

07 July 2020

ASX RELEASE

## **OPTION TO ACQUIRE WA GOLD-NICKEL PROJECT & CAPITAL RAISING**

### **HIGHLIGHTS:**

- **Marquee enters into Option Agreement to acquire West Spargoville gold and nickel Project.**
- **The West Spargoville Project contains over ~20km of continuous strike in the world class Widgiemooltha Greenstone Belt, covering an area of ~80km<sup>2</sup> in the Kambalda District.**
- **The Project sits directly adjacent to Maximus Resources Ltd (ASX:MXR) main Mining Licenses (including Wattle Dam ~2km to the east), with the St Ives Gold operations (Gold Fields Limited (NYSE:GFI)) located ~30km to the east and Karora Resources Inc (TSE:KRR formerly RNC Nickel) Higginsville gold operations approximately ~40km southeast.**
- **Marquee has received firm commitments in a Placement to sophisticated and professional investors to raise \$1.6 million.**

Marquee Resources Limited (**Company** or **Marquee**) (ASX:MQR) is pleased to announce that it has entered into an exclusive Option Agreement with Fyfehill Pty Ltd ("**Fyfehill**") to acquire Exploration Licence Application **E15/1743** known as the **West Spargoville Project**. In conjunction with this Option Agreement, Marquee has also received firm commitments in a Placement to sophisticated and professional investors to raise \$1.6 million ("**Placement**").

### **WEST SPARGOVILLE PROJECT – (Gold & Nickel)**

Marquee has entered into an exclusive Option Agreement with Fyfehill Pty Ltd to acquire Exploration Licence Application E15/1743 known as the West Spargoville Project. The West Spargoville Project is continuous over a ~20km strike extent covering an area of ~80km<sup>2</sup>.

The West Spargoville project is located between 60 to 80km south of Kalgoorlie in the Kambalda District of the Eastern Goldfields at the northern end of the Widgiemooltha Greenstone Belt which is synonymous for gold and nickel discoveries.

The Project area is bounded to the east by the Zuleika Shear and by the Ida Fault to the west. The area lies within a 'neck' of greenstones between the Depot Granodiorite to the north and the Widgiemooltha Monzogranite to the south which are large internal felsic intrusive bodies within the sequence.

Locally the project is underlain by a sequence of mafic intrusives and volcanics, komatiites, felsic volcanoclastics, tuffaceous sediments, greywackes and cherts. Of particular interest is a sequence of layered mafic rocks with komatiites, High-Mg basalts and gabbros which are particularly prospective for gold and nickel mineralisation.

The Project is prospective for gold with numerous historic gold workings in the region (Spargoville and Higginsville gold fields) as well as the recently active Wattle Gold open pit and underground mine which was operated by Ramelius Resources Ltd and is now held by Maximus Resources Limited.

A major granite-greenstone contact exists on the western margin of the tenure. The northern strike continuation of the Chalice shear zone is interpreted to run on or adjacent to this contact.

Regionally this greenstone belt contains many world class gold deposits and the St Ives gold field is located ~30km to the east with the Higginsville gold project approximately ~40km southeast. The Wattle Dam project is located ~2km to the east and was recently an operating mine within sheared mafics to ultramafic rocks. The mineralisation at Wattle Dam occurred as coarse gold in blebs, veinlets and flakes, with little quartz or alteration associated. Shear hosted archaean lode gold can produce deposits of any size from minor occurrences to multimillion-ounce deposits.

The broad anomalism that has been encountered across the tenement by previous owners is highly encouraging. The previous workings indicate gold production from the area and the broader anomalies previously reported may be indicating a larger system at depth. A structurally controlled high grade gold deposit similar to the Wattle Dam mine which is ~2km east is the most likely target and appears to be in a similar structural setting and may be on a structure that continues through the West Spargoville Project area. Wattle Dam may be located on the western limb of a regional anticline. The coincidence of structure, anomalism and prospective host rocks makes the tenement prospective for the discovery of a gold deposit.

The Project is also prospective for nickel deposits, as the region is host to significant Komatiitic hosted sulphide mineralisation where mining has occurred since the 1960's. The majority of exploration work in the region has focused on the eastern ultramafic belt around the Widgiemooltha Dome with considerable success. Limited attention appears to have been paid to the western ultramafic belt and the northern gabbroic units where the Project lies.

Recent exploration in the area has been completed by Ramelius Resources Ltd, Breakaway Resources, Harmony Gold Ltd, Resolute Ltd, Mithril Resources Ltd, Bardoc Resources Ltd, Pioneer Resources Ltd and Maximus Resources Limited who have identified new prospects and mineralisation within the belt confirming the prospectivity of the western ultramafics.

Little exploration for nickel sulphide mineralisation had been completed in the district since the late 1970's. Recent advancements in geophysical techniques and in particular, more modern ground EM surveys, have been shown to be useful exploration tools over the prospective basal contacts within the area.

## **AGREEMENT TERMS**

Unless Marquee terminates (in its absolute discretion) the Option Agreement by notice to Fyfehill on or before 13 July 2020 (**Initial DD Period**), within 2 business days of the Initial DD Period, Marquee must pay to Fyfehill a non-refundable fee of AUD\$200,000 in cash (**Option Fee**).

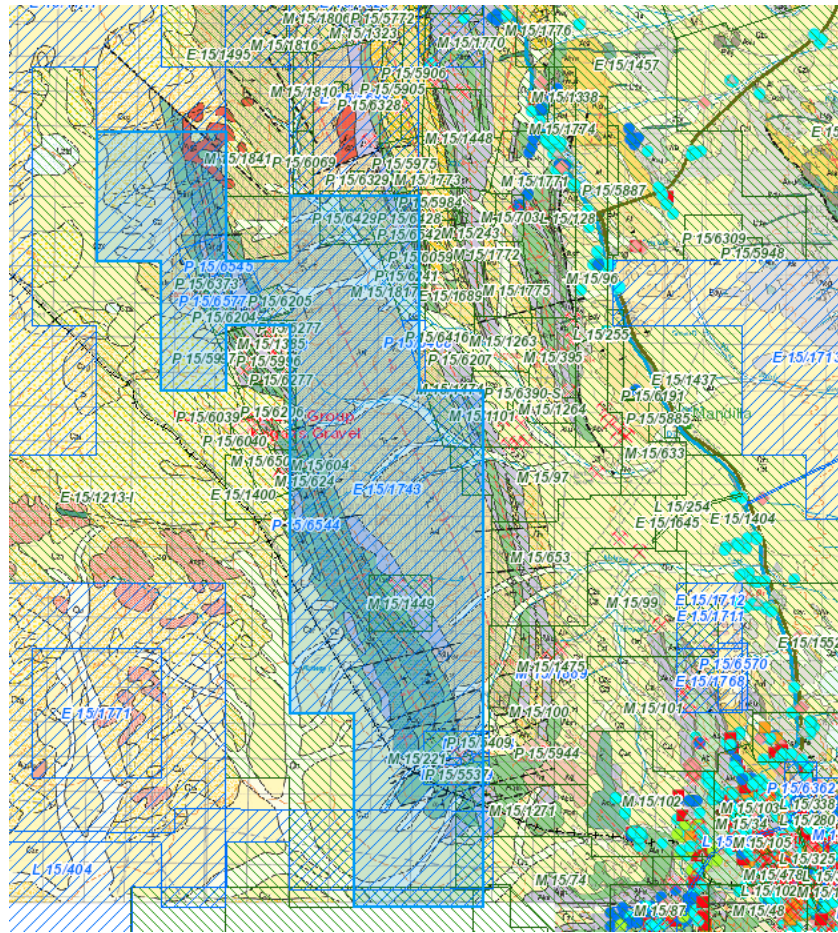
Subject to Fyfehill receiving (and in consideration of) the Option Fee, Fyfehill grants to Marquee an exclusive option (**Option**) for Eighteen (18) months (**Option Period**) to buy the Project (free from any encumbrance) for: (i) \$500,000 in cash; and (ii) a 2% net smelter royalty on the Project on terms consistent with those of a typical NSR Agreement.







**Figure 3: E 15/1743 Geology Mosaic 1:250,000**



## **PLACEMENT**

The Company has agreed to issue up to 40,000,000 fully paid ordinary shares at an issue price of \$0.04 each to qualified sophisticated and professional investors, raising up to \$1.6 million (before costs).

Tranche 1 of the Placement will utilise the Company's existing placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A to issue 15,750,000 shares which will be issued on or around 13 July 2020. Tranche 2 of the Placement (24,250,000 shares) is subject to shareholder approval at a general meeting scheduled to take place on or around 14 August 2020.

The Company also intends to issue 40,000,000 free attaching options (\$0.08 strike, June 2023 expiry) on a 1:1 basis to all Placement participants, which will also be subject to shareholder approval at a general meeting scheduled to take place on or around 14 August 2020.

Marquee's Executive Chairman Charles Thomas commented:

"Marquee welcomes the significant support demonstrated for the Placement by existing shareholders and new investors of the Company."

Mr Thomas further commented:

"Marquee has undertaken Due Diligence on numerous gold projects over the last 9 months with a view to acquiring brownfield gold projects which will enable our shareholders to be exposed to the expected increase in the price of gold in the coming years. The option to acquire the West Spargoville Project, which is located in the prolific gold and nickel district of the Eastern Goldfields, is the first step in this continuing strategy."

An indicative timetable for the Placement is set out below.

Event	Date
Announcement of the Placement	07 July 2020
Issue of Tranche 1 Securities	~ 13 July 2020
General meeting to approve T2 Securities and Options	~ 14 August 2020
Issue of T2 Securities and Options (if approved)	~ 18 August 2020

For further information please contact:



Charles Thomas  
Executive Chairman  
Marquee Resources Limited  
[info@marqueeresources.com.au](mailto:info@marqueeresources.com.au)

**This release was authorised by the board of directors of Marquee Resources Ltd.**

## Schedule 1 – West Spargoville Project

Type	Registration Number	Registration Date	Location	Area	Encumbrances
Exploration Licence Application issued under the Mining Act	E 15/1743	20 September 2019	Kambalda, Western Australia	34 blocks	Nil

### **FORWARD LOOKING STATEMENTS**

As a result of a variety of risks, uncertainties and other factors, actual events, trends and results may differ materially from any forward looking and other statements mentioned or implied herein not purporting to be of historical fact. In certain cases, forward-looking information may be identified by (without limitation) such terms as "anticipates", "believes", "should", "could", "estimates", "target", "likely", "plan", "expects", "may", "intend", "shall", "will", or "would". Any statements concerning mining reserves, resources and exploration results may also be forward looking in that they involve estimates based on assumptions. Forward looking statements are based on management's beliefs, opinions and estimates as of the respective dates they are made. The Company does not assume any obligation to update forward looking statements even where beliefs, opinions and estimates change or should do so given changed circumstances and developments.