

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2020

JUNE 2020 QUARTER HIGHLIGHTS

- Hawkstone commenced drilling at the historical high-grade Lone Pine Gold Project located in Idaho, USA, with a diamond drill rig mobilised to site on 18 June 2020, as the Company aims to generate a maiden JORC compliant resource.
- The Lone Pine Gold Project contains a 1935 non-JORC compliant, mineral resource estimate of 71,128 ounces Au (122,600 tons @ 18.06 g/t Au) that was last mined in 1907*¹.
- The Lone Pine Project has not been subjected to modern exploration techniques, providing a significant opportunity for Hawkstone.

AFTER BALANCE DATE EVENTS

- Following the commencement of diamond drilling at Lone Pine, five drill holes have now been completed, with samples dispatched and results expected in August 2020.
- Option agreement signed to acquire the adjoining historical King Solomon Mine (KSM) from Jervois Mining Ltd, located 900m southeast of the Lone Pine vein zone, consolidating the Company's land position and increasing the exploration potential of the Lone Pine Project.
- Assay result of 16.25 g/t Au returned in rock chip sample from old shallow prospecting pit 120 metres along strike of the known northeast extent of the Lone Pine vein zone.
- Following exciting results from recent exploration, Hawkstone has increased its landholding by 950%, at the Western Desert Gold-Copper Project, located in Western Utah, USA.
- Rock chip sampling of outcropping mineralisation and old workings over the Western Desert Project area has returned high grade results of:
 - Gold (Au) to 6.92 g/t
 - Copper (Cu) to 5.09%
 - Silver (Ag) to 1,495 g/t
 - Lead (Pb) to >20%
- Institutional and sophisticated investors exercised 147.5 million existing unlisted Options early, each exercisable at \$0.012, with an expiry of 29 April 2023, to raise \$1.77 million (before costs) in working capital.

*Cautionary Statement: Readers are cautioned that the historical Mineral Resource estimate for the Lone Pine Gold Project, referred to in the February 3, 2020 announcement, **ACQUISITION OF HISTORICAL HIGH-GRADE LONE PINE PROJECT** is a "historical estimate" under ASX Listing Rule 5.12 and is not reported in accordance with the JORC Code. A competent person has not yet undertaken sufficient work to classify the historical estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that, following evaluation and/or further exploration work, it will be possible to report this historical estimate as mineral resources or ore reserves in accordance with the JORC Code. ASX Listing Rule 5.12 specifies the additional information that must be provided in a market announcement that contains historical estimates. This information is contained in Appendix 1 together with further details on the historical Mineral Resource estimate.

¹ HWK Announcement February 3, 2020, ACQUISITION OF HISTORICAL HIGH-GRADE LONE PINE GOLD PROJECT, IDAHO, USA

Commenting on the Quarter, Hawkstone Mining Managing Director, Paul Lloyd, said: *“The June Quarter was an important period for Hawkstone with a maiden drill campaign commencing at the Lone Pine Gold Project located in Idaho, USA. The Lone Pine Gold Project is a known mineralised system with historical workings and the drill program aims to generate a maiden JORC Resource, with five holes already completed, samples dispatched, and results expected in August 2020.”*

“Although occurring outside the Reporting Period, to add to the already significant potential of the Lone Pine Gold Project, Hawkstone entered an Option agreement to acquire the adjoining historical King Solomon Mine from Jervois Mining Ltd, thereby consolidating the Company’s land position in the Lone Pine area of Idaho.”

“Following exciting results from initial exploration at the Western Desert Project, Hawkstone increased its land holding by 950%, and has defined its primary exploration Target A1, which is a high priority target for Hawkstone, as the Project holds excellent potential in an under explored geological terrain, that hosts some of the world’s largest gold deposits. Exploration at Western Desert is ongoing with results expected early in the next quarter.”

“In July 2020, institutional and sophisticated investors exercised 147.5 million existing unlisted Options, to raise \$1.77 million (before costs) in working capital, with these funds to be used to ramp up exploration at Lone Pine. We look forward to an exciting September quarter and thank shareholders for their support to date.”

US focused gold explorer, Hawkstone Mining Limited (**ASX:HWK**) (“**Hawkstone**”, “**Company**”) has today released its Appendix 5B, and is pleased to present commentary on activities for the June 2020 Quarter (“**Quarter**”, “**Reporting Period**”).

OPERATIONAL ACTIVITIES

Maiden Drilling Commenced at Lone Pine Gold Project

On 18 June 2020, Hawkstone announced the commencement of drilling at the historical high-grade Lone Pine Gold Project located in Idaho, USA, with a diamond drill rig mobilised to site, as the Company aims, to generate a maiden JORC compliant resource.

The Lone Pine Gold Project contains a 1935 non-JORC compliant, mineral resource estimate of 71,128 ounces Au (122,600 tons @ 18.06 g/t Au) that was last mined in 1907*.

The drilling program will target the 71,128 ounce (18.06 g/t) historic, non-JORC gold resource within the well-defined trend of the gold mineralised Lone Pine vein zone¹.

Project Overview

In February 2020, Hawkstone diversified its asset portfolio, through the acquisition of 100% of the historical high grade Lone Pine Gold project in Idaho, USA, which is currently the Company’s main focus. Hawkstone has assembled a highly experienced management, geological and technical team on the ground in the USA and will utilise this expertise to rapidly develop a maiden JORC resource on the Lone Pine Gold Project.

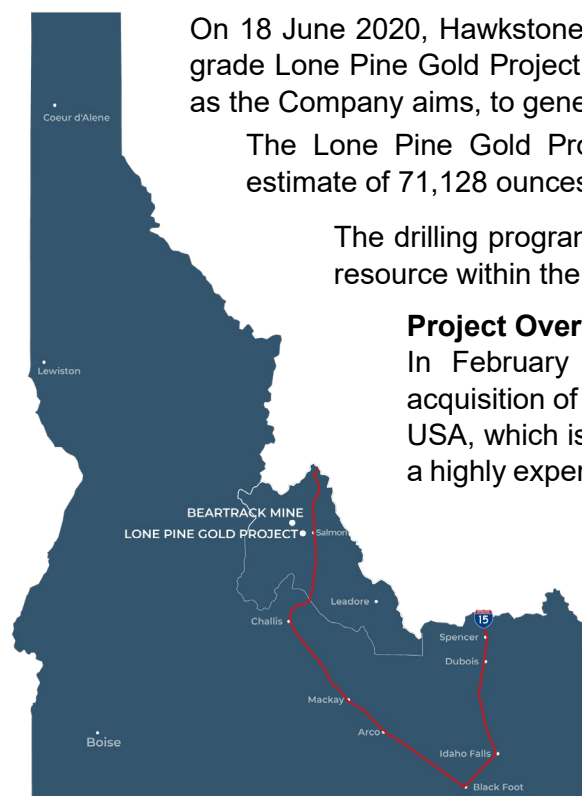


Figure 1 – Lone Pine Project Location Map

On 13 July 2020, Hawkstone announced that Diamond drill holes LPDD01 and LPDD02 at the Lone Pine Gold Project had been completed with samples dispatched and results expected in August 2020.

Assay result at Lone Pine of 16.25 g/t Au were returned in a rock chip sample from old shallow prospecting pit 120 metres along strike of the known northeast extent of the Lone Pine vein zone. The highly anomalous rock chip sample lies within Target T2a identified by photogeological mapping, with other identified targets further to the northeast and southeast along the vein zone. Follow-up will commence on the remaining target areas.

The Lone Pine vein zone can now be traced over a total strike length of 600 metres, with further exploration mapping and sampling aimed at extending the strike to the NE and SW.

Location

The Lone Pine Gold Project lies 16km and 8km east respectively of the Arnett Creek and Beartrack mines operated/explored by Revival Gold Inc., 5km west of the historic Queen of the Hills mine, and 900m NW of the King Solomon Mine (Morning Glory Project) explored by Teck Resources (Figure 2).

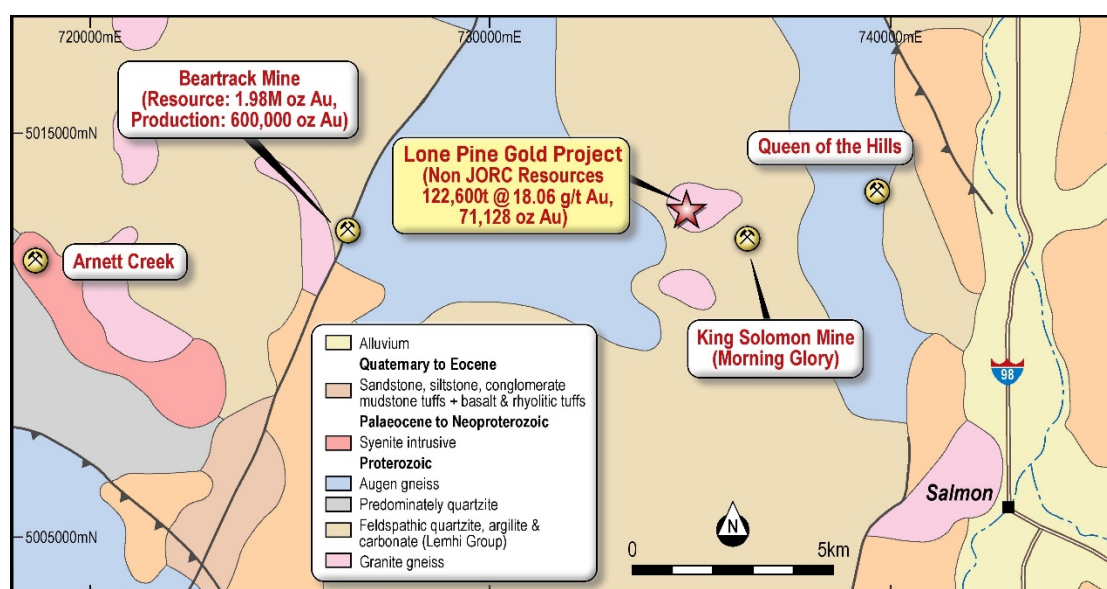


Figure 2 – Lone Pine Project Location Map

AFTER BALANCE DATE EVENTS

Option Agreement to Acquire the Kind Solomon Mine

On 1 July 2020, Hawkstone announced that it had signed an Option Agreement to acquire the King Solomon Mine ("KSM") from Jervois Mining Ltd, with the proposed acquisition consolidating the Company's landholding in the Lone Pine area, Idaho, USA.

The King Solomon Mine lies to the southeast of the Lone Pine vein zone and both areas sharing a similar history, with King Solomon being explored during the early 1900's via 3 adits, the East, West and Northeast (Figure 3). Exploration work to date indicates the existence of broad northeast trending, southeast dipping mineralised zone parallel to the Lone Pine Vein Zone.

Exploration to date has consisted of soil sampling, geophysics and trenching. During the 1990/92 exploration seasons 23 RC drill holes were completed² (Figures 3 & 4).

The 1990/1992 drill program returned significant intercepts including:

- 1.5 m @ 14.9 g/t Au
- 1.5 m @ 14.8 g/t Au
- 18.0 m @ 3.75 g/t Au
- 18.0 m @ 2.3 g/t Au
- 1.5 m @ 3.9 g/t Au

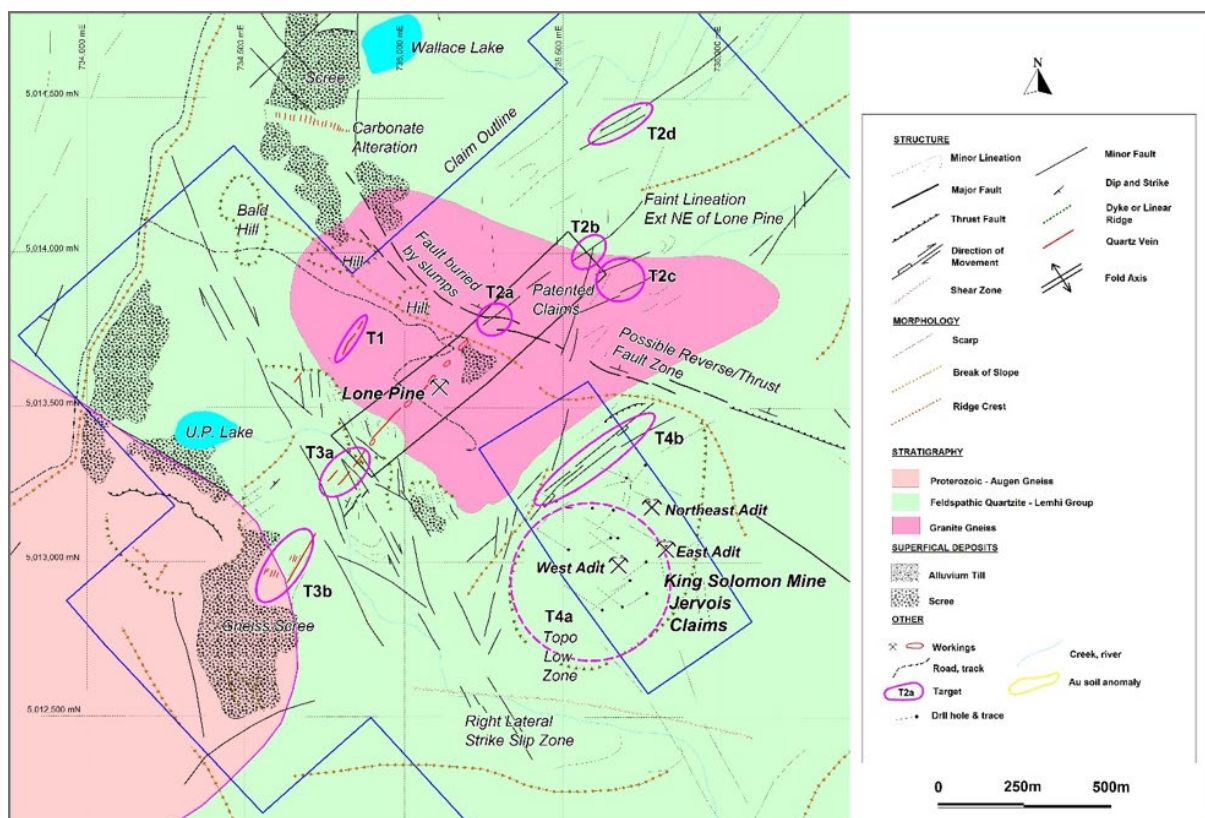


Figure 3 - Lone Pine Gold Project – Photogeological Interpretation

A recently completed photogeological and structural interpretation of the Lone Pine Project highlighted two drill targets within the KSM claims, one of which corresponds to the area of drilling, enhancing the prospectivity of the remaining drill targets.

Due diligence has commenced which will include mapping and sampling to follow up on the previous high grade surface samples reported at KSM.

History

In 1988, Frontier Capital acquired the King Solomon Mine as part of a regional portfolio before exploring in the area in 1992. This exploration was undertaken with their joint venture partners, initially Teck Resources Inc in 1990, followed by Pathfinder Gold Corporation in 1992. Trenching, underground and surface mapping and sampling in conjunction with drilling were completed. This work indicates the existence of broad

² Hawkstone Announcement July 1, 2020, Acquisition of the Historical King Solomon Mine adjoining the Lone Pine Gold Project

northeast trending, southeast dipping mineralised zone parallel to the Lone Pine Vein Zone. In addition, numerous phases of soil geochemistry and geophysics including VLF2 and magnetics were completed.

Drilling

Two phases of drilling were completed at the King Solomon Mine in the early 1990's. The initial drill holes (KS-90 series) were orientated to intersect a NW mineralized trend, whereas the 1992 drill holes (KS-92 series) were oriented to test north-east striking mineralised zone.

The original drill logs and assay sheets are available for the KS90 series holes, however results for the KS92 series holes have been taken from various reports and drill sections. Drill location coordinates have been generated from drill plans and both phases of drilling were completed using a Reverse Circulation (RC) drill rig and sampled on 5ft (1.5m) intervals. No mention is made of sampling procedures, the presence of water or sample weights.

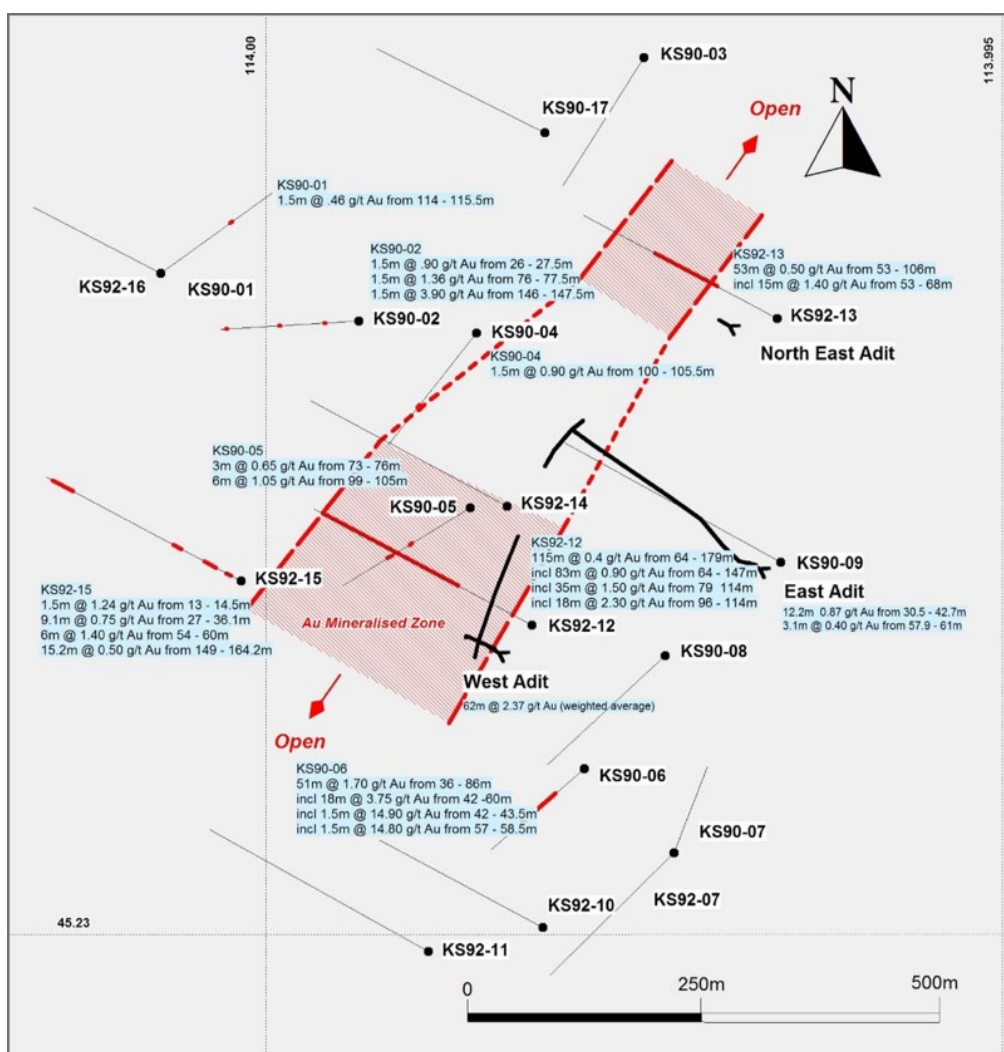


Figure 4 - Location Plan Drill Holes KS90-01 to 07 and KS92-07 to 15

950% Increase in Landholding at Western Desert

On 3 July 2020, Hawkstone announced that following exciting results from recent exploration, the Company increased its landholding by 950%, at the Western Desert Gold-Copper Project, expanding the total tenement package to 25.41 square kilometres. Located in Western Utah, USA, the Company acquired the Western Desert Project on 16 March 2020³.

Rock chip sampling of outcropping mineralisation and old workings over the Project area has returned high grade results of:

- Gold (Au) to 6.92 g/t
- Copper (Cu) to 5.09%
- Silver (Ag) to 1,495 g/t
- Lead (Pb) to >20%

Upon acquisition, the Project initially consisted of 30 lode mining claims covering 243 ha, however, following photogeological interpretation and the positive geochemical sampling and assay results, the Company has staked a further 218 lode claims covering 1,764 ha and applied for 3 state leases, adding an additional 77 ha for a total tenement package of 25.41 square kilometres.

These claims were acquired at minimal cost and are the result of Hawkstone's teams geological targeting and ground follow-up.

Project Location

The Project is located in western Utah near to the Nevada Border. The closest town is Wendover, 42km South West of the project, with the town straddling the Utah-Nevada Border, with good access to all services and amenities (Figure 5) and is also readily accessible via maintained gravel roads from Wendover. The Western Desert Project offers significant upside through the application of modern exploration methods, and the Company's aims to advance the project in the near term.

Regional Geology

The Western Desert project is located within the Basin & Range Province of the Western USA, comprising a series of northerly striking, fault bounded ranges. The project lies within the same sequence of Cambro-Ordovician carbonate and sedimentary rocks, that host the Carlin Trend gold deposits 200km to the west, the Long Canyon gold mine (Newmont 2.95M oz Au)⁴ 50 km to the west, and Tug Deposit (431,000 oz Au and 13.8M oz Ag) of West Kirkland Mining INC 40km to the north (Figure 5). The project also lies 150 km west-north-west of the Bingham Canyon Mine (Rio Tinto 23Mt Cu & 38.5M oz Au)⁵.

³ Hawkstone Announcement July 3, 2020, 950% Increase in Landholding at Western Desert Project

⁴ <https://miningdataonline.com/property/100/Long-Canyon-Mine.aspx#Reserves>

⁵ 3 News Release, No. 36-2012 July 16, 2012, West Kirkland Files TUG Resource Estimate on SEDAR

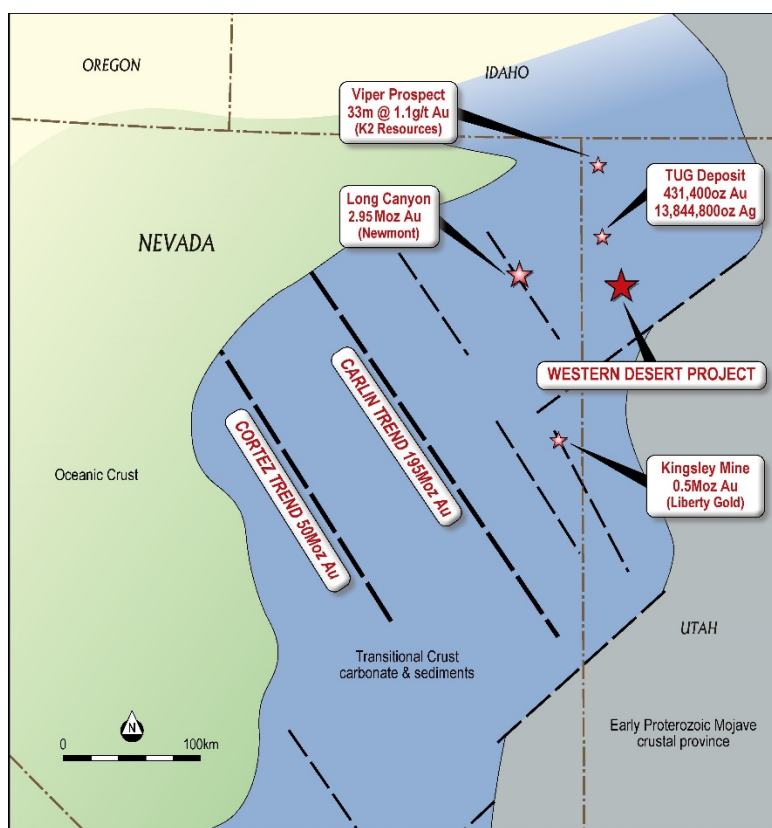


Figure 5 – Western Desert Project Location Map

Exploration Targets

Target A1 covers an anticline in the south of the mapped area, where Carboniferous carbonates and clastic sediments are flexed against the Jurassic monzonite intrusions to the south.

The fold axis trends west-southwest and extends in this direction from the old Copper Blossom deposit that was the subject of previous mapping and sampling (HWK:ASX Release - 16 March 2020). A Late-Jurassic monzodiorite plug intrudes into the crest of the anticline to the west.

The 'Copper Blossom' anticline, **Target A1** appears to be a highly prospective exploration target containing favourable elements for potential large-scale mineralisation.

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- The fold hinge represents a trap site for rising mineralised fluids.
- Hot fluids from the monzodiorite intrusion could have introduced mineralisation.
- The NE cross faulting could act as a conduit for later mineralised fluids.
- The conglomerates of the Strathearn unconformity stratigraphically underlie the 'Copper Blossom' mineralisation and could potentially provide a porous receptive host for 'blind mineralisation'.
- This 'blind mineralisation' would not have been identified by previous prospectors

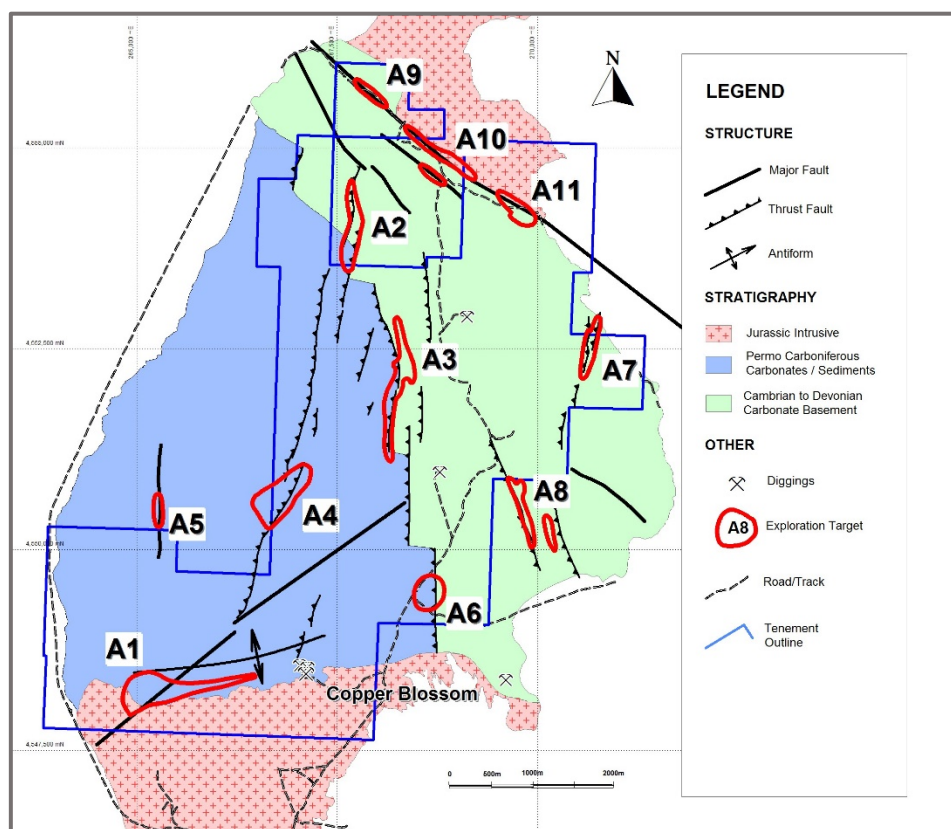


Figure 6 – Exploration Targets and the Western Desert Project

Early Exercise of Options Raises \$1.77m

On 9 July 2020, Hawkstone announced that institutional and sophisticated investors had exercised 147.5 million existing unlisted Options, each exercisable at \$0.012, with an expiry of 29 April 2023, to raise \$1.77 million (before costs) in working capital.

Funds will be used to increase exploration activities at the high grade Lone Pine Gold Project, Idaho, USA, which has an existing 71,128 ounce (18.06 g/t) historic, non-JORC gold resource.

The exploration strategy is currently being reviewed by the Company and increased based on the new available funding. The exercise of options results in no further expansion of the Company's current fully diluted capital structure.

Issue of Unquoted Options

On 29 April, the Company advised that pursuant to the Notice of General Meeting lodged with ASX on 16 March 2020 and the subsequent approval by Shareholders at the General Meeting held on 20 April 2020, the Company has unquoted options with varying exercise prices and expiry dates.

This announcement has been authorised for release by the Board of Hawkstone Mining Limited.

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FOR FURTHER INFORMATION PLEASE CONTACT:

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COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to exploration results and exploration targets for the Lone Pine and Western Desert Projects is based on and fairly represents information compiled by Mr Gregory Smith, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Smith 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'. Mr Smith is a Director of the Company and holds shares in the Company. Mr Smith consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Company confirms that there have been no material changes since the information was first reported on 18 June, 1 July, 3 July and 13 July, 2020.



Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2020.

Project	Claim Number	Location	Interest
Big Sandy	WIK-001 to WIK-112	Arizona, USA	100%
Big Sandy	BSL-001 to BSL-146	Arizona, USA	100%
Lordsburg	LLP-49 to LLP-72	New Mexico, USA	100%
Lordsburg	LLP-81 to LLP-120	New Mexico, USA	100%
Lordsburg	LLP-129 to LLP-354	New Mexico, USA	100%
Lone Pine	LP001 to LP075 U.P Patented Claim Burlington Patented Claim	Idaho, USA	100%
Western Desert	WD001 to WD030	Utah, USA	100%
Kangwane South	N/A	Mpumulanga Province, South Africa	70%

No tenements were acquired or disposed of during the quarter.

Appendix 2: Payments to Related Parties

In line with its obligations under ASX Listing Rule 5.3.5, Hawkstone Mining Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 June 2020, pertain to payments to an executive director for salary and superannuation, non-executive director fees and consultancy fees.