

ASX & Media Release

5 September 2018

ASX Symbol

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Issued Capital

Fully Paid Ordinary Shares
104,990,413

*Unlisted options
exercisable at \$0.25*
12,310,022

*Directors/Employee
Performance Rights*
2,990,000

ABN 30 614 289 342

Exceptional gold-silver rock chip results Black Bullock Prospect, NSW

Regional evaluation of Ardea's 100%-owned NSW project highlights strong results in a historic mining area with drill targets defined

- First-pass rock chip sampling at the historic Black Bullock mining area (Wiseman's Creek EL8554) records exceptional assay results:
 - o Up to 38 g/t gold and 348 g/t silver.
 - o Significant samples have greater than 1 g/t gold.
 - o Several centres of workings located, largely obscured by soil cover and pine plantations.
- Historic mining area with high-grade epithermal gold-silver-lead mineralised pyritic deposits at Black Bullock:
 - o 4-5 years operation (1899-1902, 1905).
 - o Mining records show annual production up to 1,960 tpa (1902) containing up to 26.0 g/t gold (1905) and up to 540 g/t silver (1899), grades suggest epithermal system.
 - o Mined to a maximum depth of 40 m only
 - o Workings extend over 1000 m E-W and over 800 m N-S, with only extremities sampled by Ardea to date.
- Northwest/southeast trend of mineralisation coincides with anomalous geophysical trends extending ~6.5 km.
- Ardea's first-pass success combined with considerable upside for strike and depth extension support additional exploration to define the potential of the Black Bullock Project.
- New management appointments to oversee advancement of Ardea's NSW assets.

Initial rock chip sampling results from Ardea's Wisemans Creek Exploration licence EL8554 covering the Oberon gold and silver project in NSW have confirmed high-grade results from historic gold workings. Epithermal style mineralisation is present at the Black Bullock mine site. Reconnaissance rock chip sampling of poorly exposed mineralised rock and float material from the historic mining area has recorded assay results of up to **38 g/t gold** and **348 g/t silver**. These results are highly encouraging and support further exploration to fully define the extent of the mineralisation at Black Bullock.

Rock chip results from the Black Bullock area, Oberon Project

Twenty-eight rock chip samples were collected from the Black Bullock mining area as part of Ardea's ongoing regional assessment of its NSW projects. The Black Bullock mining area is home to historic small-scale mining of high-grade epithermal gold-silver mineralisation. The mining area was active around the start of the 20th Century.

Outcrop is limited, so sampling has been restricted to 3 centres where historic workings are recognised. Of the 28 samples collected, 7 of the samples contain in excess of 1 g/t gold. The sample with the highest values of 38 g/t gold and 348 g/t silver was collected from the southern workings which seem to have been the focus of much of the historic mining. Such results are consistent with historic grades mined at Black Bullock and this surface reconnaissance spatially reconciles the high-grade sample result with historic workings. As a result, a more focused sample program will be conducted in the near future.

*Table 1 – Assay results from rock chip sampling from several sites at the Black Bullock mining area, Oberon Project.
All samples collected by Ardea Resources.*

Sample	UTM Zone 55 Easting	UTM Zone 55 Northing	Rock	Gold (g/t)	Silver (g/t)	Copper (%)	Lead (ppm)	Zinc (ppm)	Iron (%)	Arsenic (ppm)	Antimony (ppm)
Western workings											
WC0001	764529	6274216	Iron-altered siliceous felsic volcanic rock	1.76	9.00	0.006	2,370	30	1.25	3,780	208
WC0002	764529	6274216	Iron-altered siliceous felsic volcanic rock	0.05	4.48	0.003	621	9	1.42	2,860	63
WC0003	764529	6274216	Brecciated, altered siliceous felsic volcanic rock	4.67	1.95	0.069	2,790	725	9.76	6,340	452
WC0004	764531	6274269	Silica-altered felsic volcanic rock	4.15	8.09	0.017	21,500	58	2.59	10,000	567
WC0005	764536	6274284	Silica-altered felsic volcanic rock	3.74	24.70	0.025	19,950	62	1.84	10,000	480
WC0006	764510	6274093	Silica-altered felsic volcanic rock	0.10	0.40	0.003	185	24	2.54	294	22
WC0007	764510	6274093	Silica-altered felsic volcanic rock	0.33	9.15	0.006	3,220	56	1.39	3,340	470
WC0008	764488	6274080	Silica-altered felsic volcanic rock	2.73	17.25	0.007	1,865	51	3.48	3,490	50
WC0009	764471	6274053	Silica-altered and veined felsic volcanic rock	0.05	0.26	0.004	149	47	3.03	153	53
ARSS000028	764446	6274024	Gossanous siltstone, boxwork after pyrite	0.20	0.25	0.222	1,525	824	40.60	556	2,100
Northern workings											
WC0010	765464	6274053	Silica-altered and veined felsic volcanic rock	0.47	1.81	0.003	964	7	1.30	905	42
WC0011	765474	6274250	Silica-altered felsic volcanic rock	5.05	0.86	0.003	273	3	1.36	752	64
WC0012	765474	6274316	Silica-altered and veined felsic volcanic rock	0.26	0.21	0.002	37	3	1.21	353	22
WC0013	765513	6274319	Silica-altered felsic volcanic rock	0.08	0.32	0.001	39	9	1.31	151	11
WC0014	765444	6274311	Brecciated, altered siliceous felsic volcanic rock	0.20	0.73	0.004	146	5	1.58	288	13
WC0015	765440	6274291	Iron-stained quartz vein, remnant sulphide textures	0.33	0.70	0.006	92	2	1.78	330	11
WC0016	765440	6274291	Iron-altered siliceous felsic volcanic rock with pyrite	0.02	0.22	0.000	28	4	0.67	50	6
WC0017	765403	6274096	Silica-altered felsic volcanic rock	0.05	0.26	0.001	58	12	1.46	129	9
Southern workings											
ARSS000029	765322	6273605	Semi-massive pyrite adjacent to mine shaft	38.00	348.00	0.018	534	35	8.59	471	838
ARSS000040	765320	6273590	Silicified fine grained sediment.	0.02	0.11	0.001	9	53	1.56	4	2
ARSS000041	765320	6273590	Silicified fine grained sediment.	0.00	0.28	0.000	8	5	0.70	13	7
ARSS000042	765320	6273590	Mine dump grab sample.	0.01	0.11	0.001	13	25	1.37	7	3
ARSS000043	765320	6273590	Mine dump grab sample.	0.00	0.24	0.000	19	5	0.72	7	3
ARSS000044	765320	6273590	Mine dump grab sample.	0.19	0.41	0.001	37	5	0.85	472	48
ARSS000045	765320	6273590	Mine dump grab sample.	0.06	0.30	0.051	1,250	1060	41.30	1,020	497
ARSS000046	765320	6273590	Mine dump grab sample.	0.03	0.30	0.004	150	87	10.00	388	15
ARSS000047	765320	6273590	Mine dump grab sample.	0.62	0.96	0.003	268	89	3.71	117	25
ARSS000048	765320	6273590	Mine dump grab sample.	0.02	3.09	0.010	564	321	5.45	52	11

Note: 1) Samples ARSS000040-48 are from various waste piles at the southern workings at Black Bullock. Specific coordinates are not supplied for these samples as they are not *in situ*. Rather, the coordinates of a point central to the southern workings is supplied, with all samples collected within 40 m of this point. 2) Highly anomalous results for gold, silver, and lead are bolded and exceptional results for these metals **bolded and coloured** (i.e. gold > 1 g/t, silver > 10 g/t, lead > 1% (10,000 ppm)).

On-ground observations show a northwest/southeast trend to mineralised rocks and workings. The results of the reconnaissance rock chip sampling program represent the discovery of a significant mineralisation occurrence that will require follow-up investigation.

Black Bullock mining area

The historic Black Bullock mining area is located on Ardea's Wiseman's Creek project area centred on the township of Oberon, around 40 km southeast of Bathurst and 85 km ESE of the company's base in Orange.

The Black Bullock group of mines was discovered in 1894 and worked from 1899-1902 with subsequent minor mining during the first half of the 20th Century only. Publicly available historic records show that:

- Major minerals include gold, pyrite, galena, arsenopyrite, and quartz.
- All recorded mining was within 40 m of surface.
- Total production quoted at 4,775 tons at 23 g/t gold and 107 g/t silver¹
 - o 1902 production quoted at 1,961 tons at 24.1 g/t gold and 445 g/t silver²

Total production at Black Bullock is unclear. According to historical records, total quoted production is not the sum of the quoted annual production. It is likely that the total production represents total "stone raised" rather than ore processed, so grades are likely higher in the defined ore.

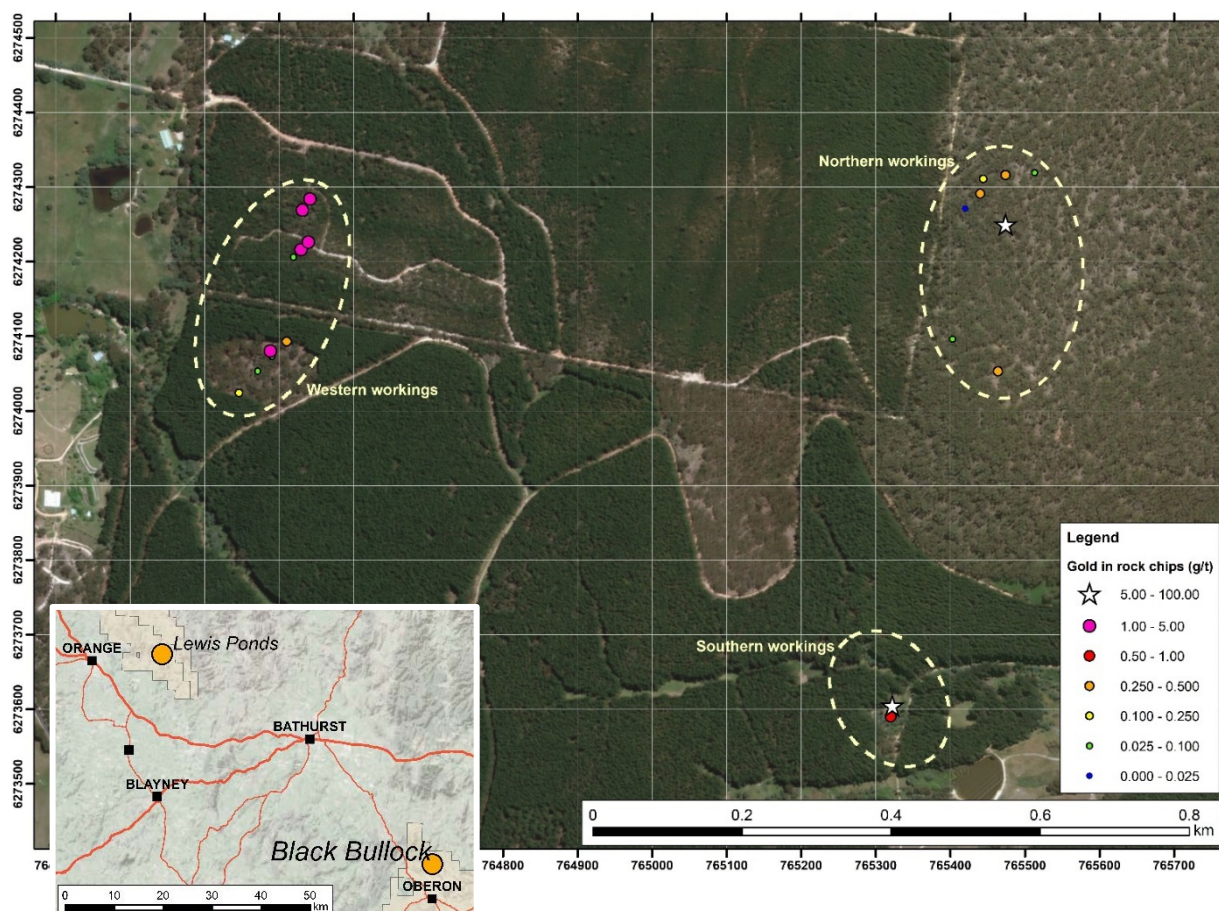


Figure 1 – Location of the rock chip sampling at Black Bullock, Oberon area, showing exceptional gold results.

¹ Quoted in Imperial values: 4700 long tons at 15 dwt/t gold and 3.5 oz/t silver. Source: DIGs Report D003173960, Pegum & Gibbons 1962 (search.geoscience.nsw.gov.au).

² Quoted in Imperial values: 1930 long tons to produce 1,520 oz gold and 28,037 oz silver. Source: DIGs Report D003173960, Black Bullock Mine Annual Report, 1902 (search.geoscience.nsw.gov.au).

Exposure at Black Bullock is poor, with very little outcrop beyond the extent of the workings. Indeed, the workings are greatly degraded and are covered by pine plantations, from which there have been several generations of harvest. This has resulted in near obliteration of the historic workings in some areas.



Figure 2 – Historic workings at Black Bullock (western workings) are obscured by pine plantations



Figure 3 – Former small open pit area, now infilled, at the Black Bullock southern workings.



Figure 4 – Historic shaft at the southern workings of Black Bullock.



Figure 5 – Historic costean at the southern workings

Geophysical response

Importantly, the Black Bullock mining area corresponds with a distinct geophysical anomaly. Paralleling the observed trends of mineralisation and historic workings, a distinct northwest/southeast trend is evident in regional geophysical datasets, extending up to 6.5 km. Several cross-structures appear to correspond to some of the workings.

Presently, the available geophysical datasets are regional-scale State-supplied low-resolution data. Higher resolution data may need to be acquired to fully define the exploration potential of Black Bullock.

NSW projects and development strategy

Ardea's West Australian and NSW gold programs are being run in parallel with the Company's Definitive Feasibility Study (DFS) programs at the flagship Goongarrie Nickel Cobalt Project (GNCP). A search for a strategic partner or group of partners is progressing, with the data-room being accessed and investigated by several parties.

Ardea's portfolio of projects in NSW incorporates zinc-gold-silver-lead-copper mineralisation exhibiting both VMS and epithermal affinities at Lewis Ponds, orogenic gold mineralisation at Ophir, Calarie, and Gundagai, epithermal gold-silver mineralisation at Oberon (Wiseman's Creek), Calula (Copper Hill East), and Mount Aubrey (formerly mined by BHP Gold). Porphyry-style mineralisation has been intercepted historically at Yeoval.

Ardea has appointed Sydney-based mining engineer and corporate finance specialist Mark Sykes to oversee the NSW portfolio of projects, with a view to defining options including the potential spin-out via an IPO. To this end, the Company has also recently appointed Johan Lambrechts to manage the NSW operations including defining a new resource for the Lewis Ponds Project and to oversee day-to-day running and assessment of the NSW regional tenure.

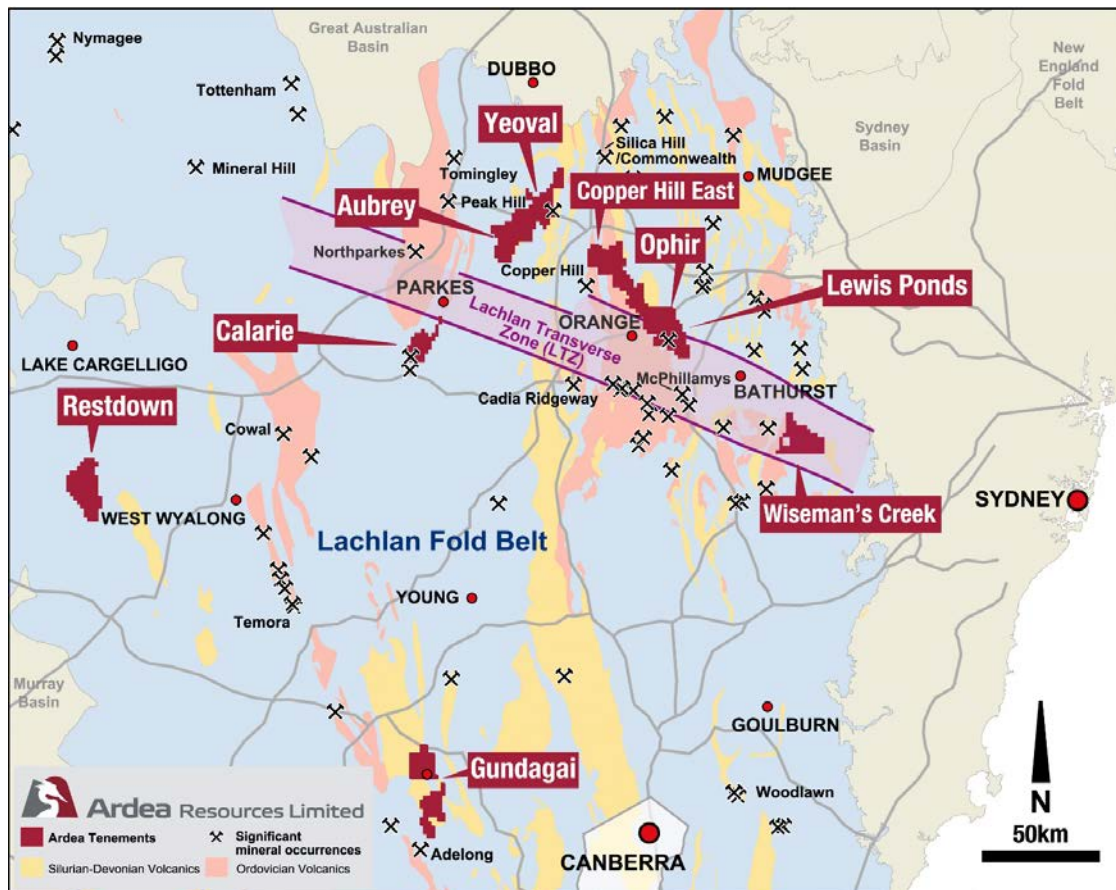


Figure 6 – Ardea's projects in the highly prospective Lachlan Fold Belt of NSW

For further information regarding Ardea, please visit www.ardearesources.com.au or contact:

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COMPLIANCE STATEMENT (JORC 2012)

A competent person's statement for the purposes of Listing Rule 5.22 has previously been announced by the Company for:

1. Kalgoorlie Nickel Project on 21 October 2013 and 31 July 2014, October 2016, 2016 Heron Resources Annual Report and Ardea Second Supplementary Prospectus, 6 January 2017;
2. KNP Cobalt Zone Study on 7 August 2017.

The Company confirms that it is not aware of any new information or data that materially affects information included in previous announcements, and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. All projects are subject to new work programs, notably drilling, metallurgy and JORC Code 2012 resource estimation as applicable.

The information in this report that relates to Exploration Results for the Black Bullock Gold-Silver Project is based on information originally compiled by previous and current full time employees of Ardea Resources Limited. The Exploration Results and data collection processes have been reviewed, verified and re-interpreted by Dr Matthew Painter, who is a Member of the Australian Institute of Geoscientists. Dr Painter has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the exploration activities 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'. Dr Painter consents to the inclusion in this report of the matters based on his information in the form and context that it appears.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this news release.

This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and amount of funding required to execute the Company's programs, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expect", "intend", "may" and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information.

Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.

Appendix 1 – JORC Code, 2012 Edition, Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- 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. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report.	- Rock chip samples are collected from outcrop, float, or other exposure. Samples are clear of organic matter. - These sampling methods are standard industry methods and are believed to provide acceptably representative samples for the type of mineralisation encountered.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details.	Not applicable.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Not applicable.
Logging	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.	Not applicable.
Sub-sampling techniques and sample preparation	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	- All core and rock chip samples are crushed then pulverised in a ring pulveriser (LM5) to a nominal 90% passing 75 micron. An approximately 250g pulp sub-sample is taken from the large sample and residual material stored. - A quartz flush (approximately 0.5 kilogram of white, medium-grained sand) is put through the LM5 pulveriser prior to each new batch of samples. A number of quartz flushes are also put through the pulveriser after each massive sulphide sample to ensure the bowl is clean prior to the next sample being processed. A selection of this pulverised quartz flush material is then analysed and reported by the lab to gauge the potential level of contamination that may be carried through from one sample to the next.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - 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.	- Sample preparation and assaying is being conducted through ALS Laboratories, Orange, NSW with certain final analysis of pulps being undertaken at the ALS Laboratory in Brisbane QLD. - Gold is determined by 30g fire assay fusion with ICP-AES analysis to 1ppb LLD. - Other elements by mixed acid digestion followed by ICP-AES analysis. - Laboratory quality control standards (blanks, standards and duplicates) are inserted at a rate of 5 per 35 samples for ICP work.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	- The verification of significant intersections by either independent or alternative company personnel. - Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. - Discuss any adjustment to assay data.	- An internal review of results was undertaken by Company personnel. No independent verification was undertaken at this stage. - All field and laboratory data has been entered into an industry standard database using a contract database administrator (DBA) in the Company's Perth office. Validation of both the field and laboratory data is undertaken prior to final acceptance and reporting of the data. - Quality control samples from both the Company and the Laboratory are assessed by the DBA and reported to the Company geologists for verification. All assay data must pass this data verification and quality control process before being reported.
Location of data points	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.	Not applicable.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - 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. - Whether sample compositing has been applied.	Not applicable.
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Not applicable.
Sample security	The measures taken to ensure sample security.	Samples are being secured in green plastic bags and are transported to the ALS laboratory in Orange, NSW via a courier service or with Company personnel/contractors.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	A review and assessment of the laboratory procedures was undertaken by Company personnel in late 2016.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	- 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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- The Black Bullock project is located 85km east-southeast of the city of Orange, central New South Wales, and has an elevation between 1,100 m and 1,200 m above sea-level. - The exploration rights to the project are owned 100% by the Ardea Resources through the granted exploration licence EL8554.

Criteria	JORC Code explanation	Commentary
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	- A private mining operation was undertaken between 1899 and 1905. Exploration in the area has been limited. - The Wiseman's Creek area was held as EL2098 by Windsor Resources during the 1980s and was part of a JV arrangement, which saw a total of 80 RC and three diamond holes drilled between the years 1985 - 1989. In Windsor's 1988 Annual Operations report, the major historic gold mine production was noted as being from Black Bullock Mine, reporting production of some 40,000oz of silver and 2,098oz of gold from 4,700 tonnes of ore (at an average grade of 14g/t gold). Three main areas of interest were identified, some within State Forest and some on freehold land.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralization.</i>	- Mineralisation has been reported as predominantly associated with silicified zones with epithermal textures such as open-space filling in quartz veins, quartz vein breccias, chalcedonic silicification and colloform banding. The units strike NW and dip steeply eastwards. - Ardea confirms that observations to date are consistent with previous observations but no attempt has been made to independently assess mineralisation style at this stage.
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i>	- Historic drilling of 80 RC holes was undertaken by Windsor Resources. Full details of the program are yet to be collated and assessed. - No significant drilling information has been generated by Ardea at this stage.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	No grade aggregation, weighting, or cut-off methods were used for this announcement.
<i>Relationship between mineralization widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Early stage exploration means that these relationships are unknown. .
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	Maps incorporated into the announcement.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Results.</i>	All results of Ardea's reconnaissance rock chip sampling program have been reported..

Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Not applicable at this early stage of exploration.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Currently under assessment. Follow-up work is required, as mentioned in body of the announcement..