

# Eastern Goldfields Limited

## Regional exploration update

### HIGHLIGHTS

- Initial diamond drilling programmes completed at Lady Irene and Yunndaga deposits (Menziess EGS/IRC JV), and at Bombay prospect at Mt Ida.
- Drilling indicates Lady Irene shoot completely open to the south.
- Yunndaga lode systems intersected.
- Significant quartz-sulphide lodes intersected in target positions at Bombay.
- Maiden diamond drilling of Golden Wonder prospect commenced.

#### BOARD OF DIRECTORS

Mr Michael Fotios  
*Executive Chairman*

Mr Craig Readhead  
*Non-Executive Director*

Mr Alan Still  
*Non-Executive Director*

Mr Campbell Baird  
*Non-Executive Director*

Ms Shannon Coates  
*Company Secretary*

#### CHIEF EXECUTIVE

Mr Victor Rajasooriar

#### ISSUED CAPITAL

Shares: 761.7m

Options: 226.7m

Current Share Price: \$0.13

Market Capitalisation:  
\$99.02m

Cash as at 31/03/2018:  
\$3.8m\*

\*Excluding total debt facilities of \$35.0m, see ASX announcement 31 Jan 2017. Drawn to date \$18.6m.

#### EASTERN GOLDFIELDS LIMITED

ACN 100 038 266  
24 Mumford Place  
Balcatta WA 6021

T: +61 8 6241 1866

F: +61 8 6241 1811

E: admin@easterngoldfields.com.au

www.easterngoldfields.com.au

Eastern Goldfields Limited (ASX: EGS) (**Eastern Goldfields** or the **Company**) is pleased to provide progress on its regional drilling program at the Davyhurst mill, some 110 kilometres north-west of Kalgoorlie (refer Figure 1).

The Company completed:

- two diamond tail (RCD) holes and one Reverse Circulation (RC) hole at the Lady Irene prospect, 9 kilometres north-west of Menziess
- three diamond tail holes at the historic Yunndaga Mine, 6.5 kilometres south of Menziess
- two diamond tail holes at its Bombay prospect, 6.5 kilometres north-west of the Timoni Complex at its Mt Ida project.

Diamond drilling continues at the Golden Wonder prospect, 17.5 kilometres north-northwest of the Davyhurst mill, where two holes are planned.

Samples from RC drilling have been submitted for assay, along with composite samples from pre-collars to the diamond tails. The Company is currently orienting, logging and processing core from these prospects ahead of sample selection for analysis. Results are expected over the next few weeks.

Executive Chairman Michael Fotios said: *"The program is well-underway and this work gains critical insight for the Company to establish confidence around potential regional processing facilities near the Davyhurst Hub. We plan to continue our aggressive discovery strategy to continue to enhance project economics and deliver ongoing value for shareholders."*

#### Menziess Geology - Discussion

Menziess is typically marked by extensive sub-parallel historical gold workings along and in proximity to the major shear zones and splays. In the JV tenure (refer Figure 1), approximately 653,000 oz was historically mined underground, mostly from the First Hit, Lady Shenton and Yunndaga mines (refer Figure 2), the latter reaching a maximum depth of 600 vertical metres. Open cut mining in the 1990's delivered an additional 143,000 oz of production.

The Menzies greenstone sequence consists of a lower ultramafic formation to the west, overlain by meta-sedimentary rocks, in turn overlain by mafic intrusives and extrusives to the east, metamorphosed to amphibolite grade. Major shear zones impart a strong foliation and lineation to the underlying rock.

A southerly plunging fabric is apparent in the Menzies area, where well-foliated basalts, sedimentary rocks, mafic and ultramafic contacts are economically significant. In general, ore zones with shallow westerly dips and alteration assemblages, comprising biotite, silica, pyrrhotite, pyrite, galena, sphalerite, arsenopyrite and chalcopyrite, are typical in areas of stronger gold mineralisation. Cross-cutting features and felsic porphyry intrusives are also important in terms of hosting gold mineralisation.

### **Lady Irene Drilling (EGS earning in) – Discussion**

The Lady Irene Gold Mine comprises two shallow (<40 m) abandoned open pits (refer Figure 3) some 9 kilometres north-west of Menzies and is the mostly northerly mine in the Menzies field. The deposit was discovered by Julia Mines Limited in late 1996, and open pit mined in 2001. It produced around 6,550 oz from 42,700 tonnes of ore averaging 4.77 g/t Au recovered, mostly from a high grade supergene zone, attaining widths greater than 10 metres wide in the oxide profile.

Gold mineralisation is associated with two south-plunging shoots on a sheared contact between steep-west dipping basalt and komatiite, intruded by a typically 1 – 5 m wide quartz vein, with high grade gold associated with alteration on the footwall of the vein.

The Company considers the shoots are under-tested and open at depth to the south. The current drilling programme commenced in April 2018 with a shallow RC hole (LIRC001) to test the southern plunge component of the upper shoot and 2 diamond tail holes (LIRD001, 002) in the lower shoot (refer Figures 3, 4).

The drilling intersected expected quartz veining with associated sulphides in hole LIRD002 (refer Figure 5), but encountered a significantly wider quartz vein than anticipated in hole LIRD001 (refer Figure 6), with a downhole intercept of 37.5 m (anticipated true width >16 m). Although typically the quartz vein is only partially mineralised on the footwall contact, the Company is encouraged by the scope of the gold bearing system, which is completely open to the south.

The Company's geologists are currently orienting, logging and processing core from these holes ahead of sample selection for analysis.

### **Yundaga Drilling (EGS earning in) – Discussion**

The Yundaga deposit (refer Figures 1, 2) is the largest ore body mined in the Menzies area, discovered as part of the initial gold rush to Menzies in 1894. The deposit is 6.5 kilometres south of Menzies and was mined as a significant (>600 metres deep) underground operation through to 1927, producing around 272,000 oz from 516,000 tonnes of ore averaging over 16 g/t Au recovered. Open pit mining of the deposit from 1995 to 1998 produced a further 64,300 oz from 800,000 tonnes of ore averaging 2.5 g/t Au recovered. The pit attained a maximum depth of 110 metres, and was oxidised to around 60 metres.

The Yundaga deposit is hosted in amphibolite rocks, along the margin of the Yundaga sedimentary package. It consists of quartz lodes trending north-west to south-east, dips 70 degrees west and plunges south in a series of ore shoots that are hosted along the sheared and altered contact between a mafic amphibolite sequence to the east, and felsic volcanoclastics and shale to the west. Pyrite and arsenopyrite are dominant, with some chalcopyrite, galena, and sphalerite. Several late sinistral east-west faults cross the north end of the pit.

The principal ore shoot was the Princess May (refer Figure 8) to the south of the deposit, consistently around 1 metre wide above 300 metres, and 2 metres wide below 300 metres in depth, typically averaging over half an ounce per tonne gold in grade. There are a series of narrower and lesser defined shoots to the north of this shoot, named the Link, Eva, and North shoots respectively. The Company believes the deposit is under-tested for

extensions to these shoots, and drilled 3 diamond tail holes (YURD001, 002, 003- refer Figures 7, 8) into these shoots to establish confidence about the local geometry of these lodes.

All holes intersected lode geometry in the target zone at expected thicknesses, typically less than 2 metres in width. The company's geologists are currently orienting, logging and processing core from these holes ahead of sample selection for analysis.

### **About the Menzies EGS/IRC Joint Venture**

EGS executed a formal JV arrangement with Intermin Resources on 1 June 2017. Under the terms, EGS can earn up to 65% in the tenure (refer Figure 1), as outlined below:

- EGS can earn 25% of the project areas by spending \$2 million within a 2 year period, and a further 25% by spending \$2 million over the following 2 year period;
- EGS to solely contribute to further expenditure of \$1.5 million on the projects inclusive of a bankable feasibility study to support a mill installation in the Mt Ida and Menzies region to earn a further 15%;

The Company's strategy is to increase resource inventory at Menzies and EGS's Mount Ida project areas by targeting high grade open cut and underground developments to underpin construction of a processing facility at either Menzies or Mt Ida. As there is currently no processing infrastructure in the region, a facility could meet the processing needs of EGS, Intermin and other third parties in the area.

### **Bombay Drilling- (EGS 100%) Discussion**

The Bombay prospect is located 6.5 kilometres north-west of the Mt Ida Mine (MIM) on the Timoni Trend and is thought to represent a northern stratigraphic equivalent of the MIM. The MIM comprises five fault-hosted sub-vertical stacked lodes with historic mine production in excess of 300,000 oz from 547,000 tonnes of ore averaging over 17 g/t Au (refer Figure 9).

Previous EGS drilling (refer ASX:EGS announcement 29 July 2016) at Bombay (refer Figure 10) successfully intercepted several shear zones with associated pyrrhotite-pyrite-chalcopyrite and occasional arsenopyrite alteration in quartz-carbonate veining, but was unsuccessful in delineating deeper extensions to the prospect.

The Company undertook diamond drilling of two holes (BYDD004, 005- refer Figure 11) in May 2018, to better define the mineralised zone at depth, and to intercept a possible southerly plunge to surface workings further north. This drilling intersected significant sulfide mineralisation and associated quartz veining in both holes, and the Company is encouraged by the tenor of this mineralisation, as significant volumes of sulfide-bearing fluids are present in a known gold-bearing system, which requires further investigation.

Tray #26, Hole BYDD004, interval from 172.7m, showing significant sulfide mineralisation in targeted lode



The Company's geologists are currently orienting, logging and processing core from these holes ahead of sample selection for analysis.

### Golden Wonder prospect

Diamond drilling is continuing at the Golden Wonder prospect, 17.5 kilometres north-northwest of the Davyhurst mill (refer Figure 1), where two holes are planned to test for cross-cutting structures to project back to the main shear zone. This work will be used to target flat north-plunging high-grade shoot repetitions of mineralisation targeted by previous working in shallow (<25 m) primary mineralisation, which historically averaged 4.5 ounces per tonne on production of some 500 tonnes of ore. This deposit has previously been ineffectively drill-tested by shallow (ca. 30 m deep) percussion drilling in 1988.

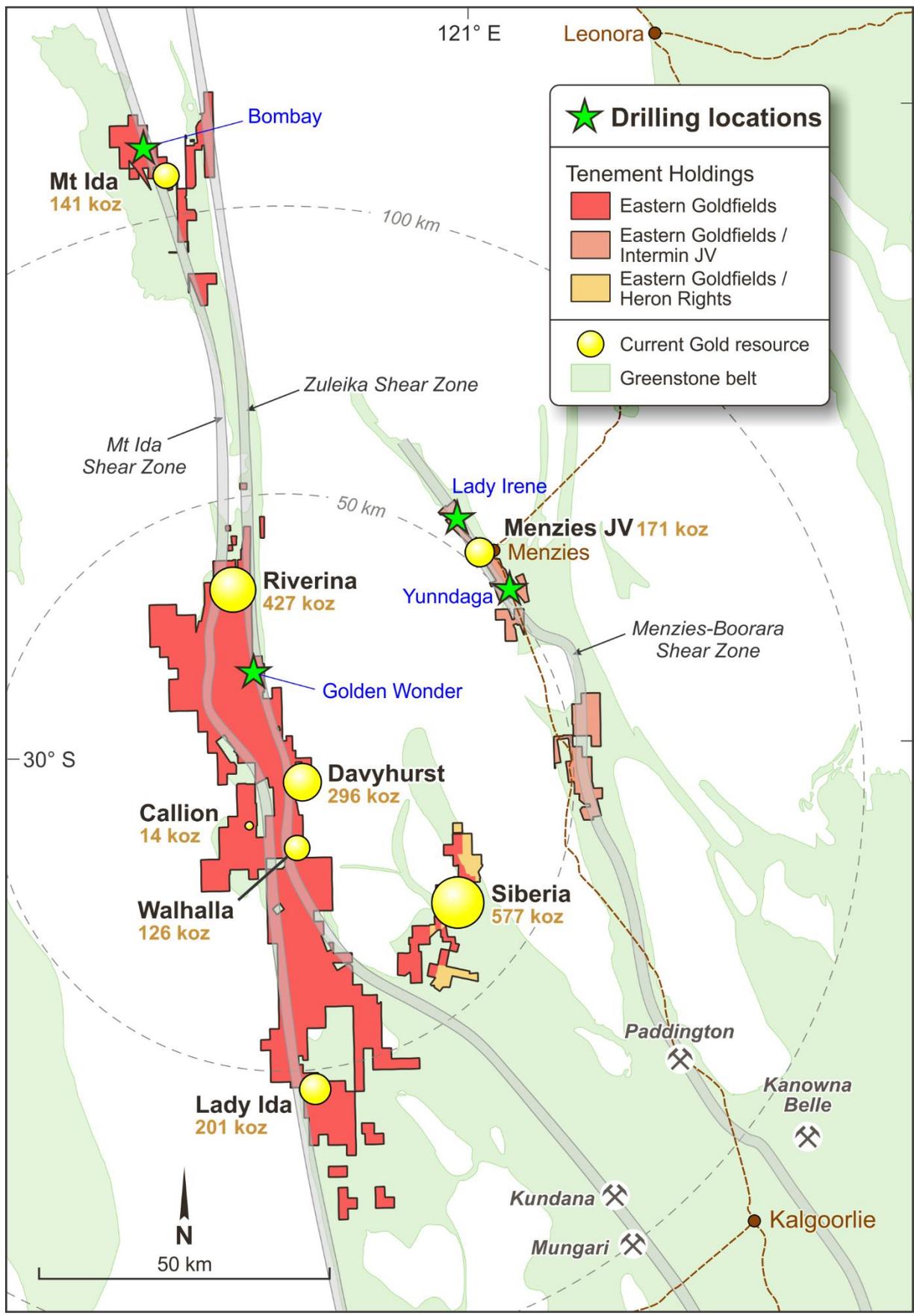


Figure 1: Tenement and Location Plan

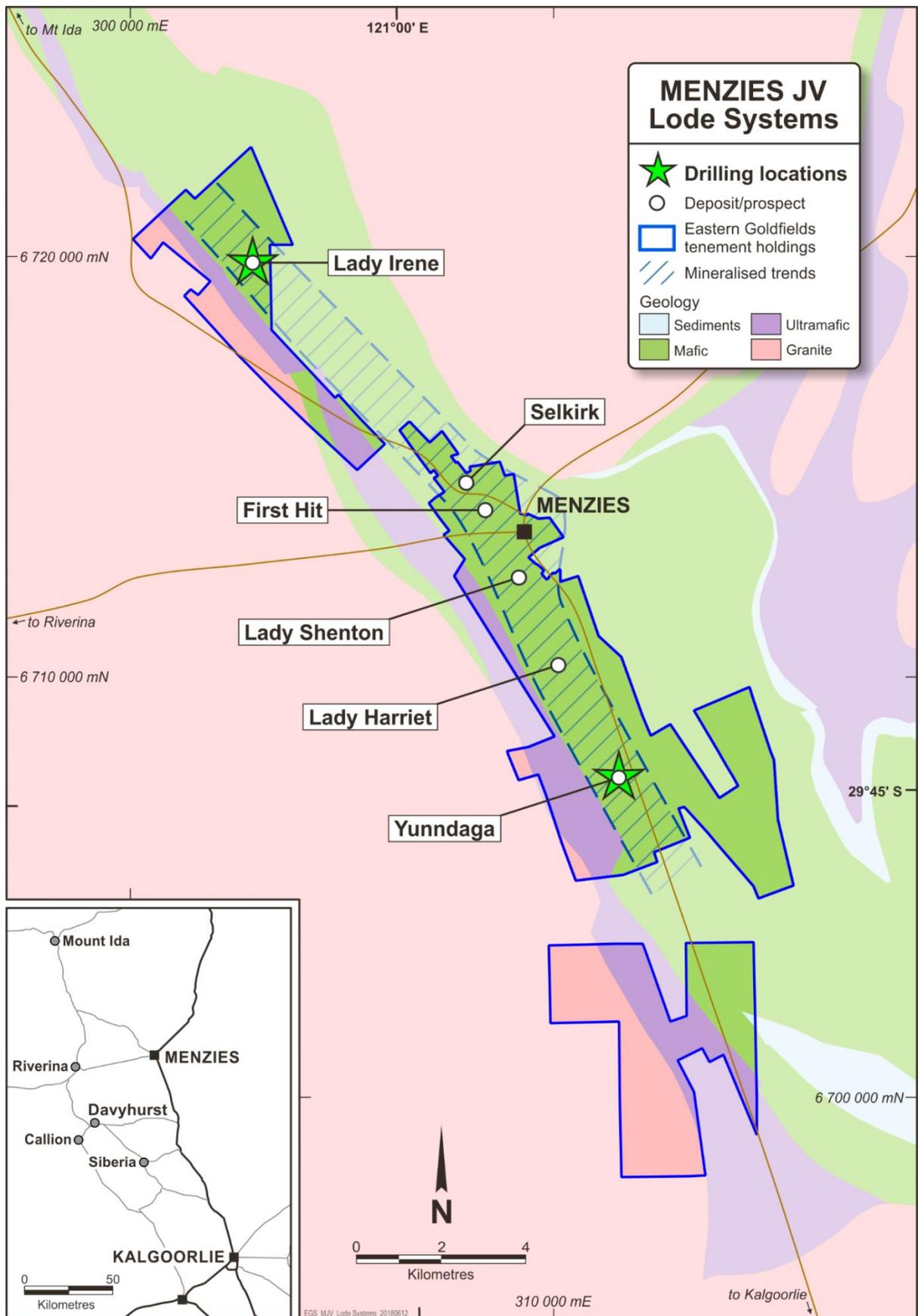


Figure 2: Tenement and Location Plan, Menzies Project, EGS/IRC JV

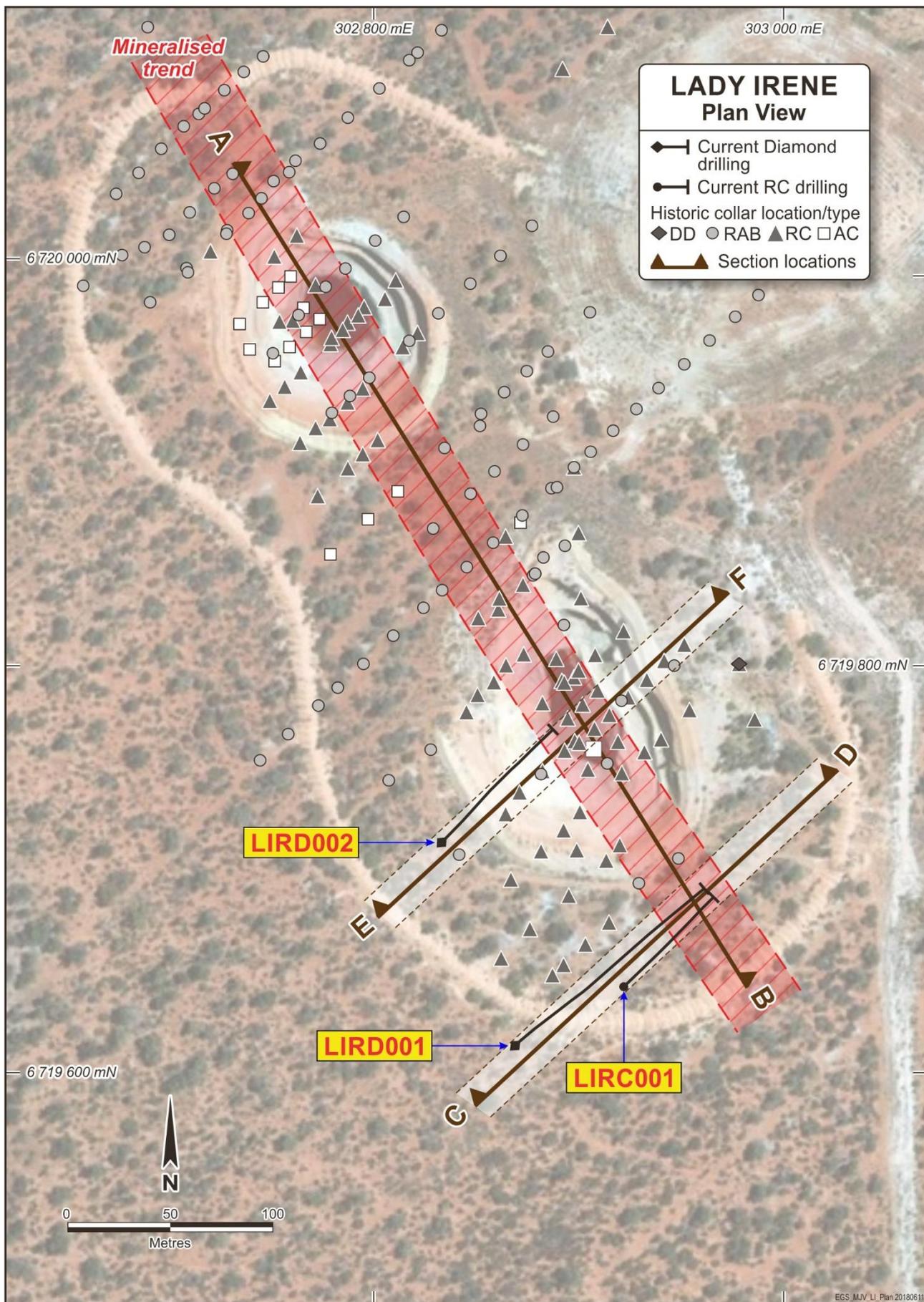


Figure 3: Drillhole Location Plan, Lady Irene deposit

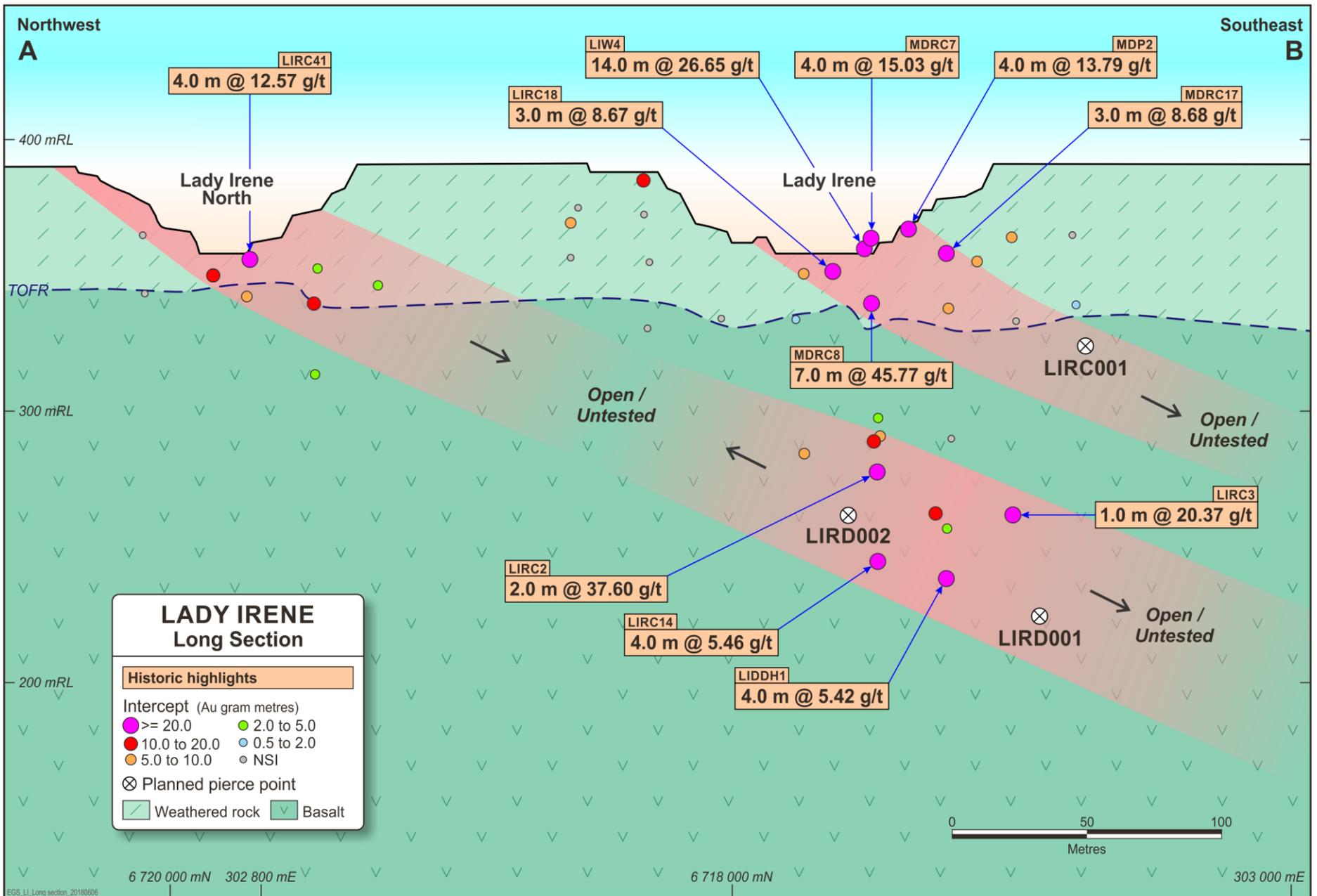


Figure 4: Schematic Long Section, Lady Irene deposit

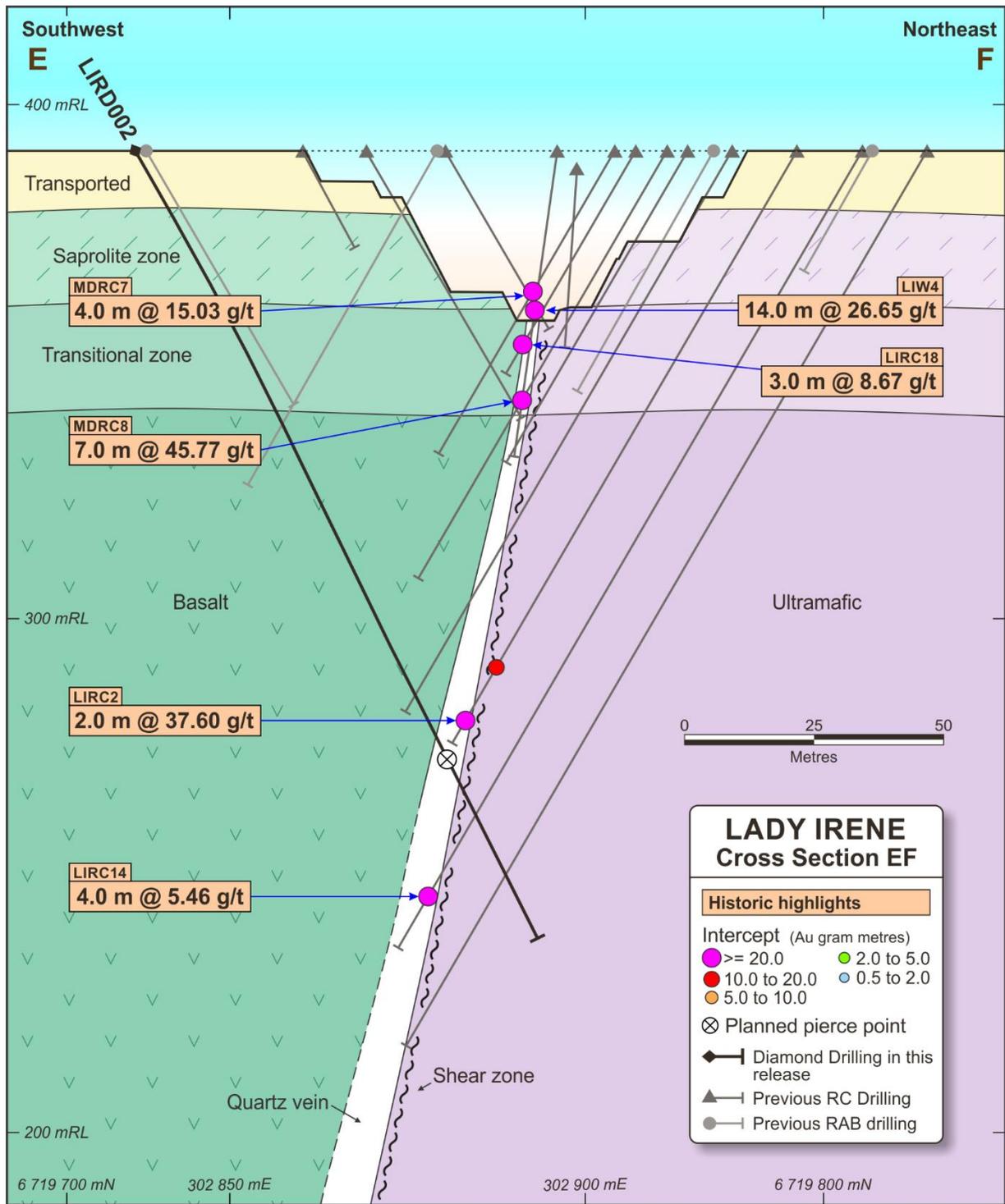


Figure 5: Northern Cross Section, Lady Irene deposit

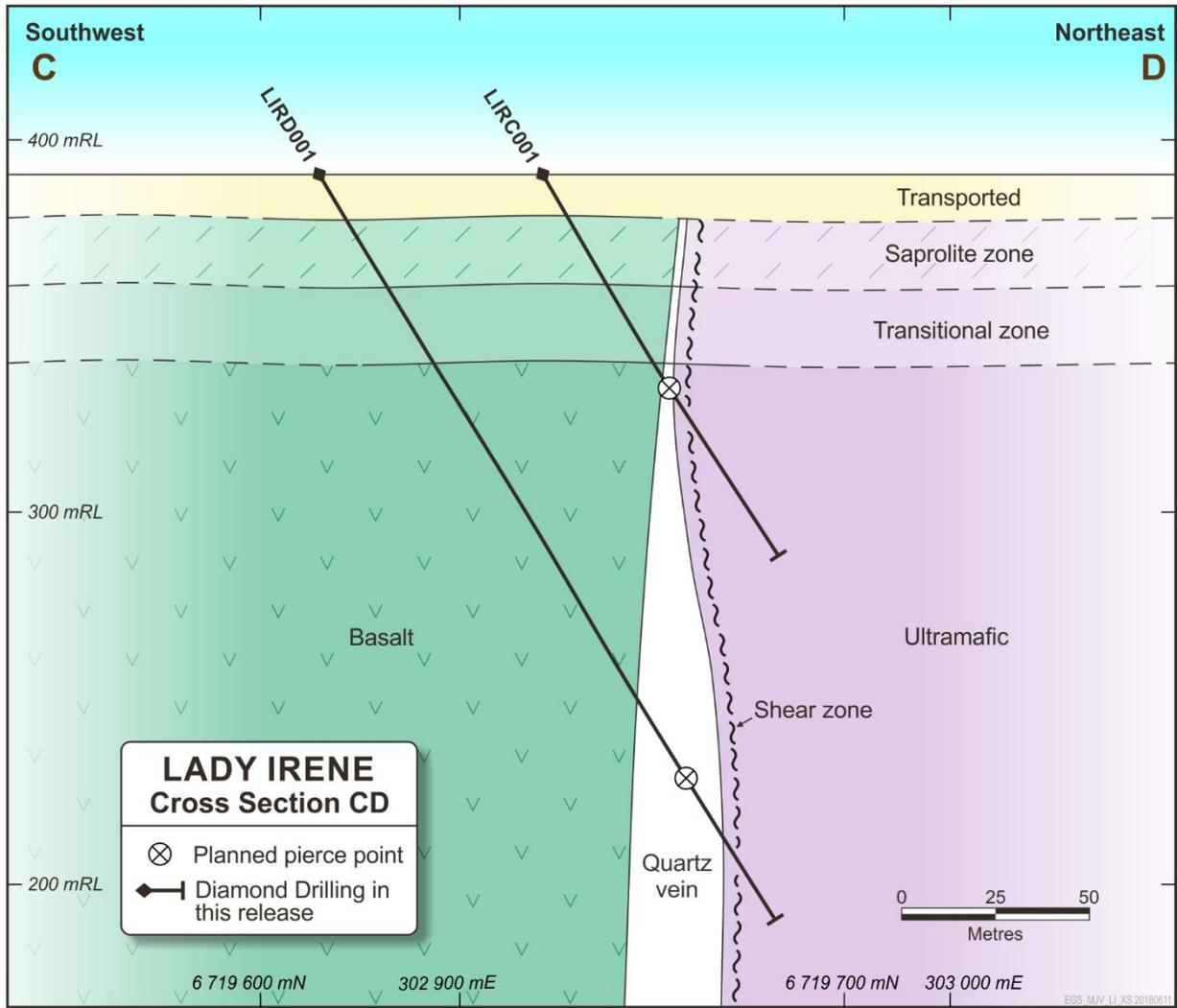


Figure 6: Southern Cross-Section, Lady Irene deposit

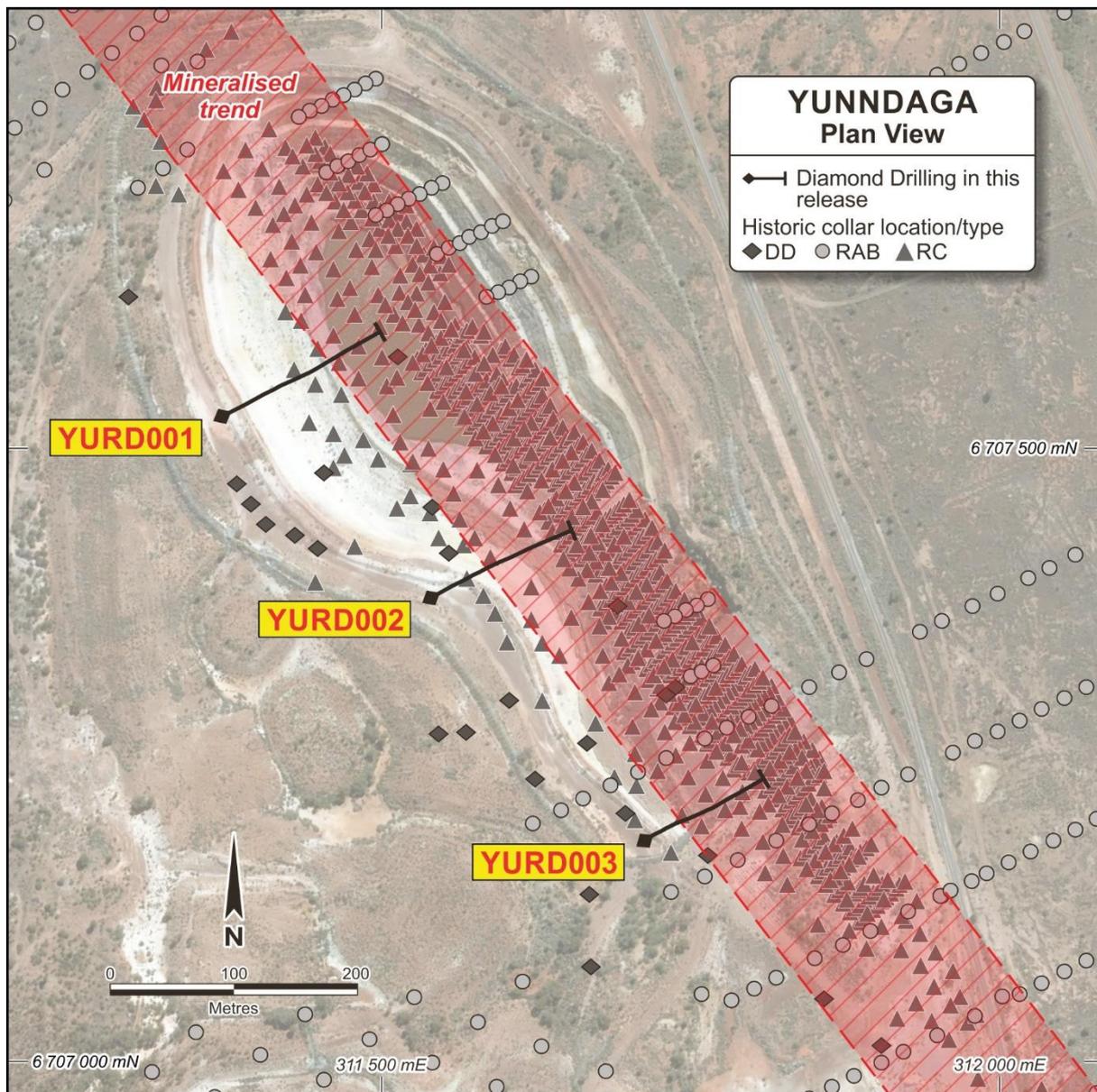


Figure 7: Drillhole Location Plan, Yundaga deposit

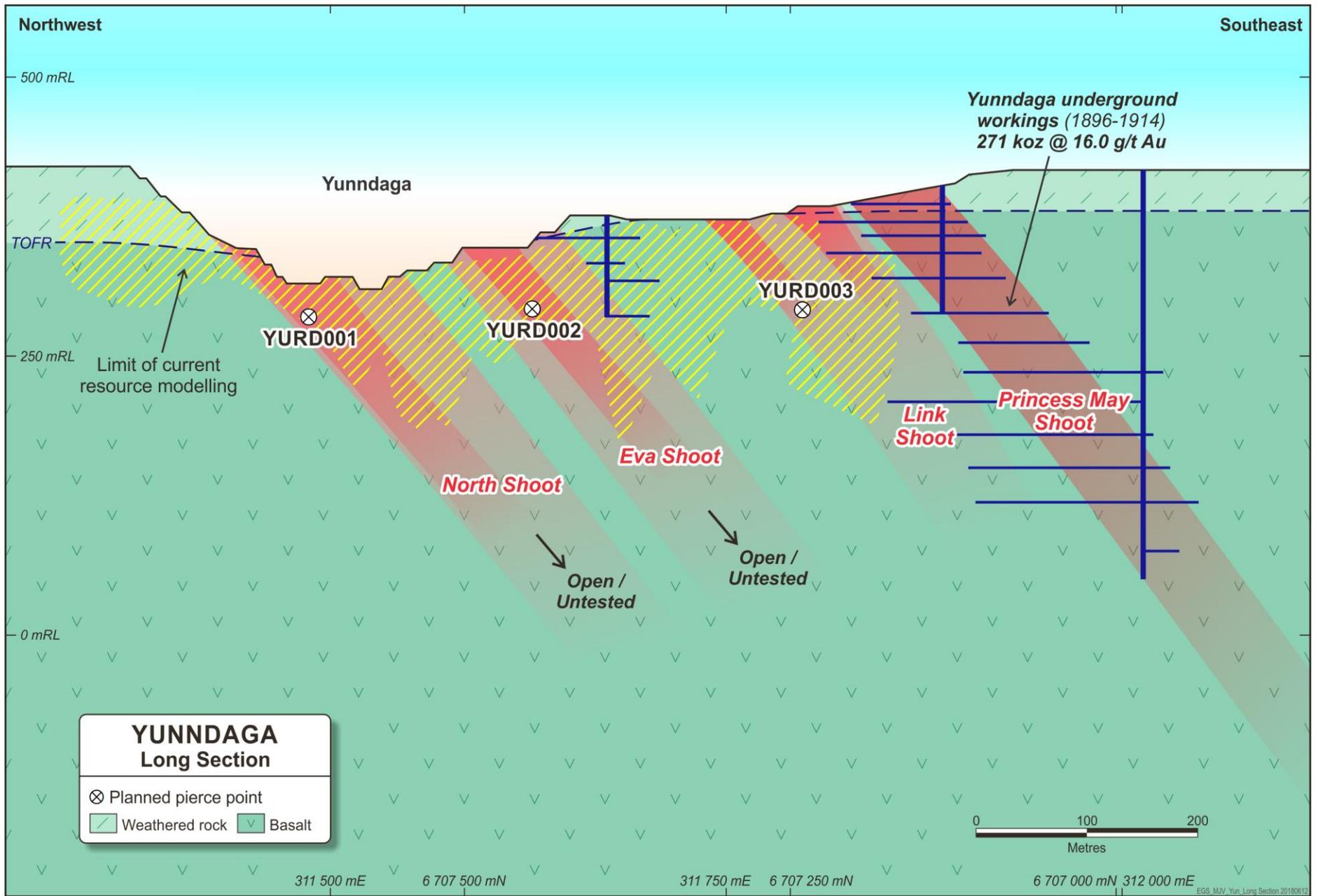
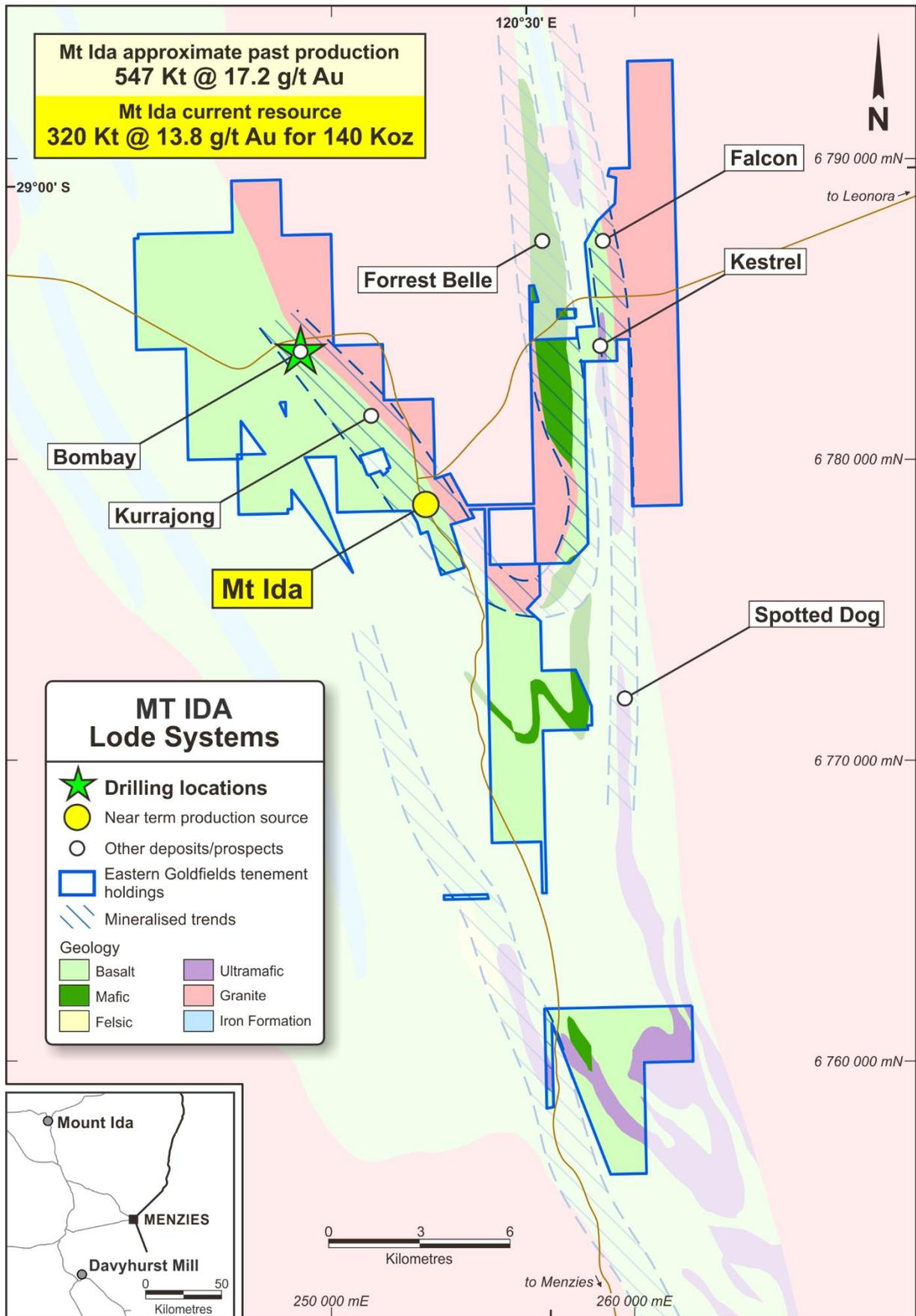


Figure 8: Schematic Long Section, Yunnadaga deposit



**Figure 9: Tenement and Location Plan, Mt Ida Project, highlighting Bombay prospect**

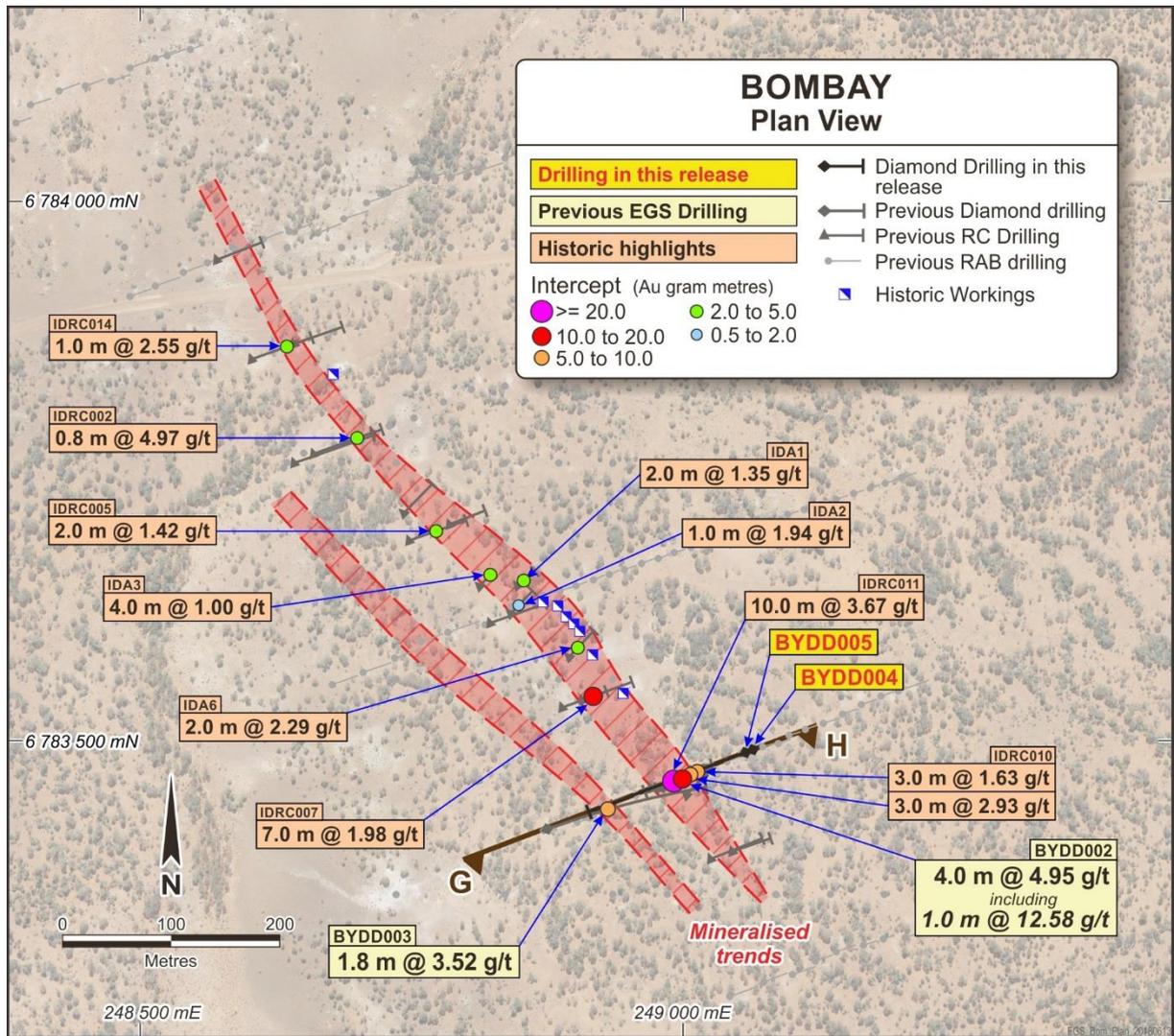


Figure 10: Drillhole and Intercept Location Plan, Bombay prospect

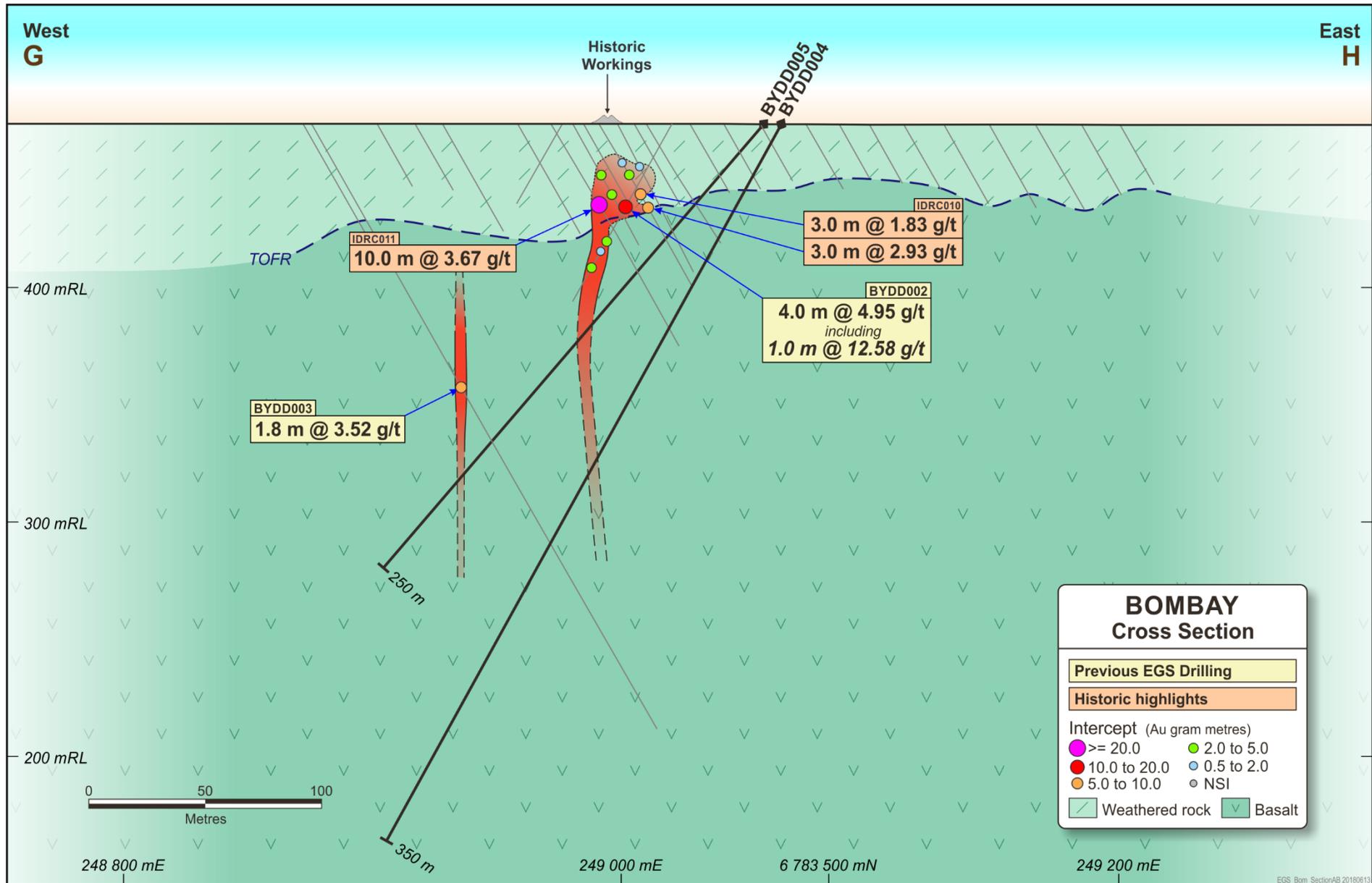


Figure 11: Cross Section, Bombay prospect

## ***Investor Enquiries***

**Michael Fotios**

Executive Chairman

T: +61 8 6241 1888

E: admin@easterngoldfields.com.au

## ***Competent Person Statements***

The information in this report that relates to Exploration Results is based on information compiled under the supervision of Mr Craig Hall, a contractor to Eastern Goldfields Limited, who is Member of the Australian Institute of Geoscientists. Mr Hall has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Sand King, Missouri and Low Grade Stockpile Mineral Resources is based on information compiled under the supervision of Mr Michael Thomson, a former employee of Eastern Goldfields Limited, who is Member of the Australian Institute of Mining and Metallurgy. Mr Thomson has sufficient experience which is relevant to the style of mineralisation and type of deposit 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'. 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. The Company confirms that the form and context in which the Competent Person's findings are presented have not been modified from the original announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed.

The information in this report that relates to Mineral Resources (with the exception of Sand King, Missouri and Low Grade Stockpile Mineral Resources) is based on information compiled under the supervision of Mr Michael Thomson, a former employee of Eastern Goldfields Limited, who is Member of the Australian Institute of Mining and Metallurgy. Mr Thomson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. 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. The Company confirms that the form and context in which the Competent Person's findings are presented have not been modified from the original announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

## ***Forward Looking Statements***

Eastern Goldfields Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Eastern Goldfields Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

**Table 1: EGS Mineral Resource Statement**

PROJECT Prospect	MEASURED		INDICATED		INFERRED		TOTAL MATERIAL																															
	('000t)	(g/t Au)	('000t)	(g/t Au)	('000t)	(g/t Au)	('000t)	(g/t Au)	('000oz.)																													
<b>CENTRAL DAVYHURST</b>																																						
Golden Eagle	0	0.0	345	2.5	311	2.6	656	2.5	54																													
Lights Of Israel Underground	0	0.0	74	4.3	180	4.2	254	4.2	35																													
Makai Shoot	0	0.0	1,985	2.0	153	1.7	2,138	2.0	136																													
Waihi	0	0.0	805	2.4	109	2.4	914	2.4	71																													
<b>Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,200</b>	<b>2.2</b>	<b>800</b>	<b>2.6</b>	<b>3,962</b>	<b>2.3</b>	<b>296</b>																													
<b>RIVERINA / MULLINE</b>																																						
Lady Gladys	0	0.0	1,858	1.9	190	2.4	2,048	1.9	128																													
Riverina Area	0	0.0	941	2.4	1,644	2.5	2,585	2.5	205																													
Forehand	0	0.0	386	1.7	436	1.9	822	1.8	48																													
Silver Tongue	0	0.0	155	2.7	19	1.3	174	2.5	14																													
Sunraysia	0	0.0	175	2.1	318	2.0	493	2.0	32																													
<b>Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,515</b>	<b>2.1</b>	<b>2,607</b>	<b>2.3</b>	<b>6,122</b>	<b>2.2</b>	<b>427</b>																													
<b>SIBERIA</b>																																						
Sand King	0	0.0	1,773	3.3	680	3.7	2,453	3.4	272																													
Missouri	0	0.0	2,022	3.0	409	2.6	2,431	2.9	227																													
Palmerston / Camperdown	0	0.0	118	2.3	174	2.4	292	2.4	22																													
Bewick Moreing	0	0.0	0	0.0	50	2.3	50	2.3	4																													
Black Rabbit	0	0.0	0	0.0	434	3.5	434	3.5	49																													
Thiel Well	0	0.0	0	0.0	18	6.0	18	6.0	3																													
<b>Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>3,913</b>	<b>3.1</b>	<b>1,765</b>	<b>3.2</b>	<b>5,678</b>	<b>3.1</b>	<b>577</b>																													
<b>CALLION</b>																																						
Callion	0	0.0	86	2.8	83	2.3	169	2.6	14																													
<b>Subtotal</b>	<b>0</b>	<b>0.0</b>	<b>86</b>	<b>2.8</b>	<b>83</b>	<b>2.3</b>	<b>169</b>	<b>2.6</b>	<b>14</b>																													
<b>WALHALLA</b>																																						
Federal Flag	32	2.0	112	1.8	238	2.5	382	2.3	28																													
Salmon Gums	0	0.0	199	2.8	108	2.9	307	2.8	28																													
Walhalla	0	0.0	448	1.8	216	1.4	664	1.7	36																													
Walhalla North	0	0.0	94	2.4	13	3.0	107	2.5	9																													
Mount Banjo	0	0.0	109	2.3	126	1.4	235	1.8	14																													
Macedon	0	0.0	0	0.0	186	1.8	186	1.8	11																													
<b>Subtotal</b>	<b>32</b>	<b>2.0</b>	<b>962</b>	<b>2.1</b>	<b>887</b>	<b>2.0</b>	<b>1,881</b>	<b>2.1</b>	<b>126</b>																													
<b>LADY IDA</b>																																						
Iguana	0	0.0	690	2.1	2,032	2.0	2,722	2.0	177																													
Lizard	106	4.0	75	3.7	13	2.8	194	3.8	24																													
<b>Subtotal</b>	<b>106</b>	<b>4.0</b>	<b>765</b>	<b>2.3</b>	<b>2,045</b>	<b>2.0</b>	<b>2,916</b>	<b>2.1</b>	<b>201</b>																													
<b>Low Grade Stockpiles</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>764</b>	<b>1.1</b>	<b>764</b>	<b>1.1</b>	<b>27</b>																													
<b>DAVYHURST TOTAL</b>	<b>138</b>	<b>3.5</b>	<b>12,441</b>	<b>2.5</b>	<b>8,187</b>	<b>2.4</b>	<b>21,492</b>	<b>2.4</b>	<b>1,668</b>																													
<b>MOUNT IDA</b>																																						
Baldock	0	0.0	136	18.6	0	0.0	136	18.6	81																													
Baldock South	0	0.0	0	0.0	0	0.0	0	0.0	0																													
Meteor	0	0.0	0	0.0	143	9.3	143	9.3	43																													
Whinnen	0	0.0	0	0.0	39	13.3	39	13.3	17																													
<b>MOUNT IDA TOTAL</b>	<b>0</b>	<b>0.0</b>	<b>136</b>	<b>18.6</b>	<b>182</b>	<b>10.2</b>	<b>318</b>	<b>13.8</b>	<b>141</b>																													
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">MEASURED</th> <th colspan="2">INDICATED</th> <th colspan="2">INFERRED</th> <th colspan="3">TOTAL MATERIAL</th> </tr> <tr> <th>('000t)</th> <th>(g/t Au)</th> <th>('000t)</th> <th>(g/t Au)</th> <th>('000t)</th> <th>(g/t Au)</th> <th>('000t)</th> <th>(g/t Au)</th> <th>('000oz.)</th> </tr> </thead> <tbody> <tr> <td><b>COMBINED TOTAL</b></td> <td><b>138</b></td> <td><b>3.5</b></td> <td><b>12,577</b></td> <td><b>2.7</b></td> <td><b>8,369</b></td> <td><b>2.6</b></td> <td><b>21,810</b></td> <td><b>2.6</b></td> <td><b>1,809</b></td> </tr> </tbody> </table>											MEASURED		INDICATED		INFERRED		TOTAL MATERIAL			('000t)	(g/t Au)	('000oz.)	<b>COMBINED TOTAL</b>	<b>138</b>	<b>3.5</b>	<b>12,577</b>	<b>2.7</b>	<b>8,369</b>	<b>2.6</b>	<b>21,810</b>	<b>2.6</b>	<b>1,809</b>						
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1. All Resources listed above with the exception of the Missouri and Sand King Resources were prepared and first disclosed under the JORC Code 2004 (refer ASX release "Swan Gold Prospectus", 13 February 2013). It has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.
2. The Missouri, Sand King and low grade stockpile Mineral Resources has been updated and complies with all relevant aspects of the JORC code 2012, and initially released to the market on 15 December 2016 (Missouri) 3 January 2017 (Sand King and 14 July 2017).
3. The above table contains rounding errors.

### Appendix 1: EGS Current Drilling

Prospect	Hole	Drill Type	MGA Northing	MGA Easting	MGA RL	MGA Azimuth	Dip	Max Depth	From	To	Interval (m)	Grade (g/t)	Company
Lady Irene	LIRC001	RC	6719642	302922	391	45	-60	120			Awaiting Results		EGS
Lady Irene	LIRD001	RCD	6719613	302869	391	45	-60	233.5			Awaiting Results		EGS
Lady Irene	LIRD002	RCD	6719713	302833	391	45	-60	171.8			Awaiting Results		EGS
Yunndaga	YURD001	RCD	6707519	311358	421	60	-60	234			Awaiting Results		EGS
Yunndaga	YURD002	RCD	6707379	311539	421	60	-60	204.7			Awaiting Results		EGS
Yunndaga	YURD003	RCD	6707177	311706	421	60	-60	171.7			Awaiting Results		EGS
Bombay	BYDD004	DD	6783474	249025	421	250	-60	350			Awaiting Results		EGS
Bombay	BYDD005	DD	6783480	249025	421	250	-50	250			Awaiting Results		EGS

Note: coordinates in MGA94 zone 51.

### Appendix 2: Historic Intercepts referenced in this release

Prospect	Hole	Drill Type	MGA Northing	MGA Easting	MGA RL	MGA Azimuth	Dip	Max Depth	From	To	Interval (m)	Grade (g/t)	Company
Lady Irene	LIDDH1	DD	6719801	302978	391	224	-60	225.7	183.0	187.0	4.0	5.42	Julia Mines
Lady Irene	LIRC2	RC	6719793	302933	391	228	-60	133.0	127.0	129.0	2.0	37.60	Julia Mines
Lady Irene	LIRC3	RC	6719774	302986	391	228	-53	196.0	159.0	160.0	1.0	20.37	Julia Mines
Lady Irene	LIRC14	RC	6719802	302942	391	228	-60	179.0	166.0	170.0	4.0	5.46	Julia Mines
Lady Irene	LIRC18	RC	6719781	302902	391	228	-60	50.0	42.0	45.0	3.0	8.67	Julia Mines
Lady Irene	LIRC41	RC	6719965	302785	391	228	-60	50.0	36.0	40.0	4.0	12.57	Julia Mines
Lady Irene	LIW4	RC	6719763	302898	391	228	-82	60.0	22.0	36.0	14.0	26.65	Julia Mines
Lady Irene	MDP2	RAB	6719752	302914	391	240	-60	42.0	24.0	28.0	4.0	13.79	Julia Mines
Lady Irene	MDRC7	RC	6719769	302907	391	224	-60	68.0	26.0	30.0	4.0	15.03	Julia Mines
Lady Irene	MDRC8	RC	6719776	302915	391	224	-60	96.0	54.0	61.0	7.0	45.77	Julia Mines
Lady Irene	MDRC17	RC	6719719	302892	391	44	-60	61.0	35.0	38.0	3.0	8.68	Julia Mines

Note: 2m maximum internal waste unless otherwise specified, coordinates in MGA94 zone 51.

## JORC CODE, 2012 EDITION – TABLE 1 EXPLORATION RESULTS

### Section 1 Sampling Techniques and Data

Information for historical (Pre-Eastern Goldfields Limited) drilling and sampling has been extensively viewed and validated where possible. Information pertaining to historical QAQC procedures and data is incomplete but of a sufficient quality and detail to allow drilling and assay data to be used for resource estimations. Sections 1 and 2 describe the work undertaken by Eastern Goldfields Limited and only refer to historical information where appropriate and/or available.

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Eastern Goldfields Ltd (EGS); RC samples were routinely collected at 1m intervals and cone split. Half sawn core samples crushed, pulverised and 40g or 50g sample taken for fire assay at Analabs, Kalgoorlie. More recently (this announcement) RC samples were riffle split from the cyclone, and (DD) sawn half-core samples submitted to SGS Kalgoorlie for fire assay utilising a 50gm charge.</li> <li>(Lady Irene)-Julia Mines; RC samples were routinely collected at 1m intervals and split. Samples submitted for gold by fire assay.</li> <li>Down hole survey equipment checked by comparison with other available units during programme, training by driller of use of orientation tool undertaken</li> <li>N/A</li> <li>N/A</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>EGS; RC drilling using 5.25 inch and NQ diamond core tails drilled by Siesmic Drilling Service Rig 3, and LMP 2000 Truck Mounted Drill Rig with on board 1050/350 compressor . RC pre-collars drilled from surface, then changed to NQ. Diamond holes were oriented by electronic core orientation device.</li> <li>(Lady Irene)-Julia Mines NL; RC holes were drilled by Stanley Drilling in 1996/7, completing 45 holes for 4067m. A single Diamond holes was drilled by Glindemann and Kitching in 1997. There is no information about core being oriented. 6 further RC holes were drilled for 215m advance in 2001</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>EGS - Diamond drill recoveries are recorded as a percentage calculated from measured core against downhole drilled intervals (core blocks). RC sample recoveries generally not recorded.</li> <li>(Lady Irene)-Julia Mines; RC sample recoveries not recorded</li> <li>Diamond Core recoveries are very high due to the competent ground. Any core recovery issues are noted on core blocks and logged.</li> <li>There is no known relationship between sample recovery and grade.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been</li> </ul>	<ul style="list-style-type: none"> <li>EGS; Qualitative: alteration, colour, grain size, lithology, oxidation, mineralogy, structure, texture, vein style, vein assemblage, remarks.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>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>Quantitative: mineralisation intensity, vein percent.</p> <ul style="list-style-type: none"> <li>(Lady Irene)-Julia Mines NL; Qualitative: rock type and alteration. Quantitative; percentage of pyrite.</li> <li>It is unknown whether core was routinely photographed by earlier operators.</li> <li>All holes were completely geologically logged to a level of detail to support mineral resource estimation.</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>EGS; Diamond core sawn and half core collected. RC samples were routinely collected at 1m intervals from a cone or riffle splitter and submitted for analysis. Drill samples were crushed, pulverised and usually a 50gm charge taken for analysis by fire assay. Field duplicates, blanks and standards were submitted for QAQC analysis.</li> <li>(Lady Irene) Julia Mines NL; RC samples were collected at 1m intervals in a large plastic bag from a cyclone, split numerous times until a 2kg portion was obtained. NQ diamond drill core was split at Kalgoorlie. Samples were loaded into a hammer mill, crushed to 1.5mm, passed through a rotary splitter to extract 200gms which was pulverised by a ring grinder to 200 mesh. A 50gm charge was extracted for assaying.</li> <li>Repeat assays were undertaken on pulp samples at the discretion of the laboratory.</li> <li>Field duplicates to be collected in mineralised core</li> <li>Sample sizes are considered appropriate to the grain size of the material being sampled</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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>EGS; Samples were sent to Kalgoorlie Assay Laboratories to be analysed for gold by 40gm fire assay, or to Genalysis for fire assay utilising a 50gm charge. More recently (this announcement) samples were analysed by SGS Kalgoorlie via fire assay utilising a 50gm charge.</li> <li>(Lady Irene) Julia Mines NL; Samples were sent to SGS Kalgoorlie Laboratory to be assayed for gold using 50 gm Fire Assay. 95% of all assays results greater than 1 g/t Au were check from 1 to 4 times by taking a split from the original sample residue.</li> <li>Certified reference material standards were employed. Blanks were also employed.</li> <li>Fire Assay is considered a total technique.</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 data.</i></li> </ul>	<ul style="list-style-type: none"> <li>EGS; Data has been verified by reviewing original drill and assay logs.</li> <li>(Lady Irene) Julia Mines NL -Print outs of computerized sample intervals and assays generated by the company reviewed by EGS personnel</li> <li>No twinned holes observed in prospects discussed</li> <li>Data entry, verification and storage protocols for remaining operators is unknown.</li> <li>No adjustments have been made to assay data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Specification of the grid system used.</i></li> </ul>	<ul style="list-style-type: none"> <li>EGS holes surveyed by GPS (+/- 3m accuracy) and all holes downhole surveyed at minimum 30m increments</li> <li>(Lady Irene)-Julia Mines NL; RC holes drilled on local grid and surveyed by unknown method. RC holes not downhole surveyed.</li> <li>All grids referenced are MGA94 zone 51</li> <li>Topography has been surveyed by recent operators in the vicinity of operating mines. Collar elevations are consistent with surrounding holes and the natural surface elevation.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</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>Data spacing varies from wide spaced regional drilling to close spaced resource drilling depending on the development stage of the deposit</li> <li>For deposits with resources and previously mined deposits the data spacing and distribution is sufficient to establish geological and grade continuity.</li> <li>Samples are not composited for this report. Samples are composited for resource calculations.</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>It is unknown but considered unlikely whether the orientation of sampling achieves an unbiased sampling of structures</li> <li>It is not known whether there is any introduced sample bias due to drill orientation.</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>Unknown for earlier operators.</li> <li>EGS – Samples are bagged, tied and in a secure yard. Once submitted to the laboratories they are stored in cages within a secure fenced compound. Samples are tracked through the laboratory via their LIMS.</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>Digital data from the SQL database has been reviewed by EGS and is consistent with hard copy and digital WAMEX data.</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 licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Lady Irene M29/212- held by Black Mountain Gold Limited- 100% owned by Intermin Resources Limited, subject to earn-in JV with EGS, terms listed in this release</li> <li>Yunndaga M29/88- held by Black Mountain Gold Limited- 100% owned by Intermin Resources Limited, subject to earn-in JV with EGS, terms listed in this release</li> <li>Bombay E29/640 –held by Mt Ida Gold Pty Ltd- 100% owned by EGS</li> <li>There are no known heritage issues</li> <li>There are no known impediments to operating in the area.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>For Lady Irene; the deposit was discovered and mined by Julia Mines, details of work contained in WAMEX A reports 52000 and 6</li> <li>For Yunndaga, numerous- refer to detailed exploration history notes contained in Rox Resources prospectus dated 23 February 2004; and IRC:ASX release “Mineral Resource grows at Menzies Gold Project” dated 8 March 2016</li> <li>For Bombay, refer to EGS:ASX release “Mt Ida- Encouraging drilling results at Bombay Prospect” dated 29 July 2016</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>For Lady Irene; the Gold mineralisation is associated two south-plunging shoots on a sheared contact between steep-west dipping basalt and komatiite, intruded by a typically 1 – 5 m wide quartz vein, with high grade gold associated with alteration on the footwall of the vein.</li> <li>For Yunndaga, the deposit is hosted in amphibolite rocks, along the margin of the Yunndaga sedimentary package, and consists of quartz lodes trending northwest–southeast, dipping 70 degrees west and plunges south in a series of 1-2m wide ore shoots, hosted along the sheared and altered contact between a mafic amphibolite sequence to the east, and felsic volcanics and shale to the west. Pyrite</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>and arsenopyrite are dominantly associated with gold mineralisation, with some chalcopyrite, galena, and sphalerite. Several late sinistral east-west faults cross the north end of the deposit.</p> <ul style="list-style-type: none"> <li>For Bombay, the prospect is predominantly underlain by basalt and minor dolerites. This mafic package outcrops in the western area of the prospect. The rocks are metamorphosed to amphibolite grade. Mineralisation is present in several shear zones with chalcopyrite/pyrrhotite/pyrite &amp; arsenopyrite alteration associated with quartz/carbonate veining. Structures are currently interpreted to be north-trending and steep west dipping.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See Coordinates and Significant Intercepts in Appendices 1 &amp; 2</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No reported assays for exploration results in this release</li> <li>N/A</li> <li>No metal equivalents reported.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>All intercept widths reported are down hole lengths.</li> <li>The geometry of mineralisation is known for Lady Irene and Yunndaga, but assumed for Bombay</li> <li>True widths represented in text where possible.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be</li> </ul>	<ul style="list-style-type: none"> <li>See plans and sections.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>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></p>	
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Results from historic drilling are shown on the diagrams. All intercepts from recent drilling are reported; assays are pending</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Production histories primarily taken from Rox Resources prospectus dated 23 February 2004</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• Further extensional and infill drilling planned at all deposits, pending review of assay results.</li> <li>• Refer to figures and text</li> </ul>