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**ASX: KWR**

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**FIRST HOLES AT MENZIES DELIVER HIGH GRADE GOLD**

**Highlights**

**First assays received from drilling of initial shallow targets include high grade gold intersections:**

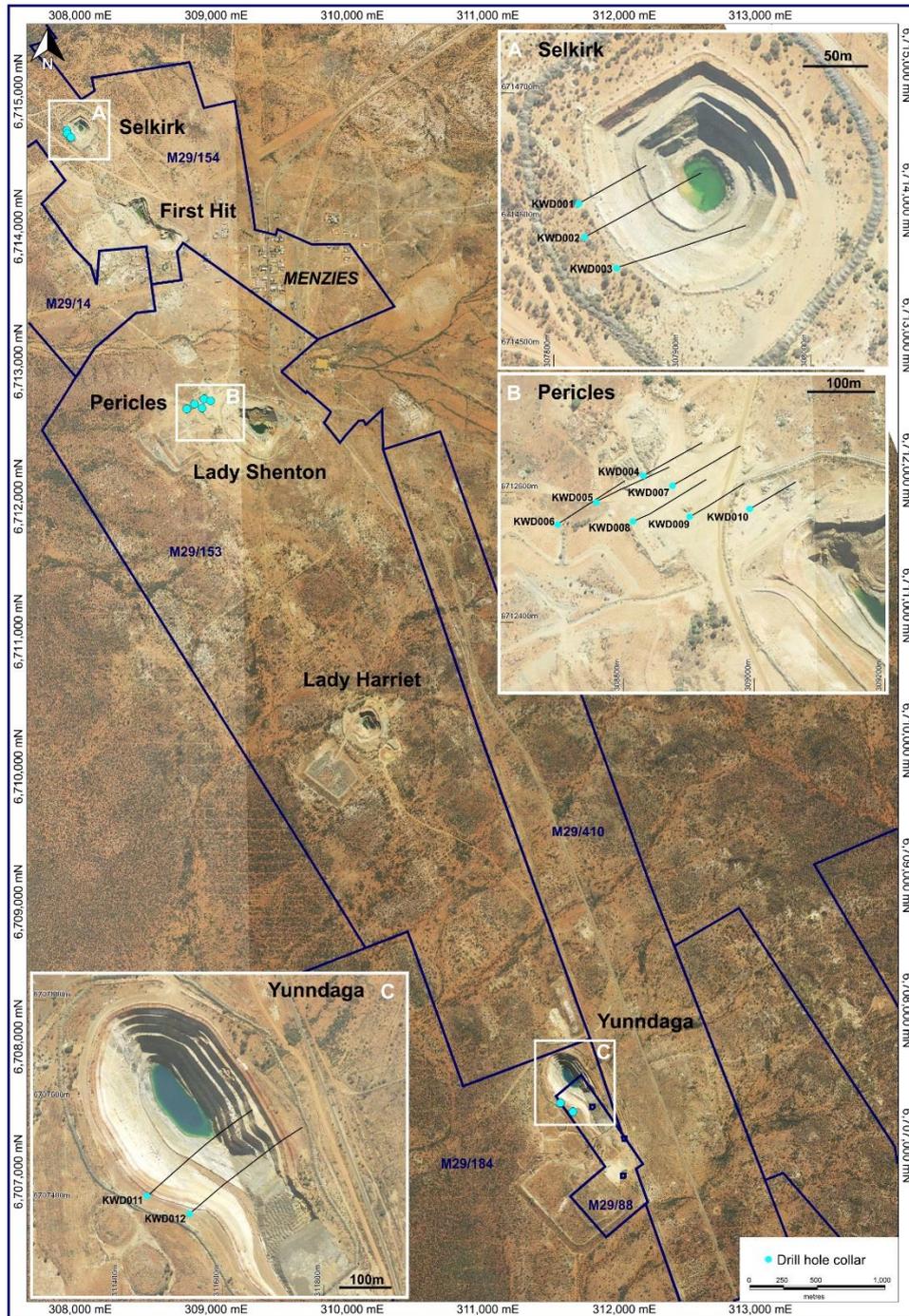
- **0.93m @ 36.20 g/t Au** from 126.27m (within 4.92m @ 8.44 g/t from 125.27m) in KWD008 (Pericles)
- **0.78m @ 21.6 g/t Au** from 106.22m (within 2.30m @ 8.36 g/t Au from 105.7m) in KWD003 (Selkirk)
- **0.50m @ 32.2 g/t Au** from 69.37m (within 1.23m @ 13.6 g/t Au from 68.64m) in KWD002 (Selkirk)
- **1.14m @ 12.54 g/t Au** from 90.29m (within 3.00m @ 4.54 g/t Au from 89.00m) in KWD001 (Selkirk)
- **12 holes completed for 2,914 metres (616m of RC, 2,298m of core)**
- **An additional 14 RC pre collars completed for 819m**
- **2019 drill program now extended from 6,500 metres to 8,000 metres and deeper high-grade targets being tested now**

**SUMMARY**

Kingwest Resources Limited ("KWR" or "the Company") is pleased to announce the first holes in the current drilling programme at the high-grade Menzies Gold Project ("Menzies", or "MGP") has intersected high-grade gold mineralisation at the Selkirk and Pericles Deposits (Figure 1). Orientated diamond core drilling underway in this programme is specifically designed to refine the structural control model developed by Kingwest for the MGP.

The results support a narrow-lode high-grade mineralisation model similar to the successful East-Kundana mine. East Kundana is a well know, long-running, narrow, high-grade gold mine located 25 km north west of Kalgoorlie.

Additional information regarding the programme are included in the Current Drilling section below. The high-grade results are encouraging and will be followed up with step out drilling. The mineralisation style at Menzies has historically shown excellent depth continuity and includes deposits with extensive north - south strike extent. Drilling has now commenced at the Yundaga Deposit.



**Figure 1: Menzies Project 2019 completed drill hole locations and hole traces**

## PROJECT SUMMARY

Menzies is one of Western Australia's major historic gold fields. Located 130km north of the globally significant gold deposits of Kalgoorlie. The MGP includes multiple high-grade deposits, all within granted Mining Leases that are owned 100% by KWR. Past production and current resources confirm the significant scale of the Menzies region.

The MGP covers a contiguous land package over a strike length in excess of 15km, covering the most prospective part of the Menzies Shear Zone. Within the MGP a series of structurally controlled high-grade gold deposits have been historically mined and display extensive exploration potential for high-grade extensions.

The MGP has recorded historical production of **643,200 oz @ 22.5g/t Au** from underground (U/G) between 1895 and 1943 plus **145,000 oz @ 2.6g/t Au** open cut between 1995 and 1999, for a total of **787,200 oz @ 18.9g/t Au**<sup>1</sup>. The MGP deposits remain poorly drill tested at depth, along strike and have considerable potential for an echelon/parallel repeated lodes in a lateral offset under cover. Modern exploration since closure over 20 years ago has been limited.

## **COMPANY STRATEGY**

KWR's strategy will focus on the high-grade, structurally controlled mineralisation which is shown to extend at depth and testing for blind, repeat lodes. Whilst KWR believes there is potential to increase the resource inventory close to surface and exploit these with open cut mining, the immediate economic potential exists for high-grade underground mining. Therefore, the priority targets being tested by KWR are the extensions of high-grade shoots that were exploited by the larger mines. As an example, within the MGP only the Princess May shoot at the Yunndaga Deposit has been mined to more than 200 metres vertical depth but the continuation of this shoot beneath the underground workings has not been tested.

In addition to the priority targets, there are 'walk-up' targets at several other prospects.

The historical underground production at the MGP of 643,000 oz gold @ 22.5 g/t Au compares favourably to other structurally controlled high-grade gold deposits. KWR believe there is excellent potential for parallel lodes, strike and depth extensions to known lodes and extensions to the main lodes.

## **CURRENT DRILL PROGRAM**

This initial drilling program was comprised of 26 holes for approximately 6,500 metres at five deposits (Lady Irene, Selkirk, Pericles, Lady Shenton and Yunndaga). This program has since been extended to allow for deeper testing of potential footwall lodes at Yunndaga and additional deep holes at Lady Shenton. The program will now include approximately 8,000 metres of drilling and is planned to be completed in December. It will be dominantly diamond core drilling with shallow RC pre collars through the regolith and into fresh rock. To date 12 holes have been completed for 2,914 metres (616m of RC, 2,298m of core). An additional 14 RC pre collars have been completed for 819m (See Table 2 for drill hole details).

A summary of drilling completed at each deposit follow:

At **Selkirk** three holes (KWD001 – 003) have been completed for a total of 443.6 metres with high grade intersections in each of the holes (see Figure 2 for a long section of the drill pierce points). The lode remains open down plunge.

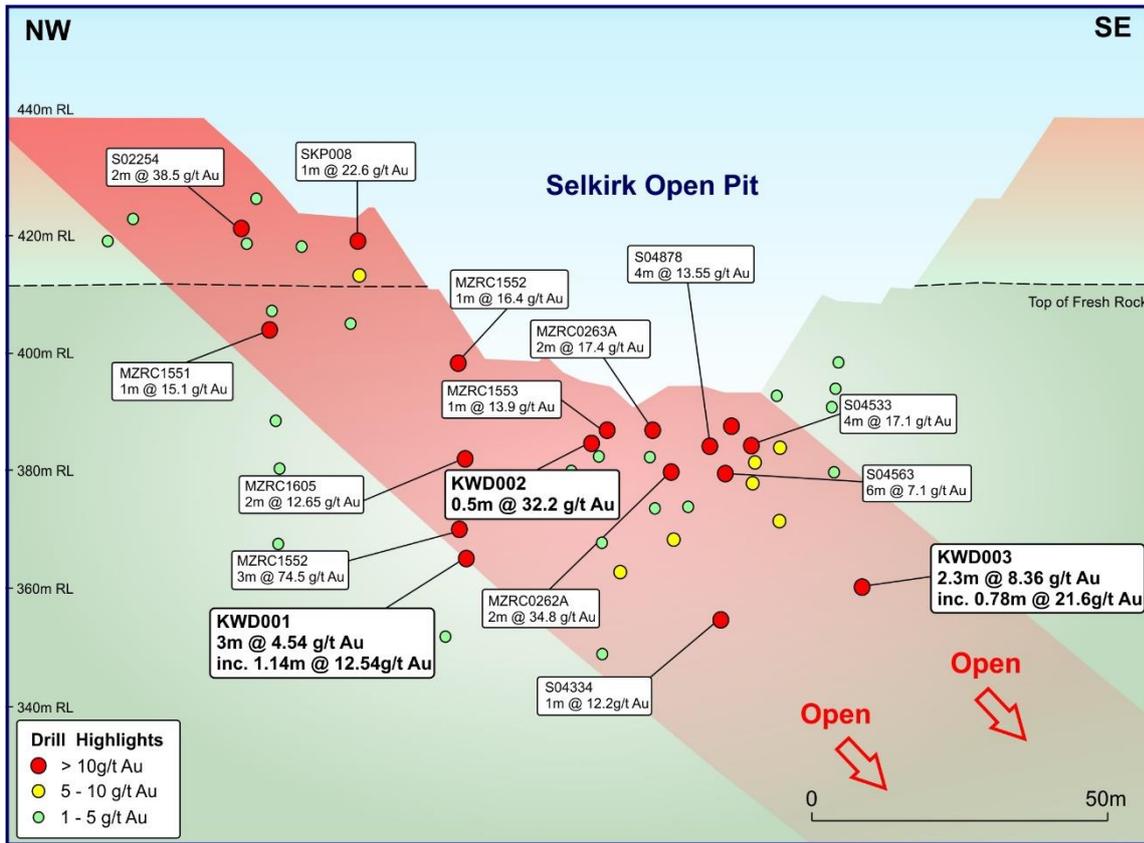


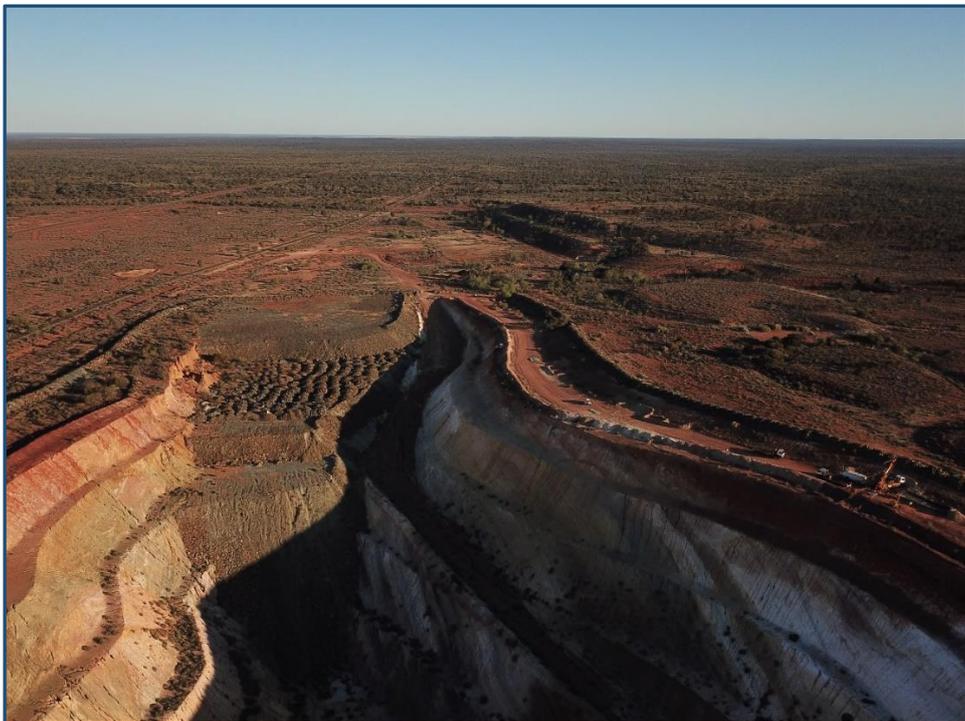
Figure 2: Selkirk long section showing KWD001 - KWD003 pierce points and historic intersection pierce points

At **Pericles** seven holes have been completed (KWD004 – 010) for a total of 1,514.79 metres. There were numerous high-grade intersections with the best being **0.93m @ 36.20g/t Au** from 126.27m in KWD008. Assays are pending for diamond core in KWD009 and KWD010.

At **Yunndaga** two holes have been completed (KWD011, 012) for a total of 955.90 metres. Assays are pending.



**Figure 3: Aerial view of drilling at Yunndaga Open Cut.**



**Figure 4: Aerial view of the Yunndaga Open Cut looking south.**

Significant gold intersections for assays received to date are summarised in Table 1 below.

**Table 1: Significant drill intersections**

Hole ID	From	To	Interval	Au g/t
KWD001	89.00	92.00	3.00	4.54
<b>Inc.</b>	90.29	91.43	<b>1.14</b>	<b>12.54</b>
KWD002	68.64	69.87	<b>1.23</b>	<b>13.60</b>
<b>Inc.</b>	69.37	70.27	<b>0.50</b>	<b>32.20</b>
KWD003	105.70	108.00	<b>2.30</b>	<b>8.36</b>
<b>Inc.</b>	106.22	107.00	<b>0.78</b>	<b>21.60</b>
KWD004	90.17	92.16	1.99	3.18
KWD004	97.00	98.00	1.00	1.44
KWD004	107.00	108.00	1.00	1.51
KWD005	82.77	84.50	1.73	2.15
KWD005	152.00	153.00	1.00	1.56
KWD005	154.00	155.00	1.00	1.06
KWD005	156.00	159.00	3.00	1.39
KWD006	113.86	115.59	1.73	4.93
KWD006	117.70	118.55	0.85	2.59
KWD006	197.80	198.65	<b>0.85</b>	<b>12.60</b>
KWD007	19.00	25.00	6.00	1.05
KWD007	75.91	78.10	2.19	1.38
KWD007	87.10	87.60	<b>0.50</b>	<b>7.78</b>
KWD007	223.20	223.70	<b>0.50</b>	<b>5.10</b>
KWD008	78.00	80.40	<b>2.40</b>	<b>5.45</b>
<b>Inc.</b>	79.00	80.00	<b>1.00</b>	<b>8.08</b>
KWD008	125.27	130.19	<b>4.92</b>	<b>8.44</b>
<b>Inc.</b>	126.27	127.20	<b>0.93</b>	<b>36.20</b>
KWD008	150.00	153.20	3.20	1.78
KWD009	11.00	12.00	1.00	2.49
KWD009	57.00	60.00	3.00	1.05
KWD010	35.00	36.00	1.00	2.28

N.B. Minimum intersection of 1.0 gm (ie. >1.0m @ 1.0g/t Au or 0.5m @ 2.0g/t Au). Maximum internal dilution of 2.0m < 1.0g/t Au

**Table 2: Menzies 2019 drill hole details**

Prospect	Drillhole ID	Easting	Northing	Elevation	Dip	Azimuth	RC Pre Collar (m)	DD core (m)	Total (m)
Selkirk	KWD001	307819	6714613	419	-60	60	0	120.8	120.8
Selkirk	KWD002	307824	6714587	419	-50	60	0	160.1	160.1
Selkirk	KWD003	307849	6714563	419	-50	70	0	162.7	162.7
Pericles	KWD004	308830	6712625	422	-60	60	54	148.09	202.09
Pericles	KWD005	308758	6712585	422	-60	60	52	171	223
Pericles	KWD006	308700	6712550	422	-60	60	80	170	250
Pericles	KWD007	308875	6712610	422	-60	60	60	175	235
Pericles	KWD008	308815	6712555	422	-60	60	80	166.9	246.9
Pericles	KWD009	308901	6712562	425	-60	60	60	141.8	201.8
Pericles	KWD010	308993	6712574	425	-60	60	50	106	156
Yunndaga	KWD011	311450	6707410	418	-60	50	90	385	475
Yunndaga	KWD012	311539	6707375	418	-60	50	90	390.9	480.9
Yunndaga	KWD013	311601	6707320	418	-65	50	90		
Yunndaga	KWD014	311634	6707248	418	-60	50	45		
Yunndaga	KWD015	311689	6707176	418	-60	50	48		
Yunndaga	KWD016	311759	6707112	418	-60	50	48		
Lady Shenton	KWD017	302736	6719902	392	-60	50	70		
Lady Shenton	KWD018	302825	6719733	392	-60	50	70		
Lady Shenton	KWD019	302861	6719684	392	-60	50	70		
Lady Shenton	KWD020	309355	6712347	429	-60	55	60		
Lady Shenton	KWD021	309442	6712330	429	-60	55	60		
Lady Shenton	KWD022	309323	6712245	429	-60	55	60		
Lady Shenton	KWD023	309203	6712152	429	-60	55	48		
Lady Irene	KWD024	309473	6712312	429	-60	55	60		
Lady Irene	KWD025	309355	6712195	429	-60	55	60		
Lady Irene	KWD026	309235	6712100	429	-60	55	30		

Further information contact

Ed Turner,

CEO

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### **Forward-Looking Statements**

*This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Kingwest Resources Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Kingwest believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in the estimation of a Mineral Resource.*

### **Competent Person Statement**

*The information in this report that relates to Exploration results is based on information compiled by Mr Peter Spitalny who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Spitalny is a consultant Geologist to Kingwest Resources Limited. Mr Spitalny has sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results and consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.*

### **References to ASX Releases**

<sup>1</sup> As announced to the ASX on 9 July 2019 (ASX: KWR)

Appendix 1: JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<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 2019 drilling program by Kingwest Resources (KWR) includes Reverse Circulation (RC) and Diamond (DD) drilling. The majority of drill holes have a dip of -60° towards the north east.</li> <li>Industry standard RC and DD drilling and sampling protocols for lode and supergene gold deposits have been utilised throughout the campaign.</li> <li>RC holes were sampled using 4m composite spear samples, with individual 1 metres samples later submitted for assay based on the initial composite assay result.</li> <li>DD holes sample intervals ranged from 0.4m – 1.5m (averaging 0.5 m within mineralised zones and 1 m outside) and were based on geological logging.</li> <li>Samples were submitted to SGS Laboratories in Kalgoorlie where the entire sample was pulverised, split and assayed by fire assay using a 50 gram charge.</li> <li>Magnetic Susceptibility readings were taken of DD core at 5m intervals, using a Fugro RT-1 Mag Sus instrument.</li> </ul>
Drilling techniques	<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>Drilling by KWR was predominantly diamond core (DD) with Reverse Circulation (RC) pre collars. DD core is a mix of HQ and NQ diameter. All core was systematically oriented during drilling using a Reflex ACT Mk.3™ core orientation tool. Holes depths range from 140 to 480 m.</li> <li>RC precollars used a 4 ¾ inch diameter face sampling hammer</li> </ul>
Drill sample recovery	<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>RC sample recovery was qualitatively assessed by comparing drill chip volumes (sample bags) for individual meters. Sample depths were routinely cross checked every rod (6m). The cyclone was regularly cleaned to ensure no material build up and sample material was checked for any potential downhole contamination. All samples were dry. In the CP’s opinion the drilling sample recoveries/quality are acceptable and are appropriately representative for the style of mineralisation.</li> <li>All DD core was measured for recovery, RQD</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>and fracture intensity. Recovery was excellent at almost 100%.</p> <ul style="list-style-type: none"> <li>No grade versus sample recovery biases, or biases relating the loss or gain of fines have been identified at the project to the date. It is possible that there may be some minor biases in the RC portions of the holes. Most mineralised intervals reported here are from DD drilling.</li> </ul>
Logging	<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>RC holes were logged on one metre intervals at the rig by the geologist from drill chips. All drill core was logged geologically and geotechnically in detail sufficient to support Mineral Resource estimates, mining and metallurgical studies. Logging included lithology, texture, veining, grain size, structure, alteration, hardness, fracture density, RQD, alteration, mineralisation, magnetic response</li> <li>Logging was recorded either on standard logging descriptive sheets or directly into Excel tables. Drill logs were compiled into an Access database.</li> <li>Logging is qualitative in nature. All core was photographed.</li> <li>100% of all meterage's were geologically logged.</li> </ul>
Sub-sampling techniques and sample preparation	<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>For RC drilling single 1 metre splits were automatically taken at the time of drilling by a cone splitter attached to the cyclone. Duplicate splits were taken every 10 metres.</li> <li>4 metre composite samples were collected from the drill rig by spearing each 1m collection bag. The 4 metre composites were submitted for assay. The 1 metres samples were later sent for assay based on the 4 m composite sample results.</li> <li>No duplicate 4m samples were taken for RC samples.</li> <li>All core was appropriately orientated and marked up for sampling by company geologists prior to core cutting. Sample widths range from 0.4m to 1.5m. Half core samples were submitted to the commercial laboratories in Kalgoorlie laboratory for analysis.</li> <li>Sample preparation comprised industry standard oven drying, crushing, and pulverisation to less than 75 microns. Homogenised pulp material was used for assaying</li> <li>Samples volumes were typically 2.0-4.0 kg</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>and are considered to be of suitable size for the style of mineralisation.</p> <ul style="list-style-type: none"> <li>Blank samples were routinely dispatched to the laboratory to monitor sample preparation. These generally performed within acceptable tolerances.</li> <li>Duplicate coarse reject samples have been submitted for assay to cross check assay repeatability. Results show variation typically of coarse grain “nuggety” gold deposits.</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<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>The 1m and 4m composite samples were assayed by Fire Assay (FA50) by SGS Laboratory in Kalgoorlie for gold.</li> <li>Results from geophysical tools are not reported here.</li> <li>KWR uses industry standard data collection and QC protocols. Laboratory QC (Quality Control) involves the use of internal lab standards, certified reference material, blanks, splits and replicates. QC results (blanks, coarse reject duplicates, standards) are monitored and were within acceptable limits. Approximately 10% of samples submitted were QC samples.</li> <li>QC assays reported within acceptable tolerances. Of note is that coarse reject duplicate assays show variation from the original primary assays typically of the “nuggety” style of gold mineralisation found at the project</li> </ul>
<p><i>Verification of sampling and assaying</i></p>	<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>Significant intersections were cross checked against core photos and drill logs after drilling.</li> <li>Several twin holes are planned to verify historic drilling intersections.</li> <li>Data storage is as PDF/XL files which are then migrated into an Access database.</li> <li>KWR is currently in process of validating and cross checking historical project data which will be migrated into a new project database.</li> <li>No data was adjusted.</li> </ul>
<p><i>Location of data points</i></p>	<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> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>All drill collar locations were initially surveyed using a hand held Garmin GPS, accurate to within 3-5m. Holes were drilled on a grid lines at some prospects and as one hole on different northings at other prospects.</li> <li>The grid system used is MGA94 Zone 51. All reported coordinates are referenced to this grid. The topography was relatively flat.</li> <li>Topography is almost flat, small differences</li> </ul>

Criteria	JORC Code explanation	Commentary
		in elevation between drill holes will have little effect on mineralisation widths on initial interpretation.
<i>Data spacing and distribution</i>	<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>• Holes are variably spaced ranging from 5 metres to 100m spacing.</li> <li>• No resource is reported here. The data spacing is appropriate for the reporting of exploration results.</li> <li>• There has been no sample compositing done.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<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>• The relationship between the drilling orientation and the orientation of mineralised structures is not considered to have introduced a sampling bias.</li> <li>• No drilling orientation related sampling bias has been identified at the project.</li> </ul>
<i>Sample security</i>	<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>• Samples were collected on site under supervision of the responsible geologist. Visitors need permission to visit site. Once collected samples were bagged and transported to Kalgoorlie by company personnel for assaying. Dispatch and consignment notes were delivered and checked for discrepancies.</li> </ul>
<i>Audits or reviews</i>	<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>• No company or external audits of sampling techniques or data have been completed at the project to date.</li> </ul>

## Section 2 Reporting of Exploration Results

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>• All tenements are owned 100% by KWR. There are no royalty agreements or joint ventures over the Menzies tenements. There is no native over the project area and no historical sites, wilderness or national parks.</li> <li>• The tenements are in good standing and no known impediments exist.</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>• Previous workers in the area include Pancontinental Mining, Rox Resources, Regal Resources, Goldfields, Heron Resources and Intermin Resources Limited (now Horizon Minerals). Several open cut</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>mines were drilled and commissioned in the 1980's and 1990's.</p> <ul style="list-style-type: none"> <li>• Extensive underground mining was undertaken from the 1890's – 1940's across the leases and it is estimated that historic exploration was often undertaken via blind shafts initially.</li> </ul>
Geology	<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>• Archaean quartz and shear hosted lode and supergene gold.</li> </ul>
Drill hole Information	<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>• A summary of the material drill holes is tabulated in the main body of this report.</li> </ul>
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>• No weighting or averaging calculations were made, assays reported and compiled on the "first assay received" basis. Reporting cut-off grades. Significant intersections are reported for all intervals equivalent to <u>1m@1.0g/t Au</u> or higher. Maximum internal dilution of <u>2m@&lt;1.0g/t Au</u>.</li> <li>• As above.</li> <li>• No metal equivalent calculations were applied.</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>• Mineralisation is generally west dipping at about 50 degrees.</li> <li>• Drillholes are generally perpendicular to the main strike/dip of mineralisation with drillhole intersections close to true width of the mineralised lodes.</li> <li>• Downhole widths reported in this announcement are believed to be generally close (80-100%) to the true width. Of note is that mineralisation widths from RC drilling results may potentially be overstated in some instances as the minimum sampling</li> </ul>

Criteria	JORC Code explanation	Commentary
		interval is 1 metre which does not always correspond to the real mineralisation boundaries.
<i>Diagrams</i>	<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>• Appropriate figures, tables, maps and sections are included with the report to illustrate the exploration results reported</li> </ul>
<i>Balanced reporting</i>	<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 all drill-holes in the program have been reported and their context discussed.</li> </ul>
<i>Other substantive exploration data</i>	<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>• No other exploration data is reported here.</li> </ul>
<i>Further work</i>	<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>• Additional drilling will be designed to test the depth and lateral extensions to the priority areas which will be determined upon completion of the full 2019 programs.</li> </ul>