

ASX Announcement

7th November 2016

Maximus announces second gold resource at Larkinville Project in Western Australia

HIGHLIGHTS

- Mineral Resource totalling 142,300 tonnes @ 2.33g/t for 10,660Ozs
- Maiden resource estimate for the Larkinville project
- Additional resource drilling program to commence this month to potentially add to the resource
- Further drilling to concentrate on upgrading inferred resource to indicated category within thicker and higher grade sections of the deposit
- Metallurgical ore samples to be collected during the drilling program
- Larkinville ore intended for mining and processing through Maximus' newly acquired Burbanks gold treatment plant
- Total Spargoville gold Mineral Resource estimate currently exceeds 37,000 Oz.

Maximus Resources Limited (ASX:MXR) is pleased to update shareholders following calculation of the company's second JORC 2012 compliant Mineral Resource estimate totalling 10,660 ounces on the Larkinville deposit (See Table 1), forming part of its high grade Spargoville gold project south of Kalgoorlie in Western Australia.

The resource is based on 36 Reverse Circulation drillholes completed by Tychean Resources Limited and Ramelius Resources Limited for a total of 3,825metres (See Appendix 1).

Classification	Tonnes	Au g/t	Ozs
Inferred	142,300	2.33	10,660
Total	142,300	2.33	10,660

Table 1: Larkinville Mineral Resource estimate by classification (Au > 0 g/t).

The ore body strikes north-west and dips at 65-70 degrees to the south-west, extending over 300m in strike length to a current depth of 80m below surface (See Figure 1). The ore body remains open along strike and at depth to the north (See Figures 1 and 3).

The current defined Mineral Resource estimate is situated entirely on granted Mining Lease M15/1449.

A drilling program is scheduled to commence this month aiming to add further resource tonnes, in addition to converting inferred tonnes to the Indicated category resulting in a revised Mineral Resource estimate to be calculated for the Larkinville deposit in Q1, 2017.

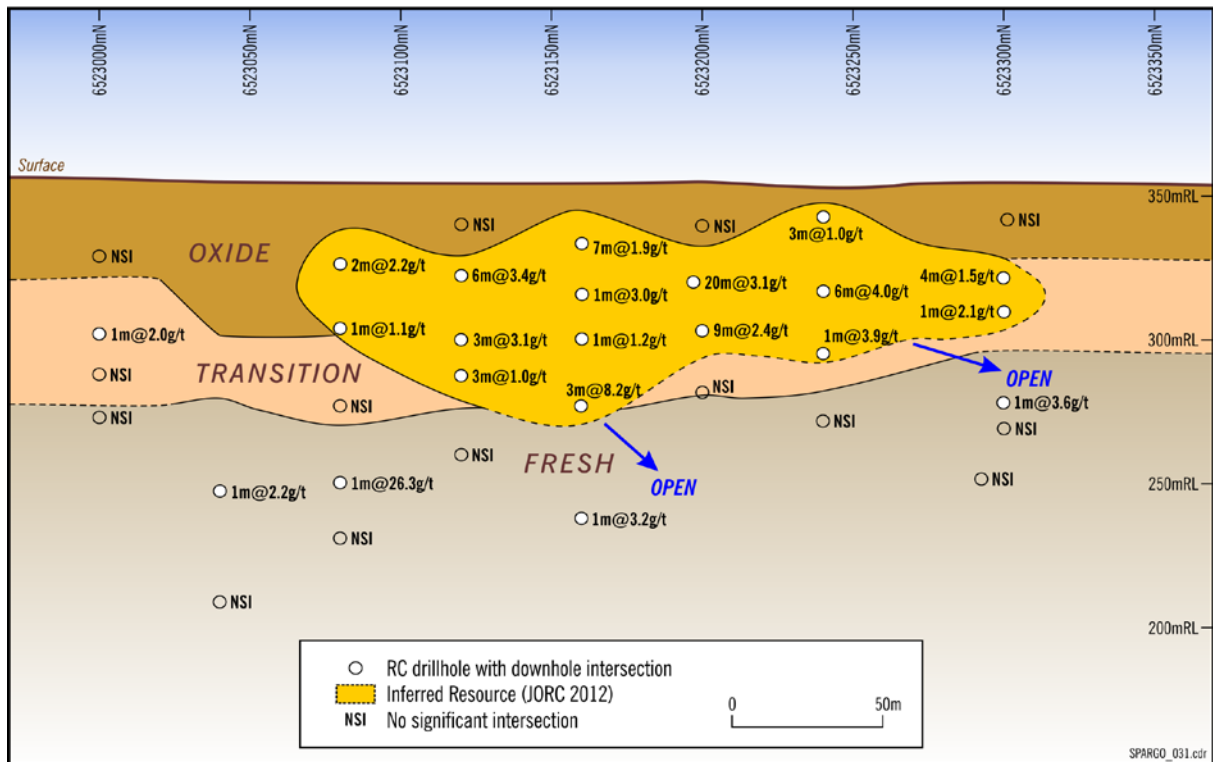


Figure 1: Larkinville Mineral Resource estimate - long section

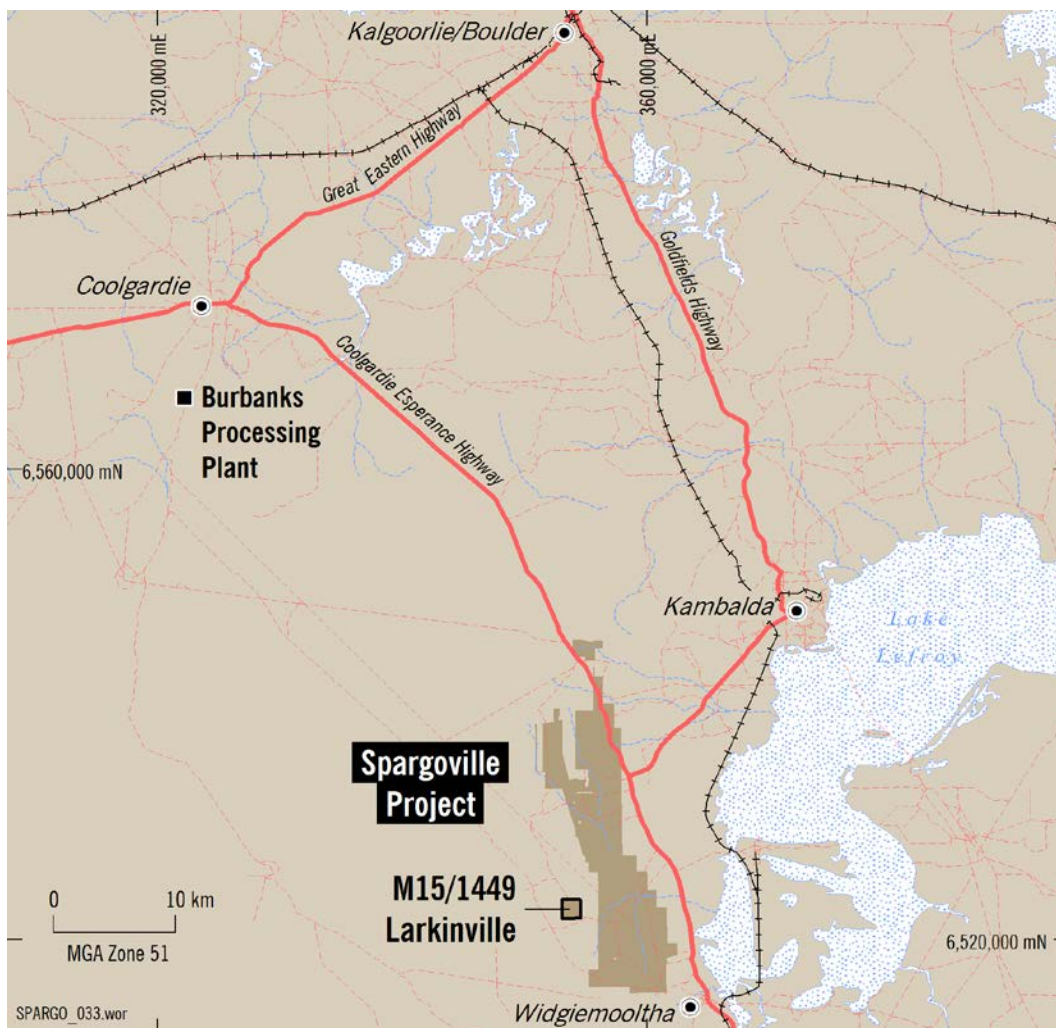


Figure 2: Location Map

This drill program will focus on the thicker and higher grade zones of the deposit, especially adjacent to holes **LWRC 0003** which returned **20 metres at 3.1g/t** from 30 m downhole, including 4 metres at 8.2 g/t from 32m downhole, **LWRC0012** which returned **6 m at 3.4g/t** from 34m downhole including 1 m at 8.1 from 35m downhole and **LWRC0020** which returned **6m at 4g/t** from 36 m downhole and 1 metre at 5.4g/t from 50m Downhole (See Appendix 1).

The Larkinville deposit is located on the Kunanalling Shear, approximately 5km south-west of the previously mined, high grade Wattle Dam gold mine also owned 100% by MXR. The deposit is located 57km from MXR'S recently acquired Burbanks gold treatment plant (See figure 2). Burbanks has a capacity of 180,000 tonnes per annum and is currently being refurbished with an anticipated completion time of Q1 2017.

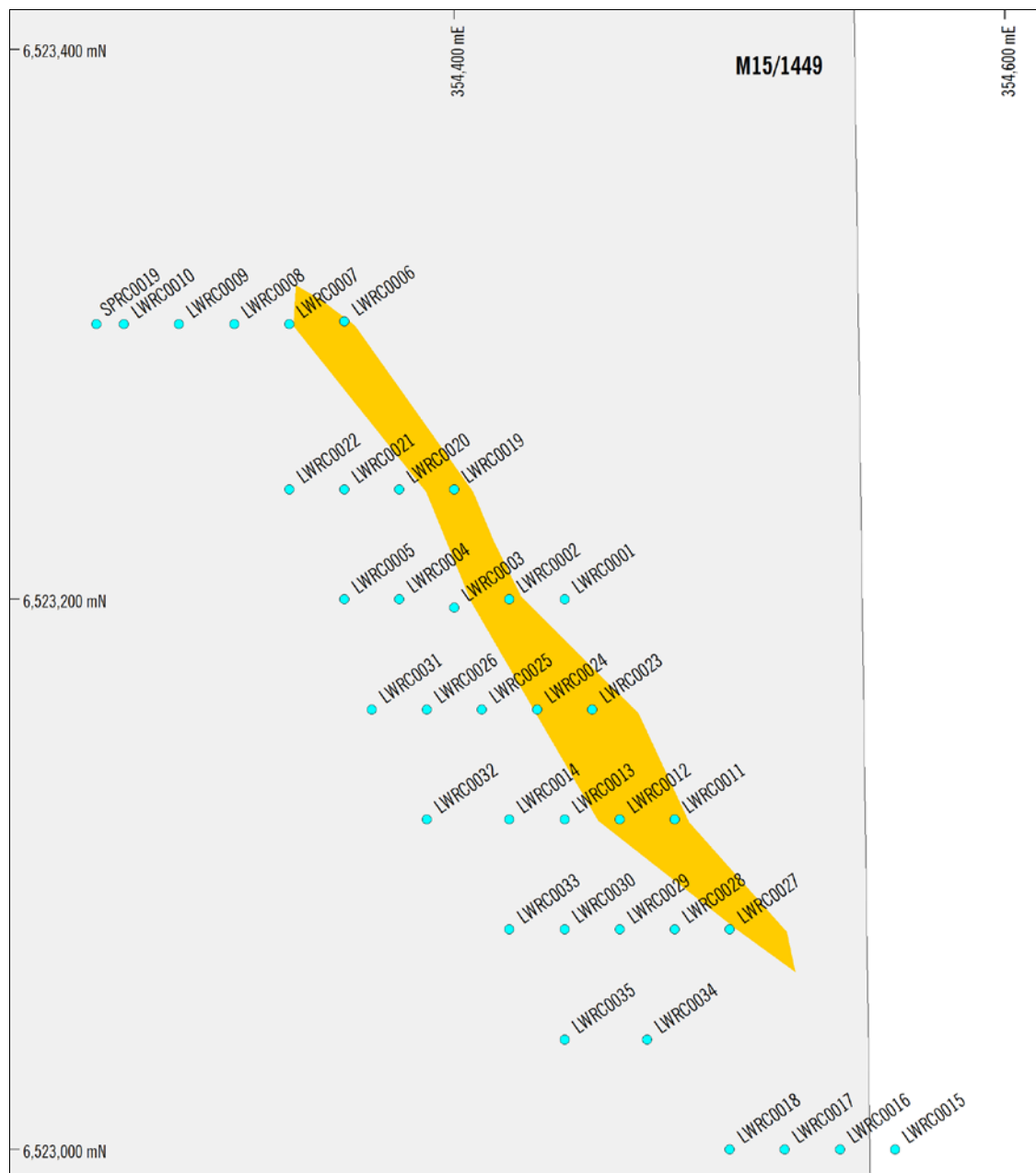


Figure 3: Collar locations of all drillholes used in calculating, and the surface projection of the Mineral Resource estimate.

It is Maximus' intention to utilise the Burbanks mill to initially toll treat 3rd party ore feed to generate maiden revenues whilst it defines and progresses its own gold resources through the feasibility, approval and production processes.

The Larkinvile Resource Estimate is in addition to the Company's recently announced maiden Mineral Resource estimate for the Eagles Nest project (Refer to ASX announcement 02/11/2016). The Eagles Nest deposit currently hosts a 26,800 Oz combined Indicated and Inferred Mineral Resource estimate and is situated approximately 3 km from the Larkinvile deposit, both within reasonable trucking distances to the Burbanks gold treatment plant.

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Further information relating to Maximus Resources Limited and its diversified exploration projects will be found on Maximus' website: www.maximusresources.com

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Stephen Hogan who is a Member of the Australasian Institute of Mining and Metallurgy. The information in this report that relates to Mineral Resources or Ore Reserves is based on information compiled by Dr Graeme McDonald who is a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Hogan and Dr McDonald have sufficient experience relevant to the style of mineralisation, the type of deposit under consideration, and the activities being 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 JORC Code). This report is issued in the form and context in which it appears with the written consent of the Competent Persons.

Appendix 1 - RC drill results used in the Larkinvile Mineral Resource estimate

Hole ID	Easting	Northing	Dip	Azimuth	Depth (m)	From (m)	To (m)	Length (m)	Gold grade (g/t)
LWRC0001	354440	6523200	-60	90	52	NSI			
LWRC0002	354420	6523200	-60	90	70	NSI			
LWRC0003	354400	6523197	-60	90	100	30	50	20	3.1
				including		32	36	4	8.2
LWRC0004	354380	6523200	-60	90	106	55	64	9	2.4
				including		56	58	2	5.1
LWRC0005	354360	6523200	-60	90	112	NSI			
LWRC0006	354360	6523301	-60	90	60	NSI			
LWRC0007	354340	6523300	-60	90	80	40	44	4	1.5
				including		42	43	1	5.8
LWRC0008	354320	6523300	-60	90	100	51	52	1	2.1
LWRC0009	354300	6523300	-60	90	100	88	89	1	3.6
LWRC0010	354280	6523300	-60	90	100	NSI			
LWRC0011	354480	6523120	-60	90	100	NSI			
LWRC0012	354460	6523120	-60	90	100	34	40	6	3.4
				including		35	36	1	8.1
LWRC0013	354440	6523120	-60	90	100	61	64	3	3.1
				including		63	64	1	6.8
LWRC0014	354420	6523120	-60	90	100	75	78	3	1.0
LWRC0015	354560	6523000	-60	90	70	NSI			
LWRC0016	354540	6523000	-60	90	100	62	63	1	2.0
LWRC0017	354520	6523000	-60	90	100	NSI			
LWRC0018	354500	6523000	-60	90	100	NSI			
LWRC0019	354400	6523240	-60	90	70	7	10	3	1.0
LWRC0020	354380	6523240	-60	90	100	36	42	6	4.0
						50	51	1	5.4
LWRC0021	354360	6523240	-60	90	110	63	64	1	3.9
LWRC0022	354340	6523240	-60	90	100	NSI			
LWRC0023	354450	6523160	-60	90	70	16	23	7	1.9
LWRC0024	354430	6523160	-60	90	110	39	40	1	3.0
LWRC0025	354410	6523160	-60	90	100	57	58	1	1.2
LWRC0026	354390	6523160	-60	90	100	83	86	3	8.2
				including		83	84	1	13.1
LWRC0027	354500	6523080	-60	90	70	21	23	2	2.2
						28	33	5	1.6
LWRC0028	354480	6523080	-60	90	110	52	53	1	1.1
LWRC0029	354460	6523080	-60	90	121	NSI			
LWRC0030	354440	6523080	-60	90	119	115	116	1	26.3
LWRC0031	354370	6523160	-60	90	174	133	134	1	3.2
LWRC0032	354390	6523120	-60	90	160	NSI			
LWRC0033	354420	6523080	-60	90	180	NSI			
LWRC0034	354470	6523040	-60	90	144	121	122	1	2.2
LWRC0035	354440	6523040	-60	90	180	NSI			
SPRC019	354270	6523300	-60	90	156	NSI			

Details of RC drill results used in the Larkinvile Mineral Resource estimate (NSI – No significant intersection).

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	The sampling has been carried out using Reverse Circulation (RC) Drilling. All drill holes had samples collected on the drilling rig via a mounted cyclone.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	All documentation indicates that sampling was undertaken as per industry best practice.
	<i>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.</i>	All RC holes were drilled with a 4.75 inch face-sampling bit. Ramelius samples were collected over 1m intervals through a cyclone and splitter, to form a 2-3kg sample. They were fully pulverized to produce a sample for Leachwell or Aqua Regia digest, both with an AAS finish. All Tychean samples were collected over 4m intervals through a cyclone and splitter. Samples were fully pulverised at the lab to produce a 25g charge for Aqua Regia digest with ICP-MS finish for gold.
Drilling techniques	<i>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).</i>	An RC drilling rig was used to collect all samples. The face-sampling RC bit has a diameter of 4.75 inches (12.1 cm).
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Evidence of RC chip sample recoveries has not been sighted although it is expected to be high based on recoveries documented for nearby similar deposits. It is expected that the majority of samples were dry due to the relatively shallow nature of the drilling although this has not been recorded. No significant ground water egress into holes has been recorded and would not be expected at this drilling depth.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC face-sample bits and dust suppression were used to minimise sample loss. RC samples were collected through a cyclone and splitter at the rig, the rejects deposited in a plastic bag, and the lab samples up to 3kg collected.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	No apparent sample bias or material loss was documented to have taken place during drilling activities.
	<i>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.</i>	All chips were geologically logged by Ramelius and Tychean geologists using company specific logging schemes. This level is considered appropriate to support the Mineral Resource estimate. No geotechnical logging was undertaken.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of RC chips records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. All samples are wet-sieved and stored in a chip tray.
Logging	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No core was collected.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	All drill samples collected from a rig mounted cyclone were passed through a splitter, and an average 2-3 kg sample collected in a pre numbered calico bag. The majority of samples were collected dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	All Ramelius samples were prepared at the Intertek (Genalysis) Laboratory in Kalgoorlie and Tychean samples at the Minanalytical Laboratory in Perth. Samples were dried, and the whole sample pulverised to 85% passing 75um. The procedures are commonly used within the industry for this type of mineralisation.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples</i>	Ramelius and Tychean did not use field based QAQC procedures but relied upon laboratory standards and repeats. No apparent issues were reported.
	<i>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.</i>	Sample collection from the cyclone is routinely monitored by the rig geologist. Samples for the laboratory are collected to weigh less than 3kg to ensure total preparation at the pulverisation stage. Ramelius re-assayed 46 field re-split samples of higher grade intervals to determine the repeatability of the respective metre intervals. No significant issues were identified.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	There is potentially coarse gold in the system, however observed grades are not excessive. Therefore the sample sizes are considered appropriate given the particle size and the preference to keep the sample

Criteria	JORC Code explanation	Commentary
		weight below a targeted 3kg mass.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	All Ramelius samples were analysed at the Intertek (Genalysis) Laboratory in Perth. The analytical method used was either 200g or 10g Leachwell or Aqua Regia digest both with an AAS finish. The Tychean samples were analysed at the Minanalytical Laboratory in Perth with a nominal 25g sample used for gold analysis by Aqua Regia digest with ICP-MS finish. These methods are considered to be appropriate for the material and mineralisation. Comparisons between methods are reasonable indicating that the analytical methods adopted report total gold content.
	<i>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.</i>	Not Applicable.
	<i>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.</i>	At the Laboratory, regular assay Repeats, Lab Standards, Checks and Blanks are analysed. Ramelius and Tychean did not use field based QAQC procedures but relied upon laboratory standards and repeats. Ramelius did re-assay 157 pulps via a different technique to determine the robustness of the techniques used. No significant issues were identified.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant results from the Ramelius drilling have been checked and verified by the Maximus Exploration Manager.
	<i>The use of twinned holes.</i>	No twin holes were used during the resource estimation.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	It is uncertain how Ramelius and Tychean recorded, documented and stored the primary data. Maximus have obtained the data in database form when the tenement was acquired. The data in the database, including assays, has been verified against primary electronic files.
	<i>Discuss any adjustment to assay data.</i>	No assay data was adjusted. When check and repeat assays have been undertaken, the gold value is averaged. The average Au field within the database is the one used for plotting and resource purposes.
Location of data points	<i>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.</i>	All Ramelius and Tychean RC collars were determined by hand held GPS. Down hole surveys for the Tychean drilling were obtained via single shot camera, recording dip and azimuth.

Criteria	JORC Code explanation	Commentary
	<i>Specification of the grid system used.</i>	Grid projection is GDA94, MGA Zone 51.
	<i>Quality and adequacy of topographic control.</i>	RL's for Ramelius and Tychean holes were determined with the aid of a hand held GPS.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The drillholes are spaced along traverses approximately 40m apart.
	<i>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.</i>	The spacing and distribution is considered sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.
	<i>Whether sample compositing has been applied.</i>	All sample intervals within the mineralised zone are 1m. Therefore, no sample compositing has been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The orientation of the drill lines (270° azimuth) is approximately perpendicular to the strike of the regional geology and mineralisation. The majority of holes were drilled at approximately -60° angled to the east.
	<i>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.</i>	It is considered that the majority of holes have been drilled approximately perpendicular to a moderately west dipping mineralised structure and as such the reported intersection lengths are considered to approximate the true thickness of mineralisation.
Sample security	<i>The measures taken to ensure sample security.</i>	It is uncertain what measures were taken by Ramelius and Tychean to ensure sample security.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling and assaying techniques are industry standard. No specific audits or reviews have been undertaken 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	<i>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.</i>	The Mineral Resource and RC drilling are located within tenement M15/1449, which is owned 75% by Maximus Resources Limited and 25% by Pioneer Resources Limited.
	<i>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</i>	The tenement is in good standing with the WA DMP.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>The ML and surrounding area has been subject to historical gold prospecting with several deposits located and mined within the region.</p> <p>The Larkinvile deposit was identified via regional auger and subsequent Aircore drilling completed by Ramelius Resources in the period 2006-2007. In 2008 Ramelius completed RC drilling in order to evaluate the identified gold anomalism with significant results. Tychean Resources drilled a deeper RC hole in 2014 but failed to intersect mineralisation.</p>
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The geology is dominated by Archean mafic/ultramafic and sedimentary lithologies intruded by granites and pegmatite dykes. Hydrothermal vein and shear related gold mineralisation is being targeted by the exploration. Locally the geology is dominated by volcanoclastics metamorphosed into a felsic biotite-quartz-garnet schist.
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p><i>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</i></p>	The mineralisation has been defined by a total of 36 RC holes for a total of 3,825m. Of these holes, 21 intersected mineralisation. Hole locations are shown in Figure 3 of this ASX release and details of all drilling have been included in Appendix 1. Intersections are shown on the long section (Figure 1) within the accompanying release.

Criteria	JORC Code explanation	Commentary
	<i>understanding of the report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<i>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.</i>	Grades are reported as down-hole length-weighted averages of grades above 1 ppm Au, with maximum internal dilution of 2 metre. No top cuts have been applied to the reporting of the assay results or used in the Mineral Resource estimate.
	<i>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.</i>	Higher grade intervals are included in the reported grade intervals. All sample intervals are 1m in length and as such all intervals and grades are considered equally.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<p>It is interpreted that the mineralisation is hosted within a moderately west dipping shear zone.</p> <p>It is considered that the majority of holes have been drilled approximately perpendicular to this structure and as such the reported intersection lengths approximate the true thickness of mineralisation.</p>
Diagrams	<i>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.</i>	Appropriate diagrams are included as part of the accompanying release, including a plan of drill hole collar locations and defined Mineral Resource areas as well as a representative long section.
Balanced reporting	<i>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.</i>	No new exploration results are being reported.
Other substantive	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical</i>	See comments below in Section 3 regarding bulk density estimates.

Criteria	JORC Code explanation	Commentary
exploration data	<i>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.</i>	
Further work	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Mineralisation remains open along strike and at depth to the north. Follow-up infill RC drilling will be completed to determine the extent of the thicker higher grade ore zones.</p>

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<p><i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></p> <p><i>Data validation procedures used.</i></p>	<p>All data is stored in an Access database system, and maintained by the Database Manager. A separate drillhole database was created in Micro-mine for the purposes of undertaking the Mineral Resource estimate. A physical check of this database with original assay and data files has been undertaken for both Ramelius and Tychean drilling. No errors have been identified.</p>
Site visits	<p><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></p> <p><i>If no site visits have been undertaken indicate why this is the case.</i></p>	<p>No site visit has been undertaken by the Competent Person although a visit is planned in the near future. The Competent Person has had discussions with Maximus Exploration personnel and is satisfied with the data quality, procedures and geological interpretation.</p>
Geological interpretation	<p><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></p> <p><i>Nature of the data used and of any assumptions made.</i></p> <p><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></p> <p><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></p> <p><i>The factors affecting continuity both of grade and geology.</i></p>	<p>Review of the data on geological cross sections (40m apart) was undertaken and a number of relatively simple geological models were considered. The main controlling indicator was Au grade and a nominal 1 ppm minimum cut-off was used in the interpretation of the mineralised envelope.</p> <p>The final model has interpreted the mineralised zone as a single larger lode with good continuity along strike.</p>

Criteria	JORC Code explanation	Commentary
Dimensions	<i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i>	Mineralisation at Larkinvile extends in a NW – SE direction for up to 300m with a true width varying between 1m and 18m. The mineralisation extends from surface down to a modelled depth of 60m below the surface.
Estimation and modelling techniques	<p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p> <p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p> <p><i>The assumptions made regarding recovery of by-products.</i></p> <p><i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></p> <p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p> <p><i>Any assumptions behind modelling of selective mining units.</i></p> <p><i>Any assumptions about correlation between variables.</i></p> <p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p> <p><i>Discussion of basis for using or not using grade cutting or capping.</i></p> <p><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></p>	<p>A rotated block model was created to represent the mineralised envelope. Blocks were aligned towards 320° and flagged by oxidation state and SG.</p> <p>The gold grade was estimated into a block model with a cell size is 5mE x 10mN x 5mRL with sub-celling to a minimum of 1mE x 2mN x 1mRL. Grade was estimated to the parent block. Due to the relatively narrow nature of the mineralised envelope, small sub-cells were required to be able to best represent the wireframe model boundaries.</p> <p>An Inverse Distance (power = 2) estimation was used with an anisotropic search ellipse created to reflect the orientation and proportions of the mineralised lode.</p> <p>The Mineral Resource estimate is constrained by hard boundaries as defined by the wireframe representing the extent of the mineralisation.</p> <p>No top cut was applied as the range in assays is not great and very few samples would be affected.</p> <p>The block model has been validated along sections and provides a good correlation with existing drillhole data and with the wireframe reference model.</p> <p>Various geological interpretations were considered with negligible effect on the global estimate.</p> <p>The Mineral Resource estimate was undertaken using Micromine.</p>
Moisture	<i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i>	All tonnages are estimated on a dry basis.
Cut-off parameters	<i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i>	No gold cut-off grade has been used in reporting the Mineral Resource estimate. A nominal 1g/t Au cut-off with minimal internal dilution was

Criteria	JORC Code explanation	Commentary
		used in the interpretation of the mineralised domain.
Mining factors or assumptions	<i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	It has been assumed that a traditional open cut selective mining method of drill, blast, load and haul will be used.
Metallurgical factors or assumptions	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	Metallurgical testwork is currently being planned to determine gold recovery rates.
Environmental factors or assumptions	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	The mineralisation is located on a granted mining lease. Although there have been no environmental studies undertaken, there are multiple similar mining and processing operations in the region, therefore it is considered likely that any environmental impacts will be manageable.
Bulk density	<p><i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i></p> <p><i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the</i></p>	<p>No direct SG determinations have been undertaken. The values used are based on similar deposits with similar rock types elsewhere within the district.</p> <p>Bulk density estimates used are : oxide = 2.0 t/m³, transitional = 2.5 t/m³, fresh = 2.8 t/m³</p>

Criteria	JORC Code explanation	Commentary
	<p><i>deposit.</i></p> <p><i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i></p>	
Classification	<p><i>The basis for the classification of the Mineral Resources into varying confidence categories.</i></p> <p><i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></p> <p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p>	<p>The Larkinville Mineral Resource is classified as Inferred. Factors taken into account include drill spacing, mineralisation continuity and estimation quality.</p> <p>The Mineral Resource classification reflects the views of the Competent Person.</p>
Audits or reviews	<p><i>The results of any audits or reviews of Mineral Resource estimates.</i></p>	<p>No third party audits or reviews of the Mineral Resource estimate have been completed at this time.</p> <p>This is a maiden Mineral Resource estimate for the Larkinville deposit.</p>
Discussion of relative accuracy/ confidence	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<p>The Mineral Resource estimate is considered to be a global estimate.</p> <p>The Mineral Resource is volume constrained by the geological interpretation. The entire estimate is Inferred, and constrained by a small number of drill holes. Therefore, the Inferred Mineral Resource estimate is more sensitive to change via further infill drilling.</p> <p>As would be expected, the Mineral Resource estimate is sensitive to grade variability. Currently no top-cut has been applied. With additional data the influence of the small number of higher grade assays needs reviewing.</p>