

ASX Release

15 May 2017

BUXTON TO RAISE \$4 MILLION FOR DRILLING AT THE DOUBLE MAGIC NI-CU PROJECT

The Board of Buxton Resources Limited (Buxton or the Company) is pleased to announce that it has successfully completed a bookbuild to raise up to \$4 million from sophisticated and professional investors through the issue of up to approximately 17.4 million new shares at 23 cents per share (Placement). The Placement was particularly well supported by existing shareholders.

Funds raised pursuant to the Placement will be used to fund:

- Planned Phase 1 RC and diamond drilling programmes of circa 10,000m at Buxton's 100% owned Double Magic Ni-Cu Project in Western Australia, expected to commence in late May / early June. Drilling will focus on the extent of existing mineralisation encountered at the Merlin prospect IP anomaly. The IP anomaly at Double Magic is over 2km in length and extends from 60m below surface to beyond 500m at the eastern end. Outcropping primary Ni-Cu mineralisation across a 700m strike and proximal to the anomaly has been mapped and sampled by Buxton with values up to 1.52% Ni and 1.4% Cu returned;
- Continued regional exploration in the highly prospective West Kimberley; and
- For working capital purposes.

Hartleys Limited and Patersons Securities Limited acted as Joint Lead Managers to the Placement.

Upcoming Activity

100% owned Double Magic Ni-Cu Project (Western Australia)

The Company plans an aggressive and thorough work program to assess the true potential of the project to host economic nickel sulphide deposits.

- 10,000m of RC and Diamond drilling planned and approved (to commence late May/early June):

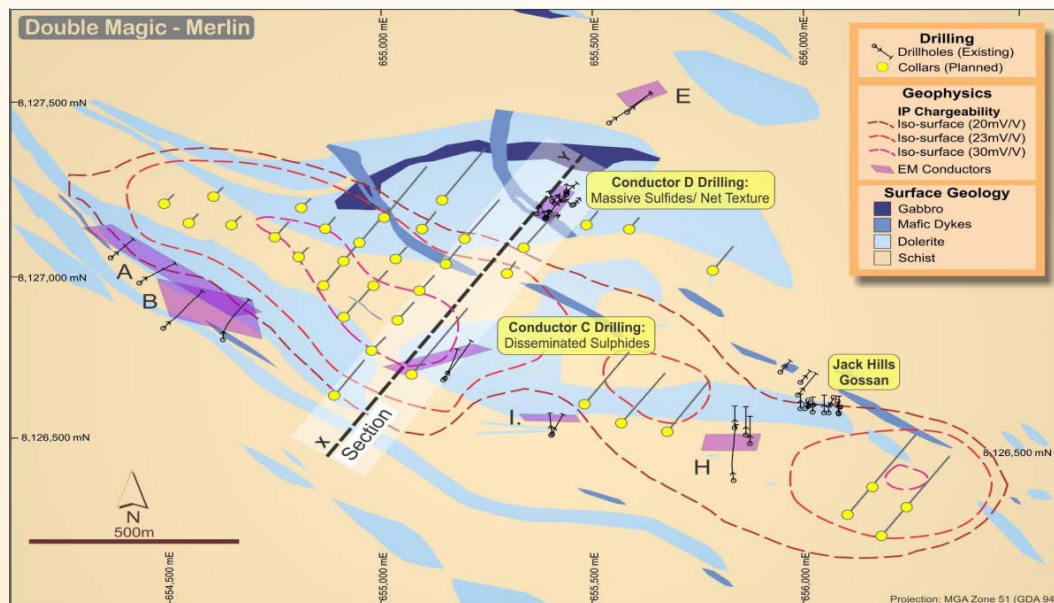


Figure 1: 10,000m planned and approved RC and Diamond Drilling programme

- The massive IP anomaly at Double Magic is over 2km in length and extends from 60m below surface to beyond 500m at the eastern end:

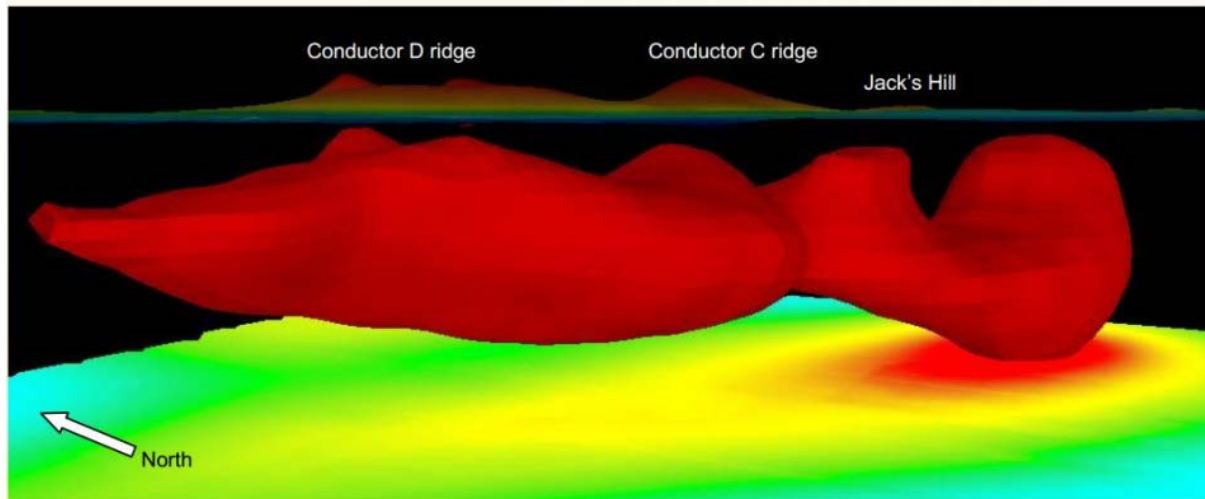


Figure 2: Massive IP anomaly at Buxton's 100% owned Double Magic Ni-Cu Project

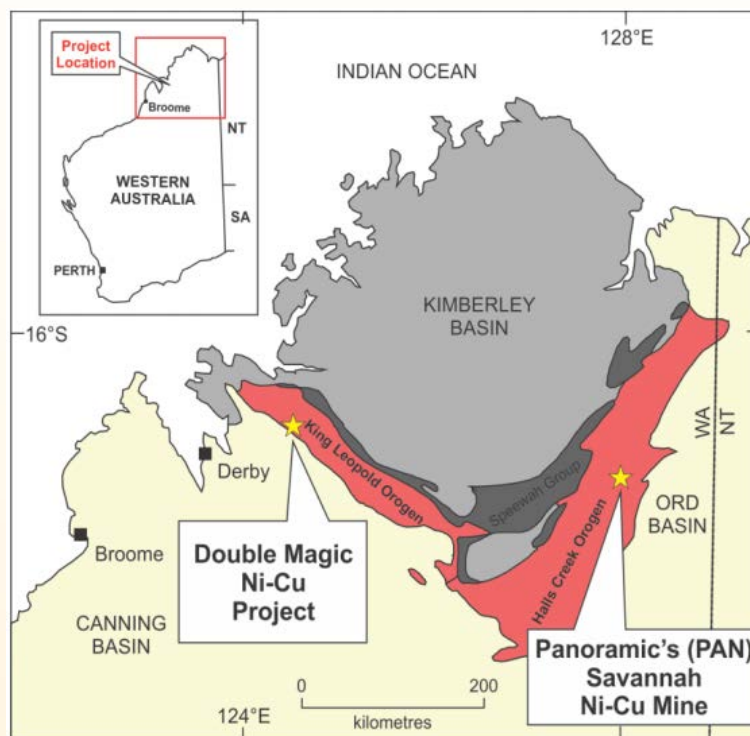


Figure 3: Buxton's 100% owned Double Magic Ni-Cu Project in Western Australia

Placement

The allotment of the Placement of up to approximately 17.4 million shares is not subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX LR 7.1 and additional 10% placement capacity under ASX LR 7.1A. Directors' participation in the Placement (circa 100 thousand shares) will be issued subject to shareholder approval at the Company's General Meeting, scheduled to take place on or around late June 2017.

For further information please contact:

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Competent Persons

The information in this report that relates to exploration results and geology for the Double Magic Project is based on information previously reported under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled by Mr Mark Glasscock, Member of the Australasian Institute of Mining and Metallurgy, and Mr Derek Marshall, Member of the Australian Institute of Geoscientists. Mr Glasscock is an Independent Consultant to Buxton Resources Limited and Mr Marshall is a full-time employee. Mr Glasscock and Mr Marshall have sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Forster and Mr Marshall consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.