ASX CODE

AUC

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7 APRIL 2016

INITIAL RESULTS CONFIRM HIGH GRADE SHOOT EXTENSION AT KATANNING GOLD PROJECT– WHITE DAM

Highlights

- **Initial results confirm high grade gold intersected at White Dam with significant intersections including:**
  - **9m grading 8.15g/t Au (from 145m) *including* 4m grading 14.25 g/t Au (145m) in BSRC0705;**
  - **5m @ 4.44 g/t Au (from 148m) in BSRC0704**
- **Drilling results validate new exploration model at the Katanning Gold Project**
- **Mineralisation remains open down plunge at White Dam**
- **Further assay results expected in the coming weeks**
- **Air Core drilling ongoing within a ~10km radius of the mine targeting new discovery**

Ausgold Limited (ASX: AUC) ("Ausgold" or "the Company") would like to advise of the successful completion of the latest Reverse Circulation ("RC") drilling program at its wholly owned Katanning Gold Project ("KGP", **Figure 1**), with the first batch of laboratory results received.

Ausgold is pleased to announce that high grade gold has been intersected at White Dam, which confirms the extension of mineralisation at depth. The new results increase confidence in the predicted high grade zones and demonstrate the potential to significantly increase the size of the White Dam deposit (**Figure 2 and Figure 3**).

Mineralisation remains open down plunge, with drill holes completed to test the newly recognised potential for repetitions of mineralisation as well as down plunge extensions of high grade zones as predicted by the new exploration model (**Figure 3 and Figure 4**).

These results are anticipated to both extend the current boundaries of the Mineral Resource and to significantly increase the confidence of the current geological model.

The Company comments:
"The results of this program mark a significant milestone in the development of the KGP with the practical application of a new exploration model to target high grade gold and new discoveries. The intersection of mineralisation at depth and down plunge at White Dam demonstrates that the exploration model applied is sound and that Ausgold can confidently advance further drilling programs at the KGP."

Overview

The Katanning Gold Project ("KGP") is located 275 kilometres southeast of Perth and approximately 40km northeast from the wheat belt town of Katanning. Ausgold holds over 2,131 square kilometres and a dominant ground position in this relatively under-explored greenstone belt (**Figure 1**), an area highly prospective for Archaean gold deposits.

There is significant scope to incrementally increase the grade and size of the current Resource at the KGP. During 2015, Ausgold announced an updated Global Resource following extensive geological and mineralisation modelling, developed in accordance with the JORC 2012 Code (**Figure 2**, *Refer "Updated JORC Resource" ASX Announcement 21st October 2015*). The Mineral Resource is reported at a 0.5g/t Au cut-off grade and restricted to approximately 150 metres below surfaced and is estimated at 16.4 million tonnes at 1.21 g/t for a total of 637,330 contained ounces.

The KGP is a development Project with flagship deposits at Jinkas and Dingo representing potentially cash generating projects (*Refer "Scoping Study Katanning Gold Project" ASX Announcement 25th November 2015*). Ausgold endeavours to become an emerging Western Australian gold producer.

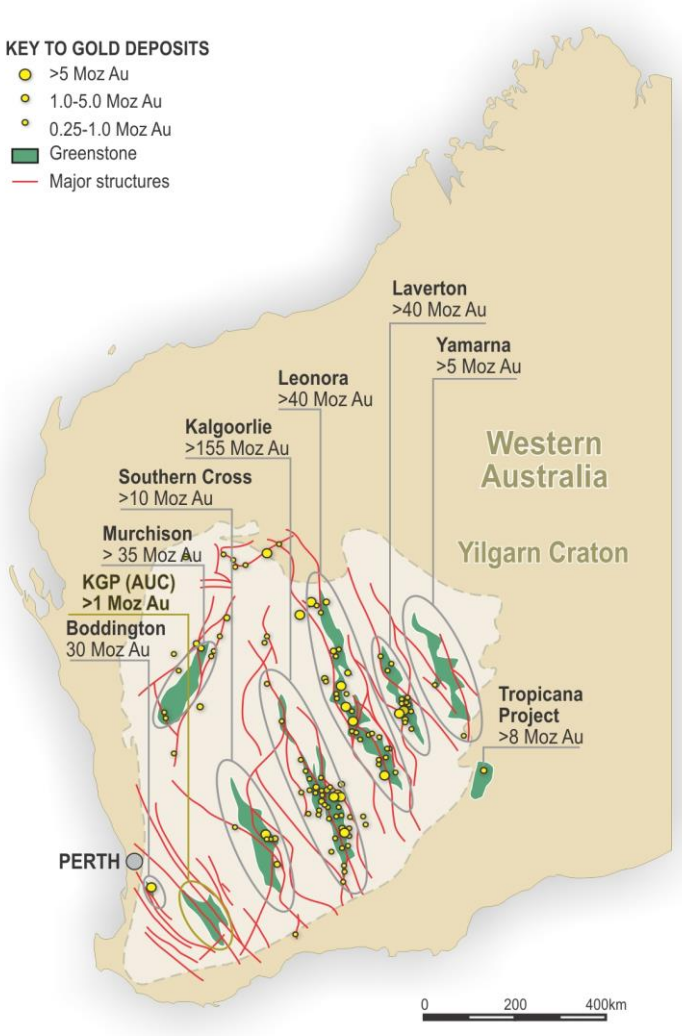

Figure 1. *Regional location map showing KGP, mineralised greenstone belts and major structures.*

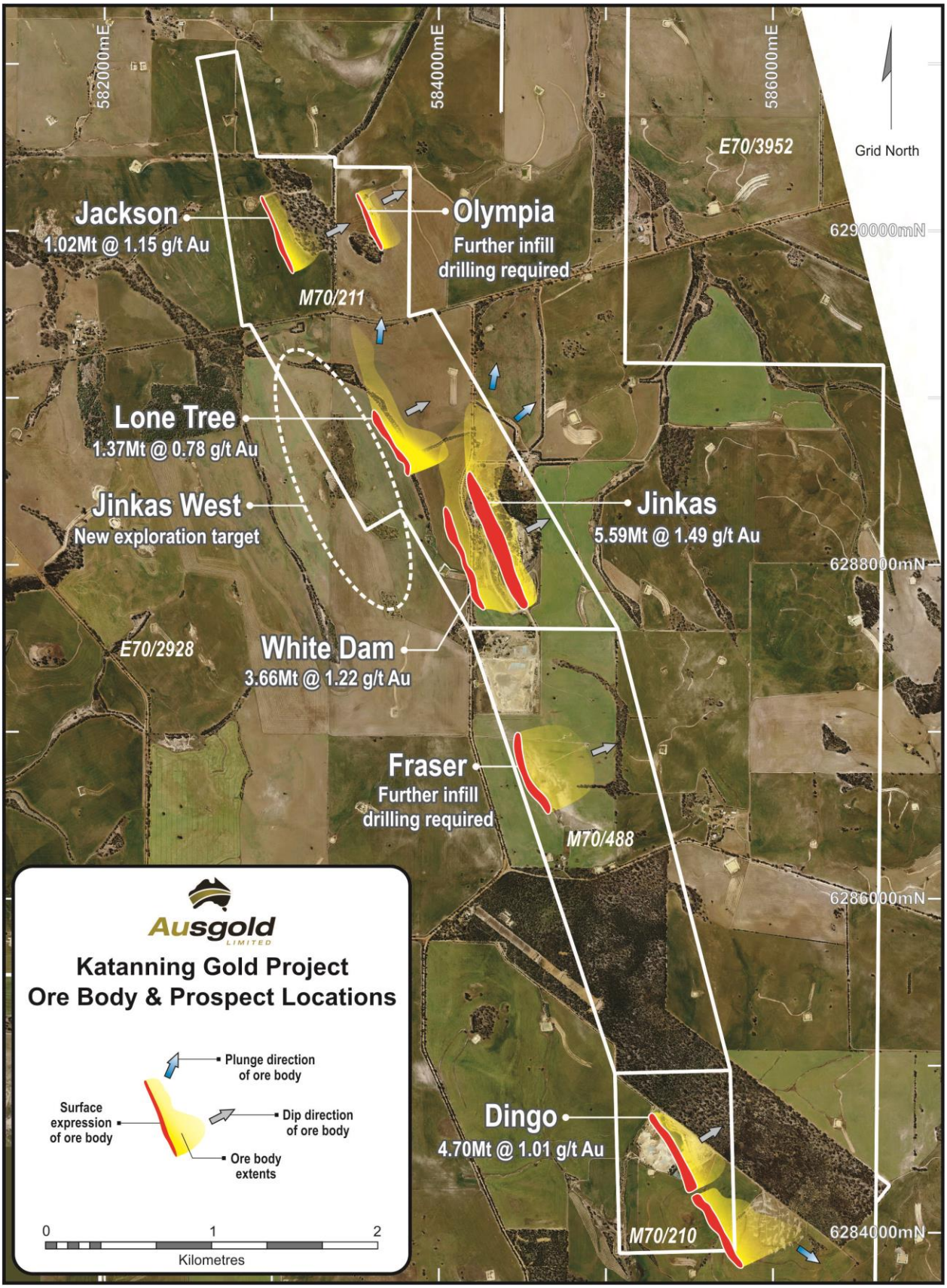

Figure 2. *Mineral Resource Locations at the KGP*

Exploration Model and Regional Targeting

Recent geological modelling and interpretation highlighted key factors that control mineralisation at the KGP. Significant improvement surrounding the understanding of controls on the location of mineralisation has opened up multiple new exploration spaces with significant exploration potential.

Mineral Resource Estimation revealing the overall distribution of gold grades at the KGP also emphasised the validity of the exploration model and highlighted the presence of apparent high grade shoots (**Figure 3 and Figure 5)**. Additional 3D modelling of the high grade shoots identified priority target zones for RC drill testing at White Dam, Jinkas, Jackson and Lone Tree.

RC Drilling Results and Observations

Ausgold successfully completed a RC drilling program with seven (7) drill holes intersecting the White Dam deposit, two (2) each intersecting Jinkas, Jackson and Lone Tree respectively (**see also Appendix 1 – Table 2**). Drilling successfully intersected down dip/plunge of newly recognised high grade shoot extensions at both White Dam and Jinkas. Extremely encouraging geological observations were made at Jackson with sulphide alteration observed over several meters (with massive sulphides over 1-2 metres). Assay results remain outstanding.

Several holes were optimally designed to infill areas of Jinkas and simultaneously test the down plunge continuation of the White Dam deposit (**Figure 5**).

Figure 3 shows a long section view and **Figure 4** shows a cross section view of the White Dam project highlighting gold grade distribution and the apparent shoot-like geometry of the high grade mineralisation. Recent and pending results are highlighted and results received to date are shown in Table 1.

White Dam mineralisation comprises two sub-parallel lodes located approximately 80m below the Jinkas lodes. The Main Lode has a defined strike length of 1.4km with an average thickness of approximately 5.5m. The Footwall Lode has a strike extent of 230m and an average thickness of approximately 2.6m. High grades, exist in shoot-like geometry that appear to be structurally controlled, occur over a 200m to 300m strike length.

Deposit	Hole ID	Northing*	Easting*	From (m)	To (m)	Interval (m)	Au (ppm)
White Dam	BSRC0705	6288131	584254	145	154	9	8.15
	Including			**145**	**150**	**5**	**14.25**
White Dam	BSRC0704	6288105	584401	148	153	5	4.44
Jinkas	BSRC0704	6288105	584401	40	49	9	1.11
Jinkas	BSRC0704	6288105	584401	53	56	3	6.57
Jinkas	BSRC0705	6288131	584254	50	54	4	2.53
White Dam	BSRC0703	6288061	584293	83	84	1	0.69
White Dam	BSRC0703	6288061	584293	93	94	1	0.62

Table 1. *Anomalous gold values received to date from RC drilling at the White Dam and Jinkas (*GDA 1994 MGA Zone 50)*

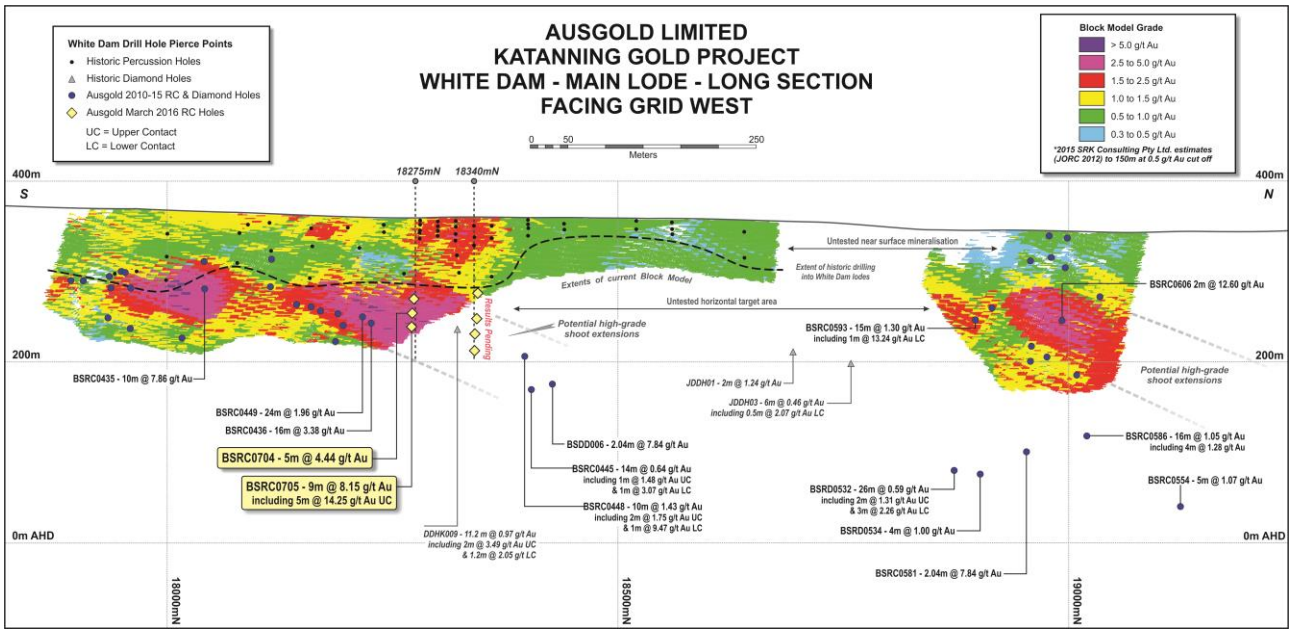

Figure 3. *White Dam showing South – North long section of Mineral Resource Model, completed RC drilling and interpreted extension of potential high grade shoot.*

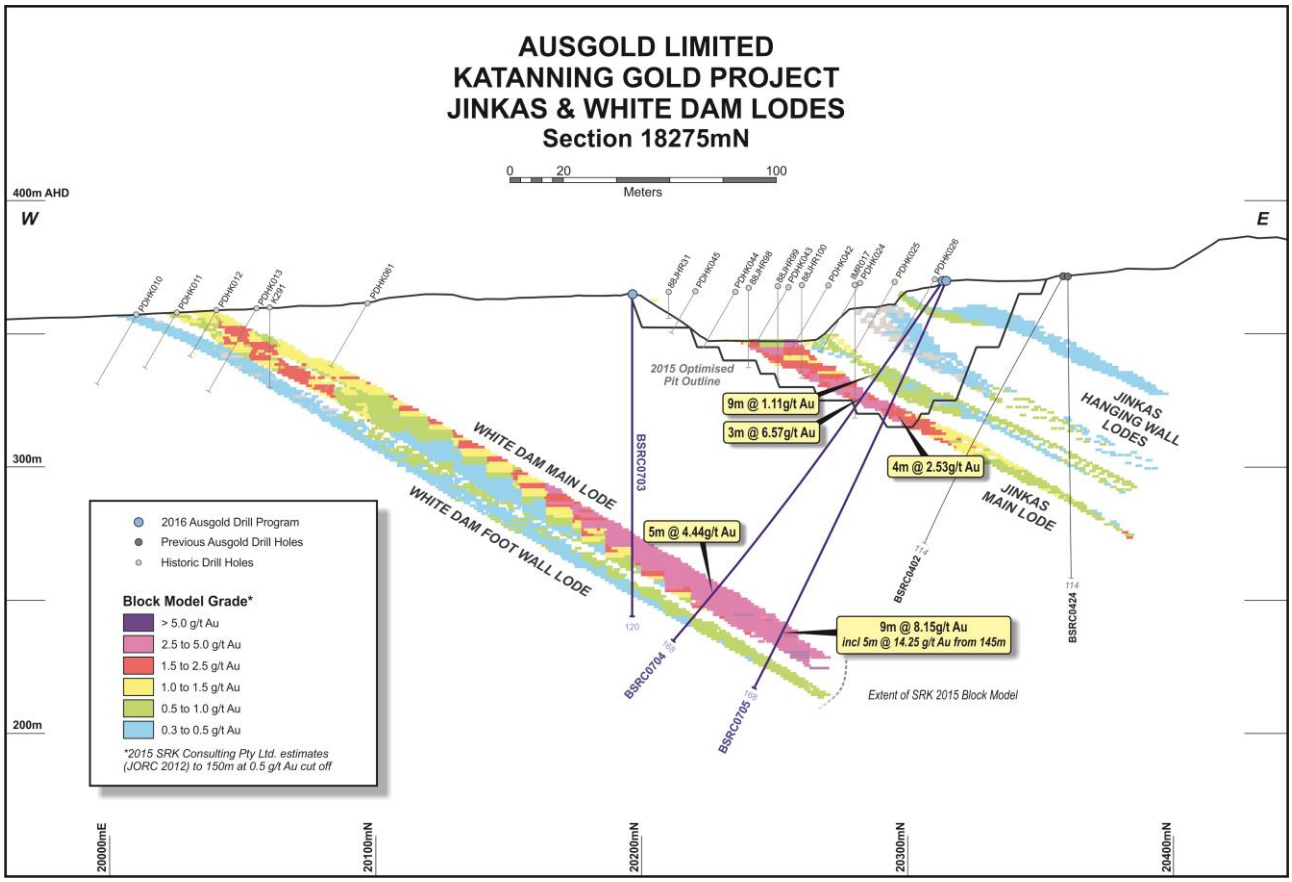

Figure 4. *White Dam Resource Development project cross section.*

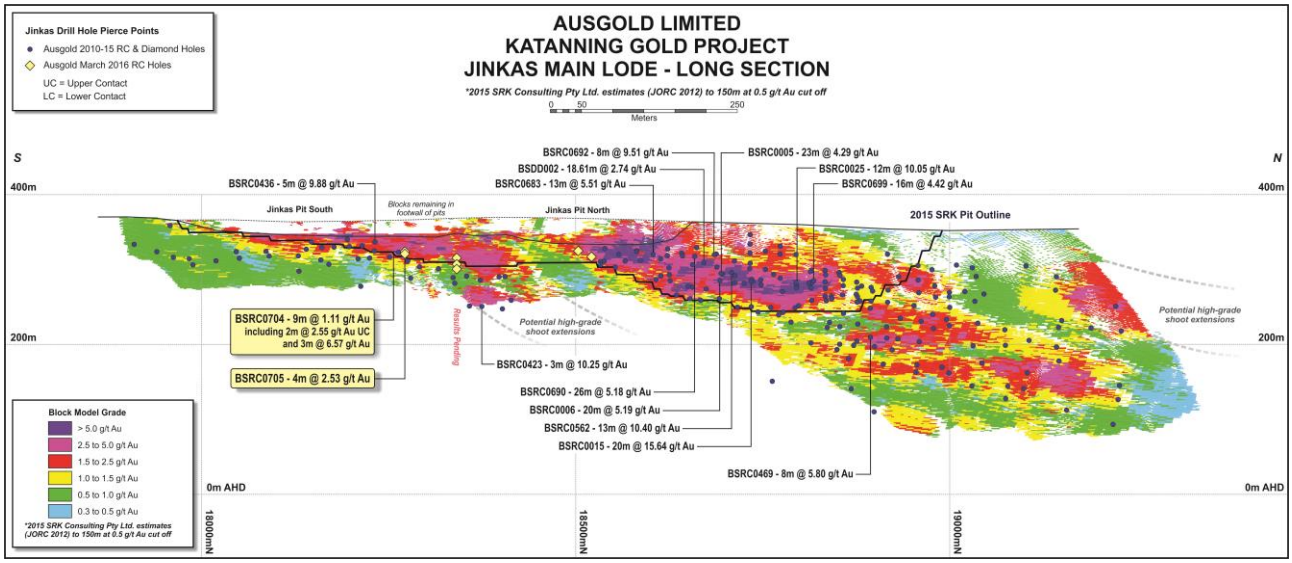

Figure 5. *Jinkas Resource Development project showing 3D view of Mineral Resource Model, RC drilling and interpreted extension of potential high grade shoots.*

The new drill holes aimed to extend the mineralisation at White Dam by up to and greater than 150m. The results from the first batch of assays received have extended the high grade mineralisation by 50 – 80m.

Ongoing Exploration Activities

Ausgold is pleased to announce that an Air Core ("AC") rig is currently onsite drilling at the Datatine prospect.

Datatine is located approximately 7km north of the Jinkas deposit and is the key example of a prospective exploration target emerging from the new exploration model. A comprehensive consolidation and review of all previous exploration data in this area including geophysics, geochemistry and historic drilling culminated in a targeted AC drilling program, which is anticipated to follow up historic gold intersections and discover new gold anomalies. Historic drilling includes 3m @ 3.47 g/t Au (BSAC1053) and 4m @ 13.60 g/t Au (DTR3).

Datatine has been subjected to limited exploration in the past as gold anomalism did not appear to fit the 'historic' exploration models. The area is considered significantly prospective, as the new exploration model and detailed aeromagnetic imagery indicates that the potential folds and geological units are oriented EW to NE rather than NNW as at Jinkas. All historic drilling was orientated to intersect NNW trending mineralisation as predicted by the historic exploration model. Therefore, historic drilling direction was sub-optimal and unlikely to effectively test potential mineralisation. Contoured gold geochemistry correlates strongly with the strike of geophysical anomalies (**Figure 6**) and the predicted structural setting of mineralisation. The planned areas of AC drilling are also shown in **Figure 6**.

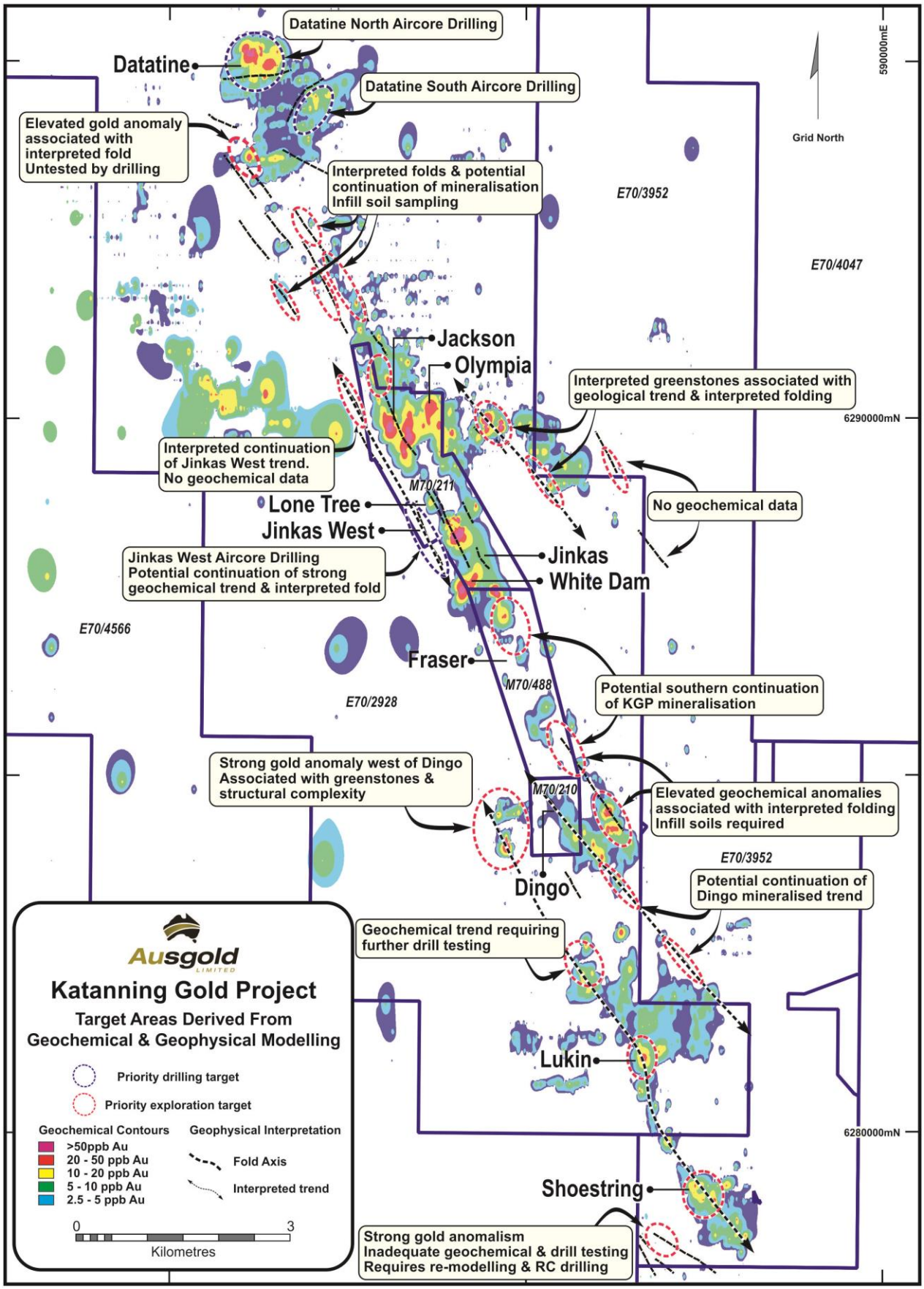

Figure 6. *Regional map showing selected new targets, anomalous geophysical responses, geochemical anomalism and potentially anomalous geochemical trends.*

Competent Persons Statements

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Miss Melanie Sutterby who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation under consideration and to the activity which she undertakes 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". Miss Sutterby is an employee of Ausgold Limited and consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimates is based on work done by Mr Rod Brown of SRK Consulting (Australasia) Ltd and Miss Melanie Sutterby of Ausgold Limited. Miss Sutterby takes responsibility for the integrity of the Exploration Results including sampling, assaying, and QA/QC, and the preparation of the geological interpretations. Mr Brown takes responsibility for the Mineral Resource Estimate.

Mr Rod Brown and Miss Melanie Sutterby are members of The Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity that they are undertaking, to qualify as Competent Persons in terms of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code, 2012 edition). The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Appendix 1 – Table 2.
"JORC Code, 2012 Edition – Table 1 report template"

Section 1 Sampling Techniques and Data

(Criteria in this section apply 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.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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.*	This Reverse Circulation ("RC") drilling program consisted of 13 reverse circulation holes for 1483m. Samples from RC drilling were collected in one metre intervals in mineralised zones with a 1/8 split for assay, split by a cyclone-mounted cone splitter, bagged in pre-numbered calico bags and the remainder retained in large plastic bags. In non-mineralised zones, a spear sample was taken from each bulk sample and composited to 4m. Spear samples were taken as consistently full and level for each sample. Where composite samples return assays at or above 0.5g/t Au the original samples (which are stored in plastic bags at the site) will be riffle spit to provide representative 1m samples for sample submission. QAQC samples consisting of field duplicates (additional split from RC), with standards and blanks inserted into the sequence of assay samples at a rate of 1 in 10. Each RC metre sampled weighed approximately 2 to 3 kilograms. All RC samples were sent to ALS Laboratories for crushing and pulverising to produce a 50 gram sample charge for analysis by fire assay and flame atomic absorption spectrometry (AAS).
Drilling techniques	• *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-*	All samples in this program were from RC drilling conducted by Topdrill Pty Ltd. The RC drill holes utilised a down hole hammer and face sampling bit and were 5.5 inches in diameter.

Criteria	JORC Code explanation	Commentary
	sampling bit or other type, whether core is oriented and if so, by what method, etc).	
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	RC drilling sample weights (inclusive of moisture) are recorded for bulk reject samples. Recoveries are calculated qualitatively. In general, sample recovery observed was high (+95%). The cyclone-mounted cone splitter was cleaned on a regular basis to eliminate/minimise down hole and/or cross-hole contamination. Samples recovered where almost all dry, with occasional moist samples. The relationship between sample recovery and grade and whether bias has been introduced has not been investigated at this stage.
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All drill holes in the current program have been geologically logged to a level of detail to support the definition of geological domains appropriate to support Mineral Resource estimation and classification. The 4m composited sampling is not appropriate for mineral resource estimation. Representative rock chips were collected in chip trays, and logged by the geologist at the drill site. Sample condition and degree of weathering were recorded qualitatively. No geotechnical logging is possible on reverse circulation samples. Lithology, weathering (oxidation state), structure, veining, mineralisation and alteration are recorded in detail using standard digital logging sheets and defined look up tables to ensure that all data is collected consistently. This data is logged using tablet computers. All data is validated by the logging geologist before being entered in an acQuire database. All drill holes are logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	RC chip samples were collected from each sampling interval from the rig mounted cyclone. This sample was riffle split to produce a sample that represents 12.5% of the initial sample collected. Another 25% sample is retained as a reference sample and when required (1 in 30) another 12.5% sample was collected as a field duplicate. Upon receipt by the laboratory the samples were sorted and dried at 160°C before being pulverised to nominally 80% passing 75 microns. Samples weighing more than three kilograms were halved by riffle splitting prior to pulverising with smaller samples completely pulverised. For QAQC samples, a sequence of matrix matched certified reference materials, commercial certified reference materials and blanks were inserted into the sample run at a frequency of approximately one in 14 samples. Sample sizes are considered to be appropriate for the style/texture of oxide and sulphide

Criteria	JORC Code explanation	Commentary
	• *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	mineralisation at the Katanning Gold Project.
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.* • *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.* • *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.*	The analytical techniques used are considered appropriate using four acid digestion or sample fusion. Gold was analysed by ALS at Perth (Australia) using the Au-AA26 fire assay with Atomic Absorption Spectroscopy (AAS) method with a 50g sample charge. This method has a lower detection limit of 0.01g/t and upper detection limit of 100g/t. When gold is greater than 100g/t the Au-DIL (gold by dilution) method is used (lower detection of 1g/t). Certified field duplicates, blanks and standards were inserted approximately every 10m. Blank samples are inserted to check for contamination in field sampling, laboratory sample preparation and analysis. The blank material used should be below detection limits. The gold standards were sourced from Geostats Pty Ltd and Gannet Holdings with gold certified values ranging between 0.38g/t and 7.07g/t. Standard reference materials are used to check accuracy and bias of the analytical method. The results were similar to the standard concentration for the specific standard. QAQC samples were monitored on a batch-by-batch basis. An assay batch is accepted if the blank samples are within the acceptable limits (5 times the lower detection limit) and the standards are within the + 3SD (standard deviations). One failed standard can cause rejection if the results around the failed standard are not in the normal grade range. A batch is also re-assayed when assay results from two or more standards are outside the acceptable limits. The inserted blank materials did not show any consistent issues with sample contamination. 100% of the gold standards assays were within acceptable limits with no low or high bias. The performance of field duplicates in RC samples is generally reasonable and the variations are related to the style of mineralisation. ALS also insert QAQC samples to internally test the quality of the analysis. These results are received with the assay results in each batch. The ALS QAQC included standards, blanks and duplicates for independent quality control. The results of the lab standards were also monitored on a batch to batch basis by the data geologist. The results did not show any issues with the laboratory.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	High standard QAQC procedures are in place (and will be audited), therefore repeatability issues from a QAQC point of view are not considered to be significant. Significant and/or unexpected intersections were reviewed by alternate company personnel through review of geological logging data, physical examination of remaining samples and review of digital geological interpretations. All assay data was accepted into the database as supplied by the laboratory. Data importation into the database is documented through standard operating procedures and is guided by acQuire import validations to prevent incorrect data capture/importation. Geological, structural and density determination data is directly captured in the database through a validation controlled interface using Toughbook computers and acquire database import validations. Primary data is stored in its source electronic form. Assay data is retained in both the original certificate (.pdf) form and the text files received from the laboratory. Data entry, validation and storage are discussed in the section on database integrity below.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars (and drilling foresight/backsight pegs) were set out and picked up by an independent survey contractor using differential GPS; which provided +/- 100 millimetre accuracy. The grid system is MGA94 datum, UTM zone 50. Elevation values were in AHD. An end of hole gyroscopic drill hole survey was completed by the drilling contractors using a Reflex tool. The gyro measured the first shot at 0m followed by every 10m down-hole. The data was examined and validated onsite by the supervising geologist. Any surveys that were spurious were re-taken. Validated surveys are entered into the acQuire data base by data entry personnel.
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.*	Historic drilling at the Jinkas deposit (pre-mining) is mainly 5m down-dip spacing on 20m spaced cross-sections to a vertical depth of approximately 40-50m, over what is now the historical open pits at Jinkas and Dingo. Grade control blast holes and trenches were completed during the campaign of mining from December 1995 to July 1997. Historic drilling was also completed on both the footwall (White Dam mineralisation) and hanging wall (Olympia and Fraser mineralisation) of the historic Jinkas open pit as well as to the north and south of the main Jinkas deposit, mainly at 20m down-dip spacing on 20m cross-sections, with vertical depths to 30m in the hanging wall and to 150m on the footwall. Ausgold has extended this drill pattern both down-dip and to the north, with down-dip spacing of 20m on 20m spaced cross-sections, to a vertical depth of 250m.

Criteria	JORC Code explanation	Commentary
		Ausgold has also completed drilling further to the north (approximately 500m north of the Jinkas open pit) with down-dip spacing of 40m on 40m cross-sections, to a vertical depth of 300m. The nominal RC grids are deemed adequate to identify mineralisation envelopes which are infilled as appropriate.
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.* • *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.*	Relating to these results, 100% of RC drillholes were inclined perpendicular and drilled to the mine grid west (243°), commensurate with the interpreted dip and strike of the orebody. All holes were designed to best capture the interpreted dip and strike of the mineralisation and oriented perpendicular to the trend of interpreted lithology and structures to obtain as much as possible a true with representation. Observations of the current program do not suggest a bias in sampling from the drilling orientation.
Sample security	• *The measures taken to ensure sample security.*	Calico bags were placed into numbered polyweave bags which were tied securely and marked with flagging. Rejects portions were routinely weighed during relocation to a designated location for temporary storage. Assay samples were stored at a dispatch area and dispatched, depending on the frequency of pickups and length of the program. Samples were shipped via Katanning Logistics directly to ALS in Perth. The sample dispatches were accompanied by supporting documentation signed by the geologist and showing the sample submission number, analysis suite and number of samples. The chain of custody is maintained by ALS once the samples are received on site and a full audit trail for every sample is available through the ALS' Webtrieve application. Assay results are emailed to the responsible geology administrators in Perth and will be loaded into the acQuire database through an automated process. QAQC on import is completed before the results are finalised.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	Before the commencement of the current RC program, the sampling process was fully reviewed and documented as a standard company process. A number of operational and technical adjustments were identified to improve validation of collected data, interpretation of data and management of QAQC practices. These improvements have been updated into standard operating procedures.

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.*	Reported results are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), including M70/211. Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities. Bordering the eastern wall of the Jinkas open pit, there is a registered Aboriginal Heritage Site 5353 known as "Jinkas Hill". No access for exploration or mining activities is allowed within this site unless a section 18 application to move/destroy an Aboriginal Heritage Site is submitted to the Department of Indigenous Affairs. The land is used primarily for grazing and cropping. The tenement is in good standing, and all work is conducted under specific approvals from the Department of Mines and Petroleum ("DMP").
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Gold mineralisation was discovered by Otter Exploration NL in 1979 at Jinkas Hill, Dyliabing, Lone Tree and White Dam after following up stream sediment anomalies. Between 1984 and 1988 Otter and related companies evaluated the region with several other explorers including South West Gold Mines and Minasco Resources Pty Ltd. In 1987 Glengarry Mining NL purchased the project and in 1990 entered into a joint venture with Uranerz who agreed on minimum payments over three years to earn 50% interest. Uranerz withdrew from the project in 1991 after a decision by their parent company in Germany to cease Australian operations. International Mineral Resources NL ("IMR") purchased the mining leases and the Grants Patch treatment plant from Glengarry Mining NL in 1995 and commenced mining at the Jinkas deposit in December 1995. Ausgold understands the mine was closed in 1997 after producing approximately 20,000 oz of gold from the Jinkas and Dingo Hill open cuts at a head grade of approximately 2.4g/t. In addition, the mine closure was brought about by a combination of the low gold price of the time (<US$400/oz) and the inability of the processing plant's comminution circuit to process hard ore from below the base of weathering. Reports from the period indicate that the ore bodies were reasonably predictable in terms of grade and continuity and appeared to produce consistent and reproducible results from grade control (Ravensgate, 1999). Great Southern Resources Pty Ltd ("GSR") purchased the mining and exploration leases from IMR in August

Criteria	JORC Code explanation	Commentary
		2000. Ausgold entered into a joint venture with GSR in August 2010, and the mineral titles were transferred to Ausgold in entirety in August 2011.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The project includes two main deposit areas comprising Jinkas in the north, and Dingo in the south. The Jinkas area is further subdivided into a set of mineralised zones. The majority of the project area is overlain by residual clays with outcrop mostly limited to remnants of lateritic duricrust on topographic highs. Gold mineralisation is hosted by medium to coarse-grained mafic gneisses which dip at around 30° to 45° towards grid east (68°). These units represent Archaean greenstones metamorphosed to granulite facies. The mineralised gneissic units are interlayered with barren quartz-monzonite sills up to approximately 120 metres thick and are cross cut by several Proterozoic dolerite dykes that post-date mineralisation and granulite metamorphism. Gold predominantly occurs as free gold associated with disseminated pyrrhotite and magnetite, lesser pyrite and chalcopyrite and traces of molybdenite. Thin remnant quartz veins are associated with higher grade zones.

Drill hole Information	• *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:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *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*
		Plans showing location of drill holes and also location of significant results and interpreted trends are provided in the figures of report.
		
		Any new significant RC results are provided in tables within the report.

Criteria	JORC Code explanation	Commentary
	this is the case.	
Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	For RC assay results the intervals reported are thickness weighted averages (ie. XXm grading XX grams per tonne gold content). Reported intervals are calculated using ≥ 0.5g/t Au cut-off grade and using a ≤ 2m minimum Internal Dilution (unless otherwise stated). Higher grade intervals within larger intersections are reported as included intervals and noted in results table. No top-cut off grades have been applied until more assay results become available to allow statistical determination.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	Drill holes are designed to intersect the plane of mineralisation (where this is known) at 90° so that reported intersections approximate true thickness, unless otherwise noted. All intersections are subsequently presented as downhole lengths. If down hole length varies significantly from known true width then appropriate notes are provided.
Diagrams	• *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.*	Refer to figures

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *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.*	Please see information provided in results tables in Report
Other substantive exploration data	• *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.*	At this stage there is no substantive exploration data from the recent drilling that is meaningful and material to report i.e. at this early stage of reporting of drill hole results there is insufficient data to composite cross sections.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further work is discussed in the document in relation to the exploration results.