



ASX ANNOUNCEMENT
23 August 2019

ASX Code: FRN
Shares on Issue: 250,000,000
Cash: \$1.86 million

Director: Thomas Bahen
Director: Zane Lewis
Director: Aidan Platel
Secretary: Zane Lewis

Registered Office
Suite 6, 295 Rokeby Rd,
Subiaco, WA, 6008

Postal Address
Suite 6, 295 Rokeby Rd,
Subiaco, WA, 6008

Website
www.frmetals.com.au

T: +61 (8) 6555 2950
F: +61 (8) 6166 0261

ACN: 098 236 938

Fraser Range Metals Group Limited

Fraser Range Metals Group is an early stage explorer of nickel, copper and gold in the Fraser Range region of Western Australia.

The Company is committed to the exploration of its Fraser Range project located approximately 215km east of Kalgoorlie, Western Australia and to the expansion of its portfolio of mineral exploration opportunities.

For enquiries please contact:

info@frm Metals.com.au
T: +61 (8) 6555 2950

FRASER RANGE METALS TO ACQUIRE MOUNT ADRAH GOLD PROJECT

Highlights

- FRN has entered into a conditional agreement to acquire Wildcat Resources Limited which holds the Mount Adrah Gold Project in South-Central NSW
- Situated in the Lachlan Orogen which contains globally significant gold orebodies in the Cadia (36.6M oz Au)¹ and Cowal (6.1M oz Au)² deposits
- Large exploration tenure within a well-endowed gold system that is under-explored for both high grade and bulk tonnage gold
- Mount Adrah Gold Project hosts the Hobbs Pipe gold deposit, with an existing JORC 2012-compliant Mineral Resources estimate of 770,000 oz Au³:
 - 12.1Mt @ 1.1g/t for 440,000 oz (Indicated Resources)
 - 8.4Mt @ 1.1g/t for 330,000 oz (Inferred Resources)

Fraser Range Metals Group Limited (ASX:FRN) ("FRN" or the "Company") is pleased to announce that it has entered into a conditional binding term sheet ("**Acquisition Agreement**") to acquire 100% of Wildcat Resources Limited ("**Wildcat**") (subject to shareholder approval) ("**Acquisition**").

Wildcat holds the Mount Adrah Gold Project ("**Mount Adrah**"), a highly prospective 200km² tenement package located within the well-endowed Lachlan Orogen region in NSW. The project includes the Hobbs Pipe gold deposit which has an existing JORC 2012 -compliant Mineral Resource estimate of 20.5Mt @ 1.1g/t Au for 770,000 oz of contained gold³.

In addition to Hobbs Pipe, a number of high-grade gold reef systems have been identified by historic artisanal workings and limited exploration drilling, including down-hole intercepts such as **10m @ 17.7 g/t Au from 506m**⁴ (GHD009) at the Castor Reef Prospect, about

¹ https://www.resourcesandenergy.nsw.gov.au/_data/assets/pdf_file/0004/541462/gold.pdf

² https://www.resourcesandenergy.nsw.gov.au/_data/assets/pdf_file/0004/541462/gold.pdf

³ JORC (2012) Indicated and Inferred Resources. Refer to ASX Announcement by Sovereign Gold Company Ltd (now Force Commodities Limited) on 27/12/2013: <https://www.asx.com.au/asxpdf/20131227/pdf/42lwgh4996pvch.pdf>. Refer to Appendices A and B for further details.

⁴ Refer to ASX Announcement by Sovereign Gold Company Ltd on 28/10/2013: <https://www.asx.com.au/asxpdf/20131028/pdf/42kc3zbm55l7ys.pdf>

200m north-east of Hobbs Pipe, and **1.2m @ 58.6 g/t Au from 624m**⁵ (GHD011) at the White Deer Reef Prospect, a further 150m to the north-east of the GHD009 intercept. The drill-hole intervals are interpreted to align with the artisanal workings. However, surface geochemistry and drilling have not yet tested the near-surface potential of these targets.

A number of quartz vein reef-style targets were identified as targets of interest in a study by prior owners in 2016. Results on the follow-up work done on some of these targets have been promising to date. Outside of the immediate Hobbs Pipe area, the project has had little exploration activity since the 1990's, with several areas of surface gold anomalies yet to be followed up with drilling.

Fraser Range Director Mr Aidan Platel said "The Mount Adrah Project presents a fantastic opportunity for possible high-grade gold discoveries in the Lachlan Fold Belt, a region known for hosting large gold deposits. The existing Hobbs Pipe resource provides a great starting base, but the potential of the known high-grade gold reefs and the opportunity to find more of them is what the Company finds really attractive. We look forward to completing the acquisition and immediately initiating our exploration strategy to systematically test the priority target areas, which we believe will unlock significant shareholder value."

Mount Adrah Gold Project

The Mount Adrah Gold Project is located 44km from Wagga Wagga, 330km WSW of Sydney in the far western part of the well-mineralised Lachlan Fold Belt (See Figure 1). It is 10km from rail and the Hume Highway, and has available water and power. The existing mining activities in the region mean that the project is close to major infrastructure, services and workforce.

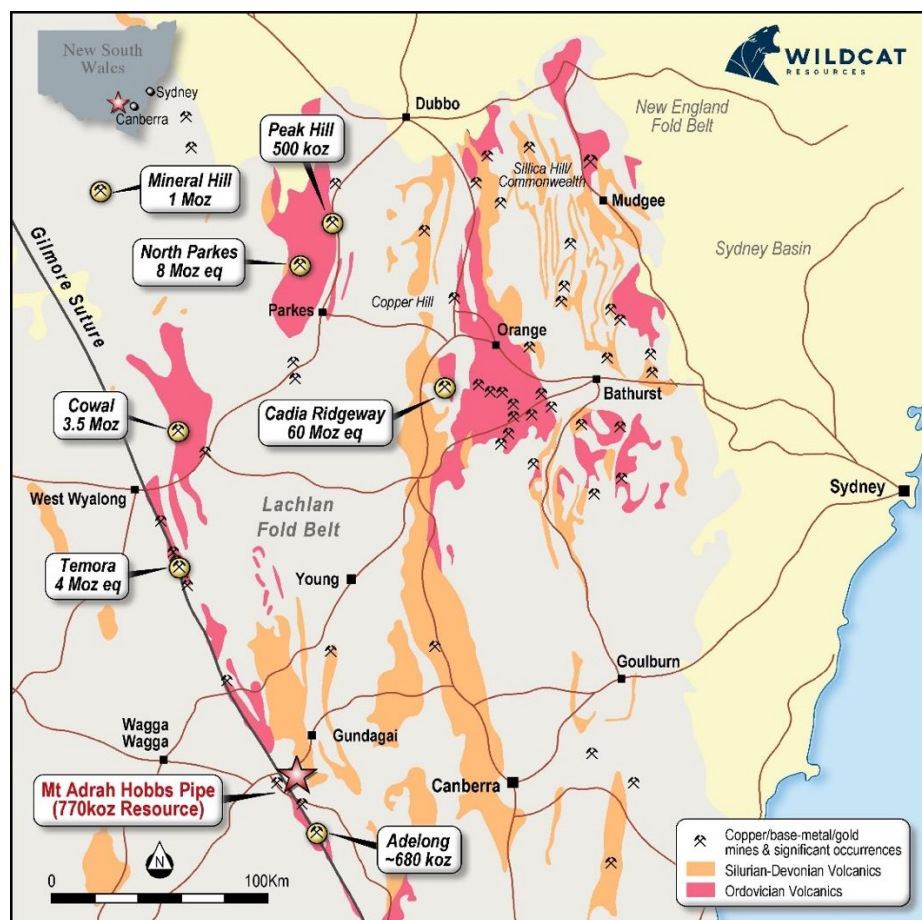


Figure 1 – Location of the Mount Adrah Gold Project on the Gilmore Suture within the Lachlan Fold Belt, NSW.

⁵ Refer to ASX Announcement by Sovereign Gold Company Ltd on 21/11/2013: <https://www.asx.com.au/asxpdf/20131121/pdf/4210lppbrt99lj.pdf>

Tenure and Regional Geology

The Mount Adrah Gold Project comprises three exploration licences for 200km² (see Figure 2). It is located on the Gilmore Suture, a major fault interpreted from regional magnetics that trends NNW-SSE and forms a terrane boundary between the Wagga Metamorphic Belt to the west and the mineralised Central Belt / Tumut Block to the east. Hydrothermal alteration and mafic volcanics are observed along the Gilmore Suture, whilst numerous artisanal workings and mines (e.g. Temora copper-gold deposit: 1.8Moz Au & 837kt Cu; Cobar goldfields) occur proximal to the main fault and smaller structures that splay off to the north.

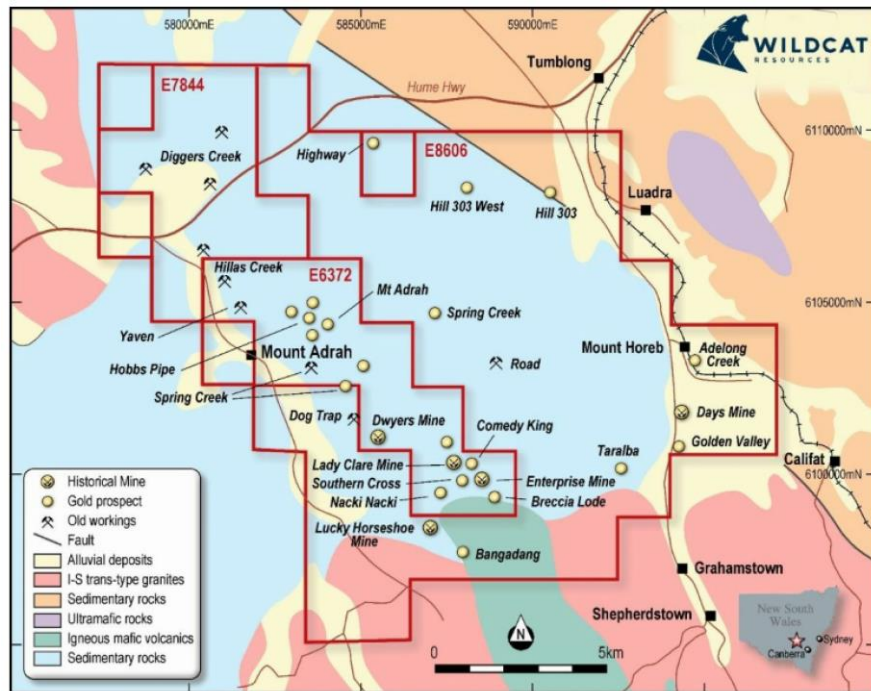


Figure 2 – Tenure of the Mount Adrah Gold Project highlighting the many known gold prospects and historical workings. Simplified from GSNSW geological mapping.

High-grade Gold Mineralisation

Within the Mount Adrah Gold Project and consistently along the Gilmore Suture, high-grade gold mineralisation has been identified hosted within quartz-gold reef systems, many of which were the focus of historic artisanal workings. At Mount Adrah, high-grade gold mineralisation has been observed at the Castor Reef, White Deer Reef, Stark Reef and Targayan Reef via shallow RAB drilling and channel-sampling of the historic workings. Very limited deep drilling intersected the quartz-gold reefs down-dip from the artisanal workings, with high-grade intersections including **10m @ 17.7 g/t Au from 506m** ⁶ (GHD009) at the Castor Reef Prospect and **1.2m @ 58.6 g/t Au from 624m** ⁷ (GHD011) at the White Deer Reef Prospect. Despite the drilling success, the up-dip extension of the reefs between the deep drill-holes and the historical workings at surface has not been effectively drill-tested, and remains a priority target for FRN.

⁶ Refer to ASX Announcement by Sovereign Gold Company Ltd on 28/10/2013: <https://www.asx.com.au/asxpdf/20131028/pdf/42kc3zbm55l7ys.pdf>

⁷ Refer to ASX Announcement by Sovereign Gold Company Ltd on 21/11/2013: <https://www.asx.com.au/asxpdf/20131121/pdf/42l0lppbrt99lj.pdf>

Hobbs Pipe

Hobbs Pipe has been interpreted previously as an Intrusion-Related Gold System (IRGS) located in a dilational zone along the Gilmore Suture within the Mount Adrah Gold Project. The deposit is a structurally-controlled alteration system within a quartz diorite body that intrudes to the current topographic surface. The gold mineralisation is predominately quartz monzodiorite-hosted disseminated gold in arsenopyrite and pyrite, as well as rare native gold occurring in thin quartz veins. In December 2013 previous owner Sovereign Gold Company Ltd (ASX:SOC) (now Force Commodities Limited (ASX:4CE) announced a Mineral Resource estimate for Hobbs Pipe of 20.5Mt @ 1.1 g/t Au for 770,000 ounces of contained gold⁸, as shown in Table 1. The resource outcrops at surface. Selected core holes were viewed by Wildcat and confirmed the alteration style reported. The quartz vein density in the core was low, but may be more consistent than previously noted. This will be checked for other holes where core is available, and its significance evaluated.

Table 1 – JORC (2012) Mineral Resources Estimate for the Hobbs Pipe Gold Deposit

Resource Classification	Depth Below Surface	Oxidation Zone	COG Au (g/t)	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (oz)
Indicated	0 – 150m	Oxides	0.4	0.6	0.9	18,000
		Fresh	0.9	3.0	1.0	96,000
	150 – 700m	Fresh	0.9	8.5	1.2	320,000
TOTAL INDICATED RESOURCES				12.1	1.1	440,000
Inferred	0 – 150m	Fresh	0.5	0.2	0.6	39,000
	150 – 700m	Fresh	0.9	8.2	1.1	290,000
TOTAL INDICATED RESOURCES				8.4	1.1	330,000
TOTAL RESOURCES				20.5	1.1	770,000

Further information on the Hobbs Pipe Mineral Resource estimate is set out in Appendix A to this announcement, including the information required by Listing Rule 5.8.

Other Gold Targets

In addition to the known high-grade gold reefs and Hobbs Pipe, there are several areas of interest at Mount Adrah Gold Project that the Company has flagged for follow-up exploration work. Both the Diggers Creek and Bangadang Prospects lie along the Gilmore Suture to the north and south of Hobbs Pipe, respectively. These prospects have significant gold anomalies at surface identified by previous soil-sampling, rock-chip sampling and RAB drilling programmes. In addition, a large area over the eastern portion of the tenure has seen little to no modern exploration at all; this area lies along strike from the Adelong Reefs to the southeast of the project area, which have historically produced approximately 680koz gold (NSW DPI estimate, 2007) (see Figure 4). The Company believes these target areas are very under-explored and have potential to host high-grade gold mineralisation given their geological and structural settings.

⁸ JORC (2012) Indicated and Inferred Resources. Refer to ASX Announcement by Sovereign Gold Company Ltd on 27/12/2013: <https://www.asx.com.au/asxpdf/20131227/pdf/42lwgh4996pvch.pdf>. Refer to Appendices A and B for further details.

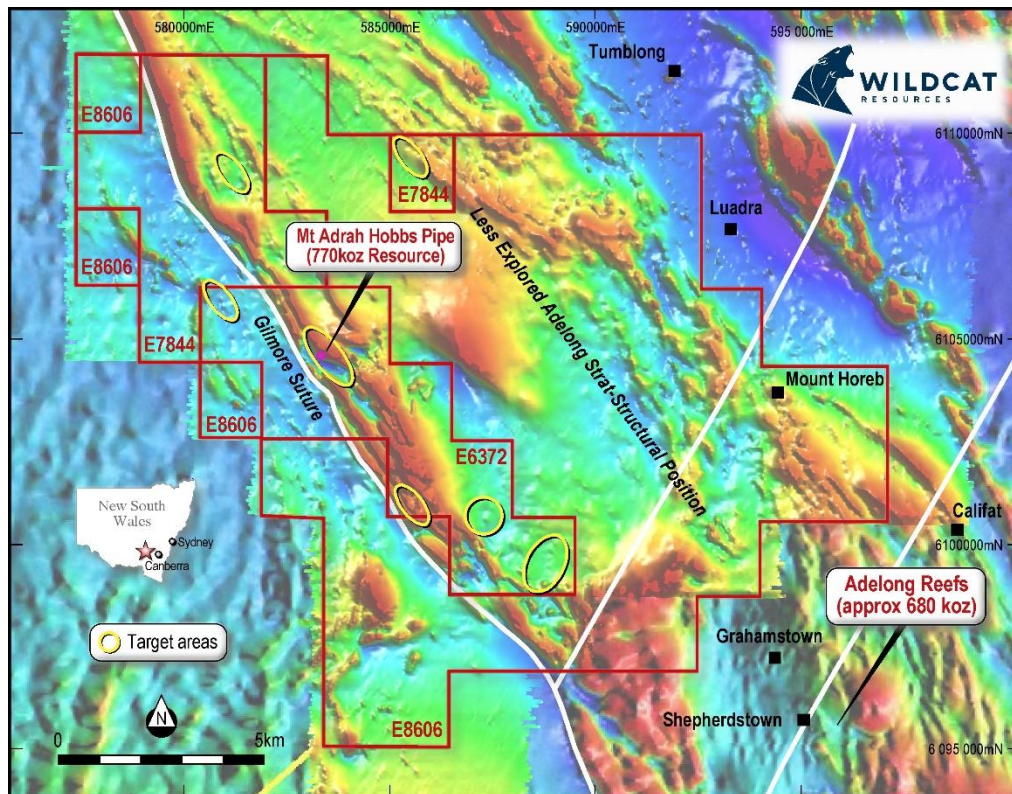


Figure 3 – Map of the Mount Adrah Gold Project showing the location of the Hobbs Pipe deposit and selected current target areas, and the Adelong Reefs deposit to the southeast.

Exploration Strategy

Immediately post-completion of the acquisition FRN intends to initiate systematic exploration of the Mount Adrah Gold Project. A mapping and re-logging exercise has recently been completed and will assist in providing a framework to generate and rank targets, and assist in refining the geological model for Hobbs Pipe. Geochemical sampling programmes are likely to be done over selected target areas to better define drilling targets. The focus will then be on further drill-testing of the known high-grade gold reefs, as well as compilation and analysis of the significant existing geophysical, geochemical and geological data in order to develop new target areas within the less-explored portions of the tenure. Further geological studies of the gold mineralisation at Hobbs Pipe in order to better understand the gold deposit and hence its economic potential for the Company may also lead to revision of the potential of the deposit.

Wellington Range Manganese Project

In addition to the Mount Adrah Gold Project, Wildcat also holds the Wellington Range Manganese Project in Western Australia. The project comprises three exploration licence applications (ELAs) approximately 140km east of Wiluna (see Figure 5). The project was historically owned by the Creasy Group, and has potential for high grade manganese mineralisation.

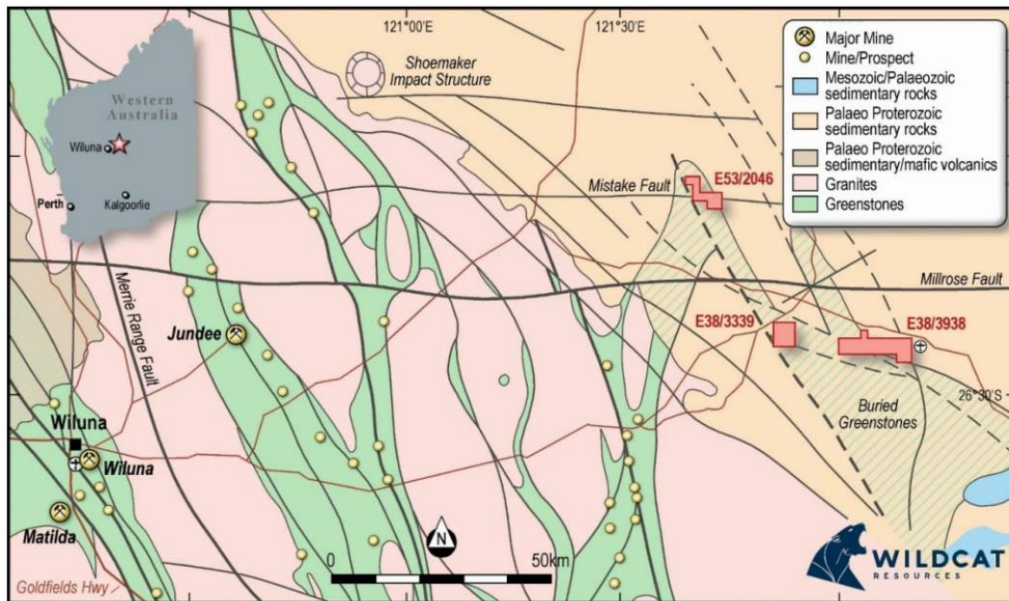


Figure 4 – Map showing the location of the Wellington Range Manganese Project, WA.

Key Terms of the Acquisition Agreement:

- (a) The consideration payable to the shareholders of Wildcat (**Vendors**) (proportionate to each Vendor's shareholding in the Company) will be satisfied by the:
- (i) issue of 63,875,000 Ordinary Shares to the Vendors (or their nominees) (**Initial Consideration**) (at a deemed issue price of 1.6c per share);
 - (ii) issue of 67,000,000 A class Performance Shares to the Vendors (or their nominees) (**Performance A Shares**), on the terms and conditions set out in Annexure A;
 - (iii) issue of 67,000,000 B-class Performance Shares to the Vendors (or their nominees) (**Performance B Shares**), on the terms and conditions set out in Annexure A; and
 - (iv) 20,000,000 unquoted Options exercisable at \$0.04 each on or before the date that is three (3) years after their issue (**Consideration Options**),

(together, **Vendor Consideration**).

- (b) In addition to paying the Vendor Consideration to the Vendors, the Company agrees to issue 3,125,000 Ordinary Shares to Force Commodities Limited in part satisfaction of Wildcat's obligations under the agreement to acquire Mount Adrah from Force (**Force Shares**).
- (c) The Initial Consideration Shares and Force Shares will have a deemed issue price of \$0.016 per Share.

ASX has determined that Listing Rule 11.1.2 applies to the Acquisition.

An entity associated with FRN director Mr Thomas Bahen is a Vendor (**Related Party Vendor**). Accordingly, FRN is required to seek shareholder approval for the acquisition of Wildcat shares from the Related Party Vendor. The Company has commissioned an independent expert to provide an

independent expert's report on the fairness and reasonableness of the acquisition of Wildcat shares from the Related Party Vendor. The report will be included in the notice of meeting seeking approval for the Acquisition.

Key Conditions Precedent

- The Company completing due diligence on Mount Adrah, the Vendors and Wildcat to the Company's satisfaction (acting reasonably) by 20 September 2019 (or such other date as may be agreed between Wildcat and the Company) (**DD Date**), and Wildcat having no more than \$350,000 in liabilities / aged payables at completion;
- the Company having obtained all shareholder and other regulatory approvals or waivers required in connection with the Acquisition or to allow the Company to perform its obligations under the Acquisition Agreement, including approval under Listing Rules 7.1, 10.1, 10.11 and 11.1.2;
- the Company having obtained a report from an independent expert in accordance with Listing Rule 10.1 and that report opining that the Acquisition is fair and reasonable or not fair but reasonable;
- Wildcat and the Company having obtained any regulatory and governmental consents or approvals from relevant authorities required in connection with the Acquisition;
- the Company and Wildcat having obtained any consent required to be obtained under the terms of a third-party agreement;
- Wildcat passing the resolutions required under Chapter 2E of the Corporations Act for the entry by Wildcat into a royalty agreement with Royal Blue Bottle Pty Ltd (**RBB**), an entity of which incoming directors Mr Matthew Banks and Mr Alex Hewlett are shareholders (indirectly) and of which Mr Matthew Banks is a director (**Royalty Agreement**), pursuant to which Wildcat agrees to pay a royalty equal to 2% of all net smelter returns received by Wildcat from commercial production on the Mount Adrah tenements; and
- Wildcat completing due diligence on the Company, to Wildcat's satisfaction (acting reasonably) prior to the DD Date.

Proposed Board and Management Changes

Following the completion of the Acquisition, the Company intends to appoint to the board Mr Matthew Banks as Executive Director and Mr Alex Hewlett as Non-Executive Director. Director Mr Zane Lewis will step down as a director on completion of the Acquisition.

Mr Matthew Banks (Proposed Executive Director)

Mr Banks has near two decades experience specialising in marketing and public relations and more recently in finance. During that time he has developed strong relationships with a number of leading

public and private companies as well as high net worth individuals from across a number of industries. He is also a partner in an advisory firm that recapitalised Spectrum Metals Ltd (ASX:SPX) in 2017.

Mr Banks is a Non-Executive Director of gold and base metal explorer Rumble Resources (ASX: RTR) and is a Non-Executive Director of HitIQ Ltd, which is an Australian developed concussion technology trialling with the AFL and NRL in the 2019 seasons of both codes.

Mr Alex Hewlett (Proposed Non-Executive Director)

Mr Hewlett has an extensive background in public companies including involvement in IPO's, RTO's capital raisings and has sat on the board of several listed companies. Alex is a geologist and is currently Executive Chairman of Spectrum Metals (ASX:SPX)

Alex was instrumental in the listing of gold development company Black Cat Syndicate (ASX Code:BC8) which listed early 2018.

Key Terms of Mr Banks' proposed employment agreement

Salary:

- \$100,000 per annum + superannuation (minimum 2 days per week)

Performance Rights:

- 4M Performance Rights on terms and conditions consistent with performance rights on issue

Incentive Options:

- 3M options with exercise price of 2.5c, expiring 3 years from date of issue.
- 3M options with exercise price of 5.0c, expiring 3 years from date of issue.
- 3M options with exercise price of 7.5c, expiring 3 years from date of issue.
- 3M options with exercise price of 10c, expiring 3 years from date of issue.

The Performance Rights and Incentive Options are subject to prior shareholder approval.

Notice Period: 3 months by FRN or Mr Banks

Key Terms of Mr Hewlett's proposed non-executive letter of appointment

Salary:

- \$30,000 per annum + GST

Performance Rights:

- 4M Performance Rights on terms and conditions consistent with performance rights on issue

Incentive Options:

- 1.5M options with exercise price of 2.5c, expiring 3 years from date of issue.
- 1.5M options with exercise price of 5.0c, expiring 3 years from date of issue.
- 1.5M options with exercise price of 7.5c, expiring 3 years from date of issue.
- 1.5M options with exercise price of 10c, expiring 3 years from date of issue.

The Performance Rights and Incentive Options are subject to prior shareholder approval.

Notice Period: 3 months by FRN or Mr Hewlett

Indicative timing

An indicative timetable for completion of the Acquisition is set out below.

Event	Timing
Complete due diligence	20/9/2018
Notice of meeting sent to shareholders	23/9/2019
Shareholder meeting	24/10/2019
Completion of Acquisition	31/10/2019

Given the Company's current cash position, there are no immediate or interim plans to raise funds in connection with the Acquisition. The Company will continue with exploration plans on its Fraser Range project.

- ENDS -

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr. Aidan Platel

Non-Executive Director

Tel: +61 (8) 6555 2950

aidan@platelconsult.com

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Fraser Range Metals Group Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Fraser Range Metals Group Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person's Statement

The information in this report that relates to Exploration Results and Mineral Resources for the Mount Adrah Project is based on, and fairly represents, information compiled by Mr Damien Keys, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Mr Keys is currently a consultant to Wildcat Resources Limited, the vendor of the Mount Adrah Project. Mr Keys has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Keys consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ANNEXURE A – Terms and Conditions of Performance Shares

(subject to ASX and shareholder approval)

General

(Share capital): Each Performance Share is a share in the capital of the Company.

(General meetings): Each Performance Share confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to Shareholders. A Holder has the right to attend general meetings of the Company.

(No voting rights): A Performance Share does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

(No dividend rights): A Performance Share does not entitle the Holder to any dividends.

(No return of capital rights): A Performance Share does not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(No rights on winding up): A Performance Share has no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

(Transfer of Performance Shares): The Performance Shares are not transferable.

(Reorganisation of Capital): In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.

(Quotation): The Performance Shares will not be quoted on ASX.

(No participation in entitlements and bonus issues): Subject always to the rights under (Reorganisation of Capital), Holders will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.

(Amendments required by ASX): The terms of the Performance Shares may be amended as considered necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

(No other rights): A Performance Share does not give a Holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

Conversion of the Performance Shares into Shares

(Milestones): The Performance Shares will convert into Shares in accordance with the following Milestones:

- 67,000,000 Performance Shares (**Performance A Shares**) will convert into Shares if the Company delineates on the Tenements a minimum Inferred Resource of 7.75Mt at 1 gram per tonne for 250,000 ounces of gold (with a resource cut off of 0.5 grams per ton), outside the current Hobbs Pipe resource estimate (**Milestone A**); and
- 67,000,000 Performance Shares (**Performance B Shares**) will convert into Shares if the Company delineates on the Tenements a minimum Inferred Resource of 15.55Mt at 1 gram per ton for 500,000 ounces of gold (with a resource cut off of 0.5 grams per ton), outside the current Hobbs Pipe resource estimate (**Milestone B**).
- Where Milestone B is satisfied, Milestone A will automatically be deemed to have been satisfied.

(Change in Control Event):

All Performance Shares on issue shall convert, at the election of the Vendors, into Shares up to a maximum number that is equal to 10% of the Company's issued capital (as at the date of any of the following events) upon the happening of either of the following events:

takeover bid: the occurrence of the offeror under a takeover offer in respect of all Shares announcing that it has achieved acceptances in respect of more than 50.1% of Shares and that takeover bid has become unconditional; or

scheme of arrangement: the announcement by the Company that the Company's shareholders (**Shareholders**) have at a Court-convened meeting of Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Company securities are to be either cancelled transferred to a third party, and the Court, by order, approves the proposed scheme of arrangement.

The Company must ensure the allocation of Shares issued in the event of a Change in Control event is on a pro rata basis to all Holders in respect of their respective holdings of Performance Shares and all remaining Performance Shares held by each Holder will automatically consolidate into one Performance Share and will then convert into one Share.]

(Expiry Date): The Performance Shares expire on the date that is five years from the date of their issue (**Expiry Date**). To the extent that a milestone for a Performance Share has not been achieved by the Expiry Date, such Performance Shares will automatically consolidate into a sum total of one Performance Share, which will then convert into one Share. Where a milestone for the Performance Share is met on the Expiry Date, the Performance Shares expire upon conversion, which must occur within one month of the milestone being met.

(Conversion of Performance Shares): Any conversion of Performance Shares into Shares is on a one for one basis. For the avoidance of doubt, the conversion of the Performance Shares to Shares does not involve a cancellation, redemption or buy-back of the Performance Shares. Rather the conversion is simply varying the rights of the Performance Shares such that they are the same as the Shares

(Takeover Provisions):

If the conversion of Performance Shares (or part thereof) would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1). Following a deferment, the Company shall at all times be required to convert that number of Performance Shares that would not result in a contravention of section 606(1).

If requested to do so by the affected Holder, the Company must seek to obtain the approval of its shareholders under section 611, item 7 of the Corporations Act for the conversion of the affected Performance Shares at the Company's next annual general meeting.

A Holder must promptly notify the Company in writing if they consider that the conversion of Performance Shares (or part thereof) may result in the contravention of section 606(1), failing which the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).

The Company may (but is not obliged to) by written notice request that a Holder confirm to the Company in writing within 7 days if they consider that the conversion of Performance Shares may result in the contravention of section 606(1). If the Holder does not confirm to the Company within 7 days that they consider such conversion may result in the contravention of section 606(1), then the Company is entitled to assume that such conversion will not result in any person being in contravention of section 606(1) (unless it is on notice to the contrary through a substantial holder notice which has been lodged in relation to the Company).

(Quotation of Shares issued on conversion): If the Company is listed on the ASX at the time, upon conversion of the Performance Shares into Shares in accordance with these terms, the Company must within seven days after the conversion, apply for and use its best endeavours to obtain the official quotation on ASX of the Shares arising from the conversion and issue either a cleansing notice under section 708A(5) of the Corporations Act or a cleansing prospectus under section 708A(11) of the Corporations Act to permit the on-sale on Shares issued on conversion within five days of the issue of Shares.

(Conversion procedure): The Company will procure that the Holder is issued with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.

(Ranking of Shares): The Shares into which the Performance Shares will convert will rank pari passu in all respects with the Shares on issue at the date of conversion.

Appendix A – Mineral Resource Estimate and information required by Listing Rule 5.8

JORC (2012) Mineral Resources Estimate for the Hobbs Pipe Gold Deposit

Resource Classification	Depth Below Surface	Oxidation Zone	COG Au (g/t)	Tonnes (Mt)	Grade (g/t Au)	Contained Gold (oz)
Indicated	0 – 150m	Oxides	0.4	0.6	0.9	18,000
		Fresh	0.9	3.0	1.0	96,000
	150 – 700m	Fresh	0.9	8.5	1.2	320,000
TOTAL INDICATED RESOURCES				12.1	1.1	440,000
Inferred	0 – 150m	Fresh	0.5	0.2	0.6	39,000
	150 – 700m	Fresh	0.9	8.2	1.1	290,000
TOTAL INDICATED RESOURCES				8.4	1.1	330,000
TOTAL GLOBAL RESOURCES				20.5	1.1	770,000

The Mineral Resource was first reported in an announcement by former Mount Adrah owners Sovereign Gold Company Ltd (ASX Announcement 27 December 2013). Nothing has come to the attention of FRN that causes it to question the accuracy or reliability of the current estimate.

FRN intends to undertake a detailed review of the project in the next 6 to 18 months.

Geology and geological interpretation

Hobbs Pipe has been interpreted previously as an Intrusion-Related Gold System (IRGS) located in a dilational zone along the Gilmore Suture within the Mount Adrah Gold Project. The deposit is a structurally-controlled alteration system within a quartz diorite body that intrudes to the current topographic surface. The gold mineralisation is predominately quartz monzodiorite-hosted disseminated gold in arsenopyrite and pyrite, as well as rare native gold occurring in thin quartz veins. Selected core holes were viewed by Wildcat and confirmed the alteration style reported. The quartz vein density in the core was low, but may be more consistent than previously noted. This will be checked for other holes where core is available, and its significance evaluated.

Sampling and sub-sampling techniques

Diamond drilling by Sovereign Gold had a sample recovery of 99%. Diamond core was cut to half core, and submitted for analysis. The drill core from drilling by Sovereign Gold was sampled in 2 m intervals downhole honouring the lithological contacts. Historic drillholes drilled prior to Sovereign Gold has been sampled in 1m intervals downhole.

Drilling techniques

Drilling data used in the interpretation and estimation consists of drilling by Sovereign Gold and historic drillholes by companies prior to them. Drilling methods include diamond, reverse circulation and percussion holes. The diamond drilling by Sovereign Gold is un-orientated PQ3-size near the collar with HQ3 triple tube orientated diamond core drilling for the remainder of the drillhole. Drill data varies in spacing from 20m x 20m to 200m x 200m in plan view.

Criteria for classification

The Mineral Resource classification criteria used drill hole spacing as a proxy for confidence in the geological and grade continuity.

Cut-off grades used are based on:

- Proximity of mineralisation to surface.
- Potential mining methods.

- Assumed processing and recovery values based on preliminary test work.

Surface to 150 m depth

Surface is variable between 395 mRL and 420 mRL. 270 mRL is approximately 150 m below surface. Below this, it may no longer be possible based on the amount of waste which would be required to be moved to access the mineralisation by open pit mining. Where the drilling is more densely spaced, from surface to a depth of 150 m, the Mineral Resource has been classified as an Indicated Mineral Resource for the:

- Oxide domain, where the grade is greater 0.4 g/t gold.
- Primary domain, where the grade is greater than 0.9 g/t gold.

Both of these areas are geologically continuous zones of material which do include some material below the cut-off grade.

In the primary domain where the drilling is more densely spaced, a shell has been generated to confine a zone of lower grade material at a 0.5 g/t gold cut-off. This has been classified as an Inferred Mineral Resource, due to the lower confidence in the continuity of the lower grade material.

The cut-off grades and depths selected for the classification to 150 m depth are based on:

- Potential open pit mining.
- Mineralisation outcropping.
- Gold price of A\$1,300 per ounce.
- Processing of refractory mineralisation using multiple processing methods.

150 m to 700 m below surface

From 150m depth to 700m below surface (270mRL to a depth of -280mRL) a classification wireframe shell was generated around the close-spaced drilling. Inside the shell is an Indicated Mineral Resource at a 0.9 g/t gold cut-off grade. Outside this shell is an Inferred Mineral Resource at a 0.9 g/t gold cut-off grade. Both of these are geologically continuous zones which contain some grade below the 0.9 g/t gold cut-off. This cut-off grade and the classification selected is based on:

- Potential underground mining using a smaller scale bulk mining method.
- There is reasonable grade continuity up to 1.2 g/t gold.
- Grade continuity deteriorates rapidly at around 1.5 g/t gold.

No material below 700 m depth has been included in the Mineral Resource as there is insufficient data available to demonstrate with confidence that mineralisation below 700 m depth has reasonable prospects for eventual economic extraction.

Sample analysis methods

All samples were submitted for analysis to an accredited laboratory. Analytical methods used by Sovereign Gold included fire assay and screen fire assay for gold, and ICP-AES and ICP-MS for multi-element analysis. The historic reverse circulation and percussion drillhole data prior to the Sovereign Gold drilling represent only approximately a quarter of the drill database. Full details of the historic sampling programmes are not available.

Estimation methodology

The 3D intrusion wireframe solid was filled with cells and cut to the topographic surface. The block model parent cells are 20m x 20m x 10m in X - Y - Z. An oxidation model was made between an oxidation surface generated from drillhole logging and the topographic surface. Gold was the only element estimated. Semi-variograms were generated from composited samples and ordinary kriging was used with parent cell estimation. The search first search pass was 80m x 100m by 50m to

encompass the drilling, this was the same ratio as the variogram ranges, with a rotation of -25,0,-85 in Z, Y and X directions. The second search pass is double and third search pass triple the original search distances.

Swath plots and an inverse-distance squared estimation were done as checks on the ordinary kriging estimation.

Cut-off grade

A cut-off grade was of 0.4g/t gold was used for the oxide domain. For the primary domain the cut-off grade used was 0.9g/t gold. Both of these areas are geologically continuous zones of material which do include some material below the cut-off grade.

In the primary domain where the drilling is more densely spaced, a shell has been generated to confine a zone of lower grade material at a 0.5 g/t gold cut-off. This has been classified as an Inferred Mineral Resource, due to the lower confidence in the continuity of the lower grade material.

Mining and metallurgical methods and parameters, and other modifying factors considered

It has been assumed that the deposit is able to be mined by open pit methods to a point at which a strip ratio exceeds 1:8. Without any supporting mine planning or geotechnical study it has been estimated that this will place the floor of an open pit at around 150m below surface. At this point it is assumed that any further mining will be done from underground using a bulk mining method. At this time there are no supporting studies for underground mining potential. The resource estimate included reviewing other deposits of similar size and formed the opinion that a bulk underground mining method may be applicable.

Appendix B – Exploration Results for the Mount Adrah Gold Project

Exploration results mentioned in this announcement were previously reported by the previous owner Sovereign Gold Company Ltd (Sovereign Gold Company Ltd ASX Announcement on 28 October 2013 and 21 November 2013).

A table listing all possible drillholes relating to the exploration results as released by Sovereign Gold on the Announcements of 28 October 2013 and 21 November 2013 is given below. There is prior drilling in part of the area of interest, but almost all holes are vertical and are unlikely to have effectively tested potential for steeply dipping mineralised targets. There is also uncertainty at this stage where the intercepts reported may, if they do, relate to near surface or surface features. Detailed mapping and systematic surface geochemical sampling is proposed to test this.

Table 2 – Table of drillhole details for area of Exploration Results for the Mount Adrah Project

Hole ID	Easting	Northing	RL	Grid	Collar Azimuth	Collar Inclination	Total Depth (m)	Date Drilled	Company	HoleType
GHD007	583480	6104592	399.	MGA94 Zone	62	-74.4	1113.9	8/09/2013	Sovereign	Diamond
GHD009	583444	6104587	387.0	MGA94 Zone 55	29	-60	1312.6 m	3/10/2013	Sovereign Gold	Diamond
GHD011	583445	6104592	387.	MGA94 Zone	41	-55	969.6m	5/11/2013	Sovereign	Diamond
AT31	583751	6104539	385.2	MGA94 Zone 55	-90	360	30	21/09/1982	Getty	ATRAC
AT38	583564	6104619	389.6	MGA94 Zone 55	-90	360	60	24/09/1982	Getty	ATRAC
AT39	583614	6104619	398.8	MGA94 Zone 55	-90	360	60	24/09/1982	Getty	ATRAC
AT40	583581	6104728	406.6	MGA94 Zone 55	-60	282	50	25/09/1982	Getty	ATRAC
AT41	583591	6104751	407.6	MGA94 Zone 55	-60	192	50	26/09/1982	Getty	ATRAC
AT42	583616	6104771	406.3	MGA94 Zone 55	-60	192	50	26/09/1982	Getty	ATRAC
MAAT-49	583527	6104688	390.5	MGA94 Zone 55	-90	360	51	April 1988	Cyprus	AT_PERC
MAAT-50	583429	6104708	360.0	MGA94 Zone 55	-90	360	26	April 1988	Cyprus	AT_PERC
MAAT-51	583440	6104762	374.8	MGA94 Zone 55	-90	360	70	April 1988	Cyprus	AT_PERC
MAAT-52	583457	6104804	384.2	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-53	583517	6104837	393.4	MGA94 Zone 55	-90	360	70	April 1988	Cyprus	AT_PERC
MAAT-54	583310	6104872	367.9	MGA94 Zone 55	-90	360	68	April 1988	Cyprus	AT_PERC
MAAT-55	583293	6104788	350.0	MGA94 Zone 55	-90	360	26	April 1988	Cyprus	AT_PERC
MAAT-55A	583294	6104788	350.0	MGA94 Zone 55	-90	360	60	April 1988	Cyprus	AT_PERC
MAAT-58	583625	6104669	413.6	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-59	583577	6104679	404.5	MGA94 Zone 55	-90	360	56	April 1988	Cyprus	AT_PERC
MAAT-60	583635	6104716	421.9	MGA94 Zone 55	-90	360	58	April 1988	Cyprus	AT_PERC
MAAT-61	583684	6104706	430.0	MGA94 Zone 55	-90	360	70	April 1988	Cyprus	AT_PERC
MAAT-62	583678	6104656	427.5	MGA94 Zone 55	-90	360	64	April 1988	Cyprus	AT_PERC
MAAT-63	583757	6104691	425.6	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-64	583772	6104739	446.6	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-65	583790	6104776	464.0	MGA94 Zone 55	-90	360	54	April 1988	Cyprus	AT_PERC

MAAT-66	583690	6104807	427.7	MGA94 Zone 55	-90	360	52	April 1988	Cyprus	AT_PERC
MAAT-67	583705	6104755	431.6	MGA94 Zone 55	-90	360	68	April 1988	Cyprus	AT_PERC
MAAT-68	583629	6104788	405.5	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-69	583548	6104785	387.8	MGA94 Zone 55	-90	360	68	April 1988	Cyprus	AT_PERC
MAAT-70	583537	6104737	392.8	MGA94 Zone 55	-90	360	66	April 1988	Cyprus	AT_PERC
MAAT-71	583604	6104764	406.9	MGA94 Zone 55	-90	360	30	April 1988	Cyprus	AT_PERC
MAAT-79	583331	6104729	350.0	MGA94 Zone 55	-90	360	34	April 1988	Cyprus	AT_PERC
MARC-1	583440	6104694	360.0	MGA94 Zone 55	-90	360	150	July 1988	Cyprus	RC
MARC-2	583315	6104756	351.2	MGA94 Zone 55	-90	360	150	July 1988	Cyprus	RC
MARC-3	583615	6104679	411.7	MGA94 Zone 55	-90	360	150	July 1988	Cyprus	RC

A plan of the area showing the location of the high grade intercepts and drilling to date is shown below:

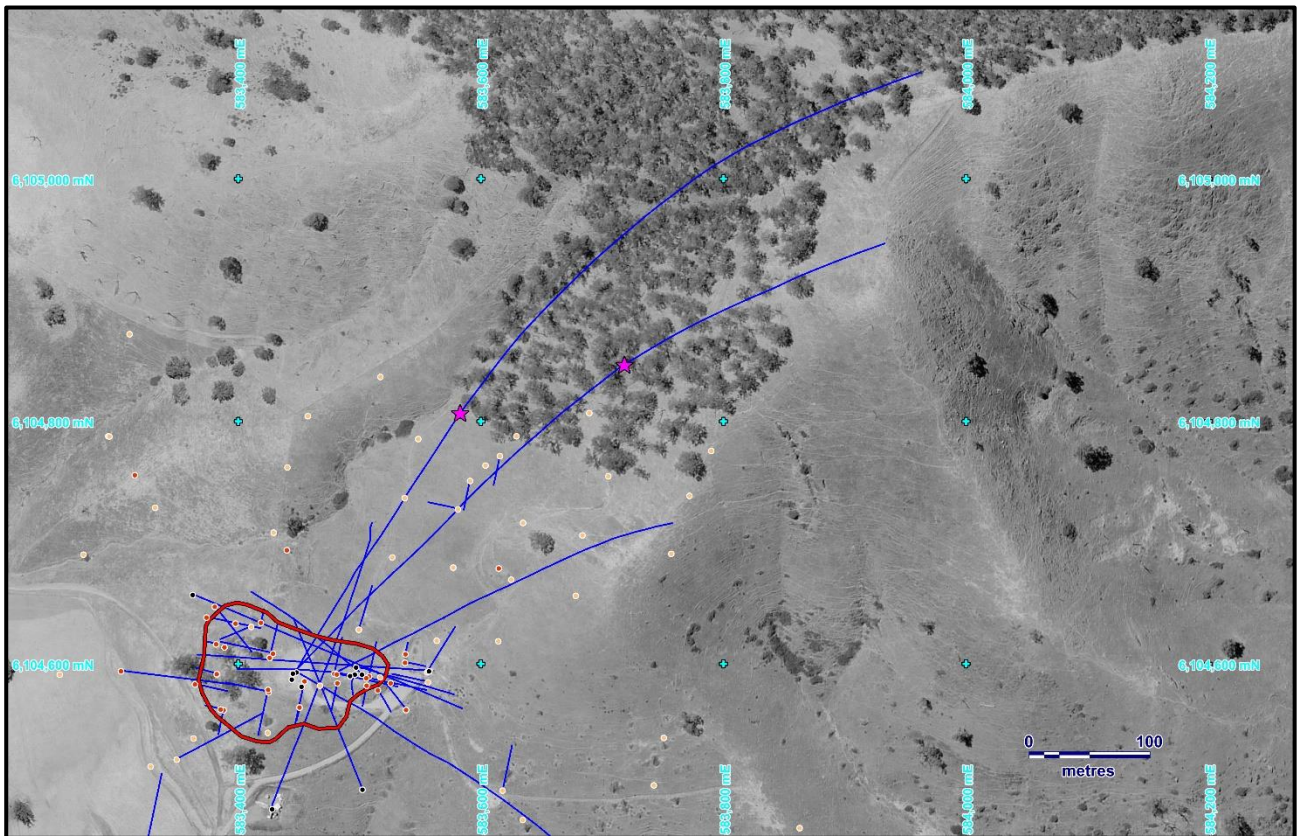


Figure 5 – Map showing the location of the Hobbs Pipe deposit, drilling to date, high grade intercepts and drilling traces over detailed topography orthoimage.

Table 1 for reporting in accordance with JORC Code

Section 1 Sampling Techniques and Data

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

Criteria	Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialized 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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 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. 	<ul style="list-style-type: none"> Diamond core HQ3 with 1/2 core samples. Diamond core HQ3 with 1/4 core samples for some Screen Fire Assays. Consistent cut distance 1 cm to the right of the orientation or markup line to reduce potential of bias, and to leave the orientation line in the tray. Fire Assay and Screen Fire Assay Gold. Gold is predominantly held in sulphides within disseminated sericite - sulphide alteration. Gold is occasionally visible in quartz veins. 1/2 core HQ3 was sent to ALS laboratories on a 2m sample length basis and was pulverised to produce a 30g charge for fire assay (Au_AA25), and 4 acid digestion for 48 element ICP-AES and ICP-MS analysis (ME-MS61). Screen Fire Assay on visible gold intercepts, on either full 2m sample lengths or on individual quartz veins that are expected to carry high grade gold. Historic reverse circulation (RC) air track (percussion) drilling was undertaken. There are no records of sampling methods in the available reports. Assay was by fire assay and Aqua Regia.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> Diamond core, un-oriented HQ3 (Vertical hole) Diamond core, oriented HQ3 Diamond core, un-oriented PQ3 for hole collars Historic drilling includes RC, diamond and air track (RAB equivalent).
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> Core was drilled by HQ triple tube (HQ3) to maximise recovery. Recovery is approximately 99% based on 2,290 measured intervals. There is no relationship between recovery and grade in diamond drill holes, correlation coefficient is -0.03. There is no record of sample recovery for the historic drill holes.
Logging	<ul style="list-style-type: none"> 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. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Core has been logged for lithology and structural data, including recovery and RQD measurements. Core trays photographed and samples collected for specific gravity measurement. All core is logged, all core logged to the same standard. Historic holes have been logged for lithology and weathering / oxidation.

Criteria	Criteria	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • 1/2 Core cut with a core saw. • 1/4 Core cut with a core saw for submission for metallurgical assessment. • Sample preparation by accredited laboratory. High quality and appropriate preparation technique for assay methods in use. • Consistent sampling of core at 2m intervals, this was considered appropriate by the prior owners given their understanding of grade homogeneity and observed mineralisation. • At this time no field duplicates have been submitted, half or quarter core is in storage at the NSW DPI core storage facility if required for future analysis. • Sample sizes are appropriate to the grain size of the material being sampled. • Details of the historic RC sampling programmes are not available.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • 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. • 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. 	<ul style="list-style-type: none"> • For diamond core fire assay for gold and ICP-AES and ICP-MS for multi-element analysis. Techniques considered total for the type of mineralization sampled. • For diamond core Screen Fire Assay for visible gold intercepts or where coarse gold is predicted to occur. • No blanks, standards, field, course reject or pulp duplicates have been submitted to the laboratory for testing as part of the prior diamond drilling programme. A QA/QC programme is planned for submission of the above at a rate of 1:20 for all new holes. A blind repeat programme will be established for existing assayed intervals. • Historic holes were assayed by a combination of Aqua Regia, Fire Assay and unspecified AAS. • There is very little QA/QC data available for the historic samples.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • No twinned holes have been drilled. Historic RC drill data supports the grade ranges from new diamond drill holes. • Review of the grade distribution between the diamond and the historic RC holes indicates that it is possible the RC holes are bias low compared to the diamond drill holes. This is in the process of being reviewed. • There are no samples of the historic drill holes of sufficient size for re assay submission. Some sample remnants are in some chip trays at the Londonderry Core library. • At this time there are no processes or procedures guiding data collection, collation, verification and storage. Implementation and development of procedures and documentation are currently being planned. • There are no adjustments to the assay data.
Location of data points	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Collar coordinates by the prior owner were sited using handheld Garmin GPSMAP® 62sc. • Digital survey tool used for down hole surveying.

Criteria	Criteria	Commentary
	<ul style="list-style-type: none"> • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • DGPS Collar location and RL data will be undertaken going forward. • All recently drilled holes will where possible be re surveyed using DGPS at the completion of the next drilling programme. • All current data is in MGA94 (Zone 55). • Historic data has been converted to in MGA94 (Zone 55). • Historic data collar co-ordinates were listed as confirmed to have been in the correct position/ within 1m in MGA94 (Zone 55). A new project database compiled to current quality standards is being assembled. • Digital topographic data is available from a detailed DTM survey undertaken in 1997. The accuracy of the data at a project scale is yet to be assessed but is assumed to be reasonable.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • There is sufficient data and it is sufficiently closely spaced to establish a reasonable geological interpretation in the area of interest. The data available also provided continuity of mineralization and a local scale. • Current drill spacing of 200m x 200m down to 20m x 20m allows for the reporting of a Mineral Resource. • Samples have not been composited but 2m half core sample lengths have been submitted for assay on the basis of the gold mineralization being homogeneous. This will be reassessed if and when narrower high grade veins or structures become evident.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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. 	<ul style="list-style-type: none"> • Drilling by Sovereign Gold employed core orientation device for all holes with the exception of GHD001 which was a vertical hole. • Significant orientated structural data on geological and structure features have been collected. • The geological area of interest is vertical at approximately 180m x 160m in diameter. Diamond holes have been from numerous directions, vertical holes have also been drilled. • Given the style and nature of the mineralization observed, drill angle relative to structure or vein orientation is not considered relevant at this stage with respect to sample bias at Hobbs Pipe. For the high-grade gold reef targets it is anticipated that drilling orientation optimization will be critical to avoid a sample bias; however it is too early to define the orientation of the mineralization at this stage.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Current core samples were securely stored at a private facility.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • A high-level review of data collection, collation, storage and procedures has been undertaken. The data has been found to be in good condition. The lack of documented procedures and QA/QC has been commented upon and plans are being generated to rectify outstanding issues going forward. Where practicable previous drilling and historic data will be validated as well.

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	<ul style="list-style-type: none">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.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.	<ul style="list-style-type: none">EL6372, EL8606 and EL7844 are held 100% by Wildcat Gold Pty Ltd.Tenure is current and in good standing. There are no extraordinary impediments to obtaining a licence to operate in the area.																																																
Exploration done by other parties	<ul style="list-style-type: none">Acknowledgment and appraisal of exploration by other parties.	<ul style="list-style-type: none">The resource estimate and exploration results reported here were generated by the previous owner of the project, Sovereign Gold Company Ltd. Historic work undertaken by Sovereign Gold, Getty Oil, Cyprus Australia, Michelago, North Limited and Golden Cross Resources have contributed to the current project development. Soil sampling, airborne magnetics, rotary air blast (RAB), Airtrack, RC, diamond drilling, and some resource estimation work has been completed previously. Work was undertaken to a high standard, though different groups had different conceptual targets and target thresholds and ability to fund exploration to test them.																																																
Geology	<ul style="list-style-type: none">Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none">Hobbs Pipe has previously been interpreted to represent a mesozonal to epizonal Intrusion-Related Gold System (IRGS) located along the Gilmore Suture on the edge of a buried pluton. Geological studies have commenced to refine and check this interpretation. Orogenic lode-style mineralisation (narrow-vein gold “reefs”) has been encountered proximal to Hobbs Pipe and is known elsewhere in the region.																																																
Drill hole information	<ul style="list-style-type: none">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">easting and northing of the drill hole collarelevation or RL (Reduced Level - elevation above sea level in metres) of the drill hole collardip and azimuth of the holedown hole length and interception depthhole length.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.	<ul style="list-style-type: none">All drillholes have been previously reported. The exploration results included in this announcement refer to drill-holes that targeted the high-grade gold vein mineralization external to the Hobbs Pipe deposit, and are as follows:<table><tr><th>Hole ID</th><th>Easting (m)</th><th>Northing (m)</th><th>RL (m)</th><th>Grid</th><th>Collar Azimuth</th><th>Collar Dip</th><th>Total Depth (m)</th></tr><tr><td>GHD007</td><td>6104594</td><td>583479</td><td>399</td><td>MGA94 Z55</td><td>50</td><td>-75</td><td>924.10</td></tr><tr><td>GHD008</td><td>6104590</td><td>583492</td><td>398</td><td>MGA94 Z55</td><td>267</td><td>-83</td><td>699.60</td></tr><tr><td>GHD009</td><td>6104587</td><td>583444</td><td>387</td><td>MGA94 Z55</td><td>29</td><td>-60</td><td>1312.60</td></tr><tr><td>GHD010</td><td>6104593</td><td>583448</td><td>387</td><td>MGA94 Z55</td><td>120</td><td>-55</td><td>740.30</td></tr><tr><td>GHD011</td><td>6104592</td><td>583445</td><td>387</td><td>MGA94 Z55</td><td>41</td><td>-55</td><td>969.60</td></tr></table>	Hole ID	Easting (m)	Northing (m)	RL (m)	Grid	Collar Azimuth	Collar Dip	Total Depth (m)	GHD007	6104594	583479	399	MGA94 Z55	50	-75	924.10	GHD008	6104590	583492	398	MGA94 Z55	267	-83	699.60	GHD009	6104587	583444	387	MGA94 Z55	29	-60	1312.60	GHD010	6104593	583448	387	MGA94 Z55	120	-55	740.30	GHD011	6104592	583445	387	MGA94 Z55	41	-55	969.60
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GHD011	6104592	583445	387	MGA94 Z55	41	-55	969.60																																											
Data aggregation methods	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">The reported intersections are uncut as the nature of the gold mineralization is not yet well defined. Intercepts are reported as length-weighted averages, and proposed mining styles, are known.																																																

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> The intercept reported for GHD011 is over one sample interval with no aggregation. The intercept reported for GHD009 contains 6m of lower-grade but anomalous material (0.2 – 0.4g/t) between significantly higher grade zones. None used
Relationship between mineralization widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<ul style="list-style-type: none"> The orientation of mineralisation and hence true widths and depth potential of the high-grade reef mineralization is not yet known. The geometry is not currently known but detailed re-logging and mapping is proposed to assist in determining this
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See “New Gold Discovery at Mount Adrah – 10m @ 17.7g/t Au at Castor Prospect” reported by Sovereign Gold Company Ltd (ASX:SOC) to the ASX on 28th October 2013, “Bonanza hit of 1.2m @ 58.6 g/t Au confirms multiple high-grade structures at Mount Adrah” reported by Sovereign Gold Company Ltd (ASX:SOC) to the ASX on 21st November 2013 and “Mineral Resources for the Mount Adrah Gold Project” reported by Sovereign Gold Company Ltd (ASX:SOC) to the ASX on 27th December 2013.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Further work (detailed re-logging, additional mapping and sampling and additional drilling) is required to clearly establish which zones may be correlated. Reporting of all existing results are considered balanced.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The intercept reported for GHD009 correlate with a Fe-carbonate alteration zone and distinct geological contact. The style of alteration and location at a defined position are considered encouraging in terms of alteration intensity, ability to trace the zone, and will be checked against detailed mapping.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Complete geological mapping and core logging study to update project target framework. Complete building of comprehensive exploration database for project to confirm current targets and assess them. Geochemical follow-up of priority targets external to current resources is the current priority. Drill testing of priority targets at considered appropriate and in accordance with company objectives.

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	<ul style="list-style-type: none"> 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. Data validation procedures used. 	<p>The resource estimate has been previously reported and details are provided here from the original report and records.</p> <ul style="list-style-type: none"> Drill data was loaded into CAE Datamine Studio and Visor and reviewed for: <ul style="list-style-type: none"> The same number of records contained in the Excel file was in the Data mine files, after the data was imported. All collar co-ordinates were within the permit area. Duplicate drill holes. Overlapping FROM and TO intervals values in the geology, oxidation state, assay, density, core size, and recovery tables. Down hole survey dip and bearing angles appear reasonable. Duplicate records. Any anomalous assay, density, of sample recovery values. To review alpha data field's lists of unique values were made for: <ul style="list-style-type: none"> Lithology. Oxidation state. Core size. Drill hole type. A review vertical collar positions against topography identified some issues with the GPS surveyed heights (Z position) of the drill holes. This issue will be dealt with by using a DGPS or surveyor where required at the end of the next drill programme. At this time the collars were married to the topographic surface provided. Due to the nature and style of the mineralization the tonnage and grade estimation was not considered to be affected but the vertical movement of the drill holes.
Site visits	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> The Competent Person visited the Mount Adrah project area and resource area in April 2019 over 2 days and reviewed selected diamond drill core from the Hobbs Pipe deposit in April 2019 over 2 days at the NSW DPI core facility in Londonderry.
Geological interpretation	<ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. 	<ul style="list-style-type: none"> All data available at the time was used to generate a geological integration. It is understood the gold mineralization at Hobbs Pipe is confined to a quartz-monzonite intrusion. Gold mineralisation occurs is associated with disseminated pyrite and arsenopyrite within pyrite-sericite-albite alteration of the host. The mineralised stock is roughly circular in outcrop, 160m in diameter with near-vertical walls and reasonably sharp lithological contacts. At depth the stock becomes more elliptical and at a depth of 500 m below surface is interpreted to be approximately 180 m by 160 m in diameter.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> The interpretation has been undertaken in plan on 20m spaced sections and where the digital strings have been snapped to the drill holes. The sectional plan interpretation was wireframed to make a three-dimensional (3D) solid. Care was taken to not expand the intrusion beyond the known data and thus increase without support the total tonnage. There is no other geological interpretation. Additional detail or domaining of grade distribution within the intrusion may be able to be undertaken with the addition of more drill data. Data coverage though sparse at depth was considered reasonable and it is anticipated that additional drilling will support the current interpretation.
Dimensions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The mineralised stock is roughly circular in outcrop, 160m in diameter. At depth the stock becomes more elliptical and at a depth of 500 m below surface is interpreted to be approximately 180 m by 160 m in diameter. Current depth of mineralization is approximately 900 m.
Estimation and modelling techniques	<ul style="list-style-type: none"> 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. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available. 	<ul style="list-style-type: none"> Gold was the only element estimated. Samples were composited to 1m the mean sampling length (historic samples average 1m assay intervals) Top-cap was applied to the composted samples, at 5 g/t, the 99.9th percentile, this removed 8 intervals from 3,498 composite samples. The 3D intrusion wireframe solid has been filled with cells. An oxidation model has been made between an oxidation surface generated from drill hole logging and the topographic surface. The block model is cut to the topographic surface. Drill spacing is from 20m x 20m to 200m x 200m. The block model parent cells are 20m x 20m x 10m in X x Y x Z. Sub celling to 4m x 4m x 2m. Semi -variograms were generated which showed anisotropy, with the variance not reaching the sill in the X and Y directions. In Z the variance crosses the sill indicating possible layering in grade. Low grade bands are visible in the drill holes in three locations within the intrusion, these low-grade bands are not visible in core and will be further investigated. A two-structure spherical model was fitted to the variogram. The search first search pass is 80m x 100m by 50m to encompass the drilling, this is the same ratio as the variogram ranges, with a rotation of -25,0,-85 in Z, Y and X directions. The second search pass is double and third search pass triple the original search. An octant search was used where 4 octants were required to be filled.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> The minimum samples 4 and maximum 18 with a minimum of 3 drill holes needing to be sourced for grade. Ordinary kriging was used with parent cell estimation. Discretisation of 4 x 4 x 2 points. An inverse distance squared estimation was also undertaken, the global grades are within less than +/-4% of the ordinary kriged estimation. The volume of the intrusion solid was calculated and the volume of the block model was calculated, there is a difference of 1%. Swath plots (moving average plots) have been calculated in the vertical direction. These show reasonable correlation between the block model grades and the composite samples.
Moisture	<ul style="list-style-type: none"> Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. 	<ul style="list-style-type: none"> The rock is tight no allowance has been made for moisture.
Cut-off parameters	<ul style="list-style-type: none"> The basis of the adopted cut-off grade(s) or quality parameters applied. 	<ul style="list-style-type: none"> A hard-geological boundary has been used for the grade estimation.
Mining factors or assumptions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> It has been assumed that the deposit is able to be mined by open pit methods to a point at which a strip ratio exceeds 1:8. Without any supporting mine planning or geotechnical study it has been estimated that this will place the floor of an open pit at about 150m below surface. At this point it is assumed that any further mining may be done from underground using a bulk mining method at this time there are no supporting studies for mining potential.
Metallurgical factors or assumptions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> There is some historic and more recent test work that indicates that processing will be via a flotation and a BIOX route. Further mineralogical and processing test work is required to take place.
Environmental factors or assumptions	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Mount Adrah is at the south-eastern end of a mining belt with historic mining nearby. To the competent person's knowledge at this time there is no reason to anticipate any more than the normal difficulties associated with the development of a new project.

Criteria	JORC Code explanation	Commentary
Bulk density	<ul style="list-style-type: none"> 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. 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 deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. 	<ul style="list-style-type: none"> 97 bulk density measurements, using Archimedes method, have been made from recently drilled core. At this time it appears that only 3 samples lie within the 20m deep oxide domain at surface. These three samples indicate the oxide domain has the same bulk density as the fresh rock 2.7 t/m³ It is reasonable to assume that the partially oxidised and oxidised material at surface may have a lower bulk density. Further bulk density samples in the partially oxidised and oxidised material will be collected as part of the next drilling programme. A bulk density of 2.7 t/m³ has been used for fresh rock and 2.4 t/m³ has been used for the partially oxidised and oxidised material within 20m of surface. The rock is tight and few voids are intersected in the drilling, no allowance has been made for voids or vugs,
Classification	<ul style="list-style-type: none"> The basis for the classification of the Mineral Resources into varying confidence categories. 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). Whether the result appropriately reflects the Competent Person's view of the deposit. 	<p>The Mineral Resource classification criteria used drill hole spacing as a proxy for confidence in the geological and grade continuity.</p> <p>Cut-off grades used are based on:</p> <ul style="list-style-type: none"> Proximity of mineralization to surface. Potential mining methods. Assumed processing and recovery values based on preliminary test work. Surface is variable between 395 mRL and 420 mRL. 270 mRL is approximately 150 m below surface. Below this, it may no longer be possible based on the amount of waste which would be required to be moved to access the mineralization by open pit mining. <p>Where the drilling is more densely spaced, from surface to a depth of 150 m, the Mineral Resource has been classified as an Indicated Mineral Resource for the:</p> <ul style="list-style-type: none"> Oxide domain, where the grade is greater 0.4 g/t gold. Primary domain, where the grade is greater than 0.9 g/t gold. <p>Both of these areas are geologically continuous zones of material which do include some material below the cut-off grade.</p> <p>In the primary domain where the drilling is more densely spaced, a shell has been generated to confine a zone of lower grade material at a 0.5 g/t gold cut-off. This has been classified as an Inferred Mineral Resource, due to the lower confidence in the continuity of the lower grade material.</p> <p>The cut-off grades and depths selected for the classification to 150m depth are based on:</p> <ul style="list-style-type: none"> Potential open pit mining. Mineralization out cropping. Gold price of A\$1,300 per ounce. Processing of refractory mineralization using multiple processing methods. <p>From 150m depth to 700m below surface (270 mRL to a depth of -280 mRL) a classification wireframe shell has been generated around the close spaced drilling. Inside</p>

Criteria	JORC Code explanation	Commentary
		<p>the shell is an Indicated Mineral Resource at a 0.9 g/t gold cut-off grade. Outside this shell is an Inferred Mineral Resource at a 0.9 g/t gold cut-off grade. Both of these are geologically continuous zones which contain some grade below the 0.9 g/t gold cut-off. This cut-off grade and the classification selected is based on:</p> <ul style="list-style-type: none"> • Potential underground mining using a smaller scale bulk mining method. • There is reasonable grade continuity up to 1.2 g/t gold. • Grade continuity deteriorates rapidly at around 1.5 g/t gold. <p>All material below 700 m depth has not been included in the Mineral Resource as there is insufficient data available to demonstrate with confidence that mineralization below 700 m depth has reasonable prospects for eventual economic extraction.</p>
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of Mineral Resource estimates. 	<ul style="list-style-type: none"> • No audits have been completed at this time.
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> • 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. • 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. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. 	<ul style="list-style-type: none"> • There are no historic production records. • The tonnage and grade estimation is a global estimate to be used for: <ul style="list-style-type: none"> - Assessing whether there is a potential mining project and the project economics. - Assessing a potential mining method. - Targeting additional project development and resource infill drilling. - The output of any potential mining assessment will be used as a basis to collect relevant technical information going forward. • Further work is required to understand the grade distribution within the intrusion. With increased data it may be possible to domain areas of high and low grade. Grade distribution at a local scale will increase in importance if selective mining methods are proposed. • Further detailed work is required in the proposed processing method. Current testing indicates that processing with a reasonable recovery using known techniques is possible. • Work needs to commence on the collection of geotechnical information.