



OPTION TO ACQUIRE HIGH GRADE ONTARIO ZINC PROJECT

HIGHLIGHTS

- Option agreement to acquire an initial interest of 70% in the past-producing Pick Lake Zinc Project in Ontario, Canada
- Established mining infrastructure with underground development and past production
- In situ historic mineralisation of 1.46Mt @ 15.06% Zn, 0.84% Cu, 36.8g/t Ag and 0.49g/t Au remaining, hosted in a sequence of volcanic rocks prospective for high grade zinc mineralisation
- Excellent infrastructure with road and power to site
- Portfolio of exploration ground (>17,000 Ha) acquired in the district with similar aeromagnetic signatures as Pick Lake to capture zinc exploration opportunities
- Acquisition subject to shareholder approval

Ishine International Resources Limited (ASX:ISH) ("Ishine" or the "Company") is pleased to announce that it has entered into an option agreement (**Option Agreement**) to acquire Superior Mining Pty Ltd, which has a 70% initial indirect interest in the past producing Pick Lake Zinc Project located in northwest Ontario, Canada (**Project**).

The Pick Lake Zinc Mine operated briefly in 1998 and produced 173,000t of zinc ore before the operation was suspended in December 1998 due to the decision by Inmet Mining Corporation ("Inmet") to cease processing from the nearby Winston Lake processing plant due to the poor zinc price at the time of approximately US\$0.42/lb.

The recent increase in the price of zinc has reignited interest in this past producing district in northern Ontario (figure 1).

The Pick Lake Zinc Project lies within the Winston Lake Greenstone Belt which hosts the highest grade zinc deposits in Canada.

Ishine sees significant opportunities within the Project area to target additional high grade mineralisation using the latest exploration techniques, including 3D seismic to target future drilling campaigns.

The reference to tonnes and grade of the Pick Lake Zinc Project is historical in nature and not reported in accordance with the JORC Code 2012. A competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012 (see Appendix 1 for further details).

The Pick Lake Project was most recently reported in an NI43-101 Technical Report dated 19 June 2013 by InnovExplo Consulting Firm for Silvore Fox Minerals Corporation and is accessible via the SEDAR filings website. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the historical exploration results obtained for the Pick Lake Project, but the Company has not independently validated the historical exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.



Figure 1. Location of the Pick Lake Zinc Project in Ontario, Canada

Background

The Pick Lake deposit was discovered by Corporation Falconbridge Copper ("Falconbridge") in 1983 with a single diamond drill hole from surface. This single drill hole was targeted to follow up on the down dip extension of a surface base metal occurrence at the Anderson showing.

The Anderson showing, claim staked by Falconbridge in August 1979, was the surface mineralisation that had initially encouraged Falconbridge to explore in the district. Following two summer seasons of geological mapping, sampling and geophysical

surveys, a 5 hole drill program discovered the Winston Lake deposit in 1983. The discovery of 2 deposits based on an integrated exploration program was rightly considered to be highly successful.

The discovery of these two VMS deposits in the early 1980s, were the first in the district since the discovery of the Geco deposit (58.4 Mt @ 3.45% Zn, 1.86% Cu, 0.15% Pb, 50 g/t Ag) by Noranda in 1954, located 110km east of Pick Lake near Manitouwadge.

In the last 20 years, predominantly low zinc prices and the global financial crisis has hindered the exploration for zinc-rich VMS systems in this district, with exploration focussed on gold potential around the nearby Hemlo gold deposit near Marathon (see figure 2).



Figure 2. Location of Pick Lake Zinc Project in northwest Ontario

Location and Infrastructure

Pick Lake is located approximately 200km east of the city of Thunder Bay. The city has a long history of supporting mining operations in the district with a skilled workforce of mining professionals. Thunder Bay acts as a regional centre for exploration companies operating in northern Ontario. A number of large mining companies operate out of Thunder Bay with active exploration programs looking for predominantly gold and diamonds.

Pick Lake is accessible from Thunder Bay via Provincial Highway 17 and then via an all weather unsealed road. A powerline connected to the Ontario Provincial power grid runs to site (see figure 3). A rail siding is located at the nearby town of Schreiber. The railway line follows the northern shore of Lake Superior and forms part of the main

Trans-Canada railway. Rail and Port facilities at Thunder Bay enable shipments to global customers; Thunder Bay is considered an ocean-going Port as it connects directly to the Atlantic Ocean via the Great Lakes and St Lawrence Seaway.



Figure 3. Surface infrastructure at Pick Lake: powerlines and concrete caps covering two 3m diameter shafts

The Pick Lake Deposit was previously mined by Inmet and high grade zinc ore from this deposit was scheduled to fully replace the nearby Winston Lake deposit as remnant lower grade zinc ore was mined from Winston Lake. Winston Lake was mined out in 1998 and prior to that date had produced 3.5mt of Zn at 15% from 1990 to 1997.

Inmet developed westward to the Pick Lake deposit from the Winston Lake deposit via an underground drive at the 615 level (615m below surface) and developed a number of drives into Pick Lake ore. Two 3m diameter ventilation shafts were installed above Pick Lake and the ensuing mining operations from both Pick Lake and Winston Lake supplied ore to the Winston Lake process plant. Records show that at least C\$30M of development capital was expended in 1997 and 1998 to develop the Pick Lake deposit (see figure 4). Mining operations ceased at Pick Lake on 4 December 1998.

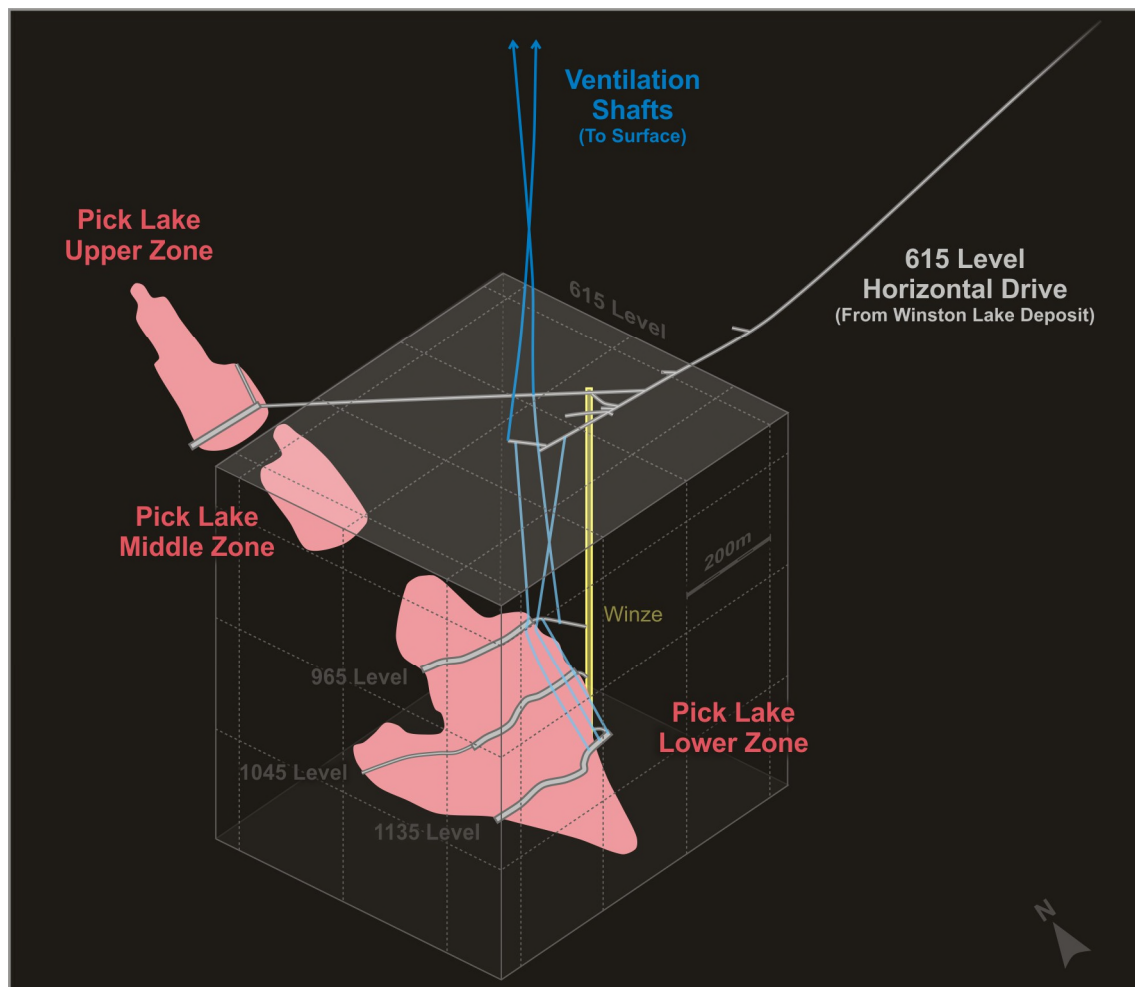


Figure 4. Pick Lake deposit showing outline of deposit in pink (as defined in 1998) and main development drives and ventilation shafts.

Tenure

The Pick Lake Project comprises 297 claim units (each claim unit is 400mx400m or 16Ha in area) totalling 47.5km². The claims are made up of a number of claims acquired in August 2016 and claims recently staked and registered in October 2017(see figure 5).

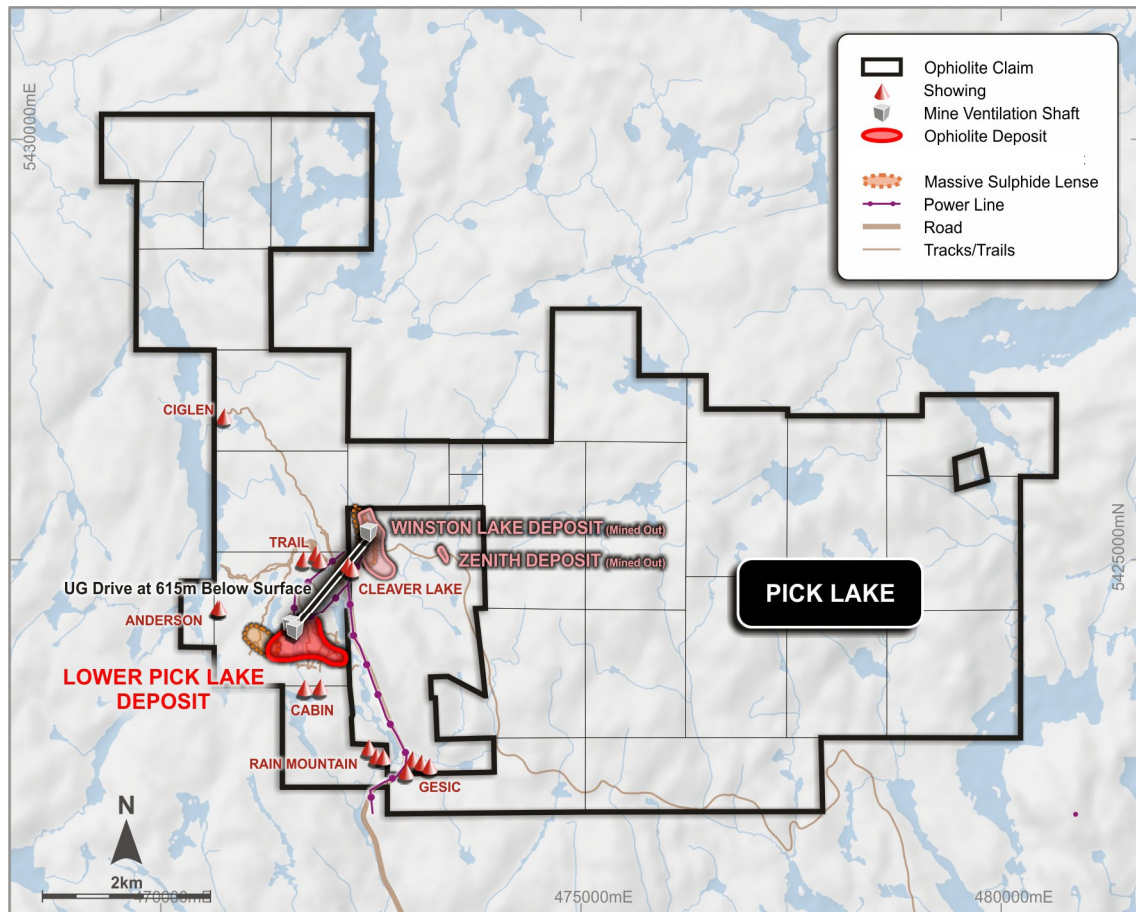


Figure 5. Pick Lake Project area showing surface prospects and infrastructure

Following a review of the potential within the Pick Lake Project Area, it was decided to acquire additional areas within the district between Pick Lake and Manitouwadge, prospective for zinc rich VMS mineralisation. This resulted in the Joe Creek, Ellis Lake and Victoria Lake Project areas being acquired (see Figure 6). The total of all claim areas is >17,000Ha.

These areas were identified from a return to first principles targeting of features in the regional aeromagnetic data that displayed evidence of a sequence of volcanic rocks with associated major structures. Refinement of targets identified historic first pass exploration by a number of previous exploration companies in these project areas with anomalous zinc assays that were not followed up. Ishine intend to re-evaluate the potential on these recently acquired project areas.

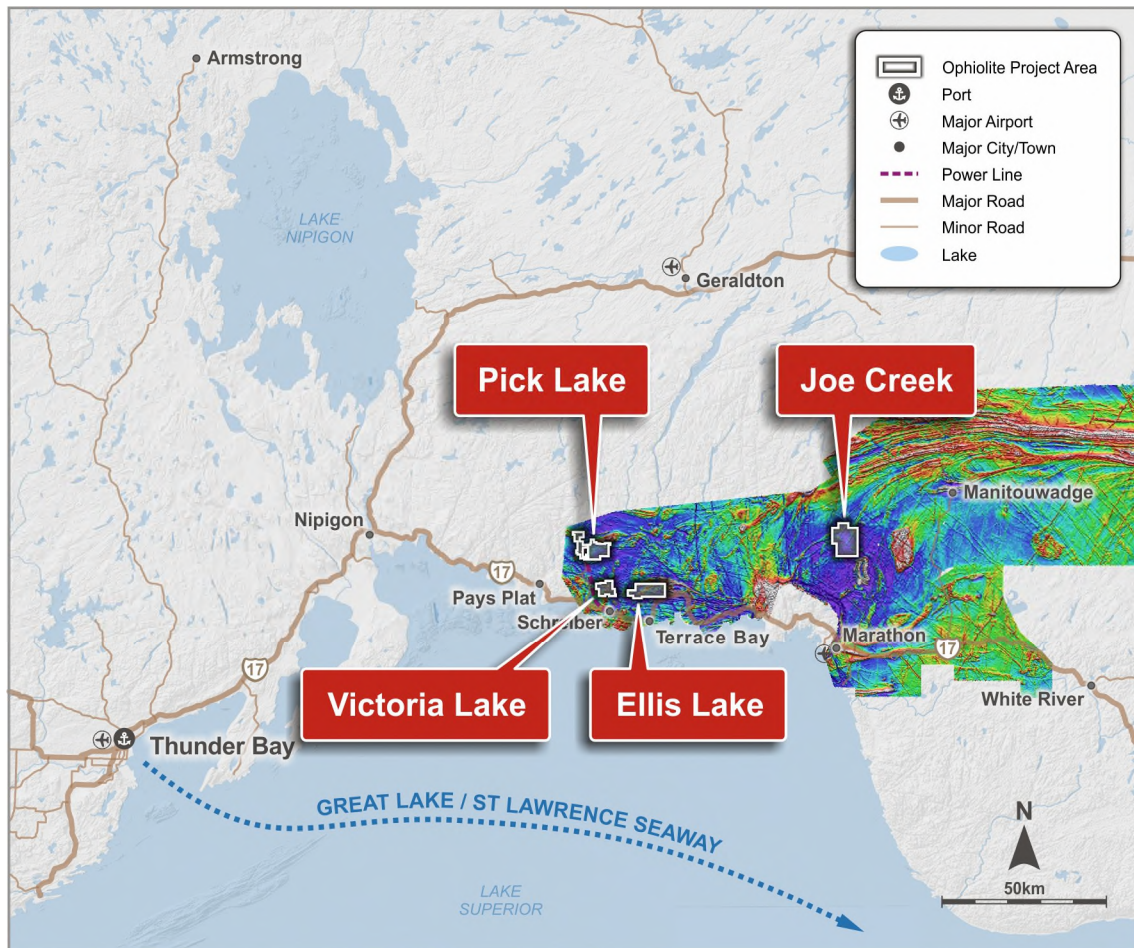


Figure 6. Joe Creek, Ellis Lake and Victoria Lake Project Area Locations

Geology, Mineralisation, Resources and Potential

The Pick Lake deposit occurs at the extreme western edge of the Winston-Big Duck Lake sequence of volcanic rocks, approximately 35 metres above a granitic contact. Aeromagnetics within the Project area depicts a distinctive V shaped sequence of magnetic and non-magnetic units converging to a northern "V" apex and appears remarkably similar to the aeromagnetic character of the older Archean Warriedar Fold Belt in Western Australia which hosts the Golden Grove VMS deposits.

The Pick Lake deposit occurs as a large sheet like zone of massive sulphides (see figure 7) within a series of bedded pyroclastic rocks. An internal estimate of 1.46Mt @ 15.06% Zn, 0.84% Cu, 36.8g/t Ag and 0.49g/t Au was calculated by Inmet geologists using in-house geostatistical and modelling software. A number of assumptions on expected dilution were also included in the estimate to account for mining narrow ore widths and inclusion of variable hanging wall gangue rock based on the degree of hanging wall alteration. Detailed information on this historic resource is currently being compiled from public records. Hydrothermal alteration exists in both footwall and hangingwall rocks resulting in varying assemblages of quartz, cordierite, biotite, anthophyllite, garnet, chlorite and sericite with minor disseminated sulphides. The hydrothermal alteration zone appears to be spatially related to the Winston Lake deposit; recent structural mapping provides evidence that Pick Lake and Winston Lake are hosted within the same stratigraphic horizon.

The Anderson showing, located near the southeast shore of Winston Lake, appears to be the surface expression of the Pick Lake deposit. This is a rusty pyritic weakly altered series of bimodal volcanics. Massive sulphides of the Pick Lake deposit occur from

approximately 300m to 1200m vertically and over a strike length averaging 250 metres. The lower portion of the deposit appears to increase in strike length to approximately 500 metres. The deposit strikes at 20 degrees and dips to the east at 50 degrees. The thickness of the deposit is generally between 2 and 4m, however, locally it is up to 14 metres in width.

Sulphide mineralisation is generally very consistent, composed of a fine grained mixture of sphalerite (50-80%) and pyrrhotite (5-35%) with minor chalcopyrite (0-5%) and pyrite (0-3%). Commonly contained within the sulphides is up to 5% transparent rounded quartz inclusions up to 3mm in size as well as rare (1-3%) sub-rounded biotitic volcanic inclusions. The contacts to the deposit are typically knife sharp and commonly show the presence of minor amounts of silica.

Based on diamond drilling results, as well as very limited underground exposures, the Pick Lake deposit, appears to have been metamorphosed to amphibolite facies with temperatures high enough to recrystallise sulphides in-situ. Drill hole WL-67 intersected a very anomalous thickness of 13.4 metres of massive sulphides in the central lower portion of the deposit. This hole showed coarse grained, volcanic inclusion-rich, sulphides more typical of the Winston Lake deposit. This intersection also showed very little of the clear rounded quartz inclusions which are so common elsewhere throughout the deposit. It is believed that this represents an area where primary exhalative or replacement sulphides were formed. Tectonic bedding-parallel flattening, so prevalent throughout the stratigraphy, may have forced the sulphides out from this original location along a stratigraphic horizon to form the sheet-like zone. This physical squeezing would result in the homogeneous mix of sulphides, as well as the rounding of inclusions that is so commonly seen.

Limited amounts of retained footwall rocks, due to the replacement of the granites to the west, leaves little stratigraphy to conduct alteration distribution studies. It does appear however, that hydrothermal alteration is slightly more intense in the area of the thick primary sulphides.

The pyroclastic host horizon between Pick Lake and Winston Lake remains prospective for additional occurrences of VMS style massive sulphides and appears to form a recognisable marker horizon along which to target. Recent surface structural mapping in October 2017 will assist in constraining this prospective pyroclastic ore hosting stratigraphy not only between the Pick Lake and Winston lake deposits but also further north and south of these deposits. East-West geological interpretive cross sections are being created to help with future targeting.

As described above, a single drill hole targeted by Falconbridge geologists in 1983 intersected the Pick Lake deposit. Further drilling from surface and additional underground drilling resolved three mineralised zones, the upper, middle and lower zones (see figure 4). Given the new structural interpretation which has helped explain the post ore forming deformation history and the availability of modern geophysical techniques, it is expected that targeting for nearby mineralisation will now be easier than historical efforts. In particular, a previous small 2D seismic survey undertaken in May 1994 over the Pick Lake deposit clearly identified the mineralisation, it is expected that a more detailed and extensive 3D seismic survey will similarly directly detect VMS style massive sulphide mineralisation.



Figure 7. Pick Lake deposit, sphalerite ore

Exploration program

A number of surface expressions of VMS mineralisation are known within all the Project areas.

Historic follow up of these surface occurrences has been limited due to the interpreted highly folded and metamorphosed rocks requiring detailed mapping in 3D.

Recent structural mapping work at Pick Lake has provided insights into the post-emplacement deformation history at Pick Lake and this work will be extended to the other project areas at Joe Creek, Ellis Lake and Victoria Lake.

Surface structural mapping integrated with a re-interpretation of the available geophysical datasets has generated a new understanding of this greenstone belt which shows a remarkable similarity to other known Archean greenstone belts hosting multiple VMS deposits.

The very high zinc grades common to VMS mineralisation in the Pick Lake Project area provide the potential for economic extraction at depth; geophysical techniques such as seismic have the ability to directly detect this mineralisation to depths down to at least 2000m. Physical property measurements on samples of ore and host rock will be undertaken to determine if additional techniques such as MMR (magnetometric resistivity), borehole EM and gravity has the potential to differentiate a physical property contrast great enough to directly detect mineralisation.

A compilation of all publicly available data is in progress to construct a 3D model of the geology prior to undertaking further surface mapping, geophysical surveys and drilling. Of note is the ability to undertake drilling at Pick Lake all year round due to the ease of access.

Commercial Terms

The commercial terms of the Option Agreement are summarised below:

1. Superior Mining Pty Ltd (ACN 623 056 566) (**Superior**) is a proprietary company which is the legal and beneficial owner of 70% of the issued capital of Ophiolite Holdings Pty Ltd (ACN 617 182 966) (**Ophiolite**). The remaining 30% interest in the issued capital of Ophiolite will be held by five minority shareholders (**Ophiolite Minority Shareholders**).
2. Ophiolite is a proprietary exploration company and is the legal and beneficial owner of the zinc and copper prospective "Pick Lake Project", located in Ontario, Canada (**Project**).
3. Pursuant to the terms of the Option Agreement, Superior has agreed to grant the Company an exclusive 14 day option (**Option**) to conduct due diligence on itself, Ophiolite and the Project for the purpose of determining whether to purchase 100% of the fully paid ordinary shares in the capital of the Superior (free from encumbrances), including the Superior's 70% indirect interest in the Project (**Acquisition**).
4. The consideration for the Option is a non-refundable payment totaling \$250,000 (**Option Fee**) to be satisfied by the issue of 22,727,273 fully paid ordinary shares in the capital of the Company at an issue price of \$0.011 per share. These shares will be issued, without shareholder approval, within 3 business days of the date of the Option Agreement.
5. Upon successful completion of due diligence, exercise of the Option and subject to shareholder approval, the Company will issue 263,636,364 fully paid ordinary shares in the capital of the Company at an issue price of \$0.011 per share (**Consideration Shares**) to acquire all of the issued capital in Superior.
6. Superior shareholders have agreed to voluntarily escrow 50% of the Consideration Shares for a period of 6 months from settlement of the Acquisition (**Settlement**).
7. The Company (or its nominee) and each of the Minority Ophiolite Shareholders agree to enter into a shareholders' agreement for formation of an incorporated joint venture for the proposed development of the Project (**Ophiolite Shareholders Agreement**) pursuant to which the Minority Ophiolite Shareholders' interest in 30% of the issued capital of Ophiolite (**Minority Interest**) will be free carried by the Company (or its nominee) until such time as a bankable feasibility study is completed by Ophiolite in relation to the Project (**BFS**).

8. In accordance with the terms of the Ophiolite Shareholders Agreement, following completion of the BFS, the Company (or its nominee) will have first right of refusal to acquire the Minority Interest from the Minority Ophiolite Shareholders, (which for the avoidance of doubt will result in the Company (either directly or indirectly) holding 100% of the issued capital of Ophiolite and therefore a 100% indirect interest in the Project).
9. The consideration to be paid by the Company for the acquisition of the Minority Interest will be determined via an independent valuation and will be payable via a cash payment and/or the issue of Shares (at the election of the Company).
10. At Settlement, the Company shall reimburse A\$500,000 of expenditure already incurred by Ophiolite on the Project prior to the date of the Option Agreement, subject to the provision of evidence of such expenditure for review and approval to the Company's satisfaction (acting reasonably).
11. From the date of execution of the Option Agreement up until Settlement, the Company agrees to fund and/or reimburse Ophiolite in connection with reasonable expenditure incurred and necessary to maintain the claims which comprise the Project, up to a maximum of \$100,000. Ophiolite will obtain the Company's prior written consent for any individual expenditure over \$50,000.
12. In relation to five of the eighty one Ophiolite Claims (being claims 3001231, 4244161, 4244162, 4244163, 4244751), Ophiolite (which obligations the Company will assume) is required to pay a net smelter royalty (**NSR**) of 2% to Orebot Inc (or its nominees), with all parties acknowledging that 50% of the NSR may be bought back for C\$1 million at its sole election and pay outstanding vendor payments (being C\$300,000 in August 2018, C\$300,000 in August 2019 and C\$500,000 in August 2020).

Conditions Precedent

The Acquisition is conditional upon:

- (a) **Capital Raising:** Completion of a capital raising by the Company to raise up to \$2,500,000 (before costs) through a placement of shares at an issue price of \$0.011 per share;
- (b) **Shareholder Approvals:** the Company obtaining all necessary shareholder approvals, including approval pursuant to ASX Listing Rule 11.1.2;
- (c) **Regulatory Approvals:** the Company obtaining all necessary regulatory approvals;
- (d) **Pre-emption rights:** if required, each Superior shareholder waiving all pre-emptive or other rights over any of the shares conferred by the constituent documents of Superior, any shareholders agreement relating to the shares or in any other way (if any);
- (e) **Ophiolite Shareholders Agreement:** Ophiolite, the Company (or its nominee) and the Minority Ophiolite Shareholders' entering into the Ophiolite Shareholders Agreement;
- (f) **Escrow confirmation:** Superior and its shareholders being satisfied (acting reasonably) that no mandatory escrow restrictions will be placed on the Consideration Shares by ASX; and
- (g) **Other:** any such other conditions that are necessary in order for the matters contemplated by this document to be properly completed.

Indicative Timetable

Action	Date
Announcement of Project Acquisition and Grant of Option	4 December 2017
Payment of Option Fee	7 December 2017
Exercise of Option and completion of Due Diligence	By 18 December 2017
Despatch of Notice of Meeting	20 December 2017
Extraordinary General Meeting	23 January 2018
Consideration Shares and Placement Shares issued & Appendix 3B	2 February 2018

Indicative Capital Structure

	Shares
Current Shares on Issue	208,957,970
Option Fee	22,727,273
Capital Raising	227,272,727
Project Consideration Shares	263,636,364
TOTAL	722,594,334
Indicative Market Capitalisation Post Raising (at 1.1c)	\$7,948,538
Indicative Enterprise Value (minus transaction costs and reimbursement at 1.1c)	\$5,688,538

Board Changes

Subject to shareholder approval, Mr Grant Davey will be joining the Company as an executive director. Mr Davey is a mining engineer with over 18 years of deep level mining experience. He has been involved in producing as well as the development of mining projects throughout Africa and Australia. He is a major shareholder of the Honeymoon Uranium project in South Australia and a director of Australian listed companies Cradle Resources Limited and Boss Resources Limited.

Mr Keong Chan and Mr Chuanshui Yin will remain on the board with Mr Yunde Li resigning effective (subject to receipt of shareholder approval for the acquisition of the Project).

Mr Keong Chan will also remain as company secretary.

The Company is currently assessing candidates for an additional director role.

Competent Person Statement

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves.

The Information contained in this announcement is an accurate representation of the available data and studies for the Pick Lake Zinc Project.

The information contained in this announcement that relates to geology and exploration results is based, and fairly reflects, information compiled by Mr Michael Hannington, who is a Member of the Australian Institute of Geoscientists. Mr Hannington is a consultant to Ophiolite Holdings Pty Ltd. Mr Hannington has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Hannington consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

All parties have consented to the inclusion of their work for the purposes of this announcement. The interpretations and conclusions reached in this announcement are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for absolute certainty. Any economic decisions which might be taken on the basis of interpretations or conclusions contained in this announcement will therefore carry an element of risks.

Appendix 1: Reporting of Historical Estimates

Under ASX Listing Rule 5.12 (LR 5.12), an entity reporting historical estimates of mineralisation in relation to a material mining project must include all of the information shown in LR5.12. IShine considers the Pick Lake Zinc Project to be a material mining project and as such provides the following information regarding the Pick Lake Zinc Project in accordance with LR 5.12:

1. The source and date of the historical estimates (LR5.12.1).

The source of the historical estimate is taken from public documents. The primary document is titled, "Independent Technical Report on the Pick Lake Property, Pays Plat Lake and Rope Lake Area, Ontario, Canada, dated June 19, 2013 prepared by Bruno Turcotte, MSc, P.Geo and Remi Verschelden, BSc, P.Geo (filed June 21, 2013 on SEDAR). This report can be accessed via the url: http://www.sedar.com/search/search_form_pc_en.htm (In Company Name box type in "Silvore Fox", in the date of filing from/to boxes type in from "June 20 2013" to "June 22 2013" two documents are displayed. Click on the NI43-101 document). See p9 and 72 within this report where the historical estimate is reported). The resource related to the Geco Deposit was sourced from Franklin (1996). There are a large number of differing resources quoted for the Geco and Wilroy mines at Manitouwadge depending on whether past production is quoted for each deposit individually or combined. Some reports mix past production with the historic resource. Franklin is the author most published on the Geco deposit and has had more involvement than other authors.

2. Whether the historical estimates use categories of mineralisation other than those defined in JORC Code 2012 and if so, an explanation of the differences (LR5.12.2)

The category defined is different to those defined in JORC Code 2012, Inmet Mining Corporation internally reported tonnes and grade including a factor for dilution. This dilution factor was historically 25%. This means that the historic estimate includes 25% of the tonnes at zero grade. It is not appropriate to re-configure the historic estimate and remove the effect of the allowance for dilution without reviewing the geological model, cut-off grades and other geostatistical parameters, however, in broad terms, removal of the dilution factor will reduce the tonnes and increase the grade.

Given the lack of additional data available to assist in informing the historic resource estimate, the historic resource should be considered as approximate to an inferred resource for comparison purposes with the JORC Code 2012 categories of resources.

3. The relevance and materiality of the historical estimates to the entity (LR5.12.3)

IShine considers the historical estimates to be both material and relevant to the Company's Pick Lake Zinc Project as it provides an indication of the size and scale of the Project. Existing underground development and stopes are flooded and use of an underwater autonomous vehicle (UAV) deployed into the underground working has the ability to rapidly verify the reported size and scale of the Project prior to de-watering.

4. The reliability of the historical estimates, including reference to any criteria in Table 1 of JORC Code 2012 which are relevant to understanding of the reliability of the historical estimates (LR 5.12.4)

It is the opinion of IShine that these estimates are reliable and represent the results of work done to a high standard, by high calibre company geologists employed by Inmet Mining Corporation ("Inmet"). Until its takeover in 2013, Inmet was a highly regarded mining company and used rigorous internal procedures to estimate resources. Inmet used high quality sampling, testing and geological and geostatistical modelling. The historical estimates represented best practice work at the time. Resource geological staff previously employed by Inmet that had responsibility for signing off on the historical resource, now act as independent geological consultants and IShine intend to use the same geologists to review their previous work to comply with JORC (and NI43-101). Information from publicly available documents and reports relevant to the historic resource has been summarised below:

Criteria	Explanation	Commentary
Historical Reporting	<i>Nature of reporting and brief description of data.</i>	- On 6 December 1984 Pick Lake discovery announced - Pick Lake was reported to occur 1000 meters stratigraphically below the Winston Lake deposit in sediments, not volcanics. The deposit was described as an extensive, narrow sheet of zinc-rich massive sulphides that was tested by drill holes at 200m centres. The best intersection of the time was 1.49% Cu and 21.95% Zn over 1.5 metres. - In 1985 the strike length of the deposit was reported to be 300-400 metres and open down dip. - In December 1990 a 7000m diamond drill program intersected the Lower Pick Lake Zone, occurring at 1050m depth in 4 of 8 drillholes, only the following intersections were reported: - WL67C – 3.6m @ 34.4% Zn, 1.2% Cu, 56.9 g/t Ag - WL32A – 3.5m @ 17.8% Zn, 0.71% Cu, 59.5 g/t Ag - WL67 – 13.4m @ 25.1% Zn, 2.6% Cu, 106.4 g/t Ag The three mineralised intersections are the only publicly reported mineralised assay results from diamond drill core into the Pick Lake deposit. Assay certificates related to these mineralised intersections are not publicly available. - Ground truthing to relocate drill collars has located 23 cemented drill collars at surface. These drill collars have had locations determined using a handheld GPS to collect UTM coordinate. 9 of the 23 drill collars has a hole ID recorded. From field observation it appears that drilling obtained both BQ and NQ sized core - Personal Communication with Inmet mine geologists has confirmed extensive underground drilling. No data is available for this drilling in the public domain. This information was not required to be reported under Ontario Mining Legislation. - No public records are available or assay results for either surface or underground drilling
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	A number of cross sections showing historic drilling is reported in a field work program report dated 13 February 2014 submitted to MNDM and undertaken by Golden Share Mining Corporation. The cross sections show drilling from surface of historic diamond drillholes WL14, 17, 19, 43, 55 and 56. All drill holes show deviation and it is assumed that each of these holes has been surveyed to determine deviation of these holes. Annotated next to the drill hole traces are lithological codes.
	<i>Aspects of the</i>	Sample collection procedures are not available in the

	determination of mineralisation that are Material to the Public Report.	public domain
Drilling techniques	Drill type	All drillholes have collected diamond drillcore from surface. It is unclear on what core from the various drilling campaigns remains
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	No sample/core recovery data is available
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	From review of publicly available cross-sections diamond core was geotechnically logged for recovery and RQD. The level of geological logging is able to be determined; however, the cross-sections appear to have been generated from a drillhole database which contains adequate geological detail to construct a resource model. Public reports also describe some wireline log suites for drillholes
Location of data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	A large number of reports submitted to the MNDM as part of work program reporting obligations are publicly available. These reports contain appendices and maps that appear to accurately locate drillhole collars and down-hole surveys.
	Specification of the grid system used.	- The grid system was initially a Local Pick Lake grid. - More recent GPS recording of waypoints is in NAD83, UTM projection Zone 16
	Quality and adequacy of topographic control.	All collar locations located on the ground have been picked up by GPS. Apart from drillhole collar surveys, survey definition of surface topography is assumed to be accurate to within 2m as a constraint for the resource model given depth of the mineralisation.
Data spacing and distribution	Data spacing for reporting of Exploration Results.	- As discussed above public reporting describes drilling at 200m spacing from surface - Underground drilling is not available
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	- From identification of drill collars at surface and knowledge of the orientation of the Pick Lake deposit, the angle of drilling from surface appears appropriate. - Again, underground drilling is not available
Sample security	The measures taken to ensure sample security.	No information is available; it is assumed that Inmet organised delivery of samples directly to assay laboratories

5. To the extent known, a summary of the work programs on which the historical estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare historical estimates (LR 5.12.5)

Several programmes of diamond drilling, both from surface and underground, face sampling, bulk sampling and geological mapping underground was completed. Numerous paper copies of assay results are contained in publicly available reporting as part of statutory reporting of exploration to the Ontario Ministry of Northern Development and Mines ("MNDM") and Toronto Stock Exchange reporting on the SEDAR filing website. IShine is in the process of acquiring a digital database of all previous assays and geological sampling and gaining the

necessary permissions to access primary assay data from assay labs to assist in compliance with future NI43-101 and JORC Code reporting of resources.

6. Any more recent estimates or data relevant to the reported mineralisation available to the entity (LR5.12.6)

No further estimates or data relevant to the resource estimation are available. Nevertheless, recent surface structural mapping completed in November 2017, has provided a fresh insight into the structural setting of the Pick Lake Zinc Deposit and it is expected that this will inform a new geological model that is materially different to previous geological models. Future resource estimation will be constrained by this recent understanding of the geological setting.

7. The evaluation and/or exploration work that needs to be completed to verify the historical estimates as mineral resources or reserves in accordance with JORC Code 2012 (LR 5.12.7)

A review of historical drilling information will be completed, to further ensure the integrity of the data, followed by another estimation of the resource, with updated classification based on the level of information available. iShine intends to conduct further drilling and use existing surface drilling to re-enter and wedge off to obtain fresh representative samples of the mineralisation, bulk sampling from underground following de-watering and geotechnical and hydrological testing as part of a feasibility study to re-commence mining.

Drilling at the Pick Lake Zinc Project is possible all year round.

iShine will investigate a fast-track drilling campaign to potentially re-enter and ream out previously drilled diamond drill holes.

This will provide a cost effective option to wedge-off from these primary drill holes with a number of daughter holes into the Pick Lake deposit to provide core samples to verify previous assays and metallurgical test work. This work can commence as soon as a budget is allocated for this work and a drilling contractor is secured, as all permits to undertake drilling are in place. It is expected that a drilling campaign of this nature can commence within 3 months.

In addition, iShine will also plan a drilling campaign to follow up on targets generated by a future seismic survey.

Drilling will be dependent on the timing of undertaking a 3D seismic survey over the Pick Lake deposit to form an orientation survey to determine the seismic signature of the mineralisation associated with the deposit and potentially highlight areas outside the known extents of the historic resource.

iShine has confirmed with the MNMD that a seismic survey constitutes non-ground disturbing activity and can be undertaken once a budget is allocated and a seismic crew is mobilised to the area.

Seismic crews are readily available in the area. A seismic survey, including processing and interpretation to provide drill targets may take up to 6 months and this would then lead to a drilling program commencing in the northern summer 2018.

8. ***The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work (LR 5.12.8)***

IShine intends to complete drilling, bulk sampling, geotechnical and hydrological testing and will embark upon this work as working permits are granted. Permits to drill are already in place, permits to re-enter mine workings and begin dewatering will be sought following assessment of the Project. The work will be funded from existing working capital and a future equity raising.

9. ***A cautionary statement proximate to, and equal prominence as, the reported historical estimates (LR 5.12.9)***

Refer to the cautionary statement on page 1 and 2 of this announcement and proximate to the historical estimate reported in the highlights in this announcement

10. ***A statement by a named competent person or persons that the information in the market announcement provided under LR 5.12 to 5.12.7 is an accurate representation of the available data.***

Refer to the competent persons statement on this announcement.