



ASX Announcement

6 October 2017

PROAR Gold Property Deal Executed

Further to its market release of 29 September 2017, Dark Horse Resources Limited (ASX:DHR; “DHR”, “Dark Horse” or “Company”) is pleased to announce that it has executed the acquisition and transfer agreements for the PROAR portfolio of gold-prospective properties in Argentina with the vendor (**Figures 1, 2 and 3**). Dark Horse has paid USD5,000 in cash and will issue AUD100,000 worth of Dark Horse shares at a price of 0.7 cents per share. Dark Horse will issue another 30 million shares in 12 months, and provide a 2% Net Smelter Royalty on any future product sold, to complete the 100% ownership of all of the properties.

Ownership of all properties will be transferred to Dark Horse’s 100% Argentine subsidiary company Excarb SA.

The PROAR properties are all located within the Deseado Massif, which covers a large region in Santa Cruz. The Deseado Massif hosts numerous low-sulphidation, epithermal, precious-metal quartz vein and vein-breccia deposits that appear to have closely followed the Jurassic acid volcanism (see **Figure 4**). There are six operating mines in the area: Cerro Negro – Goldcorp; Cerro Vanguardia – AngloGold Ashanti; Minera Santa Cruz – Mauricio Hochschild/McEwen Mining; Manantial Espejo – Panamerican Silver; Mina Marta – Hunt Mining; and Martinetas – Minera Don Nicolas. There are several advanced projects under exploration, and Cerro Moro – Yamana Gold is under construction.

Dark Horse commissioned a Prospectivity Matrix study to indicate Target Prospectivity for each of the leases. A valorization matrix using Kilburn’s modified valuation methodology, including closeness to infrastructure (energy, roads and services), stratigraphy, geophysics, alteration, geochemistry, structure and mineralization. The results of this work have assisted Dark Horse in prioritizing the potential of each project and in the formulation in designing exploration programs for the properties.

There are a number of properties which have indicated good prospectivity including Fenix, Aguada Grande (adjacent to Dark Horse’s Los Domos Gold project), Halcon, Cerro La Tabla, Aguada del Cuero and Tres Cerros Sur.

Dark Horse Director and gold expert Neil Stuart, is making a field visit to some of the PROAR properties in late October 2017 and will design a comprehensive exploration program in conjunction with the Company’s Argentine exploration team, which will commence early 2018.



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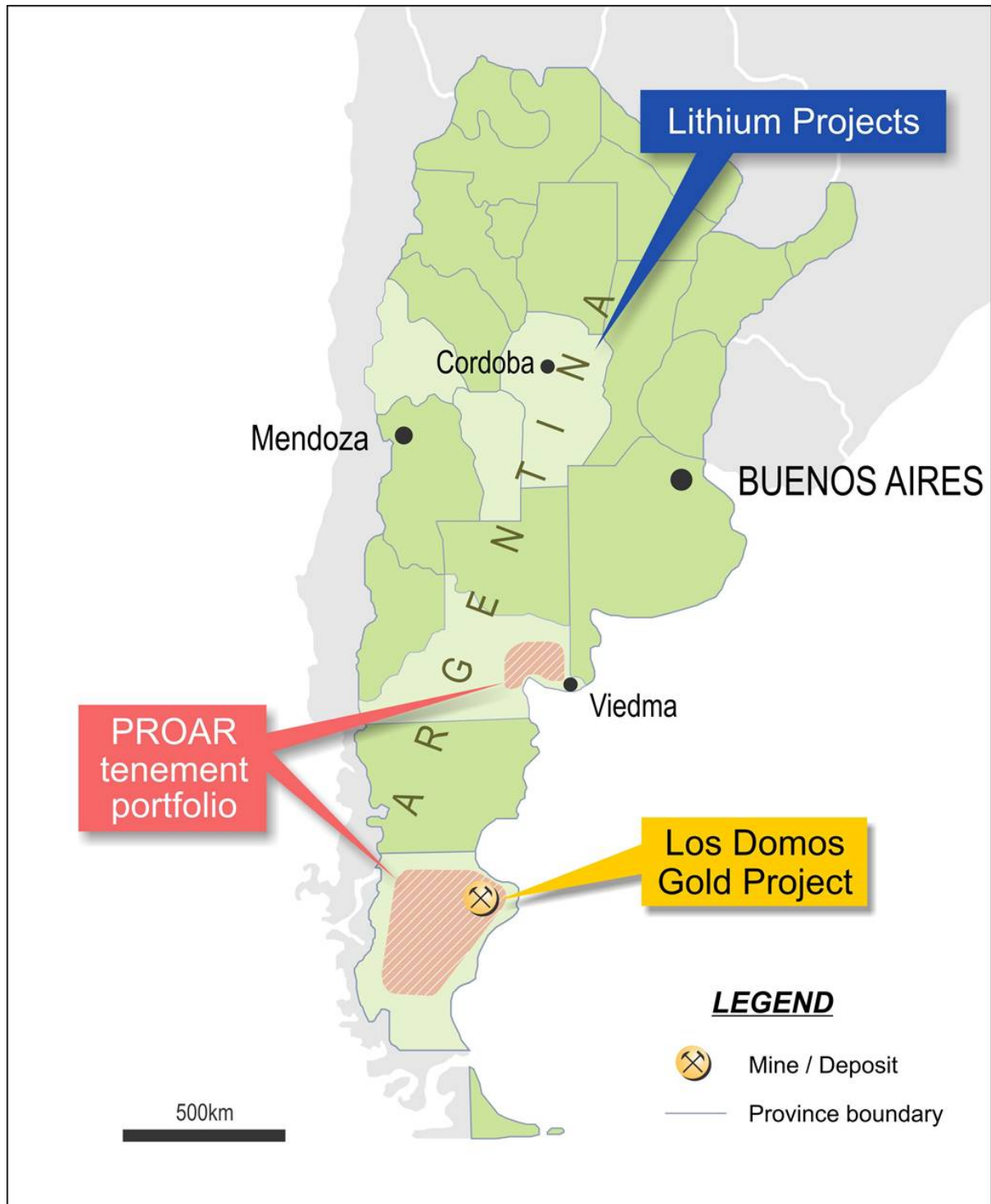


Figure 1 – Location of Dark Horse's mineral projects in Argentina.

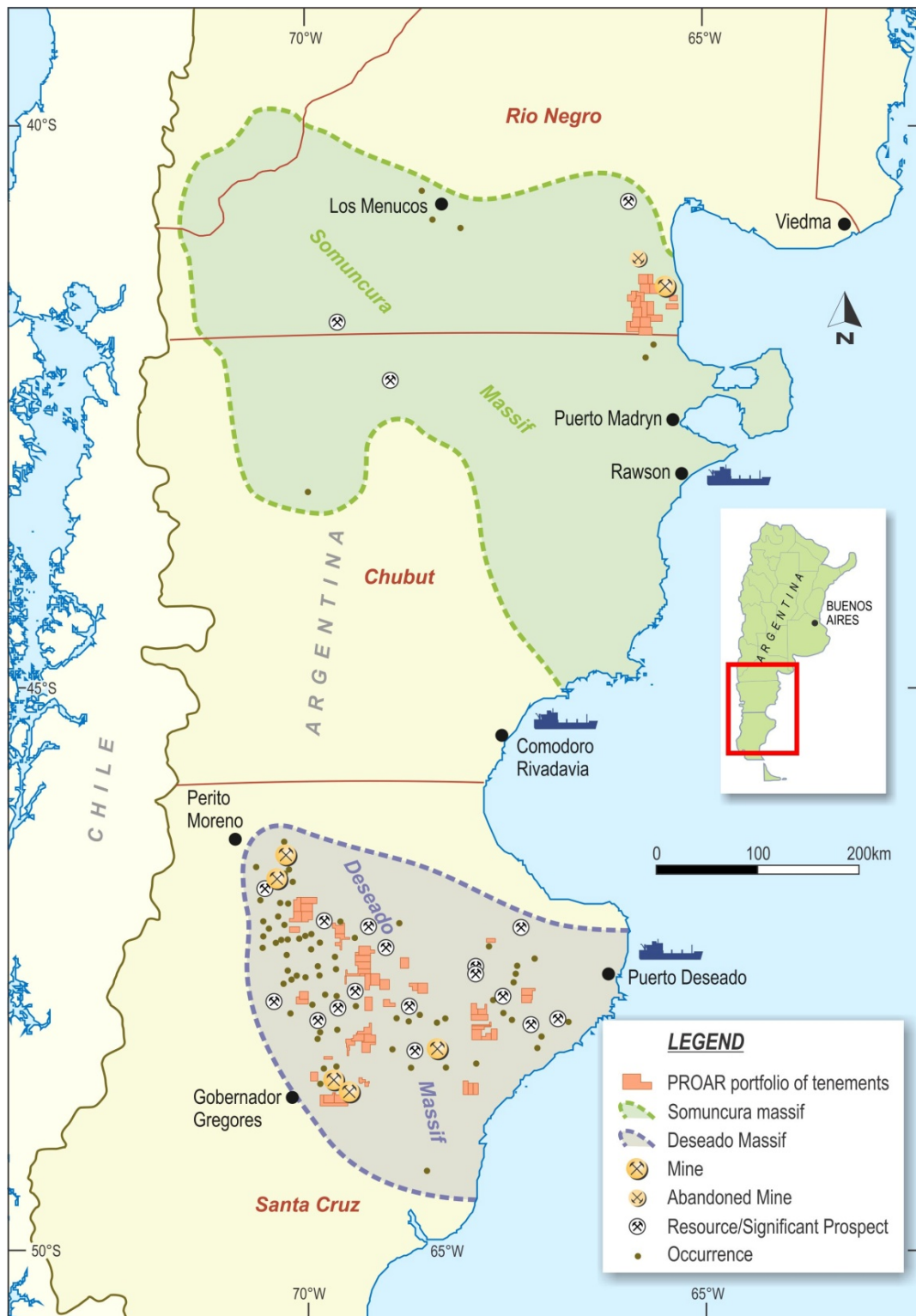


Figure 2: Location of the PROAR tenements within Argentina



Figure 3: Location of PROAR tenements within the Santa Cruz Province

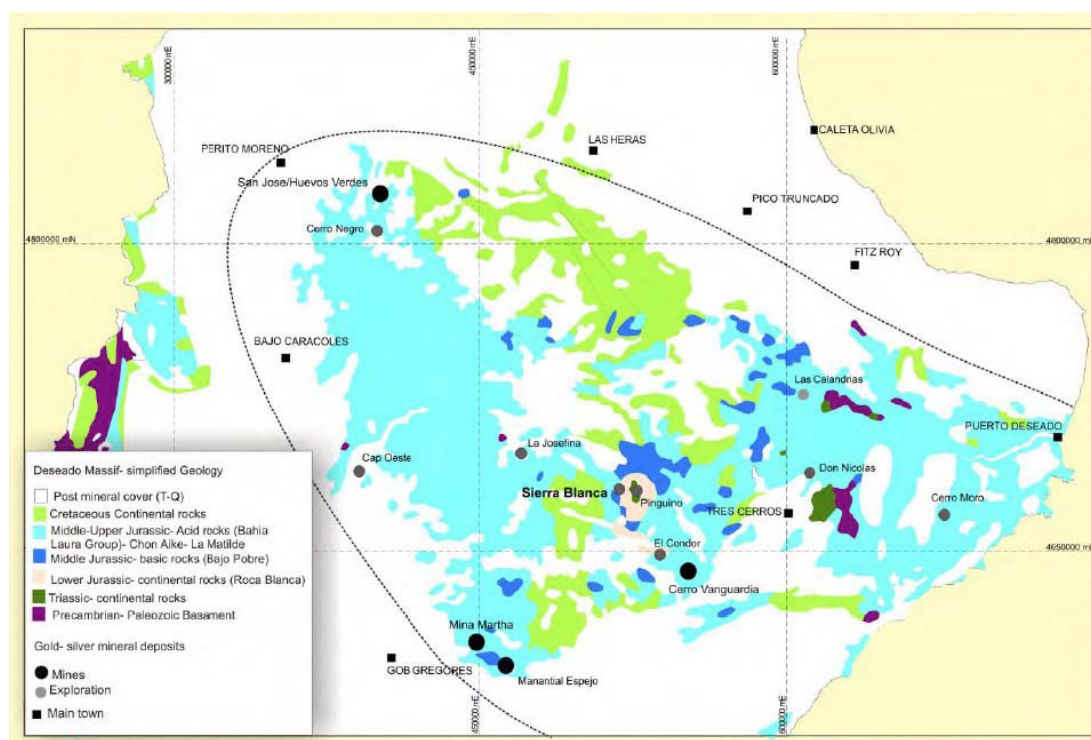


Figure 4: Regional geology of Santa Cruz and the major gold deposits and mines



On behalf of the Board
Mr Karl Schlobohm
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About Dark Horse Resources:

Since listing on the Australian Stock Exchange in 2011, Dark Horse Resources (formerly Navaho Gold) has evolved into a diversified exploration company primarily focussed on Argentina. The Company currently has gold, coal, lithium and energy projects in Argentina.

Argentina is undergoing significant political and social reforms, which has created a very attractive destination for mining and diverse project interests.



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