



Prospecting Permit Applications - Southern Shear Zone Gold Exploration Targets, New Zealand

ASX Release | 18 August 2016

HIGHLIGHTS

- 2 Prospecting Permit applications for gold and other minerals over a total area of 876 km² accepted by New Zealand Petroleum & Minerals on 11 August 2016
- NAE has 'first applicant' priority over these 2 applications which will now be evaluated by New Zealand Petroleum & Minerals with a decision on grant of the permits expected in around 80 business days
- The NAE application areas are prospective for Macraes style (>10 Moz) gold deposits based on recent research by leading experts in Otago Schist hosted gold deposits, Dr Doug MacKenzie & Professor Dave Craw from University of Otago
- This research has identified a 'mirror image' geological setting in the south of the Otago Schist belt (within NAE's application areas) to that present at the Hyde Macraes Shear Zone which hosts the Macraes Mine located 60 km to the northeast
- Numerous small scale historic alluvial and hard rock gold workings exist within and adjacent to the NAE application areas including New Zealand's largest alluvial gold deposit, Gabriels Gully (>0.5 Moz produced) located only 9-12 km to the south of NAE's application areas. It is possible that NAE's southern shear zone gold exploration targets may have been the source of some of the alluvial gold at Gabriels Gully
- Subject to the applications being granted, NAE will be in an exciting position of being the first to explore these new targets which can be prospected rapidly and cost effectively
- Dr Doug MacKenzie has been engaged by NAE to provide ongoing consulting services for the exploration activities
- These applications mark the first step in NAE's strategy to build a portfolio of gold assets that can add material value to shareholders in current market conditions. Several other more advanced stage New Zealand gold projects are currently being assessed by NAE

NAE Managing Director, Gary Fietz, commented: "NAE is delighted to have secured the opportunity to work closely with Dr Doug MacKenzie to be the first to explore these exciting new targets for Macraes (>10 Moz) style shear zone hosted gold deposits within the southern part of the Otago Schist belt where only very limited modern exploration for shear zone hosted gold deposits has been undertaken to date"

Prospecting Permit Applications

New Age Exploration Limited (“NAE”) recently applied for two Prospecting Permits for gold and other minerals in Otago, New Zealand. On 11 August 2016, NAE received notification from New Zealand Petroleum & Minerals (“NZP&M”) that both applications were accepted after initial checks for completeness and are now being processed. NAE has priority as the first applicant over these two areas and the applications will now be evaluated by NZP&M prior to a decision on grant of the permits. A decision on granting of the permits by NZP&M is normally expected to take around 80 business days according to the average processing times published by NZP&M although there are no statutory timeframes.

The two NAE Prospecting Permit applications now under evaluation by NZP&M are;

- Mahinerangi - Application number 60254.01 covering an area 417.5km²
- Teviot - Application number 60255.01 covering an area 458.5km²

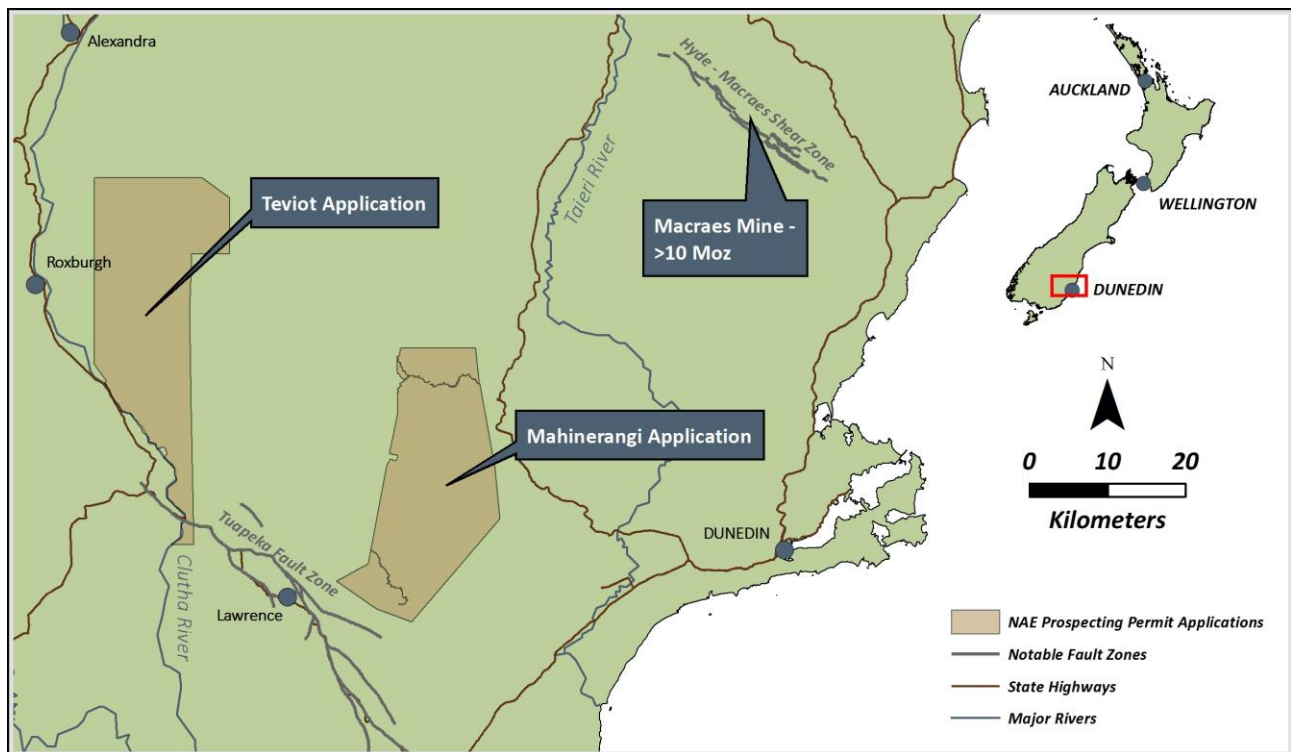


Figure 1 Location of NAE Prospecting Permit Applications in Otago, NZ (August 2016)

Prospecting Permits in New Zealand are normally granted for an initial period of 2 years and the annual fee for both of the permits applied for by NAE is expected to be ~NZ\$3,136. Prospecting Permits allow low impact prospecting activities to be undertaken such as; geological mapping, soil and rock chip sampling and aerial surveys. An Exploration Permit is required prior to any drilling being undertaken which Prospecting Permit holders have the exclusive right of application for during the term of the Prospecting Permit.

New Untested Southern Shear Zone Gold Targets Prospective for Macraes Style (>10 Moz) Deposits

A recent study on “Structural and geophysical domains in the southwestern side of the Otago Schist belt, New Zealand” has been undertaken by leading experts in Otago Schist hosted gold deposits, Dr Doug MacKenzie and Professor Dave Craw from University of Otago which will be published at the AusIMM New Zealand Branch Annual Conference to be held in Wellington from 3-6 Sept 2016 (MacKenzie and Craw, 2016 ‘in press’.)

The MacKenzie and Craw, 2016 ‘in press’ study has identified the potential for Macraes style shear zone hosted gold deposits to occur in the southern part of the Otago Schist belt (within the NAE application areas). These new untested southern shear zone gold exploration targets have been recently identified as being a ‘mirror image’ geological setting to the northeastern margin of the Otago Schist belt (approximately 60km to the northeast) containing the Hyde Macraes Shear Zone (“HMSZ”) which hosts the Macraes gold mine (>10 Moz) (See Figure 2).

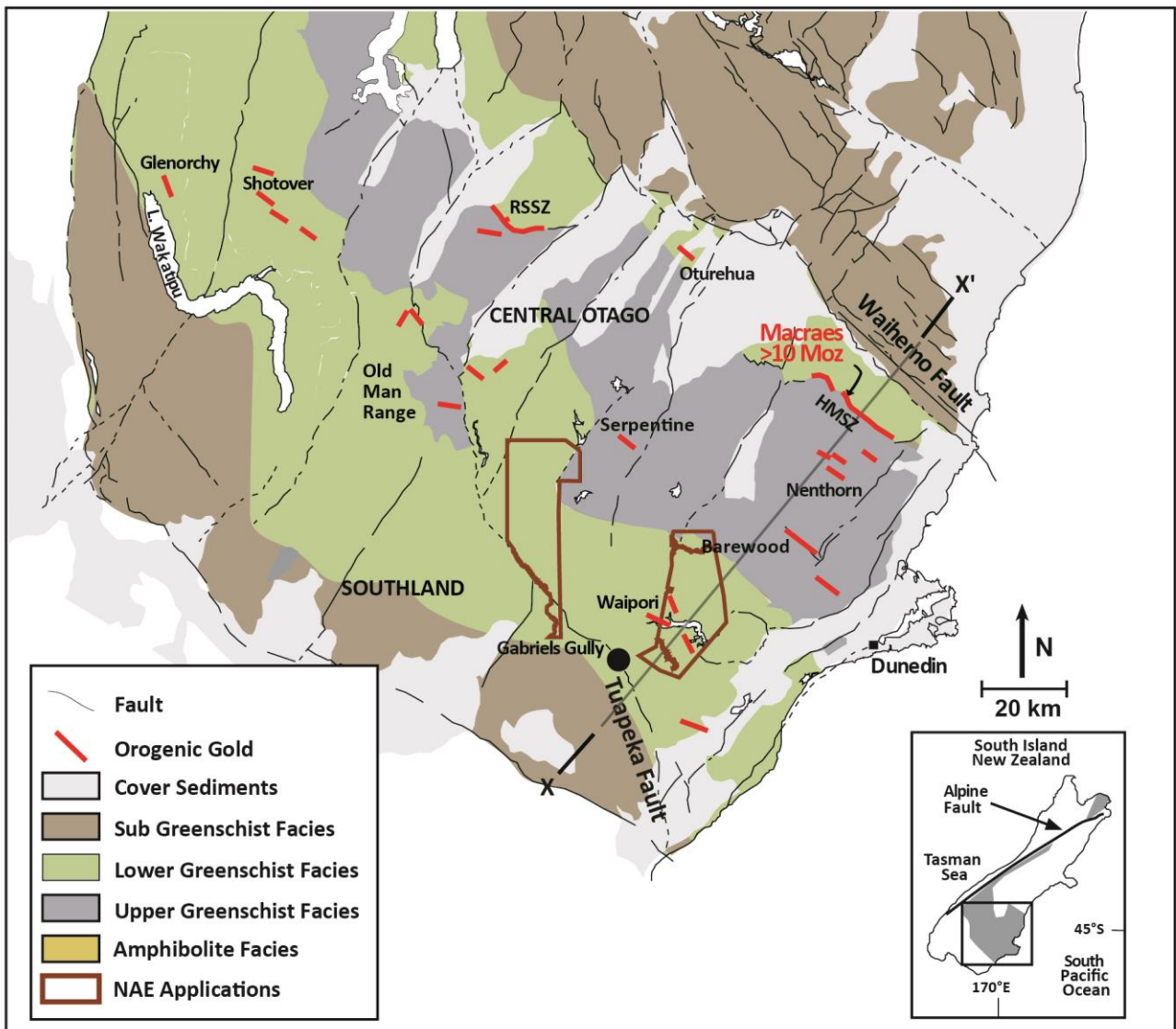


Figure 2 Geological Map - Shear Zone Hosted Gold Mineralisation within the Otago Schist Belt
(X-X' shows the cross section line presented in Figure 3)

The regional geology is dominated by the Otago Schist belt, a high grade metamorphic schist, which has a long history of both hard rock and alluvial gold mining. The Otago Schist is divided into structural blocks or zones of increasing metamorphic grade known as; Sub-Greenschist Facies, Lower Greenschist Facies, Upper Greenschist Facies and Amphibolite Facies. Gold mineralisation at the Macraes deposits, hosted in the HMSZ, occurs entirely within the Lower Greenschist Facies zone in the northeast of the Otago Schist belt (see Figure 2).

MacKenzie and Craw (2016 'in press') propose that the southwestern Lower Greenschist zone containing NAE's southern shear zone targets is a geological 'mirror-image' of the northeastern Lower Greenschist zone that hosts Macraes deposits. This research incorporates adjustments to the extent of the southwestern Lower Greenschist Facies zone and has demonstrated that regional structure within this block is much more complex than previously thought.

Gold mineralisation such as that found along the HSMZ on the northeastern side of the Otago Schist belt may therefore also be present on the southwestern side of the Otago Schist belt within the NAE application areas. This concept is shown in the schematic cross section in Figure 3 which also highlights the NAE southern shear zone targets.

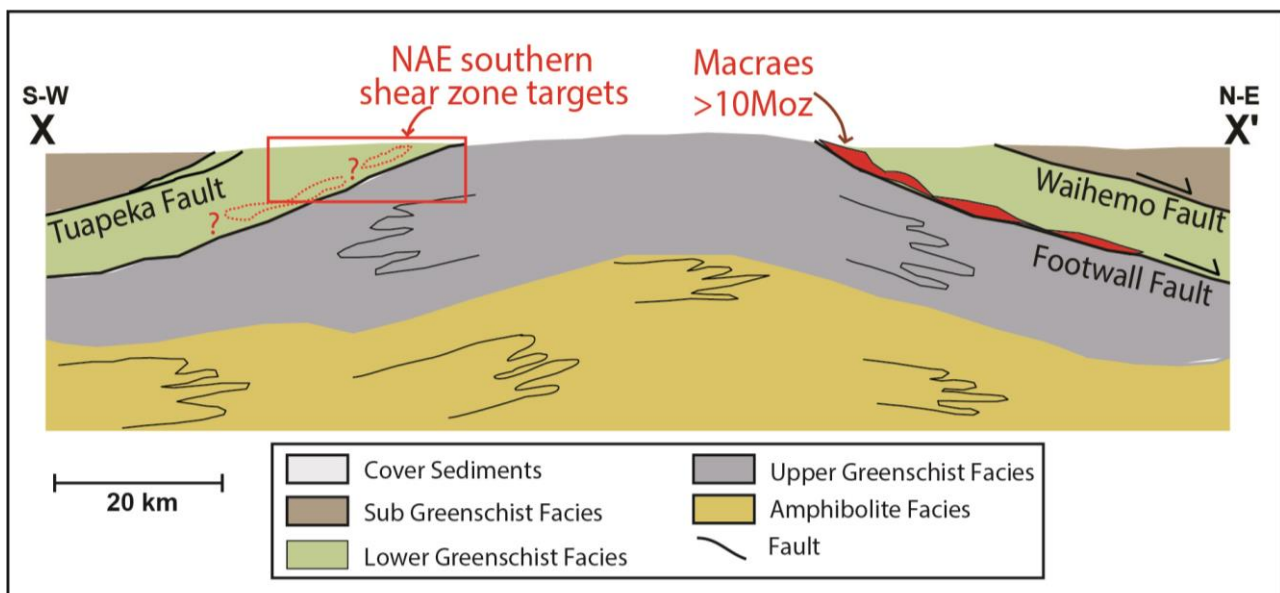


Figure 3 Geological Cross section - Otago Schist Belt & Southern Shear Zone Gold Exploration Targets
(cross section line X-X' shown in Figure 2)

Subject to the applications being granted, NAE will be in an exciting position of being the first to explore these new targets which are prospective for Macraes style shear zone hosted gold deposits within the southern part of the Otago Schist belt.

COMPARISON WITH MACRAES GOLD DEPOSIT

The Macraes gold deposit, including the Frasers Open Pit and Underground mine, is the largest gold mine in New Zealand and has produced more than 4 million ounces of gold since opening in 1990. It has a current mineral resource of over 6 Moz making the deposit >10 Moz in total. The Macraes mine is developed in a regionally continuous shear zone known as the Hyde Macraes Shear Zone (“HMSZ”). The HMSZ is up to 150m thick and dips at approximately 20° to the northeast.

MacKenzie and Craw have shown that the mineralised HMSZ and associated cross faults correlate with conductivity highs (see Figure 4 – warm colours (reds and oranges) mark areas of relatively high electrical conductivity).

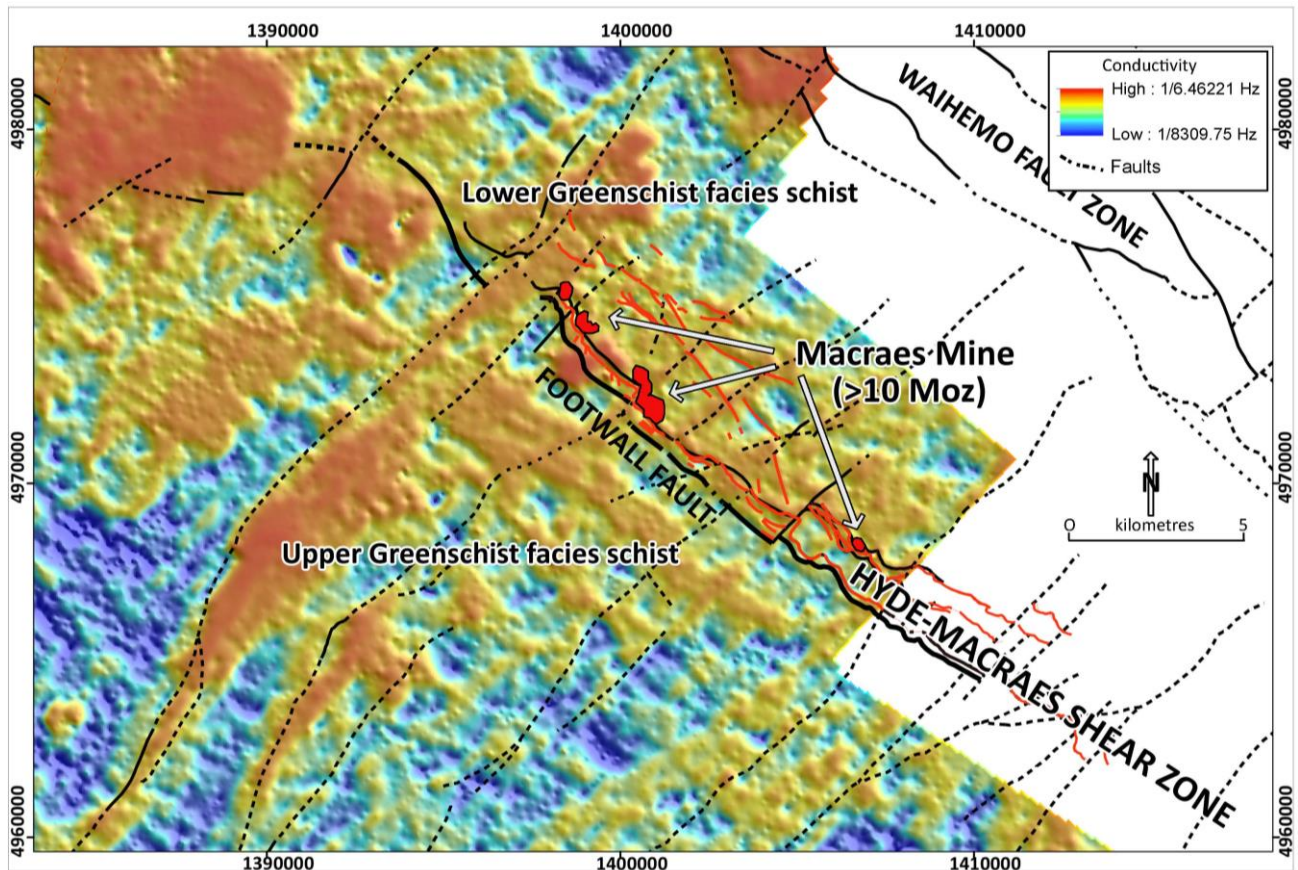


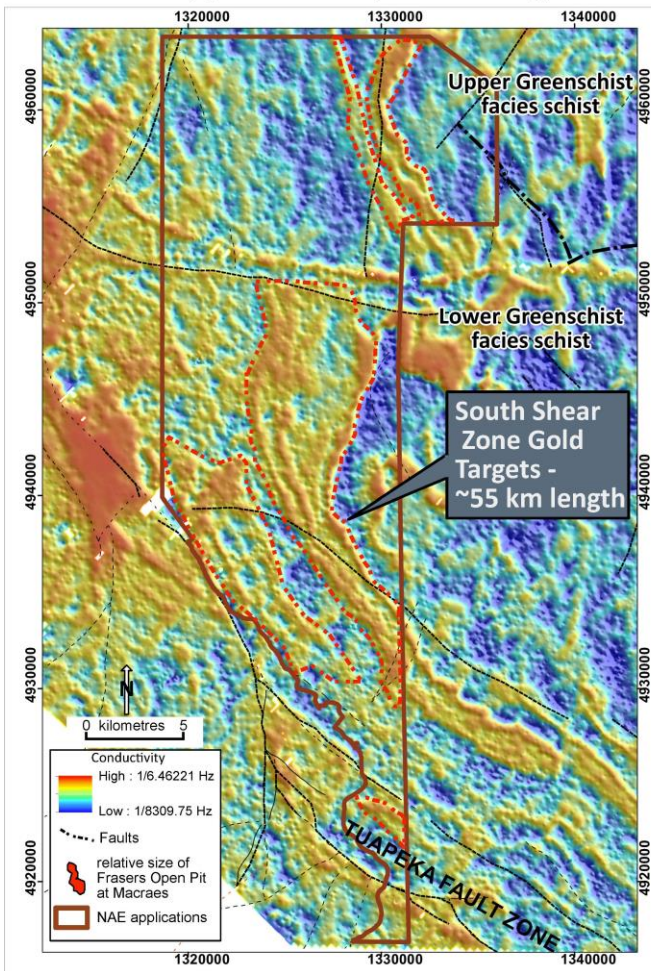
Figure 4 Conductivity Lineaments over the Hyde Macraes Shear Zone
(conductivity images derived from the 8200Hz resistivity EM signal from 2007 Fugro airborne geophysical survey flown for Glass Earth NZ Ltd)

CONDUCTIVITY LINEAMENTS AS AN EXPLORATION TOOL

Conductivity lineaments may therefore be used as a tool to help identify the occurrence of potentially mineralised shear zones in the ‘mirror image’ geological setting within Lower Greenschist Facies target zone in the southern part of the Otago Schist belt (i.e. within NAE’s application areas). The South Shear Zone gold exploration targets based on conductivity lineaments within the Lower Greenschist zone are shown in Figure 5 (warm colours (reds and oranges) mark potential targets with relatively high electrical conductivity).

Up to ~95km length of potential shear zone targets have been identified within NAE’s application areas based on the red South Shear Zone Gold Targets shown in Figure 5.

Teviot Application - Exploration Targets



Mahinerangi Application - Exploration Targets

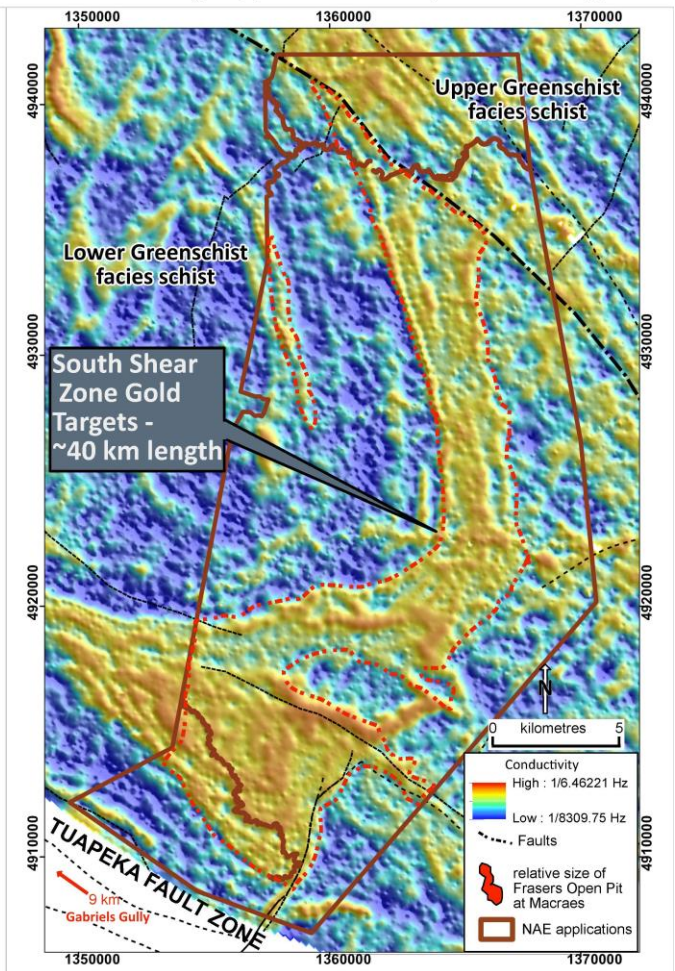


Figure 5 Conductivity Lineaments over NAE Mahinerangi and Teviot Prospecting Permit Application Areas (conductivity images derived from the 8200Hz resistivity EM signal from 2007 Fugro airborne geophysical survey flown for Glass Earth NZ Ltd)

HISTORIC GOLD MINING

A number of small scale historic alluvial and hard rock gold workings exist within and adjacent to the NAE application areas.

New Zealand’s largest alluvial gold deposit, Gabriels Gully (>0.5 Moz produced) is located only 9km to the SW of NAE’s Mahinerangi application area in the Tuapeka Fault Zone. The source of alluvial gold at Gabriels Gully is unknown however some of the gold is coarse and may have come from undiscovered shear zone hosted gold deposits upstream in the south of the Otago Schist Belt, such as NAE’s targets.

PLANNED WORK PROGRAM

Dr Doug MacKenzie has been contracted by NAE to undertake initial field exploration over the NAE application areas once the permits are granted. The initial exploration work under the Prospecting Permit will focus on mapping and soil sampling for Arsenic (a pathfinder mineral for gold within the Otago Schist) using a portable hand held XRF device. Using these methods the large NAE application areas can be quickly and cost effectively screened to identify drilling targets over areas with anomalous levels of arsenic (via portable XRF) and gold (via laboratory analysis) and/or mapped shear zones. The expected expenditure included in the permit applications (yet to be approved) for both of the NAE applications in

total is ~NZ\$ 75,000 p.a. for each of the 2 years that the Prospecting Permits will be held under the initial term if granted.

Subject to the NAE applications being granted, NAE will be in an exciting position of being the first to explore these new targets which are prospective for shear zone hosted gold deposits within the southern part of the Otago Schist Belt

NAE Strategy

NAE has undertaken a significant review of a number of opportunities both within Australia and overseas. This has culminated in the identification of New Zealand as an area that has a significant gold mining history, has been under explored and also contains a number of gold project opportunities.

These applications mark the first step in NAE's strategy to build a portfolio of gold assets that can add material value to shareholders in current market conditions. Several other more advanced stage NZ gold projects are currently being assessed by NAE.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results is based on information compiled and reviewed by Dr Doug MacKenzie, who is a Senior Research Fellow at the University of Otago, Geology Department and is a Member and Chartered Professional Geologist of the Australasian Institute of Mining and Metallurgy. Dr MacKenzie has over 20 years research experience in the Otago Schist and related rocks with emphasis on relationships between structure, metamorphism and gold mineralization. Dr MacKenzie has sufficient experience which is relevant to the style of mineralisation and type 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 MacKenzie consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This report contains "forward-looking information" that is based on the Company's expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "likely", "believe", "estimate", "expect", "intend", "may", "would", "could", "should", "scheduled", "will", "plan", "forecast" and similar expressions. The forward looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.



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JORC CODE, 2012 EDITION- TABLE 1

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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. 	<p>The east Otago region was covered by a helicopter-borne airborne geophysical survey that was flown by Fugro Airborne Surveys Ltd for Glass Earth NZ Ltd in 2007. The survey used Fugro's proprietary RESOLVE™ electromagnetic (EM) system combined with a magnetic gradiometer to target the top 100 metres of the earth's crust. Five different electromagnetic (EM) signals at frequencies of 400, 1800, 8200, 40K and 140K Hz were recorded to measure apparent resistivity of the underlying rocks. Flight lines were flown northeast-southwest and spaced 300 m apart with northwest-southeast tie lines flown every 3 km. The helicopter flew at a height of approximately 60 m and the sensor that was towed underneath maintained an average above-ground height of 30 m ± 10 m. Conductivity images used and interpreted in this study were derived from the gridded data lodged with and available from New Zealand Petroleum and Minerals (NZP&M) as Fugro; 2007; Airborne Geophysical Data; Ministry of Economic Development New Zealand Unpublished Mineral Report MR4327.</p>
Drilling techniques	<ul style="list-style-type: none"> 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.). 	Not Applicable
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	Not Applicable
Logging	<ul style="list-style-type: none"> 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. 	Not Applicable
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and 	Not Applicable

Criteria	JORC Code explanation	Commentary
	<p><i>appropriateness of the sample preparation technique.</i></p> <ul style="list-style-type: none"> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	Not Applicable
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	Not Applicable
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>All data has been compiled on map grid system NZGD 2000 - New Zealand Transverse Mercator.</p> <p>Locations have been obtained from the 2007 aeromagnetic survey flown by Fugro Airborne Surveys Pty Ltd. in Fugro; 2007; Airborne Geophysical Data; Ministry of Economic Development New Zealand Unpublished Mineral Report MR4327</p>
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<p>Geophysical data used and interpreted in this report was sourced from the aeromagnetic survey flown by Fugro Airborne Surveys Pty. Ltd. for Glass Earth Gold Ltd. in Fugro; 2007; Airborne Geophysical Data; Ministry of Economic Development New Zealand Unpublished Mineral Report MR4327.</p> <p>Details of this survey including the data spacing are provided above in the Sampling Techniques section.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<p>The east Otago Schist metamorphic basement contains a predominant geological and structural trend direction, northwest – southeast, related to pervasive polyphase metamorphic deformation. Flight direction lines in the aeromagnetic survey were therefore oriented perpendicular to this geological trend and flown northeast – southwest at an azimuth of 45° to maximize coverage of the metamorphic and structural features in</p>

Criteria	JORC Code explanation	Commentary
		the basement rocks. Northwest-southeast tie lines were flown every 3km to allow for levelling of the survey data.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	Not Applicable
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	The Competent Person is unaware of any reviews or audits which may have been completed other than that undertaken by the Competent Person himself

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<p>On 5 August 2016 New Age Exploration (“NAE”) applied for two Prospecting Permits for gold and other minerals in Otago, New Zealand as follows:</p> <ul style="list-style-type: none"> Mahinerangi - Application number 60254.01 covering an area 417.5km² Teviot - Application number 60255.01 covering an area 458.5km² <p>On 11 August 2016, NAE received notification from New Zealand Petroleum & Minerals (“NZP&M”) that both applications were accepted after initial checks for completeness and are now being processed. NAE has priority as the first applicant over these two areas and the applications will now be evaluated by NZP&M prior to a decision on grant of the permits.</p> <p>A decision on granting of the permits by NZP&M is normally expected to take between 80 business days (where all the relevant information required for evaluation of the applications has been provided which we expect to be the case) or up to 160 business days (where significant further information is required to be provided for the applications to be assessed which is not expected to be the case) according to the average processing times published by NZP&M although there are no statutory timeframes. NZP&M may accept or decline NAE’s prospecting permit applications based on their assessment of the applications submitted and may also negotiate the work programs submitted within the applications. As part of the permit assessment process NZP&M will also consult with relevant iwi and hapū, and may also consult with Local Authorities and WorkSafe New Zealand – no significant issues are anticipated as a result of such consultation.</p> <p>The Prospecting Permits applications are for an initial period of 2 years and the annual fee for both of the permits applied for by NAE is expected to be ~NZ\$3,136. Prospecting Permits allow only minimum impact prospecting activities to be undertaken such as; geological mapping, soil and rock chip sampling and aerial surveys. An Exploration Permit is required prior to any drilling being undertaken. Any Exploration Permit (which confers all or any of the same rights as a current Prospecting Permit in respect of all or part of the same land and the same minerals) may only be granted to a person other than the holder of the current permit with</p>

Criteria	JORC Code explanation	Commentary
		<p>the prior written consent of the current permit holder.</p> <p>Surface land access consent from landowners is not required for the minimum impact exploration activities permissible under a prospecting permit however landowner notification prior to access is a requirement. Activities greater than minimum impact activities, such as drilling under any subsequent Exploration Permit, require a formal access arrangement for private and public conservation land.</p> <p>Minor areas within both of the application areas are covered by public conservation areas where regional council resource consent for mining may be challenging however these areas are only a very small percentage of the overall application area and are therefore not expected to be significant constraints. Permit holders require access consent (less strict than regional council resource consents and access arrangements) from the Department of Conservation (DOC) to conduct minimum impact activities on conservation land.</p> <p>Government royalties on gold mined in New Zealand are the higher of:</p> <p>(a) an ad valorem royalty of 2% of the net sales revenue of the minerals obtained under the permit; and</p> <p>(b) an accounting profits royalty of 10% of the accounting profits, or provisional accounting profits, as the case may be, of the minerals obtained under the permit.</p>
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<p>While there has been some gold exploration undertaken over the application areas as described below, we are not aware of any modern exploration targeting shear zone hosted gold targets in the south of the Otago Schist belt within the application areas.</p> <p><u>Mahinerangi</u></p> <p>Alluvial gold prospecting was conducted in the Waipori area by Alluvial Tin Ltd and British Developments Ltd in the 1930's in Lammerlaw Creek and Waipori on the western boundary of the current application area.</p> <p>In the early 1970's a joint venture between Lime and Marble Ltd and AHI Minerals conducted prospecting inside a permit ~300 sqkm over the for tungsten and antimony in the Waipori area (inside the current application) and Lammerlaw Ranges (outside the western boundary of the current application area) using panned concentrates, stream sediment sampling, channel sampling and soil sample lines.</p> <p>Homestake New Zealand Exploration Ltd held an exploration permit in the Waipori area of 351sqkm which covered a similar area to the licences owned by Lime and Marble / AHI Minerals. BHP Gold Mines Ltd bought Homestake and it's exploration permit in the late 1980's. After the exploration permit expired BHP was subsequently granted two prospecting permits (totaling ~74sqkm) on the southern shore of Lake Mahinerangi (inside the current application area) and in the headwaters of Stony Creek in the Lammerlaw Ranges (outside the western boundary of the current application area). BHP conducted stream and rock chip sampling in these areas. Macraes Mining Company Limited bought these two prospecting licences in 1990</p>

Criteria	JORC Code explanation	Commentary
		<p>and conducted geological mapping, rock chip and soil sampling (Au, As, Cu, Pb, Zn, Sb and Hg) throughout the early to mid 1990's.</p> <p>Commonwealth Resources Ltd conducted prospecting over a ~32sqkm licence in the Waitahuna Heights area (southeastern corner of current application area) from 1996-1998 producing limited mapping and a small number of mineralised float assays.</p> <p>Recent exploration efforts in the area include alluvial gold prospecting by Kaipara Ltd at Mitchells Flat (~22sqkm immediately south of Lake Mahinerangi) and limited reconnaissance mapping by Middle Island Resources Ltd over the wider Lake Mahinerangi area and Lammerlaw Ranges (579sqkm).</p> <p>Glass Earth held a prospecting permit over a very large area of Otago which included the Mahinerangi and the Teviot application areas (Glass Earth, 2010). Parts of the Mahinerangi Block within Glass Earth's prospecting permit were surrendered at stages throughout the permit. Glass Earth compiled legacy data, conducted a regional geophysical survey (Fugro, 2007) and subsequently completed regional geochemical sampling. Glass Earth completed little geochemical sampling in the Mahinerangi area before selling and leaving its South Island permits in 2013. Glass Earth (2010) references stream sampling conducted over the application area by Newmont. NAE has, as yet, been unable to locate the source report for this data.</p> <p><u>Teviot</u></p> <p>There has been little hard rock minerals exploration conducted in the Teviot Block application area.</p> <p>The Clutha River on the southern boundary of the Teviot Block has experienced small scale alluvial gold explorations and workings as has the Teviot River near the centre of the application area. There is little available data about these workings.</p> <p>Prospecting for alluvial gold was conducted near the northeast corner of the Teviot Block application area near Lake Onslow and the North Branch of the Teviot River in the 1930's.</p> <p>Early in the 2000's HPD New Zealand Ltd held a prospecting licence covering the Lake Onslow and Lammerlaw areas which included a small portion of the northeast corner of the Teviot Block application area. HPD commissioned a GIS analysis of historical rock chip, stream and soil sampling programs from earlier prospecting in the area. HPD was acquired by Glass Earth Ltd in 2006.</p>
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<p>MacKenzie and Craw (2016 'in press') propose that the southwestern margin of the Otago Schist belt contains a block of Lower Greenschist Facies Schist containing NAE's southern shear zone targets that is analogous to and a geological 'mirror-image' of the northeastern Lower Greenschist Facies Schist block of the Otago Schist belt that hosts the HMSZ and the Macraes deposits. This research incorporates adjustments to the extent of the southwestern Lower Greenschist Facies Schist block and has demonstrated that regional structure in the schist basement of this block is much</p>

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		<p>more complex than previously thought.</p> <p>Orogenic gold mineralisation such as that found along the HSMZ on the northeastern side of the Otago Schist belt may therefore also be present on the southwestern side of the Otago Schist belt within the NAE application areas.</p>
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 down hole length and interception depth hole length. 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. 	<p>Not Applicable – no drillholes are included in the Exploration Results</p>
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>Not Applicable</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’). 	<p>Not Applicable</p>
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<p>Appropriate maps, plans, sections and other views of the interpreted mineralisation are included in the announcement.</p>
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<p>The announcement presents all of the salient exploration data that supports the results presented and where summarised is done so in such a way as to convey all of the results in a balanced manner.</p>

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	All relevant information has been presented in the announcement.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	The announcement summarises the work programs proposed by NAE in their prospecting permit applications which are yet to be approved by NZP&M. If approved the prospecting permits will include minimum work program commitments which must be met for the permits to be retained.