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22 August 2018

Norwest continues pursuit of gold & Volcanogenic Massive Sulphide (VMS) copper-gold targets at Marymia Project, Western Australia

Australian Mines Limited ("Australian Mines" or "the Company") (Australia ASX: *AUZ*; USA OTCQB: *AMSLF*; Frankfurt Stock Exchange: *MJH*) is pleased to provide the accompanying gold and base metal exploration update from the Marymia Project in Western Australia, held by its subsidiary, Norwest Minerals, in joint venture with Riedel Resources.

As announced last month[1], Australian Mines' Western Australian gold and base metal exploration assets have been transferred to Norwest, a dedicated exploration vehicle seeking to complete an Initial Public Offering (IPO) to raise $6.6 million by the end of October 2018 and pursue a listing on the Australian Securities Exchange.

Sincerely

Benjamin Bell
Managing Director
Australian Mines Limited

ENDS

22 August 2018

Norwest continues pursuit of gold & VMS targets at Marymia

Marymia Project

- **Dixon drilling successfully delineates the northern extension of the geological host, being the mafic-felsic volcanoclastic contact**
- **Norwest to target 400m x 200m magnetic anomaly**
- **Soil sampling highlights VMS style drill target near the Jenkin Fault**

Australian Mines Limited ("Australian Mines" or "the Company") (Australia ASX: *AUZ*; USA OTCQB: AMSLF; Frankfurt Stock Exchange: MJH) announces the results of recent air core drilling and future RC drill plans for the Marymia project. The Marymia project is currently being transferred to the Company's subsidiary Norwest Minerals Pty Ltd[1] ("Norwest"), the focus of a recently announced[2] proposal to launch as an Initial Public Offering and Australian Securities Exchange listing.

The Marymia project is located approximately 900 km north of Perth and 170 km north of Meekatharra within the Archaean Marymia Inlier. The Marymia project is situated 40 km east of the Plutonic Gold Mine, 20 km southeast of the Marymia gold camp, and 55 km northeast of Sandfire Resource's Degrussa copper mine (figure 1). Norwest holds an 80% interest in the Marymia project via a joint venture arrangement with Riedel Resources (ASX:RIE).

1 Norwest Gold Pty Ltd was renamed Norwest Minerals Pty Ltd on 31 July 2018

2 IPO Announcement – Australian Mines Limited, AUZ subsidiary raises $5m to IPO its WA gold and copper portfolio. Released 26 July 2018

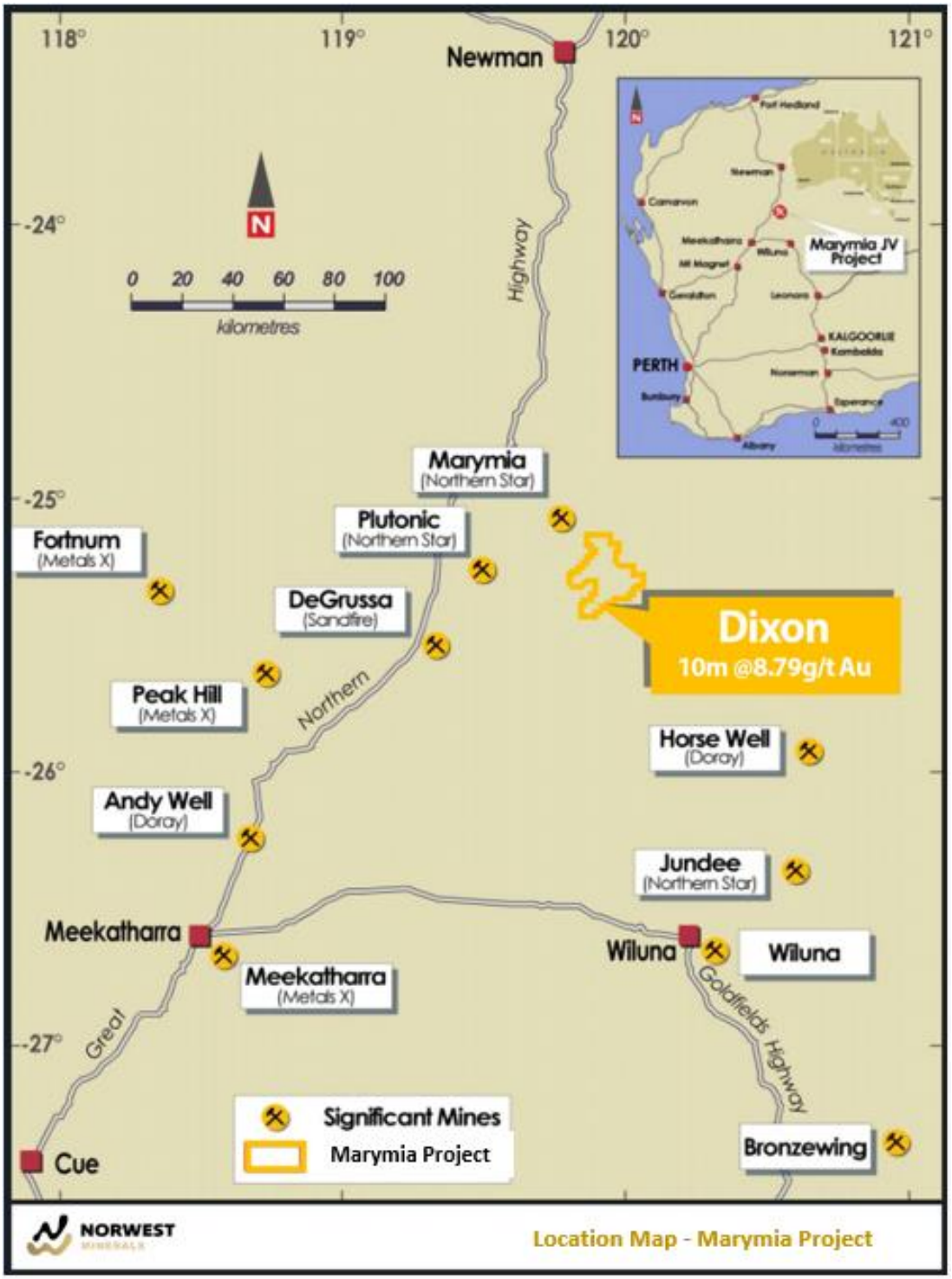

Figure 1 Location of Norwest's Marymia project relative to gold and copper producers including the Plutonic Gold Mine and DeGrussa copper operation.

Dixon prospect exploration

In 2015, as part of a larger reverse circulation (RC) reconnaissance drill programme, a single RC hole was drilled at the Dixon prospect to test a coincident gold-arsenic anomaly. The discovery hole, MMRC016, intersected 8m @ 10.86 g/t gold[3].

Shortly thereafter, an induced polarisation (IP) survey at Dixon identified a 200m long chargeability anomaly trending north-northeast which was untested by historic drilling[4].

In March 2016, further gold mineralisation was encountered at the Dixon prospect by RC and diamond drilling designed to follow-up on the MMRC016 gold intercept and the (IP) anomaly[5] (figure 2).

3 ASX:AUZ Announcement, 26 October 2015 ‘’High-grade gold intersected at Dixon prospect, Doolgunna-Marymia Project”

4 ASX:AUZ Announcement, 27 January 2016, “IP survey expands gold prospectivity at Dixon Project”

5 ASX:AUZ Announcement, 10 March 2016 “Drilling commences at Dixon gold prospect”

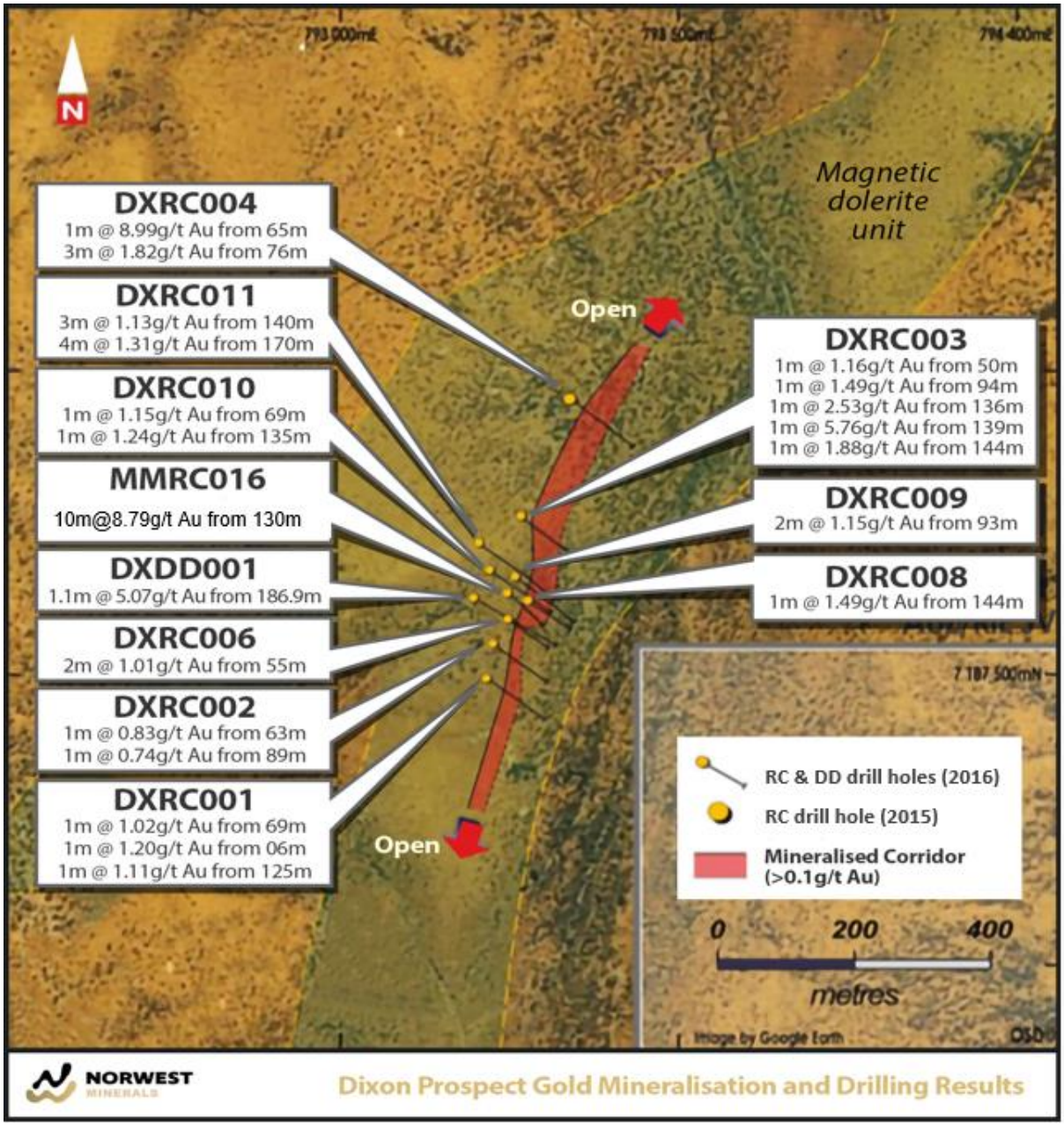

Figure 2 Location of MMRC016 discovery hole and 2016 follow-up RC and diamond drill programme gold intersections.

More recently, an air-core drilling programme was completed at the Marymia project. The programme was designed to examine the distribution and grade of the supergene (oxide) gold mineralisation extending north from the gold mineralisation encountered at the Dixon prospect.

A total of 85 air-core holes for 6,192m were completed and 1,579 samples submitted for 50g fire assay analysis at Intertek Genalysis. The air-core drilling was set out on

400m line spacing with 100m hole spacing along the lines. The drilling successfully delineated the northern extension of the geological host being a mafic-felsic volcanoclastic contact, however only six samples from 5 holes returned anomalous gold grades[6].

It was noted that 8 of the air-core holes did not penetrate the thick transported soil cover to properly test the bedrock for gold mineralisation and that any further drilling in the area be carried out using RC drilling equipment[7].

Future exploration at Marymia

Following a successful future ASX listing, Norwest plans to RC drill two high-priority targets at its Marymia project prior to the end of the 2018 calendar year.

The first target is an untested 400m by 200m magnetic anomaly located within the same geological setting and less than 1 km north of the recent air-core drilling. This feature has a similar magnetic intensity as the Dixon prospect and is potentially coincident with the mafic-felsic volcanoclastic contact mapped from the recent air-core work[8]. Due to the thick transported cover in the area, Norwest has planned a number of holes utilising an RC rig to test this anomaly (figure 3).

6 See Appendix 1: Dixon air core drill collar locations and anomalous >0.1g/t gold intersections.

7 See Appendix 2: JORC Code, 2012 Edition - Table 1, Section 1

8 See Appendix 2: JORC Code, 2012 Edition - Table 1, Section 2

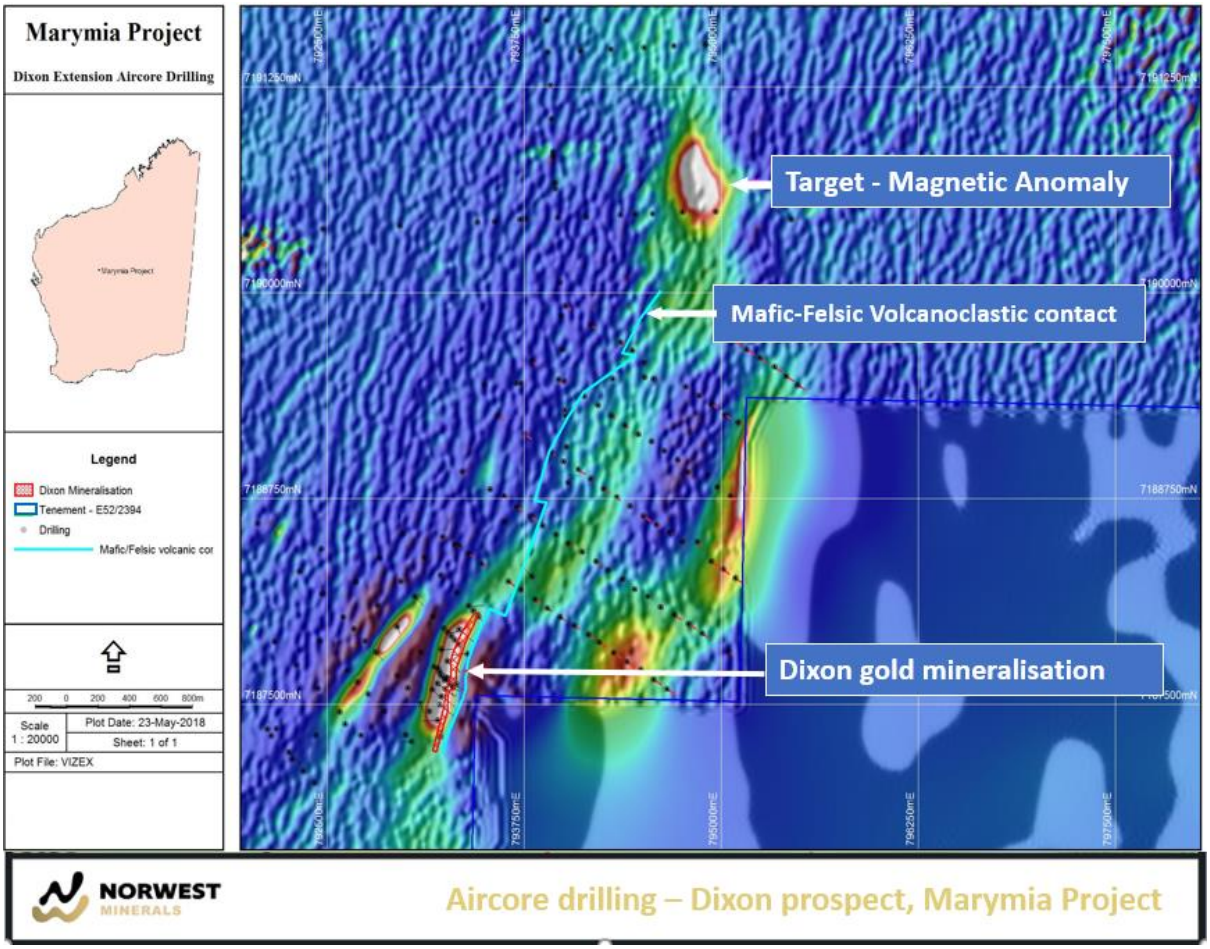

Figure 3 Map showing location of magnetic anomaly (RC drill target), mafic-felsic volcanoclastic contact and air core drilling.

The second Norwest RC drill target was identified during a 2017 tenement prospectivity review. The study highlighted two primary areas where further geochemical sampling had potential to identify VMS dill targets. These were the East & West Soils Areas located in the northern Marymia tenement (E52/2395) at the intersection of the Proterozoic Basin with the Jenkin Fault (figure 4).

In early 2018 a tightly spaced geochemical sampling program was undertaken within the East and West Soils areas to identify potential VMS - DeGrussa style base metal mineralisation. Over 700 samples were collected across the two target areas[9] [10].

9 See Appendix 1: Tables 2 & 3, Significant Elements from West & East Soils Areas

10 See Appendix 3: JORC Code, 2012 Edition - Table 1, Section 1

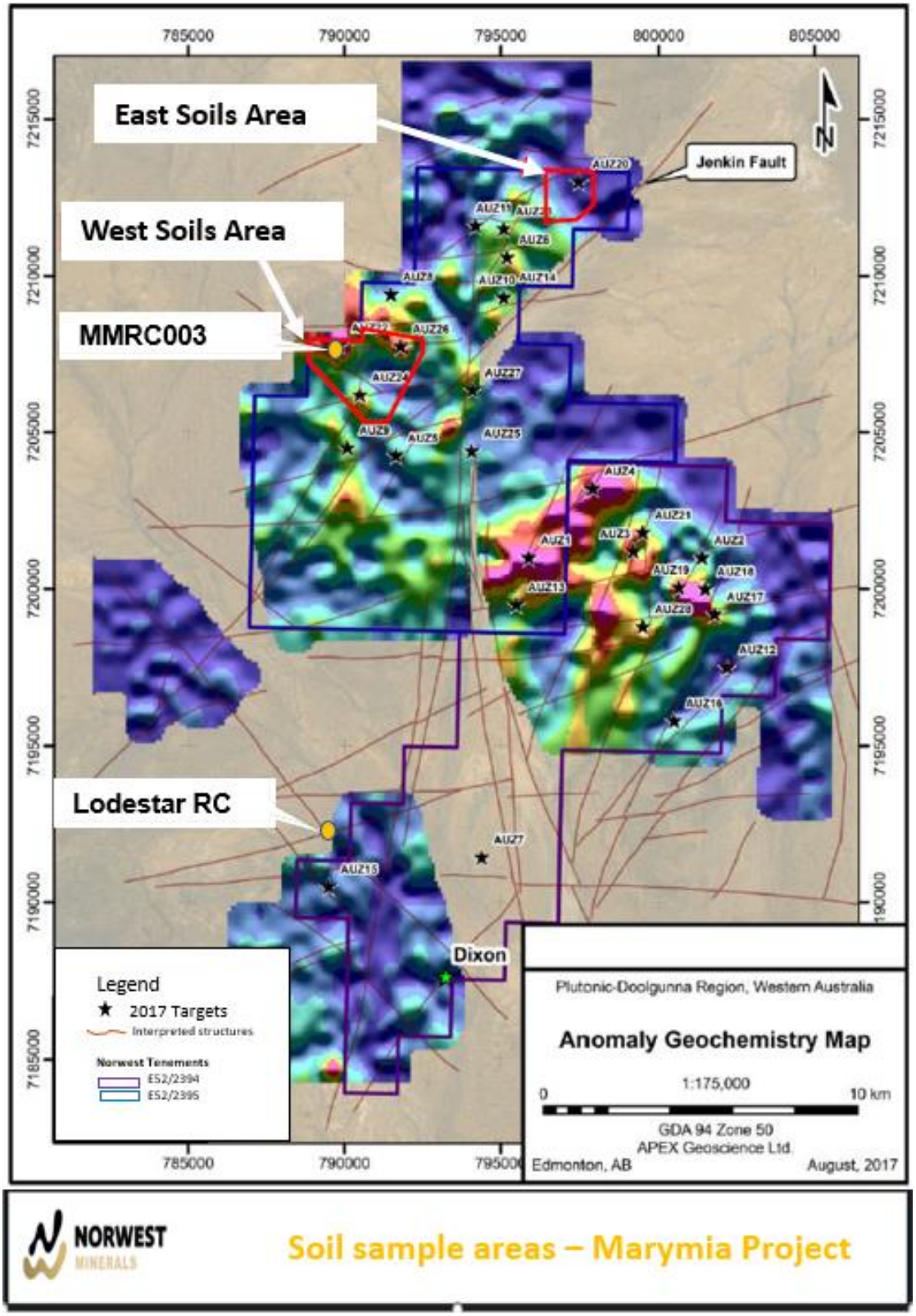

Figure 4 Tenement prospectivity review map showing locations of East and West Soils areas where high density soil sampling programmes were completed.

The sampling in the West Soils area defined a high-level copper-zinc-lead anomaly. The tight distribution of the lead (Pb) along recognised geological features with coincident anomalous values from rock chip samples collected from gossans (in-situ) indicates that this soil anomaly may be due to underlying bedrock mineralisation. This has been partially confirmed in drill hole MMRC003[11] that intersected 21m @ 0.05% copper and 0.21% zinc from 193m. Given the association of economically significant elements with outcropping gossan this anomaly represents a high priority RC drill target for VMS style base metal mineralisation[12].

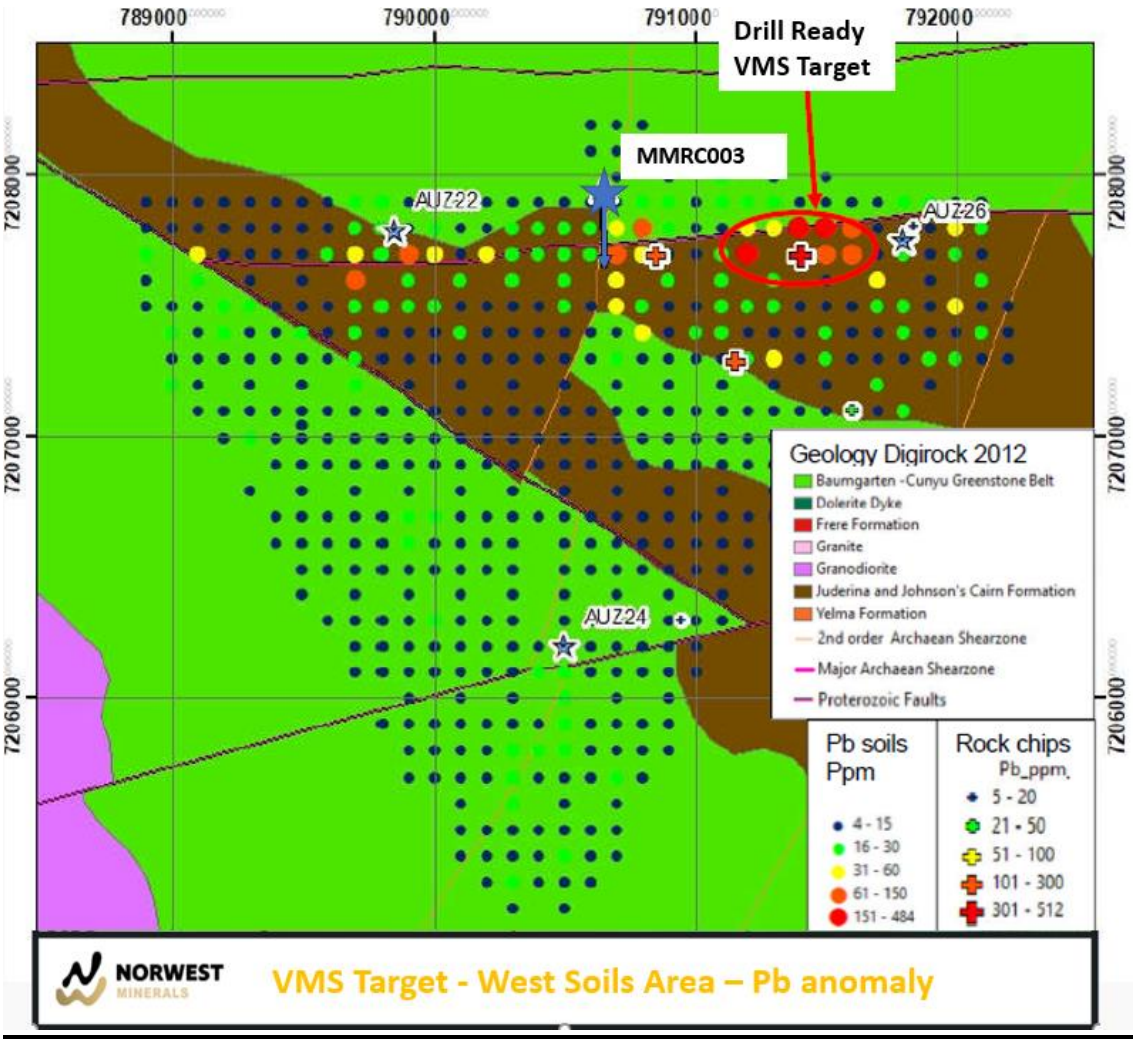

Figure 5 Location of potential VMS drill target based on anomalous Pb soils and rock chips relative to geology and existing drilling.

11 ASX:AUZ Announcement, 18 June 2015 "Copper & Zinc mineralisation intersected along Jenkin Fault, Marymia Project"

12 See Appendix 3: JORC Code, 2012 Edition - Table 1, Section 2

From May to July this year, ASX-listed Lodestar Minerals Limited (ASX:LSR) announced assay results from several RC drilling programmes conducted just outside of Norwest's Marymia project's western tenement boundary (E 52/2394) (figure 4). These results included:

- 4m @ 74 g/t gold from 140m in LNRC026
- 12m @ 3.7 g/t gold from 36m in LNRC1049
- 9m @ 3.4 g/t gold from 44m in LNRC1079

Lodestar is targeting syenite intrusion-related gold on sheared granite contacts at the Contessa and Gidgee Flat prospects[13], while Norwest is currently assessing the Lodestar drilling to determine the likelihood of the bedrock gold mineralisation extending into the Marymia project area.

Norwest Minerals Chief Executive Officer, Charles Schaus, commented: *"Although the recent air-core drilling fell short on gold tenor, it did delineate the Dixon host contact northwards where it appears to coincide with a significant untested magnetic anomaly. The air-core results also revealed the necessity to use RC drilling to penetrate the thick transported cover which masks potential bedrock mineralisation across much of the project area."*

"The VMS target has all the ingredients required to justify RC drill testing including anomalous in-situ grades in both soils and rock chips as well as a wide sequence of mineralisation in nearby RC drill hole MMRC003. These attributes combined with their location at the junction of a major basin-fault contact will make an exciting kick-off drill target once Norwest is listed.''

*****ENDS*****

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13 ASX:LSR Announcement , 22 May 2018 "Outstanding RC drill results at Gidgee Flat and Contessa"

Competent Person's Statement

Exploration Targets and Results

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Charles Schaus (CEO of Norwest Minerals Pty Ltd). Mr. Schaus is a member of the Australian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to its activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Schaus consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Appendix 1

Table 1: Dixon air core drill collar locations and anomalous >0.1g/t gold intersections.

Hole ID	Easting (GDA94z50)	Northing (GDA94z50)	Elevation	Dip (degrees)	Azimuth - Magnetic (degrees)	Max Depth (m)	Depth From (m)	Depth To (m)	Width (m)	Gold (g/t)
DXAC001	794658	7187591	556	-60	123	119				NSR
DXAC002	794573	7187649	556	-60	123	120				NSR
DXAC003	794493	7187708	556	-60	123	120				NSR
DXAC004	794405	7187758	556	-60	123	120				NSR
DXAC005	794321	7187811	556	-60	123	114				NSR
DXAC006	794227	7187876	556	-60	123	111				NSR
DXAC007	794159	7187923	556	-60	123	99				NSR
DXAC008	794068	7187978	557	-60	123	85				NSR
DXAC009	793982	7188028	557	-60	123	84				NSR
DXAC010	793899	7188082	557	-60	123	65				NSR
DXAC011	793820	7188136	557	-60	123	96				NSR
DXAC012	793733	7188194	556	-60	123	32				NSR
DXAC013	793652	7188245	555	-60	123	108				NSR
DXAC014	793482	7188353	556	-60	123	84				NSR
DXAC015	793400	7188415	557	-60	123	69				NSR
DXAC016	793313	7188469	558	-60	123	72				NSR
DXAC017	793234	7188516	558	-60	123	43				NSR
DXAC018	795047	7187819	557	-60	123	65				NSR
DXAC019	794881	7187930	557	-60	123	95				NSR
DXAC020	794795	7187986	557	-60	123	120				NSR
DXAC022	794705	7188041	557	-60	123	110				NSR
DXAC023	794617	7188088	557	-60	123	45				NSR
DXAC024	794537	7188153	557	-60	123	36				NSR
DXAC025	794453	7188199	557	-60	123	36				NSR
DXAC026	794376	7188259	557	-60	123	35				NSR
DXAC027	794286	7188313	557	-60	123	19				NSR
DXAC028	794206	7188367	557	-60	123	88				NSR
DXAC029	794120	7188426	557	-60	123	35				NSR
DXAC030	794033	7188476	557	-60	123	47				NSR
DXAC031	793953	7188528	557	-60	123	25				NSR
DXAC032	793868	7188583	557	-60	123	22				NSR
DXAC033	793790	7188642	559	-60	123	113				NSR
DXAC034	793705	7188698	558	-60	123	103				NSR
DXAC035	793625	7188762	557	-60	123	60				NSR

DXAC036	793536	7188805	557	-60	123	33				NSR
DXAC037	795092	7188266	557	-60	123	109				NSR
DXAC038	795013	7188318	557	-60	123	99				NSR
DXAC039	794938	7188366	557	-60	123	97				NSR
DXAC040	794852	7188484	557	-60	123	73				NSR
DXAC041	794756	7188484	558	-60	123	49	8	12	4	0.12
							16	20	4	0.13
DXAC042	794675	7188544	558	-60	123	35				NSR
DXAC043	794592	7188589	558	-60	123	59				NSR
DXAC044	794510	7188642	558	-60	123	110				NSR
DXAC045	794423	7188701	558	-60	123	50				NSR
DXAC046	794339	7188756	558	-60	123	57				NSR
DXAC047	794254	7188807	558	-60	123	89				NSR
DXAC048	794173	7188869	558	-60	123	41				NSR
DXAC049	794096	7188925	558	-60	123	108				NSR
DXAC050	794001	7188975	558	-60	123	43				NSR
DXAC051	793924	7189029	558	-60	123	61				NSR
DXAC052	793753	7189142	559	-60	123	111	92	96	4	0.12
DXAC053	793583	7189252	559	-60	123	104				NSR
DXAC054	793362	7188912	558	-60	123	65				NSR
DXAC055	794791	7188908	558	-60	123	51				NSR
DXAC056	794725	7188982	558	-60	123	51				NSR
DXAC057	794642	7189038	558	-60	123	40	4	8	4	0.11
DXAC058	794559	7189095	558	-60	123	25				NSR
DXAC059	794476	7189140	558	-60	123	38				NSR
DXAC060	794391	7189195	559	-60	123	52				NSR
DXAC061	794307	7189251	559	-60	123	66				NSR
DXAC062	794222	7189314	559	-60	123	23				NSR
DXAC063	794133	7189369	559	-60	123	47				NSR
DXAC064	793970	7189472	559	-60	123	78				NSR
DXAC065	793800	7189583	560	-60	123	86				NSR
DXAC066	794573	7189475	558	-60	123	39				NSR
DXAC067	794513	7189573	557	-60	123	33				NSR
DXAC068	794439	7189648	559	-60	123	29				NSR
DXAC069	794362	7189699	559	-60	123	63				NSR
DXAC070	794176	7189802	560	-60	123	69				NSR
DXAC071	794013	7189919	560	-60	123	81				NSR
DXAC072	795060	7188762	557	-60	123	90	64	68	4	0.13
DXAC073	794978	7188819	558	-60	123	64				NSR
DXAC074	794919	7188890	558	-60	123	33				NSR

DXAC075	795109	7189210	558	-60	123	63				NSR
DXAC076	795025	7189257	558	-60	123	90				NSR
DXAC077	794939	7189324	558	-60	123	99				NSR
DXAC078	794861	7189373	558	-60	123	59				NSR
DXAC079	794776	7189428	558	-60	123	51				NSR
DXAC080	795489	7189438	558	-60	123	111				NSR
DXAC081	795413	7189493	558	-60	123	120	16	20	4	0.1
DXAC082	795338	7189548	558	-60	123	120				NSR
DXAC083	795247	7189602	559	-60	123	106				NSR
DXAC084	795163	7189656	559	-60	123	118				NSR
DXAC085	795079	7189708	559	-60	123	120				NSR
DXAC021	794996	7189765	559	-60	123	92				NSR

Table 2: Marymia Project – Significant elements from 2018 soil sampling (Cu > 100ppm)

Sample ID	Easting (GDA94z50)	Northing (GDA94z50)	Elevation (m)	Type	Regolith	Co (ppm)	Cu (ppm)	Mn (ppm)	Pb (ppm)	Zn (ppm)
E033	797100	7212000	400	Soil Sample	Residual Lateritic soil	29	**126**	427	19.4	**152**
E069	797000	7212300	400	Soil Sample	Residual Lateritic soil	21.5	**132**	273	7.4	**103**
E073	797400	7212300	400	Soil Sample	Residual Lateritic soil	15.5	**106**	163	11.9	**137**
QG002	791405	7207693	400	Rock Chip	Outcrop of quartz and Gossanous Fe oxides	31.3	**187**	773	**510.3**	**467**
QG003	790852	7207697	400	Rock Chip	Outcrop of quartz and Gossanous Fe oxides	11.2	**360**	50	**139.9**	**460**
QG005	791602	7207100	400	Rock Chip	Outcrop of quartz and Gossanous Fe oxides	16.1	**101**	174	37.1	**237**
W160	789900	7206700	400	Soil Sample	Residual Lateritic soil	50.5	**127**	492	17.1	**367**
W236	789500	7207100	400	Soil Sample	BIF float over Lateritic soil	31	**146**	287	12.3	**152**
W237	789600	7207100	400	Soil Sample	BIF float over Lateritic soil	34.7	**136**	257	13	**122**
W298	791200	7207300	400	Soil Sample	Transported Stream sediments	36.8	**138**	332	21.5	**166**
W299	791300	7207300	400	Soil Sample	Residual Lateritic soil	16.1	**118**	204	35.3	**127**
W373	792000	7207500	400	Soil Sample	Transported Stream sediments	30.6	**156**	590	36.3	**140**

W395	789100	7207700	400	Soil Sample	Residual Lateritic soil	27.3	**170**	366	39.9	**207**
W396	789200	7207700	400	Soil Sample	Residual Lateritic soil	31.1	**119**	669	12.2	**110**
W416	791200	7207700	400	Soil Sample	Quartz float over Residual Lateritic soil	20.5	**587**	277	**483.7**	**326**
W418	791400	7207700	400	Soil Sample	Quartz float over Residual Lateritic soil	16.9	**147**	126	**210.1**	**397**
W420	791600	7207700	400	Soil Sample	Quartz float over Residual Lateritic soil	13.5	**132**	214	**114.3**	**302**
W445	790800	7207800	400	Soil Sample	Residual Lateritic soil	10.1	**108**	228	61.2	**106**
W451	791400	7207800	400	Soil Sample	Residual Lateritic soil	14.7	**338**	344	**202**	**326**
W452	791500	7207800	400	Soil Sample	Residual Lateritic soil	13.4	**163**	270	**237.8**	**204**
W453	791600	7207800	400	Soil Sample	Residual Lateritic soil	17.8	**150**	527	**123.7**	**114**
W473	790300	7207900	400	Soil Sample	Residual Lateritic soil	39.5	**107**	756	14.1	**139**
W474	790400	7207900	400	Soil Sample	Residual Lateritic soil	37.5	**135**	484	12.4	**169**

Air-core drilling: Marymia Project; and Dixon Prospect

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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 mineralization 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 mineralization types (eg submarine nodules) may warrant disclosure of detailed information.*	• The Dixon drilling comprised a total of 85 Aircore holes for a total of 6192m. • All of the drilling was completed by Australian Mines Limited. • The aircore drilling the samples was dumped on the ground on 1m piles from which 4m composite samples were collected using a scoop. The EOH sample ranged from 1m to a 4m composite. All samples were 3-4 kg in size. All samples were submitted to Intertek – Genalysis laboratory in Maddington for a 50g fire assay analysis for gold (FA50/OE04).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diametre, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by*	• AC drilling used a blade bit to drill down to blade refusal.

Criteria	JORC Code explanation	Commentary
	what method, etc).	
Drill sample recovery	• *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.*	• The AC drilling conditions, recoveries and sample size were documented as being good. There were some zones at the top and bottom of the drill hole where recovery was poor or bedrock not achieved due to difficulties in drilling through a silcrete, siliceous overburden zone. 8 AC holes did not achieve bedrock blade refusal including DXAC031,32,42,58,62,68 and 74. • There are no known relationships between sample recovery and gold grades.
Logging	• *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.*	• The AC drilling was logged for the various geological attributes. The historical drilling geological logs included lithology, mineralisation, oxidation, quartz vein percent and other comments. • All holes were logged in full.
Sub-sampling techniques and sample preparation	• *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.*	• AC samples were collected using a 4m scoop composite sample. Sample condition was also recorded on the sample logs, ie wet, moist or dry. The majority of the samples were dry. • As this was only reconnaissance aircore drilling and was not going to be used in a resource, there were no QAQC standards or field duplicates inserted into the samples stream. • The sample sizes were considered to be appropriate for this type, style and consistency of mineralization encountered.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *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.*	• All samples were submitted to Intertek – Genalysis laboratory in Maddington for a 50g fire assay analysis for gold (FA50/OE04). • As this was only reconnaissance aircore drilling and was not going to be used in a resource, there were no QAQC standards or field duplicates inserted into the samples stream. • The magnetic susceptibility of each sample was collected using a KT-10 magsus instrument (X10E-3 SI units). No adjustment or calibration factors were applied to the readings. • The assay method and laboratory procedures were appropriate for this style of mineralization. The fire assay techniques were designed to measure the total gold in the sample.
Verification of sampling and assaying	• *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.*	• Consultant geologists, from Apex Geoscience were involved in the logging of the recent drilling conducted by Australian Mines. Apex was involved in the whole process from drill hole supervision, sample collection and importing of the assays. Drill hole logs were inspected to verify the correlation of mineralized zones between assay results and lithology/alteration/mineralization. The entire chain of custody of this recent drilling was supervised by Apex. This drilling confirmed the nature of the mineralization. • There were no twinning of drill holes. • The primary data was sent at the end of the drilling job to Apex's senior geologist who imported the data into Micromine software for validation and data storage. Assay results were then automatically imported electronically as .csv into Micromine. The responsible geologist reviewed the data in the Micromine database to ensure that it was correct and merged properly. • No adjustment of data was undertaken.
Location of data points	• *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.*	• Drill hole collar coordinates were established by a hand held GPS in GDA94 zone 50 co-ordinates. The accuracy of the hand held GPS is +/-5m. • No down hole surveys were collected in the Aircore drilling. Only a

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	collar dip and azimuth was noted. The dip was established using a clinometer by the driller and the azimuth was established using a sighting company. • No detailed topographic control has been established at the Warriedar project. Topographic control is provided by a Digital Terrain Model based on the 30 m Shuttle Radar Topographic Mission data. This data is not suitable for resource estimation work.
Data spacing and distribution	• *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.*	• The aircore drilling was conducted on nominal 400m line spacing oriented at 123^0 orientation with drill hole centres mostly 100m spacing. All holes were drilled at -60^0 towards 123^0. • The drill holes spacing was not sufficient enough to establish any mineralisation continuity. As such could not be used in a resource estimation. • The majority of the samples were collected on 4 m composites. The remaining end of holes samples were collected us a composite size from 1 to 4m.
Orientation of data in relation to geological structure	• *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.*	• Holes were angled to 123^0 which is across the strike of geology and mineralization and considered the optimal drill orientation for this area. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Australian Mines: the sample security consisted of the AC samples being collected from the field into pre numbered calico bags and loaded into polyweave bags for transport to the laboratory. The chain of custody for samples from collection to delivery at the laboratory was handled by Apex Geoscience Australia personnel. A sample submission list was submitted by email to the lab, where the sample

Criteria	JORC Code explanation	Commentary
		counts and numbers were checked by laboratory staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No documentation is available for the audits and reviews. • The work was carried out by reputable companies, drill contractors and laboratories using industry best practice.

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	• *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.*	• The drilling is located within Exploration licence E 52/2394 and owned by Australian Mines Limited and Audax Minerals Pty Ltd. This is a joint venture arrangement. • The tenement is in good standing and is due for expiry in 15/06/2020.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• All of the major drilling conducted at the Dixon prospect has been conducted by Australian Mines Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Gold mineralisation in the vicinity of the Marymia project is predominantly structurally controlled replacement style lodes within a wide variety of host rocks. Five distinct mineralisation styles have been identified within the belt including three replacement lode types (brown, green and invisible), quartz veins and shear zone hosted quartz veins. The Dixon mineralisation gold mineralisation seems to be mainly hosted within the quartz veining and does not tend to be

Criteria	JORC Code explanation	Commentary
		disseminated within the sulphidic wall rock itself. It is thought that the proximity of the east-west bounding fault is likely a control on the mineralized zones.

Drill hole Information	• *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:*
	  ○ *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.*
		• All drill holes used completed and their significant intersections are noted in Table 1.

Data aggregation methods	• *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.*	• Length weighted intersections have been reported in Table 1. • No high cuts have been applied to this table. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization 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,*	• Drill holes are angled at -60º to 123 º which is believed to be perpendicular to the strike and dip of geology/mineralisation. • The reported down hole intersections should be close to true width.

Criteria	JORC Code explanation	Commentary
intercept lengths	*there should be a clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	• *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.*	• A plan view of the aircore drilling is shown in Figure 3.
Balanced reporting	• *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.*	• Balanced reporting of both the high and low-grade results have been completed in Table 1.
Other substantive exploration data	• *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.*	
Further work	• *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.*	• Future work entails drilling the northern extension of the aircore drilling where a co-indecent magnetic high with the mafic/felsic volcanoclastic contact has been projected (Figure 3).

Surficial geochemical sampling: March 2018 Marymia Project

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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 mineralization 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 mineralization types (eg submarine nodules) may warrant disclosure of detailed information.*	• A soil sampling program was conducted on the Marymia Project, WA. Samples were collected by geologists from Apex Geoscience Australia Pty Ltd which is an independent geological consultancy. • Rock samples were collected from visibly mineralized outcroppings on the Marymia Project, WA. • Samples were submitted to Intertek Genalysis in Perth, WA for sample preparation and analysis
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diametre, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by*	• No drilling reported.

Criteria	JORC Code explanation	Commentary
	what method, etc).	
Drill sample recovery	• *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.*	• No drilling reported
Logging	• *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.*	• Rock and soil samples and sample locations were qualatively logged and registered by geologists from Apex Geoscience Australia Pty Ltd.
Sub-sampling techniques and sample preparation	• *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.*	• Rock samples were collected between 0.5-1 kg and were of sufficient size to represent the outcrop area of interest. • Soil samples were hand collected from pits 20-30 cm deep dug with a shovel, samples were 1-2 kg in size • The sample sizes and analysis size are considered appropriate to correctly represent the mineralization based on the style of mineralization, sampling methodology and assay value ranges for the commodities of interest. • Samples were submitted to Intertek Genalysis Perth for analysis • Rock samples were run through a jaw crusher and then pulverized down to 80% passing 75 microns. • Soil samples were pulverized down to 80% passing 75 microns.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *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.*	• The prepared rock and soil samples underwent Aqua Regia digestion for inductively coupled plasma mass spectrometry (ICP-MS). • The assay method and laboratory procedures were appropriate for this style of mineralization. The Aqua Regia and ICP-MS techniques were designed to measure low level multi-element concentrations in the sample. • The Intertek Genalysis lab inserts its own standards and blanks at set frequencies and monitors the precision of the analyses. As well, the lab performs repeat analyses at random intervals, which return acceptably similar values to the original samples. • Laboratory procedures are within industry standards and are appropriate for the commodities of interest.
Verification of sampling and assaying	• *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.*	• The assay results of rock samples and soil samples are comparable with the any observed mineralogy • Sampling and analytical methods are of good standard and as such, the rock chip and soil sample results are considered to be representative of the mineralization. • Data was reported by the laboratory and no adjustment of data was undertaken. • Samples were collected by Apex Geoscience Australia field geologists. Assay results were verified by alternative company personnel and the Qualified Person before release.
Location of data points	• *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.*	• Rock sample locations were determined by handheld garmin GPS, which is considered to be accurate to ± 5 m. • Soil sampling was conducted on a 100 m x 100 m nominal grid using a handheld GPS, considered to be accurate to ± 5 m. Every fourth line was completed on a 200 m x 200 m grid spacing to infill existing soils. • All coordinates were recorded in MGA Zone 50 datum GDA94. • Topographic control is provided by a Digital Terrain Model based on

Criteria	JORC Code explanation	Commentary
		the 30 m Shuttle Radar Topographic Mission data.
Data spacing and distribution	• *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.*	• The reported rock sampling is of a reconnaissance nature, and thus, only visibly mineralized rocks were targeted for sampling. • Soil sampling was conducted on a 100 m x 100 m nominal grid, with every fourth line was completed on a 200 m x 200 m grid spacing to infill existing soils. • The reported data is insufficient to support or establish any resource definition. • No compositing has been conducted.
Orientation of data in relation to geological structure	• *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.*	• Rock sampling was reconnaissance based and targeted areas of possible outcrop mineralisation. • No orientation bias has been identified for rock or soil sampling.
Sample security	• *The measures taken to ensure sample security.*	• The sample security consisted of the rock and soil samples being collected from the field into pre numbered calico bags and loaded into polyweave bags for transport to the laboratory. The chain of custody for samples from collection to delivery at the laboratory was handled by Apex Geoscience Australia personnel. • The sample submission was submitted by email to the lab, where the sample counts and numbers were checked by laboratory staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No formal audits or reviews have been performed on the project, to date. • The results of the rock sampling agree with observed mineralization by geologists in the field. • The work was carried out by reputable companies and laboratories using industry best practice.

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	• *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.*	• The current exploration is located within Exploration Licence 52/2395, held by Audax Minerals Pty Ltd and Australian Mines Limited. Australian Mines Limited has a joint venture with Audax Minerals Pty Ltd. • The tenement E 52/2395 was granted on 31/08/2010 and is set to expire on 30/08/2020. • The tenement is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Reidal Resources Ltd in 2012 completed extensive soil sampling over the tenement area on a 400 m x 200 m grid. Low level gold anomalies were identified.
Geology	• *Deposit type, geological setting and style of mineralization.*	• The Marymia Project covers a discrete Archaean Granite-Greenstones domain structurally collated with Proterozoic meta-sediments and dykes. The Greenstone domain represents part of an Archaean inlier marginal to the Yilgarn craton that has undergone a complex, and extended history of deformation including seven major recognizable events. The Archaean granite-greenstones are known to host numerous lode gold occurrences and are also prospective for komatiitic hosted nickel sulphide mineralisation. The Proterozoic group meta-sediments host significant VMS mineralisation and are also prospective for sedimentary exhalative (SEDEX) style base metal mineralisation. • The area is prospective for gold and base metals.
Drill hole Information	• *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:*	• No drilling reported.

Criteria	JORC Code explanation	Commentary
	○ *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.*	
Data aggregation methods	• *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.*	• No weighting or averaging of the data has been applied. • No high cuts have been applied. • Metal equivalent values are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralization 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').*	• No drilling reported. • Only point location rock chip and soil sampling was completed.
Diagrams	• *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*	• An appropriate exploration map has been included in the release.

Criteria	JORC Code explanation	Commentary
	drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *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.*	• A table containing anomalous rock chip and soil sampling results to date has been included in the release. Due to the amount of soil collected only anomalous soil sample results have been included with locations are shown on the attached plans.
Other substantive exploration data	• *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.*	• An exploration plan from the recent reconnaissance rock chip and soil sampling program has been included in the release.
Further work	• *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.*	• Future work entails RC drilling of the anomalous target identified from the sampling and analysis soils work in the West Soils area.