

ASX/Media Release

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## **DRILLING COMMENCES TARGETING SHALLOW EXTENSIONS OF HIGH-GRADE MINERALISATION AT ROTHSAY GOLD PROJECT**

**RC drilling underway aimed at growing the existing high-grade Resource**

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### **HIGHLIGHTS**

- > A multi-pronged Reverse Circulation drilling programme has commenced at EganStreet's Rothsay Gold Project in WA.
  - > Drilling contractors Westdrill Pty Ltd have mobilised to site and commenced drilling.
  - > The initial phase of drilling, comprising 16 holes for 1,700m will test the northern upper zone of the "A" Shear for potential shallow extensions of the existing Resource.
  - > Subsequent drilling will target potential shallow mineralisation to the south of the deposit and in the hanging wall shears to assist with infrastructure planning.
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Egan Street Resources Limited (ASX: EGA) (**EganStreet** or the **Company**) is pleased to advise that Reverse Circulation drilling has commenced at its 100%-owned **Rothsay Gold Project** in WA's Midwest region aimed at growing the existing high-grade resource inventory.

The Company's drilling contractor, Westdrill Pty Ltd, has mobilised to site and commenced drilling.

The current RC drill programme has three key components:

- > 16 holes for 1,700m in the previously untested northern upper zone of the "A" Shear to test for mineralisation to 100m below surface (see Figure 1);
- > 1,500m to the south of the deposit, to follow up a previously drilled intersection and test the extent of the mafic sequence; and
- > 2,000m to test the up-dip shallow portions of the hangingwall shears where infrastructure is planned.

EganStreet Managing Director Marc Ducler said the new phase of drilling was aimed at potentially increasing the scale of the project in parallel with ongoing development studies.

*"This is an exciting time for the Company as it is the first time we are targeting potential additions to the existing high-grade Resource inventory at Rothsay. Most of the drilling to date has been in-fill or focused on immediate down-plunge extensions of the deposit."*

*"The initial phase of RC drilling is aimed at extending the known mineralisation of the "A" Shear in near-surface positions immediately to the north of the deposit which historically has little drill density."*

*"The drilling in the south has been designed to test the southern extent of the mafic sequence under previously drilled shallow holes. This programme has been planned as a result of an ongoing exploration review of the Rothsay field which has highlighted the potential for further gold mineralisation, supported by the recent identification of historical gold workings along the strike of interpreted mineralised shears where basement geology is exposed at the surface."*

*"We are on track to publish a PFS later this quarter, however if we are successful with the current drilling this could feed into the Definitive Feasibility Study due in the second half of the year and potentially expand the scope of the Rothsay Project."*

*"In parallel with this, we are also increasing our regional exploration activities at Rothsay with a view to growing the gold inventory and unlocking the broader potential of the project, which is highly prospective for new discoveries along parallel shear zones."*

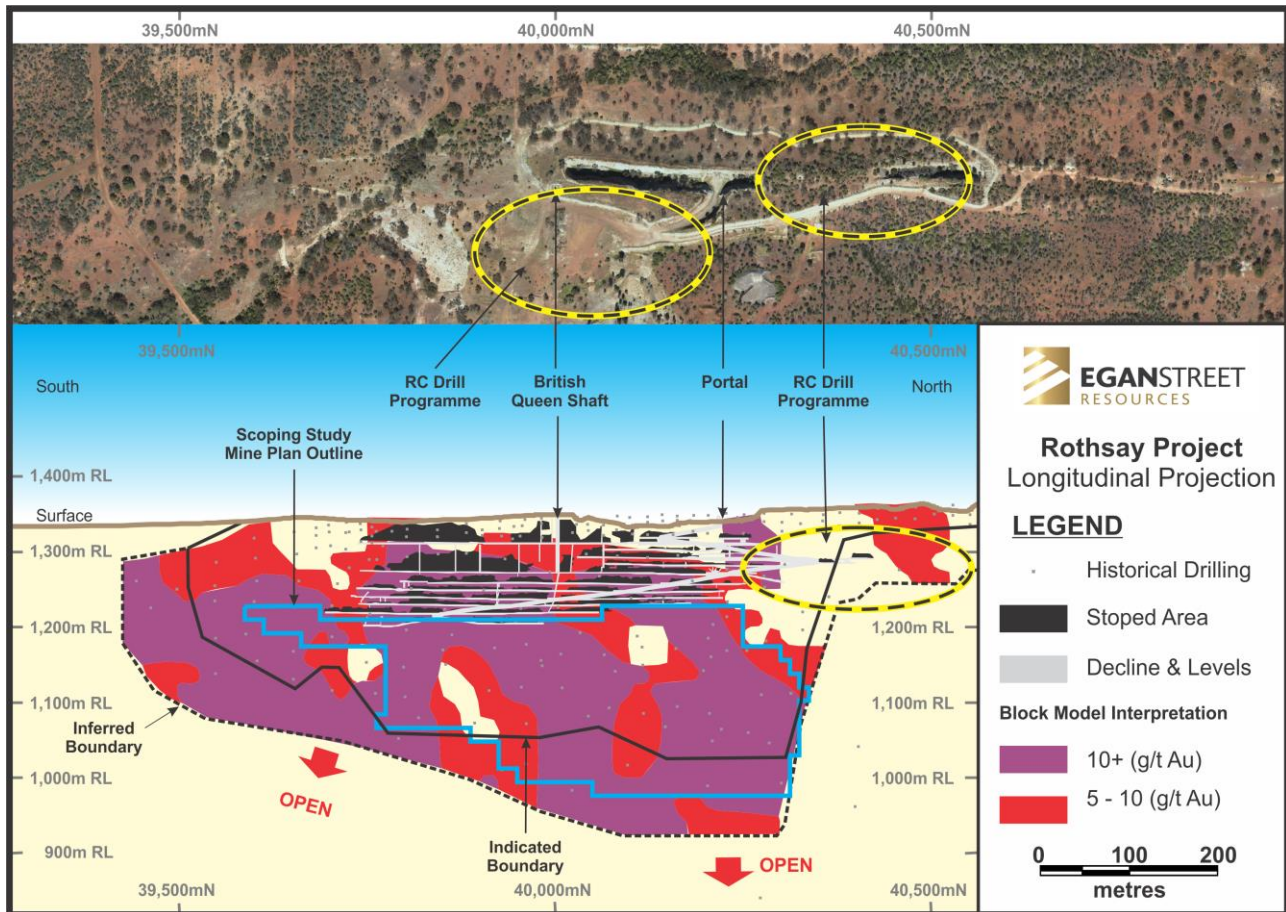


FIGURE 1 – "A" SHEAR LONG PROJECTION SHOWING RC DRILL PROGRAMME.

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## ABOUT EGANSTREET RESOURCES

EganStreet is an emerging West Australian gold company which is focused on the exploration and development of the 100%-owned Rothsay Gold Project, located 300km north-east of Perth in WA's Midwest region.

The Rothsay Project currently hosts high-grade Mineral Resources of 262koz at an average grade of 11.6 g/t Au (Indicated 399kt @ 11.9g/t Au and Inferred 303kt @ 11.3g/t Au) and a production target (Scoping Study published 23 December 2016) of 493kt @ 6.7g/t for 101koz of gold produced.

The Company is focused on increasing the geological confidence of the Mineral Resource, expanding the known mineralisation and carrying out the necessary evaluation, modelling and feasibility studies to progress a potential near-term, low capital intensity opportunity to commence mine development and gold production operations.

A Pre-Feasibility Study is targeted for completion in the second quarter of 2017 and will feed into the Definitive Feasibility Study of the Rothsay Gold Project, which is due for completion in the second half of this year.

EganStreet has a strong Board and Management team which has the necessary range of technical and commercial skills to progress the Rothsay Gold Project to production.

The Company is funded to progress the Rothsay Gold Project to a decision to mine (technical and commercial studies completed, funding secured and key construction, mining and processing contracts in place).

EganStreet's longer term growth aspirations are based on a strategy of utilising the cash-flow generated by an initial mining operation at Rothsay to target extensions of the main deposit and explore the surrounding tenements, which include a 10km strike length of highly prospective and virtually unexplored stratigraphy.

## COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to the Rothsay Mineral Resource is extracted from the announcement titled "27% Increase in High-Grade Indicated Resource at Rothsay" lodged on 14 March 2017 which is available to view at [www.eganstreetresources.com.au](http://www.eganstreetresources.com.au) / [www.asx.com.au](http://www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Information in relation to the Rothsay Project Scoping Study, including production targets and financial information, included in this report is extracted from an ASX Announcement dated 23 December 2016 (see ASX Announcement – 23 December 2016, "Rothsay Scoping Study Revised", [www.eganstreetresources.com.au](http://www.eganstreetresources.com.au) and [www.asx.com.au](http://www.asx.com.au)). The Company confirms that all material assumptions underpinning the production target and financial information set out in the announcement released on 23 December 2016 continue to apply and have not materially changed.