HALCYON GROUP LTD

ABN 12 086 972 422

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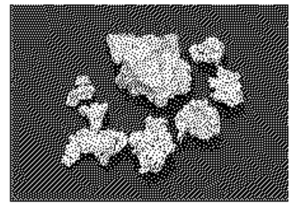

STRONG DRILL RESULTS EXTEND MINERALISATION AT BIG BLOW NORTH

The Directors of Halcyon Group Ltd (ASX:HCY) are pleased to announce that the Company has recently received strong drill results with **assays of up to 15.3 g/t** that have extended the mineralisation to **over 300 metres in strike length** at the Big Blow North prospect. This sits within the Bardoc Project located 12 kilometres along strike to the 4 Million Ounce Paddington Gold deposit, 30 kilometres north of Kalgoorlie in Western Australia.

The recently completed nine hole Reverse Circulation ("RC") drill program used to meet expenditure commitments returned intersections such as: **3m @ 7.2g/t from 17 metres, 3m @ 4.4g/t from 32 metres, 3m @ 4.2g/t from 11 metres** and **4m @ 3.6g/t from 34 metres.**

A majority of the drill intersections in the mineralised zone to date at Big Blow North are less than 40 metres below surface which potentially makes the prospect amenable to open pit mining operations. There is also scope for further extensions with the mineralisation still open to the south and at depth.

The table below contains all the drill intersections greater than 5 gram-meters from the recent drill program.

Hole No.	Northing AMG 84	Easting AMG 84	Dip	Azimuth	Depth From	Interval	Gold Grade
HBGC001	6640659m	336447m	-60°	270°	34m	**4m**	**3.6g/t**
				including	34m	**1m**	**10.0g/t**
HBGC002	6640609m	336458m	-60°	270°	22m	5m	1.5g/t
					39m	5m	1.3g/t
					55m	1m	7.0g/t
HBGC003	6640691m	336430m	-60°	270°	17m	**3m**	**7.2g/t**
				including	18m	**1m**	**15.3g/t**
					30m	2m	3.2g/t
HBGC005	6640802m	336428m	-60°	270°	17m	5m	1.0g/t
					32m	**3m**	**4.4g/t**
				including	33m	**1m**	**10.2g/t**
HBGC008	6640734m	336431m	-60°	270°	11m	**3m**	**4.2g/t**
				including	12m	**1m**	**8.1g/t**

Note: All RC intersections are derived from 1 metre samples that have been riffled split down to 2-3kgs and are analysed by aqua regia.

Looking forward, the Company plans to do further follow-up drilling at Big Blow North in order to confirm and extend the initial mineralised zone with the view of delineating a mineable gold deposit that could generate a positive cashflow in the future.

Kind regards
HALCYON GROUP LIMITED

Andrew Radonjic
MANAGING DIRECTOR

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Radonjic, Managing Director of Halcyon Group, who is a member of The Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time.

Mr Radonjic 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Radonjic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

BARDOC PROJECT

Recent Gold Interpretation and Exploration Drill Results

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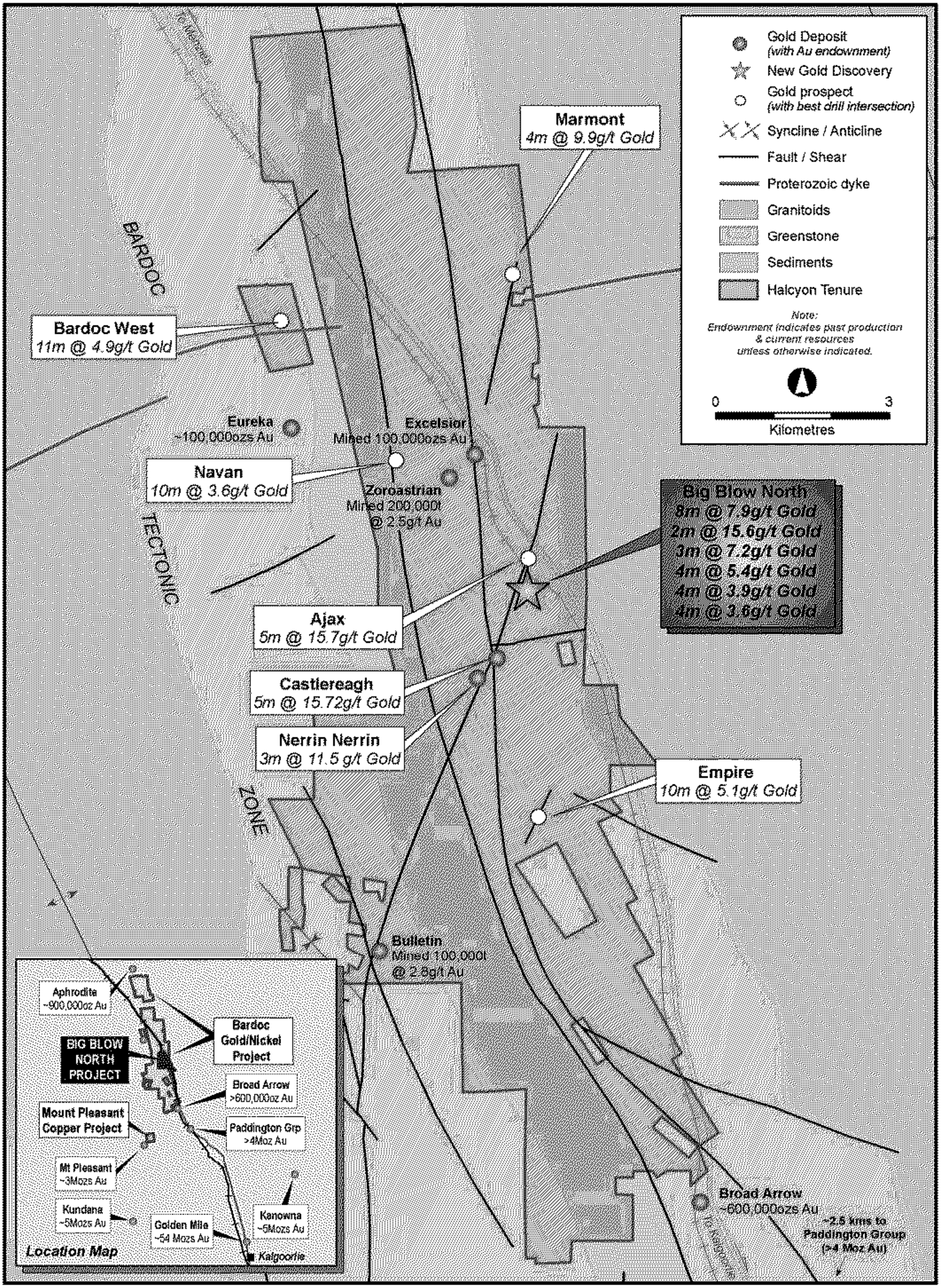

BIG BLOW NORTH
Simplified Geology and Drill Intersections

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