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ASX Release

NEW MINERALISATION DISCOVERED, CATHERWOOD DEPOSIT, KUNANALLING PROJECT

The Company has just received results from what was intended to be the final round of Reserve drilling over the Catherwood deposit situated within the Company's Kunanalling project in the Kalgoorlie region of Western Australia. 12 holes for 769 m metres were drilled primarily to infill existing zones of mineralisation, particularly in areas critical to the optimisation shell, to enable a resource upgrade and allow for final geological modelling and mining optimisation and planning studies to proceed.

Of the 12 holes drilled, 4 holes were drilled within the Hanging Wall Zone along strike of, and around, some historic, isolated drill intercepts to test an idea on potential strike extensions of one of the lodes. **All of these holes intersected significant, economic level gold grades resulting in the discovery of an extensive zone of previously unknown mineralisation.**

Results from the four holes within the new Hanging Wall lode included;

KNRC0126:	4m @ 16.4 g/t gold
KNRC0127:	7m @ 3.21 g/t gold
KNRC0128:	4m @ 5.13 & 6m @ 4.06 g/t gold
KNRC0137:	11m @ 7.82 g/t gold

This drilling has now enabled the linking of previously spurious, isolated drill intercepts to be incorporated into a new contiguous zone of mineralisation striking over 180 metres to the north of the previously delineated mineralisation. Mineralisation along strike to the previously known Hanging Wall lodes is now recognised as changing orientation trending to the northwest. The bulk of the mineralisation is hosted by porphyry units following shears which wrap around the margins of a competent body of massive basalt.

Due to these results the RC drilling rig currently being mobilised to test exploration targets in the Castle Hill area to the north will be re-routed to further test this newly defined zone as a priority. The Company is highly encouraged that new high grade mineralisation has been discovered in an area that falls within and can easily extend the existing pit shells that have been designed.

Of the other holes drilled infilling the known areas of existing mineralisation all holes again returned expected, or better, grades and widths of gold mineralisation confirming the presence of an extensive zone of potentially economic mineralisation.

Results from the programme are as follows:

RC DRILLING RESULTS - CATHERWOOD

Hole ID	Loc N	Loc E	Loc Azm	Dip	Hole Depth (m)	Interval		Intercept (g/t Au)	Zone
KNRC0126	10,040	10,191	270	-60	72	52 - 56	4 m@	16.4	Hanging Wall
						61 - 62	1 m@	1.49	
KNRC0127	10,020	10,171	0	-90	54	20 - 27	7 m@	3.21	Hanging Wall
KNRC0128	10,000	10,220	270	-60	60	Dec-16	4 m@	5.13	Hanging Wall
						47 - 53	6 m@	4.06	
				<i>incl</i>		49 - 50	1 m@	16.6	
KNRC0129	10,040	10,112	270	-55	60	36 - 38	2 m@	5.47	Main Lode
						47 - 48	1 m@	1.54	
						56 - 57	1 m@	1.59	
KNRC0130	10,060	10,121	270	-55	72	44 - 45	1 m@	1.10	Main Lode
						49 - 54	5 m@	7.12	
				<i>incl</i>		50 - 51	1 m@	20.3	
KNRC0131	10,078	10,120	270	-60	80	48 - 49	1 m@	1.09	Main Lode
						51 - 57	6 m@	6.23	
KNRC0132	10,078	10,120	270	-45	75	44 - 49	5 m@	8.83	Main Lode *
KNRC0133	10,120	10,118	270	-50	86	49 - 50	1 m@	1.91	Main Lode
						57 - 63	6 m@	1.47	
KNRC0134	10,040	10,112	250	-45	65	50 - 51	1 m@	1.84	Main Lode
						57 - 58	1 m@	1.80	
KNRC0135	10,040	10,112	228	-45	55	41 - 42	1 m@	1.42	Main Lode
						48 - 52	4 m@	2.09	
KNRC0137	10,020	10,220	270	-60	66	24 - 25	1 m@	1.23	Hanging Wall
						54 - 65	11 m@	7.82	
				<i>incl</i>		57 - 58	1 m@	59.7	

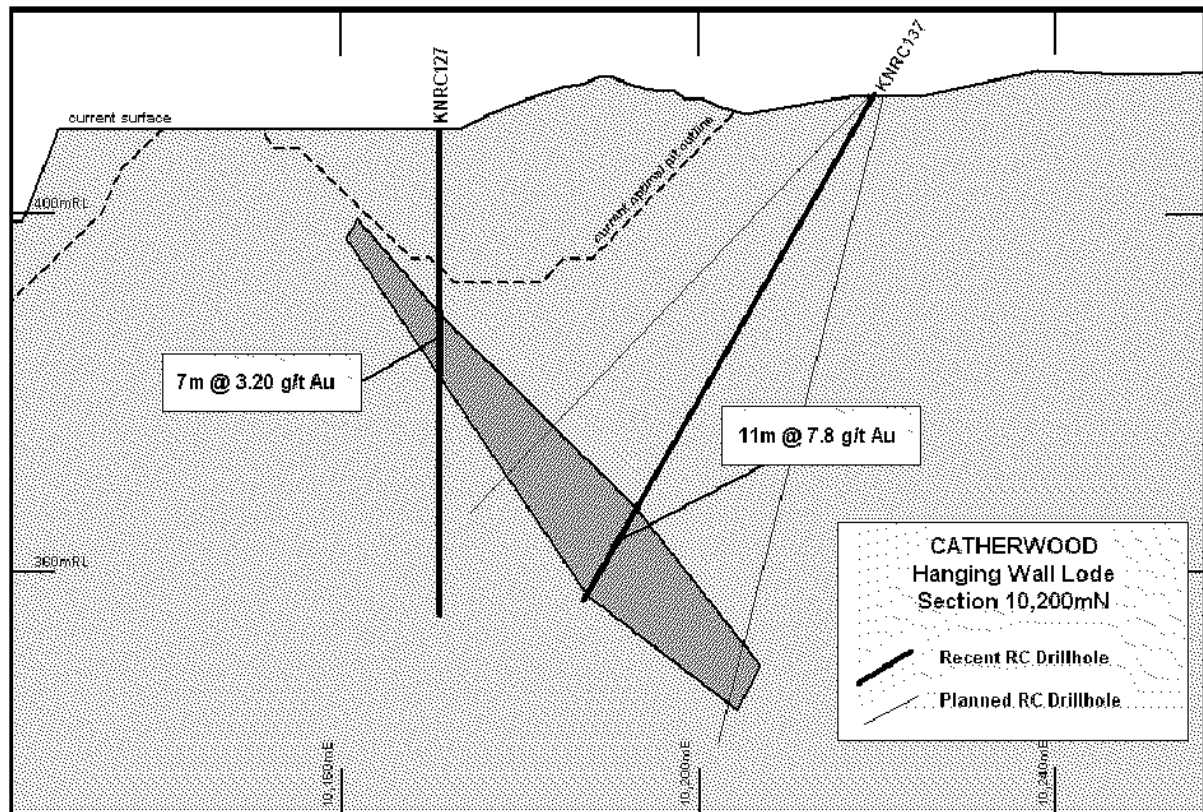
NB: Samples assayed by fire assay with an AAS finish. Intervals based on nominal 1 g/t Au cut-off. Highlighted intercepts are >20gm
 * includes a single 4 metre composite sample, waiting on single metre resplits.

These results, and those of the newly planned drill holes, will be incorporated into the existing geological model and further mining optimisation and pit design work will proceed. It is envisaged that these results will significantly add to the previously announced optimisation results for the Catherwood resource.

Yours sincerely,

Clive Jones

Managing Director



Information in this report pertaining to mineral resources and exploration results was compiled by Mr Clive Jones and Mr Mike Young who are Members of the Aus.I.M.M with not less than 5 years experience in the relevant fields, and who consent to act as Competent Persons with regard to the reporting of the mineral resources in this document.