ASX Announcement / Media Release

5 October 2016

Orion Gold NL

Significant new targets identified by IP surveys at Marydale Gold Project, South Africa

Systematic 3D IP surveys underway to refine targets for drilling

Highlights:

- **Well defined anomalies delineated from high-powered IP surveying at the Marydale Gold Project in South Africa. The anomalies are interpreted to be related to disseminated sulphide mineralisation.**
- **Recent drilling (including assays of 64m at 1.55g/t Au and 0.26% Cu) has confirmed a link between chargeable features caused by concentrations of disseminated sulphides and gold mineralisation.**
- **Significantly, two types of anomalism have been detected:**
  - **Near-surface high chargeability anomalies with associated low resistivity; and**
  - **Deeper, moderate chargeability anomalies with associated high resistivity.**
- **5km² area now being covered with systematic 3D IP surveying to map out targets already identified and plan follow-up drilling.**

Orion Gold NL (**ASX: ORN**) is pleased to report further positive results from ongoing exploration programs at the **Marydale Gold Project**, part of its portfolio of projects within the Areachap Belt in the Northern Cape Province of South Africa (Figure 5).

The Marydale Gold Project is being acquired as part of Orion's option to acquire Agama Exploration & Mining (Pty) Ltd (**Agama**), the owner of 73.3% of the PC Project covering the historical Prieska Copper Project.

Orion recently completed a highly successful maiden drilling program at Marydale which returned thick intercepts in OWCD032 (**64m at 1.55g/t Au and 0.26% Cu** including several higher grade zones) and OWCD033 (**25m at 1.81g/t Au and 0.31% Cu** including several higher grade zones).

In light of the success of this program, the Company has been undertaking trial high-powered induced polarisation (**IP**) surveys across the broader project area, where previous exploration defined numerous geochemical and geophysical anomalies (Figure 1).

The IP survey has successfully delineated **several strong, shallow chargeability features** (Figures 1 and 4) which are interpreted to be related to the gold-copper mineralisation intersected in recent drilling (Figure 2).

In addition, the IP survey has delineated highly prospective, deeper anomalies in both the chargeability and resistivity data which have not previously been identified in surveying or tested by drilling.

ASX Code: **ORN**

Issued Capital:

Ordinary Shares: 484M

Options: 85M

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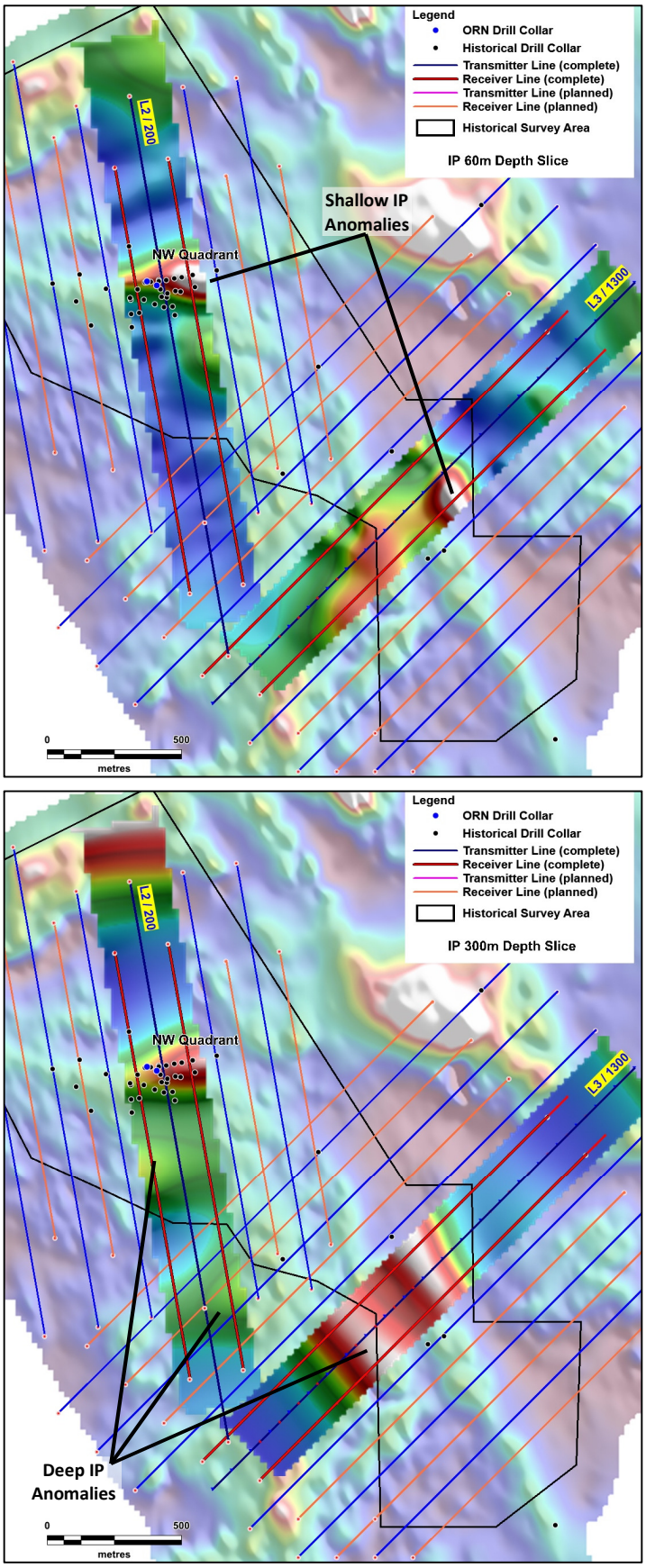


Figure 1:
Depth slices of IP response (chargeability) over TMI image of new ground magnetic data

Top: 60m below surface
Bottom: 300m below surface.

Note features detected 300m below surface away from NW Quadrant.

Similar to the results of the high-powered electromagnetic survey at Orion's Kantienpan project (refer ASX release 4 October 2016), detection of the previously unknown, deeper features at the Marydale Project using modern high-powered geophysical techniques, again highlights the potential for discovery of new targets, as well as blind extensions and repetitions of mineralisation in the extensive volcanic massive sulphides (**VMS**) belt now consolidated by Orion in the Areachap region.

Historical exploration at the Marydale Project comprised a variety of geochemical and geophysical surveys completed in the 1970's, culminating in drill testing of several anomalies derived by this work.

However, follow-up drilling of the most advanced prospect (the **NW Quadrant**) was carried out at a range of orientations which prevented the establishment of a clear geological model for the prospect area, or for the project as a whole.

Orion's recent drilling has focused on obtaining oriented drill core through the higher grade zones intersected in historical drilling. Intersections returned from this drilling are summarised below, in Figure 2 and in Appendix 1:

- 64m at 1.55g/t gold and 0.26% copper from 22m (OWCD032),
    - including 21m at 2.93g/t gold and 0.34% copper from 48m
        - further including 5m at 5.09g/t gold and 0.37% copper.
- 25m at 1.81g/t gold and 0.31% copper from 67.5m (OWCD033),
    - including 11.6m at 2.63g/t gold and 0.36% copper from 70.1m
        - further including 3m at 4.23g/t gold and 0.45% copper.
- 2.4m at 1.61g/t gold and 0.32% copper from 134.1m (OWCD033), and
- 2.9m at 1.17g/t gold and 0.29% copper from 145.0m (OWCD033).

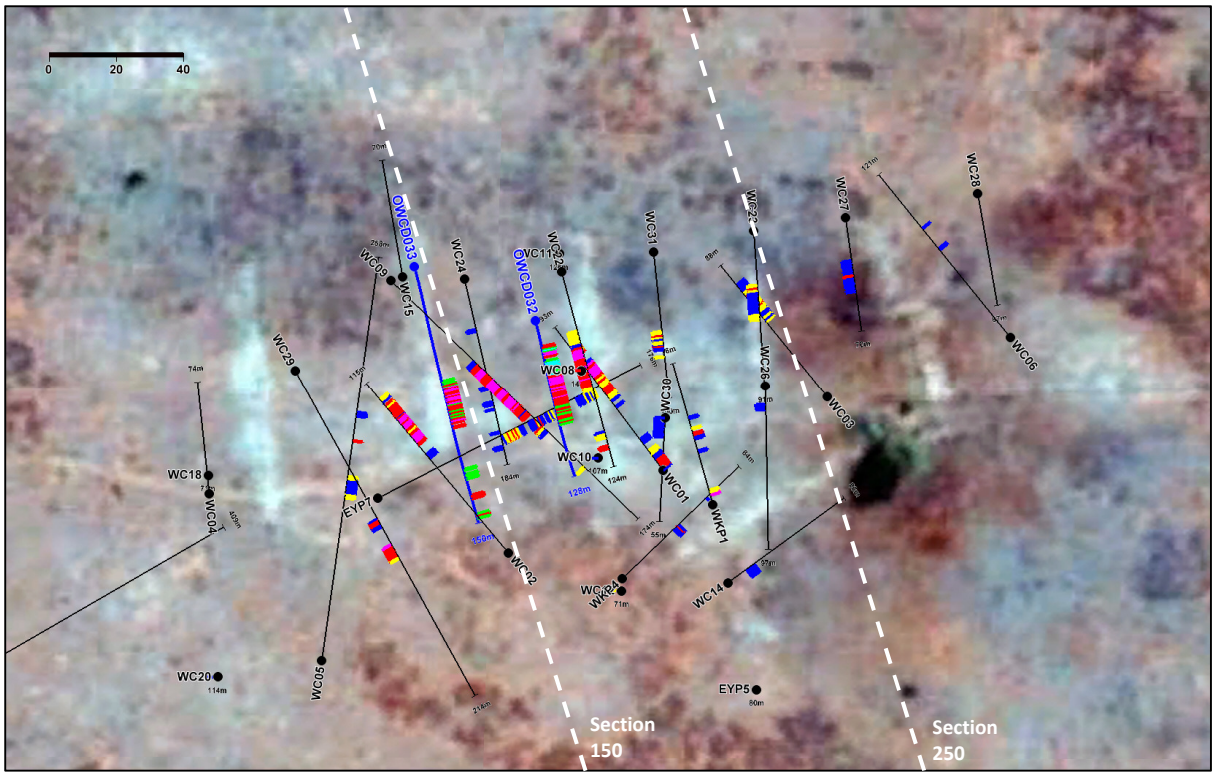


Figure 2: Plan showing results from Orion and historical drilling at the NW Quadrant area of the Marydale Project. Dashed lines show location of IP sections shown in Figure 4.

The broad intersections returned in the Orion drilling are consistent with historical drilling results, which were detailed and discussed in the ASX releases of 18 November 2015 and 15 July 2016. Significantly, the Orion drilling has also generated structural data and lithological data which identified the following features:

- Mineralisation is hosted in a complex folded and sheared package with general moderate south-westerly dip;
- Two distinct orientations are observed at prospect level – the regional NNW-SSE fabric and a cross-cutting NE-SW orientation;
- Mineralisation is associated with sulphide-rich intervals (Figure 3) amenable to detection by electrical geophysical survey methods; and
- Mineralisation is remobilised or to some extent influenced/localised by shearing.

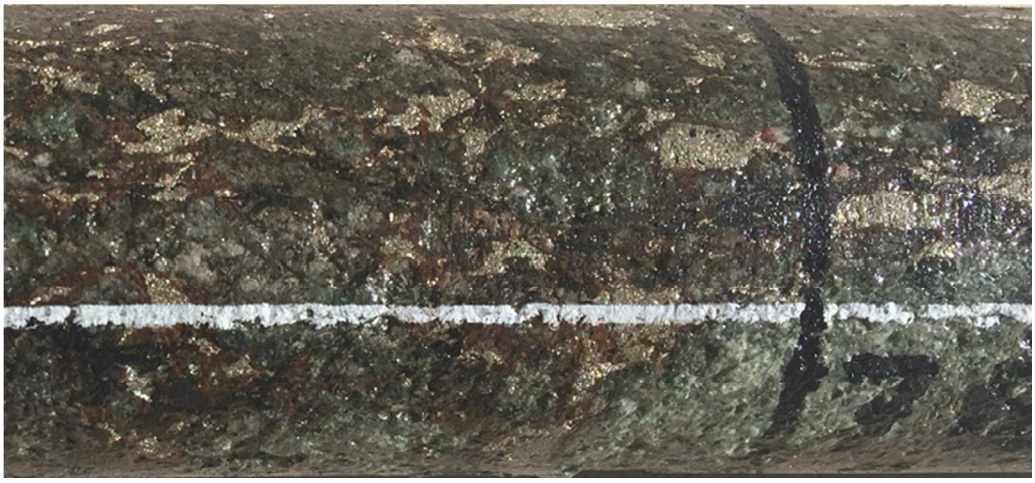


Figure 3: Highly sulphidic, blebby and sometimes net-textured sulphides associated with elevated gold-copper mineralisation, indicating suitability for detection by electrical geophysical methods.

From these findings, Orion has commenced high-resolution ground magnetic surveys and a high-powered IP survey at the Marydale Project. This survey is designed to verify the historical surveys and completely cover the prospective horizon for mineralisation at the Marydale Prospect with high powered surveying.

The IP survey is being undertaken using higher powered and more modern instruments than the previous survey carried out by Anglo American Prospecting Services (**AAPS**) in 1973, with the objective of looking deeper and providing more defined targets. The complex sheared and folded stratigraphy may result in higher grade or larger lenses of mineralisation being preserved at depth as blind-to-surface orebodies.

To date, two trial surveys have been completed in key locations including the NW Quadrant area (and extensions) and the SE area of interest. Survey methods tested have included 2D or 3D pole-dipole and dipole-dipole methods utilising both 50m and 100m receiver dipole spacings.

The trial surveying has determined that 3D pole – dipole IP with 100m receiver line offsets is the optimum method to use. Surveying will now proceed using this technique which will result in a full dataset of both sectional interpretations and depth slices, allowing a 3D interpretation of the features observed and precise location of drilling to test the prospective anomalies.

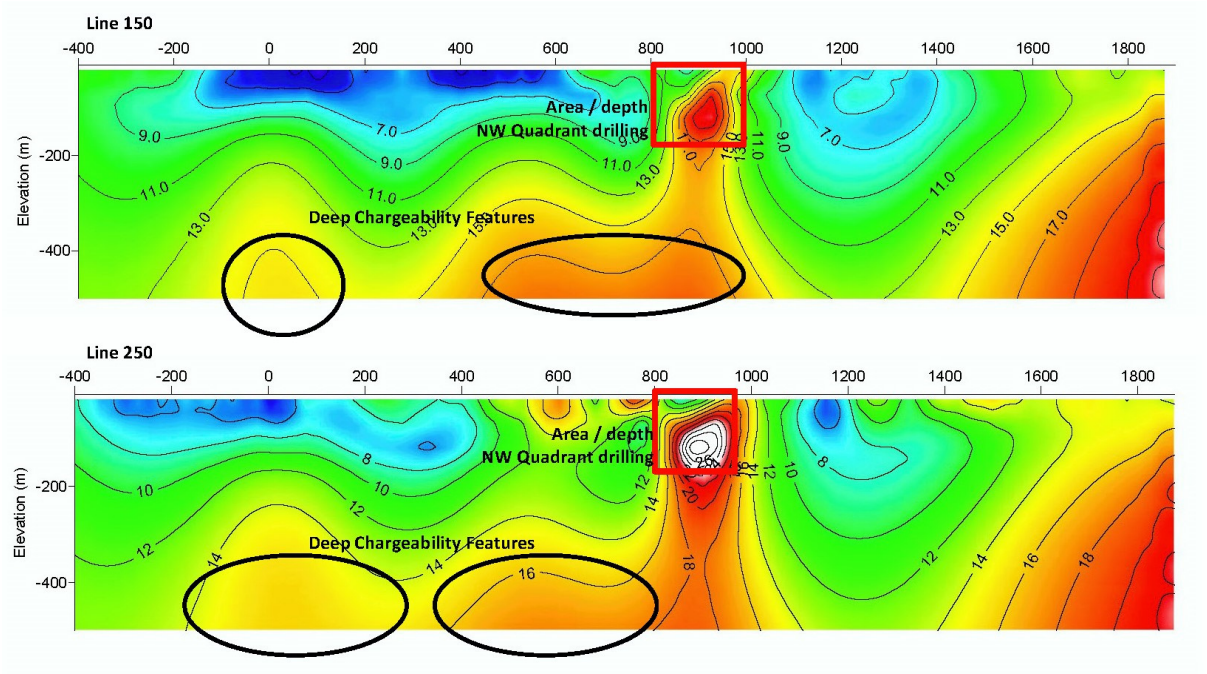


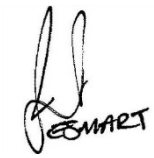
Figure 4: 3D chargeability inversion model sections from recently acquired IP date. Section lines are shown on Figure 2 as dashed white lines. The NW Quadrant drilling shown in Figure 2 is contained within the red boxes.

The survey has successfully identified a significant shallow IP anomaly which relates to the mineralisation intersected to date in drilling at the NW Quadrant (high chargeability feature, Figure 4). Significantly, this chargeability feature is larger in area than the drill coverage to date and is associated with a resistivity low, which may result from smearing of sulphide blebs to create interconnected sulphide grains with apparent net texture and localised higher conductivity. Near-surface weathering and clay formation in shallow levels may also play a role in this, and both of these features are observed in drilling.

The IP survey has also detected other IP anomalies at depth, as shown in Figures 1 and 4. Unlike the shallow feature, these anomalies are characterised by moderate chargeability and high resistivity responses, which is interpreted to be related to finer disseminated, more discrete sulphide grains with low conductivity and/or alteration, rather than smeared or remobilised/interconnected sulphide blebs.

These deeper anomalies were previously undetected in historical geophysical surveys and, due to their depth, are unlikely to contribute to surface geochemistry. As a result these anomalies were not historically detected and are untested. While further surveying will yield more detailed information about these new targets, it is worth noting that they located along the regional trend (NNW-SSE) from the NW Quadrant where the majority of drilling has been carried out. A clear structural corridor linking the targets is evidenced in the high resolution ground magnetic data being concurrently acquired.

The results of the IP survey are being integrated with the ground magnetic survey data which has yielded results as shown in Figure 1. A number of linear features and anomalies (both magnetic highs and lows) are observed even in the preliminary data. Further review and interpretation of the integrated data will be undertaken in coming weeks as the IP surveys are completed, with the objective of identifying high priority drill targets.



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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 1790km^2 on the highly prospective Areachap belt, North Cape Province of South Africa (Figure 5). 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 980km^2 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 626km^2. 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.

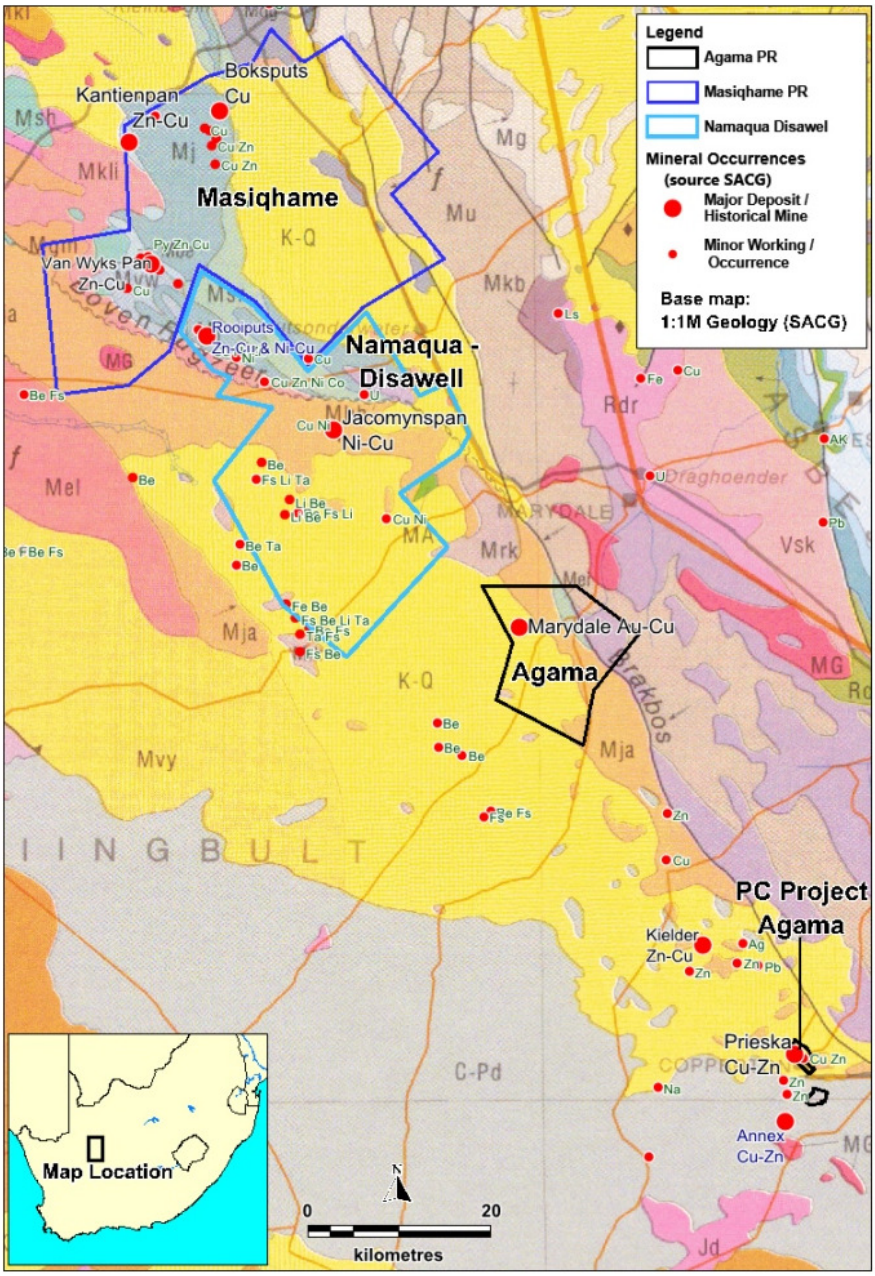

Figure 5: Regional geology map of the Areachap Belt showing prospecting rights currently under option to Orion and noted mineral occurrences as per published data from South African Council for Geoscience.

Competent Persons Statement

The information in this report that relates to Exploration Results at the Marydale Project 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 2.

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:

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- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

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Appendix 1: Significant Intersections from the Marydale Gold-Copper Project.

Drill hole	East (UTMz34S)	North (UTMz34S)	Depth (m)	From (m)	To (m)	Length (m)	Au (g/t)	Cu (%)
OWCD032	594756	6733064	128.0	22	86	64	1.55	0.26
			incl.	48	69	21	2.93	0.34
			incl.	49	54	5	5.09	0.37
OWCD033	594720	6733080	150.4	67.5	92.5	25	1.81	0.31
			incl.	70.1	81.7	11.6	2.63	0.36
			incl.	71.4	74.45	3.05	4.23	0.45
				134.1	137.5	2.4	1.61	0.32
				145.0	147.9	2.9	1.17	0.29

1. All intersections > 1m >0.3 g/t gold are quoted and include up to 2 metres internal waste.

2. It is recommended that the supporting information contained in Appendix 2 is read in conjunction with these results.

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Appendix 2: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results.

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	**Drilling** • Diamond core drilling targeted to verify and aid interpretation of historical drilling. • 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. **IP survey** • IP surveys are industry standard geophysical techniques in exploration for disseminated and semi massive sulphide hosted base metal deposits. After a comprehensive trial of different techniques the 3D pole-dipole method was determined to provide superior data for interpretation of sub surface features.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond core drilling using NQ sized core.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Samples are individually weighed to quantify recovery and variations in recovery are recorded on the sample ledger (e.g. small samples). • No grade variation with recovery noted.

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Criteria	JORC Code explanation	Commentary
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All holes logged on 1m intervals using visual inspection of both full and split core. • Qualitative logging of colour, grainsize, 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	• *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.*	• NQ core cut at core yard and half core taken as sample. • 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. • Certified reference materials (**CRM**), 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	• *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.*	**Drilling** • 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 CRM**'s**. • 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.

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Criteria	JORC Code explanation	Commentary
		IP survey • IP survey data shown used 3D pole-dipole method with 100m offsets. This had been determined to generate superior data for location, definition and interpretation of sub surface features. • Survey utilises IRIS Elrec PRO 10 channel receivers and a Scintrex 15kVA transmitter. • Ground magnetic data collected using Geometrics Cesium Vapour or GEM Potassium magnetometer with GPS and base station.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**Drilling** • The Managing Director is the Competent Person and is personally supervising the drilling and sampling along with experienced 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. **IP survey** • IP and other geophysical data collected on site and validated by geophysical technician daily. Data (raw and processed) sent to consultant geophysicist for review and quality control. Further processing of data carried out by the Company's consultant geophysicist.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole and station locations have been located using handheld GPS with an accuracy of +/- 5 metres. • 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. • Topographic control is based on topographic data derived from public data. • All data is collected in UTM WGS84 Zone 34 (Southern Hemisphere) and these coordinates are used in diagrams shown.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications*	**Drilling** • Orion's drill holes 50 m along strike from each other. **IP survey**

Criteria	JORC Code explanation	Commentary
	applied. • *Whether sample compositing has been applied.*	• IP survey carried out using 100m spaced offset receiver lines from a central transmitter line, 100m spaced stations along each line.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	**Drilling** • Drilling is oriented perpendicular, or at a high angle to, the previously interpreted attitude of the mineralisation. • As a result most holes intersect the mineralisation at an acceptable angle. • 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. **IP survey** • Survey carried out on lines oriented relative to mineralisation intersected in historical drilling and anomalies delineated in previous AAPS IP survey.
Sample security	• *The measures taken to ensure sample security.*	• 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	• *The results of any audits or reviews of sampling techniques and data.*	• 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	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The mineral rights to the property are vested in the State and the Act regulates the exploration and mining industry in South Africa. A prospecting right in accordance with the Act was granted to a subsidiary company of Agama (**Agama Subsidiary**) to prospect for copper, lead, zinc, silver and gold for a period of two years effective from 10 February 2010. • The Prospecting Right was granted in respect of the farm Eyerdop Pan 58 comprising Portion 1 (Neeldale), Portion 2 (Witkop), Portion 3 (Eyerdop Put) and Portion 4 (Rooipan), situated in the Magisterial/ Administrative District of Prieska, Northern Cape Province. The total areas measures 17555.3 Ha in

Criteria	JORC Code explanation	Commentary
		extent. • An application to renew the above Prospecting Right for a further period of two years was submitted to the Department of Mineral Resources (**DMR**). The Agama Subsidiary has been informed by the DMR that the renewal has been granted • The DMR has reportedly advised the Agama Subsidiary that the current prospecting right remains valid during the period in which the application is being processed and, in terms of Section 18(5) of the Act, the Agama Subsidiary shall be entitled to continue prospecting activities until the renewal application is granted or refused.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Marydale Project was explored by AAPS as part of two phases of regional exploration carried out in the general area. The first exploration phase was conducted between July 1975 and June 1982. The second phase of exploration was carried out between August 1988 and March 1989. Initial exploration activities on the project conducted during the 1970's and 1980's were focused primarily on the search for VMS. • Towards the end of the 1980's AAPS recognized the potential of gold mineralisation associated with volcanic massive sulphide deposits. The exploration focus during 1988 – 1989 by AAPS shifted from base minerals to gold mineralisation as the primary objective. This work led to the discovery of the Witkop gold mineralisation within the Marydale Project. • In early 2010, the Agama Subsidiary was granted the prospecting rights to the project and additionally acquired from AAPS all the exploration data covering their work during 1975 – 1982 and 1988 – 1989 including drill core, drill chips and surface geochemistry data. The Agama Subsidiary subsequently undertook geological mapping, and imagery analysis, geophysical re-interpretation, review surface geochemistry and several phases of exploration percussion and diamond drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project area is underlain by rocks from the Areachab Group. The Areachab Group comprises the eastern most group of rocks of the Gordonia Sub-province, Namaqua Metamorphic Province. The Areachab Group occurs along a narrow belt (about 280 km long and up to 30 km wide) from

Criteria	JORC Code explanation	Commentary
		north of Upington in the north to Prieska in the South. • Stratiform/strata bound lenses of massive to semi-massive sulphides occur in the northern, central and southern sectors of the Areachab Group. The northern sector is host to the Areachab deposit, the central sector is host to the Boksputs, Kantienpan, Van Wyks Pan, Rooiputs and Jacomyns Pan deposits and the southern sector hosts the Copperton, Annex and Kielder deposits. • The project area is underlain by quartzite, conglomerate, schist and gneiss of the Areachab Group, Namaqua-Natal Metamorphic Complex. • The Witkop Gold prospect is hosted within quartz-feldspar-biotite-hornblende gneiss, quartz-feldspar-biotite gneiss, amphibolite, biotite-mica schist and quartz-feldspar gneiss. The precursor rocks are believed to be andesitic, dacitic and rhyodacitic volcanic rocks. Mineralisation occurs as a series of intermittently developed veins and lenses in chloritic schist (shear zones or drag folds). The parallel to sub-parallel veins dip steeply to the north with a general ENE-WSW to E-W strike. The vein contacts are generally sharp but some sulphides with associated Au mineralisation also occur in the sheared wall rocks.
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	• Refer to Appendix 1 and the notes attached thereto.
Data	• *In reporting Exploration Results, weighting averaging techniques,*	• Significant intercepts are calculated by averaging the length weighted

Criteria	JORC Code explanation	Commentary
aggregation methods	*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.*	assay results for gold (Au) within the interval in question. Intercepts presented area all gold assays > 0.3g/t using a minimum down-hole intercept width of 2m and a maximum consecutive internal dilution of 2m. • Extreme high grades over the sampling widths are uncommon. Refer Appendix 2 of ASX release 17 August 2016 for example.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All intersections are reported as downhole lengths as insufficient information is available to calculate true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to Figure 2.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	**Drilling** • Representative results have been included only. **IP survey** • Diagrams show all results from IP survey collected to date.
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.*	• The Company's previous ASX releases have detailed historical exploration works on the Areachap Project and surrounds. • Refer ASX releases of 18 November 2015, 15 July 2016 and 17 August 2016.

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Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further drilling planned as detailed in announcemnent. • More detail on further work will be available following completion of the IP and other exploration at Marydale.