

## ASX ANNOUNCEMENT

13th March 2019

- **RC DRILL PROGRAM ON HISTORIC TARGETS TO COMMENCE AT LAKE GRACE PROJECT**
- **BOARD STRUCTURE STREAMLINED**

### Highlights

- **2,000m Reverse Circulation drilling programme to commence at Lake Grace Gold Project**
- **Targeting the historic Challenger Prospect – a stand-out gold target unexplored for 25 years**
- **Targeting defined by historic drilling where Norths Ltd found gold mineralisation in 1990's**
- **Sultan to test depth and tenor of known mineralisation**
- **First private landowner access agreement at Lake Grace executed**

The Board of Sultan Resources Ltd (**Sultan** or the **Company**) is pleased to inform shareholders that all approvals and relevant access agreements are in place for the Challenger Prospect at Lake Grace, paving the way for drilling to commence at the project in the second half of March 2019.

### Drilling Program

The Company is planning to drill 12 Reverse Circulation ("RC") holes for approximately 2,000m targeting a 1km long, >0.1g/t Au aircore gold anomaly defined by North Limited ("North") in exploration programs undertaken across the area in the mid-1990s<sup>1</sup>. North also drilled two diamond core holes into the anomaly and intersected broad zones of low-grade gold mineralisation containing bands of higher-grade gold. Sultan's drill program is designed to confirm the extent and tenor of the surface gold mineralisation, test the depth and down-plunge extent of the higher-grade mineralised zones and provide an understanding of the stratigraphy and structure across the Challenger Prospect.

Managing Director, Steve Groves, commented: *"We are very excited to have the opportunity to sink the first drill holes into the Challenger Prospect in over 25 years. This is a stand-out gold target showing a very large body of anomalously-mineralised mafic granulite containing evidence of higher-grade mineralization from historic drilling. With the recent progress at nearby Tampia and Katanning gold deposits, understanding of gold systems in the Southwest Yilgarn has improved markedly and Sultan has a fantastic opportunity to apply that knowledge to the Challenger Prospect. The company has worked hard to gain the trust of the local community and has negotiated the first landowner access agreement to the Challenger Prospect in 25 years."*

### CORPORATE DETAILS

**ASX Code: SLZ**

### DIRECTORS

**STEVEN GROVES**  
MANAGING DIRECTOR

**JEREMY KING**  
CHAIRMAN

**DAVID LEES**  
NON-EXECUTIVE DIRECTOR

### CONTACT

Suite 2, Level 1,  
1 Altona Street  
West Perth WA 6005  
[www.sultanresources.com.au](http://www.sultanresources.com.au)

[info@sultanresources.com.au](mailto:info@sultanresources.com.au)

[sultanresources.com.au](http://sultanresources.com.au)

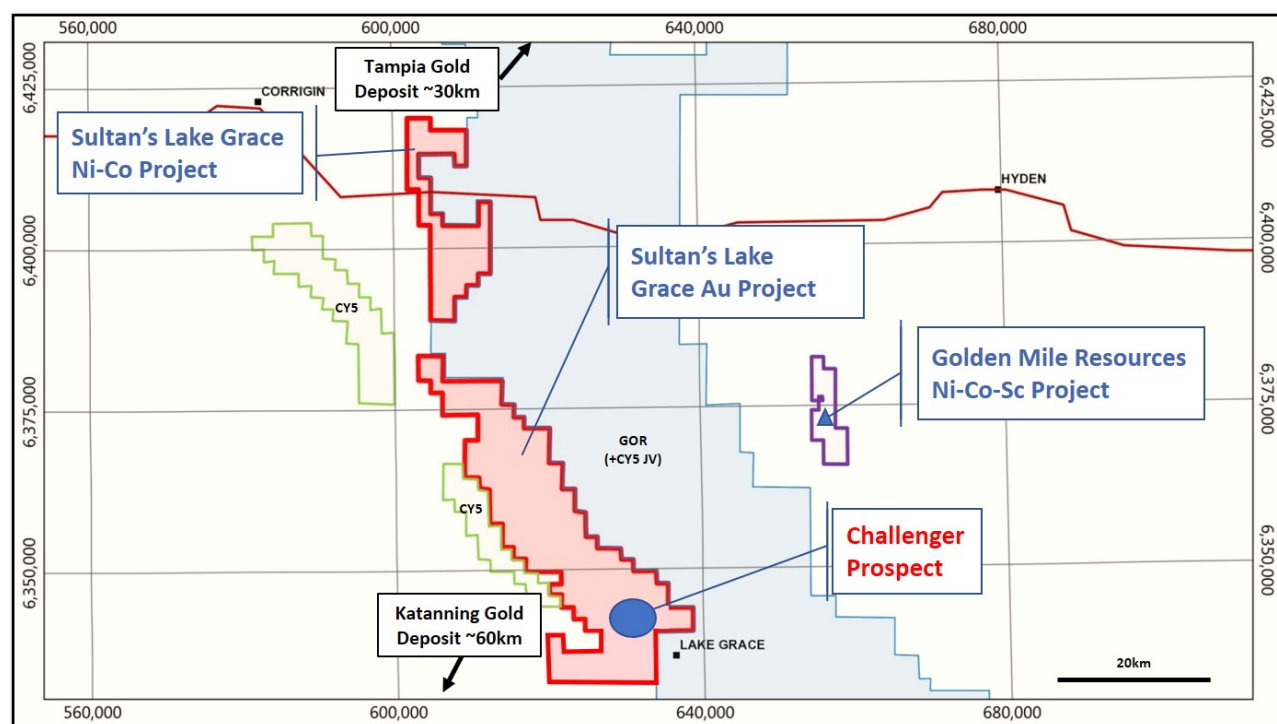


Figure 1: Sultan's Lake Grace Project showing the location of the Challenge Prospect (blue dot)

## Challenger Prospect – Lake Grace

The Lake Grace Project lies in the eastern wheatbelt, approximately 250km east-southeast of Perth. The Project comprises five tenements covering an area of approximately 690km<sup>2</sup> and has been subject to sporadic exploration with the most focussed efforts completed by North during the 1990s<sup>1</sup>. This work uncovered a series of gold anomalies related to mafic granulites over a northwest-trending zone striking for approximately 17km. The most prominent of these zones is the Challenger Prospect, where aircore drilling defined a 1km long, greater-than 0.1g/t Au near-surface gold anomaly (significant intersection included in Table 1 and Figures 2 & 3, below).

North followed up the aircore program with two deeper, angled diamond holes beneath the centre of the aircore anomaly. Both holes intersected broad thicknesses of gold anomalous mafic granulites containing distinct higher-grade zones within the package. Significant intersections from the drilling are included in Table 1 and Figure 3, below.

Table 1: Challenger Prospect: significant gold results from historical aircore and diamond drilling<sup>1</sup>

Hole	From	Width	Au g/t	Hole Type
LGA22	20	4	0.14	Vertical Aircore
LGA31	28	8	0.62	Vertical Aircore
LGA16	24	8	0.37	Vertical Aircore
LGA36	28	12	0.81	Vertical Aircore
incl	28	4	2.1	Vertical Aircore
LGA15	20	15	0.49	Vertical Aircore
incl	20	4	1.4	



Hole	From	Width	Au g/t	Hole Type
LGA176	48	2	0.15	Vertical Aircore
LGA183	48	19	0.24	Vertical Aircore
LGA175	20	32	0.22	Vertical Aircore
LGA8	40	4	0.11	Vertical Aircore
LGA9	32	16	0.35	Vertical Aircore
incl	32	4	0.93	
LGD1	26	4	0.5	Angled Diamond
	56	11	0.68	
incl.	56	3	1.77	
LGD2	93	16	0.6	Angled Diamond
incl.	94	1	6.32	
incl.	108	1	1.22	

The mineralisation is hosted in sulphidic bands within the mafic granulites and is interpreted to be broadly similar in nature to that occurring at the nearby 695koz Tampia Gold Deposit<sup>2,4</sup> (resource details in Appendix 1) and 1Moz Katanning Gold Deposit<sup>3</sup> (resource details in Appendix 1). Both Explaurum<sup>2</sup> and Ausgold<sup>3</sup> have noted that high-grade gold occurs in lodes or shoots and develops coincident with dilatant zones associated with strong deformation. The Challenger prospect is associated with a circular magnetic feature that possibly represents deformed stratigraphy and the drill program is designed to test the structure of the mafic granulite down dip and along strike beneath the entire length of the surface gold anomaly.

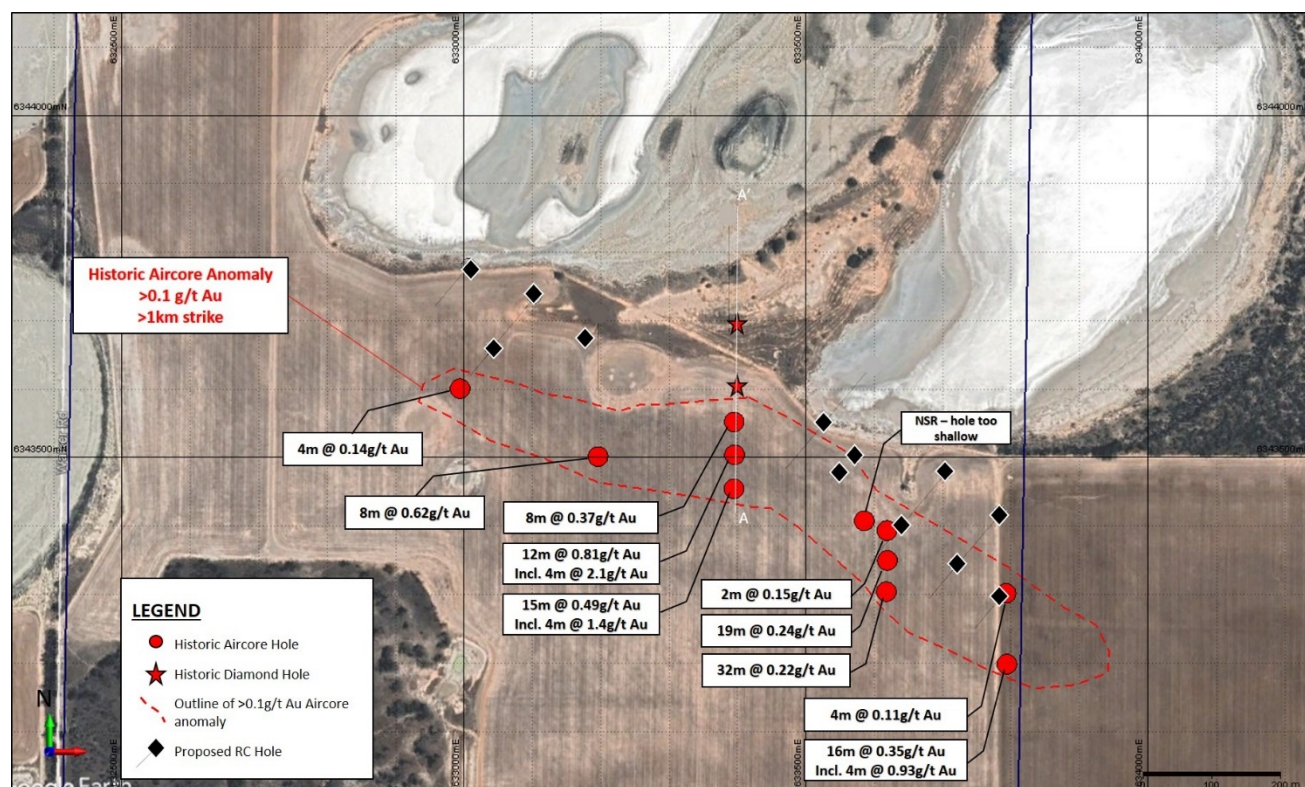


Figure 2: Plan view of the Challenger Prospect showing historic drilling (red spots or stars) and significant intersections that define the large surface gold anomaly (red dashed outline). Black diamonds denote the collar positions of Sultan's planned RC program



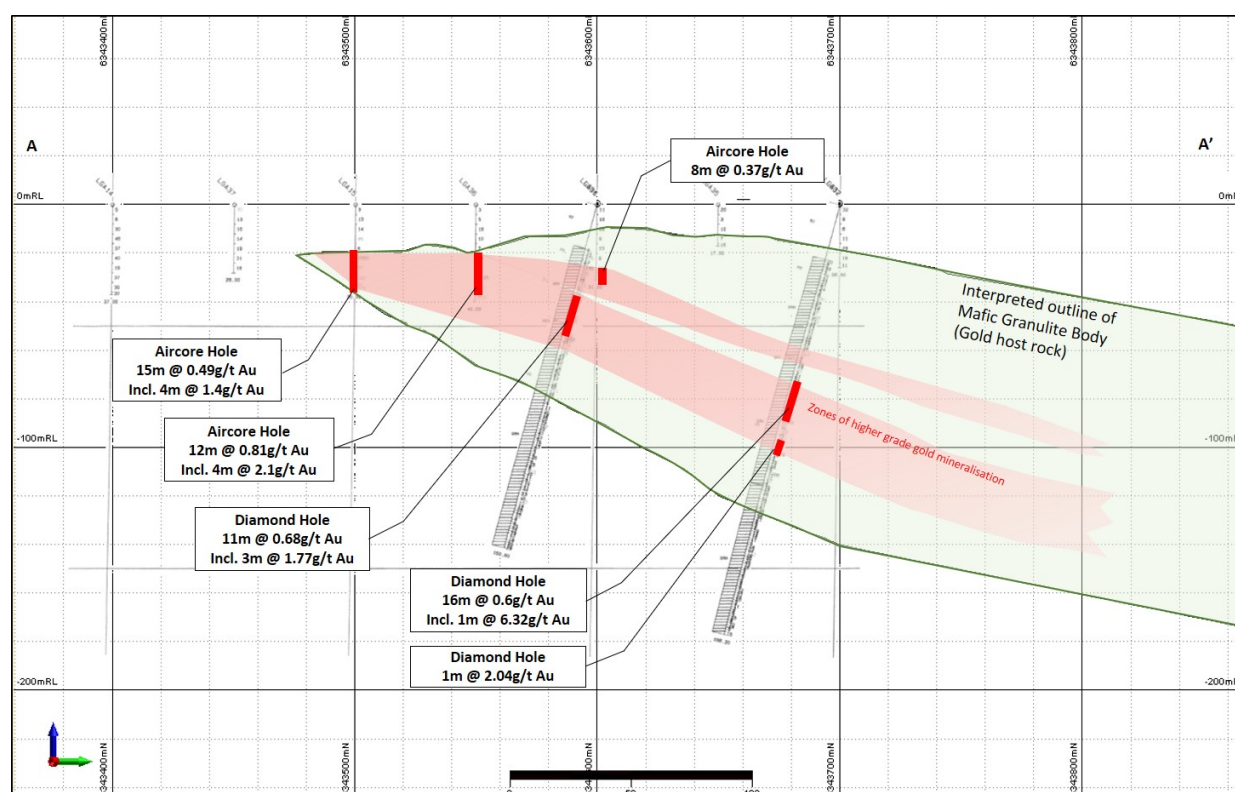


Figure 3: Cross section, looking west, through the centre of the gold anomaly showing the two historic angled diamond holes and location of significant intersections that define higher grade gold zones<sup>1</sup>

### Challenger Prospect - Exploration Potential

Based on the historic exploration results by North, Sultan believes that potential exists for a sizeable accumulation of gold at Challenger. Aircore and limited diamond drilling have defined a gold-mineralised sequence of mafic granulite rocks that appear similar in nature to those that host large moderate grade gold deposits nearby at Tampia<sup>2,4</sup> (12.1Mt @ 1.8g/t for 695koz – Appendix 1) and Katanning<sup>3</sup> (25.1Mt @ 1.29g/t for 1.04Mt – Appendix 1).

At surface, the >0.1 g/t Au anomalous mafic granulite extends for approximately 1km and is up to 150m wide. At depth, diamond drilling has shown the anomalous granulites to be up to and over 100m thick and to extend along a shallow dip for at least 200m. The granulite package is consistently anomalous in gold content and is open in all directions.

Elevated gold grades occur within the gold-anomalous package in narrower, often sulphidic bands and that can contain grades across several metres well in excess of 1g/t Au<sup>1</sup>. Individual assay results across 1m intervals have returned values as high as **34 g/t Au<sup>1</sup>**(repeat assay). The mafic granulites are open at depth and along strike though gold potential beyond the extent of the existing drilling is unknown. High-grade gold occurs in shoots at both Katanning<sup>3</sup> and Tampia<sup>2</sup> coincident with well-developed cleavage where gold-mineralised granulites are strongly deformed or folded. The geometry of the Challenger granulites is unknown at this stage and understanding this is one of the objectives of the current drill program.

Sultan believes, given the evident volume of gold anomalous mafic granulites and presence of higher-grade zones within the package, that high potential exists for the discovery of a significant gold deposit at the prospect. The current drill program has been designed to collect geology and assay data from across the



known extent of gold anomalism and, if results warrant, will allow the Company to model the mineralisation and calculate an Exploration Target range to guide future exploration programs.

### **Land Access**

The entire Lake Grace Project area is situated in the wheatbelt district of southern Western Australia, with most of the licences located on privately-owned farmland. Individual Landowner Access agreements are required to secure surface access rights to the land and the Company has focussed on gaining access to the Challenger Prospect as a high priority. Explorers have not had access to this ground since 1995 yet Sultan, through a respectful, open and honest approach with the local community and individual landowners, has successfully negotiated access to this important piece of land. The Company looks forward to continuing positive negotiations with landowners and establishing itself as an important, contributing member of the local community.

Sultan Resources will continue to provide ongoing updates as it progresses exploration at the highly prospective Lake Grace Project.

### **Board Changes**

The Company is pleased to announce that Mr David Lees has been appointed as a non-executive director of the Company. Information on Mr David Lees is set out below.

Existing board members, Mr Ariel Edward King (Eddie King) and Mr Lincoln Ho, shall resign as directors of SLZ, facilitating a more streamlined corporate structure. The board would like to thank both for their service to the Company, particularly through the IPO process which the Company undertook in 2018.

#### ***Mr David Lees***

*Mr Lees David has over 16 years' experience in the Australian financial services industry starting his career as a stockbroker before moving into investment and funds management. These roles have given David extensive experience with capital raising, business development, portfolio management, business relationships and corporate governance.*

*Most recently David has worked in the private sector driving his business from product conception through to design, development, manufacturing and international retail sales. David's education qualifications include a Bachelor of Economics and post graduate diploma in Applied Finance and Investment.*

For further information contact:

#### **Managing Director**

Steve Groves

[info@sultanresources.com.au](mailto:info@sultanresources.com.au)

#### **Investor Relations**

Peter Taylor

[Peter@nwrcommunications.com.au](mailto:Peter@nwrcommunications.com.au)

0412 036 231

**References:**

- 1 North Limited - Public Company Report A45226: "Final Report on Exploration Licences E70/1367 & E70/1368" August 1995
- 2 Explaurum Limited – Company Presentation: "Unlocking Wheatbelt Gold", 03/08/2018
- 3 Ausgold Limited – ASX Release: "Katanning Gold Project Resource expanded to 1.04 million ounces" 26/11/2018
- 4 Explaurum Limited – ASX Release: "Independent Expert's Report" 17/01/2019

**Competent Persons Statement**

The information in this report that relates to Exploration Targets and Exploration Results is based on historical exploration information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves is Managing Director and a full-time employee of Sultan Resources Limited. Mr Groves 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 the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information announced to the market by Explaurum Limited on 17 January 2019 (Tampia) and Ausgold Limited on 26 November 2018 (Katanning). Sultan confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

**About Sultan Resources**

Sultan Resources is a West Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Gold Road Resources, Sandfire Resources and Lodestar Minerals. Sultan's tenement portfolio includes prospective targets for gold, Nickel, Cobalt and base metals and include tenements at Thaduna, Lake Grace, East Tallering and Dawallinu, all located within the southern terrane region of the Yilgarn Craton in south and south eastern Western Australia. Sultan's board and management strategy is for a methodical approach to exploration across the prospects in order to discover gold and base metals that may be delineated via modern exploration techniques and exploited for the benefit of the company and its shareholders.

**Appendix 1: Details of nearby, publicly reported gold resources referred to in this document**

Katanning - Ausgold Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
2,068,200	2.15	142,890	8,287,500	1.28	340,320	14,739,800	1.17	555,750	25,095,500	1.29	1,038,960
Ausgold Limited ASX Release: "Katanning Gold Project Resource expanded to 1.04 million ounces" 26/11/2018											
Tampia - Explaurum Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
-	-	-	9,800,000	1.8	580,000	2,000,000	1.6	90	11,700,000	1.8	675,000
Mace - Explaurum Limited											
Measured			Indicated			Inferred			Total		
Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au	Tonnes	Grade g/t Au	Ounces Au
-	-	-	-	-	-	400,000	1.4	20,000	400,000	1.4	20,000
Explaurum Limited ASX Release: "Independent Expert's Report" 17/01/2019											



## Appendix 2: JORC Code, 2012 Edition Table 1 - Lake Grace Project

### Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Comment
<b>Sampling techniques</b>	<input type="checkbox"/> 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.	<p>All sampling referred to is historic – Sultan has undertaken no ground exploration programs at Lake Grace</p> <p><b>North Limited (A45226):</b> 3815 soils 100m spacings on 400m line spacing 2kg -4mm. 3236m in 89 vertical RAB holes on 100m centres x 400 m spaced lines across anomalous zones, 3647m in 183 vertical aircore holes on 100m centres x 400m spaced lines across anomalous zones and 338.9m in 2 diamond holes.</p>
	<input type="checkbox"/> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	No comments made
	<input type="checkbox"/> Aspects of the determination of mineralisation that are Material to the Public Report. 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.	<p>Standard exploration and sampling practices used by Noth were consistent with exploration practices at the time.</p> <p>Other than these general remarks the author is not able to comment further.</p>
<b>Drilling techniques</b>	<input type="checkbox"/> 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).	<p>Rab Aircore, RC and Diamond holes have been drilled at the project</p> <p><b>North Limited (A45226):</b> 3236m in 89 vertical RAB holes, 3647m in 183 aircore holes and 338.9m in 2 diamond holes inclined -70° @ 225°.</p>
<b>Drill sample recovery</b>	<input type="checkbox"/> Method of recording and assessing core and chip sample recoveries and results assessed.	<p>Older drilling logged on paper with no assessment made of the recoveries with the results.</p> <p><b>North Limited (A45226):</b> Diamond holes were oriented and geologically logged. Holes sampled through their entire length in 1 m intervals. RAB/Aircore drilling were sampled as 2m intervals and composited over 4 m. Samples were hand mixed and then 2kg grab sampled</p>
	<input type="checkbox"/> Measures taken to maximise sample recovery and ensure representative nature of the samples.	No comments identified in any report Most drilling vertical holes on drill grids designed perpendicular to the regional grain. Actual sampling methods off rigs not outlined
	<input type="checkbox"/> 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.	Insufficient information exists that would allow the author to draw a conclusion.
<b>Logging</b>	<input type="checkbox"/> 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.	All holes have been lithologically logged through their development length. None of the work is of sufficient quality or density to support resource estimation.
	<input type="checkbox"/> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	The reviewed exploration drilling is qualitative. Quantitative work is limited to two diamond holes drilled by Norths in E70/5081.



Criteria	JORC Code explanation	Comment
	<input type="checkbox"/> The total length and percentage of the relevant intersections logged.	The holes were all logged through the length of their development.
<b>Sub-sampling techniques and sample preparation</b>	<input type="checkbox"/> If core, whether cut or sawn and whether quarter, half or all core taken.	<b>North Limited (A45226):</b> Core was half cut and sampled in 1 m increments.
	<input type="checkbox"/> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	<b>North Limited (A45226):</b> RAB/Aircore sampled as 2m intervals and composited over 4 m. Samples were hand mixed and then 2kg grab sampled
	<input type="checkbox"/> For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Standard procedures adopted by all companies: Pulverised, single stage mix and grind mill then subsampling for analysis.
	<input type="checkbox"/> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	North Limited ran duplicates at around 1 in 20 samples for their aircore/RAB drilling, otherwise most work dependent on the standard laboratory cross checks.
	<input type="checkbox"/> 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.	No comments identified
	<input type="checkbox"/> Whether sample sizes are appropriate to the grain size of the material being sampled.	No comments identified
<b>Quality of assay data and laboratory tests</b>	<input type="checkbox"/> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	Appropriate analytical methods used for most sampling. <b>North Limited (A45226):</b> Soil assay's gold only to ppb levels no method documented. RAB gold only ppb level with no method documented. Diamond drill samples submitted to Genalysis Au-B/ETA, V, Cr, Mn, Fe%, Co, Ni, all ppm bar Fe by B/AAS.
	<input type="checkbox"/> 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.	No use identified
	<input type="checkbox"/> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Norths Limited used duplicates inserted at the rate of ~1 in 20 to control RAB and aircore drilling. No other QAQC procedures other than the standard laboratory check analyses were identified
<b>Verification of sampling and assaying</b>	<input type="checkbox"/> The verification of significant intersections by either independent or alternative company personnel.	Several companies have reviewed the previous exploration efforts of their predecessors, such as Magnetic Resources who reviewed the work of Norths and Sabre.
	<input type="checkbox"/> The use of twinned holes.	None identified, work is early stage
	<input type="checkbox"/> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	No such protocols identified. Logs mainly paper logs.
	<input type="checkbox"/> Discuss any adjustment to assay data.	No adjustments made to data
<b>Location of data points</b>	<input type="checkbox"/> 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.	Most drill holes picked by DGPS or GPS. No mineral resource estimates performed.





Criteria	JORC Code explanation	Comment
	<input type="checkbox"/> Specification of the grid system used.	Local grids were used to control exploration in all areas, which were subsequently picked and converted to initially MGA84 and more recently MGA94.
	<input type="checkbox"/> Quality and adequacy of topographic control.	Topographic control received through DGPS or GPS
<b>Data spacing and distribution</b>	<input type="checkbox"/> Data spacing for reporting of Exploration Results.	Most of the exploited grid were at 400 m line spacing or controlled by road and fenceline access to properties at a minimum of 200m spacing but mostly coarser.
	<input type="checkbox"/> 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.	The exploration effort is too early stage to be concerned with resource estimation.
	<input type="checkbox"/> Whether sample compositing has been applied.	Most exploration RAB and aircore holes were sampled as 3 or 4 m composites. Some holes were drilled in two intervals and then composited over 4m.
<b>Orientation of data in relation to geological structure</b>	<input type="checkbox"/> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Most exploration grids were optimally aligned to the geology
	<input type="checkbox"/> 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.	Too early stage to consider as the majority of the drill work is reconnaissance. Inclined/targeted holes are optimally positioned to minimise any biases.
<b>Sample security</b>	<input type="checkbox"/> The measures taken to ensure sample security.	No measures identified in any of the reports.
<b>Audits or reviews</b>	<input type="checkbox"/> The results of any audits or reviews of sampling techniques and data.	No audits identified

## Section 2: Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	· 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.	The Lake Grace Project lies in the eastern wheatbelt, approximately 250km east-southeast of Perth. The Project comprises five Exploration Licences (70/5081, 70/5082, 70/5085, 70/5095 and 70/5179) covering an area of approximately 690km <sup>2</sup> over or near the prospective Yandina Shear Zone which is known to host gold mineralisation elsewhere in the Southwest Terrane. All licences are held 100% by Sultan Resources The Lake Grace tenements are subject to Native Title Claim by the Ballardong People (WAD6181/1998). The North Tarin Rock Nature Reserve has a trivial impact the western margin E70/5081.
	· 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.	Sultan is the 100% owner of the five exploration licences and has the subsurface rights to the ground. Individual land owner access agreements must be negotiated to obtain surface rights and to allow on the ground exploration programs. Access may be restricted at certain times due to competing land use with private landowners i.e. cropping



Criteria	JORC Code explanation	Commentary
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	Previous exploration over the Lake Grace applications has been limited. Work reported was generally generative in nature and at a reconnaissance level.
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	The Project lies in the Lake Grace Domain of the Southwest Terrane. It is comprised of granulite facies granitic gneisses, gneissic remnants of greenstone belts, charnockitic granites and post-tectonic granites. The greenstone rock sequences are metamorphosed to high-grade upper amphibolite to granulite facies. Structurally-controlled gold mineralisation occurs broadly as multiple, well-defined stacked elongate to ellipsoidal lodes that vary in size from 1-10 m thick, 50-150 m wide (east-west) and 50-200 m long (north-south) that have undergone post-mineralisation deformation. The gneissic package dips between 35° to 40° to the southeast and strikes 040°. The host rocks form an open synform that plunges 30° toward 120°.
<b>Drill hole Information</b>	<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>easting 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>	Most exploration is of a reconnaissance level, with shallow RAB or aircore geochemical drilling testing of soil geochemical anomalies
		Local grids were used to control most early exploration (pre-1990's). These have been converted to MGA94 in most circumstances. Norths used DGPS to control local grid pattern drilling
		DGPS/GPS were used for most drilling. Assumed datums were used on the older work.
		Almost all RAB and Aircore holes were drilled vertically. Diamond were inclined at 70° towards 225°.
		Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. Interception depth is the distance down the hole as measured along the drill trace. Intersection width is the downhole distance of an intersection as measured along the drill trace.
		Hole length is the distance from the surface to the end of the hole, as measured along the drill trace.
		The reported work is not that of the company and much is drawn from the public reports which are under compilation. The results are informative and guiding only, as the opportunity remains early stage with the associated risks.
<b>Data aggregation methods</b>	<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> </ul>	Given most exploration is at an early stage the reported levels of anomalous gold is appropriate, especially as the property covers rocks of a higher metamorphic grade and little is known or reported on what constitutes a significant value verses what is background for such environments.



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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> </ul>	Intercepts are reported directly and averaged over the width of the intersection, as per standard practice. The work remains very early stage and is not suitable for resource estimation.
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	No metal equivalents used in the report
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	The target type geometries for gold mineralisation are just becoming understood. The historical drilling results should be reviewed in light of this new understanding. The nature of the mineralisation is thin but commonly stacked and the drilling intercepts in numerous RAB and aircore holes seem to reflect this, but it requires validation.
	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	Any returned drill intercept is mostly highly anomalous and the significance to mineralisation is yet to be established at the existing drill densities.
	<ul style="list-style-type: none"> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	All intercepts are downhole lengths in all holes as the drilling density remains too coarse for any alternative interpretation.
<b>Diagrams</b>	<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>	<p>Appropriate maps are present within the report. The discussed drilling intersections are to provide the reader with a feel for the prospectivity of this early stage project.</p> <p>Gold mineralisation has been intersected in several holes but these holes exist in widely spaced drilling grids, so exploration remains in its infancy, with only a few more mature exploration programs completed by Norths Limited for example.</p>
<b>Balanced reporting</b>	<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>	The project remains very early stage, where widespread anomalism has been returned in a multitude of sample media using differing sampling techniques including drilling. The sampling density is sufficient to determine the prospectivity but to also indicate how early stage the project is.
<b>Other substantive exploration data</b>	<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>	Geophysical surveys including magnetics and induced polarisation is available over some parts of the project area.
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> </ul>	Compilation of a cohesive digital database including all historical drilling, surface sampling, mapping (geological and regolith), and geophysical information. Exploration drilling at the Challenger Prospect, ground and airborne geophysical surveying



Criteria	JORC Code explanation	Commentary
		and further reconnaissance exploration (soil sampling, mapping etc) on conceptual targets to generate further drill targets
	<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>	This information will be developed and released over time, as the work programs are developed and initiated, and improved sampling density provides for improved interpretation.