

Update on Recent and Planned Activities

ASX Announcement
20 December 2018



The Directors of Black Cat Syndicate Limited (“Black Cat” or “the Company”) are pleased to provide investors with an update on recent and planned activities of the Company.

Black Cat Managing Director, Gareth Solly said “Black Cat intends to be a future producer; with that in mind we are rapidly drilling at Bulong to define and grow a JORC Resource base from multiple deposits for future development. Excellent progress has been made in 2018 towards achieving this vision. Initial JORC Resources along the Myhree-Boundary Corridor and the Queen Margaret Corridor are planned for the March 2019 quarter. These corridors, together with a number of other high priority targets, will continue to be systematically advanced in 2019”.



Figure 1: Diamond rig drilling at the Queen Margaret Mine, Bulong.

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DIRECTORS

Paul Chapman	Non-Executive Chairman
Gareth Solly	Managing Director
Les Davis	Non-Executive Director
Alex Hewlett	Non-Executive Director

CORPORATE STRUCTURE

Ordinary shares on issue: 57.3M
Market capitalisation: A\$8.0M
(Share price A\$0.14)
Cash (30 September 2018): A\$3.1M

Activities in 2018

Black Cat has had an extremely busy year including:

- the engagement of a high quality management team that can transition from exploration to production with Gareth Solly (Managing Director), Dr Damien Keys (Chief Geological Adviser) and Ned Summerhayes (Exploration Manager);
- completion of a well funded IPO on 30 January 2018 with a tight capital structure;
- consolidation of the Bulong goldfield for the first time in over 120 years by completing the Bulong and Edwards transactions;
- development and update of the first ever, comprehensive geological model over the Bulong goldfield;
- implemented a target ranking system with the objective of quickly building JORC Resources, with targets falling into three categories Advanced, Emerging and Early stage;
- attained independent expert acknowledgement through successful application for a \$138,000 grant under the WA Government's Exploration Incentive Scheme ("EIS");
- generated strong and continuous news flow by systematically drilling three mineralised corridors as well as other high priority targets generating many promising results;
- managed shareholder funds carefully and drilled ~24,000m of RC and ~3,000m of diamond at a combined direct drilling cost of <\$50/m compared to IPO expectations at a comparable stage of \$81/m for RC drilling only; and
- recently conducted Sub Audio Magnetic ("SAM") geophysical surveys along the Myhree-Boundary Corridor and Anomaly 38 region to refine drill targeting and geological modelling.



Figure 2: RC rig drilling at the Boundary Deposit, Bulong.



Major Achievements in 2018

The Bulong Gold Project is ~25km from Kalgoorlie and close to mills, infrastructure, suppliers and a skilled workforce. The Project has genuine scale potential with efforts aiming to define and grow JORC Resources from multiple deposits along a number of significant mineralised corridors.

On the back of Black Cat's substantial field activity, there has been a number of major achievements during the year, including:

- **The Myhree-Boundary Corridor** has been extended from 140m of mineralised strike at Boundary to a prospective area that stretches ~1,600m south to Myhree. The mineralised strike length of Boundary has increased to ~550m, and ~200m of mineralised strike was discovered at Myhree. Table 1 shows some of the outstanding drilling results achieved and previously reported along this Corridor. An initial JORC Resource is targeted at Boundary down to ~100m in the March 2019 quarter.

Target	Hole ID	From (m)	Interval	Gram Metres
Boundary	92BRC33	38	21m @ 8.01 g/t Au	168
	NBB7	41	26m @ 2.76 g/t Au	72
	92BRC29	34	6m @ 11.11 g/t Au	67
	92BRC52	41	21m @ 2.72 g/t Au	57
	18BORC015	67	12m @ 4.17 g/t Au	50
	92BRC88	40	12m @ 4.09 g/t Au	49
	NBB2	49	8m @ 5.97 g/t Au	48
	92BRC91	36	16m @ 2.60 g/t Au	42
	92BRC87	46	18m @ 2.30 g/t Au	41
	92BRC31	54	19m @ 2.10 g/t Au	40
	92BRC32	33	13m @ 2.61 g/t Au	34
	18BORC003	84	3m @ 10.55 g/t Au	32
	92BRC34	42	11m @ 2.79 g/t Au	31
	92BAC42	33	7m @ 4.35 g/t Au	30
	NBB4	79	6m @ 4.73 g/t Au	28
	92BRC77	64	13m @ 2.14 g/t Au	28
	92BRC71	38	11m @ 2.48 g/t Au	27
	18BORC014	106	11m @ 2.46 g/t Au	27
	NBB3	27	16m @ 1.52 g/t Au	24
	NBB8	45	14m @ 1.60 g/t Au	22
	18BORC002	33	8m @ 2.70 g/t Au	22
	NBB10	48	8m @ 2.70 g/t Au	22
	92BAC42	43	8m @ 2.53 g/t Au	20
	18BORC011	150	12m @ 1.61 g/t Au	19
	18BORC034	69	7m @ 2.75 g/t Au	19
	92BRC29	43	10m @ 1.84 g/t Au	18
	NBB11	45	6m @ 2.91 g/t Au	17
	18BORC021	66	7m @ 2.49 g/t Au	17
	NBB12	60	10m @ 1.74 g/t Au	17
	18BORC025	102	7m @ 2.40 g/t Au	17
	92BRC75	60	5m @ 3.03 g/t Au	15
	NBB8	78	7m @ 2.16 g/t Au	15
Myhree	18MYRC011	28	11m @ 8.30 g/t Au	91
	18MYRC019	104	11m @ 4.03 g/t Au	44
	18MYRC003	14	1m @ 36.90 g/t Au	37
	18MYRC001	7	5m @ 4.14 g/t Au	21
	18MYRC012	119	2m @ 9.63 g/t Au	19
	18MYRC004	46	3m @ 5.61 g/t Au	17
	18MYRC012	8	1m @ 11.80 g/t Au	12

Table 1: Recent and Historic** drill results Myhree-Boundary Corridor.

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- **The Queen Margaret Corridor** is a mostly continuous zone of historic workings that extend ~5kms from Queen Margaret South to Wakeful in the north. Drilling results at Queen Margaret have identified strongly mineralised internal veins between the historically mined hangingwall and relatively unmined footwall shears. These internal veins plunge south and occur at frequent intervals that provide a target zone which remains open at depth. An initial JORC Resource at Queen Margaret is targeted for the March 2019 quarter. EIS diamond drilling was recently completed below the historic Queen Margaret and Melbourne workings and has successfully located the Queen Margaret Porphyry at depth showing for the first time that the mineralised system is open below the historic workings. Table 2 shows some of the outstanding drilling results achieved and previously reported along this Corridor.

Target	Hole ID	From (m)	Interval	Gram Metres
Melbourne	92BRC100	39	2m @ 27.11 g/t Au	54
	18MBRC004	24	3m @ 13.44 g/t Au	40
	18MBRC005	61	2m @ 17.49 g/t Au	35
	18QMRC065	31	2m @ 11.01 g/t Au	22
Queen Margaret	18QMRC060	0	3m @ 116.33 g/t Au	349
	BAC70	48	2m @ 34.84 g/t Au	70
	93BRC6	48	7m @ 8.75 g/t Au	61
	SBRC2	0	1m @ 54.00 g/t Au	54
	18QMRC056	33	4m @ 9.16 g/t Au	37
	18QMRC118	87	7m @ 4.98 g/t Au	35
	94BRC30	39	8m @ 4.16 g/t Au	33
	BAC70	22	3m @ 9.94 g/t Au	30
	94BRC15	49	1m @ 27.00 g/t Au	27
	94BRC43	31	1m @ 27.00 g/t Au	27
	BAC19	43	1m @ 25.60 g/t Au	26
	18QMRC031	42	4m @ 5.99 g/t Au	24
	BAC66	29	4m @ 5.05 g/t Au	20
	18QMRC001	22	6m @ 2.97 g/t Au	18
	94BRC46	62	2m @ 8.38 g/t Au	17
	18QMRC057	32	3m @ 5.37 g/t Au	16
	18QMRC046	70	3m @ 5.30 g/t Au	16
	BAC20	50	3m @ 5.21 g/t Au	16
	18QMRC099	52	2m @ 7.37 g/t Au	15
	93BRC14	45	5m @ 2.93 g/t Au	15
	18QMRC006	0	1m @ 14.60 g/t Au	15
	18QMRC027	31	1m @ 13.70 g/t Au	14
	18QMRC097	25	4m @ 3.37 g/t Au	13
	18QMRC103	85	6m @ 2.14 g/t Au	13
	18QMRC097	51	4m @ 2.84 g/t Au	11
	18QMRC058	51	4m @ 2.64 g/t Au	11
Strathfield	SBRC38	48	1m @ 245.00 g/t Au	245
	SFAC10	24	1m @ 25.20 g/t Au	25
	SBRC22	95	1m @ 25.00 g/t Au	25
	SBRC20	24	1m @ 22.50 g/t Au	23
	92BRC38	37	2m @ 10.50 g/t Au	21
	18SFRC004	24	4m @ 5.03 g/t Au	20
	SBRC18	44	3m @ 6.13 g/t Au	18
	SBRC20	13	6m @ 2.77 g/t Au	17
	SFAC14	44	3m @ 5.26 g/t Au	16
	SFAC12	15	1m @ 15.55 g/t Au	16
	SBRC42	64	1m @ 15.00 g/t Au	15

Table 2: Recent and Historic** drill results along Queen Margaret Corridor.



- Black Cat have drilled high priority Advanced, Emerging and Early targets to ensure that the breadth of the opportunity at the Bulong Gold Project is understood. This strategy has already proven to be highly successful with targets like Boundary moving from Emerging to Advanced and Myhree leapfrogging from Early to Advanced. Other successes include:
 - o **The Trump Corridor** has been extended to 200m and our recent drill holes represent the northern most and deepest drilling at Trump. These holes highlight the potential for mineralised structures along the Trump Corridor. Table 3 shows some of the encouraging drilling results achieved and previously reported in this Corridor.
 - o **Patch Dam and Woodline** are some of the largest alluvial goldfields in WA and have historically sourced >100 oz gold nuggets. The source of the alluvial gold has not been identified. Anomaly 38 sits to the north of these alluvial rich areas and contains zones of high grade mineralisation within ultramafic rocks which may hold the key to this source. Recent drilling and SAM imaging will be used for further interpretation and targeting in this area.

Project	Hole_ID	From (m)	Interval	Gram Metres
Anomaly 38	BURC025	116	2m @ 47.60 g/t Au	95
	BURC023	82	2m @ 41.66 g/t Au	83
	BURC026	31	7m @ 9.40 g/t Au	66
	18AARC009	73	2m @ 22.10 g/t Au	44
	BURC031	14	2m @ 13.65 g/t Au	27
	BURC042	52	1m @ 23.80 g/t Au	24
	BA124	44	4m @ 3.90 g/t Au	16
Trump	94BRC65	57	3m @ 14.17 g/t Au	43
	18TRRC003	44	8m @ 4.13 g/t Au	33
	94BRC68	41	1m @ 15.20 g/t Au	15
	18TRRC019	45	4m @ 2.58 g/t Au	10
Virgin Dam	BUD002	211	10m @ 6.93 g/t Au	69
	VD1	191	4m @ 4.68 g/t Au	19
	VD1	137	7m @ 2.27 g/t Au	16
Woodline	BUR149	66	12m @ 8.86 g/t Au	106
	BRC002	126	2m @ 7.96 g/t Au	16

Table 3: Recent and Historic** drill results for Emerging and Early targets.

Planned Activities for Early 2019

Black Cat is planning an extremely busy and productive year in 2019, including:

- **December 2018 - January 2019** receive assays from recent drilling, along the Queen Margaret, Myhree-Boundary and Trump Corridors;
- **January – March 2019** infill and extensional drilling along the ~1,600m long Myhree-Boundary Corridor;
- **19-21 February 2019** corporate presentation at RIU Explorer's Conference, Fremantle WA;
- **January – March 2019** initial JORC Resource down to 70m at Queen Margaret to be completed once all shallow diamond results are returned;

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- **January - March 2019** initial JORC Resource down to 100m at Boundary to be completed once all diamond results are returned;
- **March - April 2019** corporate roadshow to present latest drilling results and initial JORC Resources to investors; and
- **Ongoing** drilling of high priority Advanced, Emerging and Early targets to ensure that we understand the breadth of the opportunity at the Bulong Gold Project. Announcement of results on an ongoing basis as each program is completed and interpreted.

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 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 JORC Table 1 information, 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 @ >1 oz/t Au produced to date;
- the Queen Margaret Mine was the main producer with ~96,000oz @ >1oz/t Au. 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.

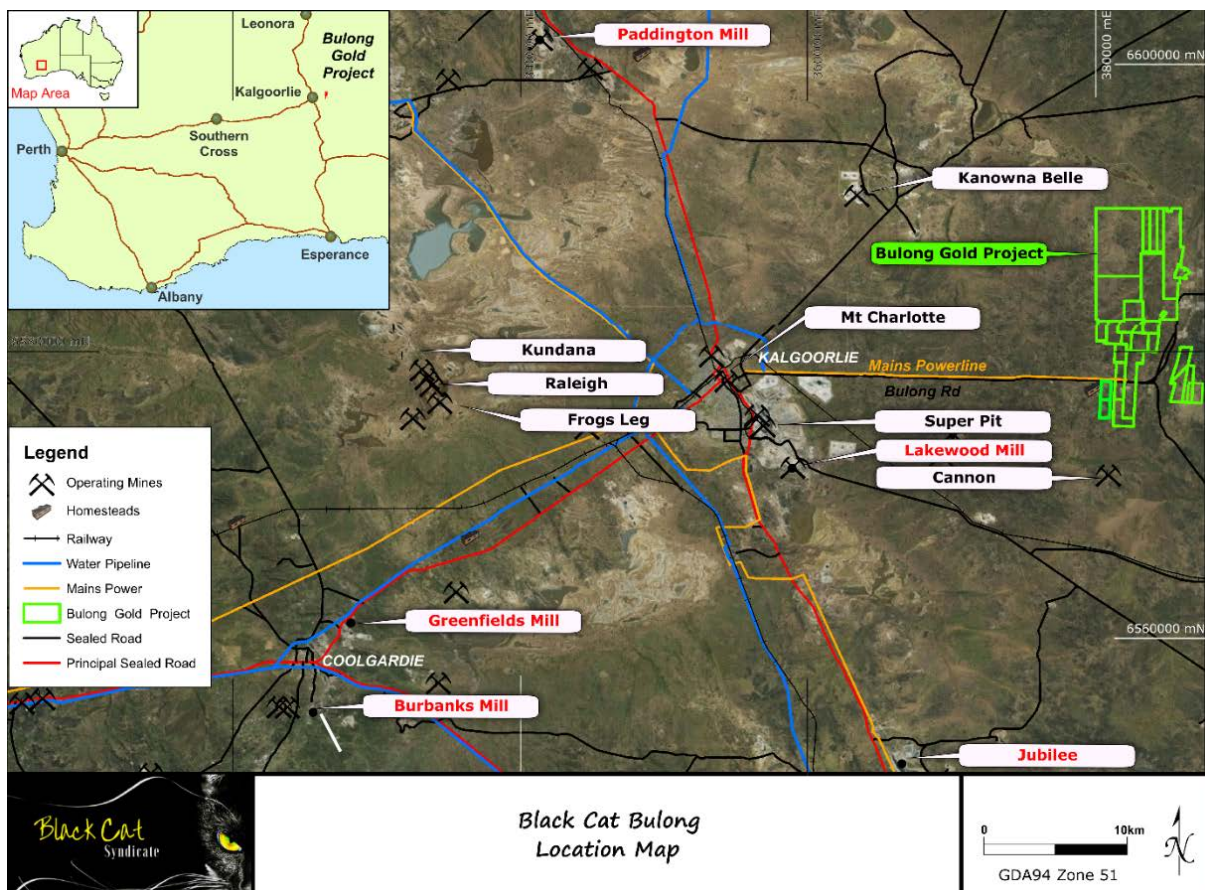


Figure 3: Regional map of Kalgoorlie showing the location of the Black Cat Bulong tenements and nearby infrastructure