

EXECUTION OF FINLAND GOLD PERMIT PURCHASE AGREEMENTS

ASX ANNOUNCEMENT

MONDAY, 17 AUGUST 2020

ASX Code: DHR

Shares on Issue
4 Billion

Market Capitalisation
A\$8m (at A\$0.002 per share)

Directors

Nick Mather (Non-Executive Chairman)
David Mason (Managing Director)
Brian Moller (Non-Executive Director)
Jason Beckton (Non-Executive Director)

Company Secretary

Karl Schlobohm

Contact Details

Level 27, 111 Eagle Street
Brisbane Qld 4000
Tel: +61 7 3303 0650
Fax: +61 7 3303 0681

www.darkhorseresources.com.au

[Twitter: @ASX_DHR](https://twitter.com/ASX_DHR)

HIGHLIGHTS

- Execution of Finland Gold and Sweden Tungsten Permit Purchase Agreements with Sotkamo Silver.
- Exploration permits transfer will now commence to 100% Dark Horse owned Finnish subsidiary companies.
- Finland Tampere Gold Project first drilling program designed, to advance towards defining JORC Resources. Planned to commence as soon as feasible during the final calendar quarter of 2020.

Dark Horse Resources Ltd (**the Company, Dark Horse, ASX:DHR**) is pleased to announce that the binding Permit Purchase Agreements (PPA) has been executed with Sotkamo Silver AB (**Sotkamo, NGM: SOSI**). Dark Horse has acquired 100% of the interest in a number of highly prospective Gold exploration permits in Finland, known as the **Tampere Gold Project**. Sotkamo's portfolio also includes a group of Tungsten Exploration Permits in Sweden, known as the **Bergslagen Tungsten Project**, which Dark Horse will also acquire in the deal (refer **Location Map in Figure 1**). Consideration for the 100% acquisition is €150,000 payable upon authorised transfer documentation of the permits to DHR. This follows execution of a Term Sheet with Sotkamo as reported to the ASX on [9 June 2020](#).

A description of the Tampere Gold Project and Bergslagen Tungsten Project has been provided in the Company's [Quarterly Activities Report of 31 July 2020](#).

Transfer of the acquired portfolio of exploration permits will now commence, from Sotkamo to the 100% DHR owned Finnish subsidiary companies. There are two newly established subsidiary companies. Finland Gold permits will be transferred to one subsidiary and Tungsten permits to the other subsidiary. This process is expected to take up to several months, which is the normal time period for such permit transfers in Finland and Sweden.

Drilling will be carried out on the most advanced Hopeavuori permits, with some drilling also at Kalliojärvi. The DHR technical team have been compiling and evaluating all historic geological data during the past months and designed a comprehensive and systematic exploration program for the Finland Tampere Gold Project. The objective is to advance the project towards defining a JORC Resource within the next twelve months. The program will comprise several thousand metres of diamond drilling, initially in the known mineralised areas, and then will follow the structures along strike to test their extent. The planning for this program is being undertaken simultaneously with the permit transfer process. Negotiations are underway to engage a local well respected and experienced drilling company, as is permitting, logistical planning and developing a technical team to supervise the work. This drilling plan will be presented to the market in a subsequent ASX announcement.

Managing Director, David Mason commented: *"this initial acquisition of the Sotkamo Finland Gold and Sweden Tungsten portfolio of exploration permits is the first major milestone for Dark Horse as it implements its new strategic business plan in complementing the highly prospective Argentina Gold properties, whilst diversifying into alternative, world class Gold mining jurisdictions."*

The execution of the PPA for the Tampere Gold Project is a very exciting prospect for Dark Horse and will allow the company to commence its first drilling program, planned to commence before the end of this year. The Company is well cashed up to move into this next phase.

We thank Sotkamo and MMG Capital for their cooperation in working to conclude this acquisition and look forward to advancing the projects towards resource definition.

The positive movement of the Gold market is strong, and further opportunities in other favourable Gold mining jurisdictions are also being considered for acquisition by the Company."

Next Steps

The Company's next steps are to:

- Transfer the Gold and Tungsten exploration permits into the DHR Finnish subsidiaries and settle the transaction with Sotkamo (underway);
- Plan and secure all logistics and permitting that may be required for implementation of the Finland Tampere Gold exploration and drilling program (underway);
- Conclude a drilling contract (underway);
- Undertake a comprehensive review of the Tungsten resources at the Swedish exploration permits (Bergslagen Tungsten Project); and
- Implement the field programs, planned for commencement in the final calendar quarter of 2020.
- Consider further acquisition of minerals projects to complement the existing portfolio.
- Advance investigating a dual listing of the Company on one of the European exchanges.

Dark Horse is well cashed up to implement these plans, having raised a little under \$2 million in a recent capital raise.



Figure 1: Location of the Finland Gold and Sweden Tungsten exploration permits in northern Europe.

This Announcement has been authorised by the Board of Directors

On behalf of the Board
Mr Karl Schlobohm
Company Secretary

For further information contact:

Mr David Mason
Managing Director, Dark Horse Resources Ltd
Ph: 0400 707 329
Email: dmason@darkhorseresources.com.au

Karl Schlobohm
Company Secretary, Dark Horse Resources Ltd
Ph: 07 3303 0661

Company website: <http://www.darkhorseresources.com.au>
Follow us on Twitter: [@ASX_DHR](https://twitter.com/ASX_DHR)

COMPETENT PERSON'S STATEMENT

The information herein that relates to Exploration Targets and Exploration Results is based information compiled by Mr Trevor Leahey, who is a member of The Australian Institute of Geoscientists. Mr Leahey is principal consultant with Computer Aided Geoscience Pty Ltd.

Mr Leahey has more than twenty years experience which is relevant to the style of mineralisation and types of deposits being reported and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.