

# ASX announcement

21 November 2017

## Higginsville Gold Drilling Significantly Increases Potential for Commercial Gold Deposit

Argonaut Resources NL (ASX: ARE) (*Argonaut* or the *Company*) is pleased to announce drilling results from two gold prospects at Higginsville in the Eastern Goldfields, WA.

### Highlights

Results have been received from a program of 19 reverse circulation drill holes at two prospects near Higginsville in the Eastern Goldfields, WA:

#### Amorphous

- AMRC005: 4m at 1.53g/t gold from 69m
  - » and **11m at 2.76g/t gold** from 77m
  - » including **6m at 4.62g/t gold** from 81m
  - » including **3m at 7.47g/t gold** from 82m
- AMRC006: **6m at 2.37g/t gold** from 44m
  - » including **3m at 4.38g/t gold** from 45m
- AMRC008: 3m at 1.66g/t gold from 56m
- AMRC009: 2m at 1.28g/t gold from 22m
- AMRC015: **4m at 2.36g/t gold** from 64m\*

#### Footes Find

- FFRC001: **4m at 5.02g/t gold** from 40m\*
- FFRC002: **8m at 1.68g/t gold** from 30m
  - » including **2m at 5.7g/t gold** from 33m

Follow-up drilling is planned to define strike extents:

- the Amorphous target is approximately 1km in strike length.
- The Footes Find target is approximately 700m in strike length.

The prospects are located 5km along existing roads from an operating mill.

\* Preliminary result, 1m resample pending

Drilling has significantly increased the potential for a commercial gold deposit at Amorphous by demonstrating improved continuity of gold grades along strike.

(see Figure 3, 1.0g/t gold contour)

# Higginsville Project

The tenements that make-up the Higginsville project are in Western Australia's Eastern Goldfields (Figure 1). Geologically, the package sits within the Norseman-Wiluna Belt, a belt of ancient rocks endowed with gold and nickel that sits within the broader Yilgarn Craton.

Approximately 70% of Australia's historical gold production has come from the Yilgarn Craton and most of that from the Norseman-Wiluna Belt.

The Higginsville Project is located south of Kambalda, west of Lake Cowan and adjacent to Higginsville (Figure 2) where over two million ounces of gold has been historically defined.

The package of tenements at Higginsville is held by Loded Dog Prospecting Pty Ltd. Argonaut and Loded Dog Prospecting are parties to an earn-in joint venture agreement which grants Argonaut the right to earn up to 80% of the tenements in two phases. The earn-in agreement is currently in the first phase.

## Gold Exploration

Argonaut's goals are to explore for near-surface oxide gold in areas with historic shallow drilling results and to target deeper primary gold mineralisation at previously untested depths.

The Amorphous and Footes Find targets are located approximately 5km along existing roads from an operating mill (Figure 2) and present an excellent opportunity for a meaningful, near-term exploration outcome.

## 2017 RC Drilling

### Amorphous

The 2017 RC drilling program has significantly increased the potential for a commercial gold deposit at Amorphous by demonstrating improved continuity of gold grades along strike (see Figure 3, 1.0g/t gold contour).

Drilling has better defined deposit geometry by targeting down-plunge extensions of primary gold mineralisation at Amorphous.

Gold mineralisation is typically hosted in an altered shear-zone within an easterly dipping gabbroic unit. Gold grades within the mineralised shear-zone are variable.

A lower than expected dip on the mineralised shear-zone improved conceptual open-pit geometry (Figure 4). The gold mineralisation envelope dips to the east at approximately 60 degrees, rather than 80 degrees as previously interpreted, thus lowering the theoretical stripping ratio.

Highlights of 2017 RC drilling at Amorphous include:

- AMRC005: 4m at 1.53g/t gold from 69m
  - and **11m at 2.76g/t gold** from 77m
  - including **6m at 4.62g/t gold** from 81m
  - including **3m at 7.47g/t gold** from 82m
- AMRC006: **6m at 2.37g/t gold** from 44m
  - including **3m at 4.38g/t gold** from 45m
- AMRC008: 3m at 1.66g/t gold from 56m
- AMRC009: 2m at 1.28g/t gold from 22m
- AMRC015: **4m at 2.36g/t gold** from 64m\*

\* Preliminary result, 1m resample pending

Additional results are shown in Appendix 1.

**“The Higginsville drilling results were better than expected. The excellent grade continuity along strike at Amorphous has surprised us, as have the gold grades at Footes Find”.**

**Lindsay Owler,  
Argonaut CEO**

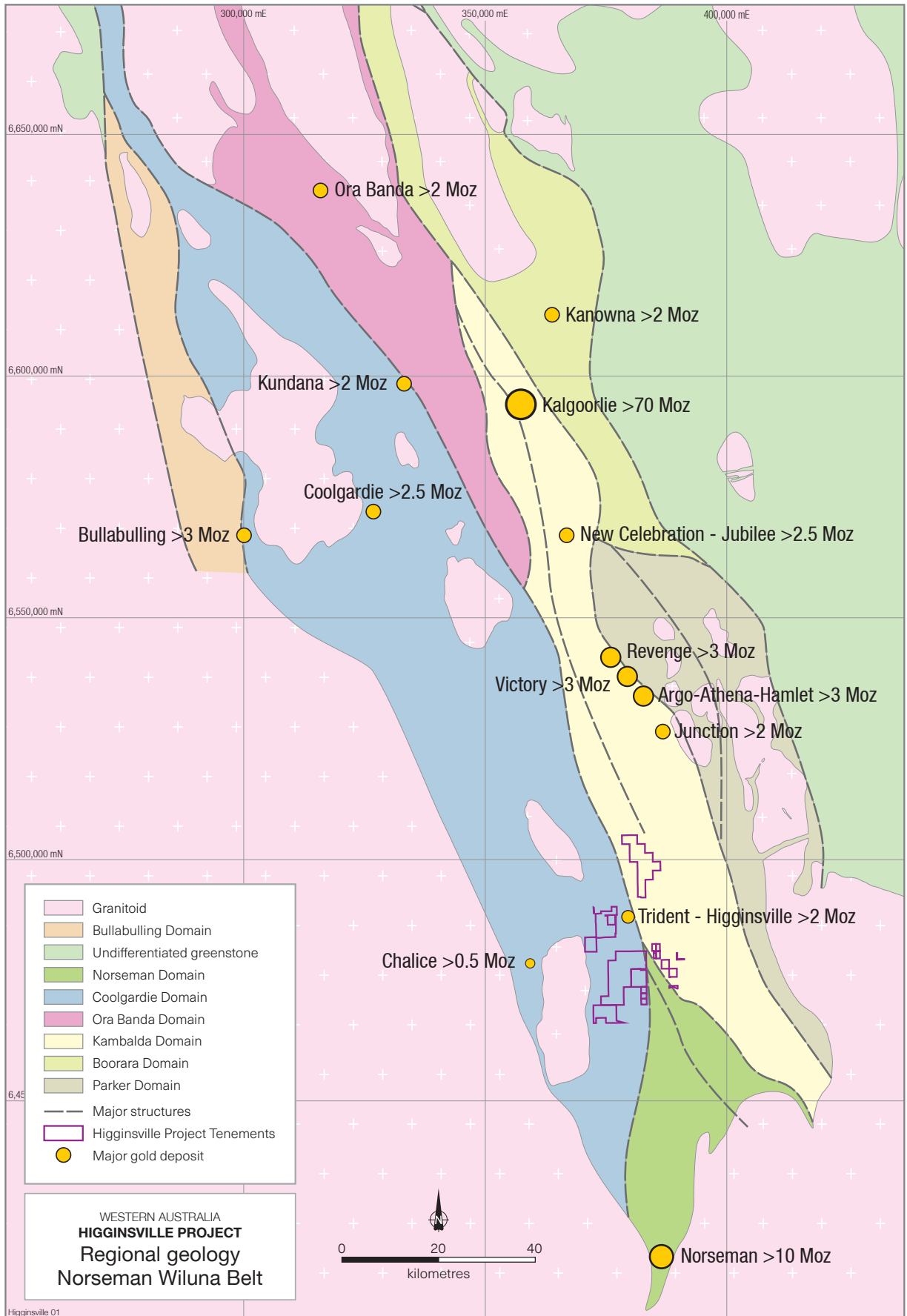
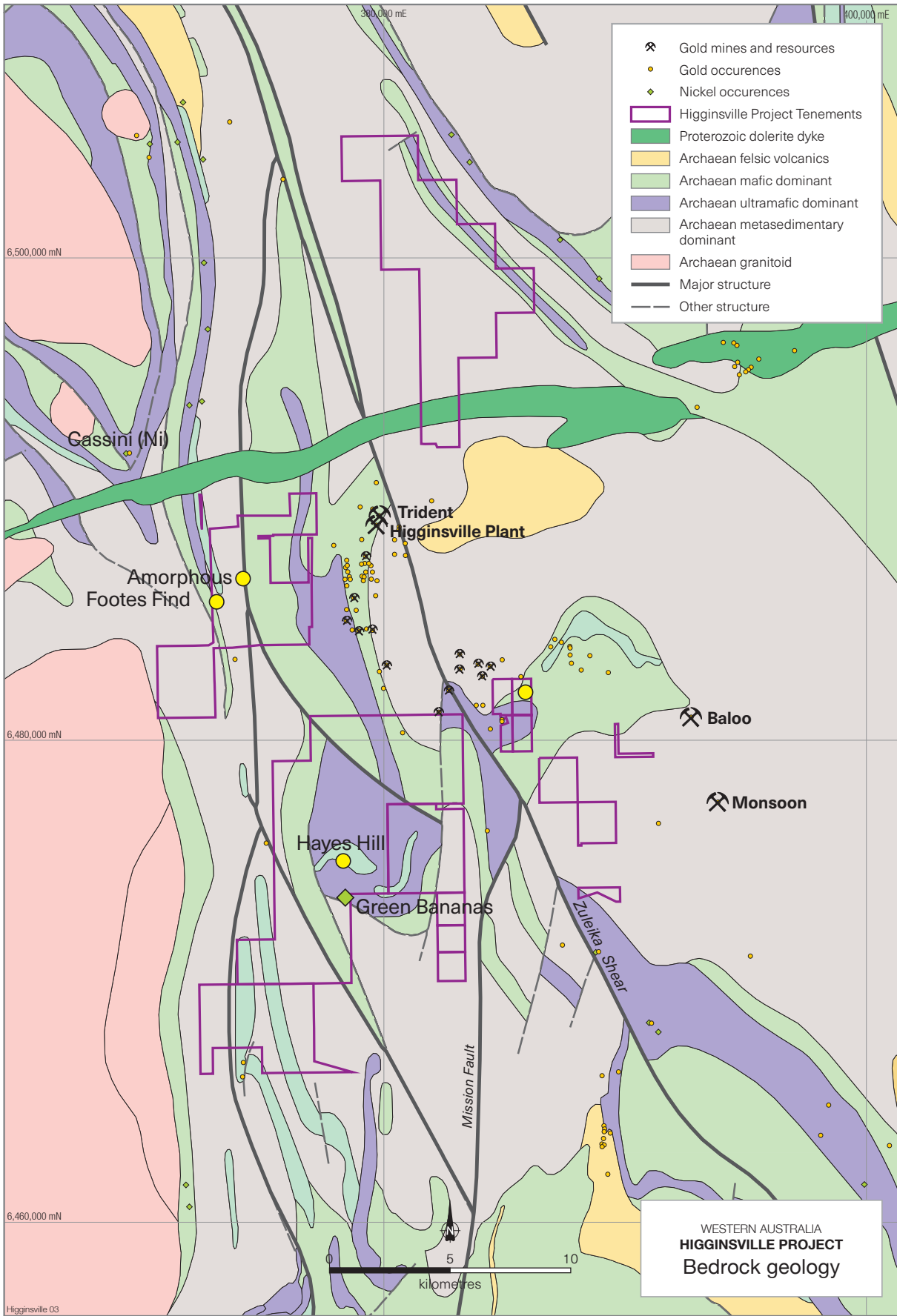


Figure 1 Eastern Goldfields showing the Higginsville Project.



**Figure 2** Higginsville Project – bedrock geology, mines and mineral occurrences.

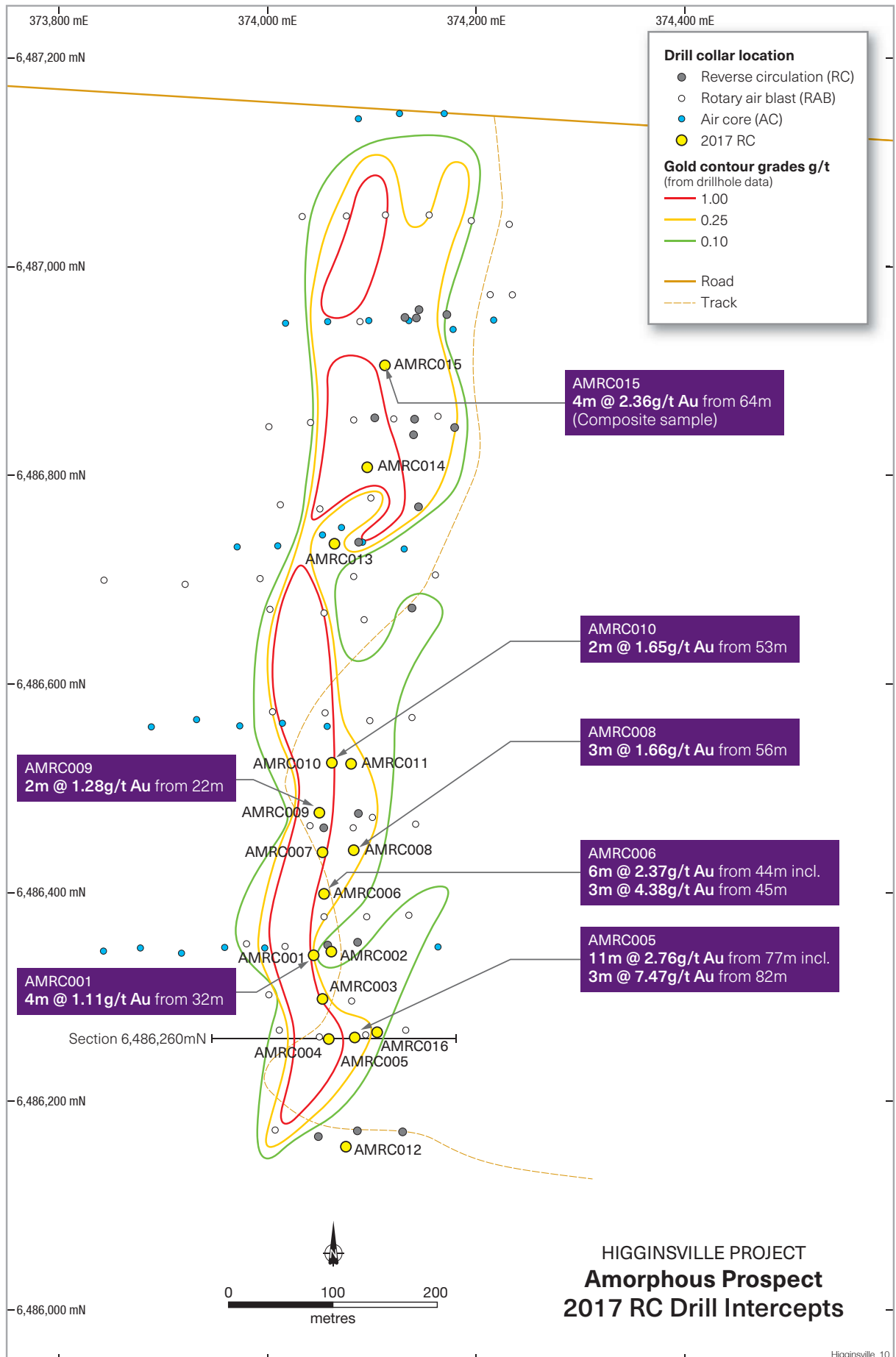
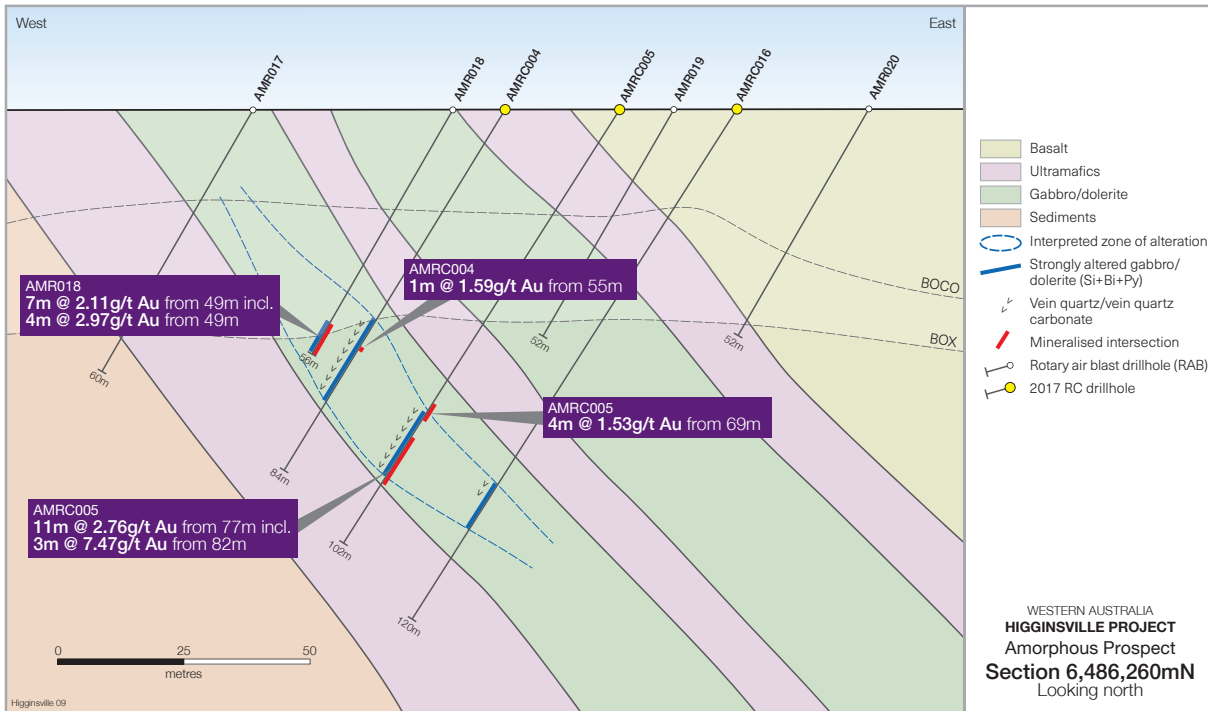


Figure 3 Amorphous Prospect showing drill collars, 2017 intercepts and gold contour grades.



**Figure 4** Amorphous Prospect – representative cross section showing interpreted geology and 2017 intercepts.

## Footes Find

Drilling at the Footes Find deposit confirmed good mineralised widths and high grades. Rock-chip sampling within an historic open pit at Footes Find further confirmed high gold grades with samples reporting up to 17.25g/t gold.

Additional drilling at Footes Find is warranted to confirm continuity of grades and widths along strike.

Highlights of 2017 RC drilling at Footes Find include:

- FFRC001: **4m at 5.02g/t gold** from 40m\*
- FFRC002: **8m at 1.68g/t gold** from 30m
  - including **2m at 5.7g/t gold** from 33m

\* Preliminary result, 1m resample pending

Additional results are shown in Appendix 1.

## Historic Drilling

Historic shallow drilling at Amorphous and Footes Find prospects was completed by Resolute Mining Ltd in the early 1990s. Highlights of this drilling are show below.

The below results are historical in nature and are not reported in accordance with the JORC 2012 Code.

### Amorphous

- AMC0007: **8m at 2.07g/t gold from 26m** including 2m at 7.94g/t gold from 28m
- AMC0010: 9m at 1.21g/t gold from 71m including 2m at 3.78g/t gold from 73m
- AMR0013: **5m at 4.03g/t gold from 21m** including 2m at 10.37g/t gold from 22m
- AMR0015: **8m at 3.27g/t gold from 17m** including 3m at 9.6g/t gold from 21m

### Footes Find

- FFPO010: **7m at 2.13g/t gold from 28m** including 1m at 12.5g/t gold from 30m

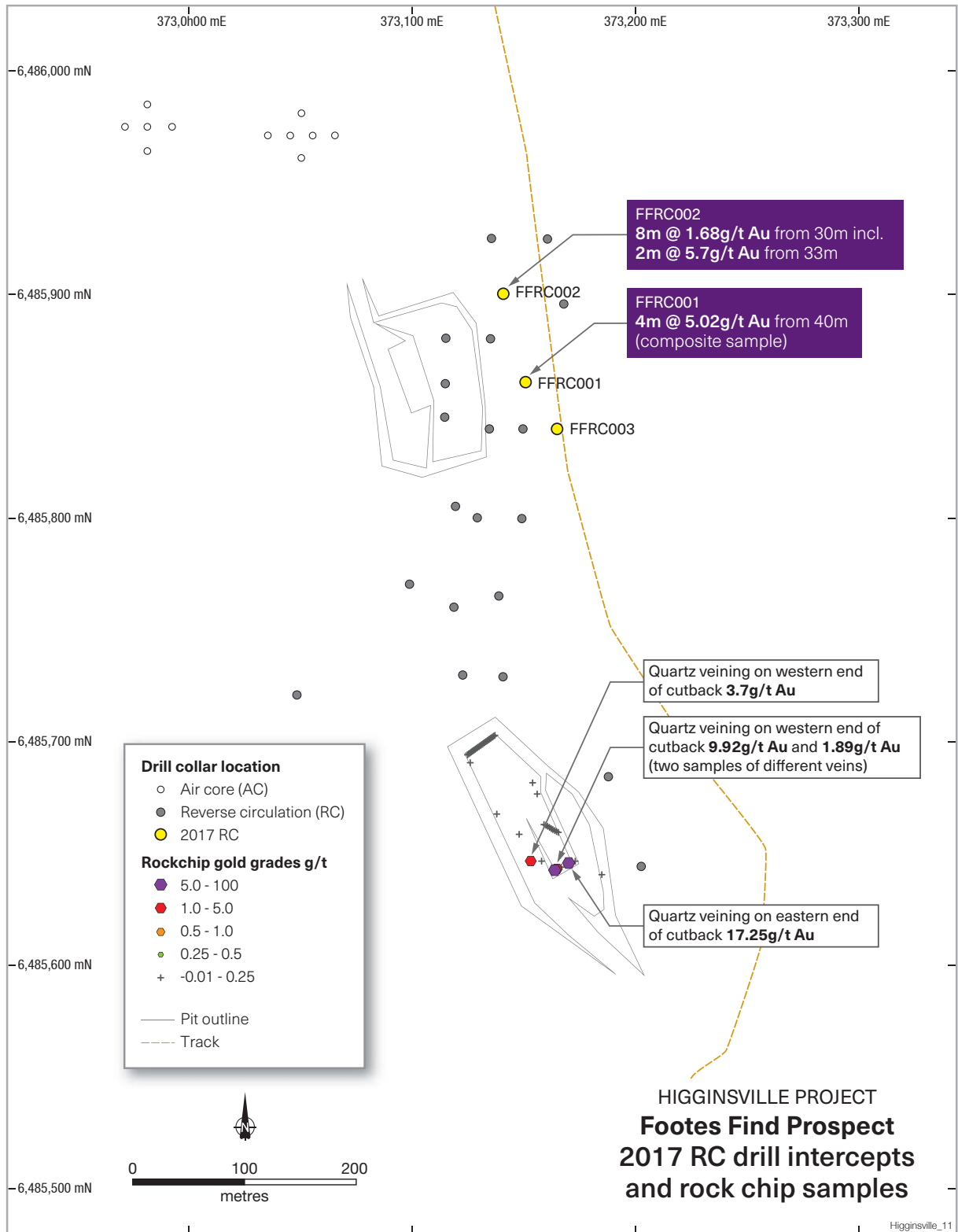


Figure 5 Footes Find Prospect – 2017 exploration results.

## Earn-In Joint Venture Terms

Argonaut and Loded Dog Prospecting Pty Ltd executed the Eastern Goldfields Earn-In Joint Venture and Royalty Agreement on 7 February 2017. Under the agreement Argonaut has the right to earn an 80% interest in the tenement package according to the following terms:

- Argonaut can earn a 51% interest in the tenement package in exchange for completing \$500,000 in exploration expenditure within two years of commencement; and
- Argonaut may earn a further 29% interest, for a total of 80%, for completing an additional \$1,500,000 in exploration expenditure within a further three years.
- Reimbursement of tenement acquisition expenses totalling \$250,000 are payable by Argonaut progressively under the agreement.
  - reimbursement of \$100,000 is payable on execution of the definitive earn-in agreement;
  - reimbursement of \$75,000 is payable on the first anniversary; and
  - reimbursement of \$75,000 is payable on election to proceed to the second phase of the earn-in.
- An issue of ordinary fully paid Argonaut shares valued at \$50,000 was issued on execution of the definitive earn-in agreement.

## About Argonaut

Argonaut is an Australia Securities Exchange listed exploration and development company. Argonaut operates the Torrens Iron Oxide Copper-Gold Joint Venture with Aeris Resources Ltd in South Australia and the Lumwana West copper-cobalt project in north-western Zambia.

### **Lindsay Owler**

Director and CEO

Argonaut Resources NL

*Sections of information contained in this report that relate to Exploration Results were compiled or supervised by Mr Lindsay Owler BSc, MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Argonaut Resources NL. Mr Owler holds shares and options in Argonaut Resources NL, details of which are disclosed in the Company's 2017 Annual Report. Mr Owler has sufficient experience which is relevant to the style of mineral deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Owler consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*



# Appendix 1 – 2017 Higginsville RC Drilling Results – Preliminary

Drillhole	East	North	RL	Dip	Azimuth	Total Depth	From	To	Interval	Au (g/t)	Sampling Status
AMRC001	374,043	6,486,339	340	-60	270	84.0	32.0	38.0	6.0	0.79	
including							32.0	36.0	4.0	1.11	
including							34.0	36.0	2.0	1.70	
							42.0	43.0	1.0	0.11	
AMRC002	374,061	6,486,343	340	-60	270	96.0	74.0	75.0	1.0	0.70	
AMRC003	374,051	6,486,299	340	-60	270	78.0	44.0	45.0	1.0	0.10	
							47.0	48.0	1.0	0.12	
							52.0	55.0	3.0	0.27	
AMRC004	374,058	6,486,259	340	-60	270	84.0	48.0	51.0	3.0	0.12	
							54.0	59.0	5.0	0.43	
including							54.0	56.0	2.0	0.95	
including							55.0	56.0	1.0	1.59	
AMRC005	374,083	6,486,261	340	-60	270	102.0	69.0	73.0	4.0	1.53	
including							71.0	73.0	2.0	2.22	
							77.0	88.0	11.0	2.76	
including							81.0	87.0	6.0	4.62	
including							82.0	85.0	3.0	7.47	
AMRC006	374,054	6,486,399	340	-60	270	72.0	44.0	50.0	6.0	2.37	
including							45.0	48.0	3.0	4.38	
AMRC007	374,052	6,486,439	340	-60	270	60.0	26.0	28.0	2.0	0.25	
AMRC008	374,082	6,486,441	340	-60	270	90.0	34.0	36.0	2.0	0.21	
							47.0	48.0	1.0	0.69	
							56.0	59.0	3.0	1.66	
AMRC009	374,049	6,486,476	340	-60	270	60.0	22.0	24.0	2.0	1.28	
							33.0	37.0	3.0	0.17	
AMRC010	374,062	6,486,524	340	-60	270	72.0	52.0	56.0	4.0	0.89	
including							53.0	55.0	2.0	1.65	
AMRC011	374,080	6,486,524	340	-60	270	96.0	43.0	45.0	2.0	0.56	
							62.0	64.0	2.0	0.60	
							66.0	67.0	1.0	0.21	
							73.0	74.0	1.0	0.20	
AMRC012	374,075	6,486,156	340	-60	270	120.0				NSI	
AMRC013	374,064	6,486,734	340	-60	270	78.0					Resamples pending
AMRC014	374,096	6,486,808	340	-60	270	84.0					Resamples pending
AMRC015	374,113	6,486,905	340	-60	270	78.0					Resamples pending
AMRC016	374,105	6,486,266	340	-60	270	120.0	88.0	89.0	1.0	0.57	
							93.0	94.0	1.0	1.06	
FFRC001	373,151	6,485,861	340	-60	270	60.0					Resamples pending
FFRC002	373,141	6,485,901	340	-60	270	60.0	30.0	38.0	8.0	1.68	
including							33.0	35.0	2.0	5.70	
FFRC003	373,165	6,485,840	340	-60	270	78.0	53.0	54.0	1.0	0.27	
							56.0	58.0	2.0	1.20	
							60.0	61.0	1.0	0.12	

## Notes

- 1 Calculated using 0.1 g/t Au lower cut threshold, no upper cut threshold, maximum 2 metres internal dilution
  - 2 Analysis: Fire Assay by ALS
  - 3 Coordinate System: MGA Zone 51
- NSI no significant intercept

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data – Higginsville Project

(Criteria in this section apply to all succeeding sections.)

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 Amorphous and Footes Find prospects were sampled using reverse circulation (RC) drill holes completed during October 2017. Rock chip sampling was conducted at the Footes Find open pits, at various old workings and outcrops.</li> <li>Drill chips were logged for lithology, weathering, alteration and mineralisation. All samples were chip trayed. QA/QC procedures included CRMs and blanks inserted at a rate of 1 per 20 sample respectively.</li> <li>RC drill chips 1m bulk samples were collected during drilling with smaller split samples (3kg) for assay being collected using a riffle splitter directly off the rig. 1m riffle split samples were submitted for lab analysis where ever alteration and/or veining was identified in the logging. 4m composite samples using a spear were conducted throughout the remainder. Where 4m composite samples have returned Au values in greater than or equal to 0.05 g/t, 1 metre riffle split will be collected for these intervals and analysed.</li> <li>3kg RC samples were dried, crushed, split, pulverised and pulp taken for 30g Fire Assay digest followed by analysis by AAS for Au. Multi-element analysis by Aqua Regia digest and analysis by ICP- MS techniques. All sample preparation conducted by ALS Kalgoorlie, Au analysis by ALS Kalgoorlie and multi-element analysis by ALS Perth.</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>Reverse circulation drilling. A total 19 RC drill holes (AMRC001-016, FFRC001-003) for 1572 metres completed.</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>Drill chip recoveries were recorded. Rare undersize/oversize samples were noted in the drill hole logging and sample records.</li> <li>Drill chip quality and condition were recorded. Wet samples were noted in the drill hole logging and sample records but rarely recorded (&gt;10 samples in 1572 samples).</li> <li>RC drilling generally has good recoveries and few contamination issues. No relationship noted.</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>Drill chips have been logged for geological (lithology, weathering, mineralisation, veining and alteration) information.</li> <li>Drill chip logging is qualitative.</li> <li>All drilling samples logged and all rock chip samples described.</li> </ul>

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC drill chips were sampled either as 1m riffle split samples or 4m composite spear samples.</li> <li>• Samples were prepared at and crushed with a subsample split for pulverising. Sizing checks were undertaken. Sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>
Quality of assay data and laboratory tests	<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>• 3kg RC samples were dried, crushed, split, pulverised and pulp taken for 30g Fire Assay digest followed by analysis by AAS for Au. Multi-element analysis by Aqua Regia digest and analysis by ICP- MS techniques. All sample preparation conducted by ALS Kalgoorlie, Au analysis by ALS Kalgoorlie and multi-element analysis by ALS Perth.</li> <li>• QAQC procedures were employed for this RC drilling. Commercially available CRMs and blanks were inserted at a frequency of 1 in 20 respectively.</li> </ul>
Verification of sampling and assaying	<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 are reported by ARE personnel.</li> <li>• No twinned drill holes.</li> <li>• Data derived from primary data sources. All data was entered into spreadsheets, collated, verified and stored on multiple platforms.</li> <li>• No statistical adjustments to data have been applied.</li> </ul>
Location of data points	<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>• Drillhole locations +/-5 metres with averaged handheld GPS. Gyroscopic down hole surveys were recorded approximately every 30 metres.</li> <li>• The grid system for the Higginsville Project is GDA94 (MGA) Zone 51.</li> <li>• Elevation data +/-10 metres with averaged handheld GPS.</li> </ul>
Data spacing and distribution	<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>• Wide spaced exploration drilling. Rock chip sampling from pit walls, old working and outcrop where available.</li> <li>• No resources or reserves reported.</li> <li>• Composite sampling from reported for several drillhole for which resampling will soon be undertaken.</li> </ul>
Orientation of data in relation to geological structure	<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>• Mapping undertaken on prospect scale to refine regional structural fabric and thus to drill perpendicular to the interpreted structural orientation.</li> <li>• No orientation based bias had been identified in the data to this point.</li> </ul>
Sample security	<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 chain of custody for sample dispatch was samples collected at drill site in polywoven bags and sealed with cable ties. Samples submitted by personnel on site directly to ALS Kalgoorlie every 3 to 4 days. Submission forms supplied to lab and sample receipt advice received.</li> </ul>
Audits or reviews	<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>• Anomalous samples or sample intervals checked with logging and descriptions. Review of QA/QC conducted.</li> </ul>

## Section 2 Reporting of Exploration Results – Higginsville Project

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Amorphous and Footes Find prospects are located within pending Exploration License E15/1489, which is located within the Higginsville Project owned by Loded Dog Prospecting Pty Ltd. Argonaut Resources have an earn in joint venture agreement on the project.</li> <li>The Higginsville project is situated within the Ngadju Native Title Claim (WC99/002).</li> <li>No other known impediments.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Falcona Exploration and Mining NL (late 1980's?) – Surface geochemistry, RAB drilling at Footes Find (no information available) and subsequent trial open pit mining and small scale heap leach operation.</li> <li>Resolute Samantha (early to mid 1990's) – Soils sampling, mapping, rock chip sampling. Shallow, blade refusal AC drilling in 1990 over Amorphous Au in soil anomaly and NW of Footes Find. RC drilling at Footes Find in 1990. RAB and RC Drilling in 1994 at Amorphous.</li> <li>WMC/Gold Fields (late 1990's – early 2000's) – Review data, no on ground activities.</li> <li>Australian Gold Resources Pty Ltd (mid 2000's) – Soil sampling, RAB drilling on selected traverses over Au in soil anomalies. Follow up RC drilling at Amorphous.</li> <li>Gascoyne Resources Ltd. (2012 –2014) – Broad spaced auger geochemical sampling over Footes Find trend.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Amorphous and Footes Find prospects are situated with the Archaean Norseman - Wiluna Belt which locally includes basalts, komatiites, metasediments, and felsic volcanoclastics.</li> <li>The primary gold mineralisation orogenic style and is related to hydrothermal activity during multiple deformation events. Indications are that gold mineralisation at the prospects is focused on or near to the sheared contact between the gabbro and metasedimentary units.</li> <li>Within the Higginsville region, economic gold mineralisation (Trident, Poseidon South) is hosted primarily within gabbro with subordinate mafic and ultramafic lithologies and comprises a series of north-northeast trending, shallowly north-plunging mineralised zones. These deposits comprise of two main mineralisation styles; large wallrock-hosted ore-zones comprising sigmoidal quartz tensional vein arrays and associated metasomatic wall rock alteration hosted exclusively within the gabbro; and thin, lode-style, nuggetty laminated quartz veins that formed primarily at sheared lithological contacts between the various mafic and ultramafic lithologies.</li> </ul>

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>eastings and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See Table – Higginsville Project Drillholes</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Length-weighted average grades reported. No upper limit has been</li> <li>applied to gold grades in these exploration results.</li> <li>A cut-off grade of 0.1 g/t Au and a maximum internal dilution of 2m</li> <li>(downhole width) are used as a guideline when delineating the drilled thickness intervals of mineralisation.</li> <li>All metal grades reported are single element.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>Down hole length, true width not known.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures within report.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Results for this drilling derived 2017 RC drilling program.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>There is no other exploration data which is considered material to the results reported.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Follow up drill target testing contingent on interpretation and exploration ranking.</li> <li>All future exploration work is commercially sensitive and will not be released to the market until results are available.</li> </ul>