

Little Wonder – Cannindah East Gold Trend

The Little Wonder to Cannindah East trend at Mt Cannindah has been long regarded as a zone of gold mineralisation distinct from the porphyry copper gold resource delineated at Mt Cannindah. Recent trenching combined with sophisticated multi-element geochemical processing has confirmed this concept with positive results. The consequence is the enhancement of the visualisation and prospectivity of the Little Wonder – Cannindah East Gold trend.

A large mineralised system is indicated. Gold zones are shown to have a distinctive geochemical signature, defined by a Au-As-Sb-Bi-Mo-W association which is interpreted to be derived from mineralising fluids being driven into receptive structures by fertile felsic dykes.

With a 100m plus width, 1km plus long strike length with gold zones developed along it. The north east striking Little Wonder – Cannindah East Gold trend represents a key receptive structure in the Cannindah district.

High gold values have previously been reported along this structure:

- CAE ASX Announcement 3/2015 : 111 g/t Au from a mine dump sample. Little Wonder
- CAE ASX Announcement 10/2014: 17.7 g/t Au from a trench sample of a thin vein Little Wonder North East
- Historic Drilling by Astrik 1987 : 2m @ 112.6 g/t Au , Cannindah East.

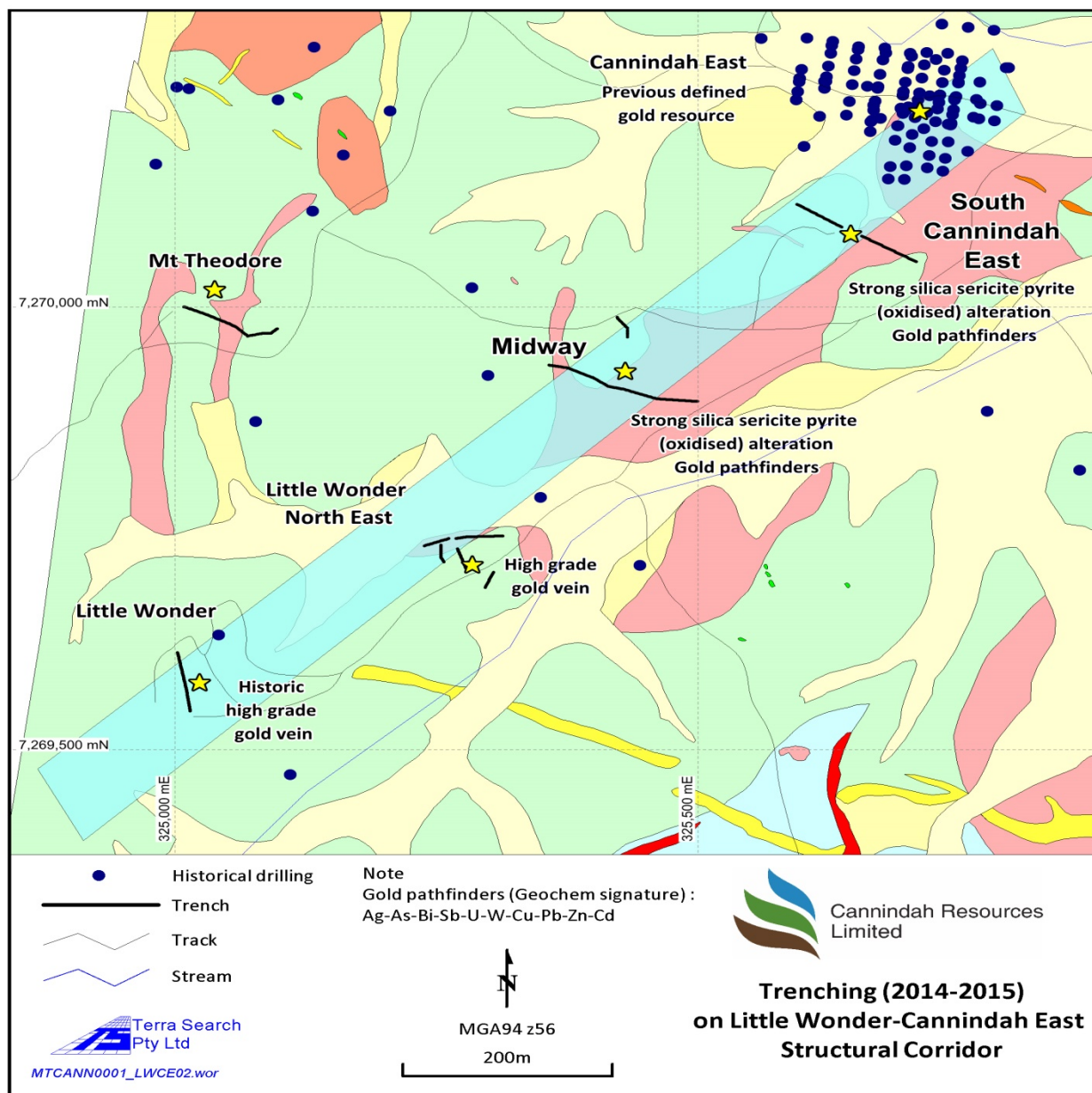
The interpreted structure between Little Wonder and Cannindah East has only been tenuously linked in the past. Work by CAE, including high resolution ground magnetics , trench sampling, and advanced statistical analysis have provided proof of concept for a mineralised structure.

CAE has dug several trenches through prospect zones across the trend from Little Wonder (1 trench), Little Wonder North East (2 trenches), Midway (2 trenches), South Cannindah East (2 trenches). Although gold and silver geochemical results in these zones are only moderately elevated eg 1.43g/t Au and 1.54g/t Au over 1m, the 2015 trenching has provided important insights into the position and potential of the Little Wonder to Cannindah East Gold trend .

Insights include:

- A strong spatial relationship of elevated gold mineralisation with sericite-silica-sulphide altered dykes.
- Utilization of Principal Component Analysis has established pathfinder elements for gold zones characterised by a Ag-As-Au-Bi-Cd-Cu-Fe-Hg-Mo, Pb, Sb, U & W signature .
- This chemical association is interpreted as felsic dyke related and distinctly different from the existing Cu resource at Mt Cannindah.
- The mineralized structure in the trenches is characterised by strong silica alteration ,strong sericite pyrite and deeply weathered felsic intrusives of quartz monzonitic composition.
- The gold trend is coincident with a north east trending strong, magnetic linear , delineating a structural break.

The board of Cannindah Resources is encouraged by the recent work confirming the Little Wonder to Cannindah East gold trend. The recent work has outlined pathfinder elements to concentrate our geochemical analysis on which will assist in locating further target areas for gold within the total project area. Exploration of new areas of interest is continuing and shareholders will be updated via releases to market as the data is completed and geologically reported.



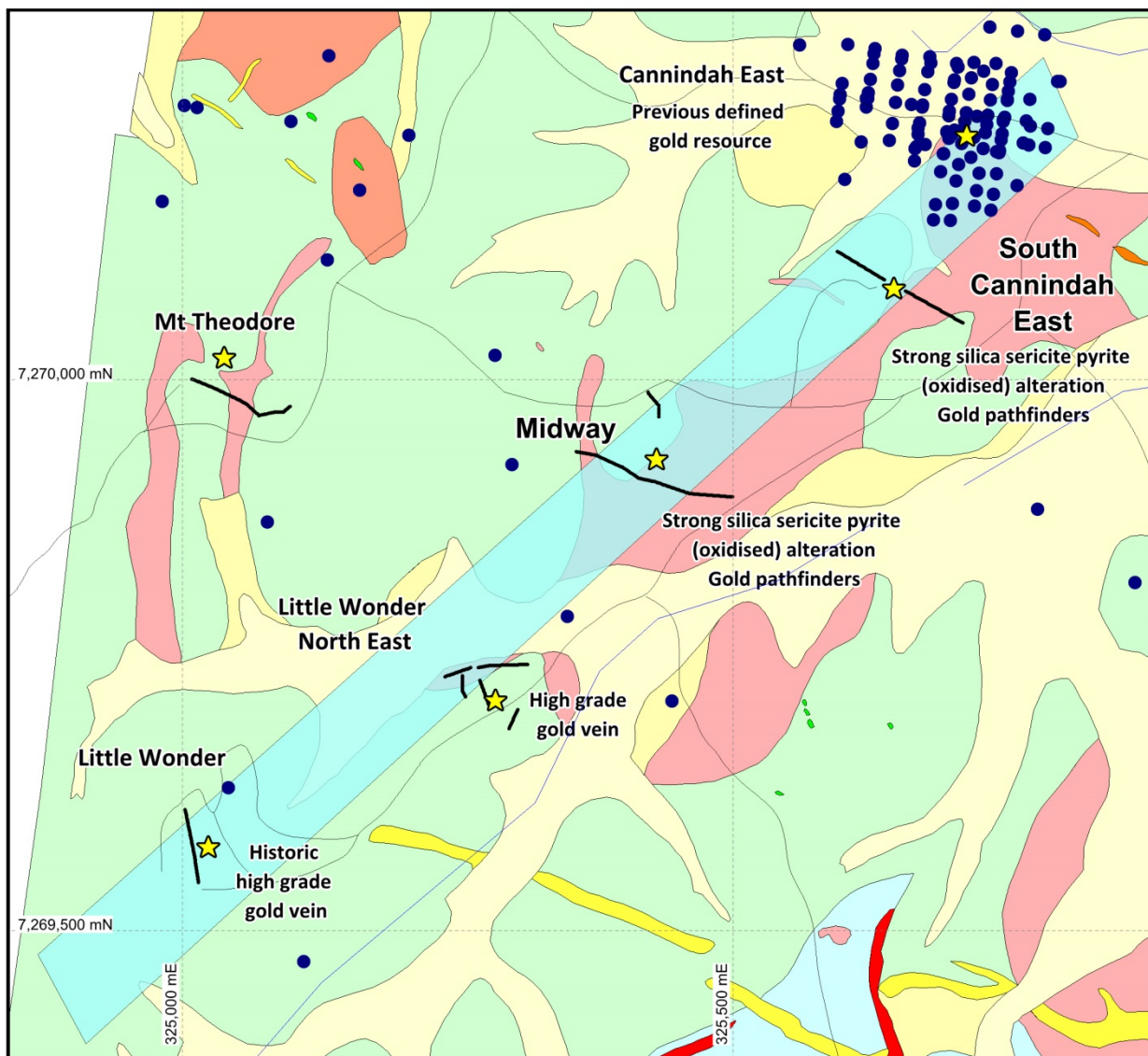
COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results is based on information compiled by Dr. Simon D. Beams, a full time employee of Terra Search Pty Ltd, geological consultants employed by Cannindah Resources Limited to carry out geological evaluation of the mineralisation potential of their Mt Cannindah Project, Queensland, Australia. Dr. Beams has BSc Honours and PhD degrees in geology; he is a Member of the Australasian Institute of Mining and Metallurgy (Member #107121) and a Member of the Australian Institute of Geoscientists (Member # 2689). Dr. Beams has sufficient relevant experience in respect to the style of mineralization, the type of deposit under consideration and the activity being undertaken to qualify as a Competent Person within the definition of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code).

Dr. Beams consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

For further information, please contact:

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- Historical drilling
- Trench
- Track
- Stream

 Terra Search
Pty Ltd
MTCANN0001_LWCE02.wor

Note
Gold pathfinders (Geochem signature) :
Ag-As-Bi-Sb-U-W-Cu-Pb-Zn-Cd



Cannindah Resources
Limited



MGA94 z56

200m

**Trenching (2014-2015)
on Little Wonder-Cannindah East
Structural Corridor**