

2 November 2016

ASX Code: ORN**Issued Capital:**

Ordinary Shares: 484M

Options: 85M

Directors:**Denis Waddell**
Chairman**Errol Smart**
Managing Director, CEO**Bill Oliver**
Technical Director**Alexander Haller**
Non-Executive Director**Management:****Martin Bouwmeester**
Company Secretary &
Business Development ManagerSuite 2
64 Thomas Street
West Perth WA 6005
ABN 76 098 939 274T: +61 8 9485 2685
E: info@oriongold.com.au

More Significant Zinc-Copper Hits from Prieska Zinc-Copper Project, South Africa

First drill results from diamond core drilling at PC Zinc-Copper Project as well as significant gold intersections above and below zinc-copper mineralisation

Highlights:

- Further excellent results received from ongoing drilling at the historical Prieska Copper Mine Zinc-Copper Project, South Africa.
- Hole OCOD033 intersects 9.3m at 4.0% Zn + 1.4% Cu, 0.13g/t Au and 9.0g/t Ag from 170.7m (equivalent to 70m below surface).
- Significant gold mineralisation also intersected in the oxide zone surrounding the zinc-copper sulphide mineralisation, including:
 - 7m at 2.46g/t Au from 23m, including 3m at 5.0g/t Au; and
 - 17m at 0.77g/t Au from 39m, including 4m at 1.35g/t Au.
- Drilling at the +105 Level Exploration Target continues, with two rigs now on site to accelerate drilling operations.

Orion Gold NL (ASX: ORN) is pleased to report further strong drilling results from its ongoing diamond drilling program at the historical **Prieska Copper Mine (PC) Zinc-Copper Project** in the northern Cape Province, South Africa, including shallow zinc-copper sulphide hits in the open pit target and significant gold mineralisation in the oxide zone.

These are the first results from diamond core drilling of the +105 Level Exploration Target, with the holes located to test areas up-dip from, historical mining areas (Figures 1, 2 and 3).

The PC Project covers unmined dip and strike extensions from historical underground mining, with mineralisation having previously been delineated by extensive drilling and geophysics. The current drilling program is designed to confirm, in-fill and extend the historical drilling at the +105 Level Exploration Target, where drilling is targeting mineralisation that would be amenable to extraction via open pit mining (Figure 2 and Appendix 3).



Figure 1: Massive sulphides in OCOD033 (177m down-hole, approximately 70m below surface) and OCOD035 (165m down hole, approximately 72m below surface) at the PC Project.

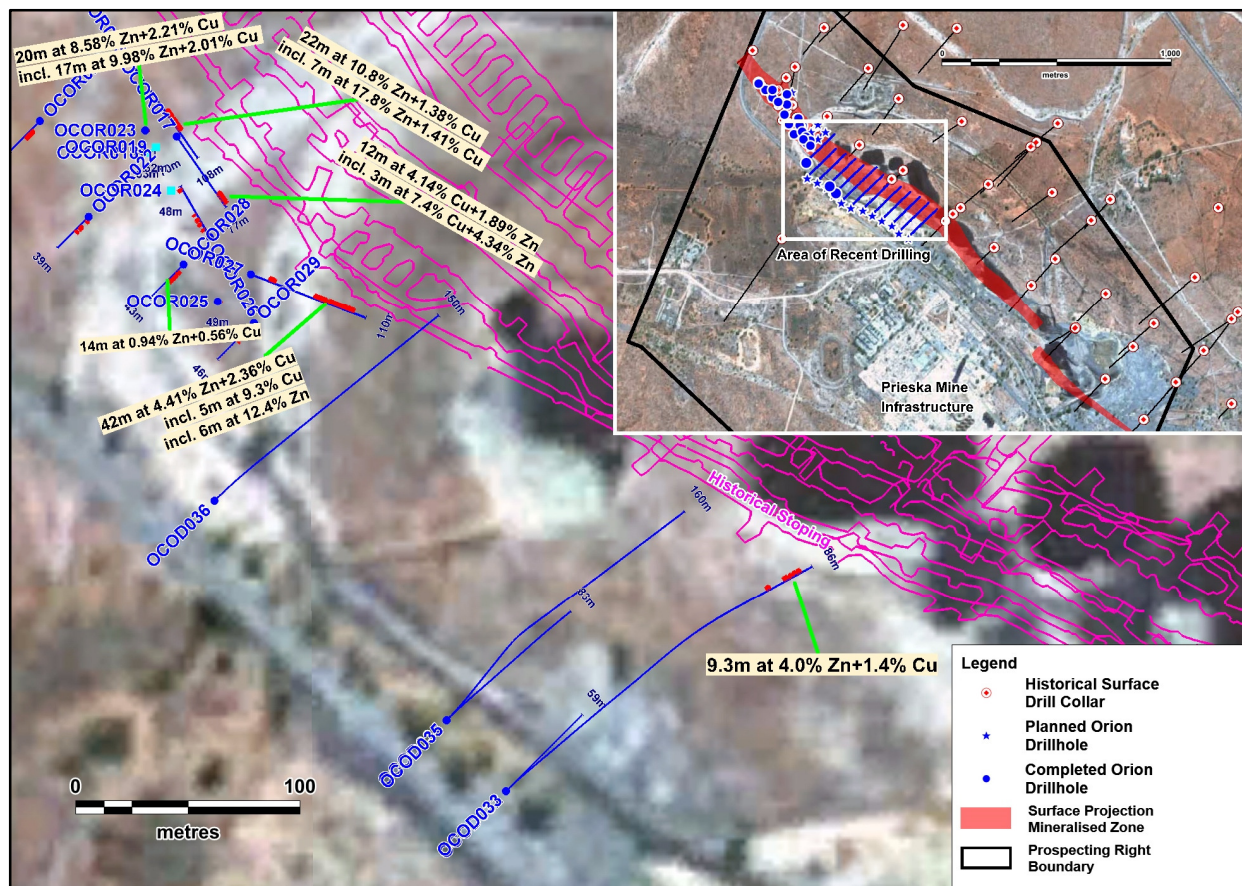


Figure 2: Plan showing the PC Project with completed, proposed and historical drilling at the +105 Level Exploration Target.

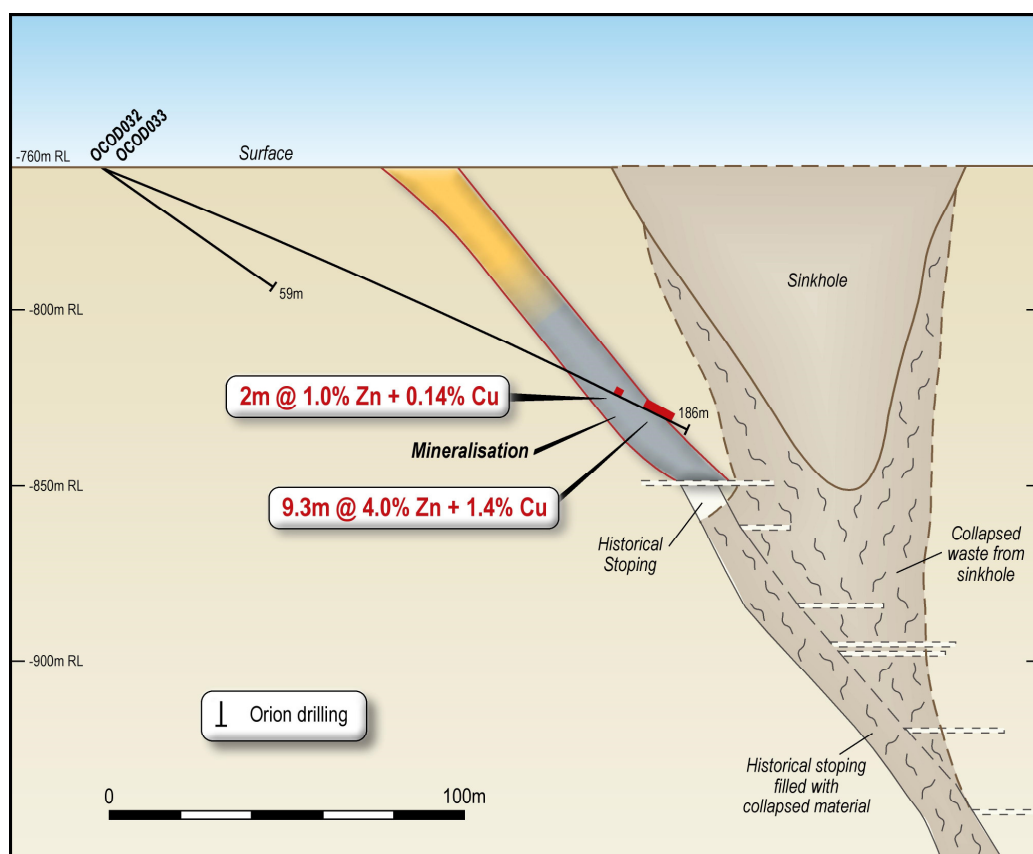


Figure 3: Cross-section showing mineralisation intersected in OCOD033.

Diamond core drilling at the +105 Level Exploration Target is utilising an innovative shallow drilling method to drill holes to test mineralisation up-dip of historical underground mining.

By utilising inclinations of between 15 and 30 degrees from the horizontal and using flexible barrels, the holes can be manipulated to intersect the mineralisation at an optimal angle (Figure 3).

While this method is now proving successful, considerable experimentation with equipment, techniques and drilling additives has been required to obtain the required results.

Significantly, OCOD035 (Figures 1 and 2) has now also intersected similar sulphide mineralisation from 168.88m – 176.60m to that observed in OCOD033, with sampling currently underway. Hole OCOD036 (Figure 2) is also in progress and is now nearing target depth.

All significant intersections are tabulated in Appendix 1, including those stated in the ASX releases of 25 July 2016, 22 August 2016 and 13 September 2016 with best results including:

- **22m at 10.8% Zn, 1.38% Cu and 0.3g/t Au from 57m, including:
7m at 17.8% Zn and 1.41% Cu (OCOR016);**
- **20m at 8.58% Zn, 2.21% Cu and 0.3g/t Au from 48m, including:
17m at 9.98% Zn and 2.01% Cu (OCOR023);**
- **42m at 4.41% Zn, 2.36% Cu and 0.42g/t Au from 55m, including:
5m at 9.28% Cu from 55m & 6m at 12.4% Zn from 75m (OCOR027);**
- **9.3m at 4.0% Zn, 1.4% Cu, 0.13g/t Au and 9.0g/t Ag from 170m (OCOD033); and**
- **12m at 4.14% Cu, 1.89% Zn and 0.29g/t Au from 57m, including:
3m at 7.4% Cu and 4.34% Zn (OCOR017).**

Modelling of the mineralisation intersected in drilling is now underway with the objective of producing Mineral Resources compliant with the JORC Code early in 2017 and feeding these resource estimates into pre-feasibility studies with a target completion date of mid 2017.

In addition, the Company has sampled intervals outside the sulphide hosted zinc-copper mineralised zones and submitted them for gold analysis. As reported in previous announcements, the previous operator of the historical Prieska Copper Mine did not routinely assay for precious metals within or outside of the base metal ore.

The results of this precious metal sampling exercise, which was undertaken on non-sulphide intervals outside the zinc-copper mineralisation reported in Appendix 1, are tabulated in Appendix 2 and include some highly significant results, namely:

- **7m at 2.46g/t Au from 23m, including 3m at 5.0g/t Au (OCOR021);**
- **17m at 0.77g/t Au from 39m, including 4m at 1.35g/t Au (OCOR026); and**
- **10m at 1.10g/t Au from 33m (OCOR025).**

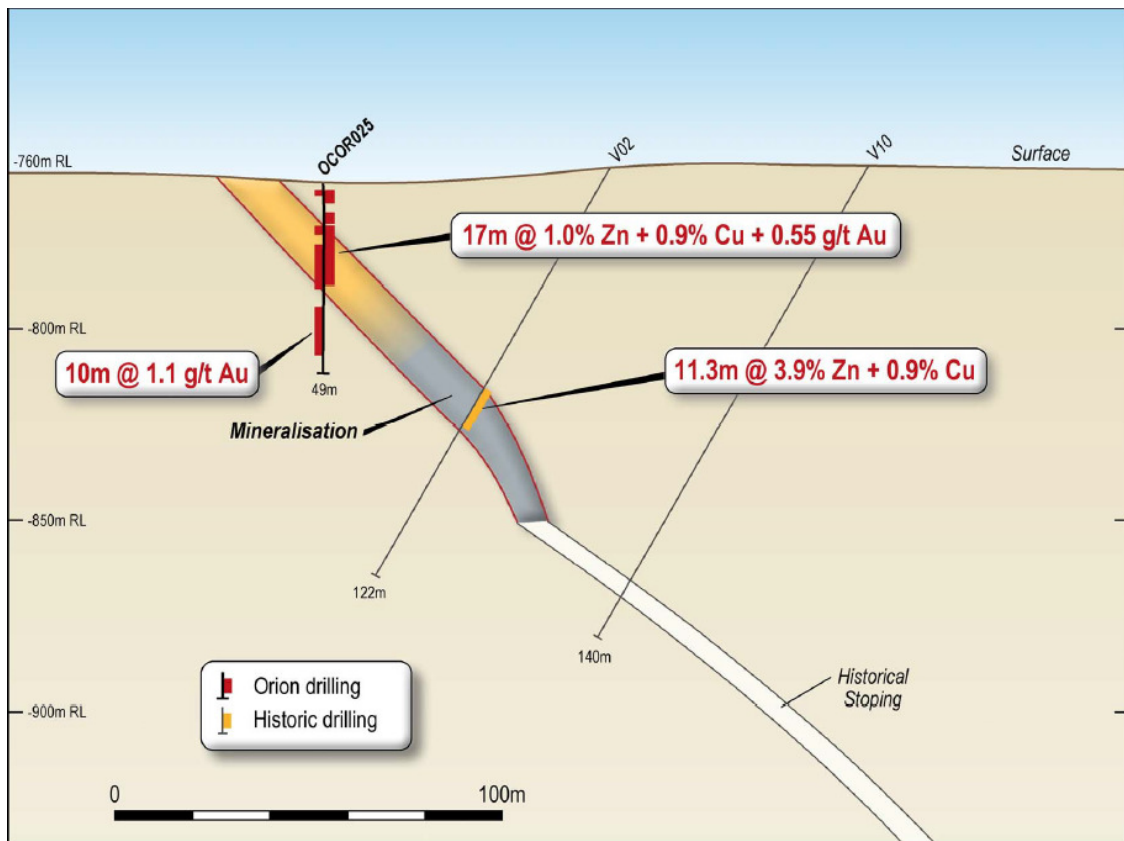


Figure 4: Section through OCOR025 demonstrating wide intersections of gold in oxide, outside of the target base metal target horizon.

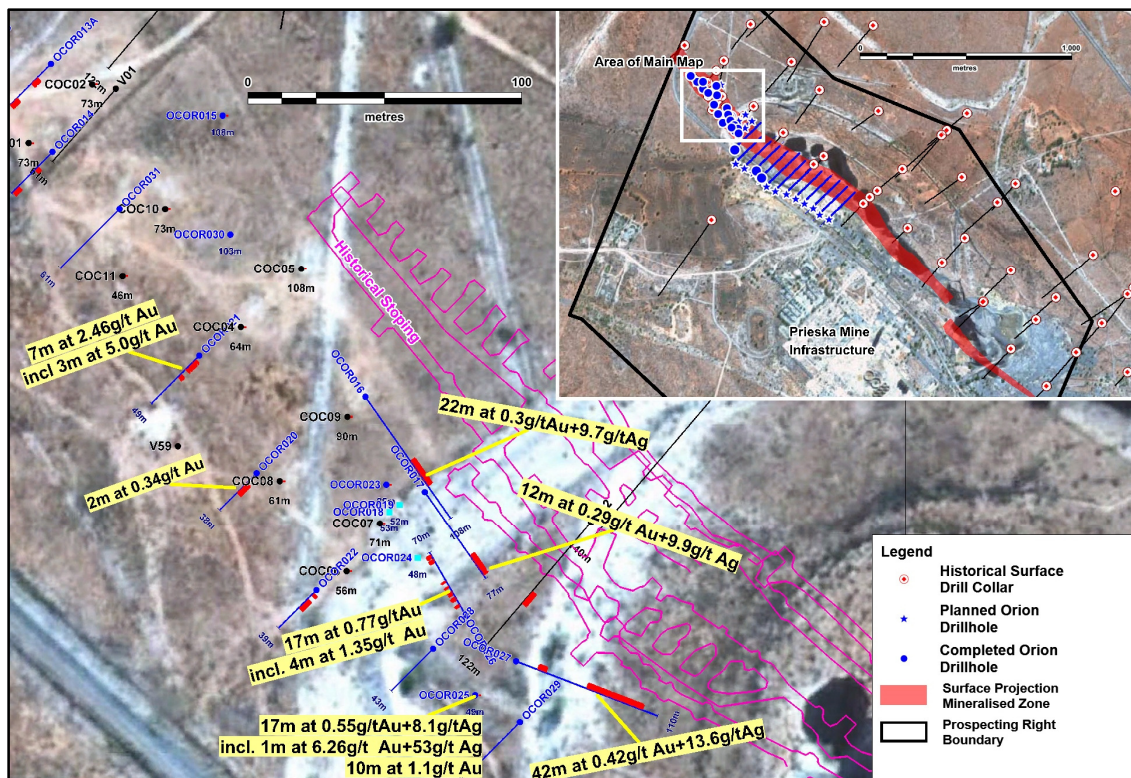


Figure 5: Plan showing significant gold intersections from completed drilling at the +105 Level Exploration Target, PC Project.

The significance of this wide, shallow gold mineralisation and its presence in oxide material will shortly be investigated with cyanidation and heap leach amenability testwork, followed by pre-feasibility study work in early 2017. The precious metal intersections outside of the base metal target horizon provide encouragement for potentially significant by-product credits, in a targeted open pit, selective mining operation.

The PC Project is being acquired as part of Orion's option to acquire Agama Exploration & Mining (Pty) Ltd (**Agama**). In July 2015, the Company announced that it had signed a binding term sheet giving Orion the right to acquire the unlisted company, Agama, a South African-registered company which, through its subsidiary companies, ultimately holds an effective 73.33% interest in the Prieska Zinc-Copper Project and the Marydale Gold-Copper Project (Figure 6).



Errol Smart
Managing Director and CEO

Company Enquiries:

Errol Smart - Managing Director and CEO

Denis Waddell - Chairman

T: +61 8 9485 2685

E: info@oriongold.com.au

About Orion

Orion Gold is focused on acquiring, exploring and developing large tenement holdings or regional scale mineral opportunities in world-class mineral provinces. The Company has acquired quality projects in proven mineral provinces.

Recently, the Company has secured an outstanding growth and diversification opportunity in the global gold and base metals sectors and has secured options and earn-in rights over a combined area of 1790km² on the highly prospective Areachap belt, North Cape Province of South Africa (Figure 6). These include:

- An option to acquire an advanced volcanic massive sulphide copper-zinc project with near-term production potential. The option gives Orion the right to acquire an effective 73.33% interest in a portfolio of projects including an exploration project at the Prieska Copper Project, located near Copperton in the Northern Cape province of South Africa, and the Marydale Prospecting Right, a virgin gold discovery of possible epithermal origin, located 60 km from the Prieska Copper Project. The Company is progressing extensive due diligence investigations. (refer ASX release 18 November 2015).
- An earn in right to ultimately earn a 73% interest in a 980km² prospecting right area located approximately 80 km north of the Prieska copper Project. The project area contains several VMS and VHMS zinc and copper targets including the advanced stage Kantienpan zinc – copper project. (refer ASX releases 29 April 2016 and 31 May 2016).
- An earn in right to ultimately earn an 80% interest, via a South African registered special purpose vehicle which will be 74% owned by Orion, to prospecting and mining right applications covering a combined and partially overlapping area of 626km². The mineral rights areas include an advanced stage ultramafic hosted nickel – copper project, analogous to the geology of the Fraser Range, Western Australia. Several VMS and VHMS copper-zinc targets are also located within this mineral rights package. (refer ASX release 14 July 2016).

The Company also continues to explore a large tenement package on the Connors Arc in Queensland, where a significant intermediate sulphidation, epithermal gold and silver system has been identified at Aurora Flats. The project lies between the Cracow and Mt Carlton epithermal deposits. The Company is increasing its focus on this project, following promising reports from expert consultants, and its fieldwork has led to the discovery of substantial epithermal systems at the Veinglorious and Chough Prospects.

The Company also holds a substantial tenement holding in the Albany-Fraser Belt, host to Australia's two most significant discoveries of the last decade (the Tropicana Gold Deposit and the Nova Nickel-Copper-Cobalt Deposit). Part of this tenement holding was acquired from entities associated with Mark Creasy who is a large shareholder in Orion. Orion's intensive, systematic exploration programs have successfully defined 34 targets to date by a combination of geological, geochemical and geophysical methods.

Additionally, the Company owns the Walhalla Project located in Victoria, which is prospective for gold, copper – nickel and PGEs.

The Company has an experienced management team with a proven track record in exploration, development and adding shareholder value.

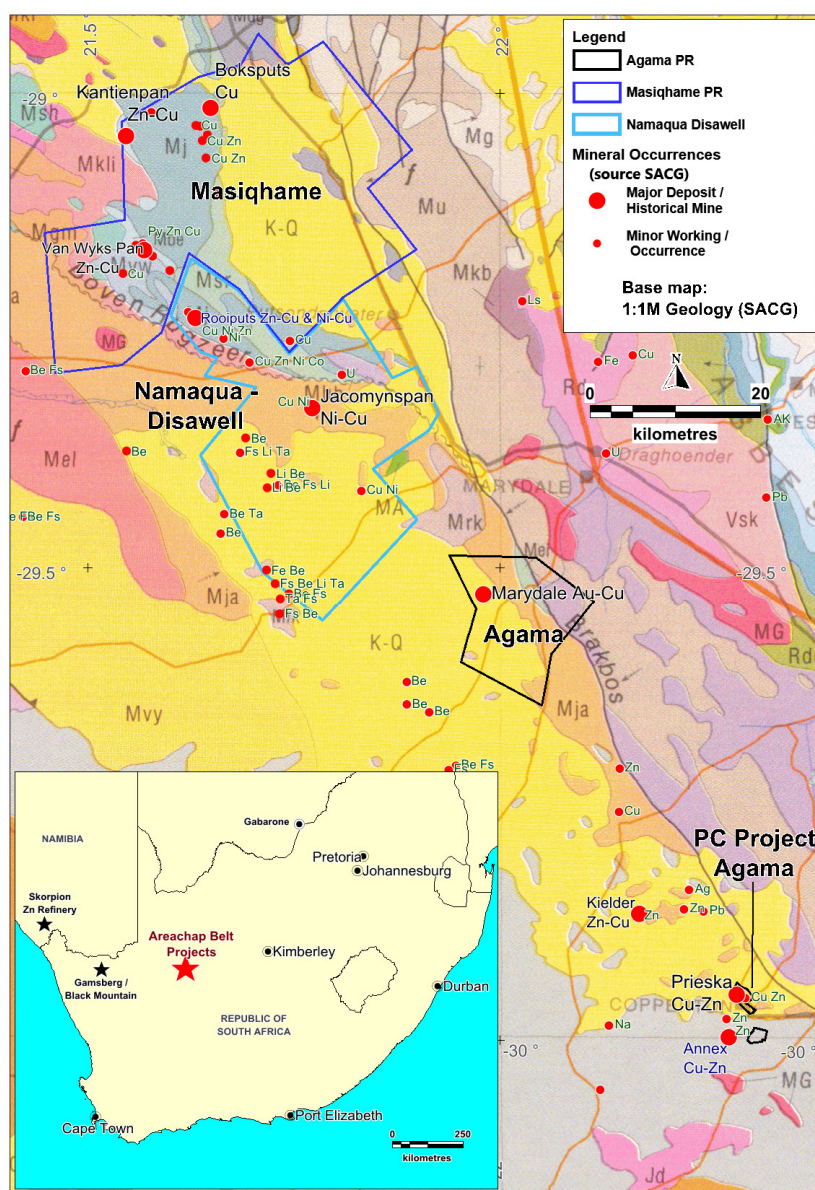


Figure 6: Regional geology map of the Areachap Belt showing prospecting rights currently under option to Orion and noted mineral occurrences as per published data from South African Council for Geoscience.

Competent Persons Statement

The information in this report that relates to Orion's Exploration Results at the PC and Marydale Projects complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**) and has been compiled and assessed under the supervision of Mr Errol Smart, Orion Gold NL's Managing Director. Mr Smart (PrSciNat) is registered with the South African Council for Natural Scientific Professionals, a ROPO for JORC purposes and has sufficient experience that 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 JORC Code. Mr Smart consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Exploration Results are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measure as detailed in Appendix 4.

Disclaimer

This release may include forward-looking statements. Such forward-looking statements may include, among other things, statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements inherently involve subjective judgement and analysis and are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Orion. Actual results and developments may vary materially from those expressed in this release. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Orion makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release. All information in respect of Exploration Results and other technical information should be read in conjunction with Competent Person Statements in this release. To the maximum extent permitted by law, Orion and any of its related bodies corporate and affiliates and their officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this release, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Appendix 1: Significant Zinc-Copper Intersections from the PC Zinc - Copper Project.

Drill hole	East (UTMz34S)	North (UTMz34S)	Depth (m)	From (m)	To (m)	Length (m)	Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)
OCOR012A	624166	6686808	39	23	31	8	0.31	0.92	0.03	0.5
				36	39	3	0.50	1.36	0.02	0.6
OCOR013A	624199	6686776	42	15	20	5	0.92	1.56	0.04	0
				36	42	6	0.60	0.68	0.03	0.3
OCOR014	624228	6686776	42	35	40	5	2.10	0.34	0.01	0
OCOR015	624228	6686744	108	83	86	3	0.40	1.40	0.05	2.3
OCOR016	624340	6686653	108	57	79	22	1.38	10.8	0.30	9.7
			<i>incl.</i>	62	69	7	1.41	17.8	0.26	6.9
OCOR017	624361	6686618	77	57	69	12	4.14	1.89	0.29	9.9
			<i>incl.</i>	63	66	3	7.40	4.34	0.08	1.3
OCOR018	624348	6686611	53	<i>Hole abandoned, collapsed in leached zone</i>						
OCOR019	624353	6686614	52	<i>Hole abandoned, collapsed in leached zone</i>						
OCOR020	624300	6686626	38	10	20	10	0.39	1.13	0.16	1.0
OCOR021	624280	6686669	49	6	12	6	0.17	0.63	0.01	0.1
				19	22	3	0.21	0.92	0.01	0.3
OCOR022	624321	6686583	39	3	5	2	0.19	0.95	0.01	0
				9	18	9	0.45	0.61	0.04	0.3
OCOR023	624347	6686621	85	48	68	20	2.21	8.58	0.36	12.1
			<i>incl.</i>	63	66	17	2.01	9.98	0.37	2.3
OCOR024	624358	6686594	47	<i>Hole abandoned, collapsed in leached zone</i>						
OCOR025	624378	6686544	49	8	25	17	0.86	1.00	0.55	8.1
OCOR026	624375	6686573	70	16	26	10	0.11	0.61	0.01	0.4
				59	63	4	0.50	0.04	0.11	1.0
				64	68	4	0.06	0.60	0.01	0.2
OCOR027	624393	6686556	110	55	97	42	2.36	4.41	0.42	13.6
			<i>incl.</i>	55	60	5	9.28	0.10	0.65	31.6
			<i>incl.</i>	75	81	6	0.90	12.4	0.29	6.7
OCOR028	624363	6686561	43	7	24	14	0.94	0.56	0.09	0.9
OCOR029	624394	6686534	46	5	25	20	0.53	0.65	0.10	1.5
OCOR030	624292	6686713	103	71	77	6	1.90	0.85	0.39	8.2
OCOR031	624252	6686723	61	17	20	3	1.22	0.26	0.03	1.0
				46	60	14	0.30	0.71	0.01	0.6
OCOD032	624503	6686323	59	<i>Hole abandoned due to excess deviation</i>						
OCOD033	624503	6686323	186.14	161	163	2	1.02	0.14	0.14	7.0
				170.71	180.05	9.34	4.00	1.40	0.13	9.0
OCOD034	624477	6686355	82.88	<i>Hole abandoned due to excess deviation</i>						
OCOD035	624477	6686355	160	<i>In Progress</i>						
OCOD036	624375	6686455	150	<i>In Progress</i>						

1. All intersections > 1m and >0.3% copper or > 0.5% zinc are quoted.
2. New results are shown in bold type.
3. It is recommended that the supporting information contained in Appendix 4 is read in conjunction with these results.

Appendix 2: Significant Gold Intersections from the PC Zinc - Copper Project.

Drill hole	East (UTMz34S)	North (UTMz34S)	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)
OCOR019	624353	6686614	52	45	48	3	0.69
OCOR020	624300	6686626	38	20	22	2	0.34
OCOR021	624280	6686669	49	23	30	7	2.46
			<i>incl.</i>	27	30	3	5.00
OCOR024	624358	6686594	47	36	40	4	0.55
OCOR025	624378	6686544	49	33	43	10	1.10
OCOR026	624375	6686573	70	39	56	17	0.77
			<i>incl.</i>	52	56	4	1.35
OCOR027	624393	6686556	110	46	50	4	0.54
				106	108	2	0.52
OCOR028	624363	6686561	43	30	35	5	0.53

1. All intersections > 1m and >0.3g/t gold are quoted.
2. Samples are taken from intervals surround those listed in Appendix 1.
3. It is recommended that the supporting information contained in Appendix 4 is read in conjunction with these results.

Appendix 3: PC Project Exploration Targets

PC Project – Exploration Targets			
Area	Tonnage Range	Cu range (%)	Zn range (%)
+105 Level	3,000,000 – 4,500,000	1.0 – 1.6	1.3 – 2.0
Deep Sulphide	7,000,000 – 11,000,000	1.2 – 1.8	3.9 – 5.9

Table 1: Exploration Targets at the PC Project. Detail and supporting information relating to these Exploration Targets is contained in the ASX Release of 18 November 2015.

Table 1 Notes: The potential quantity (tonnage) and grade of the Exploration Target is conceptual in nature and the Exploration Target should be assessed in conjunction with the information included in the ASX Release of 18 November 2015. There has been insufficient exploration to estimate a Mineral Resource and, while it is uncertain if further exploration will result in the estimation of a Mineral Resource, the aim of the current drilling program is to test the Exploration Target and determine if a Mineral Resource can be estimated.

Appendix 4: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results for the PC Project.

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Reverse circulation drilling sampled every metre by splitting at the sampling yard. NQ diamond core cut at core yard and half core taken as sample. NQ diamond core sampled on 1m intervals where possible, sample lengths adjusted to ensure samples do not cross geological boundaries or other features. Drilling (RC & DD) carried out on 45m spaced sections aiming to define an approximate 45m x 45m pattern. Infill drilling carried out in certain areas to better define mineralisation or geotechnical conditions and limits of historical stoping. Sampling carried out under supervision using procedures outlined below including industry standard QA/QC. Samples submitted for analysis by ALS is pulverized in its entirety and split to obtain a 0.2g sample for digestion and analysis.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Reverse circulation drilling using a face sampling hammer. Diamond core drilling using NQ sized core.
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. 	<ul style="list-style-type: none"> Samples are individually weighed to quantify recovery and variations in recovery are recorded on the sample ledger (e.g. small samples). For RC drilling cyclone, splitters and sample buckets cleaned regularly. No grade variation with recovery noted.

Criteria	JORC Code explanation	Commentary
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. 	<ul style="list-style-type: none"> All holes logged on 1m intervals using visual inspection of washed drill chips and both full and split core. Qualitative logging of colour, grain size, weathering, structural fabric, lithology, alteration type and sulphide mineralogy carried out. Quantitative estimate of sulphide mineralogy and quartz veining. Logs recorded at the drill site and entered into digital templates at the project office.
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 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. 	<ul style="list-style-type: none"> NQ core cut at core yard and half core taken as sample. 1m samples from reverse circulation drilling collected by passing entire 1 metre sample through a splitter. Sampling on site aims to generate a < 2kg sub sample to enable the entire sample to be pulverised without further splitting. Sample preparation was undertaken at ALS Laboratory Johannesburg, an ISO accredited laboratory. ALS utilises industry best practise for sample preparation for analysis involving drying of samples, crushing to <5mm if required and then pulverising so that +85% of the sample passes 75 microns. CRM's, blanks and replicates are inserted every 30 samples and analysed with each batch. Lab supplied CRM's, blanks and replicates are analysed with each batch.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Samples from drilling were submitted to ALS Chemex in Johannesburg. Samples were analysed for base metals using a four acid digest and ICP-OES and for gold by fire assay with AAS finish. External quality assurance of the laboratory assays is monitored by the insertion of blanks, duplicates and certified reference materials (CRM) Coarse field duplicates consisting of a split sub-sample of the original crushed sample material. Three CRMs are alternated through the sample stream and where possible matched to the material being drilled. Two blank are used (pulp and chips). No external laboratory checks have been carried out at this stage, apart from the bias test mentioned above.
Verification of sampling and	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	<ul style="list-style-type: none"> The Managing Director is the Competent Person and is personally supervising the drilling and sampling along with experienced

Criteria	JORC Code explanation	Commentary
assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> geologists. Both the Managing Director and the Technical Director have reviewed the raw laboratory data and independent geologists have confirmed the calculation of the significant intersections.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Collar data has been laid out using a handheld GPS and these coordinates are reported here. All of the Orion drill hole collars will be surveyed by a qualified surveyor using a differential GPS which may result in minor adjustments to coordinate data. Downhole surveys are completed using an electronic multi-shot instrument. All data is collected in UTM WGS84 Zone 34 (Southern Hemisphere) and these coordinates are reported above.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill holes (RC & DD) intersected the mineralisation on approximately 45m spacing with some infill drilling in areas of interest.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drilling is oriented perpendicular, or at a maximum achievable angle to, the attitude of the mineralisation. As a result most holes intersect the mineralisation at an acceptable angle. Where surface access or geotechnical conditions do not allow access to optimal drill collar positions, holes may be inclined. The intersections will be corrected once the mineralised zone is modelled in three dimensions and local attitude can be accurately determined. No sampling bias is anticipated as a result of hole orientations.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody is managed by the Company. Samples were stored on site in a secure locked building and then freighted directly to the lab.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been carried out at this stage.

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"> 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. 	<ul style="list-style-type: none"> The Prospecting Right is held by a subsidiary company of Agama Exploration and Mining (Pty) Ltd through which Agama holds a 73.33% effective interest in the project. The Prospecting Right covers a strike of 2,200m for the Deep Sulphide Exploration Target mineralisation out of a total interpreted strike of 2,800m. The Prospecting Right covers the complete known strike of the +105 Level Exploration Target. All of the required shaft infrastructure and lateral access underground development is available within the Prospecting Right.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p><u>Deep Sulphide Exploration Target</u></p> <ul style="list-style-type: none"> All exploration and life of mine drilling (V, D and F holes) was done by Anglovaal, resulting in a substantial amount of hardcopy data from which the Company has been able to assess the prospectivity of the remaining mineralisation. The Anglovaal exploration resulted in the delineation and development of a large mine. <p><u>+105 Level Exploration Target</u></p> <ul style="list-style-type: none"> The 2012 drilling of the NW section of the +105 Level Exploration Target was carried out by the current tenement holder.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Copperton deposit is a Volcanogenic Massive Sulphide deposit. The deposit is contained in the Areachap Group, which also hosts the Boks Puts, Areachap, Kielder, Annex Vogelstruisbult and Kantien Pan deposits. The historically mined section of the deposit is confined to a tabular, stratabound horizon in the northern limb of a refolded recumbent synform which plunges at approximately 45° to the southeast. It is hosted within deformed gneisses of the Copperton Formation, which have been dated at 1,285 Ma and forms part of the Namaqualand Metamorphic Complex. The mineralised zone outcrop has a strike of 2,400m, was oxidised and or affected by leached and supergene enrichment to a depth of approximately 100m, and outcrops as a well developed gossan. It has a

Criteria	JORC Code explanation	Commentary
		<p>dip of between 55° and 80° to the northeast at surface and a strike of 130° to the north. The width of the mineralised zone exceeds 35m in places but averages between 7m and 9m. The mineralised zone persists to a depth of 1,100m (as deep as 1,200m in one section) after which it is upturned.</p> <ul style="list-style-type: none"> The +105 Level Exploration Target area comprises the oxide / supergene / mixed zone (and a zone of remnant primary sulphides) situated from above the upper limit of mining at approximately 100m depth up to surface.
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"> All Significant Intersections, location data and other drill hole information is tabulated in Appendix 1.
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"> Significant Intersections are calculated by average of assays result > 0.3% copper or 0.5% zinc and weighted by sample width. In general the significant intersections correspond strongly to geological boundaries (massive sulphides) and are clearly distinguishable from country rock / surrounding samples. No truncations have been applied at this stage. For the gold results presented in Appendix 2 intersections have been calculated by average of assays result > 0.3 g/t gold and weighted by sample width.
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 	<ul style="list-style-type: none"> All intersection widths quoted are down hole widths. Most holes intersected the mineralisation perpendicular or at high angle to the attitude of the mineralisation. The mineralisation has complex geometry and mineralisation widths need to be estimated based on interpretation of surrounding intercepts.

Criteria	JORC Code explanation	Commentary
	width not known').	
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. 	<ul style="list-style-type: none"> Drilling is shown in plan view on Figure 2 and section view on Figure 3.
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"> All drill holes are listed in Appendix 1, including those with no mineralisation.
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"> Hardcopy maps are available for a range of other exploration data. This includes mine survey plans, geological maps, airborne magnetics, ground magnetics, EM, gravity and IP. All available exploration data has been viewed by the Competent Person. The mine operated from 1972 to 1991 and is reported to have milled a total of 45.68 Mt of ore at a grade of 1.11% copper and 2.62% zinc, recovering 0.43 Mt of copper and 1.01 Mt of zinc. Detailed production and metallurgical results are available for the life of the mine. In addition, 1.76 Mt of pyrite concentrates and 8,403 t of lead concentrates as well as amounts of silver and gold were recovered. Copper and zinc recoveries averaged 84.9% and 84.3% respectively during the life of the mine. The initial resource to 840m depth below surface based on 23,000m of drilling in 47 boreholes was stated as 47 Mt. However, more recent publications refer to a resource of 57 Mt.
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"> Drilling is ongoing in the +105 Level Exploration Target with planned holes shown on Figure 2.