

CORPORATE DIRECTORY

Executive Chair
Bronwyn Barnes

Non-Executive Directors
Stephen Lowe
Stuart Fogarty
George Cameron-Dow

Company Secretary
Stephen Brockhurst

FAST FACTS

Issued Capital: 108m
Options Issued: 2.1m
Debt: Nil
Cash (Approx.): \$5.5m
(as at 30 June 2016)

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Western Margin Prospect – Exploration Update

Anomalous copper and silver results returned from recently completed aircore drilling program; IP geophysical program now complete with results awaited

Highlights

- **Assays received for recently completed 2,737m aircore drilling program, highlighting anomalous copper and silver results at “end-of-hole” from holes 16WMAC003 and 16WMAC004**
- **Petrology has confirmed mafic granulites and banded gneisses (meta-sediments)**
- **Induced Polarisation (IP) Survey now completed at Western Margin Prospect**
- **IP survey results and final interpretation expected within two weeks**

Windward Resources Ltd (ASX: WIN) is pleased to provide an update on exploration activities at the Western Margin Prospect, part of its 70%-owned **Fraser Range North Project** in Western Australia's Fraser Range province (Figure 1). Final assays have now been received from the recent aircore drilling program and the previously announced IP geophysical program has also been completed.

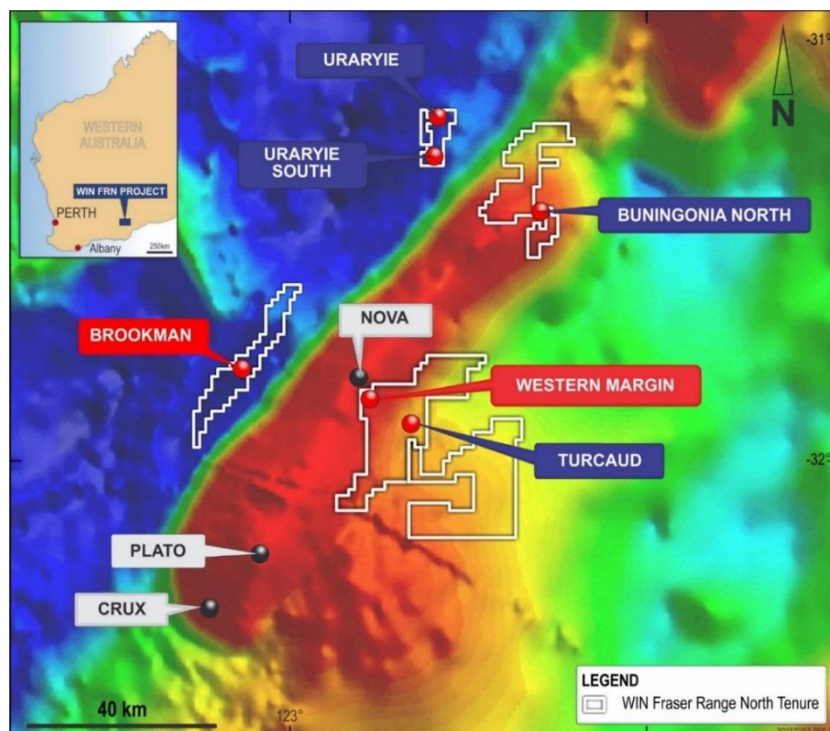


Figure: 1 – Location of Western Margin and other prospects, background image is Bouguer gravity

Aircore Drilling Program – Assay Results

The aircore drilling program commenced on 7 June 2016 and was completed on 21 June 2016 (Figure 3). It comprised a total of 39 aircore holes, for a total of 2,737m with depths ranging from 46m to 101m an average depth of 70m. Drilling was completed on an initial grid spacing of a nominal 800m x 200m (with some in-fill at 100m).

The program was designed to evaluate the recently identified “Area of Interest” at the Western Margin prospect. The aim of the drilling program was to investigate the regolith profile and to determine the basement geology and subsurface litho-chemistry.

The drilling encountered a complex regolith environment consisting of Eocene sediments confined within a palaeo-channel, with the Proterozoic basement geology comprising predominantly mafic granulites and quartz-biotite (+/- chlorite)-garnet schists, a regional meta-sediment.

Petrological studies have confirmed that the majority of drilling intersected mafic granulites within the basement with some holes intersecting garnet bearing gneisses (probable meta-sediments).

Anomalous results were returned from this drilling within the basement (including weathered and fresh). The results are tabulated highlighting the anomalous thresholds that have been exceeded for each of the selected elements. The last two samples from each drill hole were also sampled for gold.

Anomalous Results within Basement (at or near the "End of Hole")										
Hole Number	Total depth (m)	From (m)	To (m)	Interval (m)	Ag (ppm)	Au (ppm)	Cu (ppm)	Ni (ppm)	Zn (ppm)	Comments
16WMAC003	64	60	63	3	0.32	0.01	591	59.1	1080	
	and	63	64	1	0.56	0.30	1120	66.8	1870	at EOH
16WMAC004	90	84	88	4	1.14	Interval not assayed for Au	193.5	63	426	
	and	88	89	1	0.53	<0.01	776	85.3	120	
	and	89	90	1	0.26	<0.01	222	77.1	255	at EOH
16WMAC008	72	71	72	1	0.05	<0.01	80.4	317	537	at EOH
16WMAC016	49	40	48	8	0.03	<0.01	56.15	331	393	
16WMAC019	79	60	64	4	0.14	0.01	95.9	44.6	100	
	and	64	68	4	0.26	<0.01	96.4	497	724	
	and	68	72	4	0.33	0.01	125	30.7	26	
	and	72	76	4	0.46	<0.01	161	45.3	11	
16WMAC020	69	56	60	4	0.27	Interval not assayed for Au	387	41	237	
16WMAC029	46	44	45	1	0.27	0.01	245	8.9	126	
	and	45	46	1	0.41	<0.01	358	9.8	46	at EOH

Table 1: Anomalous results from Western Margin aircore drilling within Proterozoic basement lithologies

Note: The anomalous thresholds that have been determined are Ag \geq 0.10 ppm and/or Au \geq 0.10ppm and/or Cu \geq 500 ppm and/or Ni \geq 300 ppm and/or Zn \geq 500 ppm

The highest copper assay from the aircore drilling program was from drill hole 16WMAC003 at the “end of hole” from 63m to 64m at 1,120 ppm which is coincident with an anomalous silver assay of 0.56 ppm and the highest zinc assay from the drilling program of 1,870 ppm Zn. Drill hole 16WMAC004 has also returned anomalous silver and copper assays. As standard procedure, several anomalous intervals have been re-sampled and submitted for assay for confirmation purposes.

The basement lithologies from drill holes 16WMAC003 and 16WMAC004 have been confirmed with petrology and represent mafic granulites.

These results have been received from the aircore drilling in an area that has recently been covered by an IP survey. The results and final interpretation of the IP survey are expected within two weeks. The information gleaned from the drilling will be used to help interpret the IP survey data.

IP Geophysical Survey

Following completion of the aircore drilling program Windward has now completed an (IP) geophysical survey to identify potential areas containing disseminated and massive sulphides. A total of 8 lines (40 line kilometres) were completed covering the “Area of Interest” within the Western Margin Prospect.

The final results and interpretation are expected to be completed within two weeks. The results from the aircore drilling will be used to help interpret the results of the IP survey. Based on the findings of the IP survey and if suitable targets are delineated, further deeper drilling programs (RC and/or DDH) will be planned.

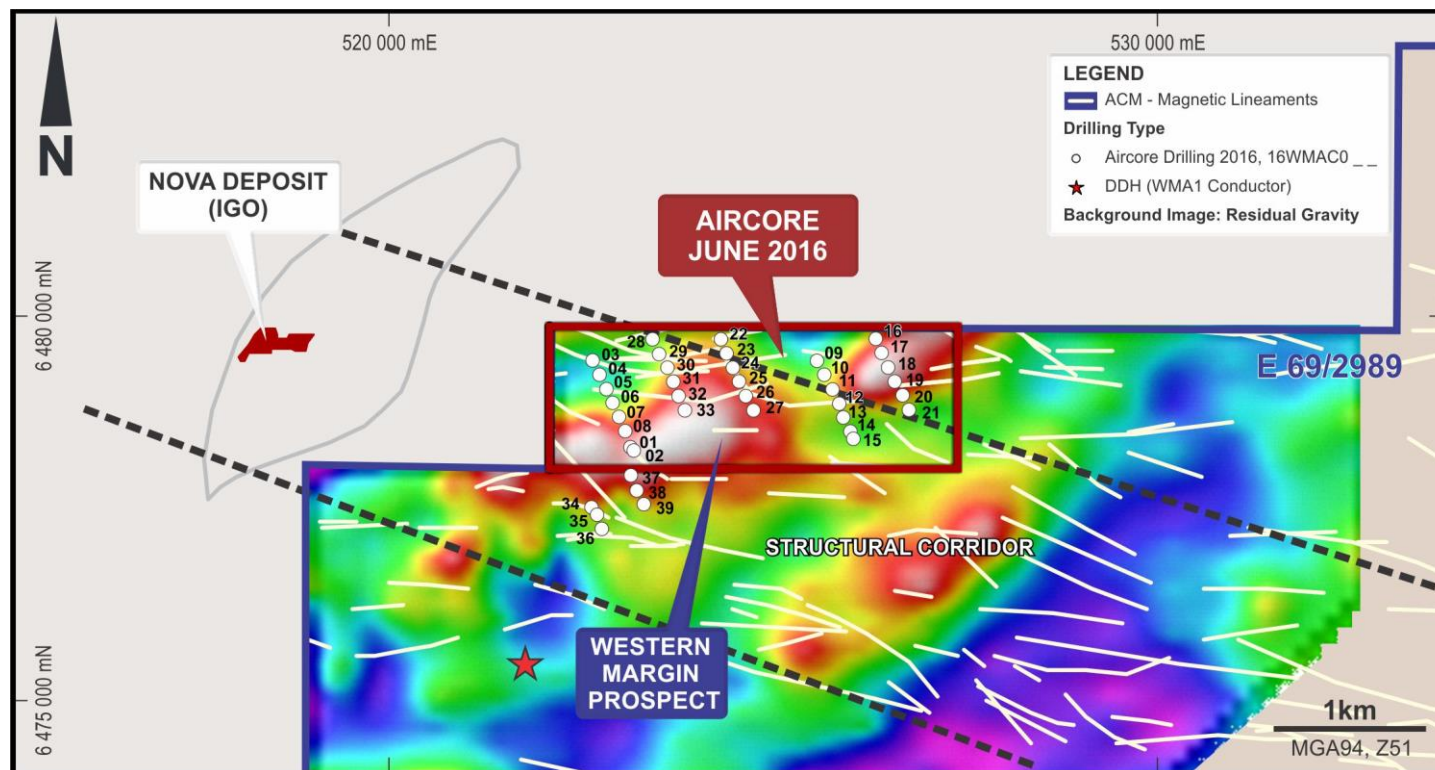


Figure 2: Cross-Cutting Structural Corridor and “Area of Interest” on Residual Gravity dataset



Figure 3: Aircore drilling rig (left) and exploration camp (right), Western Margin Prospect

For further information, please contact:

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Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Alan Downie, a full-time employee of Windward Resources Limited. Mr Downie is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Downie consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

Geophysical information in this report is based on exploration data compiled by Mr Brett Adams who is employed as a Consultant to the Company through the geophysical consultancy Spinifex-GPX Pty Ltd. Mr Adams is a member of the Australian Society of Exploration Geophysicists and of the Australian Institute of Geoscientists with sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Mr Adams consents to the inclusion in the report of matters based on information in the form and context in which it appears.

– ENDS –

Appendix 1: Windward Resources Ltd – Aircore Drilling and Sampling Western Margin Prospect (E69/2989). JORC CODE 2012 Table 1.

Section 1 Sampling Techniques and Data

	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<ul style="list-style-type: none"> The Western Margin prospect has been tested using first pass aircore drilling on broad spacing’s testing geochemical and geophysical targets. QAQC standards and blanks were included routinely (approximately 1 in every 30 samples) with the submission of aircore drill samples). All aircore drilling is initially sampled as 4 metre composites with a 1 metre sample collected at the end of hole. Where anomalous values are returned the 1 metre samples may be submitted for assay. Drill samples are submitted to independent commercial analytical laboratories. Samples were submitted for multi-element analysis by ICP-MS techniques for elements including Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y Zn and Zr.
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> Drilling technique used was aircore drilling using an 85mm aircore bit and completed by Raglan Drilling of Kalgoorlie.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>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.</i> 	<ul style="list-style-type: none"> Sample recoveries are visually estimated for each metre by the supervising rig geologist. The cyclone is routinely cleaned at the end of each rod (3m) and at other selected intervals when deemed necessary. No relationship has been determined between sample recoveries and grade. Insufficient data is available to determine if there is a sample bias.
Logging	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> Basic geological information is recorded including regolith, lithology, minerals, veining, weathering, moisture, color, texture and grain size. Drill logging is qualitative in nature. Reference samples are collected and stored for each fresh sample at the end of the hole and at selected intervals throughout the hole. Drill holes are logged in their entirety.

	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <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> 	<ul style="list-style-type: none"> • Not applicable • All aircore drill samples were collected using a scoop as 4 metre composites. Other composites of 2 metre and 3 metres were collected where required to facilitate the collection of an end of hole sample for each hole. Both wet and dry samples were collected. • The samples are dried and pulverized before analysis. • QAQC reference samples and blanks were routinely submitted with each sample batch. • The size of the sample is considered appropriate for mineralisation styles sought and for the analytical technique used.
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Aircore drill samples were analysed using a four acid digest multi-element suite. Elements were determined using an ICP/MS finish. These are considered the most cost effective technique of low level analysis of base metals. • Not Applicable • For drilling samples QAQC samples were routinely inserted within the sample batches at a ratio of approximately 1 every 30 samples. In addition reliance is placed on laboratory procedures and laboratory batch standards. • The aircore drill assays were completed by ALS Minerals laboratory (Perth) using method ME-MS61.
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> 	<ul style="list-style-type: none"> • The significant intersections reported have independently verified by Windward geological staff and consultants. • Not Applicable at this early stage of exploration. • Primary data is collected in the field using spreadsheet based templates on a Toughbook portable computer. These are backed up each day and then incorporated into the Windward database. • No adjustments are made to the reported assay data.
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> 	<ul style="list-style-type: none"> • Aircore drill collars are surveyed using a handheld GPS unit with a considered accuracy of + or – 5 metres horizontally and + or – 10 metres vertically. • All coordinates are expressed in GDA 94 datum, Zone 51. • Regional topographic control of 2- 10 metres is determined from a detailed DTM model of the tenements. The considered accuracy for the aircore drill collar height data is + / - 10m.

	JORC Code explanation	Commentary
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> 	<ul style="list-style-type: none"> • The nominal drill spacing is determined at a prospect level and drill hole coordinates are detailed in the body of this report. • Not applicable • Sample compositing has been applied to the aircore drilling. Standard 4m composites have been undertaken. Other composites of 3 metre and 2 metres were required to facilitate the collection of an individual 1 metre sample for each hole at the bottom of each hole. • Where 4 metre composite samples return anomalous results the 1 metre samples may be submitted for analysis.
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> 	<ul style="list-style-type: none"> • The orientation of the aircore traverses is considered to achieve an unbiased sampling at these broad spacings given it is an early stage of exploration. • Not applicable
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Not applicable for first pass aircore drilling. Sample bags are clearly marked and addressed for assay laboratory and are delivered using commercial carriers or company personnel. Assay pulps are retained and stored in company facility for future reference if required.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits or reviews have been completed of sampling techniques.

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	<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> 	<ul style="list-style-type: none"> • Western Margin prospect is located on E69/2989 which is owned 70% Windward Resources and 30% Ponton Minerals Pty Ltd. It is located on vacant crown land. This tenement is located within Native Title Determination WCD2014/004 of the Ngadju People. • The tenement E69/2989 is granted and expires on 3rd April 2018. • The tenement is in good standing and there are no known impediments.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> At the Western Margin prospect very little previous exploration has been undertaken. The Geological Survey of WA (GSWA) have completed regional soil sampling on nominal 4 kilometre centres (2000) covering the Fraser Complex within the Albany Fraser Orogen.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> At the Western Margin prospect the exploration target is Nova style Ni Cu mineralization hosted in high grade mafic granulites of the Fraser Complex.
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. 	<ul style="list-style-type: none"> The drill hole collar locations are shown in the body of the report, using the GDA94 datum.
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. 	<ul style="list-style-type: none"> Weighted averaging (based on sample interval) has been used in the reporting of the aircore drilling results where the sample intervals are uneven. Not Applicable No metal equivalent values have been reported.
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'). 	<ul style="list-style-type: none"> The geometry of anomalous nickel assays with respect to the aircore drilling angle and orientation is unknown. All drill hole intercepts are measured in down hole metres
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 	<ul style="list-style-type: none"> Appropriate plans have been included in the body of the report.

Criteria	JORC Code explanation	Commentary
	<i>reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
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. 	<ul style="list-style-type: none"> Not applicable at this stage.
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. 	<ul style="list-style-type: none"> Exploration at the Western Margin completed previously by Windward has included, a detailed aeromagnetic survey, an airborne electromagnetic (EM) survey, detailed surface geochemical programs, a gravity survey, a moving loop EM survey and a single diamond drill hole.
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. 	<ul style="list-style-type: none"> A ground based induced polarization (IP) survey has commenced at the Western Margin prospect. A review of all the acquired datasets will be undertaken prior to any further drilling.