately 150m depth, while the G2 & G3 targets are modelled to occur at shallower depths, justifying initial RC drill testing.

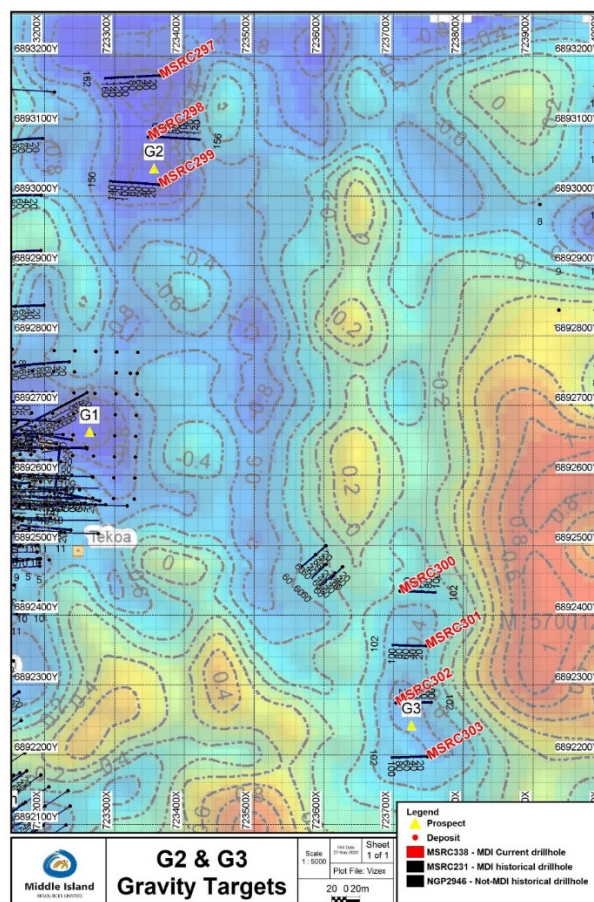
Three RC holes were drilled at the G2 gravity target and four holes were completed at G3. However, only basalts were recorded in logging and no significant 4m composite gold assay results were returned.

Three-dimensional inversion modelling of the low gravity response defining these targets included correction for elevation and weathering. While elevation could be modelled with considerable accuracy, due to a total absence of prior drilling over the targets themselves, assumptions on the depth and intensity of weathering were applied from the well-drilled Two Mile Hill deposit, where the weathering ranges from 60m to 80m depth.

Recent RC drilling at the G2 target encountered weathering to approximately 100m depth, considerably deeper than Two Mile Hill, providing a possible explanation of the modelled gravity anomaly. At G3, however, the depth of weathering proved less than Two Mile Hill, ranging from 40m to 60m. This suggests that the modelled G3 target cannot be adequately explained by the depth of weathering and may, instead, reflect an intrusive plug that lies at a deeper level than that tested by RC drilling.

A plan of recent RC drilling, superimposed on the modelled gravity targets, is provided in Figure 13.

Figure 13
Plan of the modelled G2 & G3 gravity targets, showing new RC drilling





Middle Island Managing Director, Mr Rick Yeates:

“I am pleased to finally be able to report the remaining results from what has proved an extremely successful first half of an extended drilling campaign at Sandstone.

“While largely consistent with the prior drill intercepts, the new Shillington results are likely to lead to an increase in Mineral Resources and a reclassification of the limited remaining Inferred material to an Indicated category. Identification of a possible southeast extension to the deposit, which will be assessed as part of the Phase 2 RC drilling, provides further upside.

“Despite the absence of significant new RC drilling results from the Ridge prospect, geological mapping and outstanding drilling results derived from the cluster of BIF-hosted deposits in this area are a clear highlight of the drilling campaign to date. An understanding of drilling results in the context of a revised geology model, suggests the resource potential of this deposit cluster could ultimately be very significant. As such, a substantial portion of the planned Phase 2 RC and diamond drilling will be dedicated to this area.

“What will almost certainly prove to be an extremely exciting and expanded Phase 2 RC drilling program is scheduled to commence late next week, and I look forward to sharing the details, progress and results of this program with you during June and July.”

RELEASE AUTHORISED BY:

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Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Competent Persons' Statement

Information in this release that relates to new Exploration Results at the Shillington, Shillington North and Goat Farm deposits, along with the G2 & G3 gravity targets is based on, and fairly reflects, information and supporting documentation prepared by Mr Rick Yeates. Mr Yeates is a Member of the Australasian Institute of Mining and Metallurgy and a fulltime employee of Middle Island Resources Limited. Mr Yeates has sufficient experience, which is relevant to the nature of work and style of mineralisation under consideration, to qualify as Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Yeates has given his prior written consent to the inclusion in the release of the statements, based on his information, in the form and context in which they appear. Mr Yeates is a shareholder in the Company and entities associated with Mr Yeates hold unlisted options in the capital of the Company as disclosed in Appendix 3Y and substantial shareholder notices released to ASX.

Previously Reported Information

This report includes information that relates to previously reported Exploration Results for the Shillington and Shillington North deposits, which were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company's previous announcement dated 14 December 2016, which is available to view on the Company's website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcements.

Appendix 1

The following Table is provided in compliance with the JORC Code

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg 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> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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 (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> The new results are derived from RC drilling completed by Middle Island Resources. All sampling was carried out by collecting 2-3kg of RC chips off the drill rig's cone splitter; the sampling was undertaken on 1m intervals over the whole length of each drillhole. The G2 & G3 sampling was carried out by collecting a 2-3kg 4m composite sample off the drill rig's cone splitter. Historic results at the Ridge are derived from RC drilling completed by National Resources Exploration (NRE) and Troy Resources. The NRE sampling involved the collection of 1m samples of ~2kg each via a Jones riffle splitter. Troy sampling comprised 1m resamples (of original 5m composite spear samples), of ~2kg collected via a Jones riffle splitter. Average sample recoveries were 98.2% for Shillington, 96.9% for the Ridge, 90.1% for Goat Farm and 97.6% for G2/G3. The sub-sample was a consistent size of 2-3kg, derived from the cone splitter. The primary sample was taken from the same splitter chute the entire program. Individual 1m sub-samples of drill cuttings weighing 2-3kg were sent to the Intertek Laboratories to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis. NRE samples of ~2kg were sent to an unknown laboratory for gold analysis via a 30g aqua regia digest and an AAS finish. Troy samples were analysed via 50g fire assay at SGS in Perth.
Drilling techniques	<ul style="list-style-type: none"> <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> 	<ul style="list-style-type: none"> The RC rig employed by Middle Island utilised a face sampling hammer with either a 5 inch or 5.5 inch bit to return sample every metre. The NRE drilling utilised an RC rig employing a 5.5 inch hammer bit with a cross-over sub. The Troy RC drilling was undertaken using a 5.5 inch face sampling hammer.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure</i> 	<ul style="list-style-type: none"> RC chip recovery data for this drilling was estimated for each drill metre and captured in a digital logging software package. The recorded average RC chip recoveries for the Shillington, Ridge, Goat Farm and G2/G3 prospects were 98.2%, 96.9%, 90.1% and 97.6% respectively.

Criteria	JORC Code explanation	Commentary
	<p><i>representative nature of the samples.</i></p> <ul style="list-style-type: none"> <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> 	<ul style="list-style-type: none"> The water table is typically encountered at 60-80m down-hole, with appropriate measures taken by the drilling contractor to maintain recovery and dry samples, including additional air pressure and foam injection. No relationship between sample recovery and grade has been established.
Logging	<ul style="list-style-type: none"> <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> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> The RC chips were logged for lithology, weathering, mineralogy, mineralisation, colour and other features on 1m intervals. Logging was carried out according to Middle Island Resources internal protocols at the time of drilling. Sampling was carried out according to Middle Island Resources internal protocols, which comply with industry standards. All drill holes were quantitatively logged from start to finish of the hole on 1m intervals.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <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> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Not applicable Middle Island RC chips were rotary split with a cone splitter on the drill rig. Samples were collected and bagged in 1m intervals for the Shillington, Ridge and Goat Farm deposits, and as 4m composite samples for the G2/G3 targets. All samples were sampled dry. Samples were dried and crushed to -10mm before being split and then a 300g subsample pulverised to 95% passing 75 microns. This fraction was then split again down to a 50g sample charge for fire assay. For the RC chips the routine sample procedure was to consistently take the primary split from the same chute. A field duplicate (via a second split) off the drill rig's cone splitter was collected and assayed at a rate of 1:50 samples. Field duplicates were taken via second split from the cyclone. Results have been compared to the original sample taken. Sample size and assay charge size are considered entirely appropriate for the style of mineralisation.
Quality of assay data	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered</i> 	<ul style="list-style-type: none"> Middle Island and Troy adopted a 50g fire assay method with an ICP-OES and AAS finish respectively. This technique is considered

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and laboratory tests	<p><i>partial or total.</i></p> <ul style="list-style-type: none"> • <i>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.</i> • <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> 	<p>appropriate for gold mineralisation of this style. NRE adopted a 30g aqua regia digest and AAS finish, which is adequate, but sub-optimal for this style of mineralisation.</p> <ul style="list-style-type: none"> • No other measurement tools/instruments were used to derive assays. • Field duplicates, lab duplicates, field and laboratory standards were routinely included in the assay train at a 1:9 frequency when taking all QC samples into account, and a quartz wash was applied between each sample pulverised. Sample results are consistent with those reported by previous drilling programs.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Sampling was undertaken by field assistants supervised by experienced geologists from Middle Island Resources. Significant intercepts were checked by senior personnel who confirmed them as prospective for gold mineralisation. • No twinned holes were specifically undertaken in this program, however new RC drill results at Shillington and Goat Farm closely mirror prior proximal drill intercepts in terms of disposition, width and grade. Verification drilling will be required at the Ridge prospect to confirm the previous NRE drilling results in particular. • Data was collected digitally utilising designated templates following industry best practice. Sampling data was also captured on paper to ensure a paper trail was maintained by the field staff and checked by the supervising geologists. Logging and sampling data were imported and validated using the OCRIS database software system by an experienced external database manager. After database import, drillhole data were plotted and validated in plan and section view by Middle island geologists and any errors encountered were rectified. • Assay data has not been adjusted.
Location of data points	<ul style="list-style-type: none"> • <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>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Surface collar coordinates are surveyed via RTK GNSS with 1cm accuracy by a professional surveying contractor. A high-quality downhole north-seeking multi-shot or continuous survey gyro-camera was used to determine the dip and azimuth of the hole at 25m intervals down the hole. • MGA94 Zone 50 • The topographic surface was calculated from the onsite mine survey

Criteria	JORC Code explanation	Commentary
		pickups and subsequently verified by RTK GNSS collar surveys.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <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> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Results being reported comprise 1m individual sample intervals for the Shillington, Ridge and Goat Farm deposits, and 4m composite samples for G2/G3. • The data spacing is sufficient to demonstrate the continuity of grade. • 4m composite sampling was applied at the G2/G3 targets.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <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>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> 	<ul style="list-style-type: none"> • Drilling orientations were orthogonal to anticipated mineralisation orientations where known. The true width of mineralised saprolite intervals are interpreted to be 100%, 100% and 80% at Shillington, Ridge and Goat Farm respectively. • The Competent Person does not believe that any sample bias has been introduced.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • The samples were collected by a field assistant and two experienced company geologists and transferred directly to the laboratory via a reputable commercial freight courier contractor. • Sample receipt by Intertek was carried out in line with its internal procedures to maintain chain of custody control.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Reported results are consistent with historic results within the areas drilled.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <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> • <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> 	<ul style="list-style-type: none"> • The Shillington and Goat Farm deposits, and the G2/G3 targets are located within Mining Lease M57/128, while the Ridge prospect is located within Mining Lease M57/129. Both Mining Leases are 100%-owned by Sandstone Operations Pty Ltd (SOP), a wholly-owned subsidiary of Middle Island Resources Limited. • As of 15/02/2016 Sandstone Operations Pty Ltd was the sole owner of M57/128 & M57/129.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Prior exploration was variously undertaken by National Resources Exploration and Troy Resources at the Ridge prospect, while prior work by Herald Resources and Troy Resources at the Shillington and Goat Farm deposits, is acknowledged.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • Shear or fault zones hosted within greenschist facies banded iron formation, ultramafic, mafic rocks with meso-thermal quartz veining and associated silica-carbonate-chlorite-pyrite alteration within the Archaean Sandstone greenstone belt.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <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> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <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> 	<ul style="list-style-type: none"> • See Table 1 within the release. • No material information has been excluded.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <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> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used</i> 	<ul style="list-style-type: none"> • Drill intercepts reported with weighted averages to create the grade intercepts. Individual internal values of <0.6g/t Au were included over a minimum internal interval of two metres, with a maximum of 2m of internal waste. • Aggregated intercepts do not include reported lengths of higher grade internal intercepts.

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	<p>for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Metal equivalent values are not reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Holes have been drilled orthogonally to the general dip and strike of the mineralised unit or envelope, where known. Down-hole intercepts are interpreted to represent approximately 100%, 100% and 80% of true width at the Shillington, Ridge and Goat Farm deposits respectively.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See table and figures within the release. A plan and cross-sections are included for Shillington, and plans are provided for the Ridge, Goat Farm and G2/G3 prospects within the release.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Results are derived from a targeted drill program to determine new mineralised zones and expand or confirm existing zones defined from previous programs.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Other than that included in the release and referenced ASX releases, there is no other relevant, meaningful or material exploration data that is currently known.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Company intends to complete limited extensional drilling at Shillington, re-estimate Mineral Resources at Shillington and Goat Farm, and undertake verification drilling at the Ridge prospect in advance of preparing a maiden Mineral Resource estimate. Mineral Resources will be estimated prior to consideration as Ore Reserves in a feasibility study update planned for the September quarter 2020. Included - see plans and cross-sections within the release.