

EXTENSIONAL DRILLING UNDERWAY AT MYHREE-BOUNDARY

ASX Announcement
1 February 2019



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

- **Drilling has recommenced** along the 1,550m long Myhree-Boundary Corridor.
- **1,900m RC drilling** program to **follow up on previous shallow, high-grade intercepts** and to **extend the mineralised strike length** at Myhree, Boundary and Trump.
- **An initial JORC Resource** down to 100m at Boundary **will be released in the March 2019 quarter** and this drilling program will be extensional to the initial Resource.

Black Cat's Managing Director, Gareth Solly said "We are excited to be starting our 2019 drilling campaign along the Myhree to Boundary Corridor. The discovery of Myhree and substantial growth at Boundary were standout successes for us in 2018 and we are keen to continue that success this year as we close the under explored gap between them. The recent SAM geophysics survey has already identified new targets along the Corridor. Our strategy is to build a substantial resource base from multiple deposits, and to that end, we will also be undertaking RC drilling programs at both Trump and Strathfield in the near term".



Figure 1: RC Drilling at the Boundary deposit

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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\$9.2M
(Share price A\$0.16)
Cash (31 Dec 2018): A\$2.0M

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MYHREE-BOUNDARY CORRIDOR

A 1,200m RC drilling program has commenced in the 1,550m long Myhree-Boundary Corridor. This drilling is designed to infill and extend the shallow, high grade mineralisation that already extends over 550m at Boundary and over 200m at Myhree.

Results from 2018 drilling include:

18BORC015	12m @ 4.17 g/t Au from 67m including 4m @ 9.83 g/t Au from 70m	(Boundary)
18BORC021	7m @ 2.49 g/t Au from 66m	(Boundary)
18BORC034	7m @ 2.75 g/t Au from 69m	(Boundary)
18MYRC011	11m @ 8.30 g/t Au from 28m	(Myhree)
18MYRC009	2m @ 9.63 g/t Au from 119m	(Myhree)
18MYRC001	5m @ 4.14 g/t Au from 7m	(Myhree)
18MYRC003	1m @ 36.90 g/t Au from 14m	(Myhree)
18MYRC019	11m @ 4.03 g/t Au from 104m	(Myhree)

(refer ASX announcements 24 July 2018, 28 August 2018, 10 October 2018, 6 December 2018)

The current 800m 'gap' between Myhree and Boundary contains only one line of shallow historic RAB drilling, with anomalous results. This drilling between the two deposits (see Figure 2) has the objective of extending mineralisation and building Resources along the Corridor as quickly as possible.

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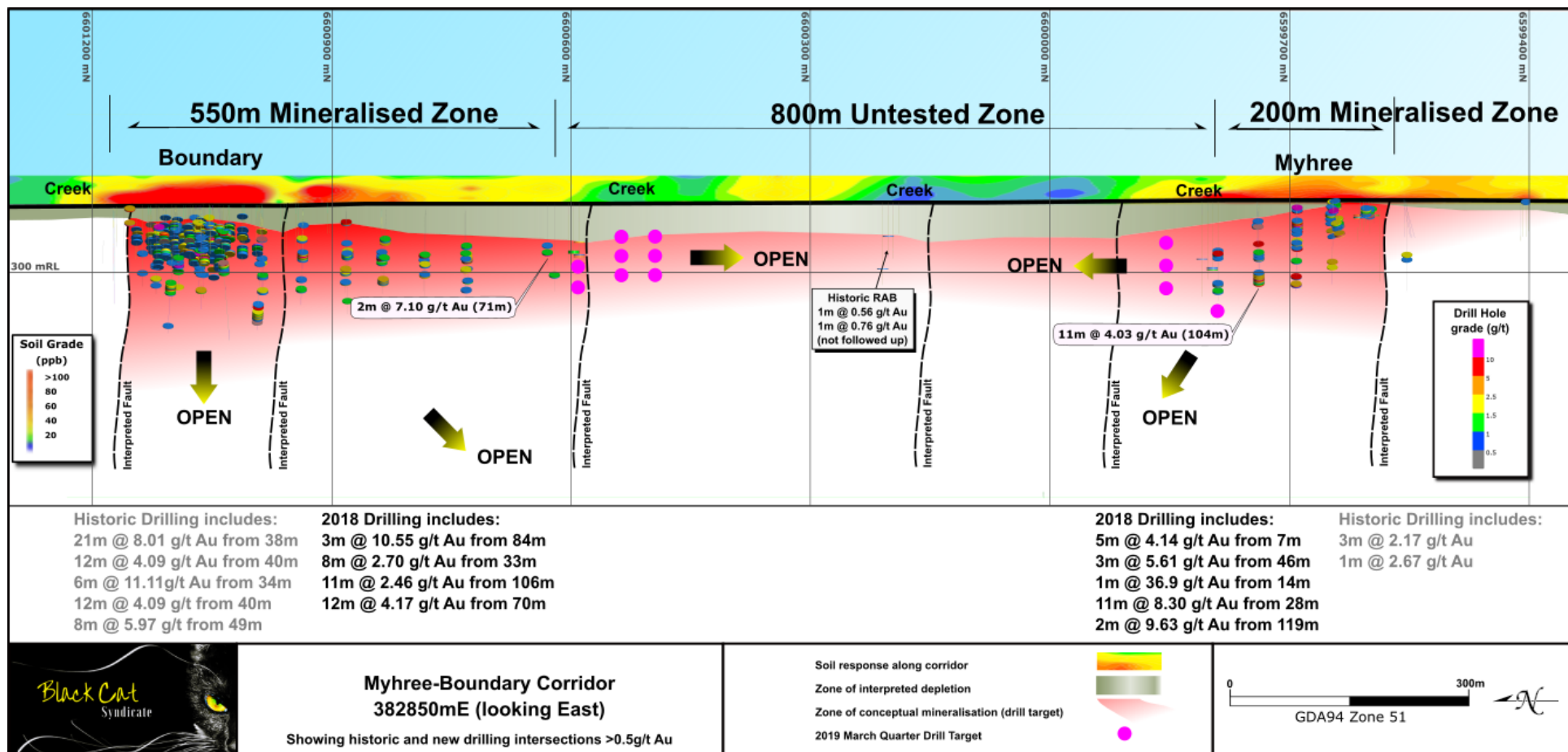


Figure 2: Schematic long section of the Myhree-Boundary Corridor showing all drilling, interpreted fault offsets along the corridor and contoured soil response overlay**. The extensional RC drilling program is highlighted by purple dots

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OTHER RC DRILLING

Trump

A 500m extensional RC drilling program is planned along the emerging Trump Corridor. This drilling will test the northern extension to the currently defined mineralisation. Historic drilling, including 3m @ 14.17 g/t Au from 57m (94BRC65)**, 1m @ 15.20 g/t Au from 40m (94BRC68)**, along with recent RC drilling by Black Cat, including 8m @ 4.13 g/t Au from 44m (18TRRC003), has shown shallow high grade mineralisation extends over 200m along strike (refer ASX announcement 28 August 2018).

Strathfield

A 200m program at Strathfield is planned to test for prospective stratigraphy along the Queen Margaret Corridor to the north of Strathfield. Previous drilling at Strathfield has shown shallow high grade mineralisation including, 1m @ 245 g/t Au from 48m (SBRC38)**, 1m @ 25.2 g/t Au from 24m (SFAC10)** and 4m @ 5.03 g/t Au from 24m (18SFRC004). Mineralisation is open to the north and untested for over 350m. This under drilled area contains numerous historic mining shafts extending a further 2km to the north.

NEAR TERM ACTIVITIES

Black Cat is looking to build a resource base from multiple deposits. Our targeting strategy is as follows:

- Advanced Targets: progress mature targets to define JORC Resources and economic deposits as quickly as possible;
- Emerging Targets: assess emerging targets to determine their ability to become advanced targets; and
- Early Targets: efficiently evaluate and prioritise more conceptual targets to ensure that scale opportunities are not overlooked.

Higher priority activities planned for the immediate future are on Advanced Targets as shown below:

- **January – March 2019** infill and extensional drilling along the 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;
- **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 Project. Announcement of results on an ongoing basis as each program is completed and interpreted.

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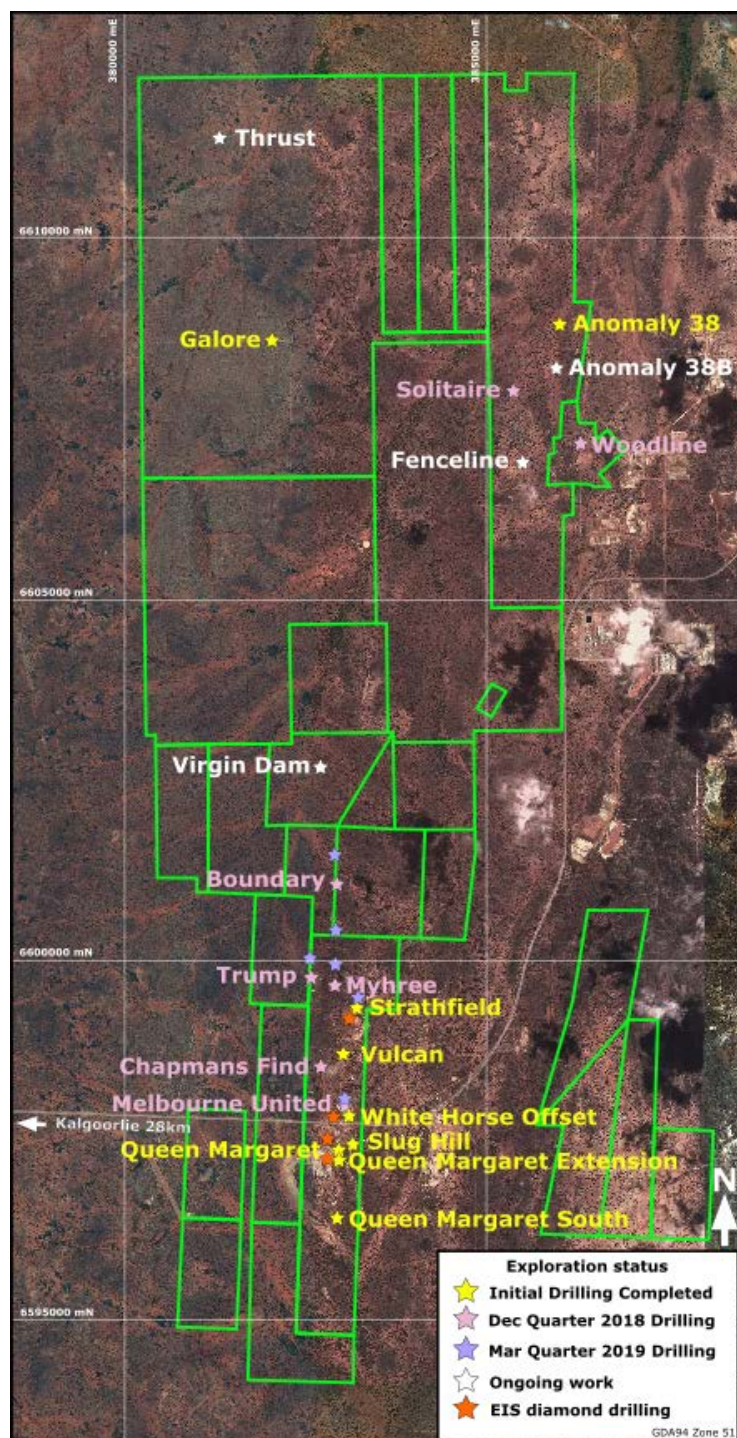


Figure 3: Map showing planned drilling locations at the Bulong Gold Project

For further information, please contact:

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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 @ >1 oz/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.

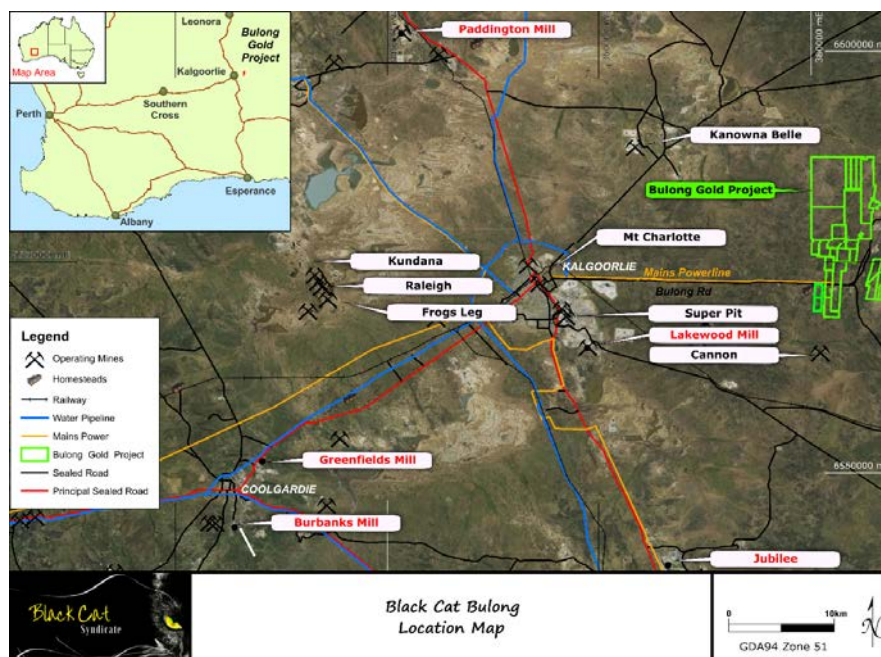


Figure 4: Regional map of Kalgoorlie showing the location of the Black Cat Bulong tenements and nearby infrastructure

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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 JORC Table 1 information, is contained in the Independent Geologists Report within Black Cat's Prospectus dated 27 November 2017, which was released in an announcement on 25 January 2018.*