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Western Margin IP Geophysical Survey Results

Key Points

- **Two main chargeability horizons identified**
- **Peak anomaly of 18 mV/V identified on one line (525350mE)**
- **Both horizons are discordant with interpreted stratigraphy**
- **No conductive anomalies identified beneath the overburden response**
- **Further work required - integration of all data sets and further inversion modelling**

As previously announced to the ASX on 3 August 2016 ("***Western Margin Prospect – Exploration Update***") the geophysical induced polarisation (IP) survey was completed at the Western Margin prospect on 24th July 2016. The survey was completed by Moombarriga Geoscience on behalf of Windward Resources. Spinifex-GPX Pty Ltd was commissioned to design and supervise the survey along with the interpretation of the final data.

The objective of the survey was to identify chargeable anomalies with the potential to host disseminated and massive sulphide accumulations within the newly defined "Area of Interest" at the Western Margin Prospect (~3.5Km east of the Nova, nickel-copper deposit – see Figure 1). Final data has now been received and presented below.

The Western Margin IP survey has highlighted two weak to moderate chargeability horizons (see Figure 3). The results demonstrate low amplitude increases to the chargeability responses discordant to the strike of the regional geological fabric. The responses are seen across multiple lines with the highest amplitude response being constrained to individual lines. The highest amplitude anomalous chargeability response (18 mV/V) was recorded on the fifth line (525350mE) on the main chargeability horizon (see Figure 2 and 3). A second chargeability horizon was also identified across a number of sections.

Resistivity results have defined a more conductive near surface overburden layer. This response can be generally related to the location of the palaeochannel. No conductive anomalies were identified beneath the overburden response.

Further inversion modelling is currently being completed on the IP dataset to assist with the interpretation of this survey. To help elucidate the significance of the results of the IP survey they will be incorporated with all previously collected data sets at the Western Margin Prospect.

This will result in a re-interpretation of all data collected from Western Margin Prospect including surface geochemistry, drilling, aeromagnetics, gravity, IP and EM (both airborne and ground) surveys in order to assess the prospects potential for further exploration.

A total of eight lines were surveyed on an 800m x 200m grid pattern (see Figure 2). As an initial test, two IP lines were completed over the widest parts of the palaeochannel to ascertain that the system and method were working correctly and that it could see beneath the palaeochannel. The data returned from these lines was very clean and was able to read beneath the palaeochannel. The decision was then taken to complete the reminder of the survey and on the receipt of the data it was determined not to complete any infill lines.

Inversion modelling of the IP data has been completed. The model was partially constrained using the weathered fresh rock interface as determined from the recently completed aircore drilling (within the central area of the IP survey) was incorporated. The fresh rock interface ranges from approximately 40m to 70m and is therefore largely confined to the shallowest portion of the model, thereby limiting the effect of the constraint. The effect of the additional constraint on the inversion model is a variable shallowing of some, but not all, anomalies.

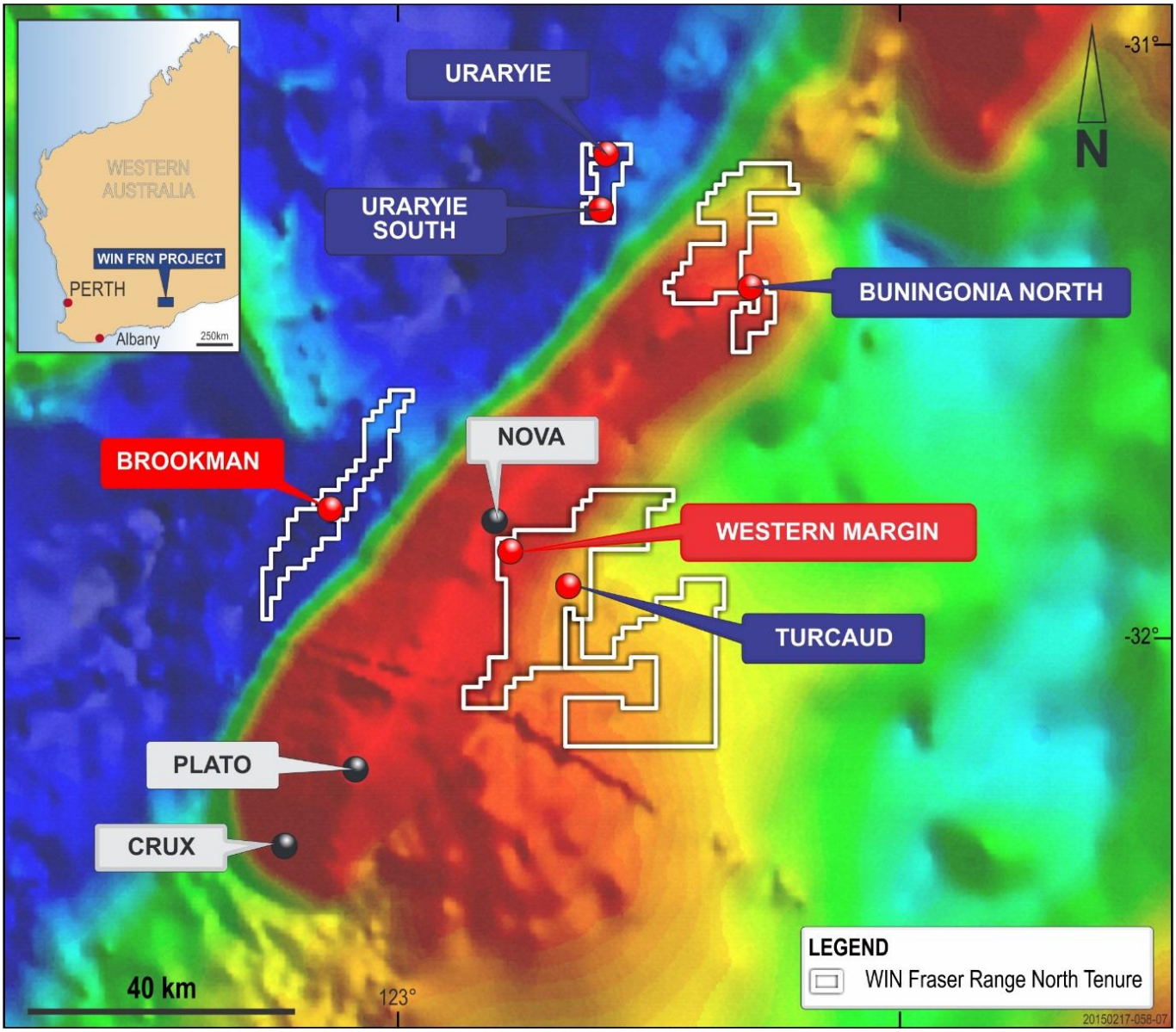

Figure 1: Location of Western Margin and other prospects, background image is Bouguer gravity

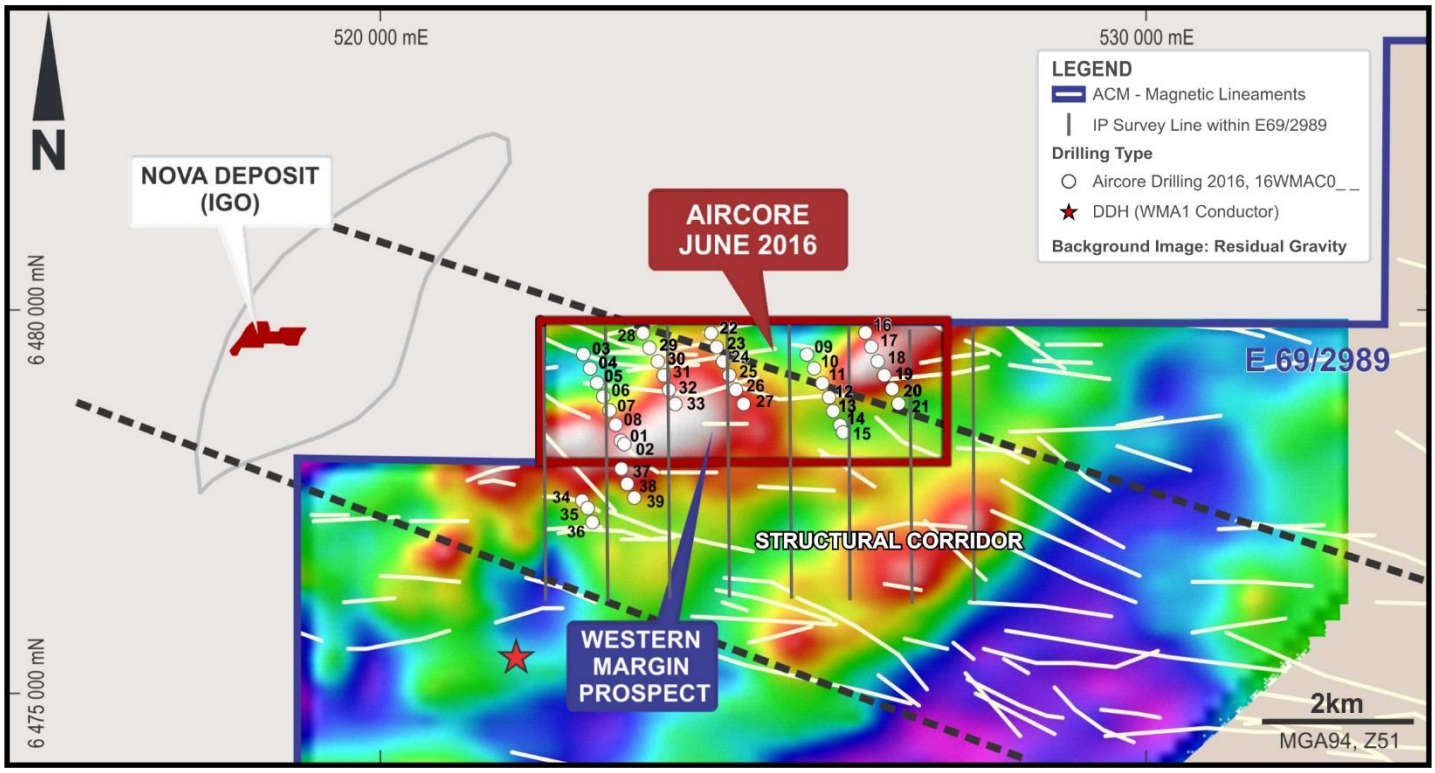

Figure 2: Location of Induced Polarisation (IP) survey lines within E69/2989

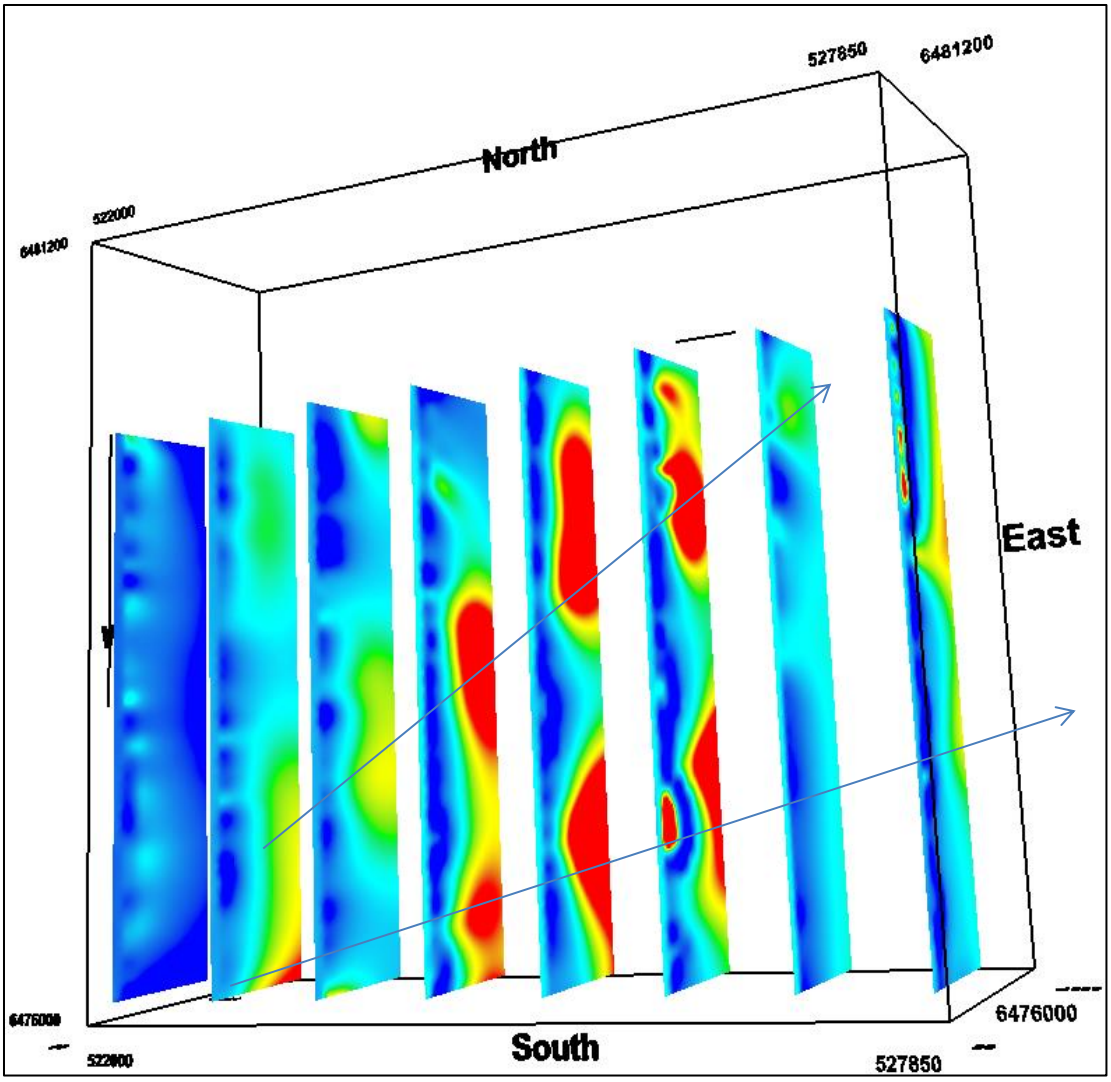

Figure 3: IP Chargeability inversion model sections displayed on an oblique 3D projection.

Item	Details
Operator	Moombarriga Geoscience
Transmitter	Search Ex 50 KVa
Current	12.4 – 19.2 A
Receiver	Emit SmarTEM 24
Array Pattern	Pole – Dipole
Station Spacing (A-Spacing) (Dipole Spacing)	200m
Max n level	16
Line Spacing	800m
Sample Rate	1200Hz
Current Electrodes	Aluminium Plate
Potential Electrodes	Porous Pot
Cables	Multicore receiver cables

Table 1: Western Margin IP Survey parameters.

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Competent Persons Statement

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

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

– ENDS –

Appendix 1: Windward Resources Limited – Western Margin Induced Polarisation (IP) Survey JORC CODE 2012 Table 1.

Section 1 Sampling Techniques and Data

	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.*	• Pole-Dipole Induced Polarisation (IP) geophysical survey completed with a SMARTEM-24 receiver. • Search Exploration 50Va Transmitter. • Survey is conducted at ground level. • Rx dipole separation (a-spacing) = 200m • 800m line spacing. • Field data was quality control checked using TQIPdb. Data was checked for repeatability, telluric offsets, spherics and random outliers. • Inversion modelling including incorporation of the overburden constraint was completed with Geotomo Software PTY LTD's RES2DINVx64. • Location of individual stations was recorded with handheld GPS systems with an accuracy of +/– 5m.
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).*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.
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*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.

	JORC Code explanation	Commentary
	grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
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.*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.
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.*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.
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,*	• Data acquired and received using SMARTem 24 receiver system. • Data were delivered by Moombarriga Geoscience (a Geophysical Survey company) who performed • QA/QC on a daily basis. • Data were again subject to QA/QC by geophysical consultants Spinifex-GPX Pty Ltd on a daily basis

	JORC Code explanation	Commentary
	blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	
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.*	• Data were processed and presented using a variety of programmes written by Scientific Computing and Processing Pty Ltd. Including TQIPdb to compile and verify the data and Geotomo Software PTY LTD's RES2DINVx64 for inversion modelling.
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.*	• Station locations were planned using a combination of GIS software packages. • Location of stations was accomplished with handheld GPS units with an accuracy of +/-5m. • All data points were located using the Geocentric Datum of Australia 1994 and the Map Grid of • Australia Zone 51 projection.
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 applied.* • *Whether sample compositing has been applied.*	• At least two readings were recorded per station. • Stations were spaced 200m along line (north - south • Line spacing was 800m
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.*	• Survey was oriented with N-S lines (360°) at Western Margin perpendicular to the main geological trend.

	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Data was acquired by Moombarriga Geoscience and reported to the Consulting Geophysicist. • Data were forwarded by Moombarriga Geoscience to consultants at Spinifex-GPX Pty Ltd
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• All results were reviewed by Company personnel including Consulting Geophysicist. • No negative issues were identified from these reviews.

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.*	• Western Margin prospect is located on E69/2989 which is owned 70% Windward Resources and 30% Ponton Minerals Pty Ltd. It is located on vacant crown land. This tenement is located within Native Title Determination WCD2014/004 of the Ngadju People. • The tenement E69/2989 is granted and expires on 3rd April 2018. • The tenement is in good standing and there are no known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• At the Western Margin prospect very little previous exploration has been undertaken. The Geological Survey of WA (GSWA) have completed regional soil sampling on nominal 4 kilometre centres (2000) covering the Fraser Complex within the Albany Fraser Orogen.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• At the Western Margin prospect the exploration target is Nova style Ni Cu mineralization hosted in high grade mafic granulites of the Fraser Complex.

Criteria	JORC Code explanation	Commentary

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 northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.
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*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.

Criteria	JORC Code explanation	Commentary
	'down hole length, true width not known').	
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 the diagrams in the release.
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.*	• Not applicable as no exploration drilling techniques are utilized during IP geophysical surveying.
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.*	• IP geophysical survey was designed and managed by Spinifex – GPX Pty Ltd. • The Pole-Dipole IP survey array was completed by Moombarriga Geoscience. • The IP survey used a Search Ex 50 Kva transmitter along with a Emit SmarTEM 24 receiver. Survey stations were spaced at 200m (A spacing) along north-south lines spaced 800m apart. • Interpretation and modelling of the IP data was completed by Spinifex-GPX Pty Ltd.
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.*	• The geophysical survey covering the Area of Interest at Western Margin prospect has identified two main chargeability horizons returning low-level responses. A re-interpretation of all data collected from Western Margin including geochemistry, drilling, magnetics, gravity, IP and EM (both airborne and ground) surveys is now required in order to assess the prospects potential.