

ASX ANNOUNCEMENT

15 September 2016

Application lodged for first drill programme at Lomero

HIGHLIGHTS

- Winmar's initial programme at Lomero will comprise four step-out diamond drill holes
- Drilling will investigate targets up to 150m below the former mine workings

Winmar Resources Ltd (**Winmar**) (ASX:WFE) is pleased to announce that it has proposed drilling four diamond drill holes as soon as possible as part of its Year 1 work programme at the Lomero gold-silver-copper-zinc deposit in Spain (**Lomero**). The work programme was lodged with the government of Andalucia last Tuesday.

The proposed holes will total 1500m and will target four locations up to 150m below the eastern end of the former mine workings (Figure 1).

Two earlier drillholes on the edges of this zone provided encouraging results. Above it, hole TH-1 intersected 2.0m of massive sulphide grading 3.5 g/t gold, 0.66% copper and 7.0% zinc. To the east, hole L04-51 intersected 1.35m grading 8.4 g/t gold, 0.55% copper, 9.95% lead and 13.13% zinc within a broader zone of enrichment. Either of those intercepts could represent the edge of a new zone of mineralisation.

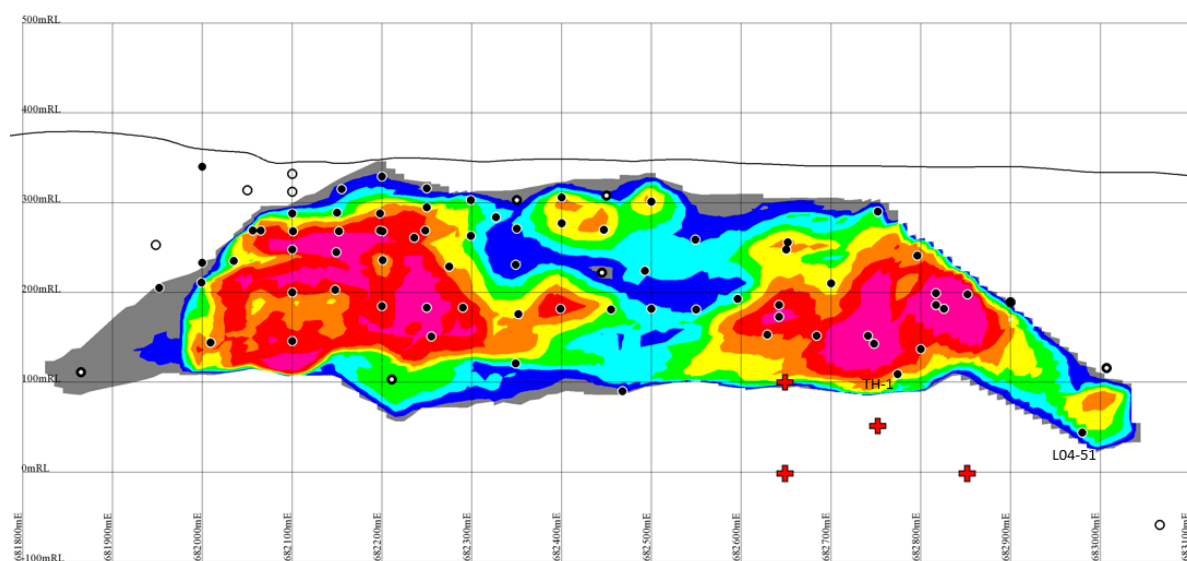


Figure 1: Lomero east-west longitudinal projection contoured for gold grade (g/t) x thickness (m), showing four proposed drill targets (red crosses) in Winmar's initial drill programme. Grid interval shown is 100m.

Government approval for the submitted work programme is anticipated to take up to two months, at which point Spanish regulations allow for approval to be taken as granted. In the meantime, Winmar will be busy taking the additional steps required before drilling can commence, including negotiating access with the landowner. Subject to those limitations, Winmar anticipates that it will be able to commence the drilling in late November.

Further updates will follow as events unfold.

The Lomero gold-silver-copper-zinc project

The Lomero gold-silver-copper-zinc project is located 60km north of the deep-water port of Huelva in Andalucia, Spain, within Spain's premier mineral district, the Iberian Pyrite Belt. It is located just 8km west of the large Aguas Teñidas copper mine, which is operated by a Joint Venture between Trafigura and Mubadala. A rail line 4.5km east of Lomero is used to transport mineral concentrates to the port of Huelva.

Lomero is a 1km-long tabular volcanogenic massive sulphide (**VMS**) deposit with the highest gold grade of any mineral deposit within the Iberian Pyrite Belt. The previous mining operation at Lomero extracted at least 2.6 million tonnes of massive sulphide ore containing an average grade of 5 g/t gold and 1.2% copper. The deposit is approximately 1,000m in length, strikes east-west and dips moderately to the north.

Compliance Statement

The information in this report that relates to Exploration Results at the Lomero gold-silver-copper-zinc project in Spain is based on information compiled by Mr Rod Sainty, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Sainty is a full-time employee of Winmar Resources Ltd. Mr Sainty 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sainty consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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