15 March 2019

Markets Announcement Platform
Australian Stock Exchange

HIGH POTENTIAL HEAVY MINERAL SANDS PROJECT IN MOZAMBIQUE

Field reconnaissance over Corridor tenements has identified significant surface concentrations of heavy mineral sands over broad areas supporting the historic drilling data.

- **Field reconnaissance work at Corridor Central & Corridor South identified significant heavy mineral sand (HMS) concentrations along tracks and in drainage traps.**
- **The frequency of HMS concentrations and volume of concentrate suggest significant mineralisation in the area.**
- **Stakeholder engagement, establishment of a field base and recruitment of an experienced team have commenced and are ongoing.**

The success of the field reconnaissance work identifying surface HMS will now be supported by a shallow auger drill program.

The airborne geophysical survey with Geotech Ltd over the Corridor Central and Corridor South HMS tenements has been contracted and permits have been submitted for flyover to commence in the coming days (refer ASX announcement 4 March 2019).

The data from the field reconnaissance, airborne survey and auger drill program are expected to support additional HMS target definition for an upcoming aircore drill program planned for Q2–2019.

Details:

Field Reconnaissance over Corridor Tenements

The Company's field team spent the first week of March undertaking reconnaissance in the Corridor Central (6620L) and Corridor South (6621L) tenements to determine best access routes and other constraints for planned drilling activities. During this reconnaissance activity, surface concentrations of HMS were located in numerous areas within drainage traps and along dirt access tracks on both tenements. The most prominent HMS occurrences are associated with the zone of high grade mineralisation defined from historic drilling (refer ASX announcement 23 January 2019) at Corridor Central (Figure 1). The frequency of occurrence and the volume of HMS concentrate (Figure 1) support the historic drilling data and is a strong indication of mineralised sand nearby. In the Corridor South tenement, historic drilling was generally restricted to the main road connecting the two district owns of Chongoene and Chibuto. However, reconnaissance in this tenement has also defined significant HMS concentrations in drainage traps and on tracks (Figure 2).
In some locations, away from tracks and drainage traps, HMS concentrations can be seen at surface being generated by aeolian winnowing activity. This is another common indication of HMS mineralisation.

Visual inspection of panned heavy mineral concentrates of samples indicate the mineral assemblage is dominated by ilmenite, with grainsize typicaly >100µm (Figure 3).

Other Field Activity

Stakeholder engagement has begun in the areas of influence related to the tenements, including meetings at both provincial and district government levels. This stakeholder engagement is ongoing, and will continue down to the village government level in preparation for exploration activities. Recruitement of the core field team roles including; Senior Exploratrion Geologist, Logistics Officer, and Consulting Stakeholder Engagement Officer – has been completed. Establishment of a field base in the district capital, Chibuto, north of the Corrdior tenements, has commenced.

Figure 1: Field photos of HMS concentrations along tracks in the Corridor Central (6620L) tenement. Refer to the map in Figure 4 for photo locations.

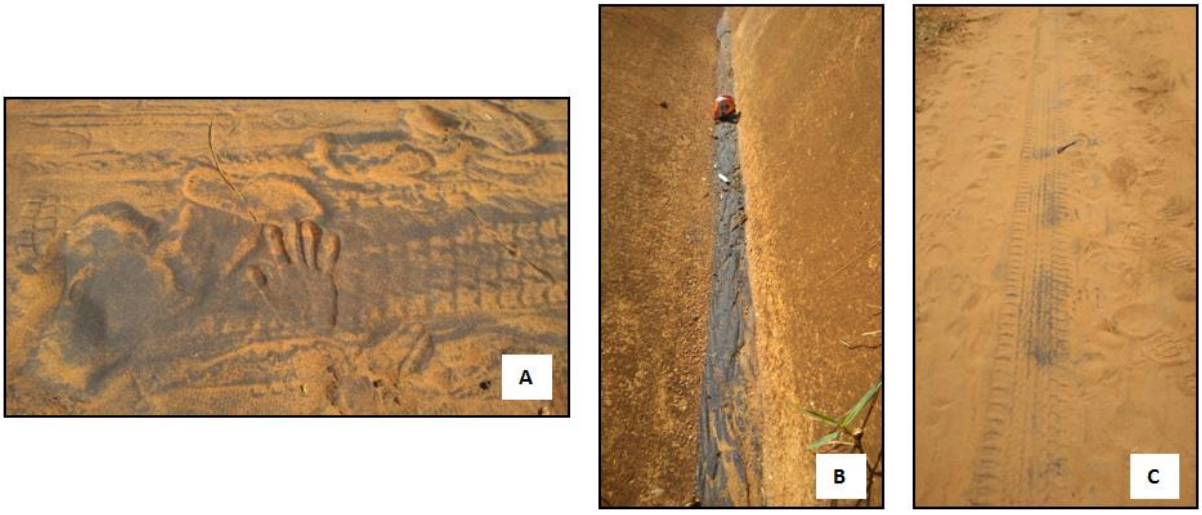

Figure 2: Field photos of HMS concentrations along tracks and in drainage traps in the Corridor South tenement (6621L). Refer to the map in Figure 4 for photo locations.

Figure 3: Field photos of panned HMS concentrates in the Corridor South (6621L) tenement. Visual estimated total heavy mineral contents are 4.5%, 5.0%, and 4.0%, from A to B, respectively. Samples were taken from 20cm below surface in areas away from tracks and drainage.

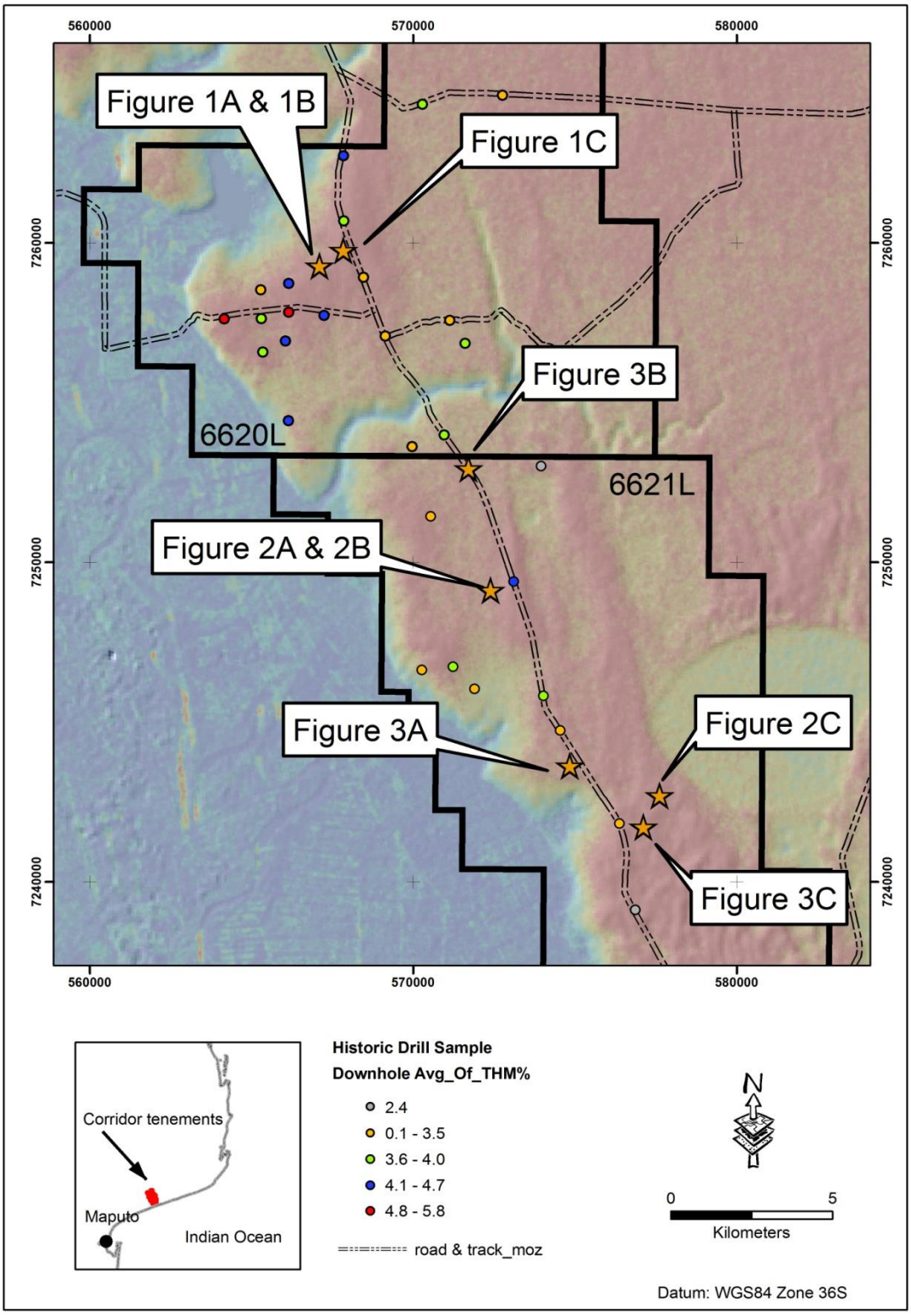

Figure 4: Map of the Corridor tenement areas showing the locations of field photos presented in Figures 1 to 3.