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ASX ANNOUNCEMENT

1 February 2016

Resource Update for Agate Creek Gold Project

Highlights

- **Laneway is pleased to announce a Mineral Resource update for the Agate Creek Gold Project at the 0.5 g/t Au cut-off of:**
  - **Indicated Mineral Resource 5.0 Mt at 1.6 g/t Au**
  - **Indicated Mineral Resource 3.2 Mt at 1.2 g/t Au**
  - **Total Mineral Resource 8.2 Mt at 1.4 g/t Au**
- **This includes the definition and estimate of a higher grade near surface zone at Sherwood, which is the focus of current development plans, at a 2 g/t Au cut-off of**
  - **Indicated Mineral Resource 89 kt @ 6.0 g/t Au**
  - **The majority of this is open pit-able at low strip ratios, full mine design and extraction information will be completed after the planned drilling program.**
- **The updated Mineral Resource includes the 4250 m of RC drilling program completed by Laneway at Agate Creek in November 2014**

The global Mineral Resource is similar to the previous estimate with new drilling principally infilling known higher grade zones. This drilling along with the introduction of inner high grade domain interpretations has resulted in a more selective model in the defined high grade areas with the estimation and reporting of lower tonnages at higher grade.

The introduction of the high grade domains provides a basis for assessing near surface material suitable for open pit mining and toll treating at existing processing facilities.

The Sherwood high grade domain presents as a flat quartz rich zone that outcrops and has a shallow dip and should be mostly accessible by open pitting. The recent drilling at roughly 20 m spacing has increased the confidence of the estimate of this domain. Previous trial mining of 5.5 kt @ 11 g/t Au and 87% process recovery has demonstrated mining and recovery of the high grade domain. High grade cutting of the samples grades has reduced the average sample gold grade used for the estimate by 11%. Though this approach is typical industry practise the trial mine results suggest higher grades than estimated from cut drill hole samples.

High grade domains at Sherwood West are interpreted at a lower cut-off to provide regional continuity in the interpretation. The new interpretation provides a basis to assess smaller higher grade areas suitable for shallow open pit mining and toll treatment.

Deeper high grade zones at Sherwood present underground targets but require additional interpretation and drilling to be defined with confidence.

Following the completion of this Mineral Resource update Laneway are planning to

- Drill some target extension zones
- Infill some of the high grade domain Indicate Mineral Resource areas where the drill spacing is weakest
- Progress the Mining Lease approval
- Investigate plans to mine and truck high grade ore to a Georgetown plant

Mineral Resource

An updated Mineral Resource estimate (JORC 2012) was completed on the Agate Creek epithermal gold project in North Queensland that includes all drilling on the project to date.

Mineral Resource estimates were undertaken for the Sherwood, Sherwood West and Sherwood South deposits and were based upon a total of 531 exploration drill holes. Independent consultants ResEval Pty Ltd were engaged model and estimate higher grade domains at Sherwood and Sherwood West and incorporate these in an update to the Agate Creek Project Mineral Resource.

For continuity a similar approach as the previous for Agate Creek was adopted for estimation using a recoverable resource estimation method that is adjusted to account for a selective mining option and includes an allowance for mine dilution. This was augmented with narrow restricted domain interpretations for the high grade lenses that display continuity.

A global recoverable Mineral Resource is defined for the Agate Creek Project in Table 1 at a 0.5 g/t Au cut-off suitable for a large open pit operation and is reported on the same basis as the previous resource statement.

A continuous high grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West and reported in Table 2. Table 2 represents a subset of Table1.

Table 1: Total recoverable Mineral Resource at 0.5 g/t gold cut-off grade

Classification	Sherwood			Sherwood South			Sherwood West			Total		
	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz
Indicated	2.8	1.6	140000	0.0			2.2	1.6	112000	5.0	1.6	252000
Inferred	1.4	1.3	57000	0.3	1.2	12000	1.5	1.2	59000	3.2	1.2	128000
Total	4.2	1.5	197000	0.3	1.2	12000	3.7	1.4	171000	8.2	1.4	381000

Table 2: High grade Mineral Resource subsets

Area	Cut-off	Indicated			Inferred			Total		
	Au g/t	Kt	Au g/t	Au oz	Kt	Au g/t	Au oz	Kt	Au g/t	Au oz
Sherwood	2.0	89	6.01	17300	0			89	6.01	17300
Sherwood West	1.0	1018	1.82	59600	146	1.72	8100	1164	1.81	67700
Total		1107	2.16	76900	146	1.72	8100	1254	2.11	85000

Mineral Resource comparison

In 2011 the previous Mineral Resource estimate (JORC 2004) was completed by Golder Associates Pty Ltd and is reproduced in Table 3. This can be compared to the current updated Mineral Resource in Table 1.

The 2011 used similar software and parameters. Changes in the estimates can be attributed to:

- The 460 exploration drill holes used in 2011 now include 531 drill holes. Additional drilling has been completed at Sherwood and Sherwood West.
- Some resurveying has affected the estimates of all areas.
- Higher resolution topography data.
- Higher grade domains have been added to restrict and estimate defined vein systems at Sherwood West and the upper portion of Sherwood. The additional domains will provide more selectivity to the grade distribution. Also the down dip extrapolation of the high grade domain extent is likely to be more conservative than the previous probabilistic estimation approach.

Table 3: Pervious 2011 Resource Estimate at 0.5 g/t gold cut-off grade by Golder Associates

Classification	Sherwood			Sherwood South			Sherwood West			Total		
	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz	Mt	Au g/t	Au oz
Indicated	3.0	1.5	147000	0.0			2.9	1.3	124000	5.9	1.4	271000
Inferred	1.4	1.4	60000	0.3	1.3	13000	1.8	1.2	69000	3.5	1.3	143000
Total	4.4	1.5	207000	0.3	1.3	13000	4.8	1.3	194000	9.5	1.4	414000

Location

The Agate Creek Gold Project is located approximately 40 km south of Forsayth and 60 km west of Kidston in North Queensland. The project comprises of EPM's 17788, 17632, 17949, 17739, 17626, 17629 and MDL402 covering 621km^2, displayed in Figure 1. The Mineral Resources are entirely within MDL 402 which excludes the Agate Creek Fossicking Area to the southeast. MDL 402 is 100% held by Laneway.

The Agate Creek Project is situated within the Etheridge Goldfield which historically produced over 3.7 million ounces of gold, along with minor amounts of silver, copper, lead and other minerals from placer and hard rock (mostly vein) sources. The most significant deposit in the Etheridge Goldfield is the Kidston deposit, located some 60 km east of the Agate Creek Project. Whilst in operation Kidston produced in excess of 3 million ounces of gold.

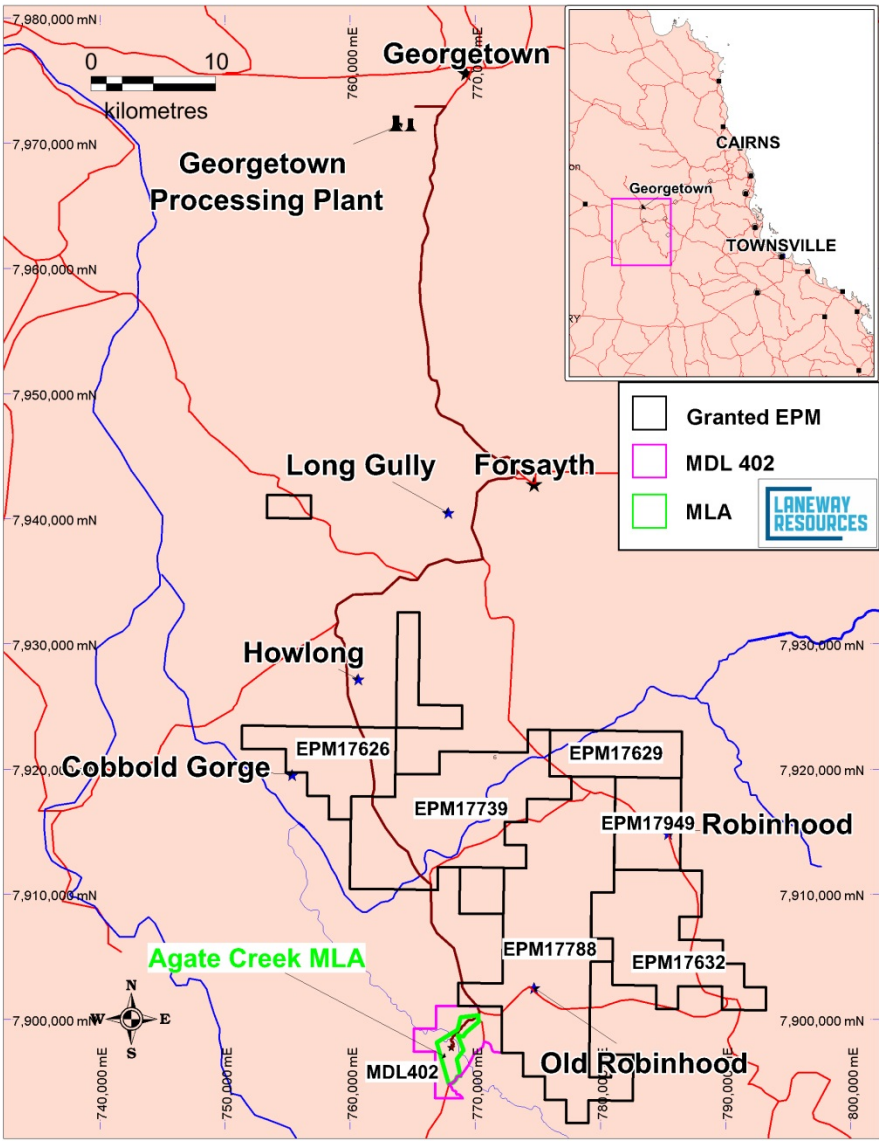

Figure 1: Location of Agate Creek Project.

Mining Lease Area

The current tenure underlying the resource is Mineral Development Licence 402; however, in February 2015 Mining Lease Application 100030 was submitted to DNRM for processing and covers 689.3 Ha. This process is well underway and granting of the Mining Lease is expected during the first quarter of 2016 and will allow the mining and off site processing of material from the defined Mineral Resources. Potential mining infrastructure locations are also shown in Figure 2.

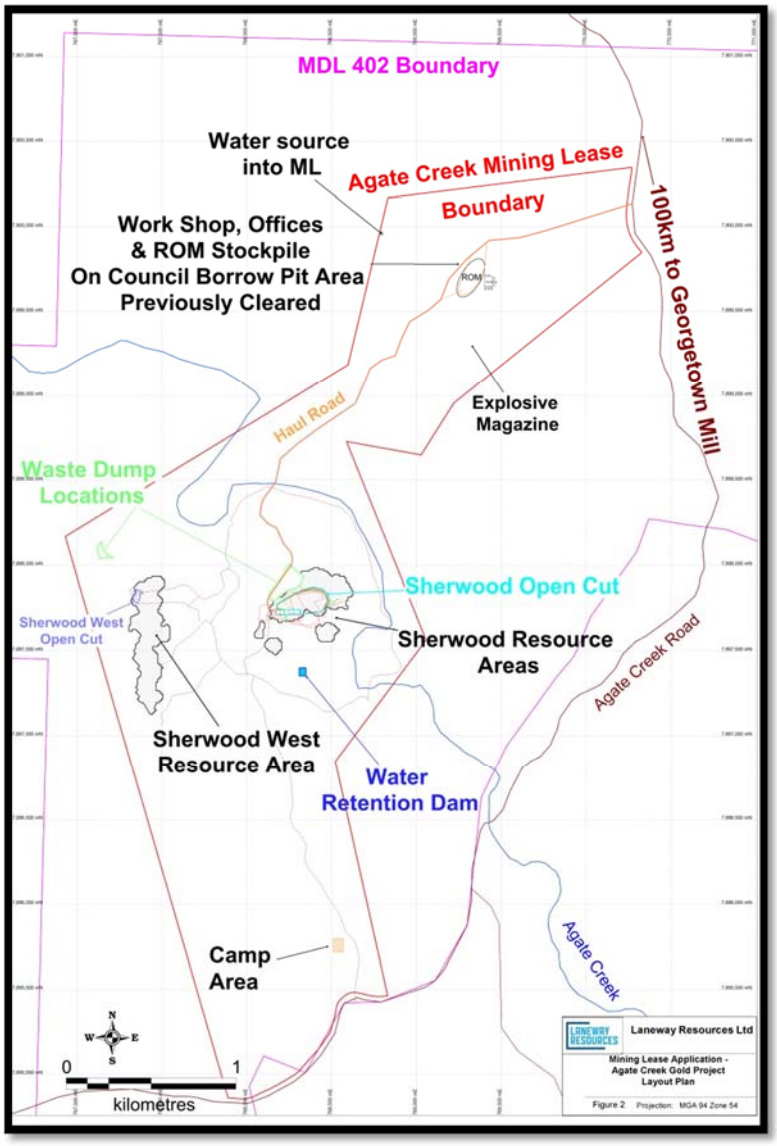

Figure 2: Mining Lease Application Surrounding the Resource Areas

Geology and interpretation

The main styles of gold mineralisation in the area are epithermal and meso-thermal systems, which are generally associated with multiple intrusive phases associated with the Robertson Fault Zone. The Robertson Fault Zone is recognised as one of the main controlling features for mineralisation in the region, see Figure 3. The geological model for the system is depicted in Figure 4.

Narrow-vein mining has also previously taken place within the Forsayth area along or adjacent to the fault traces.

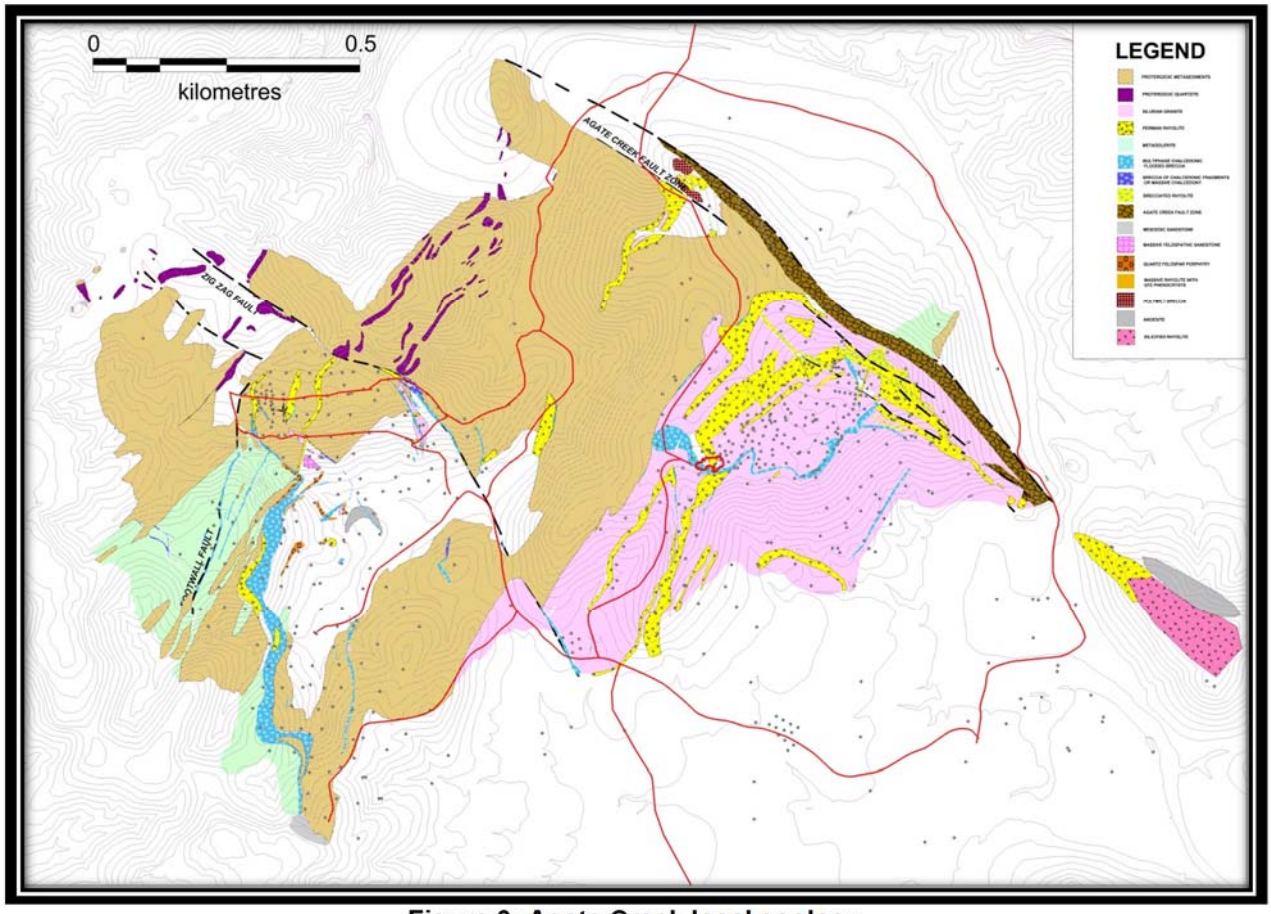

Figure 3: Agate Creek local geology

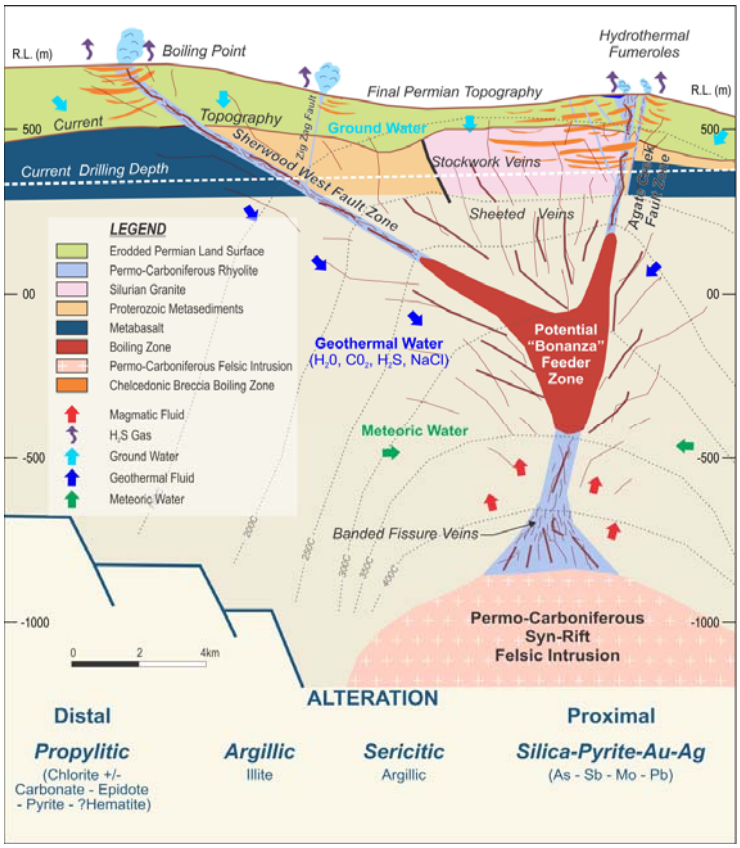

Figure 4: Low Sulphidation epithermal gold model for Agate Creek

Figure 5 displays the Agate Creek projects area and drill traces. There are two principal mineralised areas currently identified at Sherwood and Sherwood West.

Gold mineralisation at Sherwood is a low-sulphidation, adularia-sericite type epithermal system genetically related to the emplacement of Permo-Carboniferous porphyritic rhyolite and andesite extrusives and intrusives. Most mineralisation occurs within the Robertson Fault Zone, at the intersection of the Robin Hood Fault and is spatially associated with (and often within) rhyolite. The mineralised zones are interpreted as boiling outflow zones, likely fossil geysers. The Agate Creek Fault forms the eastern boundary to mineralisation but remains open in all other directions and at depth.

Additional infill drilling in 2014 in the upper part of Sherwood has allowed a higher grade domain to be defined with confidence as a shallow NW dipping lense of mineralisation. The lense is 250 m long by 50 to 100 m wide and 2 to 8 m thick and is marked as a polygon in Figure 4 and an a long section in Figure 5.

Sherwood West is hosted within a brecciated rhyolite, infilling a thrust fault truncated in the north by the Zig Zag Fault. The faulting allowed for a rhyolite intrusion followed by fluid conduits of the active Permian epithermal plumbing system. At Sherwood West the known mineralised zone extends for over 1 km along strike and remains open to the south and at depth. There is also the potential for parallel repetitions of the currently known mineralized zone. A higher grade zone is marked as a polygon in Figure 4 and in a cross section in Figure 6.

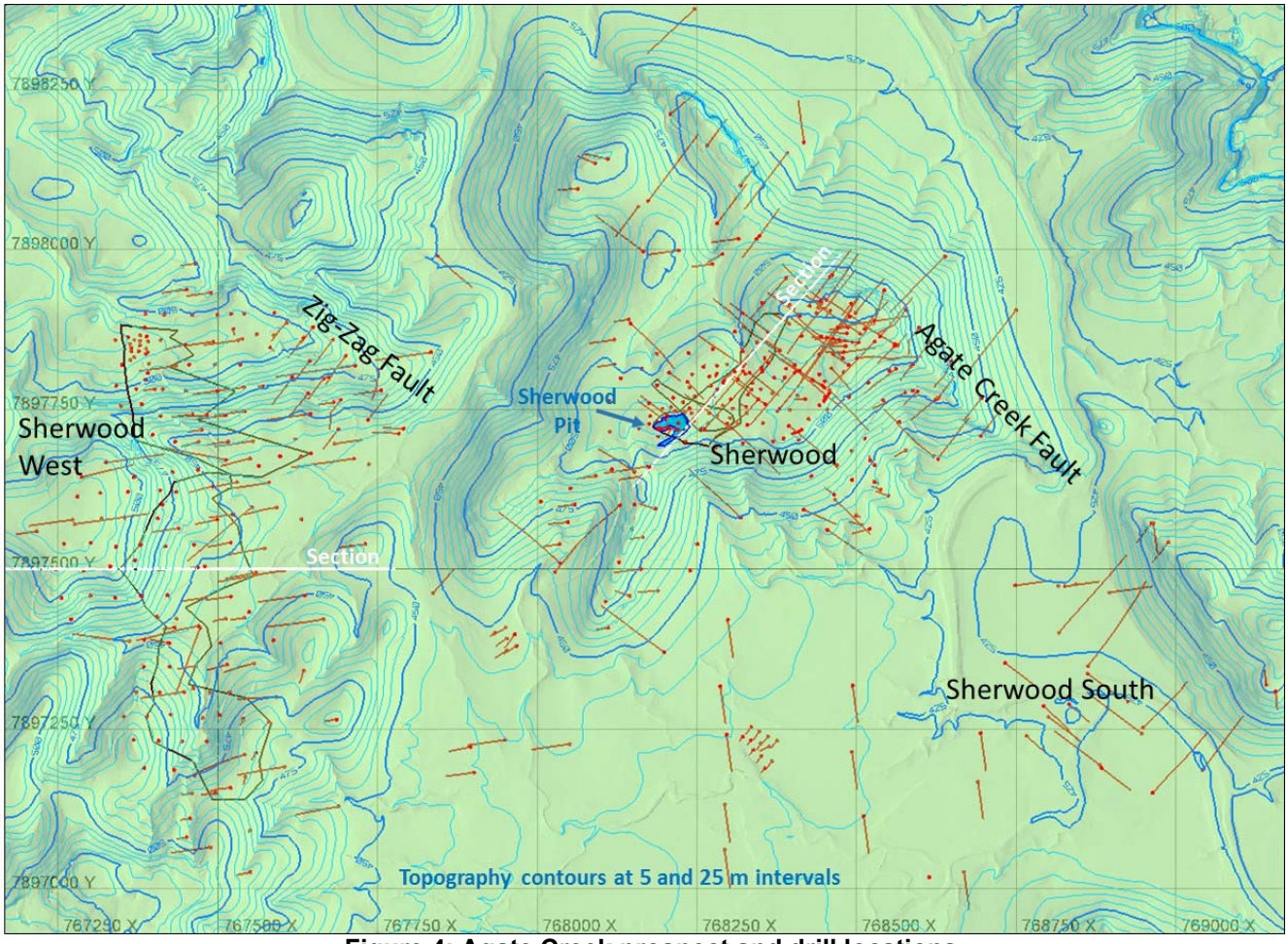

Figure 4: Agate Creek prospect and drill locations

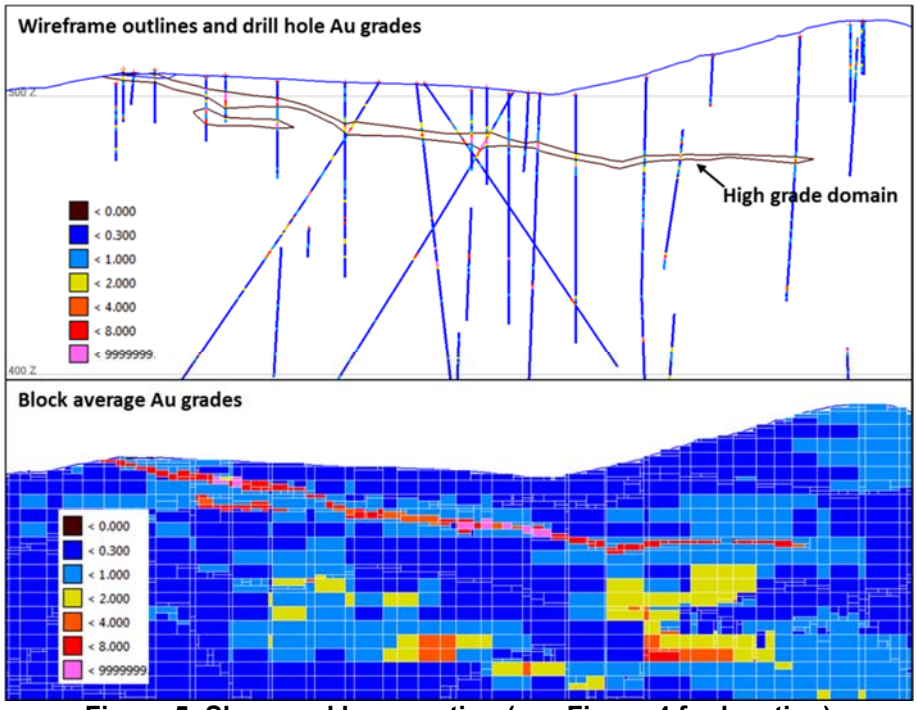

Figure 5: Sherwood long section (see Figure 4 for location)

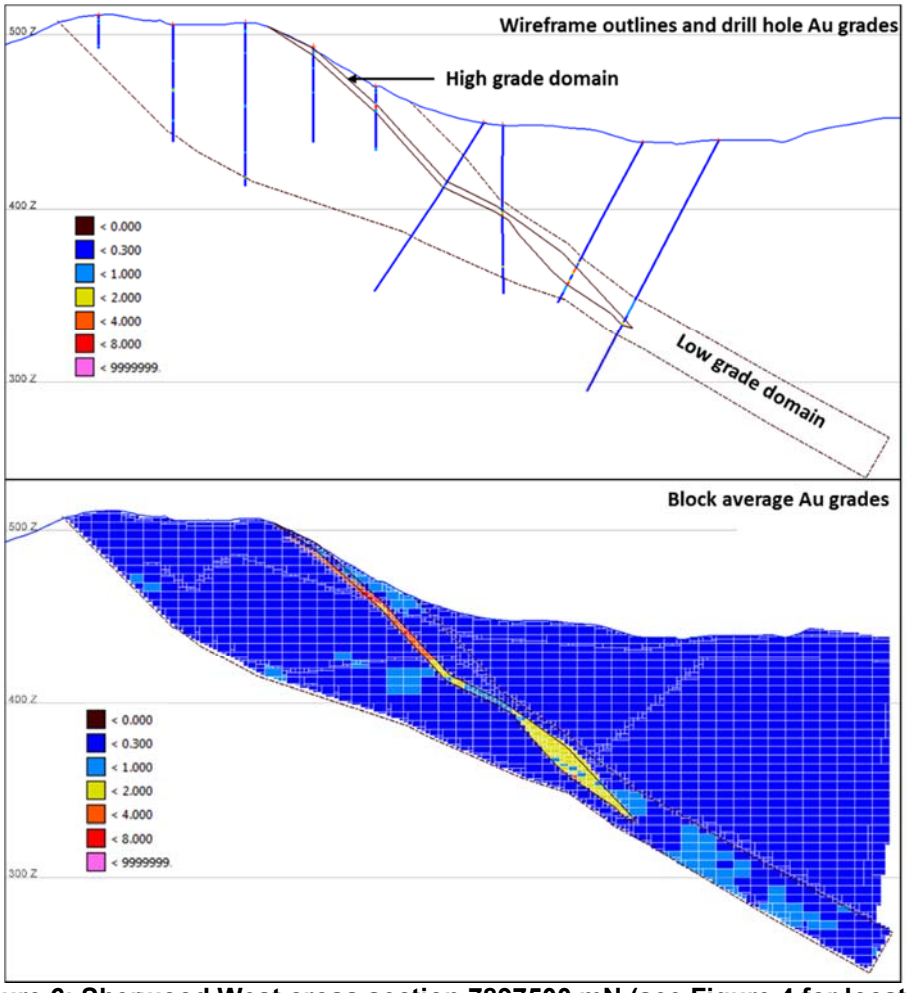

Figure 6: Sherwood West cross section 7897500 mN (see Figure 4 for location)

Drilling techniques

Drilling has included both Diamond Drilling (DD) and Reverse Circulation (RC) drilling and is summarised in Table 4 for the drilling relevant to the resource estimate, a subset of the 599 drill holes (48 893 m) available for the entire Agate Creek project area.

DD core sizes previously include NQ and HQ but more recently HQ3 for all diamond drilling. DD drilling comprises 5% of the drill holes and 15% of the drilled metres. The remaining drilling comprising RC with a few regional RAB holes. RC drilling used a variety of hammer sizes but are predominantly greater than 5 inch diameter.

Table 4: Agate Creek drilling and sampling program summary.

Company	Date	Hole Type	Holes	Meterage (m)	Assayed Samples
Rio Tinto	1996 to1997	RC	23	2526	2886
		DD	15	3269	
Plutonic / Homestake	1998 to2000	RC	56	9371	9370
Normandy / Leyshon	2001	RC/DD	4	884	788
Renison (now Laneway)	2004 to 2010	RAB	0		
		RC	358	25575	24804
		DD	4	1394	1461
Laneway	2013	DD	2	904	907
	2014	RC	69	4263	4260
Total			531	48186	44476

Sampling and sub-sampling

Sampling is predominantly on 1 m regular intervals though some historic sampling was on 2 m intervals and core sampling intervals may have been adjusted for geological contacts.

Diamond Drill (DD) core sizes previously include NQ and HQ but more recently HQ3 for all diamond drilling. Core is cut in half with one half submitted for assay. A small amount of historical core was sampled at ¼ core due to extra testing undertaken at the time. These results show no bias and are still considered representative of the sample interval.

Reverse Circulation (RC) Drill samples are submitted as 1 m intervals when smaller or using a smaller diameter hammer. For RC hammer sizes of 5 inch or larger samples were split by riffle or cone splitter on site prior to sampling and dispatch of a 2 to 4 kg. A limited number of wet samples were spear sampled after drying.

Sample analysis

Sample preparation was undertaken at an accredited commercial laboratory prior to analysis. Samples were dried, crushed, pulverised to -75 microns and split for analysis of gold by fire assay and as required a multi-element suite by mixed-acid digest – ICPMS/OES.

Assaying QAQC information for previous workers is limited for previous companies. Laneway (formerly Renison) drilling programs completed since 2004 now comprise the majority of the drilling database and have included field QAQC samples. QAQC data includes only a few small batches of umpire check samples but has included regular field QAQC across all drill programs in addition to the laboratory QAQC analyses. Analysis of the QAQC has indicated no obvious bias or errors and is based on:

- Certified standards and/or blanks inserted every 30 m
- Sample duplicates inserted every 20 m

Field duplicates indicate a high variance consistent with a coarse gold occurrence. This is consistent with the panning of visible gold from blast hole samples during trial mining, which was used to assist grade control.

Estimation method

Estimation was by Multiple Indicator Kriging (MIK). This is a probabilistic estimation method that estimates the grade distribution at each point. It is a method that is well suited to the estimation of mixed ore and waste materials typical of epithermal gold deposits where the definition of individual quartz veins is difficult prior to production stage information.

The MIK model point estimates were adjusted to account for the estimated variance for the Selective Mining Unit (SMU) to create a recoverable resource estimate to approximate a 5 m by 5 m by 2.5 m SMU.

Block model construction included parent block size of 10 m by 10 m by 5 m sub-blocked to 2.5 m by 5 m by 1.25 m. MIK uses broad domains that define mineralisation envelopes. The assumed dominant structural orientation is used to control the estimation. These orientations are generally flat to shallow easterly dipping up to 35º. A few vertical fault systems are domains at the Zig-Zag and Agate Creek Faults but do not include significant mineralisation. For the high grade domains tighter domain shapes representing the quartz veins provide more specific geological control.

Estimates of gold are based on 1 m composites of grades cut to a maximum value of 40 g/t Au and local sample averages used for all MIK bin grades.

Estimation for each domain used two search passes of 40 by 40 by 10 m and 120 by 120 by 20 m. Octant searching and a minimum of 3 drill holes and 7 samples used for the first pass. Over-extrapolation was limited with the resource classification criteria or the domain extent.

Resource classification

The resource is classified on the basis of drill spacing, based on experience and variogram ranges for the low grade domains and adapted for the more restricted high grade domains as follows:

- **Indicated Mineral Resource**: Within low grade wireframe interpretations and estimated in first grade estimation pass such that 15 samples fell inside the 40 x 40 x 10 m search radii, with a maximum of 7 samples per octant and a minimum of 3 drill holes. Within the high grade domains if within 25 m of a drill hole.

- **Inferred Mineral Resource**: The remaining material within the low or high grade wireframe interpretations where the blocks were estimated for the blocks within 25 m of a drill hole in the plane of the mineralisation. Within the high grade domains if beyond 25 m from a drill hole.

The classification varies in three dimensions. Figure 7 presents the classification in a plan projection of the uppermost blocks that are above 0.5% cut-off and a 30% probability.

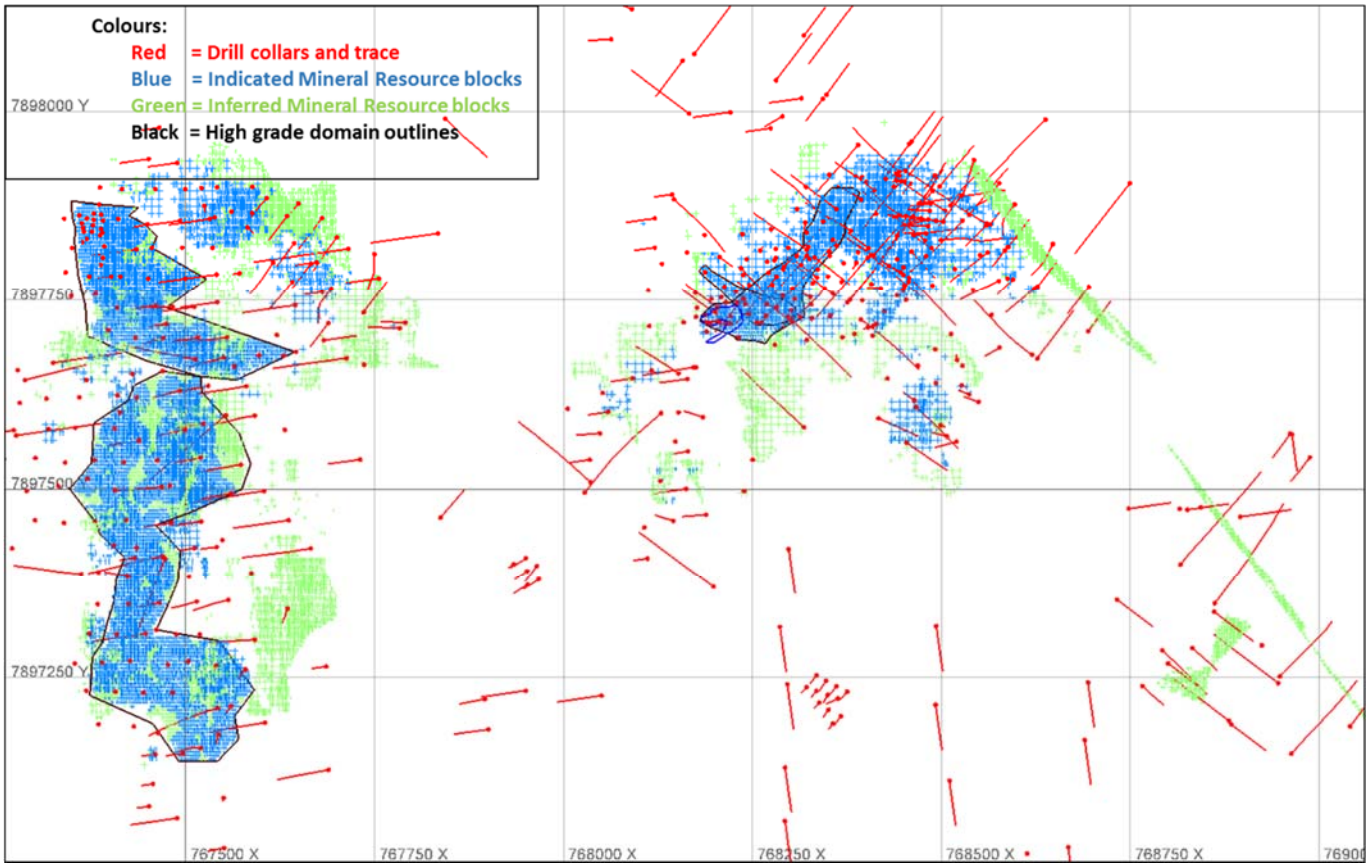

Figure 7: Agate Creek classification projected to plan view

Cut-off grades

Previous resource statements for Agate Creek have been at a low cut-off grade of 0.3 and 0.5 g/t Au on the basis of a potential large scale open pit operation. For continuity the 0.5 g/t Au cut-off is adopted for reporting as this still represents a potential larger scale development scenario.

Laneway are considering an initial higher grade operation trucking ore to an off-site processing facility. Consequently the 2014 drilling and current resource update are focused on the narrower higher grade domains at Sherwood and Sherwood West and are reported separately.

The high grade interpretations is based on a 2 g/t Au cut-off at Sherwood and a 1 g/t Au cut-off at Sherwood West. These are based on the ability to define continuous domains from the drilling intercepts and provide the effective cut-off grade for the reporting of the high grade domains.

Mining considerations

Sherwood and Sherwood West both present near surface outcrop zones with shallow dips to the East. For Sherwood West the dip of the most significant mineralisation runs parallel to the hill providing a significant area of low overburden zone before dipping under significant overburden in the valley floor (see Figure 6).

For the low grade domains the MIK estimation method accounts for the mineralisation dip and provides an estimate of the recoverable resource i.e. includes most mining dilution factors. For the narrow high grade domains some additional edge dilution will be encountered due to the hard boundaries used for the estimation. This will be greater at Sherwood West where the orientation of around 30º is less favourable and additional dilution will be incurred due to the need to bench up for mining. The shallower 5º dip for the Sherwood high grade domain will provide an opportunity to extract ore and waste on separate lifts and should limit any dilution (Figure 5).

The rock types include massive quartz, granite and rhyolite with limited oxidation near surface. Drill and blast will be required in all areas.

Metallurgical considerations

Several phases of metallurgical test work have been under taken on the Agate Creek Project investigating gold extraction via Heap Leach, Dump Leach and CIL processing with and without gravity. The main test work programs completed were in 1999 by AMMTEC and in 2004 & 2005 by HRL. These programs all showed that Agate Creek ore was amenable to cyanide extraction with low chemical consumptions 0.5 to 1 kg/t lime and cyanide; a relatively high work index of 18 kW/t; and recoveries of approximately 95% with grind sizes of 80% passing 75 µm.

In early 2014 a trial mine sample from the Sherwood high grade zone was processed through the Georgetown CIL gold processing plant (at the time owned by JKO). The 5472 t sample was mined from a small and shallow (average depth of 3 m) pit at Sherwood (MDL 402). Very little waste material was encountered as the ore horizon was largely exposed at surface, resulting in a very low strip ratio. A total of 1725 ounces of gold was produced from 5472 t. The recovered gold grade was 9.8 g/t Au, from a feed grade of 11.2 g/t Au, representing an overall recovery of 87%. Issues with the setup and reagents of the process plant were identified and planned improvements are likely to increase expected recoveries to above 90% for future operation. This large scale trial showed comparable Metallurgical characteristics to the previous test work and is being used as baseline recovery and consumption numbers moving forwards.

For and on behalf of the Board
JPK Marshall
Company Secretary

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr John Horton who is a Fellow of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Horton is a full-time employee of ResEval Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Horton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This information was prepared under the JORC Code 2012 and the Table 1 assessment summarized as follows.

Agate Creek Project JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	Reverse Circulation (RC) Drill samples are submitted as 1 m intervals. Wet samples are spear sampled after drying. Diamond Drill Hole (DDH) samples are submitted as half core 1 m intervals. Where appropriate the intervals may be varied to take account of logged geological boundaries and discrete vein sampling. Core is cut in half with one half submitted for assay. Core sizes used historically include NQ and HQ but current standard is HQ3 for all diamond drilling. Some historical samples both RC and DDH were submitted as 2 m composites regardless of geological boundaries but these make up a minor portion of the total data set.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Duplicates, blanks, and standards are submitted to ensure results are repeatable and accurate. Laboratory comparison checks are also completed. With no statistically significant lab errors or biasing shown.
	• *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*	In 2014 RC drilling was used to collect 1 m samples from which a representative 2 to 4kg sample is sent to an accredited laboratory for analysis. Samples are pulverised to -75 microns and analysed for gold by fire assay and as required a multi-element suite by mixed-acid digest – ICPMS/OES.
Drilling techniques	• *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).*	RC hammer size is 5 inch or larger. In cases where smaller diameter holes were drilled an adequate sample size was recovered. Drill samples are homogenised by riffle or cone splitting prior to sampling and a 2 to 4kg split sample is submitted for assay. Diamond Drill Hole (DDH) samples are submitted as half core 1 m intervals. Where appropriate the intervals may be varied to take account of logged geological boundaries and discrete vein sampling. Core is cut in half with one half submitted for assay. Core sizes used historically include NQ and HQ but current standard is HQ3 for all diamond drilling. Core is orientated using digital orientation tools. Historical core has been orientated using industry best standards at the time. Drilling company, method and quantities are summarised in Table 4 of the announcement.
Drill sample	• *Method of recording and assessing core and chip sample*	RC samples are split on 1 m intervals using a riffle or cone splitter with the following data recorded at the time of sampling:

Criteria	JORC Code explanation	Commentary
recovery	*recoveries and results assessed.*	• Sample recovery was visually estimated and documented; and • Any biases in sample recovery were observed and recorded; and • Samples were documented as being dry, moist or wet (in excess of 98% of samples recovered were dry). DDH drill runs were measured and compared to actual core recovered to calculate drilling recovery. Overall DDH drill recovery is 97%.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	If poor RC sample recovery is encountered during drilling, the geologist and driller endeavour to rectify the problem to ensure maximum sample recovery. Visual assessment is made for moisture and contamination. The cyclone and splitter were used to ensure representative samples were taken, with both being routinely cleaned and inspected for damage. If poor DDH sample recovery is encountered during drilling, the geologist and driller endeavour to rectify the problem to ensure maximum sample recovery by changing muds or drilling methods appropriate for the ground conditions.
	• *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 obvious sample bias has been identified or is expected given the nature of the mineralisation and the sampling methods employed.
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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	All drill holes have been logged as appropriate for major and minor lithologies, alteration, vein minerals, vein percentage, sulphide type and percentage, colour, weathering, hardness, grain size, core to bedding angle, recovery, vein angles, fractures, joints and RQD. All RC and DDH drilling is qualitatively and quantitatively logged for a combination of geological and geotechnical attributes in their entirety. All DDH core and RC chip trays have been photographed. Representative samples of the individual metres from RC chips have been retained in 20 m chip trays. All historical data has been reviewed and as necessary relogged and validated so it is now considered equivalent to current geological logs and data quality across the project. Panning of RC samples has been considered part of the standard geological logging technique since 2010 with most meters drilled also panned for visible gold, if noted by suitable qualified geologists this observation also forms part of the geological logs.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	DDH Core is cut with a diamond saw along the orientation line in intervals with one half of the core submitted for assay. A small amount of historical core was sampled at ¼ core due to extra testing undertaken at the time. These results show no bias and are still considered representative of the sample interval.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	Drill samples are homogenised by riffle or cone splitting prior to sampling and a 2 to 4 kg split sample is submitted for assay. Wet samples are spear sampled after drying. These are of a very limited number, and checks are

Criteria	JORC Code explanation	Commentary
		in place to monitor wet sample biasing.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Typically a representative 2 to 4 kg sample has been sent to an accredited laboratory for analysis. Samples are pulverised to -75 microns and analysed for gold by fire assay, and as required for a multi-element suite by mixed-acid digest and ICPMS/OES as determined by the onsite geologist. The sample preparation technique is appropriate for the style of mineralisation being analysed.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of 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.*	Drill samples are homogenised by riffle or cone splitting prior to sampling and a 2 to 4 kg split sample is submitted for assay. Diamond Drill Hole (DDH) Drill samples are submitted as half core 1 m intervals. Where appropriate the intervals may be varied to take account of logged geological boundaries and discrete vein sampling. Core is cut in half with one half submitted for assay. Sampling is supervised by experienced geologists.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The sample size is appropriate taking into account the grain size of the material, as well as the style of mineralisation being analysed.
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.*	The method employed is industry standard and considered appropriate for the style of deposit and elements being assayed.
	• *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.*	Not Applicable
	• *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*	Sample batches have Certified Standard Reference Material and/or blanks inserted at start and end of every lab submission. Standards and/or blanks are inserted at least every 30 m and sample duplicates are taken every 20 m. There is no umpire or check samples available except for a small number of check samples undertaken on early pre 2004 drilling Drilling was supervised by experienced geologists. In 2007 Renison compiled and reviewed in detail the QAQC for the previous companies and the first four Renison drilling programs. This indicated no significant issues though some duplicate and primary sampling by spears was found to have high variance owing to the occurrence of some coarse gold at Agate Creek. QAQC data analysis of the control procedures outlined above has been completed with no obvious bias or errors have been detected.
Verification of	• *The verification of significant intersections by either independent or alternative company personnel.*	All assay data received including significant intercepts are reviewed by at least 2 appropriately qualified persons for validation purposes. All reported significant intercepts are verified by at least

Criteria	JORC Code explanation	Commentary
sampling and assaying		2 appropriately qualified persons.
	• *The use of twinned holes.*	Twinned holes are used to verify historic drilling and have shown reasonable correlation.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	All historical data was manually checked and validated from original documents during a database audit undertaken in 2008. Procedures are in place for data storage, manipulation, data entry, validation and verification which are considered industry standard. Samples are collected into pre-numbered bags at the place of sampling (either the drill rig or core yard). A geologist or field assistant cross checks the bag numbers against the sample interval before recording them in duplicate into a sample submission book, including: certified standards, blanks and field duplicates. The sample submission form is signed by the geologist or field technician prior to delivery to the accredited laboratory. The laboratory validates the number of samples and sample identification codes against the submission form, with any errors being reported and rectified. Data is transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Microsoft Access. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. Hard copy field data is collated into a file for each drill program and is stored in the Brisbane office. Electronic data is stored on the Company server, with appropriate security controls being in place. Panning of RC samples has been considered part of the standard geological logging technique since 2010 with most meters drilled also panned for visible gold, if noted by suitable qualified geologists this observation also forms part of the geological logs. These observations are checked against external assay data as an additional check for laboratory errors.
	• *Discuss any adjustment to assay data.*	No adjustment of assay data was considered necessary. The primary returned assay result is used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias.
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.*	All drill hole collar surveys are completed by a licensed surveyor utilising industry standard survey equipment. The majority of drill holes have been down hole surveyed at 30 to 50 m intervals using best practice instruments available at the time. Vertical holes less than 60 m have not been downhole surveyed historically. A significant amount of historical downhole surveys are dip only as they were conducted within the drill rods and azimuths are considered invalid.
	• *Specification of the grid system used.*	All data has been converted to MGA 94 (Zone 54). Elevation values are in AHD RL.
	• *Quality and adequacy of topographic control.*	Elevation control is based on topographic contours extracted from the 100 000 map sheet data.

Criteria	JORC Code explanation	Commentary
		New topographic model and data were acquired from Survey Graphics Mapping Consultants in March 2015. This is photogrammetry data comprising 5 m contours collected at 1:11,000 scale and based on aerial photographs flown in 2006. The survey accuracy is reports as ±0.15 m.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Step out exploration drilling is generally conducted on 40 m sections along strike and 40 m down dip, this is considered sufficient to establish continuity of the mineralisation. Drilling density to define the Exploration Target will average less than 20 m by 20 m. The drill spacing is considered geologically sufficient for the high grade vein system which is being targeted.
	• *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.*	Drill hole spacing on average is less than 40 m by 40 m within the known mineralisation areas. This drilling density is considered appropriate to establish the continuity of the mineralisation. Infill drilling is undertaken where necessary to define higher grade zones as deemed geologically necessary.
	• *Whether sample compositing has been applied.*	Sample compositing has and is not expected be undertaken.
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.*	Wherever possible drill holes have been planned to intersect the interpreted mineralised structure as near to perpendicular as possible (subject to dill collar access constraints). No sample biasing due to drill orientation has been observed.
	• *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.*	Drilling orientations are considered appropriate to the mineralisation type with no bias observed as a result of the drill orientation.
Sample security	• *The measures taken to ensure sample security.*	The chain of custody is managed by the project geologist who generally dispatches the sample bags directly from site to the lab by an authorised company representative. Sample dispatches by others have historically been similar in nature.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	In 2008 a complete data review was completed up to drill hole 333, including a thorough QAQC audit. Relogging and checking of all historical data was completed during the same period The results of the 2008 review included updated geological logging and additional QAQC procedures as part of the continuous improvement process.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary

Criteria	JORC Code explanation	Commentary
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 entire Agate Creek Resource and current drilling program lies within Mineral Development License 402 (MDL 402) which is located approximately 50 km South of Forsayth (QLD). MDL 402 is held 100% by Laneway Resources, but is subject to a Royalty Agreement based on gold production. MDL 402 has a current ILUA and CHMA for exploration activities with the determined Native Title group. Current Conduct and Compensation Agreements are in place with the underlying land holders.
	• *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.*	MDL 402 was granted for an original 5 year term which expires during 2016, at this time the Company will apply for a 5 year term extension. A Mining Lease Application has been lodged to replace part of MDL 402 and also cover the main area of mineralisation See Figure 2. Upon grant of a Mining Lease the title will be secured for an additional 20 years. MLA 100030
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties*	Exploration by previous parties have held to define the Sherwood and Sherwood West deposits at Agate Creek. These include: 1996 to 1997 Rio Tinto with 40 RC and DD holes in 2 programs 1998 to 2001 Plutonic – Homestake with 74 RC and DD holes in 3 programs 2001 Normandy – Leyshon with 6 DD holes All historical data has been reviewed and as necessary relogged and validated so it is now considered equivalent to current geological logs and data quality across the project.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Gold mineralisation at Sherwood is a low-sulphidation, adularia-sericite type epithermal system genetically related to the emplacement of Permo-Carboniferous porphyritic rhyolite and andesite extrusives and intrusives. Most mineralisation occurs within the Robertson Fault Zone, at the intersection of the Robin Hood Fault and is spatially associated with (and often within) rhyolite. The mineralised zones are interpreted as boiling outflow zones, likely fossil geysers. The Agate Creek Fault forms the eastern boundary to mineralisation but remains open in all other directions and at depth.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	Location of the data in relation to the resource is summarised in plan view in Figure 4.

Criteria	JORC Code explanation	Commentary
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	No drill information is excluded from the resource estimate.
Data aggregation methods	• *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.*	Previous announcement report more recent drilling results with announcements dated 2 Mar 2015, 12 Feb 2015 and 24 Dec 2014. For estimation samples are composited to 1 m regular intervals. This matches the majority of the original sample lengths. Composite grades were cut to a maximum of 40 g/t Au as used previously for the global Mineral Resource estimate. Globally this affects 9 composites reducing the average Au grade by 2%. Five of the cut composites are within the high grade Sherwood domain amongst 181 composites where cutting has reduced the Au grade by 11%.
	• *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.*	Length weighting used to manage any short intervals during estimation.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No metal equivalents have been calculated.
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 majority of the drilling angled vertical or at 70º into roughly flat dipping structures at Sherwood and almost perpendicular to mineralisation at Sherwood West. This provides an optimal orientation. However there is potential for some vertical vein orientations at Sherwood. Historic drilling has tested the deposit at almost every possible azimuth orientation. Consequently no systematic orientation bias will present. Recent drilling for the Sherwood upper high grade zone has used vertical RC drilling into a system dipping at most by at most 10º, providing essentially true widths.
	• *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').*	In most cases the drilling is orientated to provide close to true width intercepts.
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.*	Plans and sections are provided in the announcement, see Figure 3 to 7.
Balanced	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades*	2014 RC intercepts were previously reported for the high grade zone drilling at Sherwood.

Criteria	JORC Code explanation	Commentary
reporting	*and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	
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.*	The metallurgical sample (5472 tonnes at 11.2 g/t gold) which was mined and processed during December 2013 is adjacent to the Sherwood upper high grade zone subsequently infill drilled in 2014. The results of the trial mine and metallurgical sample were announced in the March 2015 Quarterly report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	The most recent RC drilling program in 2014 targeted the Sherwood upper high grade zone that outcrops at the 2013 trial mining area. Laneway are currently investigating the economics of extending trial mining area to progressively extract the shallow dipping high grade zone down dip to provide selective high grade feed for trucking and toll treatment. Requirements for additional infill drilling in this and other high grade areas is being considered.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Extension drilling is not yet identified.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	Golder Associates compiled the previous resource estimates and reviewed the drilling database. Historic data were compared visually and similar estimates confirmed historic areas were unchanged except for resurveys. Recent Laneway drilling data was compiled independently from original assay certificates. Downhole integrity and cross validation were used to validate the entire drilling database.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	Scott Hall has visited site on extensively having first visited the site in 2004 and has supervised and managed exploration onsite since 2007. He was also present during trial mining in 2013x. John Horton visited site on 21 Sep 2008 as part of a previous geological review.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral*	Agate Creek mineralisation is epithermal is style and associated with quartz veining. Both grade and quartz logging are used to aid geological interpretation in additional to geological contacts between the rhyolite and granite which are proximal and parallel to the main mineralisation at

Criteria	JORC Code explanation	Commentary
	Resource estimation. • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	Sherwood West and the upper mineralisation at Sherwood. Quartz veining is dominantly near horizontal at Sherwood and dip at 30º to the east at Sherwood West. Early interpretations included vertical veining along fault zones at Sherwood and Zig-Zag faults, however there is room to interpret these areas to low angle structures. Other vertical veins are present around Sherwood and could possibly contribute to mineralisation. Examination of core indicates here is mineralisation without evident quartz veining indicating some areas are more complicated. Trial mining undertaken on the upper high grade zone at Sherwood confirms a gentle dip to the east that is now defined by infill RC drilling completed in November 2014. The high grade zones displays a string relationship to quartz veining though not all quartz is mineralised.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	Sherwood comprises mostly sub-horizontal quartz veins and mineralisation with the main zone containing veins spread over a core area of 370 m NE-SW by 300 m NW-SE by 300 m RL. It is bounded to the East by the Agate Creek Fault a vertical NNW-SSE system with some mineralisation. Sherwood West is predominately a single zone dipping 30° to the east and up to 750 m N-S by 350 m E-W and 20 m in vertical thickness. There are some minor horizontal veins in the hanging wall sequence and additional mineralisation near the Zig Zag Fault. Sherwood south comprises a few largely vertical veins is minor extent.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Estimation was by Multiple Indicator Kriging (MIK). This is a probabilistic estimation method that estimates the grade distribution at each point. It is a method that is well suited to the estimation of mixed ore and waste materials typical for epithermal gold deposits where the definition of individual quartz veins is difficult prior to production stage information.
	• *Any assumptions behind modelling of selective mining units*	The MIK model point estimates were adjusted to account for the estimated variance for the Selective Mining Unit (SMU) to create a recoverable resource estimate using a block reduction factor of 0.3 (or F factor) to approximate a 5 m by 5 m by 2.5 m SMU.
	• *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.*	Block model construction included parent block size of 10 m by 10 m by 5 m sub-blocked to 2.5 m by 5 m by 1.25 m.
	• *Description of how the geological interpretation was used to control the resource estimates.*	MIK uses broad domains that define mineralisation envelopes. The assumed dominant structural orientation is used to control the estimation. For the high grade domains tighter domain shapes representing the quartz veins provide more specific geological control. Estimation was orientated towards the interpreted direction of continuity and vein orientation which included: • Horizontal for most Sherwood upper and lower domains • Shallow easterly dip (10→000) for Sherwood upper high grade zone

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>

Vertical (90→050) for Sherwood Agate Creek Fault
Shallow easterly dip (30→90) for Sherwood West main zone
Shallower dip (13→090) for Sherwood West upper hangingwall.
Near vertical (80→060) for Zig Zag Fault.

Estimation was undertaken for each domain with two search passes
<table>
<tr><th>Pass</th><th>Search Radii</th><th>Maximum Samples per Octant</th><th>Minimum Drill Holes</th><th>Minimum Samples</th></tr>
<tr><td>1</td><td>40 x 40 x 10 m</td><td>7</td><td>3</td><td>15</td></tr>
<tr><td>2</td><td>120 x 120 x 20 m</td><td>7</td><td></td><td>1</td></tr>
</table>
</td></tr>
<tr><td></td><td>Any assumptions about correlation between variables.
The assumptions made regarding recovery of by-products.
Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</td><td>Only gold is estimated and there are limited analyses for other elements.

Silver analysis is not complete and not included in the estimate. Silver grades are sufficient to probably cover the refining costs for its removal.</td></tr>
<tr><td></td><td>Discussion of basis for using or not using grade cutting or capping.</td><td>Estimates are based on 1 m composites of grades cut to a maximum value of 40 g/t Au and local sample averages used for all MIK bin grades.</td></tr>
<tr><td></td><td>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</td><td>The low grade domains contain mixed ore and waste samples making comparison of sample and block averages meaningless. Log probability plots between the declustered composites and the MIK grade distribution indicated similar distributions prior to the SMU adjustment.

For the higher grade domains the domain averages were compared for the composite and block grades and indicated similar results.</td></tr>
<tr><td></td><td>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</td><td>Ordinary Kriged estimates were also undertaken and provided similar results the MIK block average estimates.

Previous estimates by Golder Associates in 2011, 2008 and 2006 provide a basis for comparing the results after accounting for the additional drilling.</td></tr>
<tr><td>Moisture</td><td>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</td><td>The host rock and mineralisation ore hard fresh rock and contain little free or inherent moisture. All material is reported on a dry basis.</td></tr>
<tr><td>Cut-off parameters</td><td>The basis of the adopted cut-off grade(s) or quality parameters applied.</td><td>Previous resource statements for Agate Creek have been at a low cut-off grade of 0.3 and 0.5 g/t Au on the basis of a potential large scale open pit operation. For continuity this cut-off is adopted for reporting.

The narrower higher grade domains at Sherwood and Sherwood West are reported separately. The interpretation at Sherwood is largely based on a 2 g/t Au cut-off which becomes the effective</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		cut-off grade for this domain.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	The MIK estimates are a recoverable resource estimate and incorporate mining assumptions for large scale open pit mining with selectivity down to a 5 m by 5 m by 2.5 m SMU. The narrow high grade domain interpretations for Sherwood Upper and Sherwood West incorporate little lower grade or waste material. Though also estimated by MIK with SMU adjustments the selective nature of the interpretation these domains are effectively block grade estimates a within a selective interpretation. A minimum height of 2 m is used for the interpretations and should provide a minable target, however edge dilution and mining loss will be expected in the high grade domains.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Several phases of Metallurgical test work have been under taken on the Agate Creek Project investigating gold extraction via Heap Leach, Dump Leach and CIL processing with and without gravity. The main test work programs completed were in 1999 by AMMTEC and 2004 & 2005 by HRL. These programs all showed that Agate Creek ore was amenable to cyanide extraction with low chemical consumptions 0.5-1 kg/t lime and cyanide; a relatively high work index of 18 kW/t; and recoveries of approximately 95% with grind sizes of 80% passing 75 µm. In early 2014 a trail mine sample from the Sherwood high grade zone was processed through the Georgetown CIL gold processing plant. A total of 1725 ounces of gold was produced from 5472 t. The recovered gold grade was 9.8 g/t Au, from a feed grade of 11.2 g/t Au, representing an overall recovery of 87%. Issues with the setup and reagents of the process plant were identified and planned improvements are likely to increase expected recoveries to above 90% for future operation. This large scale trial showed comparable Metallurgical characteristics to the previous test work and is being used as baseline recovery and consumption numbers moving forwards.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	Current mining plans involves ore processing off site at the Georgetown Processing Site Owned and Operated by Etheridge Gold Mines, tailings disposal will be at this site which has its own separate management and environmental authorities in place. All waste material will be characterised prior to removal but given that only oxide resources are currently planned to be mined it is unlikely there will be any material with AMD issues. Waste dumps will be placed according to industry best practice and be incorporated into surrounding landform contouring and rehabilitated with native growth as soon a s practicable. Required monitoring of runoff and waste waters will be undertaken in accordance with Environmental Authority conditions.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Density samples are limited to a few metallurgical samples that were between 2.55 and 2.6 t/m^3. There is limited oxidation and the dominant rock types of quartz, rhyolite and granite would all be expected to have dry bulk densities of more than 2.7 t/m^3 for solid material. A conservative average dry bulk density of 2.5 t/m^3 is assumed for resource work to account for some expected

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	• *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	vughs and cavities.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The resource are classified on the basis of drill spacing based on experience and variogram ranges as follows: Indicated Mineral Resource : Within low grade wireframe interpretations and estimated in first grade estimation pass such that 15 samples fell inside the 40 x 40 x 10 m search radii, with a maximum of 7 samples per octant and a minimum of 3 drill holes. Inferred Mineral Resource: The remaining material inside Within low grade wireframe interpretations where the blocks were estimated and the blocks are within 25 m of a drill hole in the plane of the mineralisation.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	Golder Associates previously undertook the reviews of the database and earlier MIK estimates between 2006 and 2011. The current estimate has not been independently reviewed or audited.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	MIK provides a robust method for estimating mixed ore and waste materials when mineralisation is variable or difficult to contain within a selective domain interpretations. It is particularly suited to the estimation of epithermal deposits. This geostatistical method accounts for mixed materials by calculating the recoverable resource to the 5 by 5 by 2.5 m block size assumed as the smallest selective unit for open pit mining scenario. These provide a probabilistic estimation method suited to global resource estimation. The high grade domain interpretations used for the resource updated will result in block average grade estimates due to the narrow domains and exclusion of low grade material. The method will result in similar estimate to Ordinary Kriging which were done in parallel as a check. Estimate of the high grade Sherwood upper zone will be locally correct as there drilling spacing is lower and the method will result in regular block estimation .