



gulfindustrials

ASX ANNOUNCEMENT

6 November 2017

SHALLOW INTERSECTIONS SHOW HIGH GRADE GOLD WITH CONTINUED MINERALISATION AND SHEARED ALTERATION

GBANE PROJECT - PHASE 2 DRILLING PROGRAMME

The board of Gulf Industrials Limited [ASX Code: GLF] (the **Company** or **Gulf**) announces the results of Phase 2 of the drilling programme in the Company's Gbane Project in Ghana.

HIGHLIGHTS:

- ❖ **Multiple shallow significant intersections encountered up dip to the East in the mineralised and altered shear zone along a 1.3 km North-South strike length (all depths are vertical):**
 - **10m @ 1.75 g/t (from 49m)**
 - **6m @ 1.48 g/t (from 45m)**
 - **4m @ 2.08 g/t (from 50m)**
 - **3m @ 2.13 g/t (from 20m)**
 - **2m @ 2.95 g/t (from 40m)**
 - **1m @ 29.10 g/t (from 8m)**
 - **1m @ 17.27 g/t (from 22m)**

- ❖ **Geological continuity confirmed along strike length**
- ❖ **Twenty-Six (26) altered and mineralised stacked shear-vein sheets identified over a strike length of 1.3km minimum, and to a vertical depth of at least 200m**
- ❖ **Significant gold intersections at shallow depth less than 100m in 14 of the 22 holes cored in Phase 2 (holes GDD 011-032).**

Gulf Industrials Limited

Level 7, 99 Macquarie Street Sydney NSW 2000 PO Box R383 Royal Exchange NSW 1225 Australia

t +61 2 8226 3323 f +61 2 8226 3304

ACN 115 027 033

www.gulfindustrials.com.au

DRILLING SUMMARY

Phase 2 is the extension of the diamond core programme to test grade and geological continuity of the previously identified mineralised, sheared and altered structure in Phase 1. A further 3,274 metres of new DD core have been drilled in Phase 2 (22 holes, GDD 011-032) along strike north-south over 1.3 km, up dip east towards surface.

Further mineralised and altered shears have been identified with good geological continuity but with variable grade and thickness, on hole spacings of 200 x 100 metres. A 3D geological model of this shear-vein system has been constructed, identifying 26 mineralised veins to date, to a vertical depth of 200 metres.

CEO, James Arkoudis noted, “The pleasing part is that we are intersecting grade very shallow.”

The geological map below shows all RC and DD holes from both phases, with Phase 2 holes (GDD 011-032) being primarily located along the eastern flank of the drilling area (**Figure 1**).

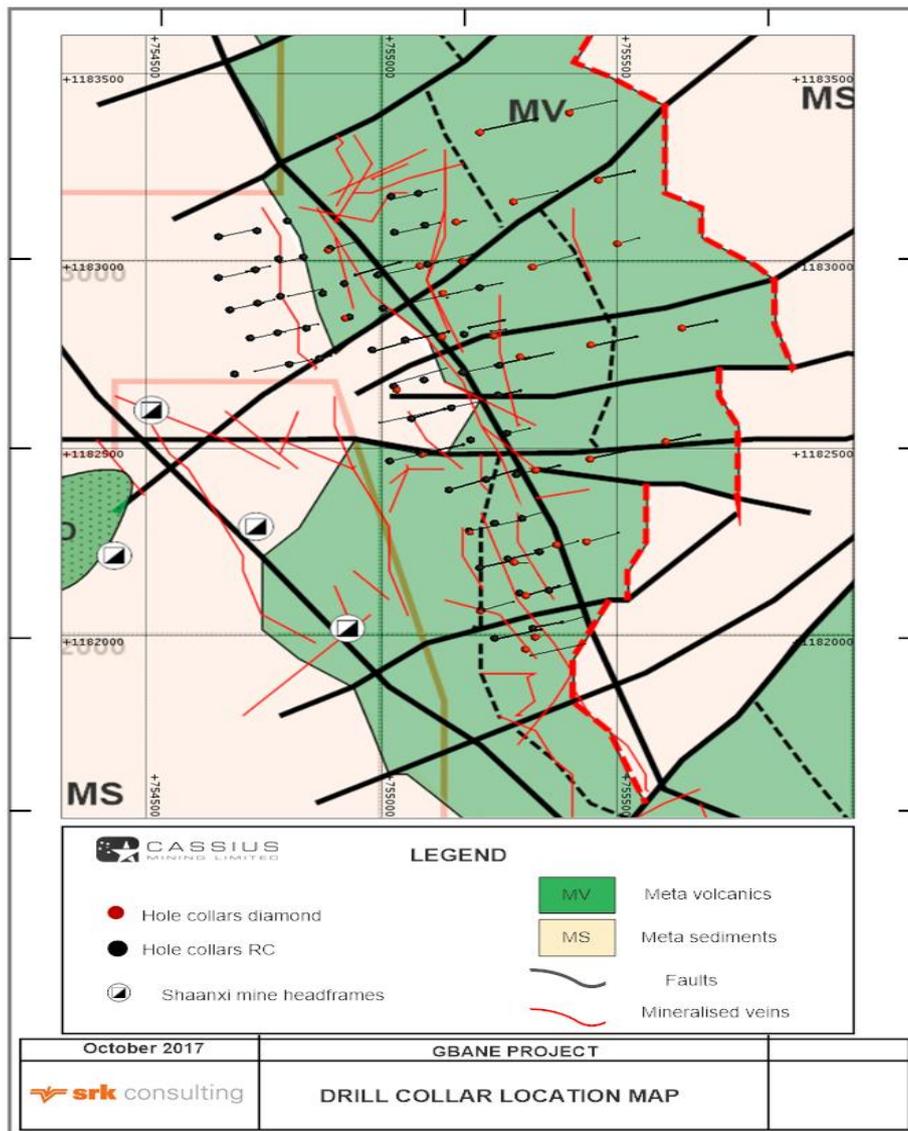


Figure 1: Geology of the area showing Gbane Project drill collar locations

HIGH GRADE ASSAY RESULTS

Table 1 shows significant gold intersections in 14 of the 22 holes drilled in Phase 2 (holes GDD 011-032), with average gold grades across the intervals of >1 g/t.

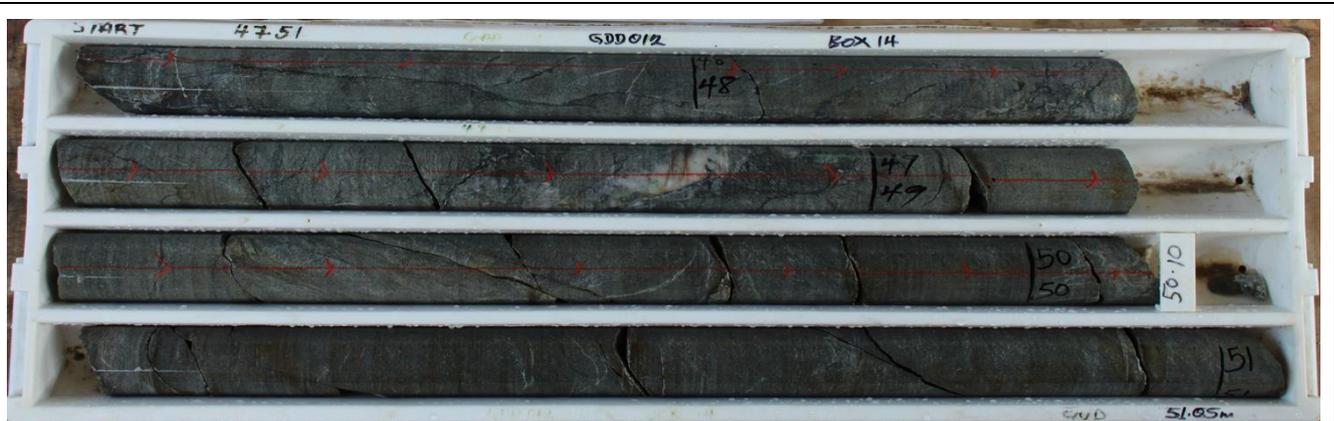
(Note: Appendix A shows gold intersections drilled in Phase 2 with average gold grades across the intervals of >0.5 g/t).

| Hole ID | Intersection downhole (metres) | Vertical depth (metres) | Intersection width (metres) | Average gold grade across intersection (g/t) |
|---------|--------------------------------|-------------------------|-----------------------------|--|
| GDD 011 | 11-12 | 8 | 1 | 29.10 |
| GDD 012 | 47-49 | 40 | 2 | 2.95 |
| GDD 012 | 54-60 | 45 | 6 | 1.48 |
| GDD 015 | 89-92 | 75 | 3 | 1.13 |
| GDD 016 | 5-8 | 4 | 3 | 1.06 |
| GDD 016 | 60-64 | 50 | 4 | 2.08 |
| GDD 017 | 26-29 | 20 | 3 | 2.13 |
| GDD 017 | 49-50 | 41 | 1 | 1.57 |
| GDD 017 | 118-119 | 95 | 1 | 1.13 |
| GDD 018 | 79-82 | 67 | 3 | 1.10 |
| GDD 020 | 0-1 | 0 | 1 | 1.67 |
| GDD 023 | 106-107 | 85 | 1 | 4.12 |
| GDD 024 | 43-44 | 37 | 1 | 1.82 |
| GDD 024 | 138-139 | 112 | 1 | 1.73 |
| GDD 025 | 22-23 | 19 | 1 | 17.27 |
| GDD 026 | 62-63 | 52 | 1 | 4.88 |
| GDD 028 | 70-71 | 60 | 1 | 1.78 |
| GDD 029 | 124-126 | 100 | 2 | 1.21 |
| GDD 029 | 134-135 | 108 | 1 | 1.49 |
| GDD 032 | 1-2 | 1 | 1 | 1.38 |
| GDD 032 | 63-73 | 49 | 10 | 1.75 |
| GDD 032 | 163-165 | 130 | 2 | 1.10 |
| GDD 032 | 200-202 | 169 | 2 | 1.86 |

Table 1: Significant gold intersections >1 g/t Au average across intervals.

MINERALISED, SHEARED AND ALTERED CORE

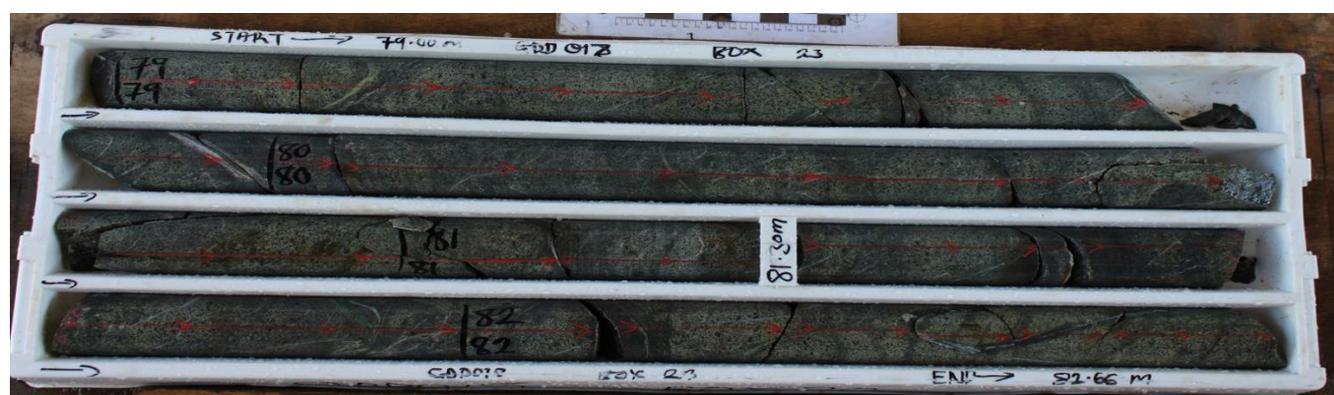
Figures 2 and 3 show Phase 2 core with quartz veining and associated strong alteration in sheared meta-volcanics, assaying with high grade gold.



GDD 012 - Altered meta-volcanics showing pervasive chlorite alteration and associated quartz veining @ 47-51m, with 47-49m averaging 2.95 g/t Au.



GDD 017 - Quartz veining in a sheared intermediate meta-volcanic @ 25-28m, part of a sequence from 26-29m averaging 2.13 g/t Au.



GDD 018 - Altered meta-volcanics with stringer quartz veining @ 79-82m averaging 1.10 g/t Au.

Figure 2: Prominent shearing and alteration, with quartz veining and high grade gold



Figure 3: GDD 032 - Intense shearing, alteration and quartz-carbonate veining @ 61-72m, part of a sequence from 63-73m averaging 1.75 g/t Au.

SUMMARY OF GBANE PROJECT DRILLING PROGRAMME

The Phase 2 drilling programme has identified additional mineralisation zones, shearing and alteration to those already identified in Phase 1, also with variable gold grade and width (the gold has a strong nugget component, not uncommon in Birimian orogenic gold deposits).

Phases 1 and 2 of the Gbane Project have to date drilled a total of 8,637 metres RC (58 holes, GRC 001-058) and 6,286 metres DD core (32 holes, GDD 001-032). Only diamond core was drilled in Phase 2 to advance detailed geological understanding of the shear-vein system. All holes were oriented at a 70-90° azimuth, with an approximate 60° dip to optimise intersections orthogonal to the north-striking, westerly shallow-dipping target horizons.

All sub-surface data is in process of being incorporated into 3D modelling software and compiled into a wireframe model of the individual mineralised shear zones.

To date 26 mineralised and altered shear zones have been identified across both drilling phases, and are being modelled to assist in advancing the Project towards a Resource (**Figure 4**).

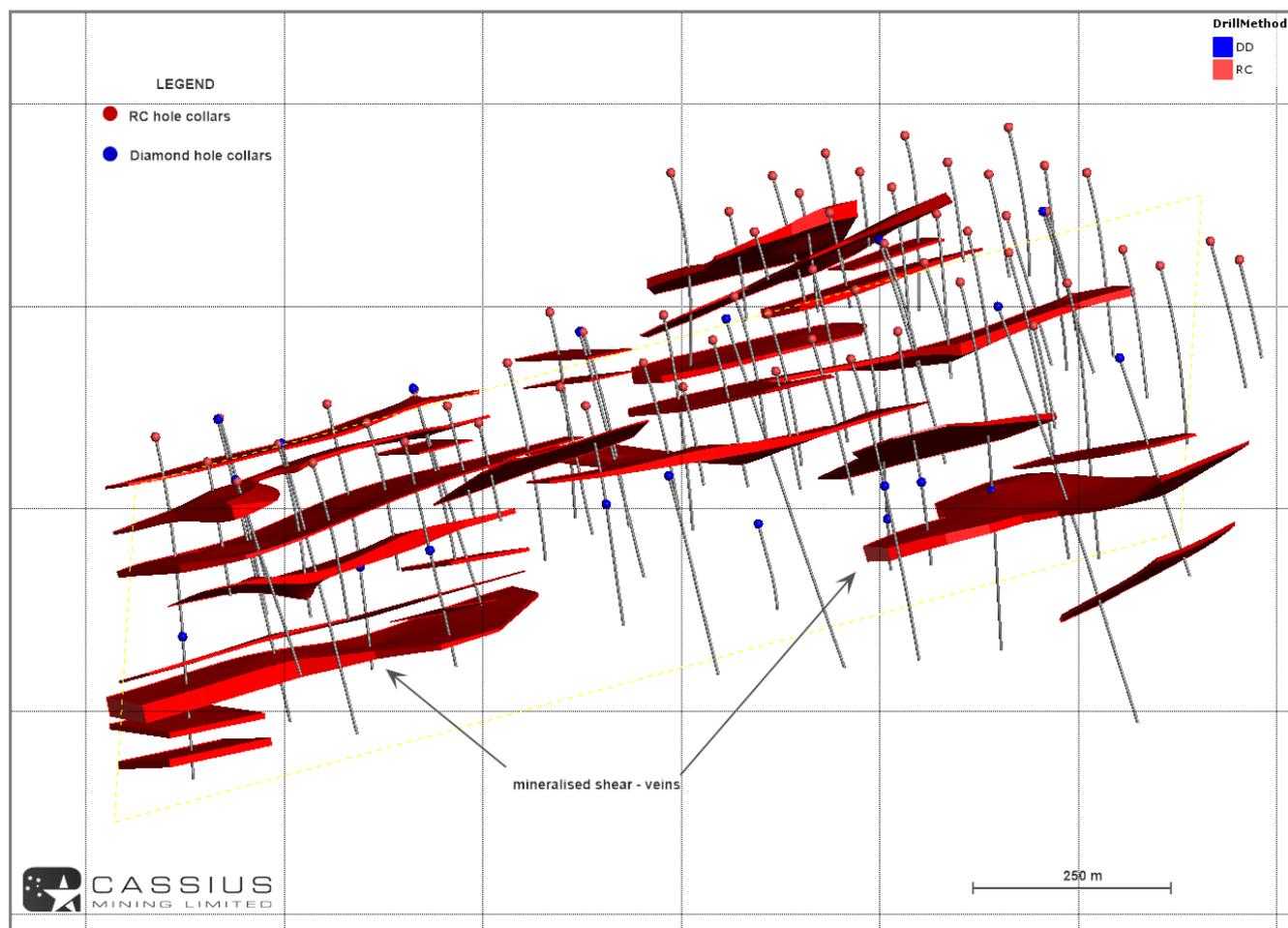


Figure 4: 3D view (looking NW) of the identified stacked mineralised shear-veins (both phases)

The identified shear-veins trend NNW-SSE and have a combined strike length of 1.3 km to form a broad zone (400m wide) consisting of narrow, stacked veins that continue to a vertical depth of at least 200 metres. Individual mineralised shear-veins vary in width from 2 to 20 metres, and are on average approximately 4 metres wide. Grade in the mineralised shear-veins is highly variable over the width of the zone. These systems continue down dip to the west, with vertical depth increasing to over 200 metres on the western boundary. A mineralised section in the south of the drilling area (along 1182075 N) shows gold grades and widths intersected (**Figure 5**).

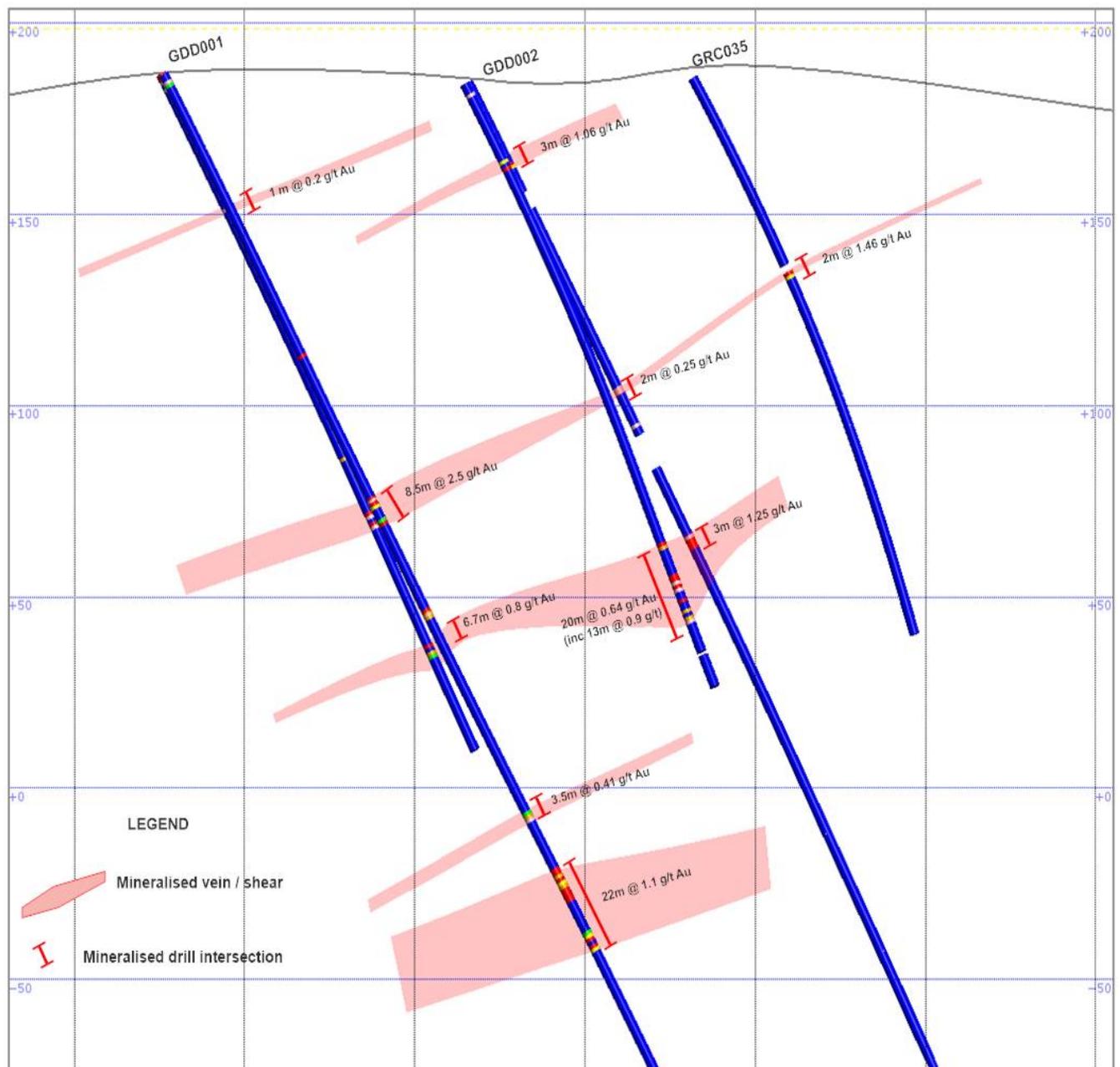


Figure 5: Section 1182075 N showing gold grade and mineralised widths in the south of the Gbane Project area (Phase 1 holes).

Figure 6 plan view shows the extent of the stacked mineralised shear-vein system over the Phase 1 and 2 drilling areas, up to hole GDD 026 only (the model remains under process of update for Phase 2 holes GDD 027-032 along the eastern flank of the drill area).

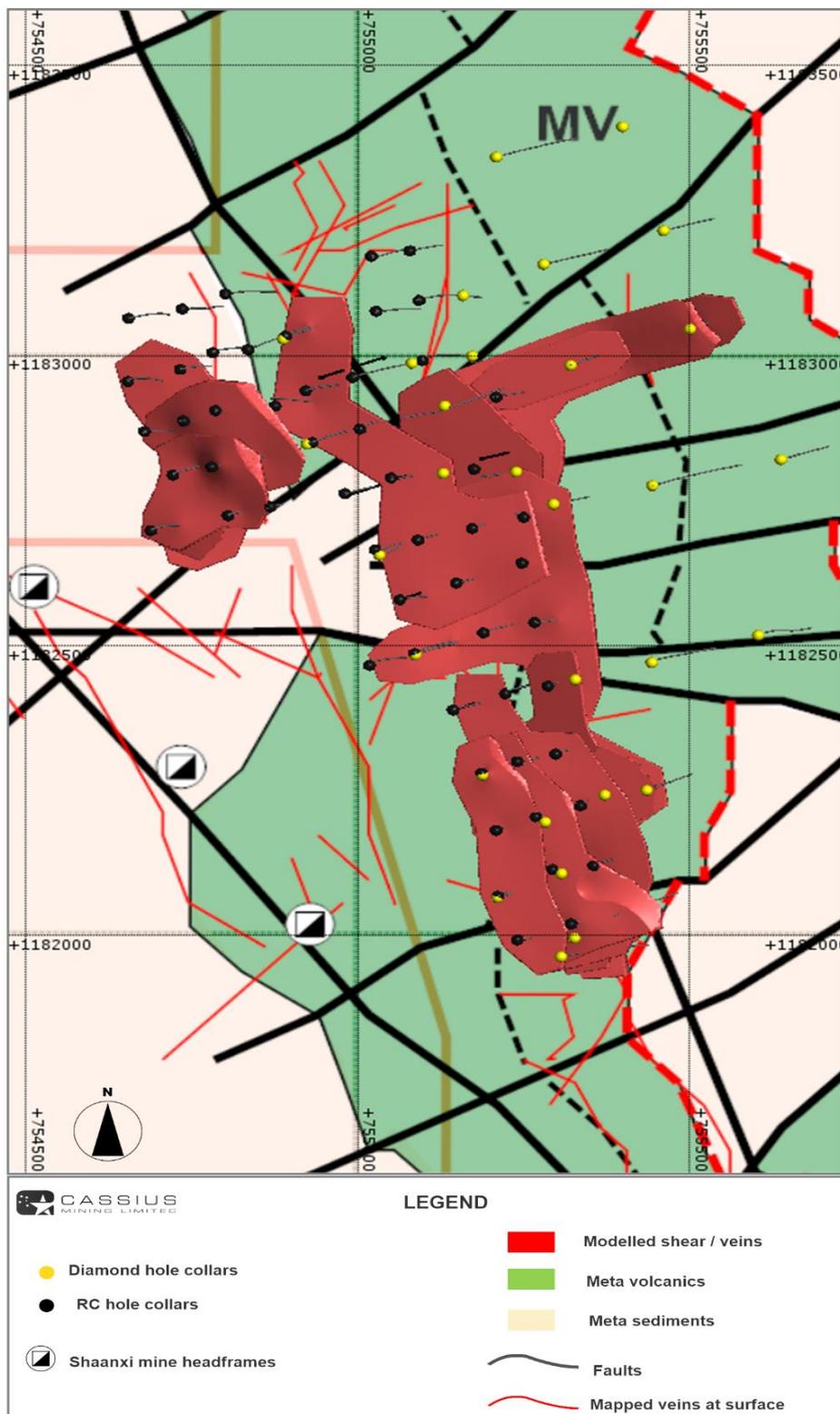


Figure 6: Plan view showing outline of the mineralised shear-veins (excluding data from holes GDD 027-032, under process of update)

FURTHER EXPLORATION

Initial drilling operations in the Gbane Project have been completed. The Company will now:

- further review the Gbane Project to assist in planning future infill drilling. This would allow consideration of testing short range variability of gold mineralisation to establish greater confidence in grade continuity, via a targeted panel of close spaced drilling at 25 x 25 metres centres.
- evaluate options to conduct a high-resolution geophysical study, including magnetics and radiometrics at 50m line spacings over the Gbane Project area, as well as the northern Option area #1 and southern Option area #2. This would assist in providing additional magnetics data to the existing survey for a more detailed interpretation of structure and stratigraphy across the Project area.
- drill a limited number of initial DD core holes in a faulted meta-volcanics block 250 metres south east of the Gbane Project drill area (in Option area #2, under due diligence). The target is an arsenic and associated magnetic anomaly believed to be intermediate intrusives. Extensive shallow artisanal workings also occur in this location.

APPENDIX A

PHASE 2 GOLD INTERSECTIONS >0.5 g/t Au (average across intervals)

| Hole ID | Intersection downhole (metres) | Vertical depth (metres) | Intersection width (metres) | Average gold grade across intersection (g/t) |
|---------|--------------------------------|-------------------------|-----------------------------|--|
| GDD 011 | 11-12 | 8 | 1 | 29.10 |
| GDD 012 | 24-25 | 20 | 1 | 0.61 |
| GDD 012 | 47-49 | 40 | 2 | 2.95 |
| GDD 012 | 54-60 | 45 | 6 | 1.48 |
| GDD 015 | 89-92 | 75 | 3 | 1.13 |
| GDD 015 | 141-143.2 | 119 | 2.2 | 0.50 |
| GDD 016 | 5-10 | 4 | 5 | 0.76 |
| GDD 016 | 59-64 | 49 | 5 | 1.74 |
| GDD 017 | 26-29 | 20 | 3 | 2.13 |
| GDD 017 | 49-50 | 41 | 1 | 1.57 |
| GDD 017 | 64-65 | 54 | 1 | 0.51 |
| GDD 017 | 83-84 | 70 | 1 | 0.58 |
| GDD 017 | 115.6-116.4 | 98 | 0.8 | 0.64 |
| GDD 017 | 118-119 | 95 | 1 | 1.13 |
| GDD 018 | 50.8-51.3 | 43 | 0.5 | 0.77 |
| GDD 018 | 79-82 | 67 | 3 | 1.10 |
| GDD 019 | 75-76 | 63 | 1 | 0.91 |
| GDD 019 | 86-87 | 73 | 1 | 0.52 |
| GDD 019 | 97.5-98 | 82 | 0.5 | 0.52 |
| GDD 019 | 99-100 | 83 | 1 | 0.96 |
| GDD 020 | 0-1 | 0 | 1 | 1.67 |
| GDD 022 | 157-158 | 133 | 1 | 0.90 |
| GDD 023 | 106-107 | 85 | 1 | 4.12 |
| GDD 024 | 25-26 | 21 | 1 | 0.69 |
| GDD 024 | 43-44 | 37 | 1 | 1.82 |
| GDD 024 | 138-139 | 112 | 1 | 1.73 |
| GDD 025 | 22-23 | 19 | 1 | 17.27 |
| GDD 025 | 182-183 | 154 | 1 | 0.67 |
| GDD 025 | 249-250 | 179 | 1 | 0.66 |
| GDD 026 | 62-63 | 52 | 1 | 4.88 |
| GDD 028 | 47-53 | 39 | 6 | 0.59 |
| GDD 028 | 70-71 | 60 | 1 | 1.78 |
| GDD 029 | 123-126 | 99 | 3 | 0.95 |
| GDD 029 | 132-135 | 106 | 3 | 0.65 |

| | | | | |
|---------|---------|-----|----|------|
| GDD 030 | 122-123 | 103 | 1 | 0.54 |
| GDD 030 | 129-130 | 109 | 1 | 0.79 |
| GDD 032 | 1-2 | 1 | 1 | 1.38 |
| GDD 032 | 53-54 | 45 | 1 | 0.64 |
| GDD 032 | 63-73 | 49 | 10 | 1.75 |
| GDD 032 | 163-165 | 130 | 2 | 1.10 |
| GDD 032 | 181-183 | 153 | 2 | 0.55 |
| GDD 032 | 200-202 | 169 | 2 | 1.86 |
| GDD 032 | 306-307 | 260 | 1 | 0.76 |

Table A: Phase 2 gold intersections >0.5 g/t Au average across intervals

DATA QUALITY

In order to assure data quality and control ("QA-QC") Gulf has a programme of QA-QC for all data types collected. This includes but is not restricted to:

- routine insertion of blanks;
- routine insertion of standards;
- routine insertion of field and laboratory duplicates (certified reference material "CRM");
- umpire samples to other laboratories;
- twin DD hole program to validate RC sampling;
- routine checking of specific gravity ("SG") results; and
- accurate surveying of hole locations.

To date, routine review of sample checks has not revealed any significant issues. Gulf monitors all data for QA-QC purposes at regular intervals.

COMPETENT PERSONS STATEMENT

Information in this report that relates to the Gbane Project is based on information compiled by Mr Peter Gleeson, a full time employee of SRK Consulting (UK) Ltd, who is a member of the Australian Institute of Geoscientists and a member of the Institute of Mining Metallurgy and Materials UK. Mr Gleeson has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Gleeson consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.

DISCLAIMER

This ASX announcement has been prepared by Gulf. It should not be considered as an offer to subscribe for or purchase any securities in the company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the company will be entered into on the basis of this announcement.

This announcement contains summary information about Gulf, its subsidiaries and their activities which is current as at the date of the announcement. The information in this announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Gulf.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Gulf securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Gulf and of a general nature which may affect the future operating and financial performance of Gulf and the value of an investment in Gulf including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure, constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Certain statements contained within this announcement, including information as to the future financial or operating performance of Gulf, are forward looking statements that:

- May include, among other things, statement regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources, and anticipated grades and recovery rates, production, prices, recovery costs, results capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Gulf, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- Involve unknown and known risk and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

Gulf disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, and similar expressions identify forward looking statements.

All forward looking statements made in this announcement are qualified by the fore going cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in the Announcement has not been independently verified.

Further Information:

Contacts

James Arkoudis
Director

t: +61 2 8321 7943
e: james.arkoudis@gulfindustrials.com.au

Anthony Karam
Director

t: +61 2 8321 7941
e: anthony.karam@gulfindustrials.com.au

Wayne Kernaghan
Director/Co. Secretary

t: +61 2 8226 3323
e: wayne.kernaghan@gulfindustrials.com.au

Commentary on exploration, sampling and drilling techniques used at the Gbane project is given in reference to JORC Code (2012 edition) Table 1 (Sections 1 and 2) over page.

JORC CODE 2012 EDITION TABLE

SECTION 1 SAMPLING TECHNIQUES AND DATA

| Criteria | JORC Code explanation | Commentary |
|------------------------------|---|---|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (e.g. 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. 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"> Industry standard QA/QC procedures. One in every 20 RC samples have blanks and CRMs inserted. Diamond twins used to control RC drilling also have standards and blanks inserted in same ratio Hand held XRF used on pulverized RC samples for general geochemical determination Three tier riffle splitter used for RC, and half core cut for diamond samples Gold mineralisation associated with altered and quartz – carbonate veins in low angled, altered, shear zones RC drilling was used (5") with samples taken every 1m. This was split to produce approximately 3 kg samples . The sample was crushed to provide a 50 g charge for analysis. 20% diamond drilling used to support RC. Sample half cut, crushed and a 50 g charge submitted for routine fire analysis |
| 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"> Reverse circulation used (5") to obtain 1 m samples of approximately 3 kg prior to crushing to produce a 50 g charge for fire assay. Diamond core (HQ) for geological control and twinning of RC. Samples crushed to produce a 50 g charge for fire assay. Diamond core is oriented using reflex tool and structurally logged. |
| 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"> Method of recording RC chips and diamond core was by paper logs transcribed to digital logs for upload to electronic database RC Sample recovery maximized using cyclone and 3 tier riffle splitter. Recoveries monitored. Diamond core sampled to geological contacts No known relationship exists between recovery and grade. No obvious bias observed between grade and sample size |
| 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"> RC chips logged for geology, alteration and mineralization. Diamond core same as above with addition of structural logging from oriented core to support future MRE Logging is quantitative. Chips are stored and all core is photographed wet. RC chips not photographed All holes, RC and diamond holes logged in their entirety |

| Criteria | JORC Code explanation | 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"> All mineralized intersections half cut with one half submitted for analysis. Other half stored The RC sub sampling is with a 3 tier riffle splitter Sample prep completed at SGS Tarkwa laboratories under controlled conditions using a jaw crusher to provide a 2 mm fraction. Reject sample is retained and split is pulverized to nominal 85% 75 µm fraction. A 200 g sub sample is taken for analysis by Fire assay with AAS finish QA/QC procedures adopted for all sub samples using CRM and blanks Duplicates inserted every 20th sample. With reject material from splitter (10 kg) being retained at site for potential re-assay Sample size is appropriate to give representative samples of gold mineralisation |
| 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"> Pulverised sample is weighed prior to mixing with flux and fused to produce a lead button (Dore bead). Bead is digested and resulting solution submitted for analysis via AAS. Machine calibrated with each job. Industry standard fire assay technique Hand held XRF instrument used for determining associated pathfinder elements but not for assaying of gold. A range of CRMs are used that reflect grades of mineralization. Blanks are also submitted at every 20th sample. Duplicates take at approx. every 20th sample. External inter lab test also commenced using Intertek Tarkwa. Some 50 samples selected (approximately 1 in 10) from mineralized zones |
| 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"> RC intersections verified by diamond core and independent consultants (SRK) Approx 20% of RC is twinned by diamond core SOPS set up for all stages of sampling and logging. Data captured and entered into a secure Access database off site and maintained by SRK. No adjustments to 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. Specification of the grid system used. Quality and adequacy of topographic control. | <ul style="list-style-type: none"> All holes collars picked up by Emlid GNSS DGPS with an accuracy of less than 0.5 m. Holes surveyed down hole every 30 meters using Reflex gyroscopic and magnetic instrument. Extension diamond collars calculated from EOH positions of surveyed RC holes UTM WGS 83 Zone 30N |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | | <ul style="list-style-type: none"> Quality and accuracy of topographic control is < 1 m using Emlid GNSS GPS system. |
| Data spacing and distribution | <ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <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> <i>Whether sample compositing has been applied.</i> | <ul style="list-style-type: none"> Data spacing is nominally 200 x 100 m for drilling Data spacing is sufficient for understanding broader controls on geological continuity but not for grade continuity. No JORC compliant Mineral Resource estimated at this time. No sample compositing has been applied |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> <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> <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> | <ul style="list-style-type: none"> Orientation of sampling is correct and orthogonal to the known dip and strike of mineralization and deposit type As far as is known no orientation bias is present |
| Sample security | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> Samples are retained at Cassius secure compound in Bolgatanga prior to dispatch to SGS Tarkwa or Intertek Tarkwa. The Compound has 24 hour security. |
| Audits or reviews | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> Gulf / SRK undertake a regular QA/ QC review of all assay data. To date no problems have been encountered with quality |

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"> The Gbane licence is located in the Upper East Region of Ghana. Cassius hold a JV agreement with Gulf Minerals on the Gbane and Option projects covered in the project area. Cassius own all titles to a large scale mining licence that covers the project area. Title granted 28 December 2016. |
| 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"> Earlier systematic exploration has been undertaken by Asia Intercept Mining providing exploration services to Cassius. This includes a mapping and soils sampling program |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> Paleo Proterozoic Orogenic gold hosted in shallow dipping altered and veined shear zones. Gold associated with quartz – carbonate pyrite veins. |
| 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 collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole 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 drill data and results are tabulated in this report There are no exclusions of information |
| 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. 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"> Only length weighting of some accumulated grade intervals has been undertaken to simplify reporting. No grade capping has been applied to the results No short lengths used. All samples are standard 1 m lengths No metal equivalents used |

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i> | <ul style="list-style-type: none"> • The general relationship has been established between mineralization width and intercept lengths. Due to angle of drilling to main structures it is approximately ratio of 0.8 :1 • The geometry of most of the mineralization to hole angle is known and all holes intersect the mineralized zones at 90 to 70°. Approximately orthogonal. <ul style="list-style-type: none"> • Only down hole lengths are reported but approximate to 0.8 of the true width. |
| Diagrams | <ul style="list-style-type: none"> • <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> | <ul style="list-style-type: none"> • Map and sections of hole collars are provided in the report to visually describe the results |
| Balanced reporting | <ul style="list-style-type: none"> • <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> | <ul style="list-style-type: none"> • A summary of results is provided in this announcement for both high grade and low grade material, and statement as to holes completed. |
| Other substantive exploration data | <ul style="list-style-type: none"> • <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> | <ul style="list-style-type: none"> • No other significant data is reported due to the early stage of exploration. Earlier soil sample results have been included in previous releases |

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| Further work | <ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> | <ul style="list-style-type: none"> • Additional diamond drilling potential to determine short range variability in mineralization via close spaced panel drilling in Gbane Project. • High resolution Geophysics programme potential discussed across the license. • The announcement contains plans of future potential extents of exploration in Option areas |
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