Rio Tinto hits 41m at 1.9% Cu, 0.62 g/t Au in Cactus Canyon drilling

HIGHLIGHTS

- **Final results from Rio Tinto's first drill hole at Cactus Canyon Prospect received**
- **Assays returned a total mineralised intercept of 73.96m at 1.1% Cu, 0.35 g/t Au, 4.5 g/t Ag and 37.9 ppm Mo including**
  - **40.96m at 1.9% Cu, 0.62 g/t Au, 7.1 g/t Ag and 62.8 ppm Mo**
- **Four-hole drill program is testing the possible continuity of mineralisation between the Cactus and Comet prospects at Frisco, and two other targets**
- **Results to date warrant further exploration to determine the prospective volume and understanding of mineralisation controls of the system**
- **Rio Tinto is earning up to 70% interest in the Frisco Project through three stages totalling US$30 million exploration expenditure.**

Alderan Resources Limited (ASX: AL8) (**Alderan** or the **Company**) is pleased to provide final drill results from the first hole in Rio Tinto subsidiary Kennecott Exploration's (**KEX**) drilling at Alderan's Frisco copper/gold/silver project (**Frisco Project**) in Utah, USA, where KEX is earning up to 70% interest by spending US$30 million on exploration.

KEX has completed all four holes in the program which is designed to test the possible continuity of mineralisation between the Cactus and Comet Cu-Au prospects as well as the large blind IP anomaly at Reciprocity. This area remains prospective for the discovery of additional Cu-Au-Ag bearing breccia-pipes as well as a possible coalescing of the mineralisation at depth. Final assays[1] from the first drill hole (SAWM0001) by KEX has provided the best results to date:

SAWM0001: **41m @ 1.9% Cu, 0.62 g/t Au, 7.1 g/t Ag, from 252m; within 74m @ 1.1 % Cu, 0.35 g/t Au, 4.5 g/t Ag, from 219m**

SAWM0001	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)
Total Intersection	**219.00**	**292.96**	**73.96**	**1.1**	**0.35**	**4.5**	**37.9**
including	**252.00**	**292.96**	**40.96**	**1.9**	**0.62**	**7.1**	**62.8**

Results from the other three holes are expected over the coming weeks. Alderan Managing Director Peter Williams said:

"We are highly encouraged by the results from this first hole drilled by KEX under the earn-in agreement, which is the best received to date in this prospect. We look forward to results from the other holes in the program which will provide further validation of the prospectivity of this and other prospects targeted."

[1] *Refer ASX announcement dated 19 August 2020 for initial assay results of SAWM0001.*

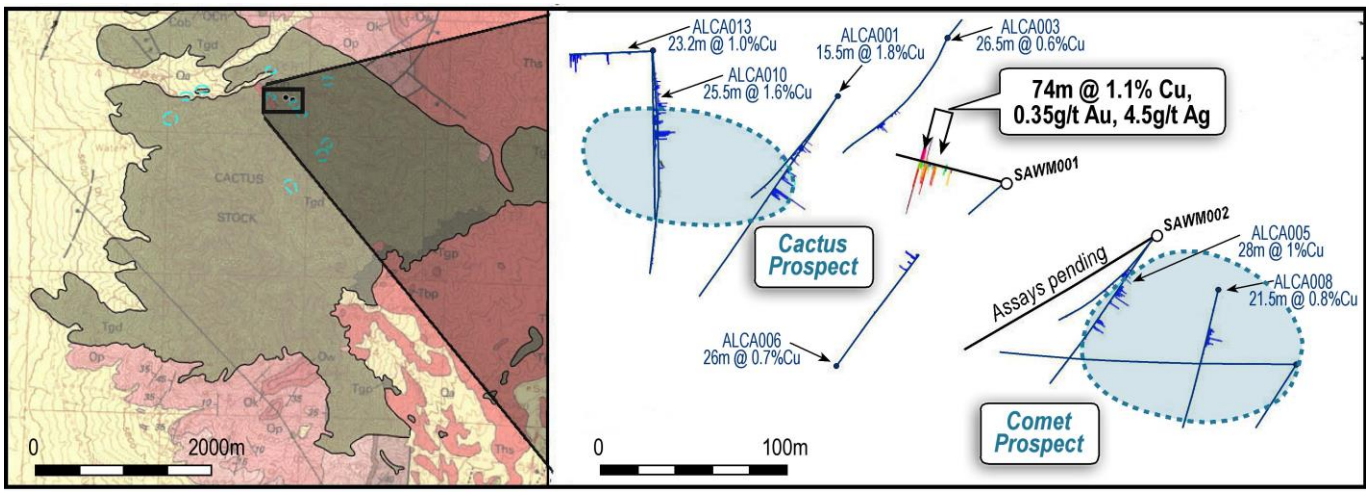

Figure 1: *Map showing the mineralised intersection obtained by drill hole SAWM0001. Historic drill holes are shown for reference using dark blue colour. The areas, outlined by light-blue dashed lines, denote the shallowest part of the interpreted mineralised breccia pipe targets, interpreted from the airmagnetic data coupled with the historic mining data.*

Cactus Canyon is in the northern part of the Frisco Project and is characterised by presence of numerous structurally controlled Cu-Au-Ag bearing breccia pipes. The area has been intensely explored and mined during last 120 years (Figure 1). It also was explored by Alderan, including drilling of several exploration drillholes which provided the following results[2].

- *ALCA 001: 6.55m @ 3.11% Cu, 0.55 g/t Au, 18 g/t Ag from 94.3m;*
- *ALCA 002: 56.4m @ 0.81% Cu, 0.19 g/t Au, 6 g/t Ag from 175.6m;*
- *ALCA 003-005: 27.0m @ 1.01% Cu, 1.24 g/t Au, 30.6 g/t Ag from 74m;*
- *ALCA 004: 18m @ 0.70% Cu, 0.58 g/t Au, 9.7 g/t Ag from 130m;*
- *ALCA 005: 13m @ 1.13% Cu, 0.28 g/t Au, 9.2 g/t Ag from 126m;*
- *ALCA 008: 21.5m @ 0.83% Cu, 0.14 g/t Au, 20.4 g/t Ag from 35.5m; and*
- *ALCA 009: 49m @ 0.62% Cu, 0.14 g/t Au, 0.59 g/t Ag from 45m.*

Previous exploration sought to confirm the mineralisation style/s and establish the total value of the mineralisation, as well as element abundances and ratios. Exploration was predicated on the concept of a breccia pipe, which according to conventional thinking might narrow with depth. This model may be suitable for isolated breccia pipes, but the breccia pipes are not isolated occurrences, and rather have a strong WNW structural alignment. The potential of the area can be significantly more than the pre-cursor isolated breccia model implies, as the linking structural alignment can result in a connection of the mineralisation at depth.

Reprocessing of magnetic data by the Alderan team enhanced the magnetic features associated with the breccia pipes, and it revealed several new magnetic-low anomalies within the Cactus Canyon area of the granodiorite stock (Figure 2). These magnetic-low anomalies have circular shapes and approximately 100m-200m in diameter, which is comparable with dimensions of the breccia-pipes. Their low magnetism could be caused by alteration of the host rocks when primary magmatic magnetite was destroyed during the processes that lead to formation of the tourmaline-breccia pipes. The pipes not exposed, possibly because the collapse breccia did not progress to the current erosional level of the granitoids and therefore the further exploration of these targets will require detailed IP surveys.

[2] *Refer ASX announcements dated 15 December 2017, 17 January 2018 and 5 March 2018.*

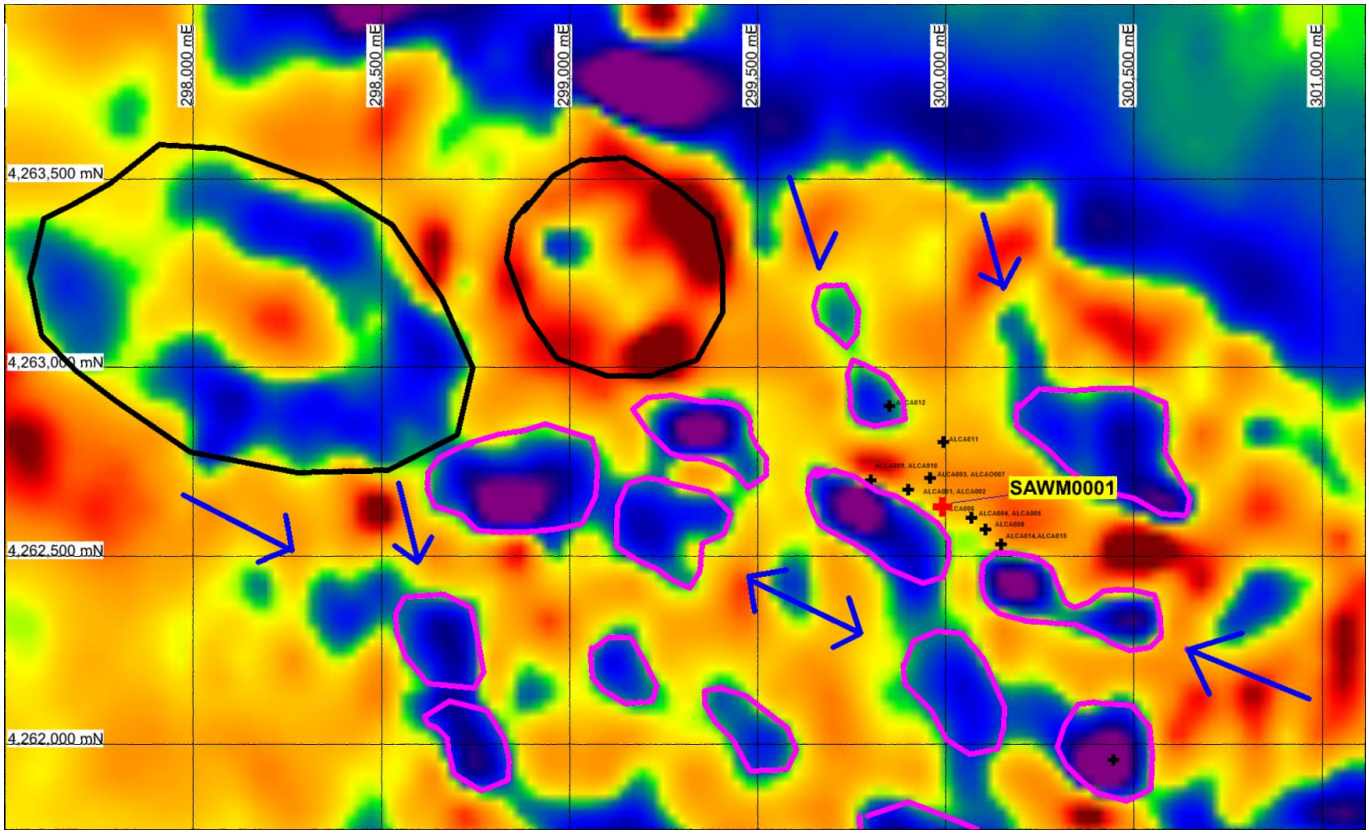

***Figure 2**. Map of northern part of the Cactus granodiorite stock that hosts Cu-bearing breccia-pipes. Purple lines denote the mag-low anomalies, the Alderan's exploration drillholes are shown as the black crosses. Reprocessing of the aeromagnetic data acquired by Alderan, showing the magnetic signature in 2d, of the breccia pipes at or near surface (Refer ASX announcement 28 June 2017).*

The drilling is part of its first stage of exploration at Frisco under KEX's Earn-in Agreement with Alderan. Refer ASX announcement dated 18 November 2019 for further details about the Earn-In and Joint Venture Agreement with KEX.

ENDS

This announcement was authorised for release by the Board of Alderan Resources Limited.

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Competent Persons Statement

The Information contained in this announcement is an accurate representation of the available data and studies for the Frisco Project. The information contained in this announcement that relates to exploration results is based, and fairly reflects, information compiled by Dr Marat Abzalov, who is a Fellow of the Australian Institute of Mining and Metallurgy. Dr Abzalov is a consultant to Alderan and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Abzalov consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to historical exploration results for the Frisco Project were initially reported to the ASX on 28 June 2017, 15 December 2017, 17 January 2018, 5 March 2018, 29 March 2018, 14 November 2018 and 19 August 2020. The Company is not aware of any new information or data that materially affects the information included in the relevant announcements. The Company confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Appendix 1: Drill hole Location Details and Assay Results

Drill hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)
SAWM0001	219	292.96	73.96	1.12	0.35	4.5	37.9
SAWM0002	Assays are pending						

**Refer Appendix 2 (JORC Tables) for full results of SAWM0001*

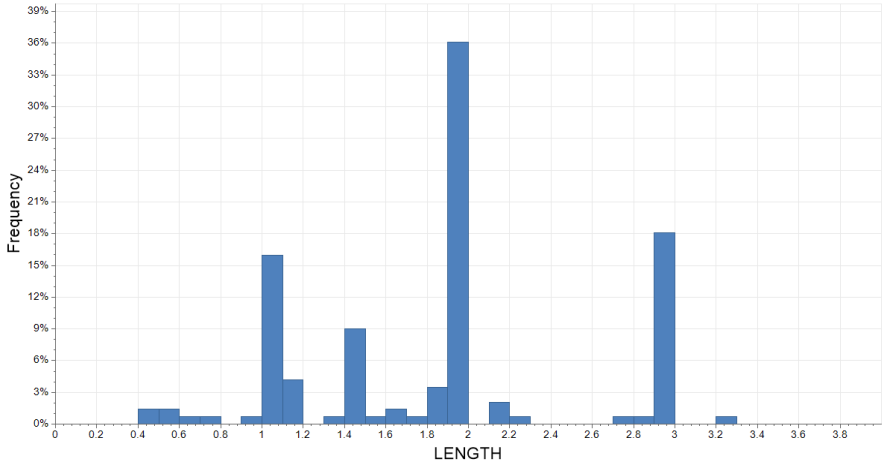
Drill hole ID	Easting*	Northing*	Dip	Azimuth	Depth (m)	Drill Type
SAWM0001	299991	4262629	-79.5	283.7	377.04	Diamond core (PQ: 0-180m HQ: 180-end of the hole)
SAWM0002	300072	4262601	-71.2	237.0	383.13	

**Grid – NAD83 UTM zone12 (Northern hemisphere)*

JORC Code, 2012 Edition – Table 1 Report

Section 1 - Sampling Techniques and Data

(Criterial in this section apply to all succeeding sections)

Criteria of JORC Code 2012	***JORC Code (2012) explanation***	***Details of the Reported Project***
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized 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.*	*Standard procedure of the diamond core drilling and drill core sampling was used. Half of the core was collected by cutting the drill core using diamond saw. Samples length varies from 0.42 to 3.27m, average length is 1.87m (Figure A1).*  *Figure A1: length of the drill core samples* *All samples are logged and supplied to ALS laboratory in Nevada, USA, for preparation and analysis.*
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	*In order to assure good representativity of the samples the holes were initially (from 0 to 180m) drilled using the PQ size of the drill bits, and were finished (from 180m to the end of the hole) using the HQ drill bits. Average sample weight sent to the laboratory was 7kg.*

	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 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	*Standard procedure of using a diamond core drilling was applied. Samples, average length is 1.88m and average weight is 7kg. were collected by cutting the drill core using diamond saw. Samples were delivered to the ALS laboratory for preparation and assaying using conventional techniques.*
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	*Diamond core drilling using a standard drill rig, Boart LF-90. PQ and HQ size drill core were used.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	*Drill core recovery was documented using linear measurement method. The average recovery was approximately 85%, and approximately 75% when drilled through the mineralised breccia.*
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	*Drilling parameters were adjusted to maximise recovery.*
	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 relationships between recovery and grade.*

Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	*All samples were geologically logged, including rock types, alteration, textures, tectonic features.*
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	*Logging was quantitative and qualitative. Qualitative logging includes diagnostics of the rocks, minerals, alteration patterns and tectonic features. Quantitative logging includes the following:* • *Measurement of the magnetic susceptibility* • *Diagnostic of the alteration minerals using the VNIR and SWIR (spectrometer) techniques. This was made in the Laboratory.* • *Rock assays through ALS laboratory* • *Measurement of the Alpha angle of the selected planar structures (e.g. veins, faults)* *100% of the core was photographed.*
	The total length and percentage of the relevant intersections logged.	*100% of the drill holes were logged.*
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken*	*The core was sawn by diamond saw:* • *½ core was collected as a sample, the rest left in the core tray for additional studies.* *When duplicate sample was collected for QAQC purposes, the half core was sawn in a half and each ¼ of a core was used as sample and duplicate.*
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	*Not applicable.*
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	*Standard sample preparation technique developed by ALS (Figure A2) and broadly used by the mining companies in the region was used in the project.*

		SAMPLE PREPARATION ALS CODE — DESCRIPTION WEI-21 — Received Sample Weight SND-ALS — Send samples to internal laboratory CRU-22c — Crush entire sample >70% -19 mm LOG-23 — Pulp Login - Rcvd with Barcode LOG-21 — Sample logging - ClientBarCode CRU-31 — Fine crushing - 70% <2mm SPL-22 — Split sample - rotary splitter CRU-QC — Crushing QC Test PUL-QC — Pulverizing QC Test SPL-22X — Addnl Rot Cru Split w No Analysis PUL-32 — Pulverize 1000g to 85% < 75 um *Figure A2: sample preparation protocol used by the ALS laboratory*
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	*Grinding and pulverising stages were checked by using the control sieving assuring that material meets the criteria defined by the sample preparation protocol (Figure A2). Crush and pulp duplicates were included by ALS during analysis. Pulp duplicates included by ALS at a rate of 1 in 7.4 samples. Crush duplicates included by ALS at a rate of 1 in 81 samples.*
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	*Filed duplicates were systematically collected. This was made by cutting the half into two ¼ core. One was used as the original sample and second as duplicate.*
	Whether sample sizes are appropriate to the grain size of the material being sampled.	*Samples, average length is 1.88m and average weight is 7kg are appropriate for Cu-Au sulphide mineralisation hosted by the tourmaline-rich breccias.*
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	*All samples were assayed using ICP-MS (ME-MS61L method of ALS) which has detection limits Cu – 0.02ppm, S – 0.01% and Ag - 0.002ppm. Gold was assayed using FA method with ICP-AES finish (Au-ICP21 of ALS) with detection limit 1 ppb (Figure A3).*

		ANALYTICAL PROCEDURES ALS CODE — DESCRIPTION ME-MS61L — Super Trace Lowest DL 4A by ICP-MS Au-ICP21 — Au 30g FA ICP-AES Finish — ICP-AES pXRF-30RT — RTX Semi-Quant pXRF for resistates — PXRF pXRF-30NDL — RTX Client Specific pXRF Below Valid DL — PXRF ME-OG62 — Ore Grade Elements - Four Acid — ICP-AES Cu-OG62 — Ore Grade Cu - Four Acid S-OG62 — Ore Grade S- Four Acid The results of this assay were based solely upon the content of the sample submitted. Any decision to invest should be made only after the potential investment value of the claim 'or deposit has been determined based on the results of assays of multiple samples of geological materials collected by the prospective investor or by a qualified person selected by him/her and based on an evaluation of all engineering data which is available concerning any proposed project. Statement required by Nevada State Law NRS 519 *Figure A3: Analytical procedures*
	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.	*Portable XRF was used solely for rock diagnostic purposes and not included into the reported grade.* *The airborne geophysical data was reprocessed by using an optimal fractional derivative, a non-linear stretch and a dark biased spectrum colour look up table.*
	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.	*Quality control procedures were as follows:* • *Certified standards (OREAS-504c and MZ0150) were systematically used for assays quality control. Standard samples are inserted with every submitted batch of the samples, commonly every 10th sample was standard (i.e. ~10% of the drill core samples).* • *Duplicate samples analysis* • *Using of the blank samples*

		*Results of the QAQC reported by the project geologist were as follows (**conclusions of the QAQC analysis are highlighted using the bold fonts**):* *QAQC Notes* *EB80002890 / EL20129685* *16 July 2020* *<u>Duplicates</u>:* *The lab crush process duplicate for sample 40220203 (40220203-LCrush) had poor reproducibility for Ag. Original sample reported 1.415 ppm, duplicate reported 0.244 ppm. No other elements affected. Not in a Cu mineralized zone, so **sample was allowed to pass QC.*** *The lab pulp analytical duplicate for sample 40220293 (40220293-LPulp) had poor reproducibility for Au by the four acid digest method (4HSIMS). Due to the very small sample size digested, this method is not suitable for gold and Rio Tinto Kennecott (KEX) does not use these results. The Au by fire assay (F30ICP) results for this sample had no issues.* *<u>Blanks</u>:* *There was elevated Cu in blank sample 40220300 (to 27.1 ppm). The preceding samples had elevated Cu results so the contamination could have been carryover during prep on the crusher (sample 40220299 reported 1.745 % Cu) or from the pulverizer (sample 40220298 reported 1.445 % Cu). **Normalizing against sample weights, the elevated blank is well within the allowed tolerance for up to 10% carryover between samples.*** *<u>Standards</u>:* ***No issues were found.** The QC graphs did not print performance gates for Cu or Au for OREAS-504c; these standard values were manually validated and passed. Mo trended low in two MZ0150 CRMs, but this standard typically trends low through ALS Vancouver, the results were not outside the <3SD failure gate, and the two low results were not sequential in the batch.*
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	*Not applicable. The current drilling program include two drill holes that were designed to test the exploration model suggesting presence of tourmaline-breccia hosted mineralisation outside of the known prospects.*
	The use of twinned holes.	*Not applicable.*
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	*All drill holes logged electronically.* *The primary field data were logged directly into the acQuire database and check/verified by the database administrator together with the project geologists.* *The interim field storages were not used, because all primary data were captured directly into the acQuire database stored on the company's server, which is regularly backed up.*

	Discuss any adjustment to assay data.	*No adjustments are made, and it is believed that data does not require any additional adjustments.*
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	*Drill hole collars are located using handheld GPS. Reported accuracy of the instrument is approximately +/- 3m in horizontal dimensions. RL of the collars is deduced by projecting the collars onto the DTM surface.* *Down hole survey is made by Reflex tool (ReflexEZTrac) with the measurements taken approximately at 30m in the drill hole SAWM0002 and approximately 60m intervals in the SAWM0001.*
	Specification of the grid system used.	*All data are recorded in a UTM zone 12 (North) NAD83 grid.*
	Quality and adequacy of topographic control.	*DTM file generated using the LiDAR data was used for in the current drilling programme for estimation the RLs of the drill hole collars.*
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	*The current report includes 2 exploration drill holes drilled into a space between known prospects. The results will be sufficient to establish the presence of the Cu-Au mineralisation and determine the geological type and style of the mineralisation but will be insufficient for establishing the geological and grade continuities.*
	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 reported here 2 drill holes are insufficient for estimation of the Mineral Resources.*
	Whether sample compositing has been applied.	*Samples were collected and assayed without physical compositing.*

Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	*Steeply drilling exploration holes was drilled with an objective to test the space between the two know breccia-pipes. Presence of the mineralisation in this area was uncertain and therefore the geometry of the potential mineralisation was not known too. Therefore, the author concludes that the chosen orientation of the drill holes was appropriate for the given exploration task.*
	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.	*Mineralisation hosted by the breccia pipes is lacking the preferential orientation (Figure A4) therefore orientation of the drill holes will not introduce sampling biases.*  *Figure A4: Tourmaline breccia-pipe, Cactus abondoned mine.*
Sample security	*The measures taken to ensure sample security*	*Samples were submitted to the lab by the company personnel following the guidelines and procedures of the Rio Tinto Exploration (Kennecott). Only authorised personnel have attended the samples.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*Internal review of the drilling results by the company management is routinely used through the course of the project.*

Section 2 - Reporting of Exploration Results
(Criterial in this section apply to all succeeding sections)

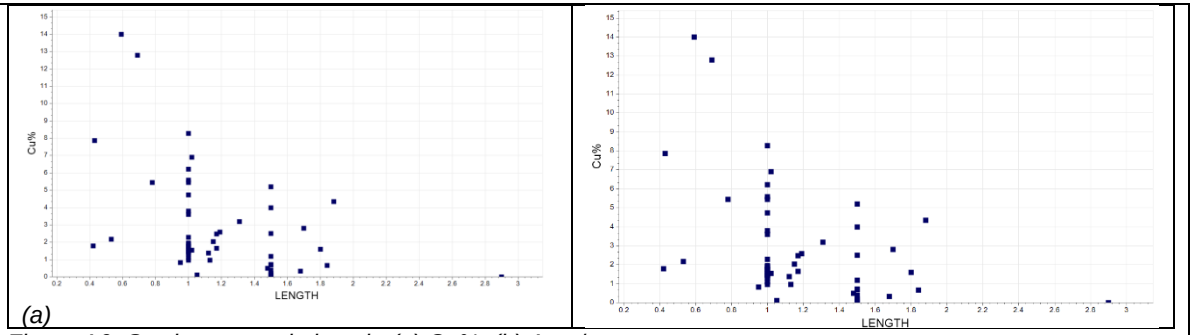
Criteria of JORC Code 2012	JORC Code (2012) explanation	Details of the Reported Project
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	*The Frisco Prospect comprises 275 patented and 252 unpatented claims, which are governed by the Horn, Cactus and Northern Carbonate lease agreements entered into with the private landowners, Horn Silver Mines Inc., Tank LC and the W. Hughes Brockbank Foundation.* *The Horn and Cactus lease agreements grant Alderan all rights to access the property and to explore for and mine minerals, subject to a retained royalty of 3% to the landholder. Alderan holds options to reduce the royalty to 1% and to purchase the 231 patented claims.* *The Northern Carbonate Lease grants Alderan with all rights to access the property and to explore for and mine minerals, subject to a retained royalty of 3% to the landholder. Alderan holds an option to reduce the royalty to 1%.* *On 18 November 2018, Alderan announced in had executed an Earn-in and Joint Venture Agreement with Kennecott Exploration Company, a member company of Rio Tinto Group, for its Frisco Project. The agreement provides Kennecott with the option, but not the obligation to spend up to US$30 million to earn up to a 70% project-level interest over three stages.*
	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.	*Alderan was in full compliance with both lease agreements and all claims were in good standing at the time of reporting.*
Exploration done by other parties (2.2)	*Acknowledgment and appraisal of exploration by other parties.*	*A large amount of historical exploration has been carried out by numerous different parties dating back to the 1800's.* *Historical mining records including level plans and production records exist for the period between 1905 and 1915 when the vast majority of production occurred.* *Historical drilling has been carried out by multiple parties including Anaconda Company, Rosario Exploration Company, Amax Exploration and Western Utah Copper Corporation/Palladon Ventures.* *Data has been acquired, digitized where indicated, and interpreted by Alderan.*

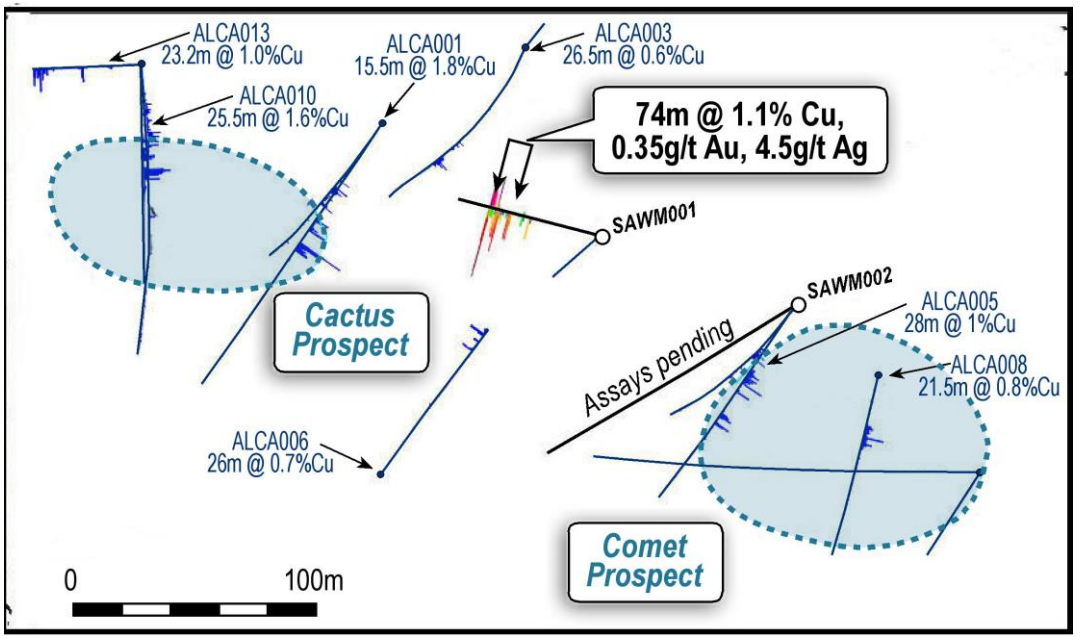
Geology	*Deposit type, geological setting and style of mineralisation.*	*Porphyry style mineralised district with several expressions of mineralisation at surface, such as breccia pipes, skarns, structurally hosted mineralisation, and manto style mineralised zones.* *Part of the larger Laramide mineralising event.* *Overprinted by Basin and Range tectonics.*
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*	*The current announcement reports results of the first drill hole drilled by Kennecott (KEX).*
	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.	

HOLE ID	EAST	NORTH	RL	Total Depth	GRID NAME
SAWM0001	299991	4262629	1989.4	377.16	NAD83_UTM_12N
SAWM0002	300072	4262601	2001.7	383.13	NAD83_UTM_12N

HOLEID	DEPTH	AZIM	DIP
SAWM0001	60.96	283.74	-79.5
SAWM0001	93.42	282.04	-79.2
SAWM0001	152.4	283.84	-80
SAWM0001	274.32	285.44	-81.8
SAWM0001	298.7	285.64	-81.9
SAWM0001	304.8	286.04	-81.2
SAWM0001	329.18	284.74	-81.7
SAWM0001	335.58	284.64	-81.8
SAWM0001	365.76	285.74	-81.9
SAWM0002	31.09	236.96	-71.2
SAWM0002	60.96	238.76	-71.5
SAWM0002	91.44	238.06	-71.4
SAWM0002	121.92	239.66	-71.5
SAWM0002	152.4	238.96	-71.5
SAWM0002	182.88	239.66	-71.7
SAWM0002	213.36	239.26	-71.8
SAWM0002	243.84	239.56	-71.8
SAWM0002	276.45	240.36	-71.5
SAWM0002	304.8	240.06	-71.5
SAWM0002	335.28	240.96	-71.3
SAWM0002	365.76	240.76	-71.2

	Down hole length and interception depth and *hole length.*	***SAWM001:*** *Mineralised intersection 219 – 292.96m, 73.96m at 1.1% Cu; 0.35 g/t Au; 4.5 g/t Ag; 37.9 ppm Mo, this includes: 252-292.96m, 40.96m at 1.9% Cu; 0.62 g/t Au; 7.1 g/t Ag; 62.8 ppm Mo* *Total length of the hole: 377.16m* ***SAWM002:*** *Assays are pending.* *Total length of the hole: 383.13m*
	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.	*Not applicable. The available information on the two reported drill holes is presented in this table without exclusions.*
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	*Grade of the intersection was estimated using length weighting average technique.* *Contacts of the mineralisation are sharp and this is coupled with increase of the sulphur concentration from 0.6 to 2.18%. The intersection presented on the Figure A5 and reported in this announcement was defined to these contacts.* *High-grade cutting was not used in this study, mainly because assay results are lacking excessively high-grade values*

	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.	 *(a)* *Figure A6: Grade vs sample length: (a) Cu%; (b) Au g/t* *The drill hole samples are essentially of the same size and the assayed grade values are lacking excessively high-grade values. The smallest sample grade is comparable with that of the largest samples (Figure A6).*
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	*Not applicable. Metal equivalent values are not reported.*
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	*The mineralisation width is not known. The reported information represents the down-hole length of the intersected mineralisation.*
	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').	*True width is not known. Downhole length is reported.*

Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	 *Figure A7: map showing the drillholes completed by KEX and reported in this announcement.* *Historic drillholes are shown for the reference using dark blue colour. The areas, outlined by light-blue dashed lines, denote the mineralsed breccia pipe prospects interpreted from the airmag data coupled with the historic mining data.*

Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	

BHID	SAMPID	FROM	TO	LENGTH	Cu%	Au_g/t	Ag_g/t	Mo_ppm	S%
SAWM0001	40220249	219	220.5	1.5	0.4	0.049	2.62	9.37	2.18
SAWM0001	40220251	220.5	221.5	1	0.545	0.029	2.83	11.9	3.39
SAWM0001	40220252	221.5	223.3	1.8	0.159	0.008	1.445	7.34	3.23
SAWM0001	40220253	223.3	225	1.7	0.28	0.021	2.42	4.75	3.38
SAWM0001	40220254	225	226.5	1.5	0.519	0.013	3.2	15.5	3.64
SAWM0001	40220255	226.5	228.18	1.68	0.0342	0.004	0.541	11.5	2.28
SAWM0001	40220256	228.18	230.02	1.84	0.0671	0.009	0.924	9.29	1.74
SAWM0001	40220258	230.02	231.5	1.48	0.0496	0.012	0.466	6.87	2.67
SAWM0001	40220259	231.5	233	1.5	0.118	0.01	1.01	8.41	5.16
SAWM0001	40220260	233	234.5	1.5	0.0203	0.008	0.639	5.49	2.45
SAWM0001	40220262	234.5	236	1.5	0.0391	0.001	0.441	5.62	3.08
SAWM0001	40220263	236	237.5	1.5	0.00795	0.009	0.16	2.72	2.84
SAWM0001	40220264	237.5	239	1.5	0.00633	0.003	0.306	5.04	2.69
SAWM0001	40220265	239	240.5	1.5	0.018	0.001	0.319	4.27	1.63
SAWM0001	40220266	240.5	242	1.5	0.0705	0.003	0.712	4.65	2.62
SAWM0001	40220267	242	243.5	1.5	0.0102	0.005	0.403	3.66	2.83
SAWM0001	40220268	243.5	245	1.5	0.25	0.009	1.14	7.5	5.59
SAWM0001	40220269	245	246.5	1.5	0.0701	0.006	0.7	6.04	4.19
SAWM0001	40220271	246.5	247.55	1.05	0.01075	0.004	0.416	3.44	3.19
SAWM0001	40220272	247.55	248.5	0.95	0.0819	0.014	0.918	3.21	2.31
SAWM0001	40220273	248.5	249.52	1.02	0.154	0.058	1.86	9.27	3.21
SAWM0001	40220274	249.52	250.69	1.17	0.166	0.019	2.89	7.46	2.67
SAWM0001	40220276	250.69	252	1.31	0.32	0.077	3.34	6.65	2.24
SAWM0001	40220277	252	253	1	0.622	0.122	3.95	12.6	2.91
SAWM0001	40220278	253	254	1	0.829	0.084	6.23	9.04	2.12
SAWM0001	40220279	254	255.12	1.12	1.375	0.013	2.06	285	2.36
SAWM0001	40220281	255.12	257	1.88	0.434	0.309	4.76	16.35	3.91
SAWM0001	40220282	257	258	1	0.559	0.901	6.02	22.6	4.7
SAWM0001	40220283	258	259	1	3.8	0.712	14.1	62.9	5.85
SAWM0001	40220284	259	260	1	3.6	1.64	11.65	189	9.98
SAWM0001	40220285	260	261.19	1.19	2.59	1.38	9.2	27	5.65
SAWM0001	40220286	261.19	261.97	0.78	5.45	1.52	20.6	49.9	7.66
SAWM0001	N.S.	261.97	264.87	2.9					
SAWM0001	40220287	264.87	266	1.13	0.0958	0.182	1.465	26	5.65
SAWM0001	40220288	266	267	1	0.473	0.251	2.44	24.7	4.74
SAWM0001	40220289	267	268	1	1.75	0.605	5.89	28.2	5.55
SAWM0001	40220291	268	269	1	2.29	0.47	7.98	49.4	4.66
SAWM0001	40220292	269	270	1	1.285	0.154	3.89	27.9	4.74
SAWM0001	40220293	270	271	1	1.94	0.637	5	42.6	7.37
SAWM0001	40220294	271	272	1	0.1395	0.494	2.95	26.3	10.1
SAWM0001	40220295	272	273	1	0.1095	0.831	1.99	26.2	8.48
SAWM0001	40220296	273	274	1	0.0972	0.369	1.37	20.1	5.06
SAWM0001	40220297	274	275	1	0.163	0.231	2.36	32.7	6.52
SAWM0001	40220298	275	276	1	1.445	0.389	4.95	31.1	2.99
SAWM0001	40220299	276	277	1	1.745	0.379	5.59	25.1	3.54
SAWM0001	40220301	277	278	1	1.525	0.176	4.27	21.4	3.42
SAWM0001	40220302	278	279.15	1.15	2.03	0.179	6.53	22	3.47
SAWM0001	40220303	279.15	279.58	0.43	7.87	5.15	29.6	141.5	9.8
SAWM0001	40220304	279.58	280.11	0.53	2.18	2.59	11.65	74.4	3.49
SAWM0001	40220305	280.11	280.7	0.59	14	0.972	25.6	81	10.1
SAWM0001	40220306	280.7	281.12	0.42	1.785	0.835	15.55	50.2	4.67
SAWM0001	40220307	281.12	281.81	0.69	12.8	3.53	40.7	644	9.88
SAWM0001	40220308	281.81	282.98	1.17	2.48	0.941	12.95	343	3.94
SAWM0001	40220309	282.98	284	1.02	0.689	0.238	4.1	33.2	2.01
SAWM0001	40220311	284	285	1	1.9	0.89	9.48	58.3	3.08
SAWM0001	40220313	285	286	1	2.48	0.812	11.55	33.1	2.88
SAWM0001	40220314	286	287	1	1.31	0.38	3.85	23.7	1.77
SAWM0001	40220315	287	288	1	2.11	0.282	9.12	25.9	2.42
SAWM0001	40220316	288	289	1	2.05	0.302	5.6	33	2.69
SAWM0001	40220317	289	290	1	2.64	0.67	7.46	27.8	3.31
SAWM0001	40220318	290	291.5	1.5	2.42	0.493	6.67	45.5	2.79
SAWM0001	40220319	291.5	292.96	1.46	1.035	0.449	4.36	87	2.1

		Comprehensive presentation of the Cu-Au (Ag, Mo) sulphide mineralisation intersected by the SAWM0001 drill hole.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*No other data available for reporting.*
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	*Exploration program Kennecott has been announced to ASX on 20th May 2020 (ASX 2020-05-20).*
	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 exploration program of Kennecott announced on 20 May 2020 (ASX 2020-05-20) will be continued systematically pursuing the different targets.* *The drilholes reported in the present ASX announcement are proposed for targeting the extension of the breccia pipes and their possible amalgamation at the depth (Fig. A8)*

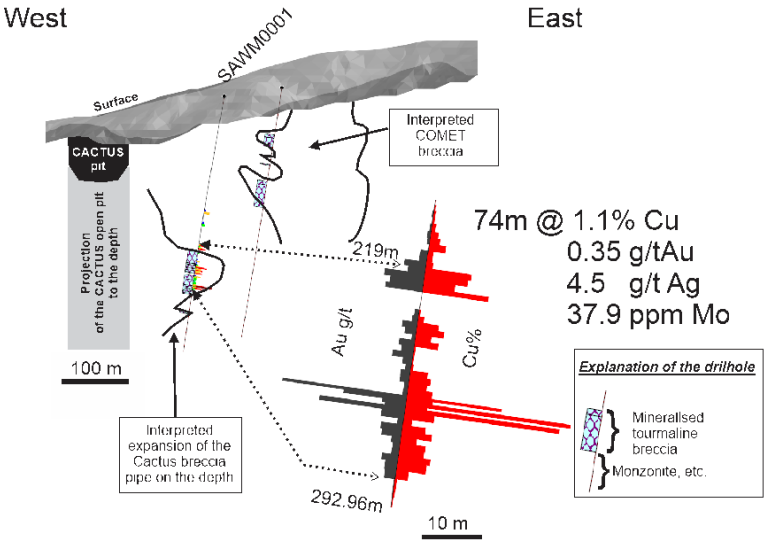


Figure A8: Cross-section drawn through the RTX drillholes shwoing the exploration targets.

Several another Cu-Au (+/- Zn, +/-Ag) opportunities present in the Cactus granodiorite stock area. These include:

- *Accrington Cu-Zn (+/- Au, Ag) skarns, in particular the magnetite skarns*
- *Non exposed on the surface Cu-Au bearing breccia pipes of the Cactus Canyon*
- *Cu-Zn-Au mineralisation associated with silica-altered carbonates at the northern contact of the Cactus stock (Northern Carbonate prospect)*
- *Cu-porphyry type mineralisation*