

**ASX Announcement**  
21 August 2017

ASX Code DEG

ABN 65 094 206 292

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## **Contiguous tenement secured with drill tested high grade targets & surface nuggets**

### **Highlights**

**New Joint Venture Agreement signed - Large landholding with walkup shallow - high grade drill targets and large untested gold anomalies within 15km of proposed processing plant site.**

- 4 year option to acquire 75% of highly prospective gold tenement E47/2502, immediately to the south of Indee tenements
- Scale of mineralised system larger than Indee Gold Project
- Shallow gold mineralisation (<50m vertical depth) defined in first pass RAB and Aircore drilling. Never tested with RC drilling

#### **Fir Prospect**

**1m @ 328.4g/t Au from 7m**  
**1m @ 12.13g/t Au from 38m**

#### **Holly Prospect**

**13m @ 15.15g/t Au from 47m**  
**16m @ 1.40g/t Au (inlc. 1m @ 11.58g/t Au from 5m)**  
**1m @ 13.76g/t Au from 47m**

#### **Aspen Prospect**

**3m @ 3.88g/t Au from 35m**

- Large (>10km) untested gold in soil anomalies

**New Application – 100% De Grey – immediately adjacent to project and within 15km of proposed processing plant site with untested soil and rock geochem anomalies and gold nuggets at surface.**

De Grey Executive Chairman, Mr. Simon Lill, said:

*“It is unusual to be able to secure such a high quality land package in a heavily mineralized region. Our strategy is to control all likely resources within 50kms of the proposed plant site for the developing Pilbara Gold Project.”*

## Summary

De Grey Mining Ltd (ASX: DEG, “De Grey” “Company”) is pleased to announce two new prospective tenement areas covering an additional 250km<sup>2</sup> of landholding contiguous to its +1M oz. Pilbara Gold Project. An option to joint venture (earn-in) agreement has been signed for tenement E47/2502 (Figure 1) which comprises 226km<sup>2</sup>, covering large NE trending regional scale structures and numerous partially drill tested gold anomalies, some with exceptional high-grade drill intercepts. There are many other targets requiring follow-up testing.

An additional tenement application E47/3750 has also been made covering 25km<sup>2</sup>, located along the northern boundary of the project area (Figure 1).

The Pilbara Gold Project, located near the town of Port Hedland in the Pilbara region, now encompasses approximately 1,800km<sup>2</sup> of tenure. The highly prospective land package currently hosts in excess of 1.0M ounces of gold plus significant zinc-lead-gold-silver resources with strong growth potential.

The Company considers the new tenement areas are highly prospective for the discovery of new shallow gold resources within 10-15km trucking distance of the proposed new processing plant (refer to ASX release “Positive Scoping Study completed at Pilbara Gold Project”, dated 4 August 2017). The positive Scoping Study considers a simple open pit mining strategy with processing through a proposed purpose built new CIL plant.

The new joint venture tenement covers several large regional scale structures which splay off the gold endowed Mallina Shear Zone, which hosts deposits at the Withnell Trend, Calvert and Mt Berghaus to the north (Figure 1).

Previous exploration carried out by various companies has yielded three major and extensive anomalies extending up to 10km in strike length coincident with the splay structures (Figure 2) and many other areas of interest. The tenement also covers areas that remain untested due to recent windblown sands that limit the effectiveness of the earlier surface sampling programs, providing further exploration upside.

Aerial imagery clearly shows extensive areas of surface prospector activities that supports numerous reports of nuggets being found at surface within the project area. Earlier RAB and aircore drilling has partially tested portions of the large anomalies, with many returning numerous significant intersections, including:

### Fir Prospect

**2m @ 164.4g/t Au** from 7m in BYAC080

(incl 1m @ 328.43g/t Au from 7m)

**2m @ 6.31g/t Au** from 37m in BYAC351

(incl 1m @ 12.13g/t Au from 38m)

### Holly Prospect

**13m @ 15.15g/t Au** from 47m in BYRB139

**16m @ 1.4g/t Au** from 5m in BYRB073

(incl 1m @ 11.58g/t Au from 18m)

**2m @ 7.16g/t Au** from 47m in BYAC113

(incl 1m @ 13.76g/t Au from 47m)

### Aspen Prospect

**13m @ 0.73g/t Au** from 34m in BYAC145

**3m @ 3.88g/t Au** from 35m in BYAC152

Selected significant downhole gold intersections are shown in Figure 3, with a complete list of intercepts provided in Table 1. No further follow up RC or diamond drilling has been completed at the prospects since 2009. Further historical data evaluation is on-going.

The second tenement application E47/3750, covers approximately 10km of prospective strike length where previous third party soil and rock chip sampling has highlighted anomalous gold zones. These zones correlate with aerial imagery and reports of surface gold nuggets that have been previously reported, similar to many other areas within the Pilbara Gold Project.

### **Gold nuggets from the Pilbara Gold Project region**



## Planned work activities

Initial work planned on E47/2502 includes compilation and review of existing data, field reconnaissance, leading to the development of follow up geochemical and drilling programs.

## Joint Venture Details

Under the terms of the agreement, De Grey has the right to earn up to 75% equity in E47/2502.

### Option Period

- Cash payment of \$40,000 to the Vendor
- Vendor grants DEG an exclusive right and period to assess the project until 30 September 2017
- DEG to complete a minimum expenditure of \$30,000 during the Option Period.
- DEG may elect to enter Joint Venture Earn -in

### Joint Venture Earn-in

- Stage 1 - DEG to spend a minimum of \$1.0M over a period of 3 years to earn 30%.
  - 1<sup>st</sup> Year expenditure requirement of \$100,000
  - 2<sup>nd</sup> Year expenditure requirement of \$300,000
  - 3<sup>rd</sup> Year expenditure requirement of \$600,000
- Stage 2 - DEG may spend a further \$1.0M expenditure over an additional 1 year period (4th Year) to earn an additional 45% equity in the tenement for a total equity of 75%.
- Vendor retains all alluvial rights.

### For further information:

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*The information in this report that relates to **Exploration Results** is based on, and fairly represents information and supporting documentation prepared by Mr. Philip Tornatora, a Competent Person who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Tornatora is a consultant to De Grey Mining Limited. Mr. Tornatora 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 "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Tornatora consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

Figure 1 Location plan showing E47/2502 and proposed new plant location

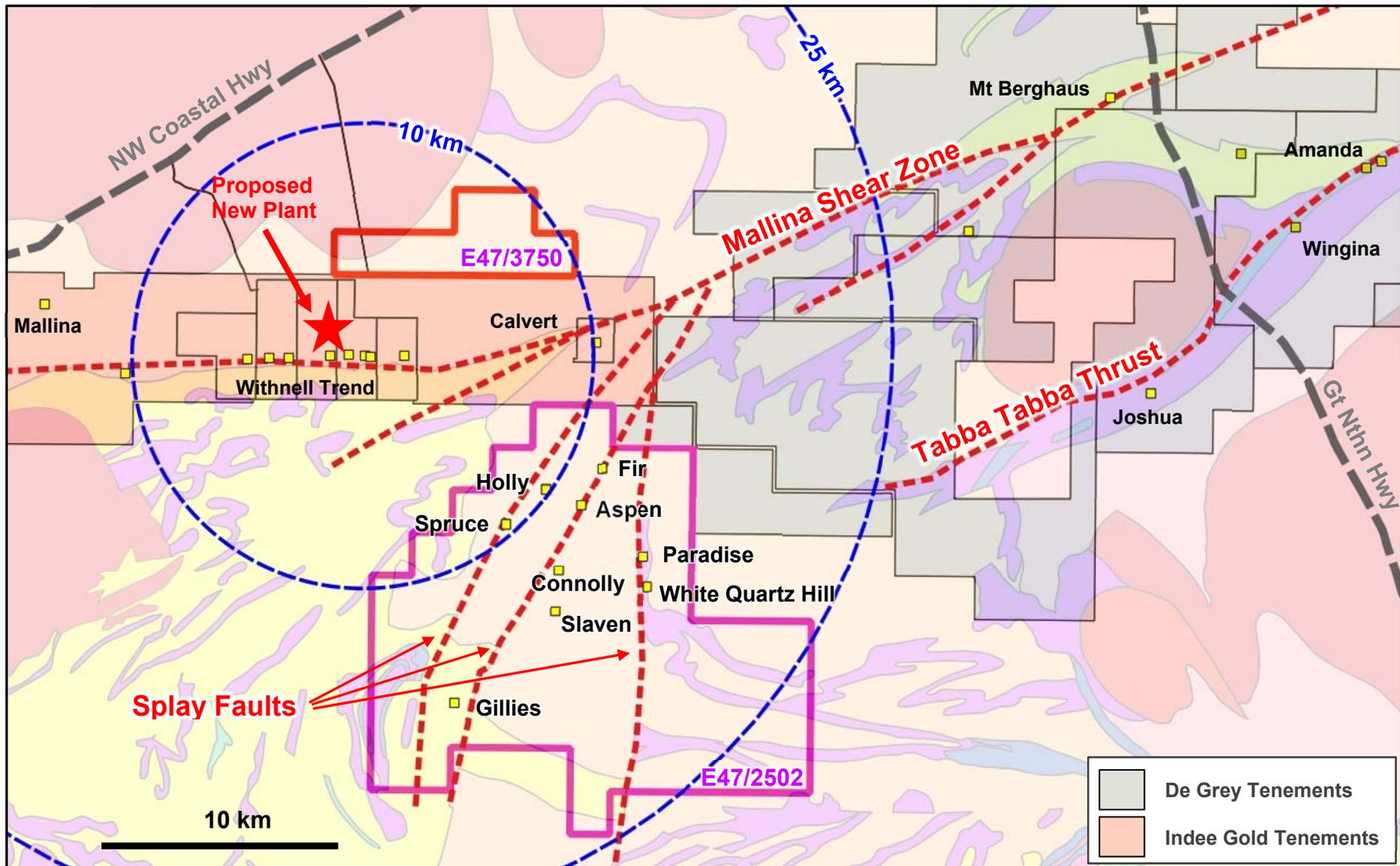


Figure 2 Surface geochem showing extensive anomalies E47/2502

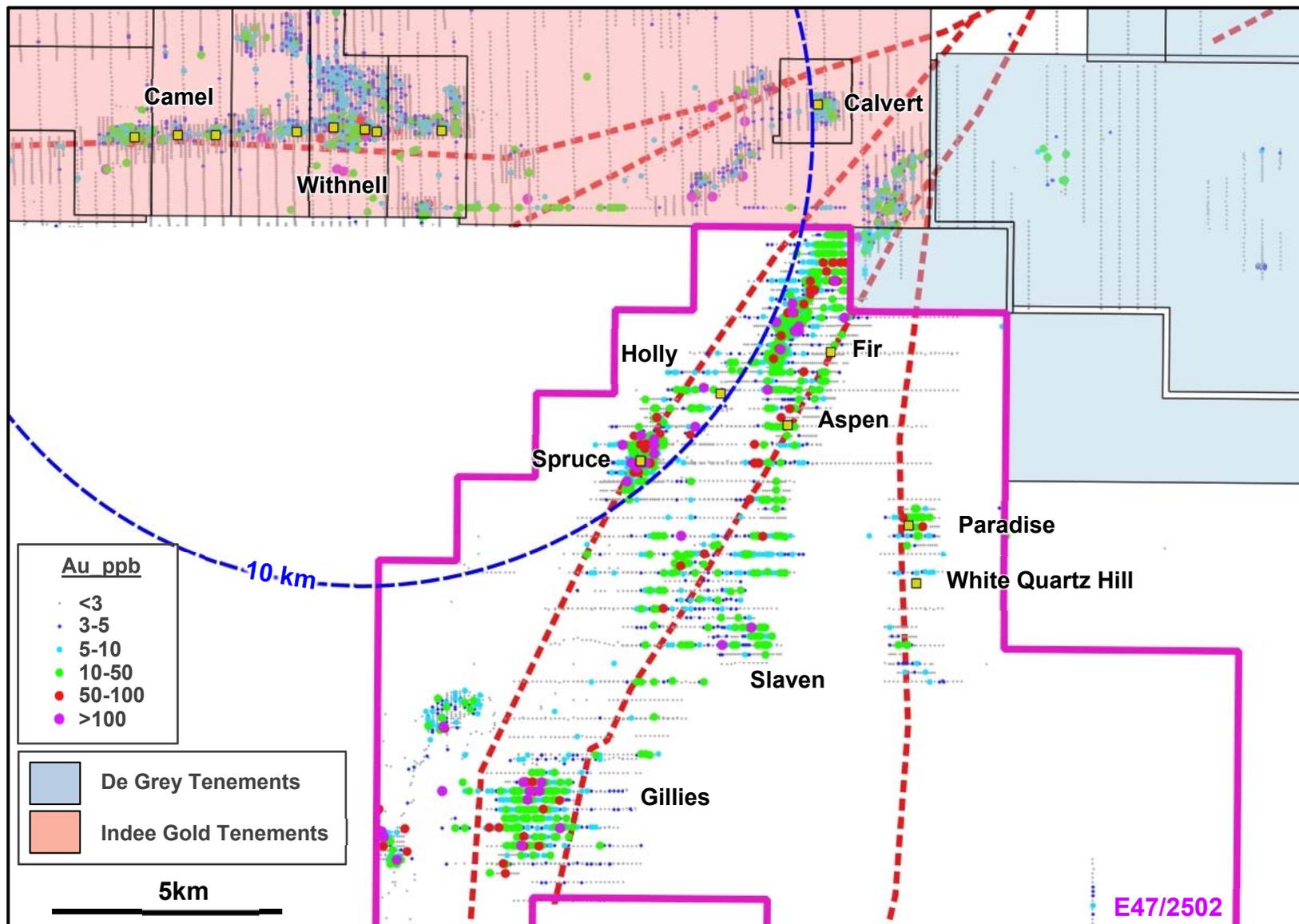
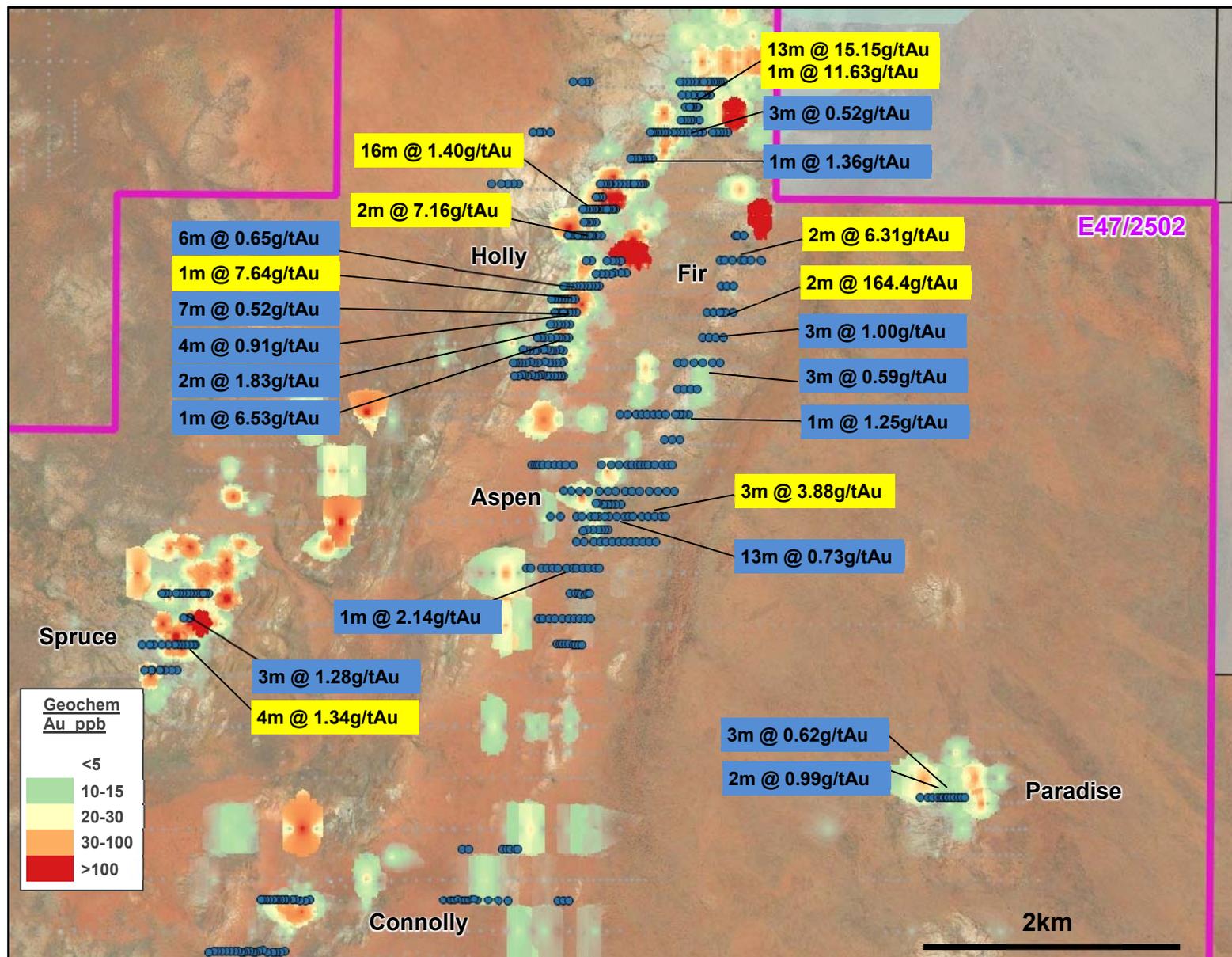


Figure 3 Significant drill intersections and other untested targets E47/2502



**Table 1 Significant Intersections E47/2502**

HoleID	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)
BYAC005	5	12	7	0.52	633490	7683800	80	270	-60
BYAC005	33	37	4	0.91	633490	7683800	80	270	-60
BYAC008	10	12	2	0.51	633426	7683800	80	270	-60
BYAC012	8	9	1	1.46	633694	7684000	80	270	-60
BYAC012	38	39	1	1.51	633694	7684000	80	270	-60
BYAC015	25	31	6	0.65	633601	7684000	80	270	-60
BYAC015	35	39	4	0.57	633601	7684000	80	270	-60
BYAC028	6	7	1	1.83	633687	7684400	80	270	-60
BYAC028	20	21	1	1.09	633687	7684400	80	270	-60
BYAC056	71	74	3	0.52	634524	7685200	80	270	-60
BYAC057	42	44	2	0.82	634485	7685200	80	270	-60
BYAC062	25	26	1	1.09	634326	7685200	80	270	-60
BYAC064	49	50	1	1.23	634271	7685200	80	270	-60
BYAC072	16	17	1	1.36	634088	7685000	80	270	-60
BYAC073	7	9	2	0.5	634060	7685000	80	270	-60
BYAC080	7	9	2	164.4	634750	7683800	80	270	-60
incl	7	8	1	328.43	634750	7683800	80	270	-60
BYAC082	1	2	1	1.24	634440	7683000	80	270	-60
BYAC082	22	23	1	1.25	634440	7683000	80	270	-60
BYAC102	0	4	4	1.34	630582	7681200	80	270	-60
incl	0	1	1	4.75	630582	7681200	80	270	-60
BYAC105	24	25	1	1.42	630582	7681600	80	270	-60
BYAC113	25	27	2	0.58	633500	7683800	80	270	-60
BYAC113	30	33	3	2.41	633500	7683800	80	270	-60
incl	32	33	1	6.28	633500	7683800	80	270	-60
BYAC113	47	49	2	7.16	633500	7683800	80	270	-60
incl	47	48	1	13.76	633500	7683800	80	270	-60
BYAC113	55	58	3	0.66	633500	7683800	80	270	-60
BYAC125	54	55	1	4.2	633549	7683700	80	270	-60
BYAC137	41	42	1	6.53	633434	7683600	80	270	-60
BYAC145	12	14	2	0.68	633783	7682200	80	90	-60
BYAC145	34	47	13	0.73	633783	7682200	80	90	-60
BYAC145	51	57	6	1.02	633783	7682200	80	90	-60
BYAC152	35	38	3	3.88	634170	7682200	80	90	-60
BYAC157	29	32	3	0.59	634454	7683400	80	90	-60
BYAC171	20	21	1	7.64	633532	7683900	80	270	-60
BYAC190	16	18	2	0.64	634545	7685500	80	270	-60
BYAC249	20	26	6	0.62	633322	7681800	80	90	-60
BYAC251	11	13	2	0.56	633415	7681800	80	90	-60
BYAC251	23	25	2	0.87	633415	7681800	80	90	-60
BYAC260	36	37	1	2.14	633543	7681400	80	90	-60
BYAC313	34	35	1	2.03	633698	7682400	80	90	-60
BYAC340	50	53	3	0.77	634353	7682800	80	90	-60
BYAC347	33	36	3	1	634648	7683600	80	90	-60
BYAC351	37	39	2	6.31	634798	7684000	80	90	-60
incl	38	39	1	12.13	634798	7684000	80	90	-60
BYRB005	3	5	2	0.7	633896	7684600	80	270	-60
BYRB073	5	21	16	1.4	633721	7684600	80	270	-60
incl	18	19	1	11.58	633721	7684600	80	270	-60

HoleID	Depth From (m)	Depth To (m)	Downhole Width (m)	Au (g/t)	Collar East (GDA94)	Collar North (GDA94)	Collar RL (GDA94)	Dip (degrees)	Azimuth (GDA94)
BYRB075	8	10	2	0.55	633679	7684600	80	270	-60
BYRB080	15	18	3	0.54	634085	7684800	80	270	-60
BYRB091	49	52	3	0.62	636581	7680000	80	90	-60
BYRB093	17	19	2	0.99	636640	7680000	80	90	-60
BYRB113	7	8	1	2.31	630660	7681600	80	270	-60
BYRB130	19	22	3	1.28	630545	7681400	80	270	-60
BYRB130	56	59	3	0.57	630545	7681400	80	270	-60
BYRB139	30	31	1	11.63	634550	7685400	80	270	-60
BYRB139	47	60	13	15.15	634550	7685400	80	270	-60
BYRB140	1	3	2	0.99	634520	7685400	80	270	-60
BYRB142	12	15	3	0.56	634496	7685400	80	270	-60
CYAC007	68	73	5	0.66	633303	7683405	86	270	-60
CYAC018	10	15	5	0.5	633413	7683496	83	270	-60
CYAC019	11	13	2	1.83	633393	7683497	83	270	-60
CYAC024	26	27	1	2.1	633234	7683496	85	270	-60
CYAC035	36	47	11	0.54	633298	7683303	84	270	-60
CYAC105	32	33	1	1.43	631072	7678796	100	270	-60
CYAC132	33	36	3	1.08	630898	7678003	84	270	-60
CYAC133	47	50	3	2.11	630870	7678003	84	270	-60
CYAC134	2	3	1	1.43	630841	7677998	83	270	-60
CYAC135	48	54	6	1.24	630821	7677999	86	270	-60
incl	53	54	1	4.88	630821	7677999	86	270	-60
CYAC197	4	9	5	0.8	641605	7672027	90	0	-60
CYAC202	8	10	2	0.92	641597	7672163	91	0	-60

**Table JORC Code, 2012 Edition**

**Section 1 Sampling Techniques and Data**

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

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘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 (e.g. submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling and sampling was undertaken in an industry standard manner</li> <li>• Holes were sampled on 5m composite intervals over the entire length of the hole. 5m composite samples were submitted for analysis for all intervals. Where assays over 0.1g/t Au were received for 5m composite sample results, 1m resplits were then submitted for these zones.</li> <li>• Samples were speared from sample piles laid on the ground</li> <li>• Samples were submitted to an independent laboratory (Genalysis, Perth) for analysis</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling was completed using Aircore or Rotary Air Blast drill rigs</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were visually assessed for recovery, quality and moisture content.</li> <li>• Samples are considered representative with generally good recoveries. A small percentage of samples were considered low recovery primarily due to encountering wet conditions down hole</li> <li>• No sample bias was recorded</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have</i></li> </ul>	<ul style="list-style-type: none"> <li>• Company geologists logged each hole and</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>supervised all sampling.</p> <ul style="list-style-type: none"> <li>The sample results are appropriate for planning follow up drilling</li> <li>Characteristics including rock type, weathering, regolith, mineralisation discernible in drill chips were logged</li> <li>All intervals were logged</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>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.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected by spearing sample piles in the field</li> <li>Samples were generally dry, although some wet samples were recorded</li> <li>Sample techniques are appropriate for geochemical drilling programs</li> <li>Field duplicates were collected and analysed. Collection of 1m resplits provide a check on previous 5m composite assays</li> <li>The samples are considered representative and appropriate for this type of drilling</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>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.</i></li> <li><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>The samples were submitted to a commercial independent laboratory in Perth, Australia</li> <li>Sample preparation techniques were not recorded</li> <li>Au was analysed at Genalysis Laboratories, Perth using B/ETA technique for Au (1ppb LLD) and B(AAS) technique for As (10ppm LLD)</li> <li>The techniques are considered quantitative in nature.</li> <li>Standards and duplicates samples were inserted by the Company and the laboratory also carries out internal standards in individual batches</li> <li>The standards and duplicates were considered satisfactory</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay</i></li> </ul>	<ul style="list-style-type: none"> <li>Significant intersections were compared to those reported by previous Company geologists</li> <li>Results have been uploaded into the company database, checked and verified. Original drill logs are available and were cross checked</li> <li>No adjustments have been made to the assay data.</li> <li>Results are reported on a length weighted basis</li> </ul>

Criteria	JORC Code explanation	Commentary
	data.	
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole collar locations were located by hand held GPS to an accuracy of +/-10-15m.</li> <li>Locations are given in GDA94 zone 50 projection</li> <li>Diagrams and location table are provided in the report</li> <li>Topographic control is considered adequate</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Holes were drilled on nominal 100m or 200m spaced lines with holes generally 50m apart along lines</li> <li>Data spacing and drill type are not sufficient spacing and quality to be used in a resource estimate</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The drilling is approximately perpendicular to the strike of mineralisation and therefore the sampling is considered representative of the mineralised zone.</li> <li>In some cases, drilling is not at right angles to the dip of mineralised structures and as such true widths are less than downhole widths</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Not recorded. Analysis was carried out at industry-recognised laboratories</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits by external parties have been completed</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The drilling is on E47/2502 which is located approximately 85km SSW of Port Hedland. The tenement is held by Farno-McMahon Pty Ltd. De Grey has an option to purchase 75% of the tenement</li> </ul>
<b>Exploration done by</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of</li> </ul>	<ul style="list-style-type: none"> <li>Most previous exploration was completed by Bullion Resources from 2003-2005 with work including</li> </ul>

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>other parties</b>	<i>exploration by other parties.</i>	geophysics, geochemistry and RAB/AC drilling including holes reported here. Some work including geochemical sampling and aircore was completed by Chalice Gold during 2006-2011
<b>Geology</b>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The mineralisation targeted is hydrothermally emplaced and sediment/quartz hosted gold mineralisation within a shear zone and is similar in style to many other Western Australian gold deposits.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>• <i>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:</i></li> <li>• <i>easting and northing of the drill hole collar</i></li> <li>• <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>dip and azimuth of the hole</i></li> <li>• <i>down hole length and interception depth</i></li> <li>• <i>hole length.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill hole location and directional information provide in the report.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>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.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Results are reported to a minimum cutoff grade of 0.3g/t gold with an internal dilution of 3m maximum. Intervals over 0.5g/t Au and 1gm metal content are reported.</li> <li>• Intercepts are length weighted averaged.</li> <li>• No maximum cuts have been made.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• The drill holes are interpreted to be perpendicular to the strike of mineralisation.</li> <li>• Drilling is not always perpendicular to the dip of mineralisation and true widths are less than downhole widths. Estimates of true widths will only be possible when follow up drilling is completed and lode orientations are clarified</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with</i></li> </ul>	<ul style="list-style-type: none"> <li>• Plans are provided in the report. Appropriate</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>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.</p>	<p>sections will be provided in upcoming reports when geological interpretations are finalised.</p>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All exploration results above 1gm metal have been reported.</li> <li>The report is considered balanced and provided in context.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No test work on metallurgical and geotechnical characteristics has been completed at this stage.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Continuing compilation and review of existing data</li> <li>Field reconnaissance, mapping</li> <li>Development of follow up geochemical and drilling programs</li> </ul>