



## Middle Island

RESOURCES LIMITED

**Middle Island Resources Ltd**  
ACN 142 361 608  
**ASX code: MDI**  
[www.middleisland.com.au](http://www.middleisland.com.au)

### **Capital Structure:**

1,765 million ordinary shares  
994 million unlisted options

### **Cash & Investments**

\$2.28m (as at 31 March 2020)  
No debt

### **Directors & Management:**

**Peter Thomas**  
Non-Executive Chairman  
**Rick Yeates**  
Managing Director  
**Beau Nicholls**  
Non-Executive Director  
**Brad Marwood**  
Non-Executive Director  
**Dennis Wilkins**  
Company Secretary

### **Contact:**

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## ASX Release – 8 May 2020

### Fourth new gold deposit defined at Sandstone project, extending bonanza historic intercepts of 11m at 22.5g/t & 17m at 8.16g/t Au

- A further new gold deposit, **Plum Pudding**, has been defined from Phase 1 reverse circulation (RC) drilling, **850m south of the gold processing plant, within Middle Island's wholly-owned Sandstone gold project in WA.**
- The Plum Pudding deposit has been significantly extended south of previous drilling results of **17m at 8.16g/t, 11m at 22.5g/t, 12m at 3.52g/t and 8m at 6.98g/t Au.**
- The southern extension comprises stacked, shallow mineralised zones over a 120m aggregate width and 240m strike length, including new intercepts of **3m at 3.72g/t, 10m at 3.08g/t, 2m at 4.98g/t, 3m at 3.72g/t, 2m at 4.98g/t and 12m at 0.93g/t Au.**
- Subject to infill and twin-hole drilling, Plum Pudding is likely to represent a further new, shallow, oxide open pit gold deposit, including a blanket of mineralised laterite from surface.
- **Plum Pudding**, along with **McIntyre, McClaren and Old Town Well**, represents the fourth new satellite open pit discovery announced in as many weeks.
- None of these four new deposits were included in the positive optimisation study announced in October 2019 and their inclusion in the updated pre-feasibility study (PFS) will **significantly heighten the prospect of a positive decision to recommission the Sandstone mill.**
- Other fresh RC drill intersections from Sandstone's Wirraminna deposit include **5m at 1.54g/t, 12m at 0.95g/t, 3m at 2.04g/t, 3m at 3.27g/t and 3m at 2.23g/t Au.** This existing Mineral Resource was drilled to upgrade peripheral Inferred material to an Indicated classification.
- Results relating to the remaining 65 holes (4,209m) of the Phase 1 RC drilling program are anticipated in coming weeks.



### **SANDSTONE GOLD PROJECT (WA)**

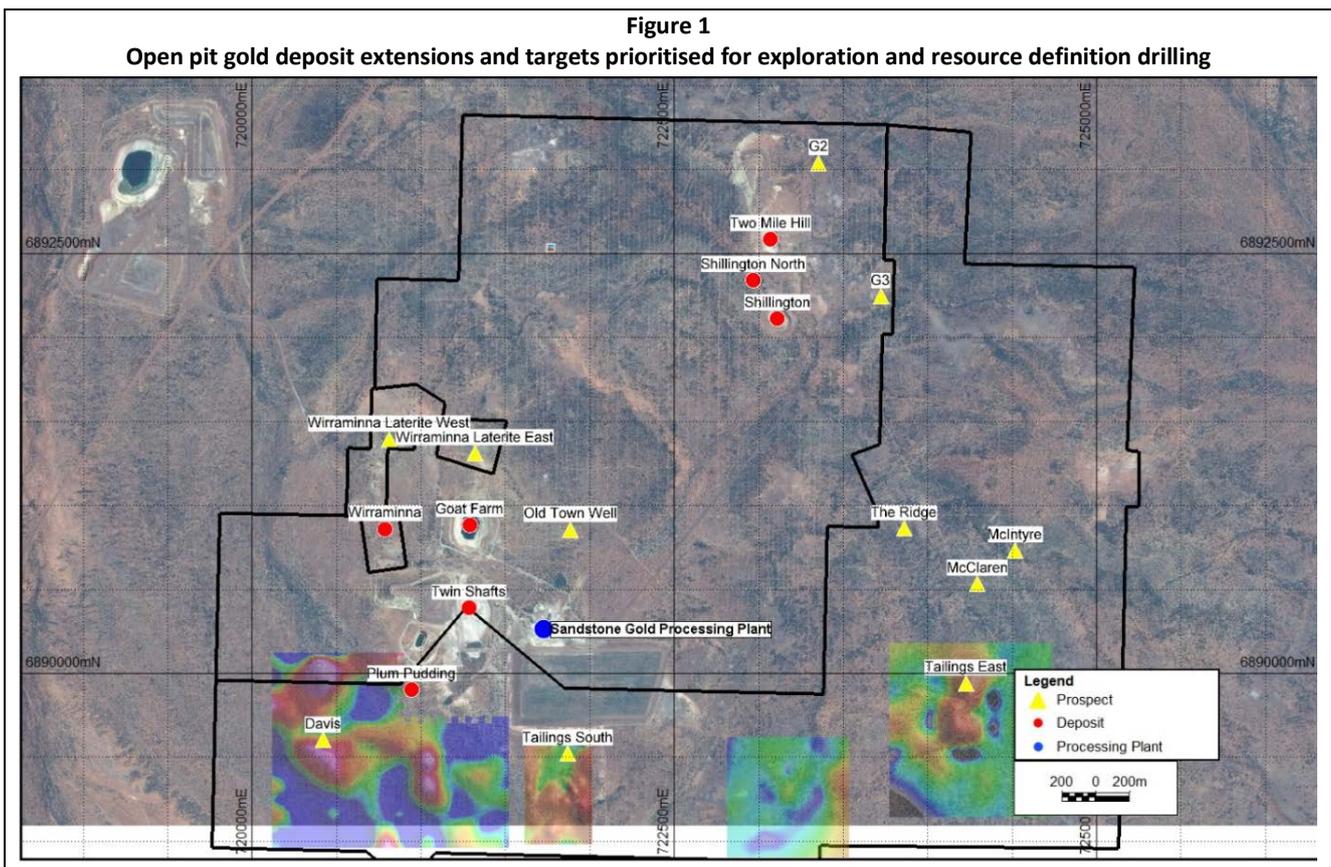
Explorer and aspiring gold developer, Middle Island Resources Limited (**Middle Island, MDI or the Company**) is pleased to announce further encouraging results from the Company’s recently completed 13,400m, Phase 1, reverse circulation (RC) drilling program. The Phase 1 RC drilling represents the second of four planned programs that collectively comprise a campaign totalling at least 17,300m of exploration and resource definition drilling at the Company’s 100%-owned Sandstone gold project in the central goldfields of Western Australia.

The Phase 1 RC program, exclusively focussed on open pit targets at Sandstone, has tested some 14 gold deposits and prospects (Figure 1), all within 4km of the Company’s 100%-owned gold processing plant and the majority on permitted Mining Leases.

In the case of existing deposits, **drilling is designed to variously extend Mineral Resources, reclassify Mineral Resources from Inferred to Indicated status, and/or upgrade JORC Code 2004 Mineral Resources to JORC Code 2012 compliance.** These comprise the Two Mile Hill, Shillington, Wirraminna, Goat Farm, Twin Shafts and Plum Pudding deposits.

The additional eight prospects assessed by Phase 1 RC drilling represent those which have had little or no drilling, but **represent targets selected on the basis of their interpreted potential to generate open pit gold Mineral Resources.** These targets variously include the Ridge, McIntyre, McClaren, Old Town Well, Wirraminna Laterite (East & West), Davis, Tailings (South & East) prospects, and the G2 & G3 gravity targets.

The various deposits and prospects assessed by the Phase 1 RC drilling are shown in Figure 1 below.





Results received to date for the Phase 1 RC drilling program comprise those derived from the Two Mile Hill, Wirraminna and Plum Pudding deposits, and the McClaren, McIntyre, Old Town Well, Tailings East and Davis prospects.

This announcement details 1m assay results derived from drilling at the Plum Pudding (15 holes; 894m) and Wirraminna (15 holes; 1,446m) deposits as part of a 13,400m Phase 1 RC drilling program comprising 172 holes in total.

All material drill intercepts, based on 1m individual samples and a notional open pit cut-off grade of 0.6g/t Au and other parameters, are provided in Table 1 below. All results are based on 50g fire assay analyses completed by Intertek Laboratories (Middle Island) and Analabs (Clackline) in Perth. The exploration results have been prepared and reported in accordance with the JORC Code 2012.

Prospect	Hole ID	East	North	RL	Dip	Azimuth	Hole Depth	Depth From (m)	Depth To (m)	Thickness (m)	Grade (g/t Au)
Plum Pudding	MSRC417	720971.37	6889725.16	491.45	-57.83	269.55	84	56	64	8	0.81
Plum Pudding	MSRC418	721011.88	6889724.12	491.29	-58.26	271.83	60	44	46	2	1.02
Plum Pudding	MSRC420	720956.45	6889749.10	491.76	-57.48	272.45	72	20	24	4	1.00
Plum Pudding	MSRC420	720956.45	6889749.10	491.76	-57.48	272.45	72	29	32	3	3.72
Plum Pudding	MSRC420	720956.45	6889749.10	491.76	-57.48	272.45	72	41	51	10	3.08
Plum Pudding	MSRC421	720997.71	6889749.69	491.48	-58.02	273.30	72	33	35	2	4.98
Plum Pudding	MSRC421	720997.71	6889749.69	491.48	-58.02	273.30	72	39	51	12	0.93
Plum Pudding	MSRC422	721038.00	6889747.62	491.30	-57.79	272.45	72	46	48	2	1.14
Plum Pudding	MSRC424	720970.75	6889780.59	491.60	-57.85	271.26	60	47	51	4	0.88
Plum Pudding	MSRC425	721012.03	6889780.16	491.43	-58.05	272.27	60	1	5	4	0.63
Plum Pudding	MSRC443	720978.60	6889819.38	491.68	-57.68	272.43	60	1	3	2	1.35
Plum Pudding	MSRC443	720978.60	6889819.38	491.68	-57.68	272.43	60	40	45	5	0.85
Plum Pudding	MSRC443	720978.60	6889819.38	491.68	-57.68	272.43	60	50	53	3	1.15
Plum Pudding	MSRC444	720947.15	6889922.38	492.98	-59.43	270.26	54	34	37	3	0.82
PP - Clackline	PP003R	720828.31	6889717.50	492.21	-60.00	271.33	50	33	50	17	8.16
PP - Clackline	PP030R	720810.81	6889696.90	492.29	-60.00	316.33	50	18	29	11	22.5
PP - Clackline	PP030R	720810.81	6889696.90	492.29	-60.00	316.33	50	34	46	12	3.52
PP - Clackline	PP094D	720792.81	6889713.60	492.35	-60.00	062.33	80	22	30	8	6.98
Wirraminna	MSRC428	720814.63	6890757.51	496.27	-62.18	275.94	78	56	61	5	1.54
Wirraminna	MSRC429	720847.52	6890815.57	496.87	-62.45	276.92	138	122	127	5	0.71
Wirraminna	MSRC430	720831.01	6890853.77	497.14	-59.86	275.05	114	90	102	12	0.95
Wirraminna	MSRC432	720794.07	6890952.75	497.90	-62.04	277.02	108	86	89	3	2.04
Wirraminna	MSRC433	720800.84	6890996.75	498.34	-59.73	271.54	126	109	112	3	3.27
Wirraminna	MSRC434	720803.80	6891035.25	498.75	-61.48	273.59	126	103	108	5	0.73
Wirraminna	MSRC435	720856.50	6891451.71	507.17	-60.92	301.63	66	40	43	3	2.23

Note: Calculated at a 0.6g/t Au lower cut-off grade, a minimum intercept length of 2m and a maximum of 2m of included waste. Grid MGA94\_50.



### **Plum Pudding Deposit**

Highlights of new RC drill intercepts returned from the **Plum Pudding deposit** include **3m at 3.72g/t** (from 29m in MSRC 420), **10m at 3.08g/t** (from 41m depth in MSRC420), **2m at 4.98g/t** (from 33m in MSRC 421), **3m at 3.72g/t** (from 29m depth in MSRC420), **2m at 4.98g/t** (from 33m in MSRC 421) and **12m at 0.93g/t Au** (from 39m depth in MSRC421). These results define a lower grade southern extension to significant 1986-88 Clackline Limited RC drill intersections of **17m at 8.16g/t** (from 33m in PP003R), **11m at 22.5g/t** (from 17m in PP030R), **12m at 3.52g/t** (from 34m in PP030R) and **8m at 6.98g/t Au** (from 22m in PP094D) that **define a very high grade gold core to the deposit.**

The Plum Pudding deposit was originally identified by historic reconnaissance drilling completed by Clackline Limited, in joint venture with Black Hills Minerals, in 1987. A small, shallow laterite pit (defined by vacuum drilling) was mined and processed by Herald Resources in 1993.

The reported Clackline results are derived from holes re-drilled utilising an RC hammer bit, following encouraging initial intercepts derived via an RC rock-roller bit. All Clackline results relate to 1m RC sample intervals, with a representative 2kg sub-sample for assay generated via a Jones riffle splitter. All Clackline samples were assayed by Analabs in Perth via 50g fire assay with an AAS finish.

Saprolite gold mineralisation appears to be associated with stacked, moderately east dipping and north-trending zones of stockwork quartz veining within predominantly mafic and ultramafic rocks. A shallow blanket of laterite gold mineralisation is superimposed.

Gold mineralisation at Plum Pudding comprises stacked zones, up to 120m in aggregate width that demonstrate reasonable continuity and can be traced over at least a 240m north-trending strike length. All significant mineralisation defined to date appears to be hosted within the oxidised laterite and saprolite profiles.

**The Plum Pudding deposit is centred on a very high grade gold core that lies directly beneath the small, historic laterite pit. The entire deposit is likely to comprise a reasonable tonnage of relatively shallow oxide mineralisation, including a blanket of mineralised laterite from surface, to supplement the open pit project recommissioning inventory. Subject to infill and verification drilling as part of the Phase 2 RC program, the deposit will be assessed as part of the updated pre-feasibility study (PFS), as it is situated only 850m south of the Company's 100%-owned, 600,000tpa processing plant, within granted Mining Lease M57/129.**

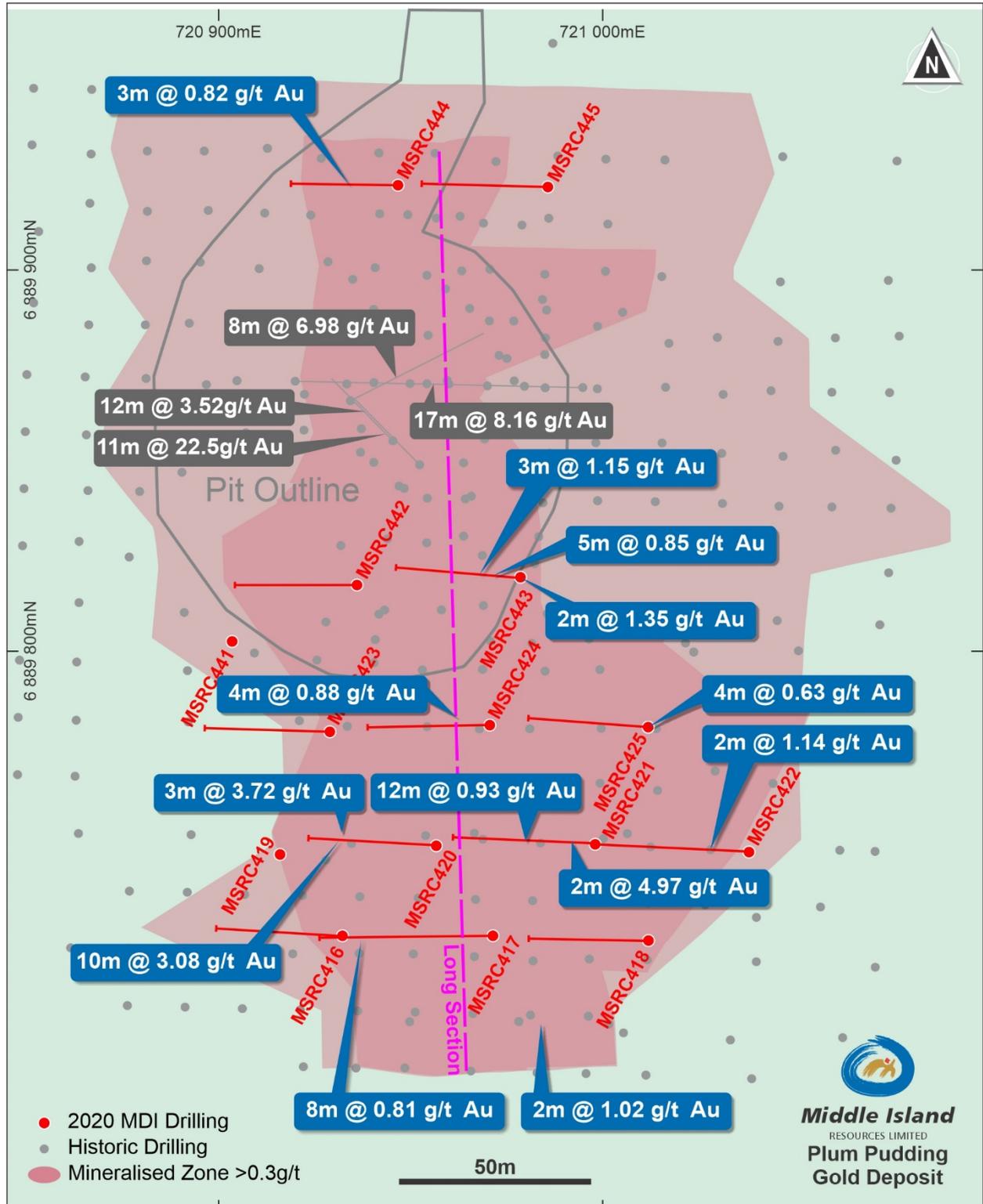
Plum Pudding will require infill, extension and verification (twin-hole) drilling as part of the planned Phase 2 RC program.

The Plum Pudding RC drilling results are presented in plan-view (Figure 2), long-section (Figure 3) and cross-sections (Figure 4 to Figure 9) below.



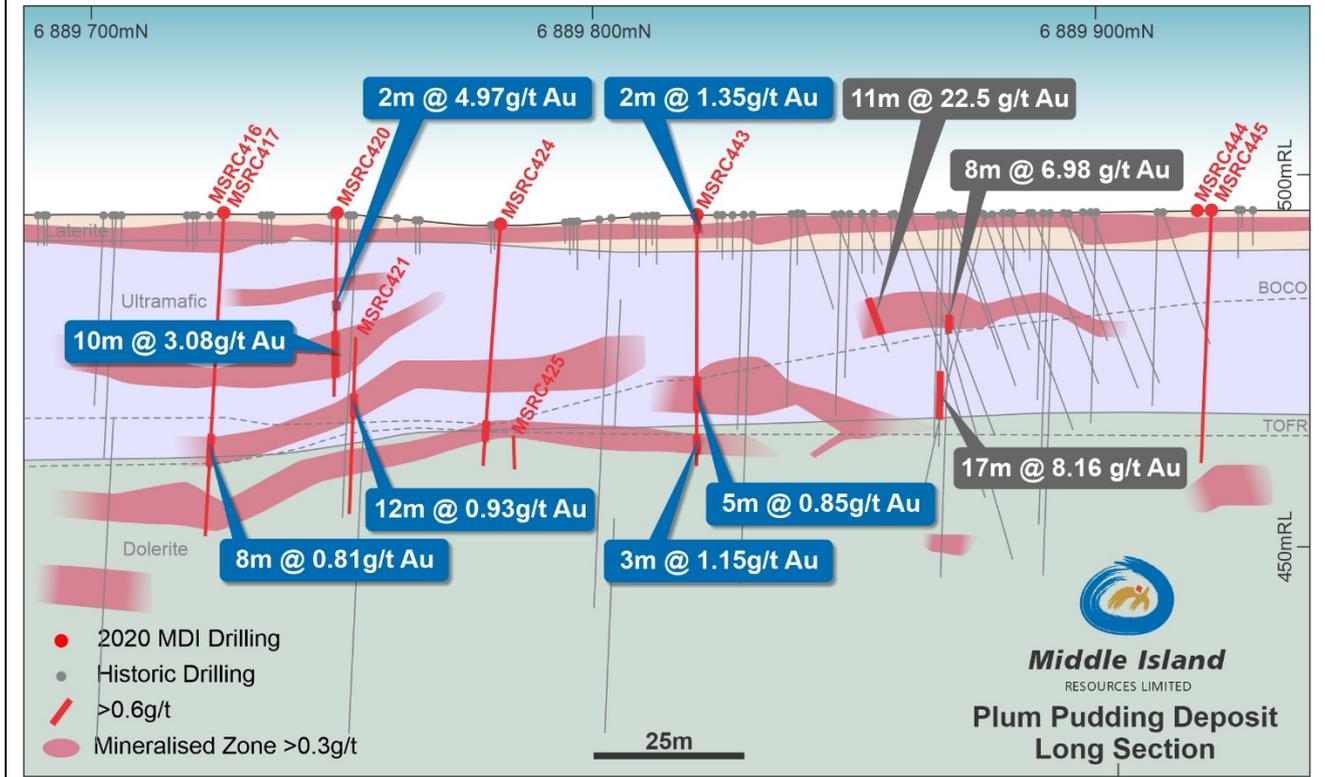
Figure 2

Plan of the Plum Pudding gold deposit, showing mineralised area incorporating new RC drilling





**Figure 3**  
Long-Section – Plum Pudding gold deposit, showing RC drilling results



**Figure 4**

Cross-Section 6 889 870mN – Plum Pudding gold deposit, showing previous Clackline RC drilling results

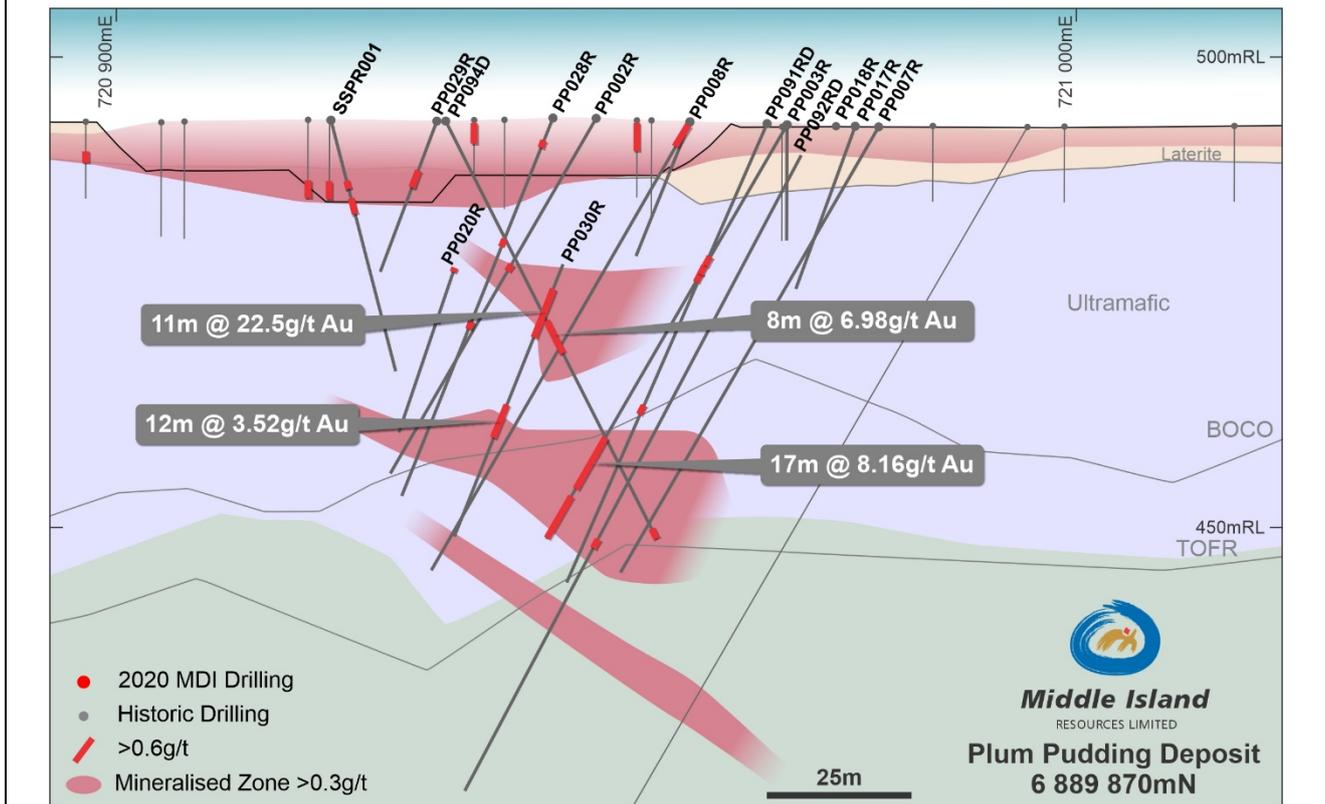




Figure 5

Cross-Section 6 889 920mN – Plum Pudding gold deposit, showing new RC drilling results

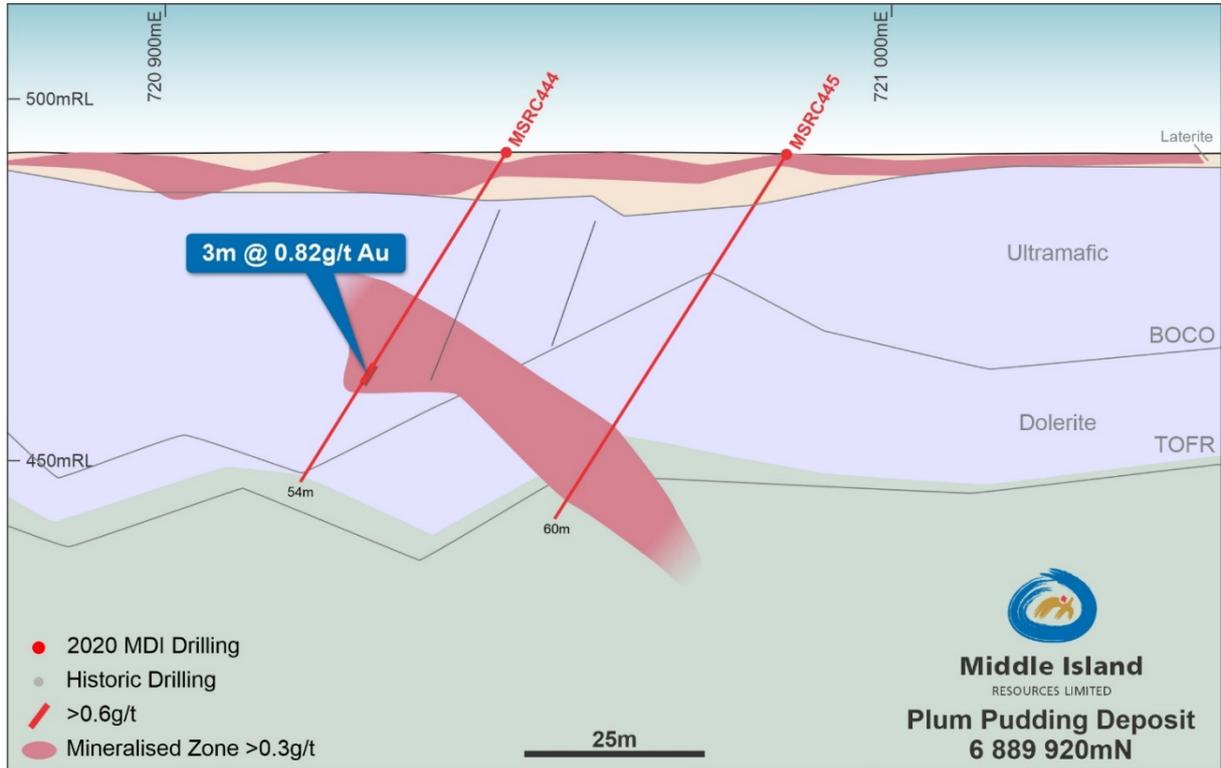


Figure 6

Cross-Section 6 889 820mN – Plum Pudding gold deposit, showing new RC drilling results

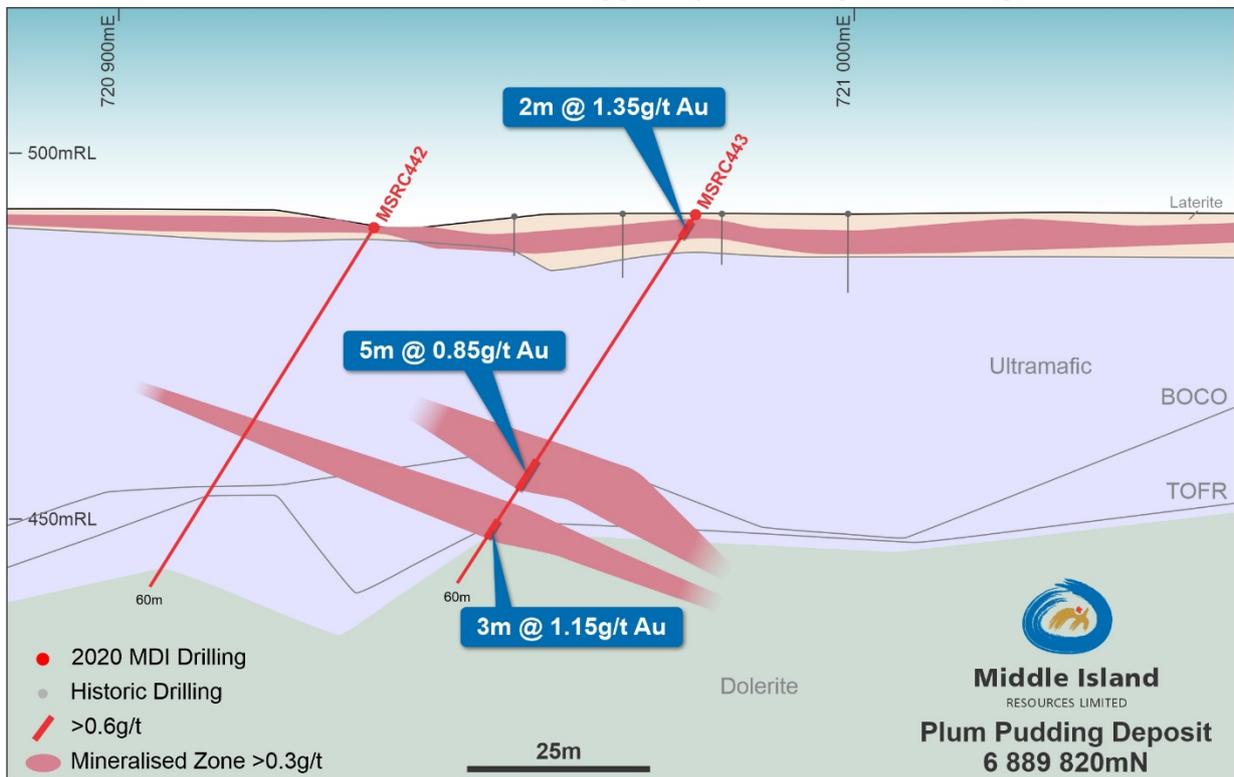




Figure 7

Cross-Section 6 889 780mN – Plum Pudding gold deposit, showing new RC drilling results

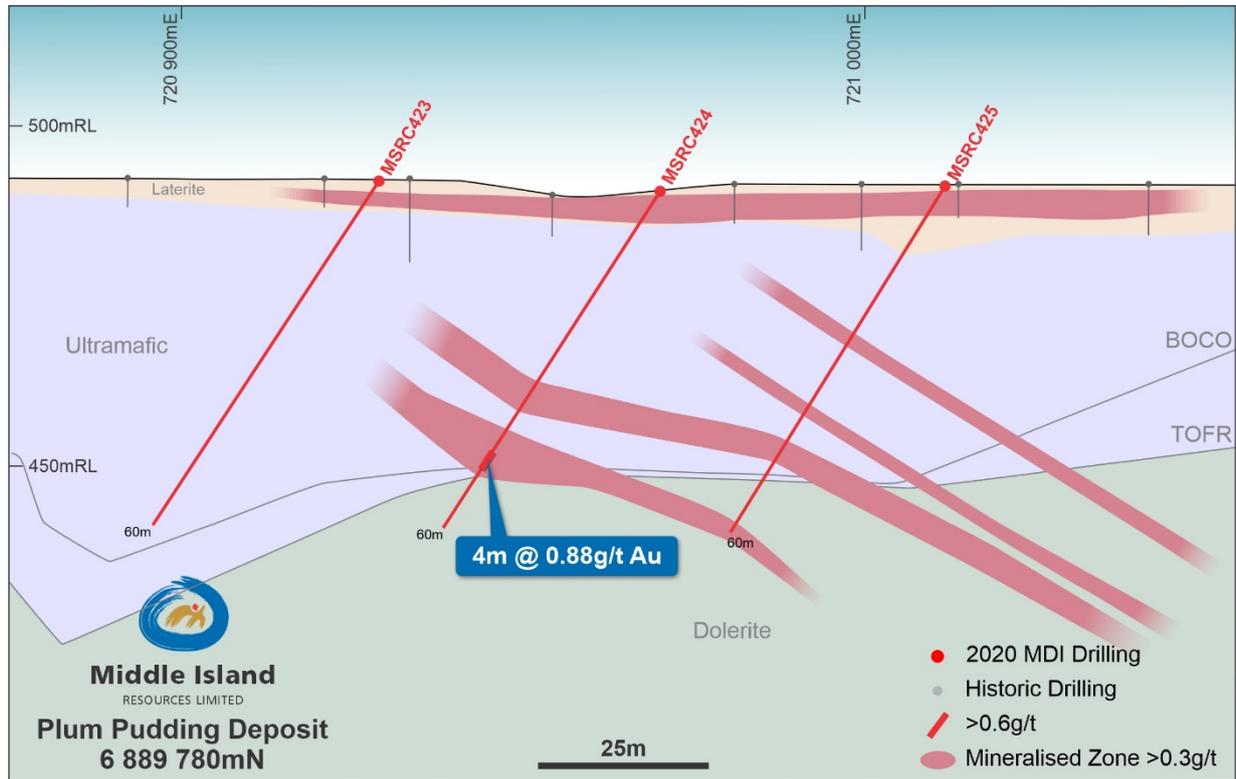
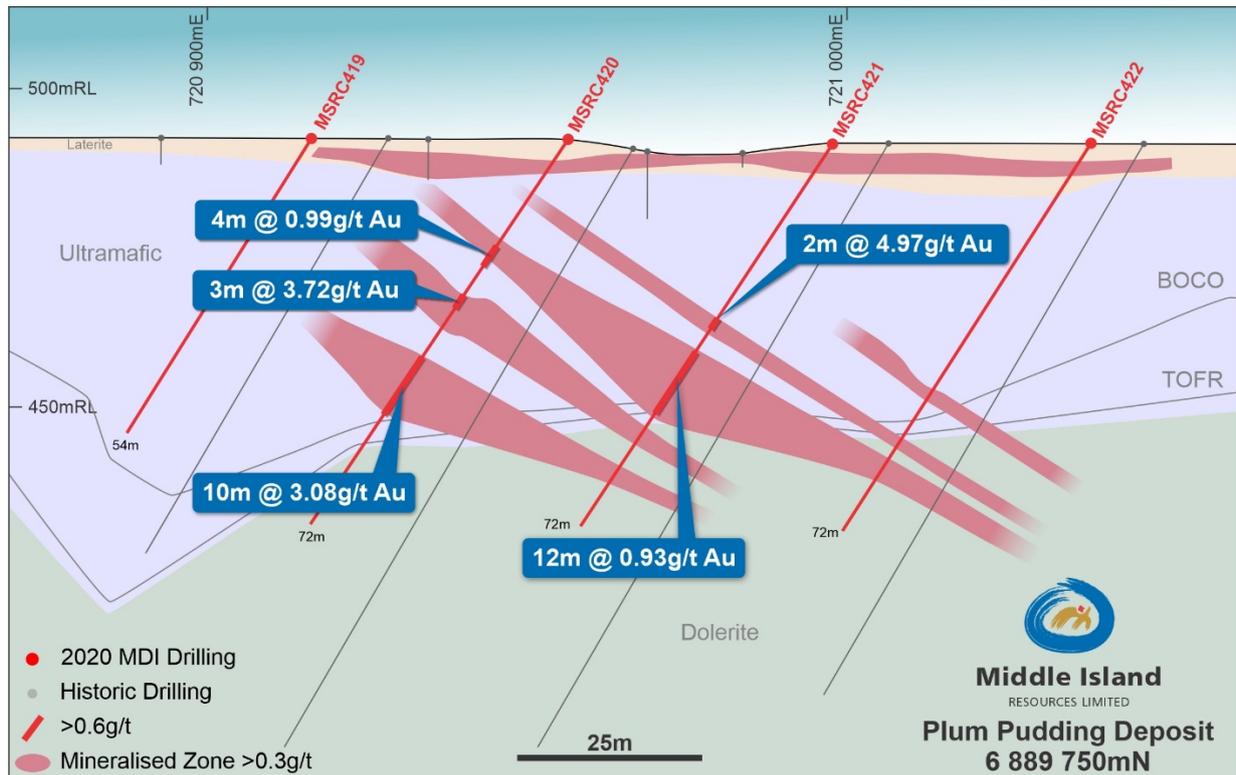
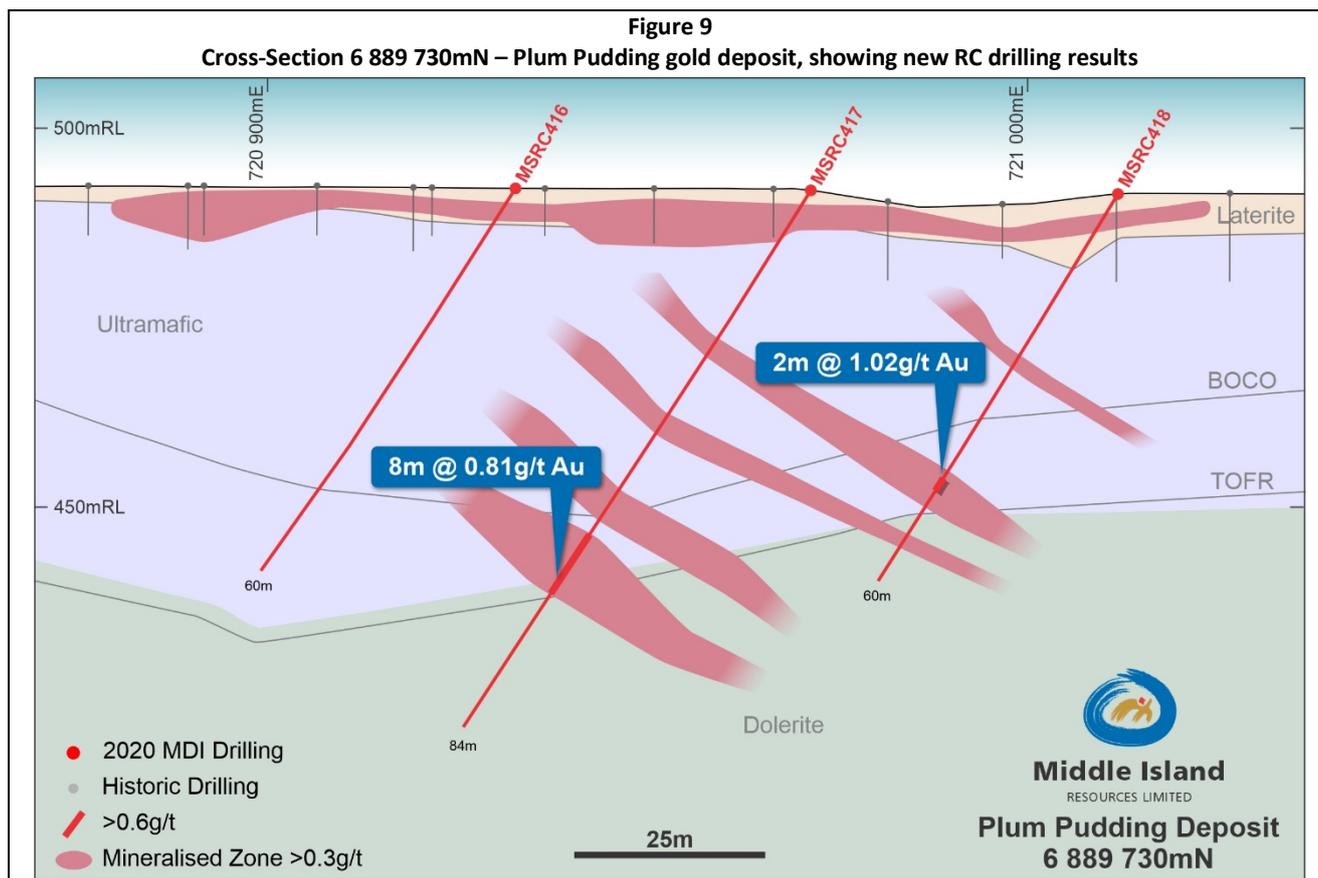


Figure 8

Cross-Section 6 889 750mN – Plum Pudding gold deposit, showing new RC drilling results





### Wirraminna Deposit

Phase 1 RC drilling of the Wirraminna deposit was designed to infill and extend mineralisation comprising the existing Indicated and Inferred Mineral Resource (refer ASX Release dated 8 December 2017), primarily with a view to upgrading peripheral Inferred Mineral Resources into an Indicated category, along with the identification of any possible mineralised extensions to the existing deposit.

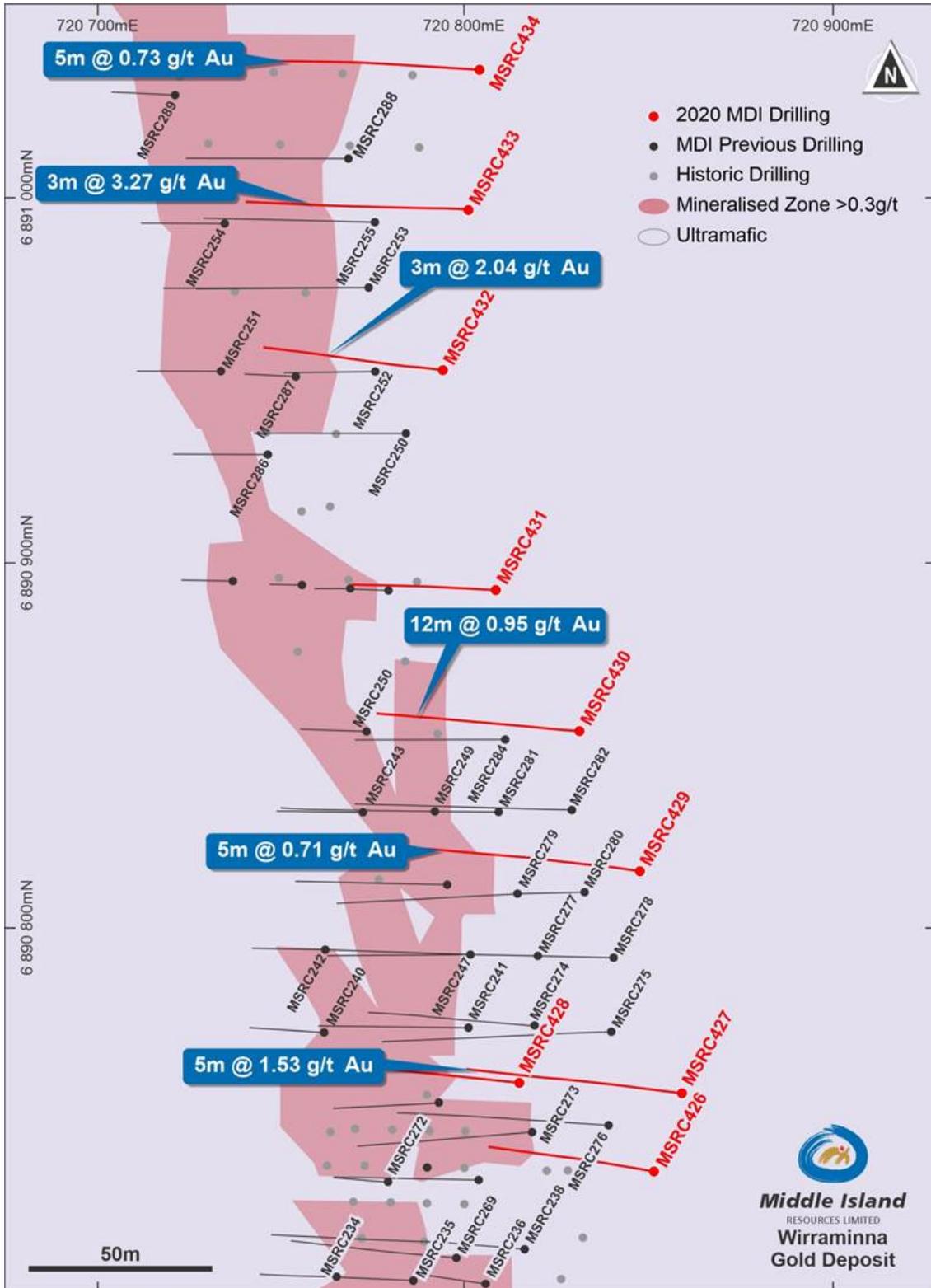
Better new RC drill intercepts from the **Wirraminna deposit** include **5m at 1.54g/t** (from 56m depth in MSRC428), **12m at 0.95g/t** (from 90m depth in MSRC430), **3m at 2.04g/t** (from 86m in MSRC432), **3m at 3.27g/t** (from 103m depth in MSRC433), and **3m at 2.23g/t Au** (from 40m depth in MSRC435).

Re-optimisation of the existing Wirraminna Mineral Resource utilising contemporary gold prices (refer ASX Release dated 25 October 2019) resulted in the optimum pit shell bottoming-out on the resource block model. As such, the recent drilling was designed to demonstrate continuity of mineralisation down dip and to upgrade peripheral Inferred Mineral Resources into a higher confidence, Indicated, classification. Whilst no high grade extensions were identified, the mineralisation encountered is consistent with adjacent drilling and is anticipated to result in a reclassification.

The new Wirraminna deposit RC drilling results are presented in plan-view (Figure 10) below.



**Figure 10**  
**Plan of Wirraminna gold deposit showing new RC drilling**





**Middle Island Managing Director, Mr Rick Yeates:**

***“Centred on a high grade mineralised core defined by previous drilling, Phase 1 RC drilling at the **Plum Pudding deposit** has extended mineralisation over a 240m strike length to the south. Subject to infill and verification RC and diamond drilling, Plum Pudding is likely to represent a further new, shallow, oxide gold deposit that will be assessed as part of the updated pre-feasibility study (PFS), particularly as it is **situated only 850m south of the Company’s 100%-owned, 600,000tpa processing plant, within granted Mining Lease M57/129.**”***

***“The Directors look forward to sharing the final Phase 1 RC drilling results with you as they are received and compiled. **The results of this program to date and the strong prevailing gold price significantly heighten the prospects of a positive mill recommissioning decision.**”***

RELEASE AUTHORISED BY:

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**Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

**Competent Persons’ Statement**

Information in this release that relates to new Exploration Results at the Plum Pudding and Wirraminna deposits is based on, and fairly reflects, information and supporting documentation prepared by Mr Rick Yeates. Mr Yeates is a Member of the Australasian Institute of Mining and Metallurgy and a fulltime employee of Middle Island Resources Limited. Mr Yeates has sufficient experience, which is relevant to the nature of work and style of mineralisation under consideration, to qualify as Competent Person as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Yeates has given his prior written consent to the inclusion in the release of the statements, based on his information, in the form and context in which they appear. Mr Yeates is a substantial shareholder in the Company and entities associated with Mr Yeates hold unlisted options in the capital of the Company as disclosed in Appendix 3Y and substantial shareholder notices released to ASX.

**Previously reported information**

This report includes information that relates to previously reported Exploration Results for the Wirraminna deposit, which were prepared and first disclosed under the JORC Code 2012. The information was extracted from the Company’s previous announcement dated 8 December 2017, which is available to view on the Company’s website.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and have not materially changed. The Company confirms that the form and context in which any Competent Person’s findings are presented have not been materially modified from the original market announcements.

## Appendix 1

The following Table is provided in compliance with the JORC Code

### Section 1 Sampling Techniques and Data

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>The new results are derived from RC drilling completed by Middle Island Resources. The sampling was carried out by collecting 2-3kg of RC chips off the drill rig's cone splitter; the sampling was undertaken on 1m intervals over the whole length of each drillhole. Historic results are derived from RC drilling completed by Clackline Limited under joint venture with Black Hill Minerals, with 2kg sub-samples collected via a Jones riffle splitter.</li> <li>Recoveries were 100% for Plum Pudding and averaged 93.2% for Wirraminna, with locally reduced recoveries at the latter due to broken or wet ground. The sub-sample was a consistent size of 2-3kg, derived from the cone splitter. The primary sample was taken from the same splitter chute the entire program.</li> <li>Individual 1m sub-samples of drill cuttings weighing 2-3kg were sent to the Intertek Laboratories to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis. Clackline samples of ~2kg were sent to Analabs for 50g fire assay analysis using the same procedure.</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>The RC rig employed by Middle Island utilised a face sampling hammer with a 5-5.5 inch bit to return sample every metre. Clackline RC drilling utilised a 4.5 inch RC hammer with a cross-over sub.</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> </ul>	<ul style="list-style-type: none"> <li>RC chip recovery data for this drilling was estimated for each drill metre and captured in a digital logging software package. The recorded average RC chip recoveries for the Plum Pudding and Wirraminna deposits are 100% and 93.2% respectively.</li> <li>The water table is typically encountered at 60-80m down-hole, with appropriate measures taken by the drilling contractor to maintain recovery and dry samples, including additional air pressure and foam</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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>injection.</li> <li>No relationship between sample recovery and grade has been established.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>The RC chips were logged for lithology, weathering, mineralogy, mineralisation, colour and other features on 1m intervals. Logging was carried out according to Middle Island Resources internal protocols at the time of drilling. Sampling was carried out according to Middle Island Resources internal protocols, which comply with industry standards.</li> <li>All drill holes were quantitatively logged from start to finish of the hole.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> <li>Middle Island RC chips were rotary split with a cone splitter on the drill rig. Samples were collected and bagged in 1m intervals. All samples were dry. Clackline RC chips were split via a Jones riffle splitter on 1m intervals.</li> <li>Samples were dried and crushed to -10mm before being split and then a 300g subsample pulverised to 95% passing 75 microns. This fraction was then split again down to a 50g sample charge for fire assay.</li> <li>For the RC chips the routine sample procedure was to consistently take the primary split from the same chute. A field duplicate (via a second split) off the drill rig's cone splitter was collected and assayed at a rate of 1:50 samples.</li> <li>Field duplicates were taken via second split from the cyclone. Results have been compared to the original sample taken.</li> <li>Sample size and assay charge size are considered entirely appropriate for the style of mineralisation.</li> </ul>
<b>Quality of assay data and</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Middle Island and Clackline adopted a 50g fire assay method with an ICP-OES and AAS finish respectively. This technique is considered appropriate for gold mineralisation of this style.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>laboratory tests</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No other measurement tools/instruments were used to derive assays.</li> <li>Field duplicates, lab duplicates, field and laboratory standards were routinely included in the assay train at a 1:9 frequency when taking all QC samples into account, and a quartz wash was applied between each sample pulverised. Sample results are consistent with those reported by previous drilling programs.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling was undertaken by field assistants supervised by experienced geologists from Middle Island Resources. Significant intercepts were checked by senior personnel who confirmed them as prospective for gold mineralisation.</li> <li>No twinned holes were undertaken in this program, however several of the Clackline holes will be twinned as part of planned Phase 2 RC infill drilling at Plum Pudding. Prior Middle Island RC drilling at Wirraminna has twinned several previous holes.</li> <li>Data was collected digitally utilising designated templates following industry best practice. Sampling data was also captured on paper to ensure a paper trail was maintained by the field staff and checked by the supervising geologists. Logging and sampling data were imported and validated using the OCRIS database software system by an experienced external database manager. After database import, drillhole data was plotted and validated in plan and section view by Middle island geologists, any errors encountered were rectified.</li> <li>Assay data has not been adjusted.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Surface collar coordinates are surveyed via RTK GNSS with 1cm accuracy by a professional surveying contractor. A high-quality downhole north-seeking multi-shot or continuous survey gyro-camera was used to determine the dip and azimuth of the hole at 25m intervals down the hole.</li> <li>MGA94 Zone 50</li> <li>The topographic surface was calculated from the onsite mine survey pickups and subsequently verified by RTK GNSS collar surveys.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Results being reported comprise 1m individual sample intervals.</li> <li>• The data spacing is sufficient to demonstrate the continuity of grade at Wirraminna. Infill and twin-hole drilling will be undertaken at Plum Pudding as part of the planned Phase 2 RC program.</li> <li>• No composite sampling was applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drilling orientations were orthogonal to anticipated mineralisation orientations where known. Mineralised laterite intercepts are estimated to approximate true width, while the true width of mineralised saprolite intervals are interpreted to be 100% and 70% at Plum Pudding and Wirraminna respectively.</li> <li>• The Competent Person does not believe that any sample bias has been introduced.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The samples were collected by a field assistant and two experienced company geologists and transferred directly to the laboratory via a reputable commercial freight courier contractor.</li> <li>• Sample receipt by Intertek was carried out in line with its internal procedures to maintain chain of custody control.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reported results are consistent with historic results within the areas drilled.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Plum Pudding deposit is located within Mining Lease M57/129, which is 100%-owned by Sandstone Operations Pty Ltd (SOP), a wholly-owned subsidiary of Middle Island Resources Limited. The Wirraminna deposit lies within P57/1395, owned by Mr Kym McClaren, in which SOP has an option to acquire a 100% interest.</li> <li>• As of 15/02/2016 Sandstone Operations Pty Ltd was the sole owner of M57/129.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Clackline, under a joint venture with Black Hill Minerals, completed previous drilling at the Plum Pudding deposit. Reports relating to this work have been interrogated. The Clackline results are derived from holes re-drilled utilising an RC hammer bit, following encouraging initial intercepts derived via an RC rock-roller bit. However, given the vintage and materiality of this drilling, several Clackline holes will be twinned as part of infill drilling under the planned Phase 2 RC program.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Shear-zones hosted within greenschist facies ultramafic and mafic rocks with meso-thermal quartz veining and associated silica-carbonate-chlorite-pyrite alteration within the Archaean Sandstone greenstone belt.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• See Table 1 within the release.</li> <li>• No material information has been excluded.</li> </ul>

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill intercepts reported with weighted averages to create the grade intercepts. Individual internal values of &lt;0.6g/t Au were included over a minimum internal interval of two metres, with a maximum of 2m of internal waste.</li> <li>Aggregated intercepts do not include reported lengths of higher grade internal intercepts.</li> <li>Metal equivalent values are not reported.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>Holes have been drilled orthogonally to the general dip and strike of the mineralised unit or envelope, where known. Down-hole intercepts are interpreted to represent 100% and 70% of true width at the Plum Pudding and Wirraminna deposits respectively.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>See table and figures within the release. A plan, long-section and cross-sections for the Plum Pudding deposit and a plan of the Wirraminna deposit are included within the release.</li> </ul>
Balanced reporting	<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 are derived from a targeted drill program to determine new mineralised zones and expand or confirm existing zones defined from previous programs.</li> </ul>
Other substantive exploration data	<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>Other than that included in the release and referenced ASX releases, there is no other relevant, meaningful or material exploration data that is currently known.</li> </ul>
Further work	<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> </ul>	<ul style="list-style-type: none"> <li>The Company intends to undertake infill RC drilling, including twin holes, and limited oxide diamond drilling at Plum Pudding to the extent required to derive an Indicated Mineral Resource classification, which would allow these to be assessed and incorporated into the updated pre-feasibility study as Ore Reserves. Wirraminna represents an existing Indicated and Inferred Mineral Resource, the open pit component of which has now been fully defined. An updated Mineral Resource will be estimated prior to consideration as Ore Reserves in a</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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>	<p>feasibility study update planned for the September quarter.</p> <ul style="list-style-type: none"> <li>Included - see table, plans, long-section and cross-sections within the release.</li> </ul>