



10 October 2019

## ASX Announcement

### Outstanding Assay Results Follow Discovery of Visible Gold Metal and Silver Sulfosalts at Presagio

#### HIGHLIGHTS:

- Assay results have been returned for visible Gold metal and Silver sulfosalts discovered at Presagio West (refer ASX release 26 September 2019). So far all samples returned high grade anomalous assay results of Gold and Silver. Of the six (6) anomalous samples, three (3) have results above 7 g/t Gold.
- In Presagio East, more bonanza Silver has been discovered, with representative samples returning 3,112 g/t Silver and 1,968 g/t Silver.
- Presagio Central has returned the highest Gold sample overall, with 29.6 g/t Gold, as well as eight (8) further anomalous results.

Dark Horse Resources Limited (Dark Horse, the Company, ASX:DHR) is pleased to provide an update of the Las Opeñas Gold Project as it continues its surface sampling and detailed mapping program. A number of samples have returned outstanding high-grade Gold and Silver assay results from the Presagio West, Presagio East and Presagio Central targets (prospect locations shown on **Figure 1** and full assay results in **Table 1**).

Dark Horse Resources Chairman Nick Mather said:

***“The Presagio epithermal vein system at Las Opeñas is showing extensive, high-grade Gold and Silver mineralisation at surface, and the new discoveries within the lease are adding to the potential size of this project. We look forward to getting the next phase of drilling underway, from which we expect to be able to confirm mineralisation at depth, and move the project towards resource definition.”***

#### **Results of Visible Gold Metal and Silver Sulfosalts – Presagio West**

So far, all six of the six (6) samples taken have returned anomalous Gold-Silver results from one substantial vein breccia at Presagio West. Dark Horse previously discovered visible Gold metal and Silver sulfosalts in this particular vein, which had indicated high grades from visual observation of minerals (refer to ASX release of 26 September 2019). The six (6) anomalous results are as follows:

- **7.90 g/t Gold, 1,747 g/t Silver**, in rock chip
- **8.40 g/t Gold, 190 g/t Silver**, in rock chip
- **7.00 g/t Gold, 516 g/t Silver**, in rock chip
- **3.60 g/t Gold, 497 g/t Silver**, over 0.4m
- **2.40 g/t Gold, 125 g/t Silver**, over 0.6m
- **1.80 g/t Gold, 4 g/t Silver**, over 1.5m

Each sample was taken at various cross sections along the strike length of the vein. The vein is located in an area which is partially covered by alluvial sediment, indicating that additional breccia and quartz vein network should be present beneath cover. The vein material is partially oxidized consisting of granite clasts, with vuggy texture, and containing Galena (Lead Sulphide), Sphalerite (Zinc Sulphide), Pyrite, and visible Gold metal and Silver sulfosalts, indicative of a well endowed epithermal precious metals system.



In outcrop, Presagio West is up to 70 meters wide, and represents Dark Horse's next main drill target on the Project. Additional representative channel samples have been taken along this vein to further define this highly promising mineralized feature. Assay results are pending (refer **Figure 2**).

#### **Additional Bonanza Silver – Presagio East**

Previously, Presagio East had revealed high grade Silver results of **2,098 g/t** and **272 g/t**, with both samples collected from one large vein (refer to ASX release of 20 September 2019). Dark Horse is pleased to discover additional bonanza Silver results returned from this same vein system:

- **1.90 g/t Gold, 3,112 g/t Silver**, over 1m
- **0.70 g/t Gold, 1,968 g/t Silver**, over 0.6m
- **0.20 g/t Gold, 400 g/t Silver**, in rock chip
- **0.03 g/t Gold, 345 g/t Silver**, over 0.6m

#### **High Grade Gold – Presagio Central**

Nine (9) out of 11 samples at Presagio Central returned anomalous Gold-Silver results. The highest results are as follows:

- **29.60 g/t Gold, 277 g/t Silver**, over 1.1m
- **4.00 g/t Gold, 71 g/t Silver**, over 0.9m
- **1.80 g/t Gold, 34 g/t Silver**, over 0.7m

These high grade Gold and Silver samples are located in the area where Dark Horse drilled in March/April this year, and where drillhole LORC-19-13 provided 1m at 4.8 g/t Gold, 349 g/t Silver from 23m (refer to ASX release of 27 May 2019).

The best Gold-Silver grades in Presagio Central occur on east-west flexures within vein systems associated with Pyrite, Sphalerite (Zinc Sulphide) and Galena (Lead Sulphide), indicative of a well endowed epithermal precious metals system.

#### **Future Exploration Program**

The Company has prudently decided to continue this surface exploration work and attempt to exhaust the extent of identifiable mineralisation within the Las Opeñas lease, to ensure that the next drilling phase optimizes resources definition.

This work includes further representative channel sampling throughout the Presagio vein system, the new Zora prospect in the far north of the lease, and the large area between Zora and Presagio, which is yet to be investigated.

Following completion of this work, expected late 2019, Dark Horse will implement a comprehensive drilling program to test these areas at depth.

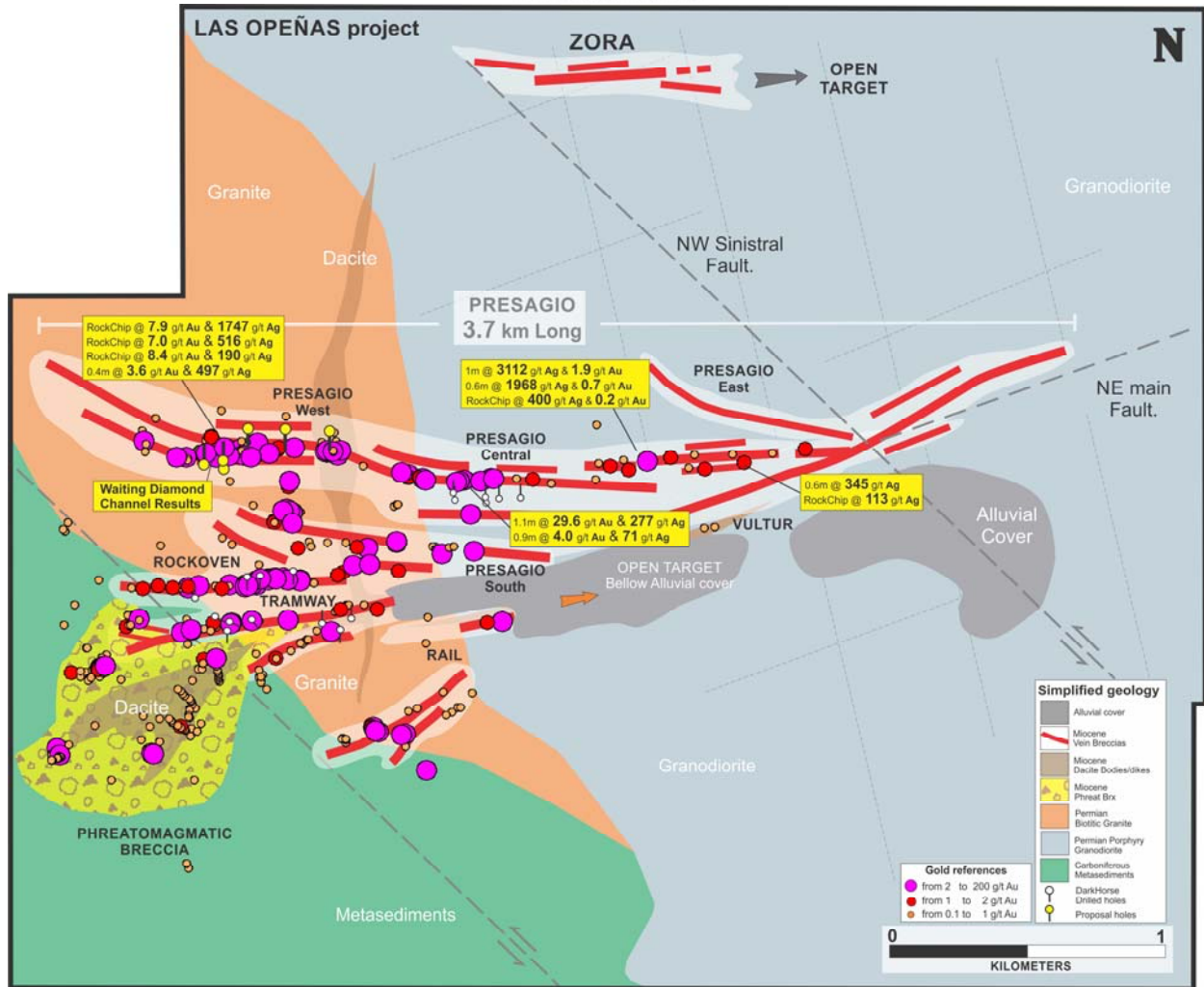


Figure 1: Las Opeñas vein breccia prospects and location of high Gold-Silver grade assays.



Figure 2: Vein breccia outcrop with visible Gold metal and Silver sulfosalts – Presagio West (awaiting results)



**Table 1 Channel Sampling Results**

Sample	Target	Sample Type	x	y	z	Length	Gold g/t	Silver g/t	Arsenic g/t	Lead g/t	Antimony g/t	Zinc g/t
A-7233	Presagio Central	Rock_Channel	2467303	6706078	3233	0.8	1.04	39	2676	2219	5	351
A-7234	Presagio Central	Rock_Channel	2467303	6706079	3233	0.7	0.22	33	1971	1740	5	515
A-7235	Presagio Central	Rock_Channel	2467288	6706062	3239	0.9	0.06	5	361	180	5	694
A-7236	Presagio Central	Rock_Channel	2467256	6706069	3245	0.8	0.27	14	555	695	5	922
A-7237	Presagio Central	Rock_Channel	2467255	6706071	3246	0.8	0.02	63	627	109	5	3275
A-7238	Presagio Central	Rock_Channel	2467226	6706067	3257	0.85	0.97	85	1302	2781	5	839
A-7239	Presagio Central	Rock_Channel	2467226	6706069	3257	0.8	0.80	32	1324	3721	5	751
A-7240	Presagio Central	Rock_Channel	2467221	6706066	3254	1.1	29.67	277	8264	23900	113	3847
A-7241	Presagio Central	Rock_Channel	2467221	6706068	3254	0.7	1.84	34	2221	3553	5	1239
A-7242	Presagio Central	Rock_Channel	2467214	6706067	3264	0.9	4.02	71	3936	4037	74	1218
A-7243	Presagio Central	Rock_Channel	2467196	6706064	3260	0.7	0.54	96	4306	1614	59	3283
A-7244	Presagio East	Rock_Chip	2467708	6706268	3211		0.05	55	2770	162	5	538
A-7245	Presagio East	Rock_Chip	2467708	6706266	3211		0.05	36	1317	202	5	311
A-7246	Presagio East	Rock_Channel	2467669	6706234	3236	0.5	0.02	7.4	410	58	5	119
A-7247	Presagio East	Rock_Chip	2467757	6706271	3226		0.06	25	3021	64	5	409
A-7248	Presagio East	Rock_Chip	2467757	6706272	3226		0.03	8.3	1066	63	5	137
A-7249	Presagio East	Rock_Channel	2467721	6706267	3236	0.6	0.70	1969	2620	2809	138	426
A-7250	Presagio East	Rock_Channel	2467723	6706267	3236	1	1.89	3112	2375	3391	108	339
A-7251	Presagio East	Rock_Chip	2467757	6706273	3226		0.01	33	1648	117	5	247
A-7252	Presagio East	Rock_Chip	2467757	6706274	3226		0.03	23	3368	99	5	390
A-7253	Presagio East	Rock_Chip	2467766	6706272	3224		0.02	24	1682	59	5	282
A-7254	Presagio East	Rock_Chip	2467767	6706270	3224		0.02	23	3708	92	5	322
A-7255	Presagio East	Rock_Chip	2467769	6706249	3226		0.28	400	883	1217	61	117
A-7256	Presagio East	Rock_Chip	2467764	6706251	3224		0.08	125	3875	329	5	339
A-7257	Presagio East	Rock_Chip	2467790	6706276	3219		0.06	32	1262	142	5	115
A-7258	Presagio East	Rock_Chip	2467820	6706276	3216		0.12	66	5245	123	178	201
A-7259	Presagio East	Rock_Chip	2467820	6706279	3215		0.13	50	745	65	5	225
A-7260	Presagio East	Rock_Chip	2467801	6706261	3222		0.03	53	1821	166	5	277
A-7261	Presagio East	Rock_Chip	2467810	6706249	3221		0.03	140	2322	165	5	349
A-7262	Presagio East	Rock_Chip	2467844	6706279	3216		0.01	20	463	75	5	104
A-7263	Presagio East	Rock_Chip	2467786	6706252	3217		0.05	199	1321	234	5	159
A-7264	Presagio East	Rock_Chip	2467851	6706063	3151		0.01	7	623	58	5	94
A-7265	Presagio East	Rock_Chip	2467816	6706066	3159		0.01	1	251	33	5	7
A-7267	Presagio East	Rock_Channel	2467976	6706297	3180	1.2	0.01	230	252	239	52	130
A-7268	Presagio East	Rock_Channel	2467958	6706292	3184	0.6	0.03	345	1245	350	5	163
A-7269	Presagio East	Rock_Chip	2467970	6706302	3184		0.03	3	478	30	5	36

Sample	Target	Sample Type	X	Y	Z	Length	Gold g/t	Silver g/t	Arsenic g/t	Lead g/t	Antimony g/t	Zinc g/t
A-7270	Presagio East	Rock_Chip	2467966	6706310	3184		0.01	4	743	33	5	50
A-7271	Presagio East	Rock_Channel	2467964	6706322	3187	1.5	0.01	37	54	67	5	49
A-7272	Presagio East	Rock_Channel	2467933	6706333	3194	0.4	0.01	5	42	63	5	61
A-7273	Presagio East	Rock_Chip	2467947	6706307	3191		0.03	3	282	20	5	50
A-7274	Presagio East	Rock_Chip	2467933	6706285	3195		0.01	114	666	64	5	141
A-7275	Presagio East	Rock_Chip	2467930	6706283	3198		0.01	11	254	21	5	20
A-7276	Presagio East	Rock_Channel				1	0.05	17	3195	39	5	70
A-7277	Presagio East	Rock_Channel	2467881	6706324	3202	3	0.01	19	291	260	5	193
A-7278	Presagio East	Rock_Chip	2467883	6706309	3205		0.04	13	887	40	5	147
A-7279	Presagio East	Rock_Chip	2467893	6706294	3208		0.01	39	351	91	5	295
A-7280	Presagio East	Rock_Chip	2467887	6706274	3207		0.05	15	1489	54	5	50
A-7281	Presagio East	Rock_Chip	2467927	6706269	3203		0.02	19	837	190	5	238
A-7282	Presagio East	Rock_Chip	2468147	6706276	3178		0.01	25	320	104	5	71
A-7283	Presagio East	Rock_Chip	2468132	6706300	3181		0.01	2	317	14	5	88
A-7285	Presagio East	Rock_Chip	2468181	6706334	3181		0.10	21	1923	127	136	261
A-7286	Presagio East	Rock_Channel	2468196	6706317	3171	0.5	0.03	24	479	389	5	59
A-7287	Presagio East	Rock_Channel	2468189	6706363	3168	0.55	0.01	3	224	47	5	63
A-7288	Presagio East	Rock_Channel	2468145	6706395	3160	4	0.01	0.5	187	5	5	28
A-7289	Presagio East	Rock_Channel	2468267	6706364	3140	1	0.01	0.5	11	22	5	155
A-7290	Presagio East	Rock_Channel	2468273	6706362	3142	1	0.01	0.5	19	15	5	246
A-7291	Presagio East	Rock_Channel	2468264	6706357	3138	2	0.01	0.5	26	58	5	68
A-7292	Presagio East	Rock_Channel	2468489	6706305	3134	1	0.01	0.5	5	22	5	25
A-7293	Presagio East	Rock_Channel	2467501	6706245	3238	0.7	0.03	25	234	320	5	221
A-7294	Presagio East	Rock_Channel	2467508	6706236	3237	1.4	0.01	1	71	30	5	51
A-7295	Presagio East	Rock_Chip	2467547	6706236	3226		0.01	2	259	13	5	67
A-7296	Presagio East	Rock_Channel	2467548	6706230	3224	1	0.10	41	5315	125	67	391
A-7297	Presagio East	Rock_Channel	2467592	6706236	3217	1	0.08	299	1158	130	37	325
A-7298	Presagio East	Rock_Chip	2467622	6706094	3180		0.01	3	145	86	5	213
A-7299	Presagio East	Rock_Chip	2467627	6706094	3182		0.01	12	127	507	5	217
A-7300	Presagio East	Rock_Chip	2467564	6706080	3198		0.06	6	815	3594	5	434
A-7310	Presagio West	Rock_Chip	2466427	6706167	3319		7.87	1746	8735	20070	318	134
A-7311	Presagio West	Rock_Channel	2466437	6706167	3380	0.4	3.56	497	9060	4207	143	98
A-7312	Presagio West	Rock_Channel	2466454	6706163	3373	0.6	2.38	125	2802	2401	53	33
A-7313	Presagio West	Rock_Chip	2466457	6706163	3373		8.38	190	8795	3870	5	124
A-7314	Presagio West	Rock_Chip	2466464	6706160	3370		7.08	516	7975	16800	130	116
A-7315	Presagio West	Rock_Channel	2466476	6706158	3370	1.5	1.77	4	4596	3754	50	126





On behalf of the Board  
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**About Dark Horse Resources**

Company website: <http://www.darkhorseresources.com.au>

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Dark Horse Resources Ltd is a publicly listed mineral resource company (ASX: DHR), with a particular focus on Argentina. It has invested in four gold and lithium projects, which include Cachi Gold Project, Las Opeñas Gold Project, San Jorge Lithium Brine Project and Central Argentina Lithium Spodumene Project.



**Cachi Gold Project**

A 46,892ha lease package in Santa Cruz Province. A prime geographical location e.g. Cerro Negro and Cerro Vanguardia with high value precious metal assays from surface exploration, and a detailed drilling program in planning for the summer of 2019/2020.

**Las Opeñas Gold Project**

Bordering the Indio Belt, where there are multi-million-ounce third-party gold deposits e.g. Veladero and Pascua Lama. DHR undertook first phase drilling in March-April 2019 confirming high grade mineralised zones. Recent surface sampling has further confirmed location of widespread high-grade zones.

**San Jorge Lithium Brine Project**

A group of 15 contiguous Exploration Licences totalling 36,600 hectares over the San Francisco salar and basin in Catamarca province. The nucleus of the salar is 7,000 hectares in an area with elevated lithium concentrations e.g. Hombre Muerto, Maricunga. Completion of this project acquisition deal is currently subject to the finalization of due diligence.



#### Central Argentina Lithium Spodumene Project

DHR discovered and on 5 March 2018 reported superior assay results of Li<sub>2</sub>O from individual representative surface samples up to 2.3% Li<sub>2</sub>O (commercially significant deposits are above 1%). A potential lithium spodumene province.

The primary objectives of these projects are to:

- Discover and define several multi-million ounce gold deposits.
- Define substantial lithium resources, mine spodumene and brine, and produce high grade lithium products for the domestic and international battery and electronic markets.

Dark Horse also has a power generation subsidiary, Dark Horse Energy and a substantial holding (circa 30%) in Australian-based and ASX-listed oil and gas exploration company Lakes Oil NL (ASX:LKO).

The Board believes that it will be successful in the short to medium term in defining Company making projects for which it will add value through further exploration and resource definition, with commercialisation options to be reviewed on a case by case basis upon maiden resource definition.

#### **Competent Persons Statement**

The information herein that relates to Exploration Targets and Exploration Results is based information compiled by Mr Jason Beckton, who is a member of The Australian Institute of Geoscientists. Mr Jason Beckton is a Director of Dark Horse Resources Ltd.

Mr Beckton has more than fifteen 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.

## JORC Code, 2012 Edition – Table 1 Dark Horse Resources Limited

### LAS OPENAS PROJECT - EXPLORATION PROGRAM REPORTING - DARK HORSE RESOURCES

#### Section 1: Reporting of Exploration Results

#### Section 2: Sampling Techniques and Data

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Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<p>ROCK CHIP</p> <ul style="list-style-type: none"> <li>Stratified random chip sample across outcrop trend, collecting 3-4Kg of material</li> <li>Sampling by qualified Geologists</li> </ul> <p>DAIMOND SAWN CHANNEL SAMPLES</p> <ul style="list-style-type: none"> <li>Sawn Channel samples were collected of argentite-galena-sphalerite bearing quartz veins and zones of silicification under the supervision of a qualified geologist.</li> <li>Sample locations were surveyed with a handheld GPS then permanently marked with an aluminium tag.</li> <li>Representative sawn cut samples of 2-3Kg weight were taken across the strike of the outcrop over 1 metre intervals except where noted.</li> <li>Photographs taken of each interval sampled.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative</li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>



Criteria	JORC Code explanation	Commentary
	<p><i>nature of the samples.</i></p> <ul style="list-style-type: none"> <li>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.</li> </ul>	
Logging	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>ROCK CHIP</p> <ul style="list-style-type: none"> <li>Field description of outcrop with reference to lithology, alteration, mineralization and structure</li> </ul> <p>DAIMOND SAWN CHANNEL SAMPLES</p> <ul style="list-style-type: none"> <li>Sawn Channel samples were geologically and structurally logged by a qualified geologist for lithology, alteration, mineralization (including sulphide and quartz content) and structure</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>DAIMOND SAWN CHANNEL SAMPLES</p> <ul style="list-style-type: none"> <li>Sawn Channel samples were cut with a width of at least 5cm (the same sample support achieved by NQ core from diamond drilling); care was taken in chiselling out the channel to ensure an even profile that was not bias by the material hardness.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of</li> </ul>	<ul style="list-style-type: none"> <li>Samples were analyzed by Alex Stewart Laboratories, Mendoza.</li> <li>Sample preparation of fine crush, riffle split and ring pulverizing of 1kg to 85% &lt; 75µm</li> <li>Pulps are analyzed using method codes Au4-30 &amp; ICP-MA-39; a 30g fire assay with an AA finish and a 39 element determination using an aqua-regia digestion with ICP-AES determination.</li> <li>OREAS® Standards are inserted in the sample sequence at the rate of 1 in 40.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>accuracy (ie lack of bias) and precision have been established.</i>	
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Laboratory CSV files are merged with location data files using unique sample numbers as the key.</li> <li>• No adjustments made to assay data</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• Samples are located using handheld GPS receivers.</li> <li>• UTM projection Gaus_Kruger_(CIZ2)</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <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></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Stage 1 Exploration Sampling only</li> <li>• No compositing has been applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Samples are collected transverse to the strike of the outcrop.</li> <li>• No bias is believed to be introduced by the sampling method.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples are stored in a secure location and transported by company personnel to Alex Stewart International Argentina S.A. laboratory in Mendoza. Samples were not left unattended at any time.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Internal review of methodology is undertaken regularly by senior company personnel.</li> </ul>

## Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																																
Mineral tenement and land tenure status	<ul style="list-style-type: none"><li>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.</li><li>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.</li></ul>	<ul style="list-style-type: none"><li>Dark Horse Resources Ltd, through subsidiaries and contractual rights, holds rights to the Las Openas tenements with Genesis Minerals (Argentina) SA</li></ul> <table><tr><th>Payment Scheme</th><th>Payments USD</th><th>Payments DHR shares</th><th>DHR Equity Earn</th></tr><tr><td>Signing Fee</td><td>US\$50,000</td><td></td><td>0%</td></tr><tr><td>1 year from start date</td><td>US\$110,000</td><td>20,000,000</td><td>25%</td></tr><tr><td>2 year from start date</td><td>US\$110,000</td><td>30,000,000</td><td>51%</td></tr><tr><td>3 year from start date</td><td>US\$110,000</td><td>40,000,000</td><td>75%</td></tr><tr><td>Extra payment for another 20%</td><td>US\$500,000</td><td></td><td>95%</td></tr></table> <p>Should Dark Horse elect not to increase its share to 95%, each party will fund the project based on their then current equity positions. If it progresses to a 95% level of equity, Dark Horse has a call option for the vendor to convert the remaining 5% equity and the NSR at an agreed price (to be independently valued) for cash or equivalent DHR shares at the discretion of DHR. Dark Horse is also required to make a series of expenditure payments on the project totaling U\$1.4 million over three years as follows:</p> <table><tr><th>Expenditure</th><th>Amount U\$</th></tr><tr><td>Year 1</td><td>U\$250,000</td></tr><tr><td>Year 2</td><td>U\$350,000</td></tr><tr><td>Year 3</td><td>U\$800,000</td></tr></table>	Payment Scheme	Payments USD	Payments DHR shares	DHR Equity Earn	Signing Fee	US\$50,000		0%	1 year from start date	US\$110,000	20,000,000	25%	2 year from start date	US\$110,000	30,000,000	51%	3 year from start date	US\$110,000	40,000,000	75%	Extra payment for another 20%	US\$500,000		95%	Expenditure	Amount U\$	Year 1	U\$250,000	Year 2	U\$350,000	Year 3	U\$800,000
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Exploration done by other parties	<ul style="list-style-type: none"><li>Acknowledgment and appraisal of exploration by other parties.</li></ul>	<ul style="list-style-type: none"><li>There are no known impediments to exploration in the current area of operations.</li><li>Teck Minerals discovered the property in a modern sense in 2005. Significant surface sampling was completed by Teck with 912 rock chips samples taken.</li><li>Teck farmed the rights out to Genesis Minerals Ltd, an ASX listed company. Genesis completed two drill programs in 2012 and 2014 focused on a phreatic magmatic breccia of the style of Salares Norte in Chile. No significant results were returned from the drill program but Teck did recommend deeper drilling on the untested margins of an altered dacitic dome.</li></ul>																																
Geology	<ul style="list-style-type: none"><li>Deposit type, geological setting and style of mineralisation.</li></ul>	<ul style="list-style-type: none"><li>Epithermal veins – The presence of breccia style veins is targeted including Presagio</li></ul>																																

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		<p>vein which has been identified and sampled during the initial program of Teck carried out in 2006.</p> <ul style="list-style-type: none"> <li>• Pre-ate magmatic or possible High Sulphidation mineralisation – was the principal target of Teck and Genesis, seeking systems such as Salares Norte (Goldfields Mineral Resource 2015 26.8Mt @ 3.9g/t Au and 48g/t Ag for 3.3 MoZ Au and 42 MOz Ag.) This remains a target of Dark Horse</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>• 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: <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> </li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Equivalent grades were not used in any tables or summations of the data.</li> <li>• Where sample aggregation has occurred for presentation purposes grades are calculated as a length weighted average of raw data.</li> </ul>
<b>Relationship between mineralisation widths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should</li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable</li> </ul>

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<i>and intercept lengths</i>	<i>be a clear statement to this effect (eg 'down hole length, true width not known').</i>	
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Sample Location map included in discussion</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Full sample listing included.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – stage 1 exploration</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Follow-up mapping and sampling in progress</li> </ul>