

12 June 2018

ASX: BC8

CORPORATE STRUCTURE:

Ordinary Shares on Issue:
57.3M

Market Capitalisation:
A\$17M (share price A\$0.30)

Cash (31 March 2018):
A\$4.5M

DIRECTORS

Paul Chapman
Non-Executive Chairman

Gareth Solly
Managing Director

Les Davis
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Resumption of RC Drilling at the Bulong Gold Project

Black Cat Syndicate Limited ("Black Cat") is pleased to advise that RC drilling has resumed at the Bulong Gold Project.

COMPLETION OF PHASE 1 DRILLING

The current RC drilling program is an extension to the successful Phase 1 drilling completed earlier this quarter (see Figure 1). Phase 1 drilling confirmed the association of mineralisation with a porphyry unit and validated historic drilling intercepts in the footwall of the historic Queen Margaret workings. The current extensional drilling is testing an additional 200m of strike to the south of the Queen Margaret workings.

The Queen Margaret drilling will assess the potential for an open pit resource through validation of historic shallow drilling results and confirmation of geological models. Maiden resource modelling is planned to be initiated after results from the current drilling are returned in the September 2018 Quarter.

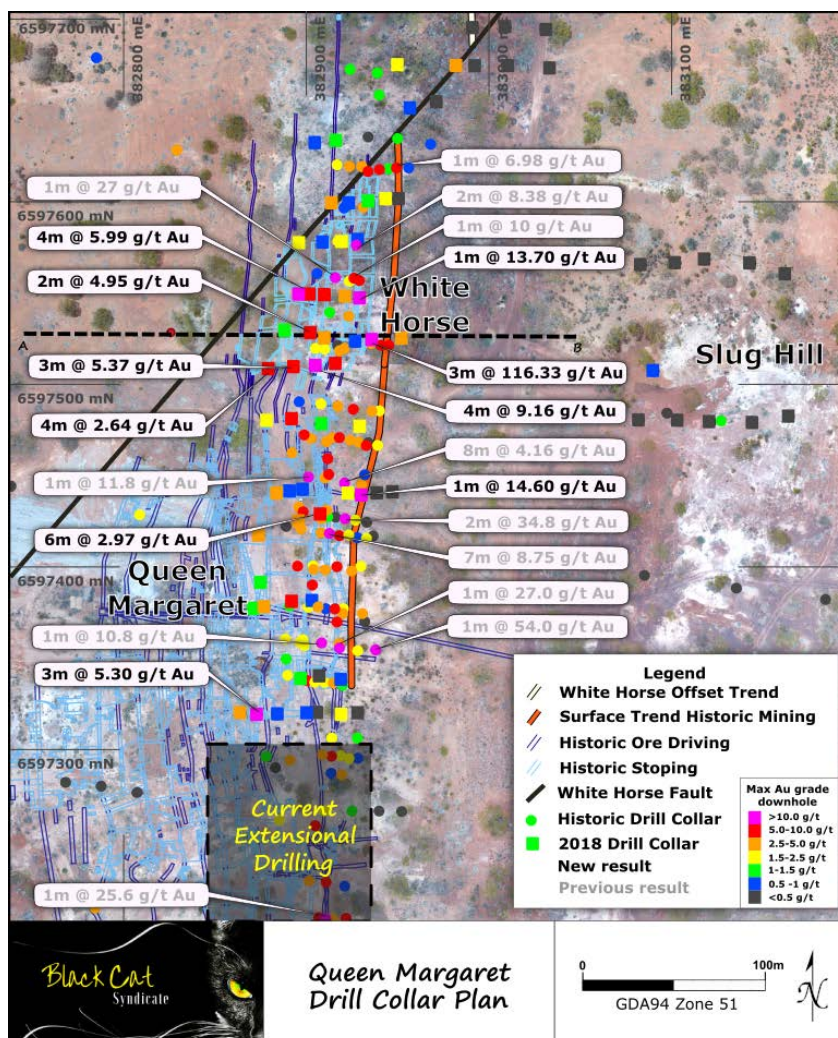


Figure 1: Queen Margaret plan showing all drill collars coloured by maximum downhole gold grade and area of extensional drilling.

Drilling at the Queen Margaret Mine will be completed in June 2018 then Phase 2 drilling will commence on the northern leases.

COMMENCEMENT OF PHASE 2 DRILLING

As previously reported (ASX 8 March 2018) Phase 2 drilling was designed as ~280 holes and ~17kms of drilling. Several existing targets will be tested as part of Phase 2 (see Figure 2), including: Anomaly 38, Boundary, Trump and Queen Margaret UG. New target areas also to be tested including Anomaly 38B and Galore.

Key targets in Phase 2, listed by likely order of drilling, include:

Galore: Galore is an exciting NS stratigraphic contact immediately south of a major NW trending fault. A significant nugget patch including quartz hosted gold has recently been worked in the target area with negligible transported cover. No drilling is recorded in this location with only broad spaced soil sampling historically completed.

Anomaly 38: Drilling will test grade continuity on an NW oriented structure interpreted from aeromagnetic data. This structure aligns with previous high-grade intersections of 2m @ 41.66g/t Au from 82m (BURC023), 2m @ 13.65g/t Au from 14m (BURC031), 2m @ 47.6g/t Au from 116m (BURC025) and 7m @ 9.37g/t Au from 31m (BURC026).**

Anomaly 38B: Several other parallel NW structures have been interpreted in the aeromagnetic data. The next structure 600m south of Anomaly 38 is coincident with previous anomalous drilling results including: 2m @ 4.84g/t Au from 58m (AC hole BA074) and 4m @ 2.39g/t Au from 48m (AC hole BA080).** Drilling will test this structure for a possible repeat of Anomaly 38. Success on these structures will likely lead to additional targets in the area.

Trump: Several NW oriented structures are interpreted in the magnetic data over the historic Trump workings. Grade continuity in this orientation will be tested with RC drilling. These structures are interpreted to be coincident with historic high-grade intersections including: 3m @ 14.17g/t Au from 57m (94BRC65), and 1m @ 15.20g/t Au from 40m (94BRC68)**. A geochemical sampling program will also be undertaken to confirm geology of this deeply weathered, historically mined area.

Boundary: The Boundary deposit occurs ~1.5km north of the Strathfield/Trump area in a package of shale and porphyry wedged between two ultramafic units, analogous to the Queen Margaret stratigraphy further south. Previous drilling at Boundary of ~73 holes (on a 20m x 10m grid) yielded results including 11m @ 6.99g/t Au from 38m (92BRC33), 7m @ 12.80g/t Au from 51m (92BRC33) and 6m @ 11.11g/t Au from 34m (92BRC29). Boundary remains open to both the south and the north.**

Queen Margaret Underground: Minimal drilling has been undertaken below the Queen Margaret Mine that has produced ~96,000oz @ >1oz/t. Interpretation of both historic and current drilling results infers a structural control causing grade continuity to plunge shallowly to the south. Drilling at depth below the Queen Margaret workings and along the Queen Margaret Corridor will be optimised with information obtained from the Phase 1 drilling. As announced to the ASX on 8 June 2018, this will be a diamond drill program co-funded by a Western Australian Government Exploration Incentive Scheme ("EIS") grant of \$138,000, being a contribution towards 50% of direct drilling costs. The diamond drilling program along the Queen Margaret Corridor is planned to commence in the September 2018 quarter with results available in the subsequent quarter.

Near term activities:

- June 2018: extensional drilling of an additional 200m of strike to the south of the Queen Margaret workings;
- September 2018 quarter: Initial drilling at Galore, Anomaly 38, Anomaly 38B, Trump, Boundary, commencement of EIS co-funded diamond drilling along the Queen Margaret Corridor; and
- results from each program will be announced as they become available.

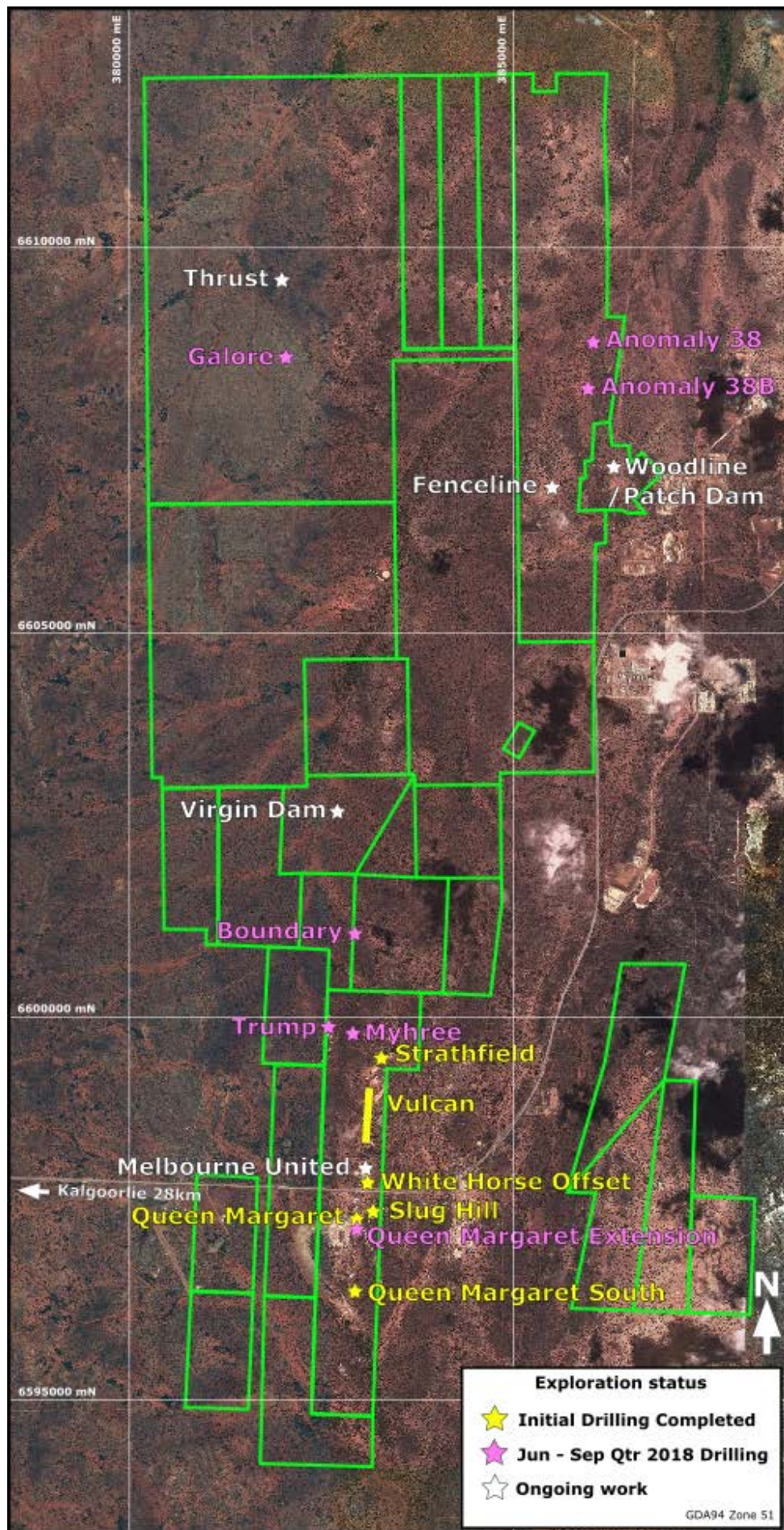


Figure 2: Map showing drilling locations at the Bulong Gold Project.

Further announcements will be forthcoming when the data from drilling is available.

For further information, please contact:

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COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to geology and exploration results and planning was compiled by Mr Gareth Solly, who is a Member of the AusIMM and an employee, shareholder and option holder of the Company. Mr Solly has sufficient experience which 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 Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Solly consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

*** Information on historical results outlined in this Announcement together with the relevant JORC Table 1 disclosures is contained in the Independent Geologists Report within Black Cat's Prospectus dated 27 November 2017, which was released on an announcement on 25 January 2018.*

INVESTMENT HIGHLIGHTS

Black Cat controls 100% of ~84km² of the Bulong Gold Project ("**the Project**") of which ~89% of tenements are granted. In addition, there are numerous targets on mining leases meaning low barriers to exploration and production hence strong expected news flow.

The Project is situated just 25km east of Kalgoorlie by sealed road. Mains power runs through the Project with five regional mills, support services and a residential workforce nearby.

The Project has a history of complex, unconsolidated ownership and small scale, high grade production:

- mine production in the Project area ceased in the early 1910s with a total of ~152,000oz @ >1oz/t produced to date;
- the Queen Margaret Mine was the main producer with ~96,000oz @ >1oz/t. Despite the mine's high-grade production record there has been no effective drilling below the old workings;
- despite encountering mineralised lodes in a 200m deep drive to the east of Queen Margaret, minimal drilling for parallel lodes has been undertaken;
- prospectors have seen high specimen and nugget production with multiple +100oz nuggets discovered; and
- the complex and unconsolidated ownership structures have hampered exploration and mining at the Project.

Black Cat has now consolidated the Project bringing together a number of high grade, near term, underground production targets along with shallow open cut positions. Black Cat initial focus is to drill and study the economics of developing an open cut mine at Queen Margaret then declining from the open cut into footwall and eastern zones and developing across to historic workings while assessing backfill volumes and grade.

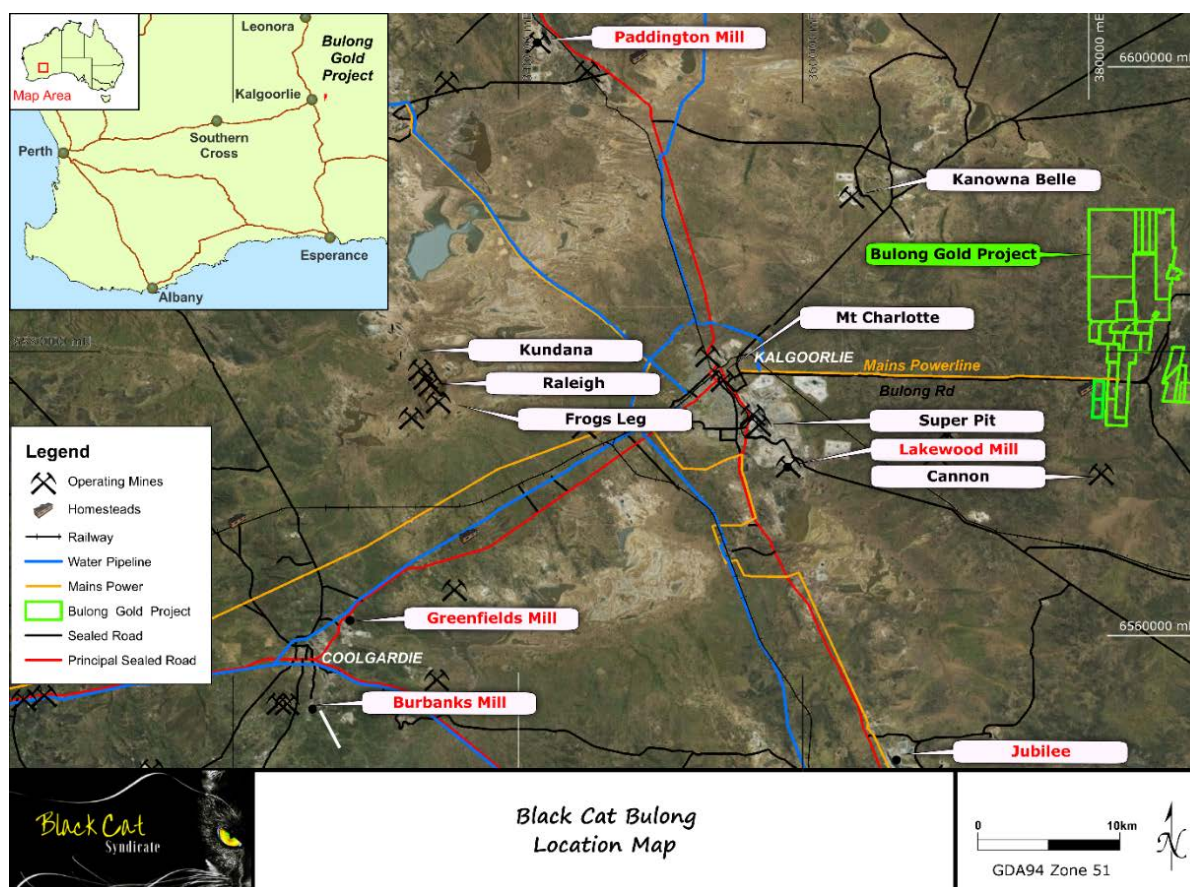


Figure 3: Regional map of Kalgoorlie showing the location of the Black Cat Bulong tenements and nearby infrastructure.