



19 September 2018

Supply Well Diamond Drilling Progress Update

- **Diamond CPDD001 is completed at FLTEM target PRC10B**

Caeneus Minerals Ltd (ASX: CAD) (or “the Company”) advises that the diamond drill hole at the first FLTEM target is now completed at the Pardoo – Supply Well Project.

Diamond drill hole (CPDD001) which is a replacement of PRC10B (refer to ASX announcement 6 September 2018) is now completed to 180.9m (EOH). The Company will provide full results once they have been obtained.

The rig has now moved to FLTEM plate target CV3 10,000 Siemens (refer to ASX announcement 6 September 2018), as CPDD002. To mirror the completion of hole CPDD001 this hole will be mud rotary drill through the upper running sands zone and diamond core drilling will commence from ~70m with NQ to and beyond the modelled target depth of ~225 meters.

Selected sections from each hole will be cut in half at the completion of the program and sent for multi element assays and to test for gold and or platinum group elements.

The Company looks forward to keeping the market updated with progress at this highly anticipated diamond drilling campaign at the Pardoo Project - Supply Well Project.

Clarification of Announcement dated 17 September 2018

In the Company’s announcement dated 17 September 2018, the Company made reference to assay results from two material drill holes PRC10B and PRC07. The Company made the relevant JORC disclosures regarding these assay results in its announcement dated 6 September 2018.

The Company also made reference to three FLTEM targets in the same announcement. The relevant supporting information as required under the JORC-Code in relation to the FLTEM targets were made in the announcement dated 6 August 2018.

For and on behalf of the board

Johnathon Busing

Non-executive Director and Company Secretary

Caeneus Minerals Limited

Visit www.caneus.com.au for additional information including past announcements.

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources has been compiled under the supervision of Mr Bill Oliver, a consultant to the Company. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Oliver consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

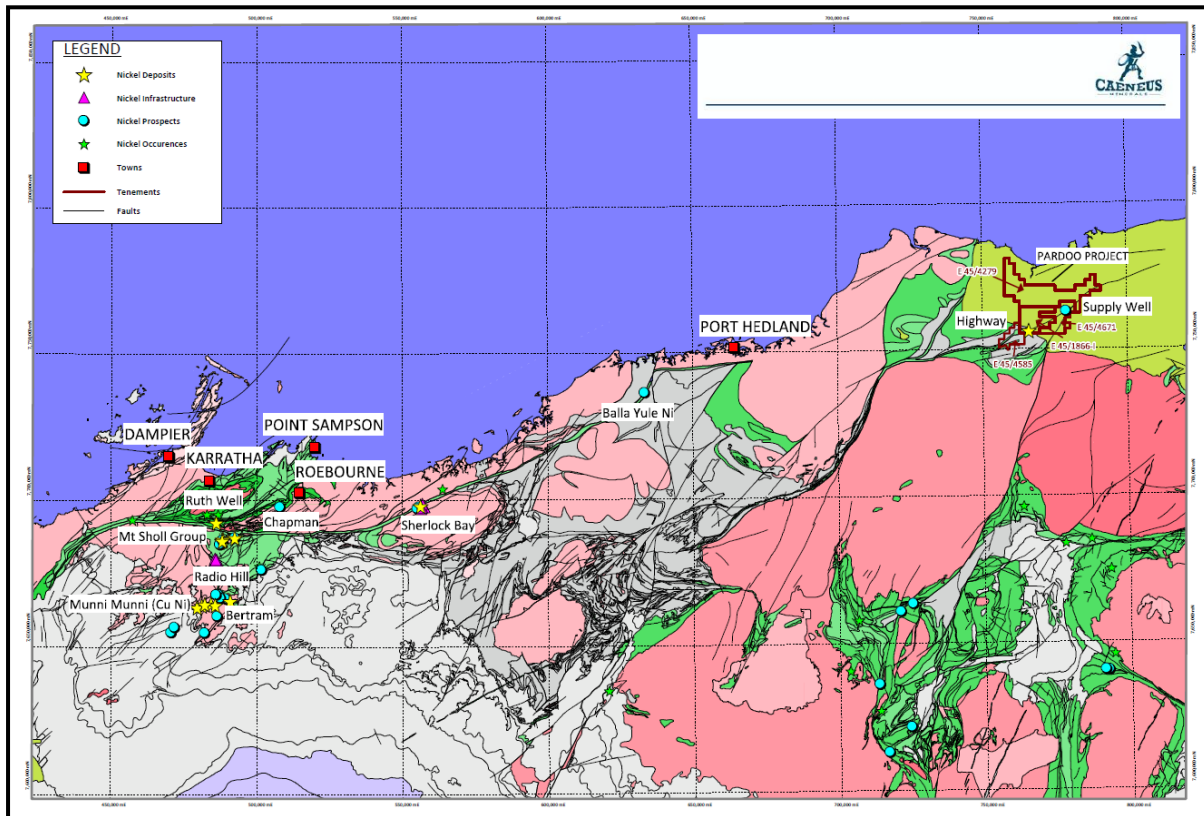


Figure 2. Caeneus tenure location, structure/geology and other known nickel/copper/cobalt deposits.

About Pardoo

The Company's Pardoo Highway Ni/Cu/Co deposit is situated in a similar structural setting, adjacent to the major regional Tappa Shear Zone which extends for some ~150km and is well endowed with multiple hydrothermal shear related gold deposits also, most notably De Grey Mining's (ASX: DEG) Indee Gold deposits' as well as other significant Pilbara based nickel-copper occurrences such as Radio Hill and Sherlock Bay (Figure 3) and is considered highly prospective for magmatic and shear-hosted nickel, copper and cobalt sulphide mineralisation.

The geology of the Pardoo Project is complex with package of deformed, sheared metasediments, metabasalts and other mafic lithologies. Historical reports accessed via the open file WAMEX system has recorded potential conductive sources including both sulphide-bearing intervals and shale units with anomalous nickel and zinc results being reported (Weir, 1990; Weir, 1991; Haederle et. al., 1992).

The Pardoo Projects are ideally located 90km east north-east of Port Headland Western Australia with the Great Northern Highway dissecting the Company's tenement package. The Highway deposit lies only 900m from the highway. The project area covers 434 square kilometres of prospective tenure.