TRUSCOTT
MINING CORPORATION LIMITED

ASX Announcement 28th October, 2016

ACTIVITIES REPORT – SEPTEMBER QUARTER 2016

Status

During the quarter Truscott undertook a number of field work programs to further review and confirm the company's understanding of the regional controls (Figure 1) over mineral distribution. A particular effort was made to advance the commercial standing of the Hera Project area, by more fully describing the structural setting in order to better facilitate targeting for future drill program planning.

Discussion continues with a number of international investors, with a view to progress the development of both the Westminster and Hera Gold Projects under potential joint venture initiatives. Overall gold market conditions appear to be continuing to trend positively, with shorter term periods of consolidation. Consequently the level of exploration and development is reflecting signs of increased interest.

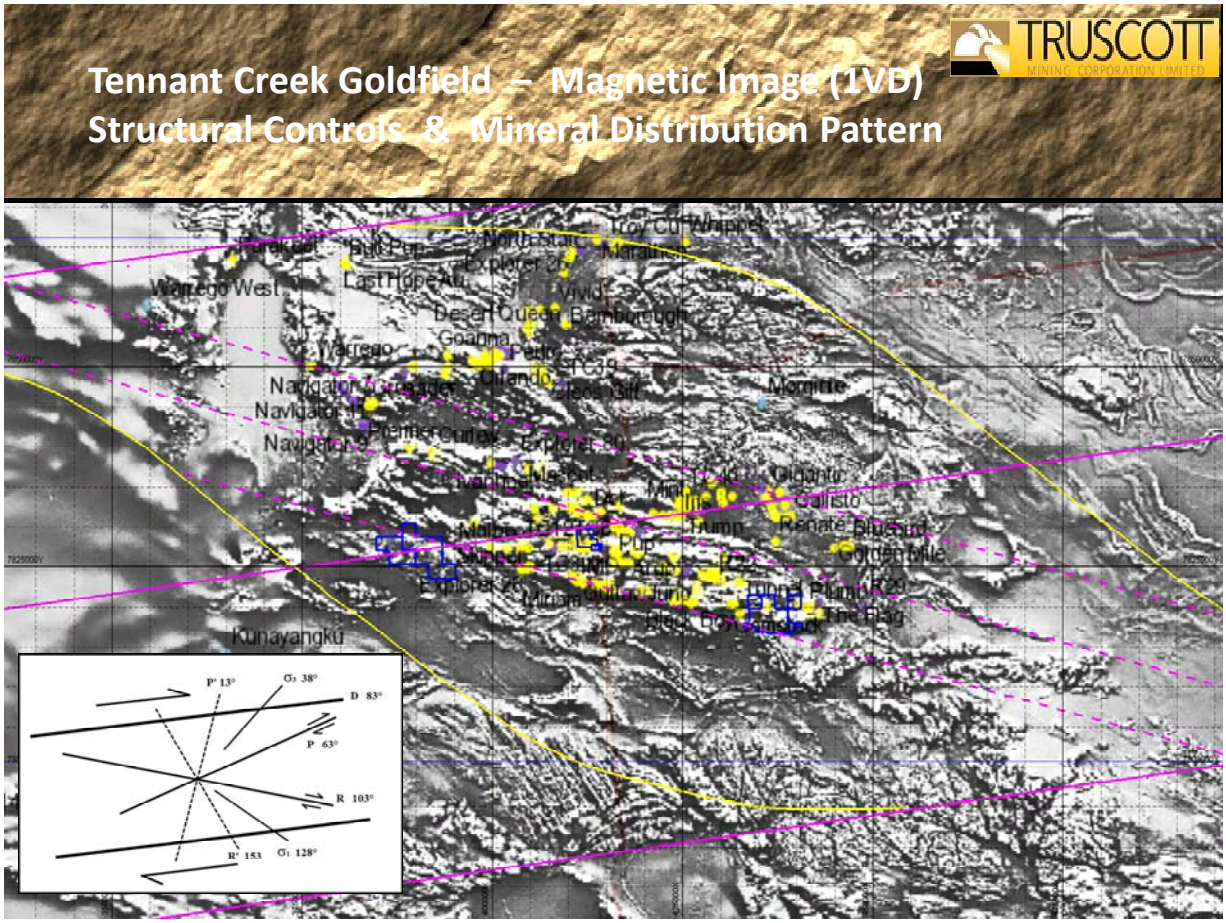

Figure One: Tennant Creek Goldfield – Field of view – 125 kilometres

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Structural Controls – Field scale

The mineralization of the Central Tennant Creek Mineral Field (Figure 1) is shown as being included within an extensional envelope (boudin) described within a dextral strike slip zone.

The boudins, when measured along the central line of strike slip zone is eighty kilometres in width. Elements of tensional openings related to principal stresses on 128^0 and subsequent redial shearing have contributed to controlling the distribution of ironstones and gold mineralization. At field scale the significant mineralization along the resultant 103^0 (R) shear direction is evident in figure one. Less evident is that all historical major mines (Plus 500,000 ounces Au) also appear to be located on shear elements related to the driving 083^0 (D) strike slip direction.

Structural Controls – Project scale

Stress acts as a continuum throughout the mineral field, such that elements of stress can be observed as acting in the same manner at different scales. Studying structural elements at ten times more magnification than that of the observations made across the mineral field, at what is described as project level, allows structure to be described within boudins that are eight kilometres in width.

A number of key structural elements for part of the Hera Gold Project, have been supported by field observations, are shown (Figure 2). To date sufficient confirmation work has been completed across half the width of the boudin. Work is ongoing and, on completion the full picture, is expected to exhibit the same characteristics as that for the mineral field.

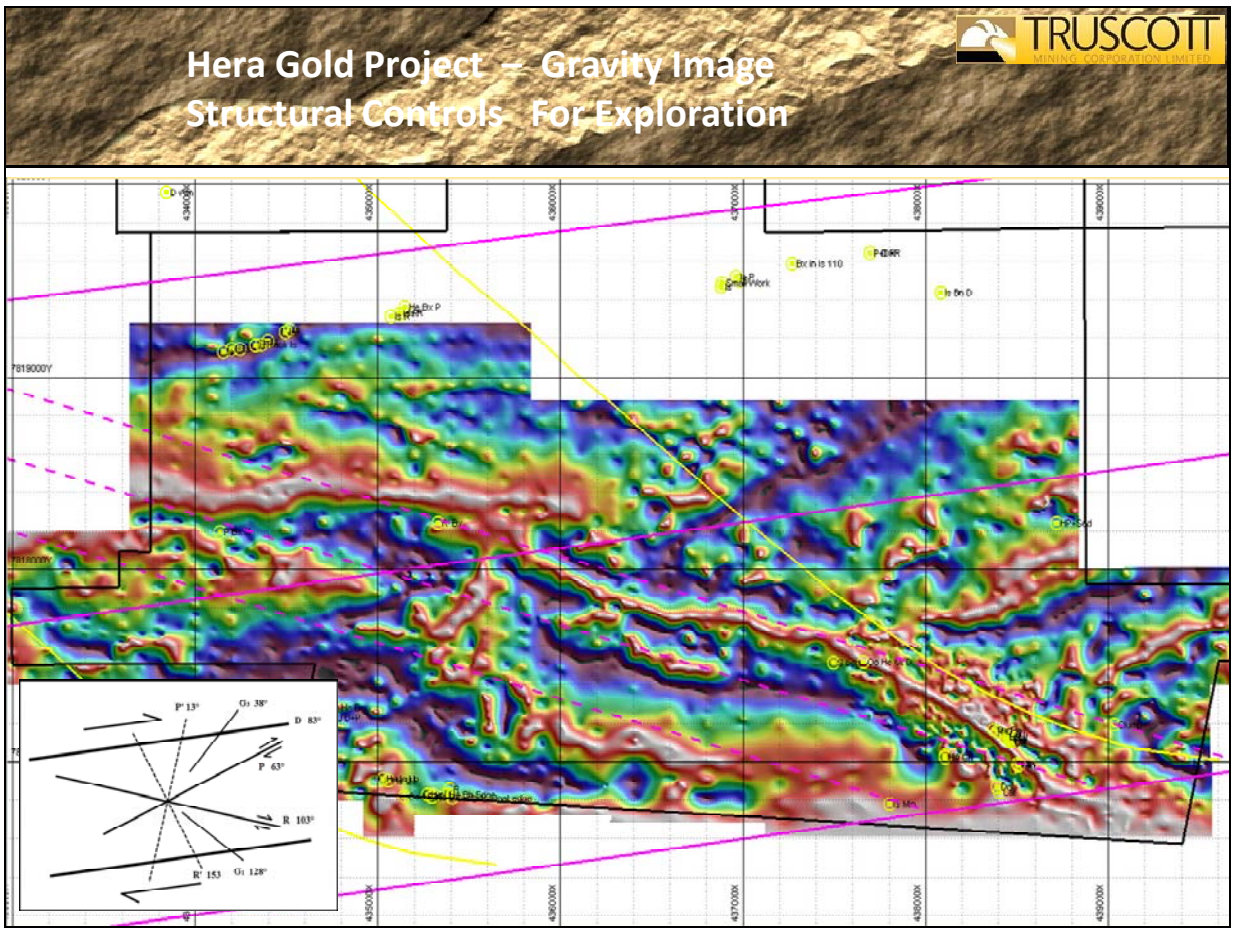

Figure Two: Hera Project (South) - Field of view – 6.25 kilometres

Structural Controls – Orebody scale

Increasing the order of magnification another five times we reach observations sets which are contained within boudins that are approximately 1600 metres in width. These are the settings that directly host the gold mineralization or orebodies. Some of the structural controls that host the Westminster Mineralisation (Figure 3) provide an insight into the orientation of the mineralisation.

The purpose of the systematic approach to sequentially categorizing the structural controls over mineralization is that it provides an effective tool to ensure future drilling activity is conducted in an effective manner. Time spent developing these understandings provides a basis for an aggressive level of exploration activity, once market conditions further improve.

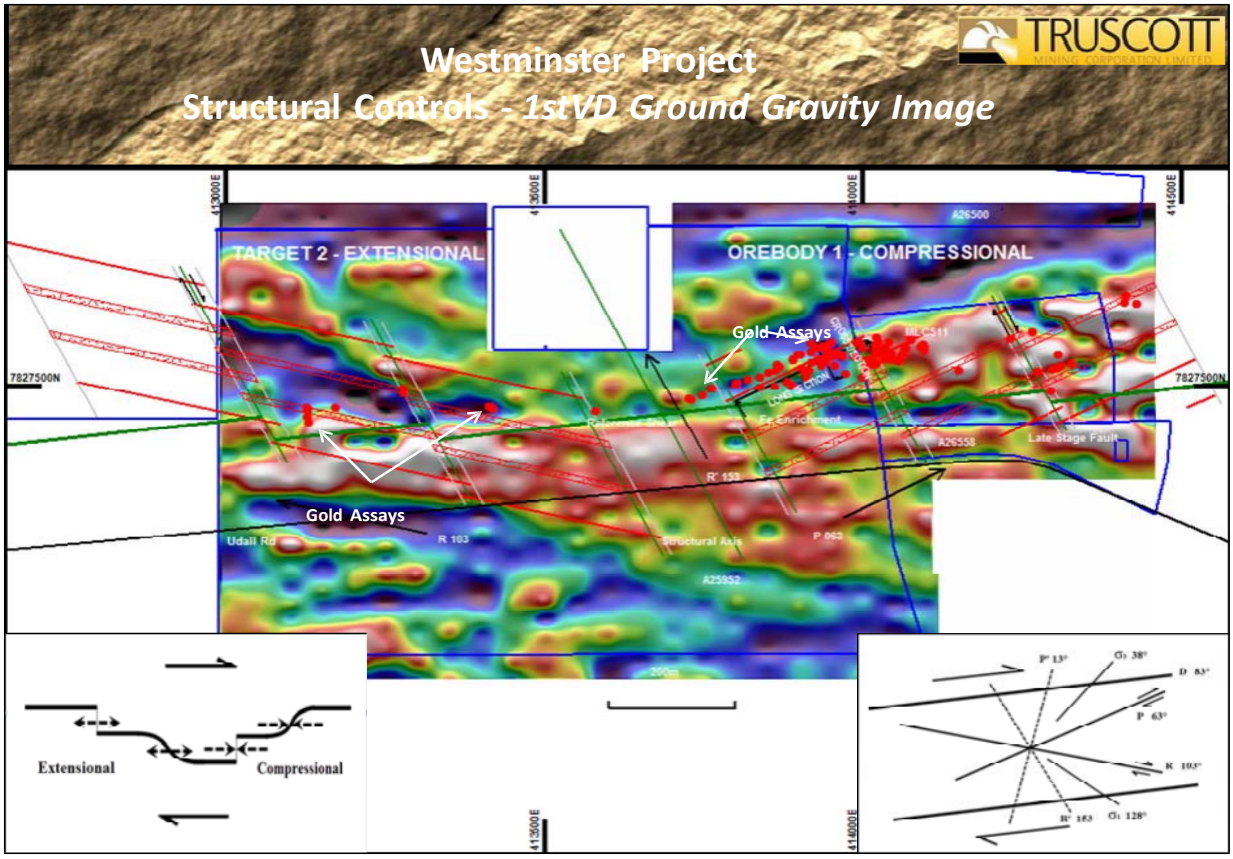

Figure Three: Westminster Project – Structurally Controlled Ore Zones – Field of view 2 kilometres

Westminster Project

Further planned drilling at Westminster follows:

Identification of the location of the 083^0 (D) shear zone to constrain the ore system;

Determination of whether drilling is to be conducted in a compression or extension zone;

Targeting higher grade metamorphic zones associated with multi-directional resultant shearing;

Westminster Project – Mineralisation

The layout of Westminster (Figure 3) has been established from drilling and surface mapping with ore resource drilling initially focused on the eastern end of Westminster.

The node which centre's the Westminster Project has been located in figures one and two. The compression zone (ore body one) to the east of the centre is considered to be what is characterised in structural texts as a positive flower structure. The extension zone (target 2) is considered to be what is commonly characterised as a negative flower structure.

Technical literature describes the negative flower structures associated with the 103^0 (R) resultant direction as typically being initial onset and the dominant dilation.

With the drilling at Westminster concentrating on the positive flower structure aligned with the 063^0 (P) resultant shear, the major part of the target zone awaits further drilling.

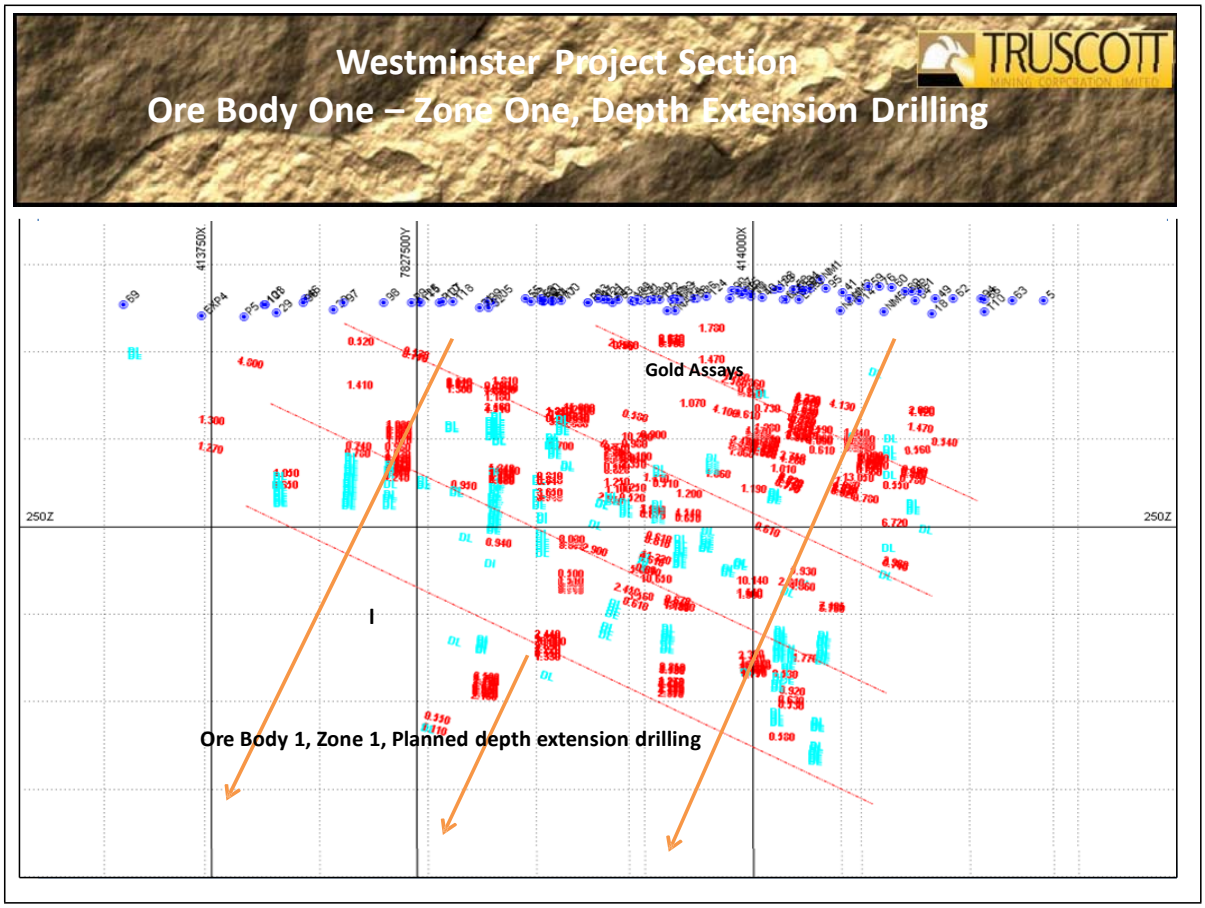

Figure Four: Westminster Project – Ore Body No 1 – West

Westminster Project – Drilling Extent Target Two

It is evident from the plan view of Westminster (Figure 3) that less than ten percent of the immediate target area has been effectively drilled to date.

Drilling within the target zone (Figure 4) has substantively been limited to approximately 200 metres below surface at which mineable grade gold intersections continue to be recorded.

The majority of the drilling has been conducted utilising vertical drill holes and a significant number of holes now require extension into projected mineralisation at depth.

Westminster Project – Target Two Model

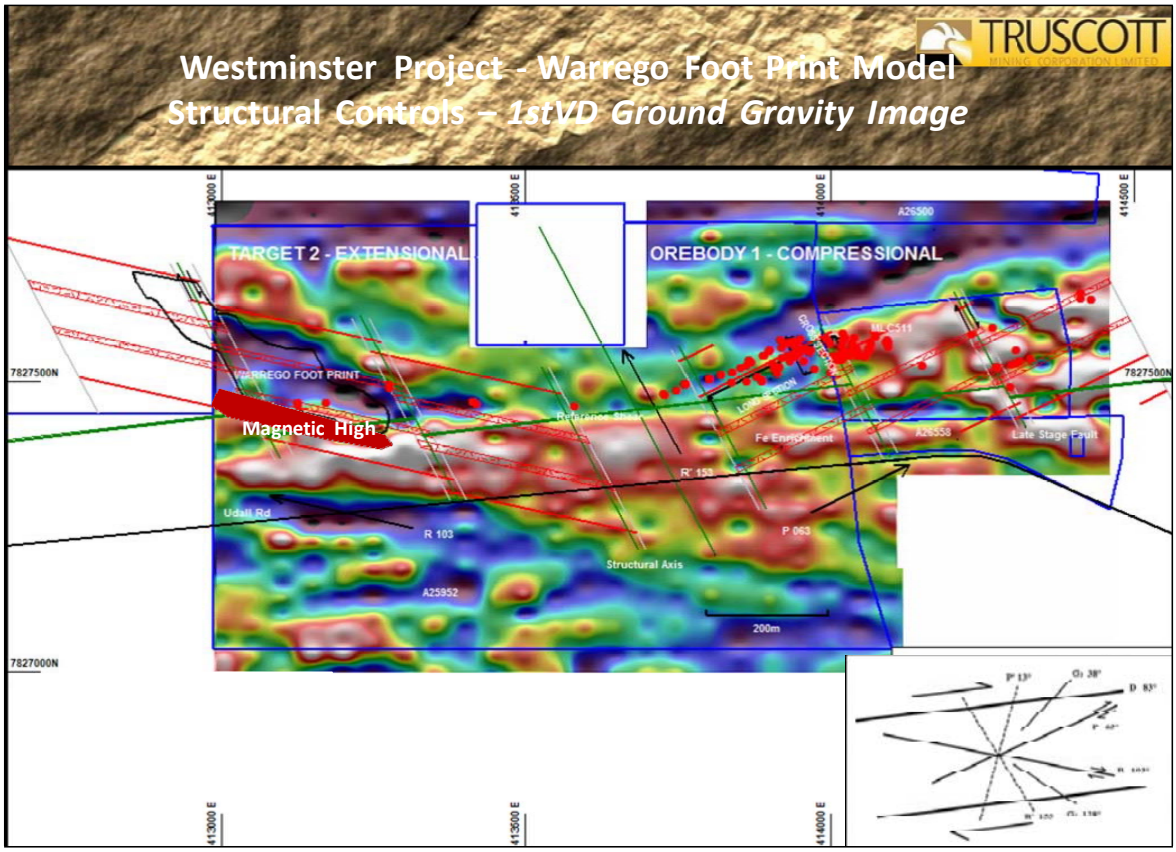

Figure Five: Westminster Project – Target 2 – Comparative Image

Early shallow drilling has intersected substantial intervals of low grade gold mineralisation at the extensional end of the Westminster Project area (Figure five).

The size of the potential target area, at the extension zone of Westminster, can be demonstrated by placing the footprint of the historical Warrego workings (6,750,000 tonnes mined) within the zone.

The footprint (Warrego) which is to actual orientation and size is set over a gravity low with a magnetic high along the south western flank.

Westminster Project – Proximity to Historical Mines

The Westminster deposit (Figure 5) is positioned relative to a number of exploration sites and historical mines operated by other companies. The project is located along the 106^0 trend that incorporates the Susan and Peko Mines. In addition, the mineral deposit is also adjacent to the Chariot gold deposit along the 083^0 (D) shear zone corridor.

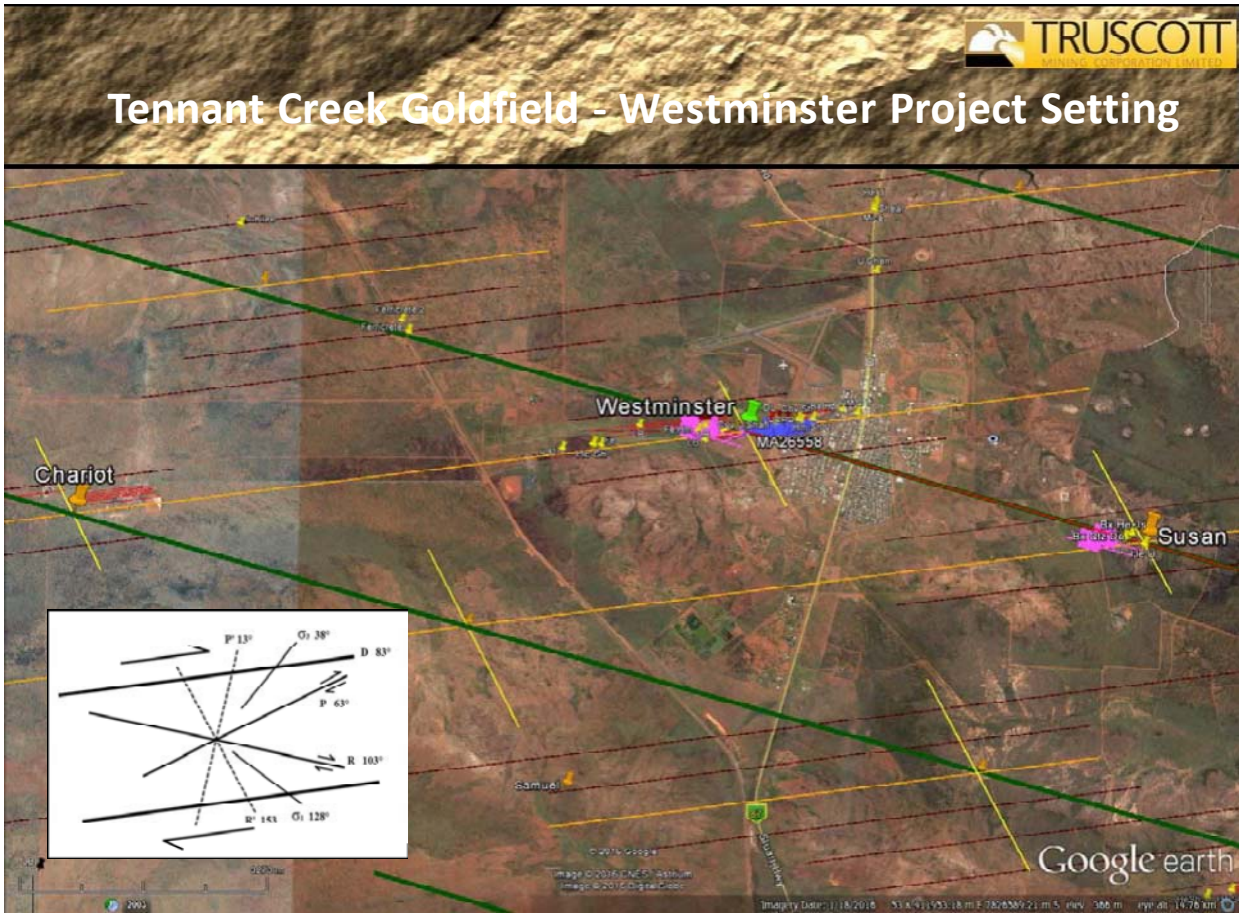

Figure Five: Westminster Project – Prospective Setting

Project Scheduling

Westminster Project Area (Truscott: MLC511, MA25952, MA26500, MA26588 all 100%)

Project Status: *Proposed expenditure and earn-in schedule for the drill out and bankable feasibility study work set out.*

Discussions with interested parties, on the commercial requirements to support project development, are in progress.

Work on metamorphic grades and identification of zones of multiple resultant-shearing to target peak mineralisation undertaken.

Planning completed to target the high grade gold zones within ore-body one, with new drilling, and by extending existing drill holes.

Planning completed for further drilling of the gold mineralisation at target two with the objective of defining sufficient high grade gold to achieve ore body status.

Drilling of the potential ore bodies within the larger Westminster extension/compression system scheduled to follow the finalisation of a commercial agreement.

Administrative procedures to increase the size of mining lease initiated.

Hera Project Area (Truscott: EL27731, EL 30883) all 100%)

Project Status: *Clearance Certificates issued by AAPA for exploration and mining activities.*

Acquisition of geophysical information over the northern part of the project area planned.

Extensive field work program to support completion of the description for structural controls is ongoing.

Targeted scout drill planned and MMP submitted.

Discussions with parties, interested in forming an earn-in and Joint Venture agreement, ongoing.

Consolidation of separate exploration area EL 30883 progressing.

Olympus Project Area (Truscott: EL29883, EL 30728 all 100%)

Project Status: *Clearance Certificate issued by AAPA for exploration and mining activities.*

Trace of the 083^{o} (D) trans-current shear projected across tenure.

Studies of the mineralised laterite distribution in progress.

Application of regional structural observations is ongoing.

Acquisition of ground based gravity data planned.

Peter N Smith
Executive Chairman

Competent Person's Statement: *The contents of this report, that relate to geology and exploration results, are based on information reviewed by Dr Judith Hanson, who is a consultant engaged by Truscott Mining Corporation Limited and a Member of the Australasian Institute of Mining & Metallurgy. She has sufficient experience relevant to the style of mineralisation and types of deposit under consideration and to the activity being undertaken 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 Hanson consents to the inclusion in this presentation of the matters compiled by therein in the form and context in which they appear.*

Appendix

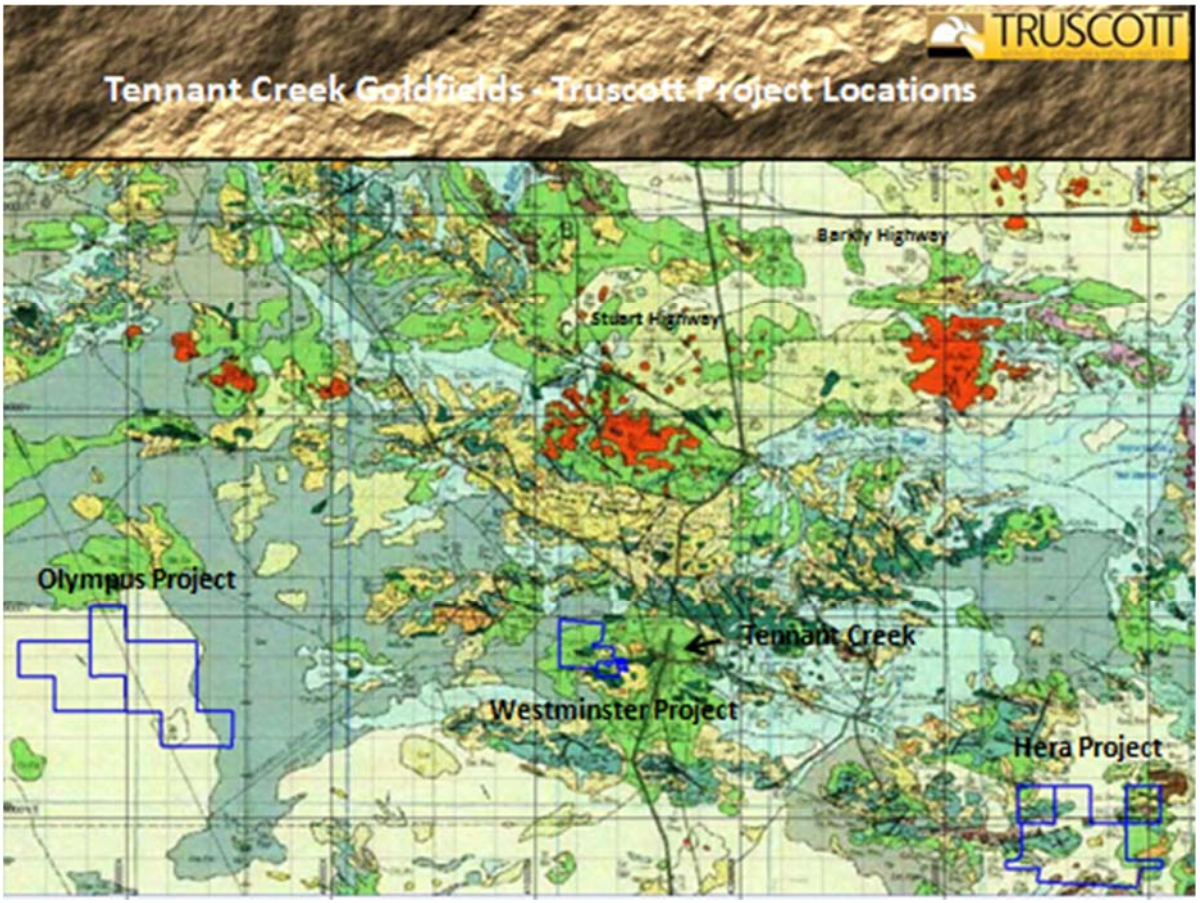

Figure Six: Granted Truscott Exploration Tenure

	Project			Interest at	Interest at	Acquired	Disposed	
	Tenement			Beginning	End			
	Westminster		Northern Territory					
	MLC 511			100%	100%			
	MA25952			100%	100%			
	MA26500			100%	100%			
	MA26558			100%	100%			
	Hera		Northern Territory					
	EL27731			100%	100%			
	EL30883			100%	100%			
	Olympus		Northern Territory					
	EL30728			100%	100%			
	EL29883			100%	100%			

Granted Mining Tenements Held at 30 September 2016 (Table 1)