



ASX Announcement

28 June 2018

Las Tapias Lithium Mine Drilling Update

Dark Horse Resources Limited (ASX:DHR; **DHR**, **Dark Horse** or **Company**) is pleased to provide an update in relation to its Las Tapias Mine Lithium Project.

HIGHLIGHTS:

- **11 drillholes and 1015 meters completed in the current program.**
- **Massive spodumene zone being defined within the thick pegmatite host body.**
- **Las Tapias pegmatite geometry being defined.**



Dark Horse Managing Director David Mason said: *"The drilling program is advancing well and visual observations are encouraging. We continue to drill the massive spodumene zone to determine its extent, and the size and geometry of the Las Tapias pegmatite. Drill core samples have been dispatched to the Argentine laboratory for preparation prior to being sent to Australia for assaying and first results are expected in late July or August."*

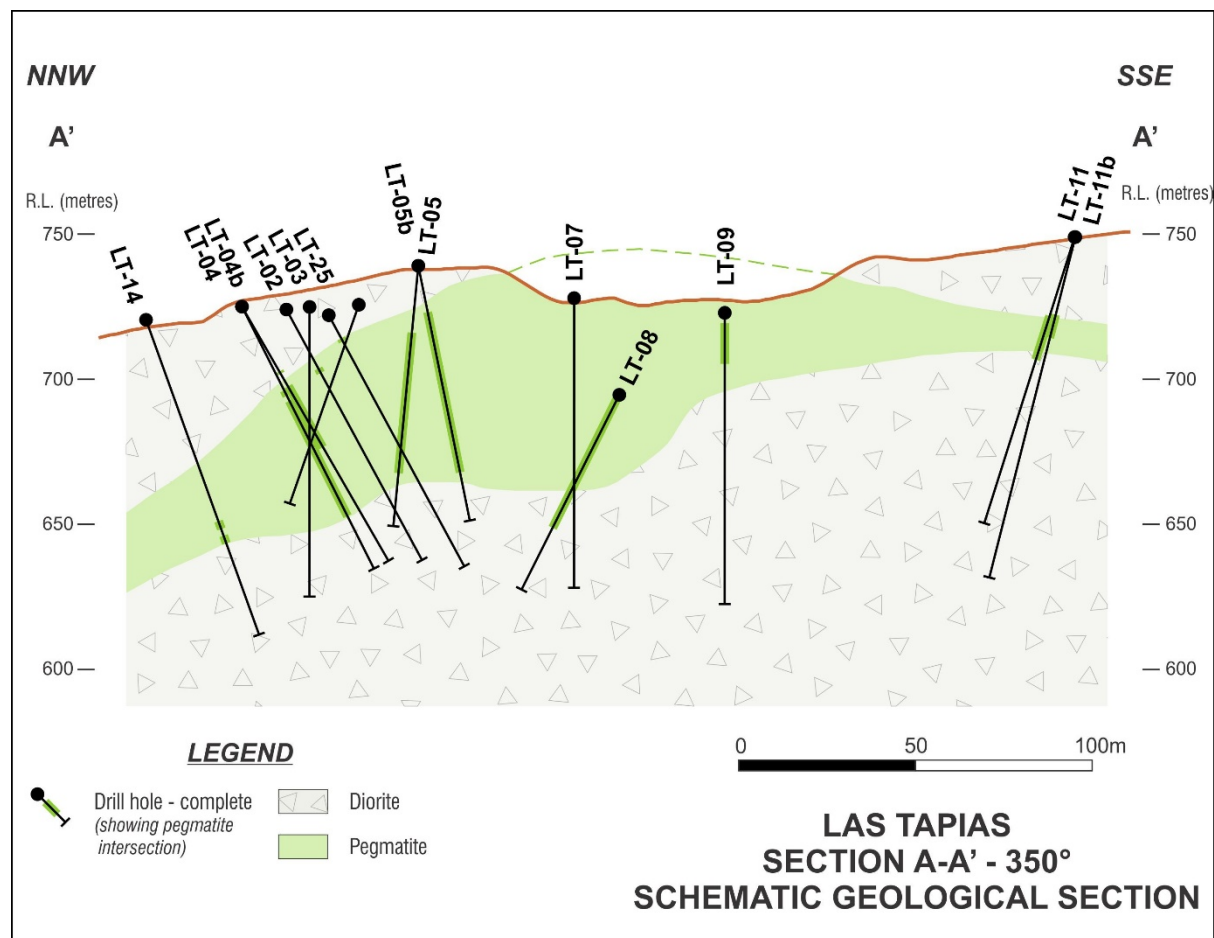
Dark Horse is pleased to announce the successful completion of 9 drillholes (the initial 2 holes were abandoned due to the intersection of old mine workings). A total of 1015 meters has now been drilled at the Las Tapias Mine (refer Table below). This represents approximately one-third of the initial planned program. Drillhole location details are included in the table and figures below, together with a visual estimate of the extent of the pegmatite host body encountered in each completed hole.



Initial visual and lithological results only are available at this time. 393 drill core samples have been collected to date and have been dispatched to the ALS Mendoza (Argentina) laboratory for the preparation of the analytical sample, which will then be sent to ALS Australia for assaying. Expected turnaround time from dispatch of samples from the Las Tapias site to receiving the assay results is up to 6 weeks. Regrettably Argentina does not have a suitable in-country laboratory to meet the JORC standards required by Dark Horse.

Based on the visual observations of the drill cores, abundant and large crystalline spodumene has been intersected in many of the holes completed to date in quite thick pegmatite sections. However, the Company notes that the drill core samples are yet to be assayed, and hence no representations can be made at this time regarding the grade and quantum of the spodumene mineralisation. Other pegmatite minerals visually present in the drill core of potential interest appear to include beryl, tourmaline, muscovite, microcline and quartz. Again, the grade and extent of such mineralisation will only be evident from assay results.

A schematic cross section of the pegmatite host body has been prepared utilising the drill intersections to date and is included in the figure below. The massive spodumene zone observed in the old underground workings has been the initial focus of the drilling program. It's geometry and extent is being defined in conjunction with the Las Tapias pegmatite host body, which with the current drill information, ranges in thickness up to 85.5m.



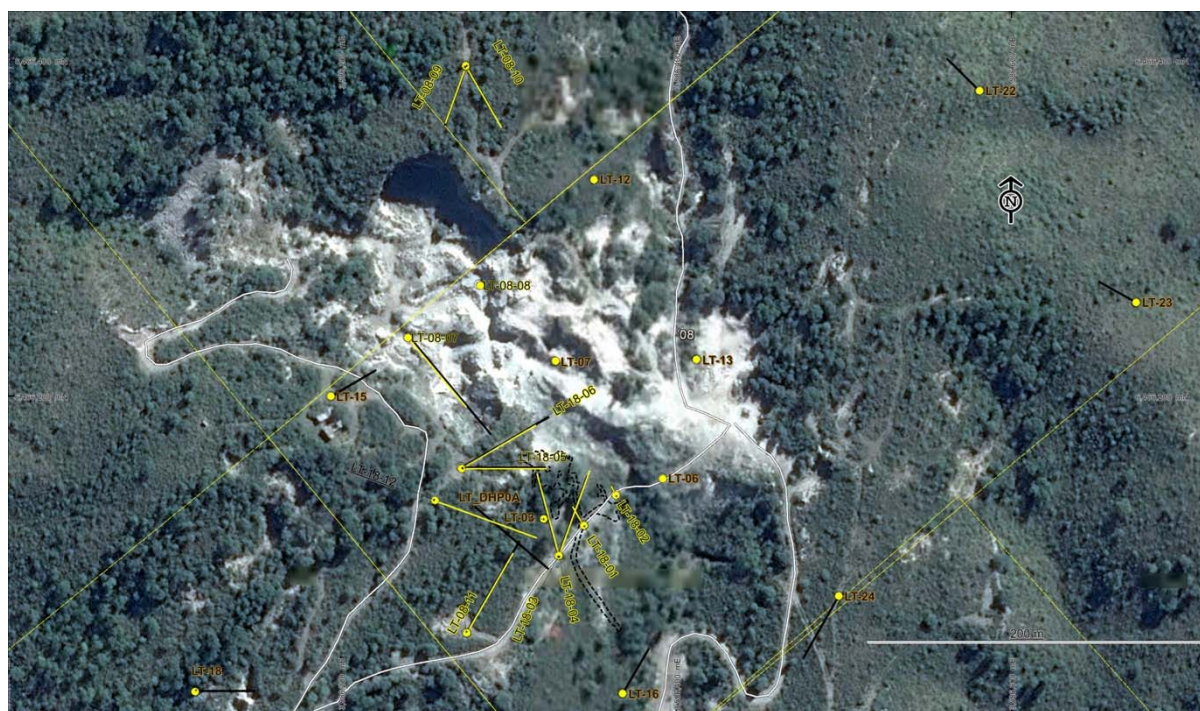
Drillhole Name	Azimuth degrees	Incline degrees	Depth m	Easting m	Northing m	RL m	Pegmatite intersection
LT-18-01	330	-60	25.5	3586345	6466123	722	abandoned
LT-18-02	330	-60	10.2	3586364	6466141	724	abandoned
LT-18-03	20	-60	108.1	3586330	6466105	725	14.80
LT-18-04	345	-60	101.4	3586330	6466105	725	30.10
LT-18-05	90	-60	103.5	3586272	6466157	739	54.75
LT-18-06	60	-60	102.1	3586272	6466157	739	63.80
LT-18-07	140	-60	108.5	3586240	6466235	721	83.50
LT-18-08	0	-90	100.5	3586283	6466266	723	14.20
LT-18-09	200	-70	105.0	3586274	6466387	749	16.00
LT-18-10	150	-70	121.5	3586274	6466387	749	15.80
LT-18-11	30	-65	129.0	3586275	6466059	729	10.00

Table of Current Tas Tapias Drill Holes – Assay Results Expected Late July / August 2018

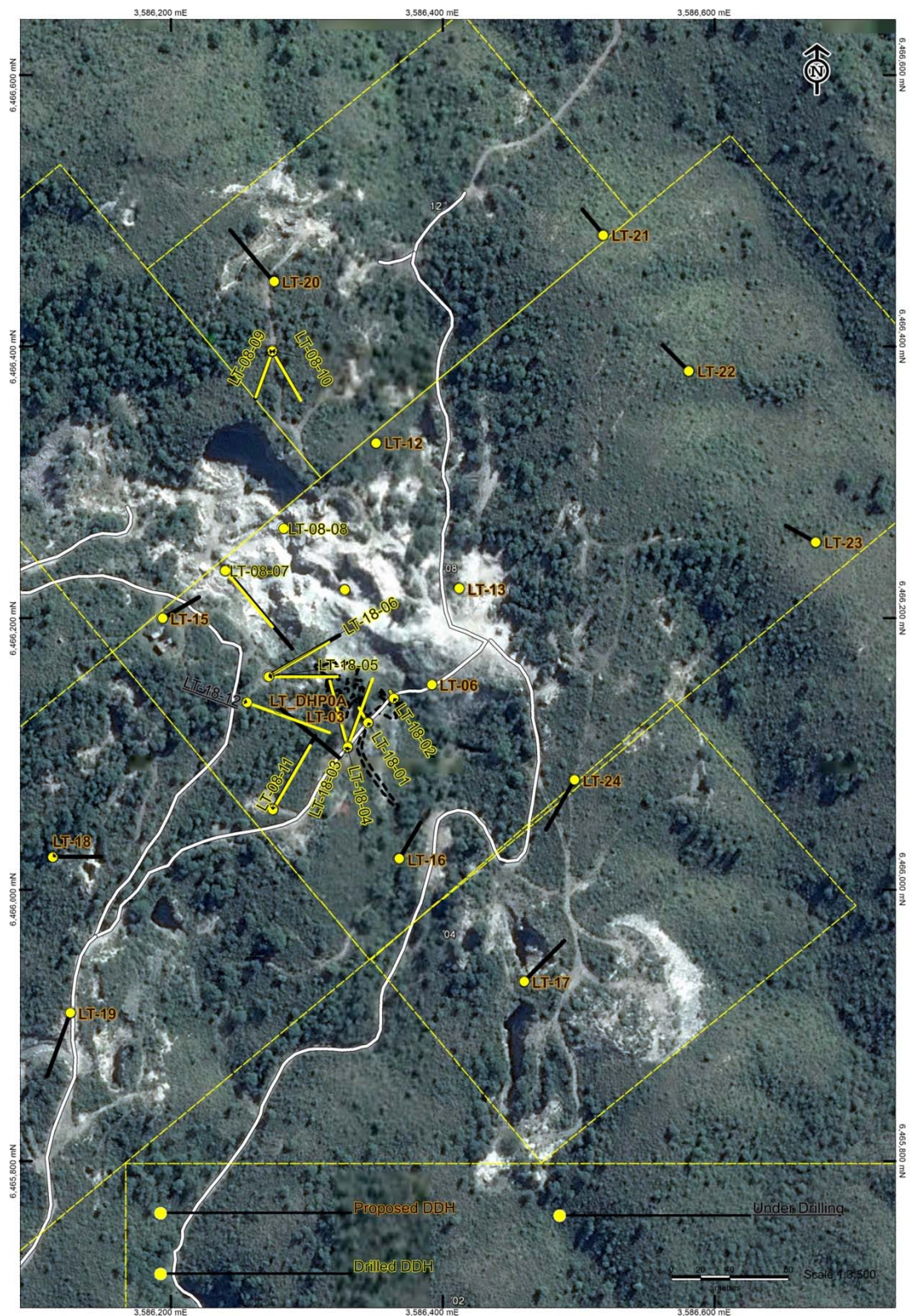
The current program consists of 24 holes for a total of 3,000m with an objective to determine the size and grade of the spodumene mineralisation present and to generate sufficient data to meet the JORC requirements for the estimation of a Maiden Resource.

The Company will continue to update the market as the drilling program progresses, and as results become available.

Las Tapias drillhole location maps. Upper figure – location of holes drilled and planned in the area of the known massive spodumene zone. Figure on next page – general location of program drill sites.



DARK HORSE RESOURCES





On behalf of the Board
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Company Secretary

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Competent Persons Statement

The information herein that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Neil Stuart, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Neil Stuart is a Director of Dark Horse Resources Ltd.

Mr Stuart has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to 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.

About Dark Horse Resources

Dark Horse Resources Ltd is an Australian, publicly listed mineral resource company (ASX: DHR), with a particular focus on Argentina, where it has invested in lithium and gold projects, with objectives to:

- Control a provincial stake of lithium resources, mine spodumene and produce high grade Lithium Hydroxide for the domestic and international battery and electronic markets.
- Discover and define several multimillion ounce gold deposits and the production of gold doré.

Dark Horse also has a power generation subsidiary, Dark Horse Energy and a substantial holding (33%) in Australian-based and ASX-listed oil and gas exploration company Lakes Oil NL (ASX:LKO).

Company website: www.darkhorseresources.com.au

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



LAS TAPIAS LITHIUM PROJECT – EXPLORATION RESULTS

JUNE 2018

JORC TABLE 1

**CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA
(THE JORC CODE - 2012 EDITION)**

JORC TABLE 1 provides a summary of assessment and reporting criteria used for the LAS TAPIAS LITHIUM PROJECT in accordance with the Table 1 Checklist in *“The Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition)”*.

Section 1

Sampling Techniques and Data

(Criteria in each section apply to all preceding and succeeding sections.)

Criteria	Explanation
<i>Sampling techniques</i>	All recent drillholes were fully cored to the total depth. Drilling rigs comprised conventional units providing core samples of 63.5mm diameter core. Holes were either drilled vertical or at an incline.
<i>Drilling techniques</i>	Diamond drilling using diamond faced drilling bit. The drilling was done utilising an Energold 407 rig. Support trucks and assessor mud equipment were employed. All drillholes are fully cored from surface to total depth.
<i>Drill sample recovery</i>	Core is drilled and recovery noted by supervising geologist. Seam intervals with less than 95% linear recoveries are re-drilled, unless precluded by adverse geological conditions.
<i>Logging</i>	Drill cores are lithologically logged in the field by Dark Horse Resources geologists experienced in mineral resource investigation.
<i>Sub-sampling techniques and preparation</i>	Sampling has not been carried out as yet. It is planned to be done on a nominal 1.0 metre interval basis but is dependent on the lithology. Drill cores will be halved and then quartered. It is intended to use half the core for assay testing and the remainder will be kept at the site for record and for any other testing including metallurgical testing. Sampling will be carried out at the near-site core shed. Once sampled, it will be sent to the ALS Mendoza Argentina laboratory for sample preparation, and the analysis sample sent to Australia for testing at the ALS Perth laboratory. A metallurgical testing laboratory has not yet been chosen in Australia for metallurgical testing.
<i>Quality of assay data and laboratory tests</i>	ALS laboratories are recognised globally for expertise in mineral testing, resource analysis and product evaluation programmes. Services include sampling, preparation and assaying.
<i>Verification of sampling and assaying</i>	ALS maintains the internal quality controls and detailed laboratory analytical methods required as the necessary documentation for JORC reporting. The competency of ALS laboratories is regularly benchmarked by external auditors against the professional laboratory standard – ISO 17025. The external auditors of the laboratories vary from country to country, but include the most reputable organisations such as SANAS, NATA and CALA.
<i>Location of data points</i>	All survey data are in co-ordinates based on the Gauss Kruger datum. Drill hole collars will be surveyed, post drilling, by registered surveyors.
<i>Data spacing and distribution</i>	Nominal drillhole data spacing will be between 25 and 250 meters through the main Las Tapias Mine project area. Hole locations were sited within the historic mine area initially where mapping has identified mineralization. Drilling will step out from here to infill data gaps.



<i>Orientation of data in relation to geological structure</i>	Drilling is oriented at differing inclines to intersect the ore body perpendicular to the structures wherever this are known, but due to the nature of the variable mine surface, this cannot always be achieved. It is too early in the program to fully understand all structure and the dip/incline of the deposit.
<i>Sample security</i>	Samples are stored at site in a secured workshop managed by the supervising geologist. The supervising geologist will arrange a respected courier company to deliver the samples to the respective ALS Global laboratory in Mendoza, Argentina, who will then take control of the samples.
<i>Audits or reviews</i>	Reviews and audits of the Las Tapias Mine Project have previously been undertaken by Pampa Litio SA (now owned 25% Dark Horse Resources). Dark Horse Resources has undertaken mapping and sampling and a number of internal company reviews of the project previously.

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)	
Criteria	Explanation
<i>Mineral tenement and land tenure status</i>	<p>Dark Horse Resources Ltd is an Australian-based resource company with mineral assets in Argentina.</p> <p>The area referred to in this report is covered by Mining Licenses: Las Tapias 912/38, La Rosita 5601/58, San José II 10874/04, La Protectora 1567/41, San Telesforo 1698/41, San José 5445/57 and Exploration License Piedra Pintada 2013/16 (in process). All licenses are held by the Andino Family. Dark Horse has an Agreement with the Andino Family, to acquire 100% of the tenements by completing a series of investment and expenditure payment commitments over a number of years.</p>
<i>Exploration done by other parties</i>	<p>The Las Tapias Mine has been operated in the past for the exploitation of beryl, mica, feldspar and quartz. Some general records of these activities are available.</p> <p>Previous recent exploration and evaluation activities have been undertaken by Pampa Litio SA. There are no records of any prior exploration but it is assumed some may have been carried out. No JORC Resources has been reported.</p> <p>Dark Horse Resources has been conducting exploration in the area from early 2017 and active exploration works since late 2017.</p>
<i>Geology</i>	<p>The Las Tapias Project consists of a flat-lying complex pegmatite that is hosted by mafic metamorphic rocks of Pre- Cambrian age, with no apparent relation to granitic intrusions. On a regional scale the mine is centered on a semi-circular or ellipsoidal feature with NW-SE elongation 1.1 km in length by 0.8 km wide.</p>
<i>Drill hole information</i>	Refer to attached Summary Drillhole Table and the Las Tapias Drillhole Location figures.
<i>Data aggregation methods</i>	At the time of this current reporting there has been no assaying completed.



<i>Relationship between mineralisation widths and intercept depths</i>	Intersections of the mineralised sections have been made as apparent thicknesses will be reconfigured such that true thicknesses can be reported. This has not yet been able to be carried out as the program is still in its infancy.
<i>Diagrams</i>	See "Drill hole information" section above.
<i>Balanced reporting</i>	To date no formal exploration report or resource estimation has been prepared.
<i>Other substantive exploration data</i>	A detailed air photogrammetry and remote sensing has been carried out on the project area and used to define and confirm the project stratigraphy and structural geology, in conjunction with Argentine regional geological interpretation mapping. Dark Horse Resources carried out field mapping and sampling/assaying during late 2017 early 2018.
<i>Further Work</i>	The planned drilling program is for a total 3,000m of diamond drilling with 24 holes. Drill core will be sampled and assayed. This will allow sufficient exploration data to be obtained to allow the evaluation of the resources. Additional resource definition drilling will be done to increase the confidence of the resources and explore for any extension of resources.

Section 3	Estimation and Reporting of Mineral Resources SECTION 3 IS NOT APPLICABLE AS NO MINERAL RESOURCES ARE BEING REPORTED
Section 4	Estimation and Reporting of Ore Reserves (SECTION 4 IS NOT APPLICABLE AS NO ORE RESERVES ARE BEING REPORTED.)
Section 5	Estimation and Reporting of Diamonds and Other Gemstones (SECTION 5 IS NOT APPLICABLE AS DIAMONDS AND OTHER GEMSTONES ARE NOT THE OBJECTIVE OF THE COMPANY AND DO NOT IN EXIST AT THE PROPERTY).