Austral Gold Appoints Dr Diego Guido as Vice President of Exploration and Announces Preliminary Amancaya Exploration Results

Sydney, Australia October 6, 2016 - Austral Gold Limited ('Austral' or the 'Company') (ASX: AGD, TSX-V: AAM) is pleased to announce the appointment of Dr Diego Guido to the office of Vice-President of Exploration. Austral is also pleased to provide a summary of results from preliminary greenfield exploration activities on its Amancaya property, which appear to show the property hosts an extensive, mostly covered, vein field.

Dr Guido joins Austral Gold, effective 1 October 2016, as Vice-President of Exploration. He has worked as an independent advisor to mining and exploration companies in Argentina since 2002, and from 2006 to 2016 he was Chief Technical Advisor to Argentex Mining. He is Professor of Ore Deposits at La Plata University in Buenos Aires, a post he has held since 2009. Dr Guido supervises researchers, post-doctoral, PhD, masters and undergraduate students in Argentina and New Zealand universities and has published numerous scientific articles and technical reports.

The Company has doubled the strike length of the vein field at Amancaya from approximately 20 kilometres to at least 40 kilometres of known and inferred veins. The current high grade gold and silver Mineral Resource estimate for the advanced Amancaya project is hosted on just two veins as outlined in the NI 43-101 compliant amended and restated technical report titled '*Guanaco Gold Project, Antofagasta Province, Region II, Chile'*, dated June 30 2016, which has been filed on the Company's SEDAR profile www.sedar.com.

"I am very happy to announce the appointment of Dr Diego Guido as Vice-President of Exploration. Dr Guido is a recognised expert in epithermal systems, in particular in the prolific Massif Deseado in Santa Cruz, Argentina, and his academic and industry experience promises to add significant depth in our ongoing exploration of precious metal epithermal projects in Latin America," stated Stabro Kasaneva, CEO of Austral Gold. "The doubling of the known veins at Amancaya and its upgrade to a vein field are direct results of the exploration program he supervised as a consultant, and we are looking forward to similar success at our other projects."

Amancaya Exploration Update

Recent exploration activities at Amancaya have consisted of geological field mapping and quartz float train delineation, in areas that are partially covered in alluvial material. The geological mapping has defined post-mineralisation units that are potentially covering parts of the vein system (see Figure 1). The exploration program has identified a number of previously unidentified potential structures through quartz float lineation coincident with geophysical features identified in preliminary geophysical surveys. Inferred and known structures have increased from a strike length of approximately 20 kilometres to a total of approximately 42 kilometres. Grab sampling results from these floats have returned anomalous mineralisation, with several samples grading over 2 g/t Au (see Figure 2) and Company's website for full geochemical results: (see Table 1: Grab sample geochemistry- Amancaya).

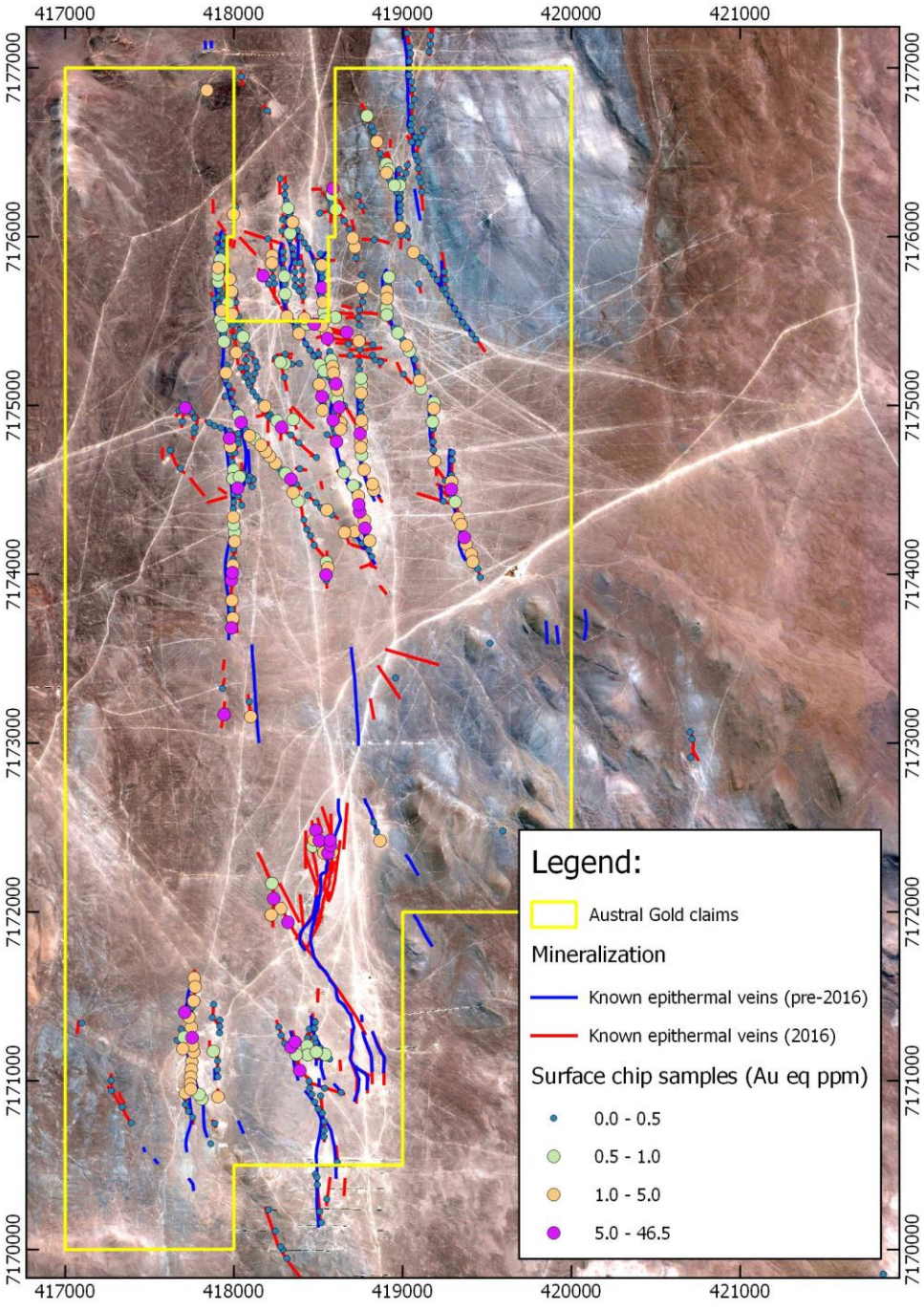

Figure 2 Float Grab Sample Geochemistry: Amancaya Project

A trenching program using a backhoe is currently underway in an effort to upgrade the Company's knowledge of the presence and nature of the inferred veins, concentrating on covered areas where grab samples from the float returned anomalous mineralisation. Sampling of the trenches will depend on success of trenches reaching outcrop. Detailed geophysics is being planned to help identify structures and narrow down on prospective structural settings coincident with geochemical anomalies. Subject to completion of the geophysical surveys and trench sampling results, the Company is hoping to commence first pass drilling in 2017.

Appendix 1: JORC Code (2012) Table 1

Please refer to the table in Appendix 1, which provides a summary of important assessment and reporting criteria used at the Amancaya Project for the reporting of Exploration results in accordance with the Table 1 checklist in The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition). Criteria in each section apply to all preceding and succeeding sections.

Quality Assurance

Rock samples were collected and bagged and sent to the Actlabs laboratory in Coquimbo, Chile. There they were crushed and prepared. Gold assays were done using 1A2-30 code FA-AAS procedure on a 30g sample. Base metal assaying was done by multi-element 5AAS-07 AR-AAS 2g/100ml ICP-MS analysis. Samples over limit in silver, lead, zinc, and/or copper are reanalysed by a high detection limit ICP-ES analysis (7AR procedure). Activation Laboratories Ltd.is an ISO 17025 certified full-service commercial laboratory, with its head office located in Ancaster, Ontario, Canada.

Competent/Qualified Person's Statement

The exploration results were prepared in accordance with the standards set out in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") and in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("NI 43-101"). The JORC Code is the accepted reporting standard for the Australian Securities Exchange ("ASX").

Information relating to Amancaya exploration results in this document has been verified by, is based on and fairly represents information compiled by or prepared under the supervision of Michael Brown, a Geologist and member of Australian Institute of Geoscientists and an employee of Austral Gold Limited. Mr Brown is a "qualified person" for the purposes of NI 43-101 and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "competent person" as defined in the JORC Code. For further scientific and technical information (including disclosure regarding Mineral Resources and Mineral Reserves) relating to the Amancaya Project please refer to the NI 43-101 compliant technical report available at www.sedar.com under the Company's name.

About Austral Gold

Austral Gold Limited is a growing precious metals mining, development and exploration company building a portfolio of quality assets in Chile and Argentina. The Company's flagship Guanaco project in Chile is a low-cost gold and silver producing mine with further exploration upside. The company is also operator of the underground silver-gold Casposo mine in San Juan, Argentina. With an experienced local technical team and highly regarded major shareholder, Austral's goal is to continue to strengthen its asset base through acquisition and discovery. Austral Gold Limited is listed on the TSX Venture Exchange (TSX-V:AAM) and the Australian Securities Exchange (ASX: AGD). For more information, please consult the company's website www.australgold.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

On behalf of Austral Gold Limited:

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Forward Looking Statements

Statements in this news release that are not historical facts are forward-looking statements that are subject to risks and uncertainties. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import also identify forward-looking statements. Forward-looking statements in this news release include management's belief that the Amancaya project hosts an extensive, mostly covered, vein field, that Dr. Guido's academic and industry experience promises to add significant depth in Austral Gold's ongoing exploration of precious metal epithermal projects in Latin America, the Company's expectation that it will see results similar to those at Amancaya at its other properties, the Company's anticipation that the trenching program at Amancaya will help upgrade its knowledge of the inferred veins and its plans to conduct geophysics and a drill program, including the timing of that drill program. All of these forward-looking statements are based on management's assumptions and are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, uncertainty of production at the Company's other projects, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, potential labour unrest, reclamation and closure requirements for mineral properties; the general (and unpredictable) risks and hazards related to the development and operation of a mine or mineral property, the availability of capital to fund all of the Company's projects and other risks and uncertainties identified under the heading "Risk Factors" in the Company's continuous disclosure documents filed on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Austral cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. Austral's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and Austral does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

JORC Code, 2012 Edition – Table 1 report template

APPENDIX 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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.* • *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 (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *The rock samples taken were grab samples taken by geologists whilst undertaking regional and potential structural mapping of float trains observed in alluvial/colluvial material in areas of the Amancaya project where there was no outcrop.* • *Transportation of the grab samples was considered to be minimal given the nature of the region (Atacama desert, Northern Chile) and locations generally on alluvial/colluvial cover areas between outcropping stratigraphy that has no significant drainage pattern or evidence of significant alluvial erosion (i.e. no gullies, river valleys, old creek beds or lacustrine deposits visible).* • *Samples were assayed for gold and base metals at an independent and accredited laboratory.*
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).*	• NA
Drill sample recovery	• *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.*	• NA
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.*	• NA

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *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 appropriateness of the sample preparation technique.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *Samples were individually tagged placed in a bag, with a unique id#, UTM logged and a sample description provided.* •
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.* • *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.* • *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.*	• *Rock samples were collected and bagged and sent to the Actlabs laboratory in Coquimbo, Chile. There they were crushed and prepared. Gold assays were done using 1A2-30 code FA-AAS procedure on a 30g sample. Base metal assaying was done by multi-element 5AAS-07 AR-AAS 2g/100ml ICP-MS analysis. Samples overlimit in silver, lead, zinc, and/or copper are reanalysed by a high detection limit ICP-ES analysis (7AR procedure). Activation Laboratories Ltd.is an ISO 17025 certified full-service commercial laboratory, with its head office located in Ancaster, Ontario, Canada.* • *Internal labroraty checks are made by Atalabs regarding sample preparation and assaying procedures.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *NA*
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Sample location was taken via hand-held GPS. The grid system used is (WGS84).*

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	*Samples were taken along relatively regular intervals where float train lineations were observed. However, given they are floats there only use is to indicate anomalous areas for further follow-up exploration activities.*
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.* • *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.*	• *Where visual lineation of quartz float was visible these were sampled in the orientation of the float train.*
Sample security	• *The measures taken to ensure sample security.*	•
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	•

Section 2 Reporting of Exploration Results

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

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	*The properties are located approximately 220 km SSE of Antofagasta, Chile, in Region III. The Amancaya project is comprised of the Amancaya property and the San Guillermo property.* *The Amancaya property consists of eight individual exploitation mining concessions covering a total area of 1,755 ha and is 100% owned by Minera Guanaco.* *The San Guillermo properties cover an area of 12,500 ha and are being worked under an Earn-In Option with Revelo Resources Limited.* *The properties are in good standing and there are no restricted or protected areas within or overlapping either of the properties.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	*Historically the following work has been recorded on the Amancaya Project:* • *1950s: Small scale exploration and mining of copper and gold in the Rosario del Llano and Juanita veins.*

Criteria	JORC Code explanation	Commentary
		• *1992: Exploration by Recursos Mineros Andinos consisting of soil and rock geochemistry and 20 reverse circulation drill holes. The information from this work has been lost.* • *2003: Placer Dome Inc. completed 20 reverse circulation drill holes totalling 2,661 m and collected 515 surface rock samples. Some anomalous results were located in the north part of the property (e.g. 2.84 g/t Au and 16.7 g/t Ag over 2 m), however, structures in the south were not recognized. Trenching was also completed.* • *2004 to 2008: Geophysical surveys, surface and trench sampling, geological mapping, radiometric dating, and fluid inclusion analysis were completed by Meridian/Yamana. Yamana also completed a total of 202 reverse circulation drill holes for 54,782 m and 16 trenches totalling 486.1 m. A total of 40 drill holes and four surface trenches are used in the subsequent resource estimate.* • *2009: Resampling of trenches and some resampling of historic drill core was performed by Cenizas. Cenizas carried out a drill campaign totaling 5,054 m in 23 holes to confirm the thickness of the Veta Central, the distribution of gold and silver grades within the vein and host rocks, and the density of the mineralization.* • *2014: Austral Gold purchases the property.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	*The Amancaya project represents a low sulphidation gold-silver epithermal deposit. The critical features that define the mineralization at Amancaya include lithological and structural control. The mineralization and alteration are focused along high-angle structures in a dacite-andesite volcanic dome. The structural system provided a pathway for rising hydrothermal fluids. The Central Vein exhibits banded textures, with bands of grey chalcedonic quartz, clear crystalline quartz, amethyst, and dark bands containing sphalerite, silver, and lead sulphosalts. Other textures include coliform texture, sinuous alternating bands of chalcedonic quartz and amethyst, and crustiform quartz. Interstices are filled with clays, limonite, manganese oxide, and carbonates (ankerite).*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information*	• *NA.* • *The exploration activity being reported was the first regional*

Criteria	JORC Code explanation	Commentary
	for all Material drill holes: ○ *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.*	*exploration program conducted by Austral Gold since purchasing the Amancaya properties from Yamana in 2014. It is also the first exploration activity under taken by Austral Gold on the San Guillermo property. As such for purposes of reporting float grab samples in this news release no reference to drilling undertaken on the property is material.*
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.* • *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.*	• *NA.* • *For reporting gold equivalent a ratio of 80 silver to one gold was used based on current silver:gold ratios.*
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.* • *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').*	• *NA. These are grab float samples.*
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.*	• *NA. However grab sample geochemistry is provided in Figure 2.*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *No reference is made to the specific assay results other than some samples returned gold grades greater than 2 g/t Au.*
Other substantive exploration	• *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,*	• *NA*

Criteria	JORC Code explanation	Commentary
data	*groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	
Further work	• *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.*	• *Subject to the success of trenching to reach outcrop and the presence of structures and veins within the trench a program of channel sampling would be undertaken as the next step.*

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

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.*	• NA
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.*	• NA
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 Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• NA
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.*	• NA
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.* • *The availability of check estimates, previous estimates and/or mine*	• NA

Criteria	JORC Code explanation	Commentary
	production records and whether the Mineral Resource estimate takes appropriate account of such data. • *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).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• NA
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• NA
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.*	• NA
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.*	• NA

Criteria	JORC Code explanation	Commentary
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.*	• NA
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.* • *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.*	• NA
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.*	• NA
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• NA
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.*	• NA

Criteria	JORC Code explanation	Commentary
	• *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.*	

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• NA
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.*	• NA
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• NA
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• NA
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.*	• NA

Criteria	JORC Code explanation	Commentary
	• *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• NA
Environmen-tal	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• NA
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• NA
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges,*	• NA

Criteria	JORC Code explanation	Commentary
	penalties for failure to meet specification, etc. • *The allowances made for royalties payable, both Government and private.*	
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• NA
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• NA
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• NA
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• NA
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• NA
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.*	• NA

Criteria	JORC Code explanation	Commentary
	• *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• NA
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve 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 reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which 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.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• NA

Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the 'Guidelines for the Reporting of Diamond Exploration Results' issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Criteria	JORC Code explanation	Commentary
Indicator minerals	• *Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.*	• NA
Source of diamonds	• *Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the*	• NA

Criteria	JORC Code explanation	Commentary
	rock type and geological environment.	
Sample collection	• *Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (eg large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution).* • *Sample size, distribution and representivity.*	• NA
Sample treatment	• *Type of facility, treatment rate, and accreditation.* • *Sample size reduction. Bottom screen size, top screen size and re-crush.* • *Processes (dense media separation, grease, X-ray, hand-sorting, etc).* • *Process efficiency, tailings auditing and granulometry.* • *Laboratory used, type of process for micro diamonds and accreditation.*	• NA
Carat	• *One fifth (0.2) of a gram (often defined as a metric carat or MC).*	• NA
Sample grade	• *Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.* • *The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.* • *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).*	• NA
Reporting of Exploration Results	• *Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.* • *Sample density determination.* • *Per cent concentrate and undersize per sample.* • *Sample grade with change in bottom cut-off screen size.* • *Adjustments made to size distribution for sample plant performance and performance on a commercial scale.* • *If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of*	• NA

Criteria	JORC Code explanation	Commentary
	exploration diamond samples. • *The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.*	
Grade estimation for reporting Mineral Resources and Ore Reserves	• *Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.* • *The sample crush size and its relationship to that achievable in a commercial treatment plant.* • *Total number of diamonds greater than the specified and reported lower cut-off sieve size.* • *Total weight of diamonds greater than the specified and reported lower cut-off sieve size.* • *The sample grade above the specified lower cut-off sieve size.*	• NA

Value estimation	• *Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.*
	• *To the extent that such information is not deemed commercially sensitive, Public Reports should include:*
	  ○ *diamonds quantities by appropriate screen size per facies or depth.*
	  ○ *details of parcel valued.*
	  ○ *number of stones, carats, lower size cut-off per facies or depth.*
	• *The average $/carat and $/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.*
	• *The basis for the price (eg dealer buying price, dealer selling price, etc).*
	• *An assessment of diamond breakage.*
		• NA

Security and integrity	• *Accredited process audit.* • *Whether samples were sealed after excavation.* • *Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.* • *Core samples washed prior to treatment for micro diamonds.* • *Audit samples treated at alternative facility.* • *Results of tailings checks.* • *Recovery of tracer monitors used in sampling and treatment.* • *Geophysical (logged) density and particle density.* • *Cross validation of sample weights, wet and dry, with hole volume*	• NA

Criteria	JORC Code explanation	Commentary
	and density, moisture factor.	
Classification	• *In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.*	• NA