**ASX RELEASE 12th OCTOBER 2016**

# HIGHEST GRADE HAND AUGER RESULTS TO DATE AT MALINGUNDE

*Sovereign Metals Limited ("the Company" or "Sovereign") is pleased to report the latest and final batch of hand-auger results from the Malingunde saprolite-hosted flake graphite deposit in Malawi. The results include the two highest grade intercepts encountered to date and continue to show the robustness, coherency and continuity of the deposit.*

## *Highlights:*

- *Final batch of hand auger assays from the Malingunde area returns the two highest grade intercepts to date and show a potential new zone of very high grade mineralisation along strike some 2km SE of the main deposit;*

  ***MGHA0548: 7m @ 21.2% TGC inc. 3m @ 30.5% TGC** (ended in mineralisation; main deposit)*

  ***MGHA0564: 7m @ 24.5% TGC inc. 2m @ 35.5% TGC** (ended in mineralisation; new zone ~2km to SE)*

- *New hand-auger results include:*

| | | | |
|---|---|---|---|
| ***MGHA0205*** | ***8m @ 11.6% TGC*** | ***MGHA0235*** | ***7m @ 16.6% TGC*** |
| ***MGHA0236*** | ***7m @ 11.3% TGC*** | ***MGHA0303*** | ***11m @ 11.6% TGC*** |
| ***MGHA0355*** | ***8m @ 13.7% TGC*** | ***MGHA0375*** | ***9m @ 11.6% TGC*** |
| ***MGHA0438*** | ***6m @ 11.9% TGC*** | ***MGHA0474*** | ***10m @ 10.7% TGC*** |
| ***MGHA0548*** | ***7m @ 21.2% TGC*** | ***MGHA0564*** | ***7m @ 24.5% TGC*** |

  **all holes listed ended in high-grade graphite mineralisation due to the depth limitation of the hand auger*

- *Results continue to confirm the robust and coherent nature of the saprolite-hosted flake graphite deposit at Malingunde.*
- *An initial 13 hole, 488m large diameter PQ diamond drilling program has now been completed at Malingunde. This has shown vertical saprolite thicknesses averaging 20m-30m over the majority of the deposit. Assay results for the diamond drilling are expected progressively over the coming weeks.*
- *A ~5,000m aircore resource drill out program is scheduled to commence at Malingunde in two weeks*
- *The metallurgical test-work program on Malingunde saprolite continues at SGS Lakefield in Canada. The program targets a flowsheet that uses an upfront scrubber only to disaggregate the graphite flakes from the host material as opposed to crushing circuit and rod mill used in hard-rock operations.*
- *Saprolite-hosted flake graphite deposits are sought after as they generally have substantially lower production costs than hard rock deposits. This is mainly due to their free-dig nature, generally very low strip ratios and very simple processing with no primary crushing or grinding circuit required.*

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## Background

In 2015, Sovereign's in-country geological team made a new and significant graphite discovery using hand auger drilling techniques in an area of no outcrop. The new deposit is located at Malingunde, just 15km SW of Lilongwe, Malawi's capital city, and has access to enviable infrastructure; being 25km from rail access, 15km from the high-capacity Lilongwe power sub-station and with plentiful fresh water.

Malingunde is particularly significant for Sovereign as it is hosted within weathered, soft saprolite (clay) material. Saprolite-hosted flake graphite mining operations, similar to those in China and Madagascar, usually have significant cost and environmental advantages over hard rock mining operations due to:

- The free-dig nature and very low strip ratios of the mineralised material, which is by definition close to or at surface;
- Simple processing, generally with no primary crushing and grinding circuit resulting in large capital and operating cost advantages;
- The preservation of coarse graphite flakes in the weathering profile due to graphite's chemically inert properties; and
- The relative absence of sulphides offers substantial tailings and waste management advantages.

Recently reported results for a saprolite-hosted graphite mining operation in Madagascar processing material grading 4-5% TGC, suggest mine-gate operating costs significantly lower than those of similar hard rock operations.

## Geology

Saprolite is the very soft, graphite-bearing, clay-rich oxide material that is formed from intense weathering of the original underlying bedrock. Sovereign's Malingunde saprolite-hosted flake graphite deposit is located on the Lilongwe Plain which is underlain by a paragneiss basement rock package containing extensive graphitic units. This area has a largely preserved, deep tropical weathering profile containing significant thicknesses of saprolite. Because graphite is inert during the weathering process, it is preserved whilst most of the silicate gangue minerals are altered to clays.

## Latest Hand-Auger Results

The Malingunde deposit appears to be large and high grade, with visually coarse and jumbo flake graphite identified throughout. Saprolite-hosted mineralisation has been identified in hand auger drilling over 3.4km of strike with cumulative across strike widths locally exceeding 200m and averaging about 120m. Coherent, high grade zones well above 10% TGC have been identified within the broader deposit area.

The latest and final batch of hand auger assays from the Malingunde area return has returned the two highest grade intercepts to date and shows a potential new zone of very high grade mineralisation along strike, some 2km SE of the main deposit;

***MGHA0548: 7m @ 21.2% TGC inc. 3m @ 30.5% TGC*** *(ended in mineralisation; main deposit)*

***MGHA0564: 7m @ 24.5% TGC inc. 2m @ 35.5% TGC*** *(ended in mineralisation; new zone ~2km to SE)*

These results continue to confirm the robust and coherent nature of the saprolite-hosted flake graphite deposit at Malingunde and also highlight the substantial regional exploration potential for further saprolite discoveries.

New hand-auger results include:

| | | | |
|---|---|---|---|
| ***MGHA0205*** | ***8m @ 11.6% TGC*** | ***MGHA0235*** | ***7m @ 16.6% TGC*** |
| ***MGHA0236*** | ***7m @ 11.3% TGC*** | ***MGHA0303*** | ***11m @ 11.6% TGC*** |
| ***MGHA0355*** | ***8m @ 13.7% TGC*** | ***MGHA0375*** | ***9m @ 11.6% TGC*** |
| ***MGHA0438*** | ***6m @ 11.9% TGC*** | ***MGHA0474*** | ***10m @ 10.7% TGC*** |
| ***MGHA0548*** | ***7m @ 21.2% TGC*** | ***MGHA0564*** | ***7m @ 24.5% TGC*** |

**all holes listed ended in high-grade graphite mineralisation due to the depth limitation of the hand auger*

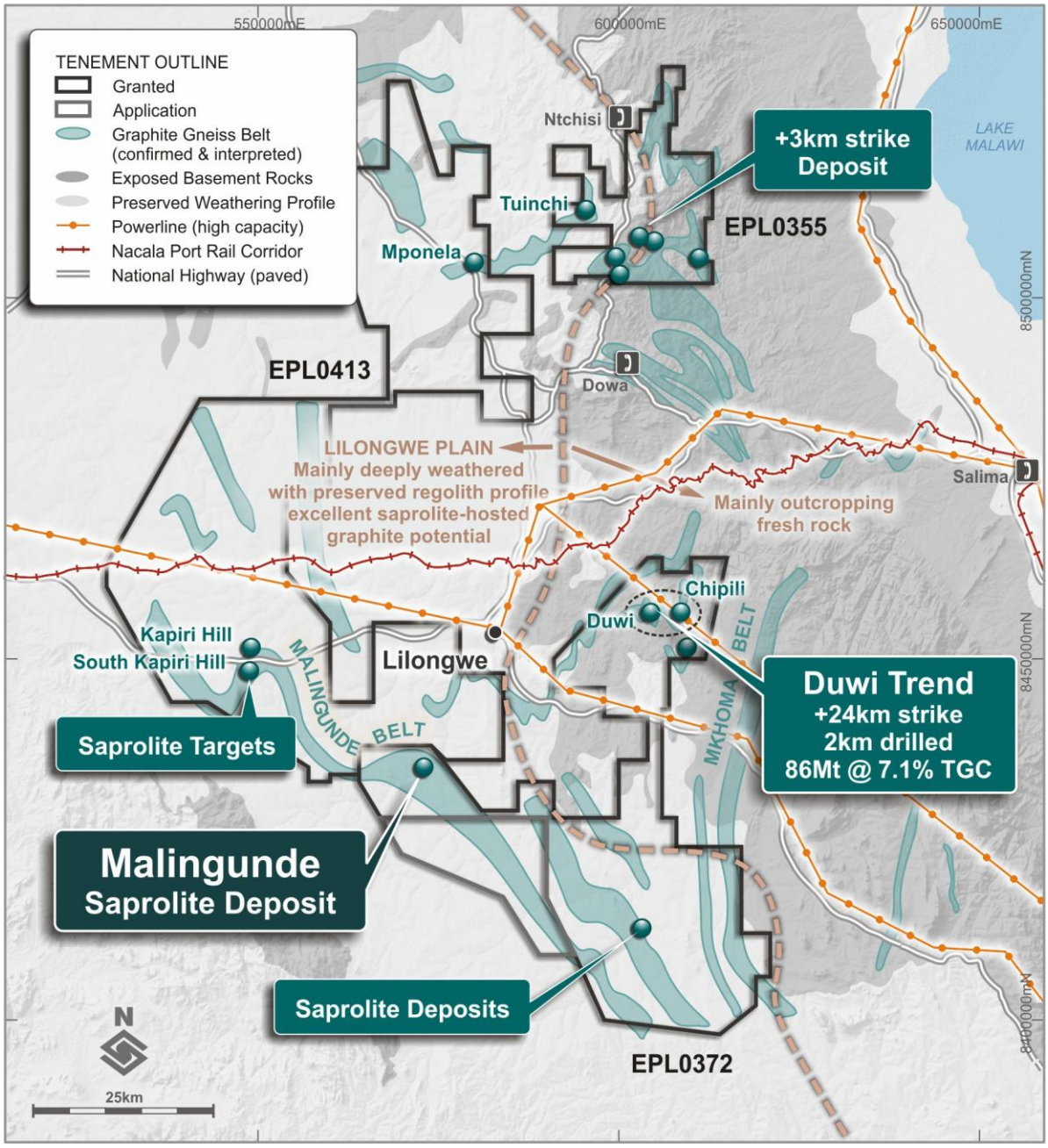


***Figure 1. Map showing Sovereign's large 3,788km$^2$ ground package in Central Malawi with the major flake graphite deposits and target areas shown***

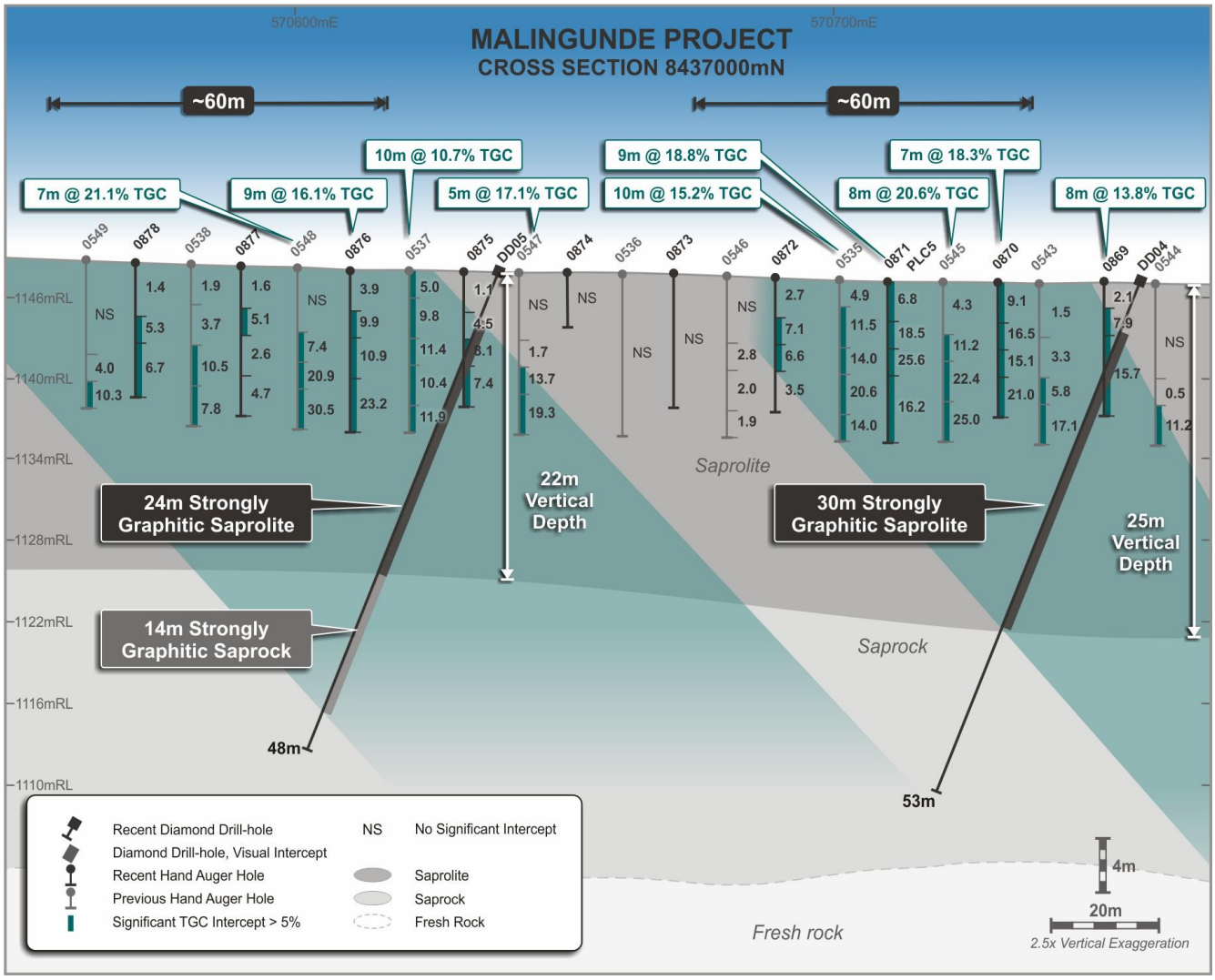


***Figure 2. Cross-section (2.5 x vertical exaggeration) showing high-grade, saprolite-hosted graphite mineralisation at Malingunde. View is to the north.***

## Ongoing Work Program

Upcoming activities at Malingunde include:

- **Diamond Drilling**: Program now complete with 13 holes drilled for 488m. Assay results expected to be received progressively over the coming weeks.
- **Metallurgy**: Ongoing flowsheet optimisation including mini-pilot to produce substantial quantities of concentrates for evaluation by potential offtake partners and for downstream test-work including Li-Ion battery and expandable graphite applications.
- **Resource Definition Drilling**: 5,000m air-core resource drilling program to commence in approximately two weeks.
- **Initial Resource Estimate**: Targeted for Q1 2017
- **Scoping Study:** Targeted for late Q1 – early Q2 2017

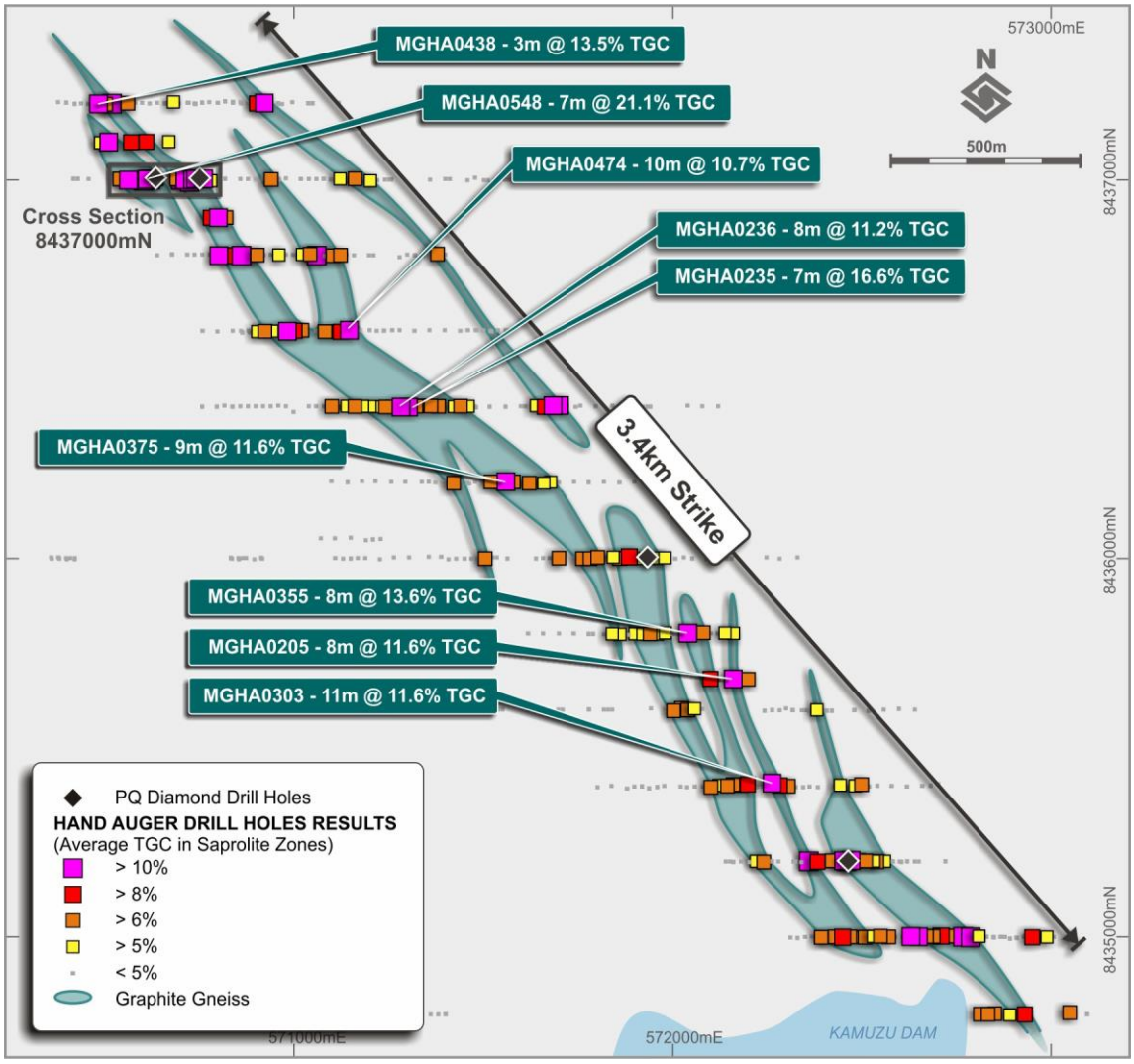


***Figure 3. Map of the mineralised saprolite-hosted graphite zones, hand auger and diamond drill-holes at Malingunde.***

***Competent Person Statement***

*The information in this announcement that relates to Exploration Results is based on information compiled by Dr Julian Stephens, a Competent Person who is a member of the Australian Institute of Geoscientists (AIG). Dr Stephens is the Managing Director of Sovereign Metals Limited and a substantial holder of shares, options and performance rights in Sovereign Metals Limited. Dr Stephens 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'. Dr Stephens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this announcement that relates to previous Exploration Results is extracted from announcements dated 29 August 2016 and 5 September 2016. These announcements are available to view on www.sovereignmetals.com.au. The information in the original announcements that related to Exploration Results were based on, and fairly represents, information compiled by Dr Julian Stephens, a Competent Person who is a member of the Australasian Institute of Geoscientists (AIG). Dr Stephens is the Managing Director of Sovereign Metals Limited and is also a substantial holder of shares and performance rights in Sovereign Metals Limited. Dr Stephens 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'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*

*The information in this announcement that relates to Mineral Resources is extracted from the announcement dated 17 October 2014. The announcement is available to view on www.sovereignmetals.com.au. The information in the original announcement that related to Mineral Resources was based on, and fairly represents, information compiled by Mr David Williams, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Williams is employed by CSA Global Pty Ltd, an independent consulting company. Mr Williams has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, 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'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement*

***Forward Looking Statement***

*This release may include forward-looking statements, which may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on Sovereign's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Sovereign, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. Sovereign makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.*

## Appendix 1

### Table A. Hand Auger Drill Hole Collar Details

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0080 | 570,855 | 8,436,000 | 1142 | Vertical | 10 |
| MGHA0081 | 570,895 | 8,436,000 | 1141 | Vertical | 7 |
| MGHA0082 | 570,915 | 8,436,000 | 1140 | Vertical | 9 |
| MGHA0083 | 570,835 | 8,436,000 | 1144 | Vertical | 10 |
| MGHA0084 | 570,401 | 8,436,000 | 1145 | Vertical | 10 |
| MGHA0085 | 570,421 | 8,436,000 | 1144 | Vertical | 10 |
| MGHA0087 | 570,380 | 8,436,001 | 1145 | Vertical | 10 |
| MGHA0088 | 570,361 | 8,436,001 | 1146 | Vertical | 10 |
| MGHA0092 | 571,505 | 8,436,000 | 1133 | Vertical | 10 |
| MGHA0093 | 571,485 | 8,436,003 | 1133 | Vertical | 9 |
| MGHA0094 | 571,802 | 8,436,003 | 1136 | Vertical | 10 |
| MGHA0095 | 571,822 | 8,436,006 | 1136 | Vertical | 9 |
| MGHA0096 | 571,843 | 8,436,004 | 1136 | Vertical | 10 |
| MGHA0097 | 571,781 | 8,436,000 | 1135 | Vertical | 8 |
| MGHA0098 | 571,762 | 8,436,000 | 1135 | Vertical | 10 |
| MGHA0102 | 571,742 | 8,436,000 | 1135 | Vertical | 10 |
| MGHA0104 | 571,979 | 8,436,002 | 1138 | Vertical | 10 |
| MGHA0124 | 571,640 | 8,436,403 | 1145 | Vertical | 9 |
| MGHA0125 | 571,684 | 8,436,403 | 1145 | Vertical | 12 |
| MGHA0126 | 571,720 | 8,436,404 | 1146 | Vertical | 12 |
| MGHA0127 | 571,701 | 8,436,404 | 1146 | Vertical | 12 |
| MGHA0128 | 571,662 | 8,436,400 | 1145 | Vertical | 12 |
| MGHA0159 | 572,058 | 8,435,603 | 1127 | Vertical | 11 |
| MGHA0168 | 572,381 | 8,435,600 | 1130 | Vertical | 12 |
| MGHA0169 | 572,398 | 8,435,600 | 1130 | Vertical | 12 |
| MGHA0174 | 572,809 | 8,435,003 | 1102 | Vertical | 7 |
| MGHA0179 | 572,671 | 8,435,002 | 1107 | Vertical | 8 |
| MGHA0180 | 572,649 | 8,435,002 | 1106 | Vertical | 11 |
| MGHA0181 | 572,629 | 8,435,002 | 1107 | Vertical | 10 |
| MGHA0182 | 572,609 | 8,435,002 | 1106 | Vertical | 8 |
| MGHA0184 | 572,549 | 8,435,003 | 1105 | Vertical | 7 |
| MGHA0187 | 572,827 | 8,435,004 | 1101 | Vertical | 10 |
| MGHA0188 | 572,847 | 8,435,002 | 1101 | Vertical | 10 |
| MGHA0189 | 572,866 | 8,435,004 | 1102 | Vertical | 12 |
| MGHA0190 | 572,889 | 8,434,999 | 1102 | Vertical | 10 |
| MGHA0191 | 572,907 | 8,434,999 | 1103 | Vertical | 10 |
| MGHA0192 | 572,950 | 8,435,000 | 1107 | Vertical | 10 |
| MGHA0193 | 572,930 | 8,435,007 | 1105 | Vertical | 10 |
| MGHA0194 | 572,967 | 8,435,001 | 1108 | Vertical | 12 |
| MGHA0195 | 572,988 | 8,435,001 | 1109 | Vertical | 12 |
| MGHA0201 | 572,393 | 8,435,000 | 1105 | Vertical | 12 |
| MGHA0202 | 572,099 | 8,435,683 | 1130 | Vertical | 8 |
| MGHA0203 | 572,121 | 8,435,682 | 1131 | Vertical | 10 |
| MGHA0204 | 572,140 | 8,435,682 | 1131 | Vertical | 10 |
| MGHA0205 | 572,159 | 8,435,682 | 1131 | Vertical | 12 |
| MGHA0207 | 572,199 | 8,435,681 | 1131 | Vertical | 12 |
| MGHA0208 | 572,688 | 8,435,002 | 1107 | Vertical | 8 |
| MGHA0209 | 572,571 | 8,435,001 | 1106 | Vertical | 10 |
| MGHA0210 | 572,530 | 8,435,002 | 1105 | Vertical | 5 |
| MGHA0226 | 571,480 | 8,436,401 | 1144 | Vertical | 12 |
| MGHA0227 | 571,440 | 8,436,402 | 1144 | Vertical | 12 |
| MGHA0228 | 571,460 | 8,436,401 | 1144 | Vertical | 12 |
| MGHA0229 | 571,423 | 8,436,401 | 1144 | Vertical | 12 |
| MGHA0230 | 571,403 | 8,436,401 | 1144 | Vertical | 12 |
| MGHA0231 | 571,382 | 8,436,402 | 1144 | Vertical | 12 |
| MGHA0232 | 571,362 | 8,436,402 | 1144 | Vertical | 12 |
| MGHA0233 | 571,341 | 8,436,402 | 1144 | Vertical | 12 |
| MGHA0234 | 571,322 | 8,436,402 | 1144 | Vertical | 12 |
| MGHA0235 | 571,302 | 8,436,400 | 1144 | Vertical | 12 |
| MGHA0236 | 571,282 | 8,436,400 | 1144 | Vertical | 12 |
| MGHA0237 | 571,259 | 8,436,402 | 1145 | Vertical | 11 |
| MGHA0238 | 571,242 | 8,436,400 | 1145 | Vertical | 12 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0239 | 571,220 | 8,436,400 | 1146 | Vertical | 12 |
| MGHA0240 | 571,201 | 8,436,401 | 1146 | Vertical | 12 |
| MGHA0241 | 571,182 | 8,436,401 | 1146 | Vertical | 10 |
| MGHA0242 | 571,161 | 8,436,401 | 1147 | Vertical | 12 |
| MGHA0243 | 571,121 | 8,436,400 | 1147 | Vertical | 12 |
| MGHA0248 | 571,140 | 8,436,402 | 1147 | Vertical | 12 |
| MGHA0249 | 571,100 | 8,436,401 | 1148 | Vertical | 12 |
| MGHA0264 | 571,699 | 8,436,001 | 1134 | Vertical | 12 |
| MGHA0274 | 572,603 | 8,435,202 | 1116 | Vertical | 12 |
| MGHA0282 | 572,402 | 8,435,200 | 1114 | Vertical | 12 |
| MGHA0284 | 572,322 | 8,435,202 | 1114 | Vertical | 12 |
| MGHA0288 | 572,580 | 8,435,202 | 1116 | Vertical | 12 |
| MGHA0291 | 572,421 | 8,435,203 | 1114 | Vertical | 11 |
| MGHA0292 | 572,383 | 8,435,200 | 1114 | Vertical | 12 |
| MGHA0293 | 572,339 | 8,435,201 | 1115 | Vertical | 12 |
| MGHA0294 | 572,262 | 8,435,204 | 1116 | Vertical | 12 |
| MGHA0296 | 572,202 | 8,435,201 | 1117 | Vertical | 12 |
| MGHA0301 | 572,305 | 8,435,399 | 1123 | Vertical | 12 |
| MGHA0302 | 572,283 | 8,435,401 | 1123 | Vertical | 12 |
| MGHA0303 | 572,262 | 8,435,407 | 1123 | Vertical | 12 |
| MGHA0304 | 572,222 | 8,435,400 | 1123 | Vertical | 12 |
| MGHA0305 | 572,181 | 8,435,401 | 1123 | Vertical | 12 |
| MGHA0313 | 572,198 | 8,435,404 | 1123 | Vertical | 12 |
| MGHA0314 | 572,159 | 8,435,403 | 1123 | Vertical | 12 |
| MGHA0315 | 572,144 | 8,435,400 | 1122 | Vertical | 12 |
| MGHA0316 | 572,122 | 8,435,401 | 1121 | Vertical | 10 |
| MGHA0317 | 572,101 | 8,435,396 | 1119 | Vertical | 12 |
| MGHA0330 | 572,499 | 8,435,404 | 1123 | Vertical | 12 |
| MGHA0335 | 572,482 | 8,435,400 | 1123 | Vertical | 12 |
| MGHA0336 | 572,443 | 8,435,402 | 1123 | Vertical | 12 |
| MGHA0340 | 572,023 | 8,435,802 | 1132 | Vertical | 12 |
| MGHA0341 | 572,060 | 8,435,803 | 1133 | Vertical | 12 |
| MGHA0342 | 572,100 | 8,435,804 | 1133 | Vertical | 12 |
| MGHA0343 | 572,138 | 8,435,803 | 1134 | Vertical | 12 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0349 | 571,861 | 8,435,800 | 1129 | Vertical | 12 |
| MGHA0352 | 572,160 | 8,435,802 | 1134 | Vertical | 12 |
| MGHA0353 | 572,117 | 8,435,803 | 1134 | Vertical | 12 |
| MGHA0354 | 572,081 | 8,435,804 | 1133 | Vertical | 12 |
| MGHA0355 | 572,039 | 8,435,803 | 1133 | Vertical | 12 |
| MGHA0356 | 571,998 | 8,435,802 | 1132 | Vertical | 12 |
| MGHA0359 | 571,882 | 8,435,800 | 1130 | Vertical | 12 |
| MGHA0360 | 571,840 | 8,435,801 | 1128 | Vertical | 12 |
| MGHA0371 | 571,660 | 8,436,199 | 1141 | Vertical | 12 |
| MGHA0372 | 571,621 | 8,436,199 | 1140 | Vertical | 10 |
| MGHA0374 | 571,579 | 8,436,202 | 1140 | Vertical | 12 |
| MGHA0375 | 571,559 | 8,436,203 | 1140 | Vertical | 11 |
| MGHA0376 | 571,541 | 8,436,202 | 1140 | Vertical | 12 |
| MGHA0378 | 571,463 | 8,436,199 | 1140 | Vertical | 11 |
| MGHA0379 | 571,421 | 8,436,199 | 1140 | Vertical | 12 |
| MGHA0381 | 571,520 | 8,436,203 | 1140 | Vertical | 12 |
| MGHA0393 | 571,641 | 8,436,202 | 1140 | Vertical | 12 |
| MGHA0394 | 571,678 | 8,436,201 | 1141 | Vertical | 12 |
| MGHA0395 | 571,042 | 8,436,803 | 1148 | Vertical | 12 |
| MGHA0396 | 571,080 | 8,436,800 | 1148 | Vertical | 12 |
| MGHA0397 | 571,122 | 8,436,800 | 1148 | Vertical | 12 |
| MGHA0402 | 571,319 | 8,436,801 | 1147 | Vertical | 12 |
| MGHA0403 | 571,359 | 8,436,802 | 1147 | Vertical | 12 |
| MGHA0407 | 570,960 | 8,436,802 | 1149 | Vertical | 12 |
| MGHA0408 | 570,919 | 8,436,802 | 1149 | Vertical | 12 |
| MGHA0411 | 570,801 | 8,436,799 | 1150 | Vertical | 12 |
| MGHA0415 | 571,379 | 8,436,803 | 1147 | Vertical | 12 |
| MGHA0416 | 571,341 | 8,436,801 | 1147 | Vertical | 12 |
| MGHA0419 | 571,022 | 8,436,802 | 1148 | Vertical | 12 |
| MGHA0421 | 570,942 | 8,436,803 | 1149 | Vertical | 12 |
| MGHA0422 | 570,903 | 8,436,801 | 1149 | Vertical | 12 |
| MGHA0424 | 570,819 | 8,436,803 | 1150 | Vertical | 12 |
| MGHA0428 | 570,838 | 8,437,206 | 1142 | Vertical | 12 |
| MGHA0431 | 570,721 | 8,437,204 | 1143 | Vertical | 12 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0432 | 570,681 | 8,437,205 | 1143 | Vertical | 12 |
| MGHA0437 | 570,502 | 8,437,199 | 1145 | Vertical | 12 |
| MGHA0438 | 570,483 | 8,437,200 | 1146 | Vertical | 12 |
| MGHA0443 | 570,860 | 8,437,202 | 1142 | Vertical | 9 |
| MGHA0445 | 570,901 | 8,437,201 | 1141 | Vertical | 12 |
| MGHA0446 | 570,921 | 8,437,202 | 1141 | Vertical | 12 |
| MGHA0447 | 570,941 | 8,437,201 | 1141 | Vertical | 12 |
| MGHA0456 | 570,740 | 8,437,201 | 1143 | Vertical | 10 |
| MGHA0460 | 570,561 | 8,437,202 | 1139 | Vertical | 12 |
| MGHA0467 | 571,122 | 8,436,599 | 1148 | Vertical | 10 |
| MGHA0469 | 571,081 | 8,436,599 | 1149 | Vertical | 12 |
| MGHA0472 | 571,001 | 8,436,602 | 1150 | Vertical | 12 |
| MGHA0473 | 570,962 | 8,436,602 | 1151 | Vertical | 12 |
| MGHA0474 | 571,146 | 8,436,602 | 1147 | Vertical | 12 |
| MGHA0481 | 571,483 | 8,436,603 | 1147 | Vertical | 12 |
| MGHA0482 | 571,521 | 8,436,601 | 1147 | Vertical | 12 |
| MGHA0487 | 571,500 | 8,436,603 | 1147 | Vertical | 12 |
| MGHA0491 | 571,020 | 8,436,602 | 1150 | Vertical | 12 |
| MGHA0492 | 570,982 | 8,436,600 | 1150 | Vertical | 12 |
| MGHA0493 | 570,942 | 8,436,600 | 1151 | Vertical | 12 |
| MGHA0494 | 570,923 | 8,436,600 | 1151 | Vertical | 12 |
| MGHA0495 | 570,904 | 8,436,599 | 1151 | Vertical | 12 |
| MGHA0496 | 570,883 | 8,436,598 | 1151 | Vertical | 12 |
| MGHA0497 | 570,863 | 8,436,598 | 1152 | Vertical | 13 |
| MGHA0502 | 571,102 | 8,436,799 | 1148 | Vertical | 12 |
| MGHA0503 | 571,202 | 8,436,997 | 1145 | Vertical | 12 |
| MGHA0518 | 571,161 | 8,437,002 | 1145 | Vertical | 12 |
| MGHA0519 | 571,121 | 8,437,002 | 1145 | Vertical | 12 |
| MGHA0521 | 571,142 | 8,437,001 | 1145 | Vertical | 12 |
| MGHA0527 | 570,959 | 8,437,000 | 1146 | Vertical | 12 |
| MGHA0528 | 570,939 | 8,437,000 | 1146 | Vertical | 12 |
| MGHA0529 | 570,919 | 8,437,001 | 1146 | Vertical | 11 |
| MGHA0530 | 570,899 | 8,437,001 | 1146 | Vertical | 12 |
| MGHA0534 | 570,781 | 8,436,997 | 1147 | Vertical | 12 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0538 | 570,582 | 8,437,001 | 1148 | Vertical | 12 |
| MGHA0539 | 570,540 | 8,437,001 | 1149 | Vertical | 12 |
| MGHA0543 | 570,739 | 8,437,001 | 1147 | Vertical | 12 |
| MGHA0544 | 570,761 | 8,437,002 | 1147 | Vertical | 12 |
| MGHA0548 | 570,601 | 8,436,999 | 1148 | Vertical | 12 |
| MGHA0549 | 570,562 | 8,436,998 | 1149 | Vertical | 11 |
| MGHA0563 | 573,880 | 8,432,998 | 1105 | Vertical | 12 |
| MGHA0564 | 573,840 | 8,432,997 | 1106 | Vertical | 12 |
| MGHA0566 | 573,761 | 8,432,996 | 1103 | Vertical | 12 |
| MGHA0571 | 574,039 | 8,432,998 | 1102 | Vertical | 12 |
| MGHA0580 | 573,858 | 8,433,000 | 1110 | Vertical | 11 |
| MGHA0581 | 573,817 | 8,433,000 | 1109 | Vertical | 12 |
| MGHA0583 | 573,740 | 8,432,998 | 1103 | Vertical | 12 |
| MGHA0584 | 573,700 | 8,432,998 | 1102 | Vertical | 12 |
| MGHA0585 | 573,661 | 8,433,000 | 1102 | Vertical | 12 |
| MGHA0586 | 573,620 | 8,433,000 | 1101 | Vertical | 10 |
| MGHA0587 | 573,940 | 8,433,000 | 1108 | Vertical | 12 |
| MGHA0588 | 573,980 | 8,433,000 | 1107 | Vertical | 12 |
| MGHA0590 | 574,060 | 8,432,999 | 1107 | Vertical | 8 |
| MGHA0591 | 574,300 | 8,433,000 | 1112 | Vertical | 12 |
| MGHA0602 | 573,140 | 8,434,400 | 1110 | Vertical | 9 |
| MGHA0605 | 573,160 | 8,434,398 | 1113 | Vertical | 10 |
| MGHA0615 | 573,093 | 8,434,800 | 1108 | Vertical | 8 |
| MGHA0616 | 573,048 | 8,434,802 | 1107 | Vertical | 8 |
| MGHA0619 | 572,930 | 8,434,797 | 1103 | Vertical | 8 |
| MGHA0620 | 572,890 | 8,434,795 | 1098 | Vertical | 7 |
| MGHA0621 | 572,851 | 8,434,798 | 1095 | Vertical | 8 |
| MGHA0622 | 572,833 | 8,434,797 | 1070 | Vertical | 8 |
| MGHA0623 | 572,813 | 8,434,797 | 1092 | Vertical | 7 |
| MGHA0632 | 572,908 | 8,434,795 | 1099 | Vertical | 8 |
| MGHA0638 | 570,460 | 8,437,600 | 1141 | Vertical | 6 |
| MGHA0639 | 570,421 | 8,437,600 | 1137 | Vertical | 8 |
| MGHA0651 | 570,481 | 8,437,601 | 1145 | Vertical | 8 |
| MGHA0652 | 570,442 | 8,437,600 | 1146 | Vertical | 7 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0680 | 571,380 | 8,434,799 | 1119 | Vertical | 7 |
| MGHA0696 | 570,660 | 8,434,801 | 1123 | Vertical | 7 |
| MGHA0699 | 570,540 | 8,434,800 | 1127 | Vertical | 8 |
| MGHA0702 | 570,421 | 8,434,801 | 1122 | Vertical | 8 |
| MGHA0705 | 570,640 | 8,434,800 | 1120 | Vertical | 8 |
| MGHA0706 | 570,560 | 8,434,800 | 1122 | Vertical | 8 |
| MGHA0707 | 570,521 | 8,434,799 | 1121 | Vertical | 8 |
| MGHA0709 | 570,400 | 8,434,800 | 1122 | Vertical | 10 |
| MGHA0710 | 571,360 | 8,434,799 | 1119 | Vertical | 8 |
| MGHA0711 | 571,400 | 8,434,800 | 1120 | Vertical | 8 |
| MGHA0718 | 570,139 | 8,434,800 | 1128 | Vertical | 7 |
| MGHA0725 | 568,461 | 8,436,800 | 1190 | Vertical | 10 |
| MGHA0727 | 568,540 | 8,436,800 | 1196 | Vertical | 7 |
| MGHA0728 | 568,579 | 8,436,800 | 1196 | Vertical | 7 |
| MGHA0729 | 568,620 | 8,436,800 | 1187 | Vertical | 8 |
| MGHA0730 | 568,660 | 8,436,800 | 1186 | Vertical | 9 |
| MGHA0732 | 568,740 | 8,436,801 | 1189 | Vertical | 8 |
| MGHA0733 | 568,780 | 8,436,800 | 1188 | Vertical | 9 |
| MGHA0737 | 568,400 | 8,436,800 | 1195 | Vertical | 10 |
| MGHA0739 | 568,320 | 8,436,800 | 1189 | Vertical | 4 |
| MGHA0740 | 568,280 | 8,436,800 | 1185 | Vertical | 3 |
| MGHA0754 | 568,980 | 8,436,800 | 1176 | Vertical | 10 |
| MGHA0759 | 569,180 | 8,436,800 | 1173 | Vertical | 9 |
| MGHA0760 | 569,220 | 8,436,800 | 1172 | Vertical | 8 |
| MGHA0765 | 569,420 | 8,436,800 | 1171 | Vertical | 10 |
| MGHA0773 | 568,961 | 8,436,800 | 1177 | Vertical | 8 |
| MGHA0775 | 568,760 | 8,436,800 | 1186 | Vertical | 8 |
| MGHA0777 | 568,679 | 8,436,800 | 1189 | Vertical | 6 |
| MGHA0778 | 568,640 | 8,436,800 | 1200 | Vertical | 4 |
| MGHA0779 | 568,600 | 8,436,800 | 1199 | Vertical | 7 |
| MGHA0780 | 568,559 | 8,436,800 | 1200 | Vertical | 8 |
| MGHA0781 | 568,520 | 8,436,800 | 1201 | Vertical | 7 |
| MGHA0782 | 568,480 | 8,436,800 | 1201 | Vertical | 10 |
| MGHA0783 | 568,440 | 8,436,803 | 1200 | Vertical | 8 |

| Hole ID | Easting UTM (Zone 36S) | Northing UTM (Zone 36S) | RL AMSL (m) | Dip | Depth (m) |
|---|---|---|---|---|---|
| MGHA0784 | 568,420 | 8,436,800 | 1201 | Vertical | 4 |
| MGHA0787 | 568,260 | 8,436,800 | 1192 | Vertical | 7 |

*Note: Drill hole collar co-ordinates located with hand held GPS for MGHA0080 -88 & MGHA0563-787 inclusive, all other collars located with DGPS*

## Table B. Hand Auger Drill Hole Significant Intercepts (>=5.0% TGC)

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0080 | *NSI* | | | |
| MGHA0081 | *NSI* | | | |
| MGHA0082 | *NSI* | | | |
| MGHA0083 | *NSI* | | | |
| MGHA0084 | *NSI* | | | |
| MGHA0085 | *NSI* | | | |
| MGHA0087 | *NSI* | | | |
| MGHA0088 | *NSI* | | | |
| MGHA0092 | 2 | 5 | 3 | 6.3 |
| MGHA0093 | *NSI* | | | |
| MGHA0094 | 8 | 10 (boh) | 2 | 6.1 |
| MGHA0095 | *NSI* | | | |
| MGHA0096 | 5 | 7 | 2 | 5.3 |
| MGHA0097 | 1 | 8 (boh) | 7 | 6.4 |
| MGHA0098 | 1 | 7 | 6 | 6.8 |
| MGHA0102 | *NSI* | | | |
| MGHA0104 | 7 | 10 (boh) | 3 | 5.4 |
| MGHA0124 | 7 | 9 (boh) | 2 | 5.8 |
| MGHA0125 | 2 | 8 | 6 | 11.6 |
| MGHA0126 | *NSI* | | | |
| MGHA0127 | 4 | 12 (boh) | 8 | 15.3 |
| MGHA0128 | 4 | 8 | 4 | 8.1 |
| MGHA0159 | 1 | 6 | 5 | 5.3 |
| MGHA0168 | 4 | 6 | 2 | 5.8 |
| MGHA0169 | *NSI* | | | |
| MGHA0174 | 1 | 3 | 2 | 5.5 |
| | 5 | 7 (boh) | 2 | 5.5 |
| MGHA0179 | 1 | 7 | 6 | 6.2 |
| MGHA0180 | 0 | 5 | 5 | 13.9 |
| MGHA0181 | 2 | 6 | 4 | 12.5 |
| MGHA0182 | *NSI* | | | |
| MGHA0184 | 5 | 7 (boh) | 2 | 6.4 |
| MGHA0187 | *NSI* | | | |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0188 | *NSI* | | | |
| MGHA0189 | *NSI* | | | |
| MGHA0190 | *NSI* | | | |
| MGHA0191 | *NSI* | | | |
| MGHA0192 | 7 | 10 (boh) | 3 | 8.3 |
| MGHA0193 | *NSI* | | | |
| MGHA0194 | *NSI* | | | |
| MGHA0195 | 8 | 12 (boh) | 4 | 6.0 |
| MGHA0201 | 3 | 6 | 3 | 6.2 |
| MGHA0202 | 2 | 8 (boh) | 6 | 8.4 |
| MGHA0203 | *NSI* | | | |
| MGHA0204 | *NSI* | | | |
| MGHA0205 | 4 | 12 (boh) | 8 | 11.6 |
| MGHA0207 | 7 | 12 (boh) | 5 | 7.2 |
| MGHA0208 | 5 | 8 (boh) | 3 | 7.0 |
| MGHA0209 | 1 | 5 | 4 | 6.7 |
| MGHA0210 | 3 | 5 (boh) | 2 | 5.9 |
| MGHA0226 | *NSI* | | | |
| MGHA0227 | 5 | 8 | 3 | 7.2 |
| MGHA0228 | 8 | 10 | 2 | 5.9 |
| MGHA0229 | 8 | 12 (boh) | 4 | 5.3 |
| MGHA0230 | *NSI* | | | |
| MGHA0231 | 4 | 12 (boh) | 8 | 7.2 |
| MGHA0232 | 6 | 12 (boh) | 6 | 6.6 |
| MGHA0233 | 2 | 9 | 7 | 7.3 |
| MGHA0234 | 2 | 12 (boh) | 10 | 6.5 |
| MGHA0235 | 5 | 12 (boh) | 7 | 16.6 |
| MGHA0236 | 4 | 12 (boh) | 8 | 11.3 |
| MGHA0237 | 5 | 11 (boh) | 6 | 5.9 |
| MGHA0238 | 5 | 12 (boh) | 7 | 6.6 |
| MGHA0239* | 5 | 12 (boh) | 7 | 6.0 |
| MGHA0240* | 4 | 12 (boh) | 8 | 5.9 |
| MGHA0241 | 5 | 10 (boh) | 5 | 5.8 |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0242 | 2 | 6 | 4 | 6.9 |
| MGHA0243 | *NSI* | | | |
| MGHA0248 | 3 | 5 | 2 | 5.8 |
| MGHA0249 | 3 | 9 | 6 | 6.3 |
| MGHA0264 | 2 | 12 (boh) | 10 | 6.6 |
| MGHA0274 | *NSI* | | | |
| MGHA0282 | 4 | 6 | 2 | 5.7 |
| MGHA0284 | *NSI* | | | |
| MGHA0288 | *NSI* | | | |
| MGHA0291 | 1 | 6 | 5 | 6.7 |
| MGHA0292* | 2 | 12 (boh) | 10 | 10.0 |
| MGHA0293 | *NSI* | | | |
| MGHA0294 | *NSI* | | | |
| MGHA0296 | *NSI* | | | |
| MGHA0301 | 2 | 12 (boh) | 10 | 7.2 |
| MGHA0302 | 9 | 12 (boh) | 3 | 9.6 |
| MGHA0303 | 1 | 12 (boh) | 11 | 11.6 |
| MGHA0304 | *NSI* | | | |
| MGHA0305 | 6 | 12 (boh) | 6 | 6.8 |
| MGHA0313 | 6 | 12 (boh) | 6 | 8.9 |
| MGHA0314* | 4 | 12 (boh) | 8 | 5.2 |
| MGHA0315 | 3 | 12 (boh) | 9 | 6.4 |
| MGHA0316 | 4 | 10 (boh) | 6 | 5.5 |
| MGHA0317 | 1 | 12 (boh) | 11 | 7.0 |
| MGHA0330 | 6 | 12 (boh) | 6 | 7.1 |
| MGHA0335 | 2 | 5 | 3 | 5.5 |
| MGHA0336* | 6 | 12 | 6 | 5.2 |
| MGHA0340 | 9 | 12 (boh) | 3 | 5.0 |
| MGHA0341 | 6 | 9 | 3 | 5.1 |
| MGHA0342 | *NSI* | | | |
| MGHA0343 | 9 | 12 (boh) | 3 | 5.2 |
| MGHA0349 | 3 | 12 (boh) | 9 | 6.0 |
| MGHA0352 | 5 | 7 | 2 | 5.4 |
| | 10 | 12 (boh) | 2 | 5.0 |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0353 | *NSI* | | | |
| MGHA0354 | 6 | 10 | 4 | 7.4 |
| MGHA0355 | 4 | 12 (boh) | 8 | 13.7 |
| MGHA0356 | *NSI* | | | |
| MGHA0359 | *NSI* | | | |
| MGHA0360 | 7 | 9 | 2 | 5.4 |
| MGHA0371 | 6 | 8 | 2 | 5.3 |
| MGHA0372 | 5 | 10 (boh) | 5 | 7.2 |
| MGHA0374 | 9 | 12 (boh) | 3 | 6.2 |
| MGHA0375 | 2 | 11 (boh) | 9 | 11.6 |
| MGHA0376 | *NSI* | | | |
| MGHA0378 | *NSI* | | | |
| MGHA0379 | 8 | 12 (boh) | 4 | 6.7 |
| MGHA0381 | 9 | 12 (boh) | 3 | 7.1 |
| MGHA0393 | *NSI* | | | |
| MGHA0394 | 10 | 12 (boh) | 2 | 5.6 |
| MGHA0395 | 10 | 12 (boh) | 2 | 7.2 |
| MGHA0396 | *NSI* | | | |
| MGHA0397 | 4 | 9 | 5 | 7.2 |
| MGHA0402 | *NSI* | | | |
| MGHA0403 | *NSI* | | | |
| MGHA0407 | 10 | 12 (boh) | 2 | 5.1 |
| MGHA0408 | *NSI* | | | |
| MGHA0411 | 8 | 12 (boh) | 4 | 12.1 |
| MGHA0415 | 10 | 12 (boh) | 2 | 6.5 |
| MGHA0416 | *NSI* | | | |
| MGHA0419 | 3 | 5 | 2 | 5.1 |
| | 7 | 9 | 2 | 5.3 |
| MGHA0421 | *NSI* | | | |
| MGHA0422 | 5 | 7 | 2 | 7.6 |
| MGHA0424 | 4 | 7 | 3 | 5.0 |
| MGHA0428 | *NSI* | | | |
| MGHA0431 | *NSI* | | | |
| MGHA0432 | 6 | 12 (boh) | 6 | 5.2 |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0437 | 7 | 12 (boh) | 5 | 6.8 |
| MGHA0438* | 6 | 12 (boh) | 6 | 11.9 |
| MGHA0443 | *NSI* | | | |
| MGHA0445 | 9 | 12 (boh) | 3 | 8.6 |
| MGHA0446 | 6 | 9 | 3 | 11.2 |
| MGHA0447 | *NSI* | | | |
| MGHA0456 | *NSI* | | | |
| MGHA0460 | 9 | 12 (boh) | 3 | 7.4 |
| MGHA0467 | 5 | 10 (boh) | 5 | 8.9 |
| MGHA0469 | 6 | 12 (boh) | 6 | 6.7 |
| MGHA0472 | 7 | 12 (boh) | 5 | 9.0 |
| MGHA0473 | *NSI* | | | |
| MGHA0474 | 2 | 12 (boh) | 10 | 10.7 |
| MGHA0481 | *NSI* | | | |
| MGHA0482 | *NSI* | | | |
| MGHA0487 | *NSI* | | | |
| MGHA0491 | 7 | 12 (boh) | 5 | 6.7 |
| MGHA0492 | 8 | 10 | 2 | 17.3 |
| MGHA0493 | 4 | 12 (boh) | 8 | 5.7 |
| MGHA0494 | 6 | 12 (boh) | 6 | 6.8 |
| MGHA0495 | 10 | 12 (boh) | 2 | 5.2 |
| MGHA0496 | *NSI* | | | |
| MGHA0497 | *NSI* | | | |
| MGHA0502 | 9 | 12 (boh) | 3 | 7.8 |
| MGHA0503 | 9 | 12 (boh) | 3 | 5.9 |
| MGHA0518 | 2 | 7 | 5 | 7.0 |
| MGHA0519 | 8 | 12 (boh) | 4 | 5.6 |
| MGHA0521 | 3 | 12 (boh) | 9 | 5.0 |
| MGHA0527 | *NSI* | | | |
| MGHA0528 | 9 | 12 (boh) | 3 | 7.8 |
| MGHA0529 | *NSI* | | | |
| MGHA0530 | *NSI* | | | |
| MGHA0534 | 3 | 7 | 4 | 6.0 |
| MGHA0538 | 6 | 12 (boh) | 6 | 9.2 |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0539 | 3 | 12 (boh) | 9 | 8.0 |
| MGHA0543 | 7 | 12 (boh) | 5 | 12.6 |
| MGHA0544 | 9 | 12 (boh) | 3 | 11.2 |
| MGHA0548 | 5 | 12 (boh) | 7 | 21.2 |
| MGHA0549 | 9 | 11 (boh) | 2 | 10.3 |
| MGHA0563 | 9 | 12 (boh) | 3 | 5.6 |
| MGHA0564 | 5 | 12 (boh) | 7 | 24.5 |
| MGHA0566 | *NSI* | | | |
| MGHA0571 | 3 | 5 | 2 | 5.5 |
| MGHA0580 | *NSI* | | | |
| MGHA0581 | 3 | 5 | 2 | 6.8 |
| MGHA0583 | *NSI* | | | |
| MGHA0584 | *NSI* | | | |
| MGHA0585 | 9 | 12 (boh) | 3 | 6.2 |
| MGHA0586 | *NSI* | | | |
| MGHA0587* | 5 | 12 (boh) | 7 | 5.1 |
| MGHA0588 | 6 | 8 | 2 | 9.4 |
| MGHA0590 | *NSI* | | | |
| MGHA0591 | *NSI* | | | |
| MGHA0602 | 2 | 9 (boh) | 7 | 7.24 |
| MGHA0605 | 3 | 10 (boh) | 7 | 6.71 |
| MGHA0615 | *NSI* | | | |
| MGHA0616 | 4 | 6 | 2 | 7 |
| MGHA0619 | 2 | 4 | 2 | 8.2 |
| MGHA0620 | 1 | 4 | 3 | 6.0 |
| MGHA0621 | 4 | 6 | 2 | 6.5 |
| MGHA0622 | 1 | 3 | 2 | 6.5 |
| MGHA0623 | 5 | 7 (boh) | 2 | 7.8 |
| MGHA0632 | *NSI* | | | |
| MGHA0638 | 3 | 6 (boh) | 3 | 5.4 |
| MGHA0639 | *NSI* | | | |
| MGHA0651 | *NSI* | | | |
| MGHA0652 | 1 | 4 | 3 | 8.2 |
| MGHA0680 | *NSI* | | | |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0696 | 5 | 7 (boh) | 2 | 5.6 |
| MGHA0699 | 4 | 6 | 2 | 6.0 |
| MGHA0702 | 2 | 8 (boh) | 6 | 6.1 |
| MGHA0705 | 3 | 8 (boh) | 5 | 6.2 |
| MGHA0706 | *NSI* | | | |
| MGHA0707 | 3 | 5 | 2 | 5.7 |
| MGHA0709 | 3 | 10 (boh) | 7 | 5.7 |
| MGHA0710 | *NSI* | | | |
| MGHA0711 | *NSI* | | | |
| MGHA0718 | *NSI* | | | |
| MGHA0725 | *NSI* | | | |
| MGHA0727 | 5 | 7 (boh) | 2 | 5.6 |
| MGHA0728 | 5 | 7 (boh) | 2 | 7.5 |
| MGHA0729 | 4 | 6 | 2 | 5.2 |
| MGHA0730 | *NSI* | | | |
| MGHA0732 | 5 | 8 (boh) | 3 | 5 |
| MGHA0733 | 5 | 9 (boh) | 4 | 5.6 |

| Hole ID | From (m) | To (m) | Interval (m) | TGC (%) |
|---|---|---|---|---|
| MGHA0737 | 0 | 10 (boh) | 10 | 7.8 |
| MGHA0739 | *NSI* | | | |
| MGHA0740 | *NSI* | | | |
| MGHA0754 | 3 | 6 | 3 | 6 |
| MGHA0759 | *NSI* | | | |
| MGHA0760 | *NSI* | | | |
| MGHA0765 | *NSI* | | | |
| MGHA0773 | *NSI* | | | |
| MGHA0775 | *NSI* | | | |
| MGHA0777 | *NSI* | | | |
| MGHA0778 | *NSI* | | | |
| MGHA0779 | 4 | 7 (boh) | 3 | 5 |
| MGHA0780 | *NSI* | | | |
| MGHA0781 | *NSI* | | | |
| MGHA0782 | 0 | 6 | 6 | 6.27 |
| MGHA0783 | 1 | 4 | 3 | 5 |
| MGHA0784 | 0 | 4 (boh) | 4 | 7.3 |
| MGHA0787 | *NSI* | | | |

**Note: Intercept includes a single zone of internal dilution grading <5.0 and >= 4.0% TGC*

*NSI denotes no significant intercept*

## Appendix 2: JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Hand Auger Drilling Commentary |
|---|---|---|
| ***Sampling Techniques*** | *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* | Hand augers of 62mm diameter were employed to obtain samples vertically from surface at nominal 1-metre intervals, with samples composited on geologically determined intervals. Composite samples were riffle split at 50:50 using a standard Jones riffle splitter. One sample was submitted for chemical analysis while the other sample was retained and stored. |
| | *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* | Field duplicate splits were performed every 20th sample on average to provide checks on the representativeness of the primary samples. |
| | *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | Weathering and lithological information logged from the 1-metre auger sample is used to define the compositing intervals of samples for each individual hole. Position in the weathering profile is the main control on sample intervals, with the upper weathering profile (soil, laterite and ferruginous pedolith) being deemed to be less representative than the lower weathering profile able to be drilled with hand auger, such as the mottled and saprolite zones. Once the visual TGC content of each nominal 1-metre drill sample intervals is estimated, the 1-metre auger samples are composited and split to reduce shipping weight. |
| ***Drilling Techniques*** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | 62mm diameter auger bits are used with 1-metre long steel rods. Each 1m of auger drill advance sample is collected into separate bulk sample bags and set aside. The auger bits and flights are cleaned between each metre of sampling to avoid contamination. |
| ***Drill Sample Recovery*** | *Method of recording and assessing core and chip sample recoveries and results assessed.* | Samples are assessed visually for recoveries. Overall, recovery is very good. |
| | *Measures taken to maximise sample recovery and ensure representative nature of the samples.* | The Company's trained geologists supervise auger drilling on a 1 team : 1 geologist basis and are responsible for monitoring all aspects of the drilling and sampling process. |
| | *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.* | No bias related to preferential loss or gain of different materials has occurred. |
| ***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.* | All individual 1-metre auger intervals are geologically logged, recording relevant data to a set template using company codes. A small representative sample is collected for each 1m interval and placed in appropriately labelled chip tray for future reference. |
| | *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* | All logging included lithological features, and estimates of mineralisation percentages and flake characteristics. |
| | *The total length and percentage of the relevant intersection logged* | 100% of the samples are geologically logged. |
| ***Sub-sampling techniques and sample preparation*** | *If core, whether cut or sawn and whether quarter, half or all core taken.* | Not applicable – not core drilling |
| | *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* | 1-metre samples are composited on geological intervals and then riffle split at 50:50 using a standard Jones riffle splitter. Wet samples are first air dried and then broken up using a mortar and pestle prior to compositing or splitting. |
| | *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* | Sample preparation is conducted at the laboratory in Johannesburg. Each entire sample is crushed to nominal 100% -3mm in a Boyd crusher then pulverised to 85% -75µm in a LM5. Approximately 100g pulp is collected and sent to Intertek-Genalysis Perth for chemical analysis. |
| | *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* | Field QC procedures involve the use of certified reference material assay standards, blanks, duplicates, replicates for company QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these averaged better than 1 in 20. |
| | *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.* | 1 in 20 field duplicate splits (a second sample split from the same interval) were taken to assess sampling variability and representativeness. A review of these samples against the original samples has shown that sampling variability is low. |
| | *Whether sample sizes are appropriate to the grain size of the material being sampled.* | The sample size is considered appropriate for the material sampled. It is believed that grain size has no bearing on the grade of the sampled material. |
| ***Quality of assay data and laboratory*** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* | The assaying and laboratory procedures are considered to be appropriate for reporting graphite mineralisation, according to industry best practice.<br><br>Each entire sample was crushed to nominally 100% -3mm in a Boyd crusher then pulverised to 85% -75µm. Approximately 100g pulp is collected for analysis at Intertek- |

| Criteria | JORC Code explanation | Hand Auger Drilling Commentary |
|---|---|---|
| ***tests*** | | Genalysis Perth.<br><br>A sample of 0.2g is removed from the 100 gram pulp, first digested in HCl to remove carbon attributed to carbonate, and is then heated to 450°C to remove any organic carbon. An Eltra CS-2000 induction furnace infra-red CS analyser is then used to determine the remaining carbon which is reported as Total Graphitic Carbon (TGC) as a percentage. |
| | *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.* | No non-laboratory devices were used for analysis. |
| | *Nature of quality control procedures adopted (e.g. standards, blanks, duplicate, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | Field QC procedures involve the use of certified reference material assay standards, blanks, duplicates, replicates for company QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these averaged better than 1 in 20. |
| ***Verification of sampling & assaying*** | *The verification of significant intersections by either independent or alternative company personnel.* | Significant mineralisation intersections were verified by qualified, alternative company personnel. |
| | *The use of twinned holes.* | No twinning of auger holes has occurred at this early stage of exploration. |
| | *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* | All data was collected initially on paper logging sheets and codified to the Company's templates. This data was hand entered to spreadsheets and validated by Company geologists. This data was then imported to a Microsoft Access Database then validated automatically and manually. |
| | *Discuss any adjustment to assay data.* | No assay adjustment has occurred. |
| ***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.* | Differential GPS was used to pick up all hand auger collars containing significant mineralisation, except for MGHA0638, 639, 651, 652, which have been picked up using a hand held GPS capable of 2-5m accuracy, and the collars have been preserved for DGPS pickup.<br><br>No downhole surveying of auger holes is completed. Given the vertical nature and shallow depths of the auger holes drill hole deviation is not considered to significantly affect the downhole location of samples. |
| | *Specification of the grid system used.* | WGS84 UTM Zone 36 South |
| | *Quality and adequacy of topographic control.* | DGPS pickups are considered adequate topographic control (metres above mean sea level) |
| ***Data spacing & distribution*** | *Data spacing for reporting of Exploration Results.* | Auger holes drilled on a nominal 20m by 200m grid are deemed to be sufficient to intercept any graphite body of mineable width and for this early stage of exploration. |
| | *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.* | Not applicable, no Mineral Resource or Ore Reserve estimations are covered by new data in this report. |
| | *Whether sample compositing has been applied.* | Individual 1-metre auger intervals are composited on geologically determined intervals that average 2-3 metres. |
| ***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* | No bias attributable to orientation of sampling has been identified due to insufficient information. It is unlikely however that the intervals reported represent true widths of mineralisation unless it has a near horizontal dip. |
| | *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.* | No bias attributable to orientation of drilling has been identified. |
| ***Sample security*** | *The measures taken to ensure sample security* | Samples were stored in secure storage from the time of drilling, through gathering and splitting. The samples were sealed as soon as splitting was completed, and again securely stored awaiting shipment. |
| ***Audits or reviews*** | *The results of any audits or reviews of sampling techniques and data* | It is considered by the Company that industry best practice methods have been employed at all stages of the exploration. |

## Section 2 Reporting of Exploration Results

| Criteria | JORC Code explanation | Hand Auger Drilling Commentary |
|---|---|---|
| ***Mineral tenement & 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 environment settings.* | The Company owns 100% of 3 Exclusive Prospecting Licences (EPLs) in Malawi. EPL0355 granted in 2015 for 2 years, EPL0372 granted in 2016 for 2 years, EPL0413 granted in 2014 for 3 years. All EPLs are renewable for additional and ongoing periods of 2 years each upon expiry. |
| | *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 tenements are in good standing and no known impediments to exploration or mining exist. |
| ***Exploration done by other parties*** | *Acknowledgement and appraisal of exploration by other parties.* | No other parties were involved in exploration. |
| ***Geology*** | *Deposit type, geological setting and style of mineralisation* | The graphite mineralisation occurs as multiple bands of graphite gneisses, hosted within a broader Proterozoic paragneiss package. In the Malingunde and Lifidzi areas specifically, a deep topical weathering profile is preserved, resulting in significant vertical thicknesses from near surface of saprolite-hosted graphite mineralisation. |
| ***Drill hole information*** | *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: easting and northings 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; and hole length* | Refer Table A in Appendix 1. |
| | *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* | Not Applicable, no information has been excluded. |
| ***Data aggregation methods*** | *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* | A minimum 5% TGC cut-off grade was applied. Mineralisation occurring in soil or ferruginous pedolith is excluded from intercepts as it is considered the flake size may be too fine to warrant future extraction in these zones. |
| | *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.* | Not applicable, no short lengths of high grades occur. |
| | *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | No metal equivalent values are used in this report. |
| ***Relationship between mineralisation widths & intercept lengths*** | *These relationships are particularly important in the reporting of Exploration Results.* | Recent diamond core drilling shows that mineralisation generally has low to moderate dips to the NE (see ASX announcement dated 5 September 2016) |
| | *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* | Mineralisation generally has low to moderate dips to the NE |
| | *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'.* | Due to the limited depth capability of the hand auger tool, it not possible nor appropriate to estimate or report true thicknesses of mineralisation. Hence, all intercepts should be considered down hole lengths. |
| ***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 the drill collar locations and appropriate sectional views.* | See Figures 2 & 3 within the main text of this report. |
| ***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.* | Representative reporting of low and high-grades has been effected within this report. |
| ***Other substantive exploration data*** | *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.* | No additional meaningful and material exploration data has been excluded from this report that has not previously been reported to the ASX. |
| ***Further work*** | *The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large-scale step-out drilling).* | The next phase is to complete air core drilling and continue with hand-auger drilling to expand the lateral and vertical extents of currently outlined saprolite hosted flake graphite mineralisation. |
| | *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | See Figures 2 & 3 within the main text of this report. |