Highly encouraging sulphides and intense vein zone intersected at KB01 Prospect, Kraaipan Project.

Highlights

- **10 metres of disseminated to semi-massive sulphides intersected near modelled EM plate depth at Exploration Target KB01**
- **20 metres of intense calcite-quartz veining hosted within magnetite-rich rocks starting from immediately below the Kalahari cover sediments also intersected**
- **KB01 area associated with a soil gold anomaly of at least 1.4 kilometres long and up to 600 metres wide (see ASX announcement dated 11/09/2017)**
- **Sulphide zone intersected contains the best concentration of sulphides of any of the drill holes completed so far on the Kraaipan Project**
- **Sulphides intersected are predominantly pyrrhotite and minor pyrite (iron sulphides) with traces of chalcopyrite that are hosted within magnetite-rich rocks**
- **Sulphides are spatially associated with gabbroic, mafic intrusive rocks**
- **All four drill holes planned to test EM anomalies have intersected sulphides at approximately the modelled EM plate depths**
- **Assay results for this drill hole expected in mid-February 2018**
- **The current drill program is still scheduled to be completed by the end of 2017**

Laconia Resources Limited ('Laconia' or 'Company') (ASX: LCR) is pleased to provide an update on the Company's maiden drill program that is currently underway on the 100% owned Kraaipan Gold-Nickel-Copper-PGM Project ('Kraaipan Project' or 'Project') in southern Botswana. The diamond-core drill hole planned to intersect the EM anomaly at exploration target KB01 has intersected approximately 10 metres of disseminated to semi-massive sulphides near the depth of the EM plate used to model this anomaly. This zone of sulphides is similar in appearance to the sulphide zones intersected in the holes drilled to test the KB04 and KB05 EM exploration targets but has a greater concentration of sulphides.

Laconia's CEO Dr Quinton Hills said: 'I am very pleased that our maiden drill program has had a 100% success rate with intersecting disseminated to semi-massive sulphides when drilling EM exploration targets. We now look forward to receiving the assay results from these drill holes'.

The mineralisation intersected in all the diamond-core drill holes appears to be of a similar style to some of the historic drilling intersections in the south of the Kraaipan Project and therefore, may also contain gold mineralisation, as well as PGM's due to its spatial association with highly magnetic, gabbroic, mafic intrusives. Assay results for this drill hole are expected around mid-February 2018.

Laconia is continuing its maiden drill program on the Kraaipan Gold-Nickel-Copper-PGM Project. The diamond-core drilling part of the program has been completed but several geochemical anomaly targets are still to be tested with RC drilling. The next geochemical exploration targets to be RC drilled are CEN003 and CEN004 (Central Sector: See ASX Announcements dated 16/10/2017). Exploration targets CEN003 and CEN004 are both a gold anomalous zones of approximately 700 and 600 metres respectively. These gold anomalous zones are interpreted to be hosted within greenstone rocks that are proximal to a major east-west shear zone that could have been a conduit for gold enriched mineralising fluids.

Kraaipan Gold-Nickel-Copper-PGM Project Drill Program

Diamond-core Drill Holes

Since the commencement of drilling on the 1st of November, Laconia has completed four diamond-core drill holes (DD) for 715.42 metres and 17 RC drill holes for 1493 metres (Figure 1 and Table 1). Of the four DD holes: two were drilled into the KB05 EM anomaly exploration target (see ASX Announcements dated 2/11/2017 and 23/10/2017 for details); one was drilled into the KB04 EM anomaly exploration target (see ASX Announcements dated 2/11/2017 and 25/07/2017 for details); the last was drilled into KB01 EM anomaly exploration target (see ASX Announcements dated 2/11/2017 and 23/10/2017 for details). This completes the diamond-core drilling portion of the current drill program.

All DD drill holes have intersected disseminated to semi-massive sulphides over varying thicknesses around the proposed target depths from the EM plate modelling (Table 2). The sulphides are mainly iron sulphides, pyrrhotite and pyrite with traces of chalcopyrite hosted within magnetite-rich rocks. These sulphide zones are also interpreted to be associated with proximal gabbroic intrusive rocks that were also intersected in these drill holes. The gabbroic intrusive rocks contain highly magnetic layers/zones and appear to correspond with the strongly negatively magnetised zones observed in the regional aeromagnetic dataset, that were previously interpreted to be the result of mafic/ultramafic intrusives. The current interpretation of this sulphide mineralisation (and associated alteration) identified is that it is a result of the interaction between the gabbroic, mafic intrusive rocks and the magnetite-rich Banded Iron Formations (BIF) of the Kraaipan Greenstone Belt.

The drill hole into exploration target KB01 (KPDD018) also intersected an approximately 20 metre wide zone of highly weathered BIF and greenstones cross-cut by intense calcite-quartz veins and associated chlorite-epidote alteration (see Figure 2 and 3). Veins are 1-10mm wide and have a conjugate to ladder texture. This zone also contains several 50-100mm wide breccia zones that are also filled with calcite-quartz. Within the veins, there is evidence of weathered/oxidised sulphides such as: rusty staining; rusty cubes interpreted to be oxidised pyrite; as well as small cubic pits that are interpreted to have contained pyrite prior to oxidation.

RC Drill Holes

Of the 17 RC holes completed to date: seven were drilled into exploration target CEN001; seven were drilled into exploration target NE003; and three were drilled into exploration target NE001 (Figure 1). At CEN001, NE003 and NE001 the greenstones and ironstones of the Kraaipan Greenstone Belt were intersected by the RC drilling, as well as the highly magnetic, gabbroic intrusive rocks that were associated with the sulphides intersected in the drill holes into the KB01, KB04 and KB05 EM targets. Minor disseminated sulphides (mainly pyrite) have been intersected in most RC holes, which also appears to be associated with the highly magnetic, gabbroic intrusive rocks intersected in the diamond-core drill holes.

Figure 1: Location of the drill holes completed so far on the Kraaipan Gold-Nickel-PGM Project displayed on a regional aeromagnetic data pseudocolor image. The location of EM targets with green stars and drill holes with white squares.

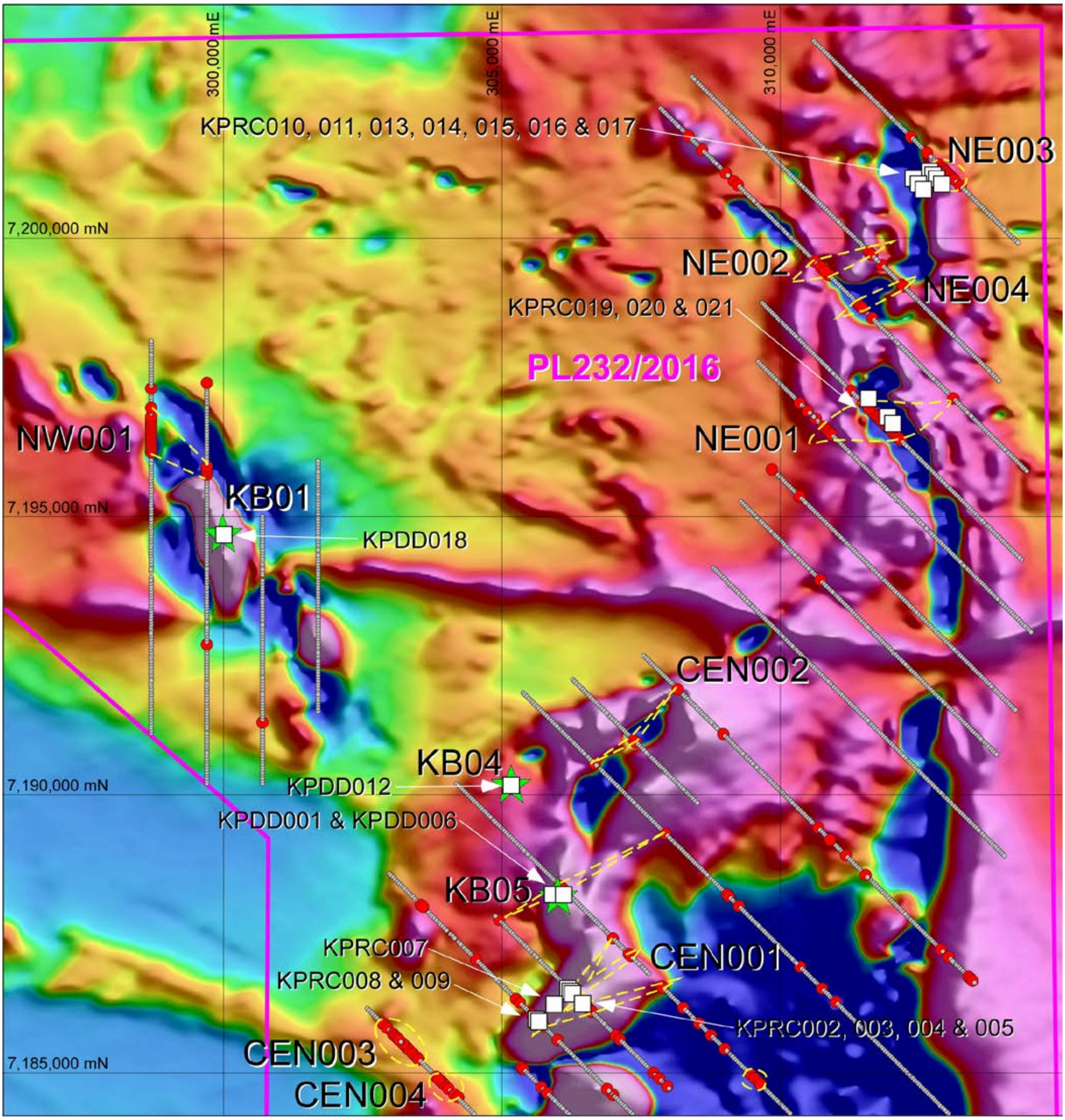

Table 1: Details of drill holes completed on the Kraaipan Gold-Nickel-Copper-PGM Project since the start of the drill program on the 1st November 2017.

Hole ID	Hole Type	Collar Location UTM WGS84 35S		Dip (⁰)	Azimuth (⁰)	Date Started	Date Completed	DD E.O.H (m)	RC E.O.H (m)	Hole Status
		Easting	Northing							
KPDD001	DD	305990	7188208	-60	270	01-Nov-17	08-Nov-17	144.70		Completed
KPRC002	RC	306252	7186455	-55	135	03-Nov-17	04-Nov-17		90	Completed
KPRC003	RC	306285	7186418	-55	135	04-Nov-17	06-Nov-17		90	Completed
KPRC004	RC	306321	7186383	-55	135	06-Nov-17	07-Nov-17		95	Completed
KPRC005	RC	306505	7186210	-55	135	07-Nov-17	08-Nov-17		93	Completed
KPDD006	DD	305024	7188206	-60	90	08-Nov-17	25-Nov-17	192.62		Completed
KPRC007	RC	305951	7186179	-55	135	08-Nov-17	09-Nov-17		90	Completed
KPRC008	RC	305670	7185915	-55	135	09-Nov-17	10-Nov-17		90	Completed
KPRC009	RC	305706	7185881	-55	135	10-Nov-17	13-Nov-17		96	Completed
KPRC010	RC	312704	7201320	-55	135	14-Nov-17	15-Nov-17		102	Completed
KPRC011	RC	312775	7201249	-55	135	16-Nov-17	16-Nov-17		90	Completed
KPDD012	DD	305112	7190200	-60	90	16-Nov-17	23-Nov-17	206.80		Completed
KPRC013	RC	312847	7201178	-55	135	17-Nov-17	17-Nov-17		90	Completed
KPRC014	RC	312946	7201070	-55	135	20-Nov-17	22-Nov-17		90	Completed
KPRC015	RC	312446	7201225	-55	160	22-Nov-17	23-Nov-17		90	Completed
KPRC016	RC	312461	7201179	-55	160	23-Nov-17	27-Nov-17		96	Completed
KPRC017	RC	312496	7201085	-55	160	27-Nov-17	28-Nov-17		93.00	Completed
KPDD018	DD	300032	7194706	-60	270	29-Nov-17	4-Dec-17	171.30		Completed
KPDD019	RC	312065	7196548	-55	135	29-Nov-17	30-Nov-17		57.00	Completed
KPDD020	RC	312031	7196582	-55	135	01-Dec-17	01-Dec-17		46.00	Completed
KPDD021	RC	311642	7196972	-55	135	02-Dec-17	05-Dec-17		95.00	Completed
							Total Metres:	**715.42**	**1,493**	

Table 2: Details of mineralised intersections from the four DD holes drilled into KB01, KB04 and KB05.

Hole ID	From (m)	To (m)	Down Hole Width (m)	Mineralisation Details
KPDD018 (drilled into KB01)	29.90	50.20	20.3	Highly weathered zone of intense calcite-quartz veins and associated chlorite-epidote alteration hosted within an interlayered sequence of Banded Iron Formations and greenstones (see Figure 2 and 3). Veins are 1-10mm wide and are preserved as a conjugate set/ladder texture. This zone also contains several 50-100mm wide breccia zones that are also filled with calcite-quartz. There is also lots of evidence of weathered sulphides within the veins throughout this zone such as: hematite staining, rusty cubes interpreted to be oxidised pyrite, as well as small cubic pits.
	150.20	160.45	10.25	Excellent zone of 1-20%, fine-grained, disseminated to semi-massive pyrrhotite with minor pyrite and traces of chalcopyrite within a Banded Iron Formation (BIF) unit close to the margin of a gabbroic intrusive rock (see Figure 4, 5and 6). Also, contains coarse-grained pyrite associated with cross-cutting, 1-2mm wide qtz-calcite veins.
KPDD001 (drilled into KB05)	74.32	84.68	10.36	Banded Iron Formation (BIF) cross-cut but quartz-calcite veins and associated quartz-chlorite-epidote alteration. Some evidence of weather Sulphides like hematite saining and small square pits.
	92.1	94.47	2.37	Zone of 1-3%, fine-grained, disseminated pyrrhotite-pyrite within a Banded Iron Formation (BIF) unit close to the margin of a gabbroic intrusive rock.
	121	123.57	2.57	Zone of 1-10%, fine-grained, disseminated to semi-massive pyrrhotite-pyrite with traces of chalcopyrite within a Banded Iron Formation (BIF) unit close to the margin of a gabbroic intrusive rock. Fine-grained sulphides are disseminated variably throughout the magnetite-rich units as well as coarse-grained with cross-cutting qtz-calcite veins.
	128	134.5	6.5	Zone of 1-10% fine-grained disseminated to locally semi-massive pyrrhotite-pyrite with traces of chalcopyrite within a Banded Iron Formation (BIF) unit close to the margin of a gabbroic intrusive rock. Fine-grained sulphides are disseminated variably throughout the magnetite-rich units as well as coarse-grained with cross-cutting qtz-calcite veins. Some minor 5-30cm gabbroic intrusions through this zone.
KPDD006 (drilled into KB05)	104	105.7	1.7	Zone of trace to 1% disseminated, fine-grained pyrrhotite-pyrite associated with chlorite-epidote alteration of interlayered Banded Iron Formation (BIF) /greenstones.
	110.85	113.62	2.77	Zone of trace to 1% disseminated, fine-grained pyrrhotite-pyrite associated with chlorite-epidote alteration of BIF xenoliths within a gabbroic intrusive.
	113.62	115.89	2.27	Zone of 1-3%, disseminated, fine-grained pyrrhotite-pyrite associated with chlorite-epidote alteration of BIF. More abundant disseminated pyrrhotite towards the bottom of the interval.
	122.71	135.55	12.84	Zone of strong quartz-chlorite alteration and widely distributed, 1-3%, fine-grained, disseminated pyrite/pyrrhotite within a Banded Iron Formation (BIF) unit strongly crosscut by multiple 10-50cm gabbroic intrusives. Also, contains coarse-grained pyrite associated with cross-cutting qtz-calcite veins.
	138.8	139.9	1.1	Zone of 1-5%, disseminated, coarse-grained, blebby pyrrhotite-pyrite that is associated with chlorite-epidote alteration and qtz-calcite veining within a Banded Iron Formation (BIF) unit close to the contact of a gabbroic intrusive.
	147.77	149	1.23	Zone of 1-5%, disseminated, coarse-grained, blebby pyrrhotite-pyrite that is associated with chlorite-epidote alteration and qtz-calcite veining within a Banded Iron Formation (BIF) unit close to the contact of a gabbroic intrusive.
	154.6	154.92	0.32	Zone of 1-3%, disseminated, fine-grained pyrrhotite-pyrite within a Banded Iron Formation (BIF) zenolith within a gabbroic intrusive.
	159.7	160.08	0.38	Excellent zone of 1-10%, disseminated to semi-massive pyrrhotite within a Banded Iron Formation (BIF) unit close to the margin of a gabbroic intrusive rock. Several 1-3cm pyrrhotite veins that appear to follow along the lithological boundaries of the BIF layers. Also, contains coarse-grained pyrite associated with cross-cutting, 1-2mm wide qtz-calcite veins.
	167.95	168.15	0.2	Zone of 1-3%, disseminated, fine-grained pyrrhotite-pyrite veining in BIF zenolith within a gabbroic intrusive.

KPDD012 (drilled into KB04)	149.7	159.3	9.6	Zone of variable distributed, 1-10%, fine-grained, disseminated to semi-massive pyrrhotite-pyrite in BIF/greenstone units/zenoliths within a gabbroic intrusive. Best pyrrhotite zones occur at 149.70-150.17m; 155.70m (see Figure 4); 157.90; and 158.30 metres.
	159.3	193.77	34.47	Zone of widely distributed but relatively minor, trace to 1%, disseminated pyrite (minor pyrrhotite) mainly confined to quartz-calcite veinlets within interlayered Banded Iron Formation (BIF) /greenstone units.

Figure 2: Highly weathered zone of intense calcite-quartz veins and associated chlorite-epidote alteration hosted within an interlayered sequence of Banded Iron Formations and greenstones from KPDD018.

Figure 3: Close up of highly weathered zone of intense calcite-quartz veins from ~46-48m in KPDD018. Photo shows examples of rusty cubes in the veins interpreted to be oxidised pyrite.

Figure 4: Disseminated to semi-massive zone of pyrrhotite associated with qtz-chlorite-epidote alteration within a greenstone/ironstone unit from KPDD0018.

Figure 5: Disseminated to semi-massive zone of pyrrhotite associated with qtz-chlorite-epidote alteration within a greenstone/ironstone unit from KPDD0018.

Figure 6: Disseminated to semi-massive zone of pyrrhotite associated with qtz-chlorite-epidote alteration within a greenstone/ironstone unit from KPDD0018.

About the Kraaipan Gold-Nickel-Copper-PGM Project

Laconia Resources' 100% owned Kraaipan Gold-Nickel-Copper-PGM Project comprises Prospecting Licence, PL232/2016 ('Project Tenure') and covers approximately 50 kilometres of the Kraaipan Greenstone Belt in southern Botswana (Figure 7). The Kraaipan Project is part of the larger NNW trending Amalia-Kraaipan-Greenstone-Terrane ('AKGT') of the Kaapvaal Craton. The AKGT in Botswana is directly along strike from significant gold deposits, as well as adjacent to significant PGE deposits across the border in South Africa.

The southern boundary of the Project tenure is located along Botswana's southern border with South Africa and can be accessed via well-maintained, all weather roads from Gaborone (capital of Botswana), approximately 150 kilometres to the north.

Laconia's exploration strategy is to utilise geochemical and geophysical techniques which have been used to find Gold and Nickel-Copper-PGM deposits in Australia's Yilgarn Goldfields but have not yet been routinely applied in this terrane. Currently, Laconia is drilling several gold and nickel-copper-PGM targets identified through the analysis of approximately 6,000 regional soil samples across the Kraaipan Project tenure; an assessment of a historic electromagnetic surveys (VTEM) that contains several high priority targets, all of which remain untested; and a geological/structural interpretation of the regional aeromagnetic data to identify the most likely faults/shear zones to be associated with gold mineralisation.

For further information please visit www.laconia.com.au or contact:

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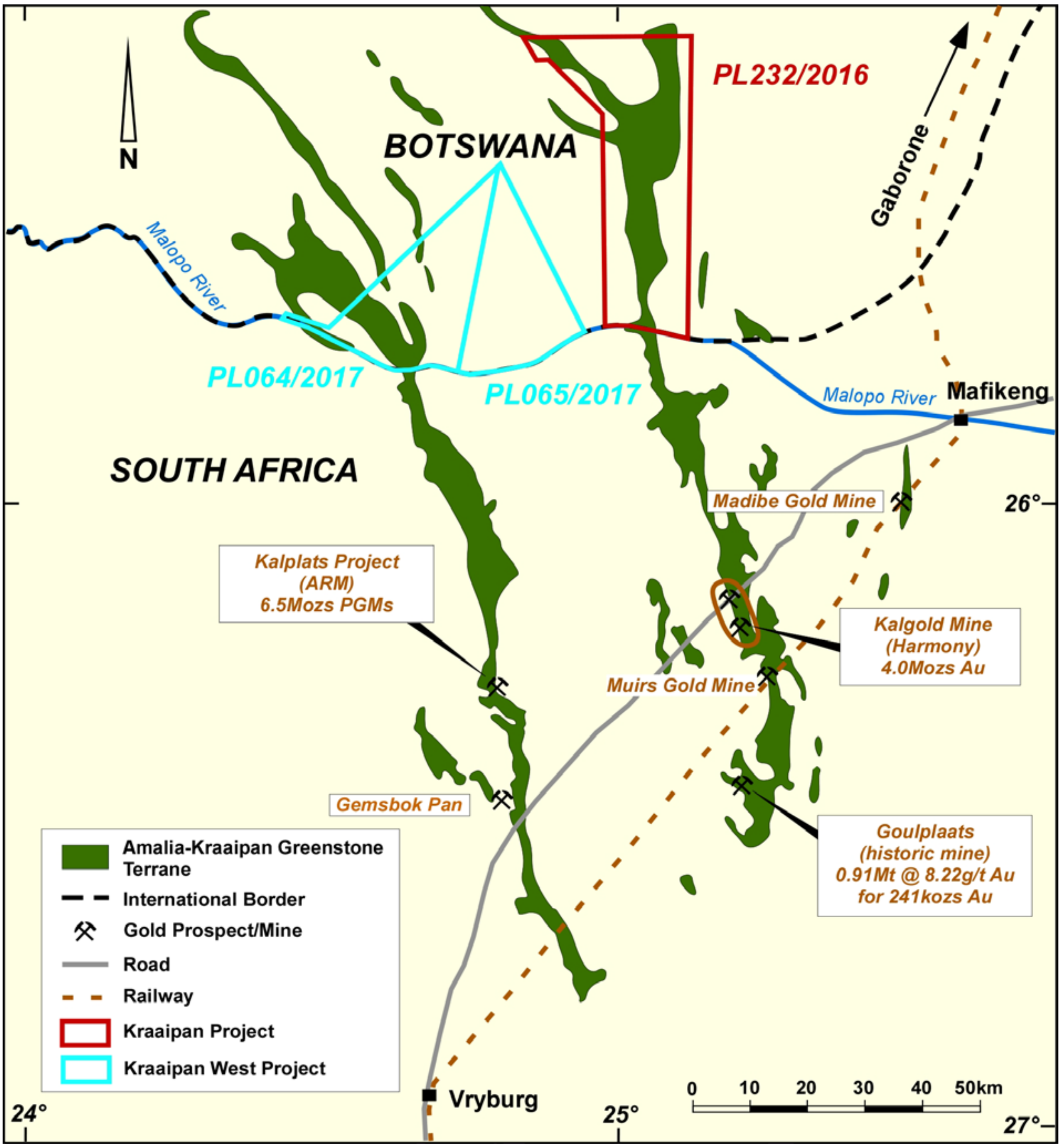
Competent Person Statement

The information in this report that relates to *Exploration Results* is based upon information prepared and reviewed by Dr Quinton Hills who is a Member of the Australasian Institute of Mining and Metallurgy (No. 991225). Dr Hills is an employee of Laconia Resources Limited and 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Hills consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Figure 7: Location of the Kraaipan and Kraaipan West Gold-Nickel-Copper-PGM projects in relation to the Harmony's Kalgold Mine and the African Rainbow Minerals' Kalplats Project across the border in South Africa.



JORC (2012) TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Diamond core drilling: Samples are half-core taken every metre or less than a metre where a lithological break occurs in between metre marks. DD samples will be sent to the laboratory. At the laboratory they will be dried, crushed to ~10mm and then pulverised. A 300g sub-sample of the pulverised material will then be taken for analysis. A 50g charge taken from the 300g sub-sample will then be subject to a fire assay for Au, Pt and Pd. Reverse-circulation drilling: RC chip samples were taken every metre. RC samples will be sent to the laboratory. At the laboratory they will be dried, crushed to ~10mm and then pulverised. A 300g sub-sample of the pulverised material will then be taken for analysis. A 50g charge taken from the 300g sub-sample will then be subject to a fire assay for Au, Pt and Pd.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond core drilling: NQ Size core and is being orientated. Reverse-circulation drilling with a face sampling hammer.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Diamond core drilling: Core Recovery and RQD measured against drill string length. No significant core loss was recorded within the mineralised zones. Reverse-circulation drilling: Sample weights were all measured in order to assess sample recovery. Sample weights appeared relatively uniform and therefore, sample recovery was deemed adequate. No assays reported here, so no comments can be made about the relationship between sample recovery and grade.

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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	All Diamond core and RC drill holes were quantitively and qualitatively geologically logged. Holes have not been extensively geotechnically logged as they are exploration holes and are not being used to support Mineral Estimation, mining studies and/or metallurgical studies.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled*	Diamond core drilling: Samples are ½ core taken every metre or less than a metre where a lithological break occurs in between metre marks. Field duplicates were also taken by cutting the core into ¼ core. Reverse-circulation drilling: RC chip samples were taken every metre. RC chips were taken from the cyclone and then put through a two-tiered riffle splitter to reduce sample size at a 1:8 ratio. RC chips were sampled dry. Field duplicates were also taken by riffle splitting a second sample from the RC chips taken directly from the cyclone. Sampling procedures are industry standard and deemed appropriate for the style of mineralisation encountered.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Standards and blanks were inserted into the routine sampling sequence by Laconia field staff at a rate of 1 standard and blank, every 50 routine samples. The laboratory also analysed standards, blanks and duplicates at a rate of at least 1 each, every 50 samples. No assay results of the QA/QC samples have been received yet.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Geological logging was completed by Laconia's field geologist and reviewed by LCR's Country Manager and/or CEO, who are both geologists with enough experience in the style of mineralisation to be regarded as JORC compliant.
	The use of twinned holes.	Not Applicable.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Internal data verification, data entry procedures and storage protocols were adhered to during the collection of these drilling samples and properly documented. All data is stored within an Access database.
	Discuss any adjustment to assay data.	No adjustment has been made to any assay data.

Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	The data points were located using a handheld GPS. A handheld GPS has an accuracy of 3-5 metres in northings and eastings and approximately 10 metres in elevation, which is considered sufficient for this early stage, regional exploration.
	Specification of the grid system used.	The drill collars reported here were completed in Geodetic Datum: WGS84 UTM zone 35S.
	Quality and adequacy of topographic control.	Topographic control is of sufficient quality and adequate for the purpose of interpreting the regional exploration drilling results.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill holes were not planned with any particular spacing in mind. They were planned to test geochemical/geophysical targets. If assays show potentially economic grades then extension drilling will be completed on a defined grid in order to try to establish a mineral resource.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not Applicable.
	Whether sample compositing has been applied.	No sample compositing was applied.
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.*	The orientation of drilling compared to the orientation of mineralised structures intersected appears to be at a fairly high angle, suggesting that an unbiased sample has been achieved.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not Applicable.
Sample security	*The measures taken to ensure sample security.*	Drilling samples are secured in single sample bag then zip locked into large calico bags. Samples are then stored at a secure facility in the field and also at LCR’s Gaborone office till they are dispatched via courier to the laboratory. The chain of custody throughout this process was maintained.

Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of the sampling techniques and data have been completed yet.

JORC (2012) TABLE 1 – Section 2: Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Kraaipan Project consists of the area held under tenure by Prospecting Licence No. PL232/2016. South East Metals (Pty) Ltd, which is incorporated in Botswana and holds the Kraaipan Project tenure is a wholly owned subsidiary of Laconia Resources Limited (ASX: LCR), which is incorporated in Australia.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Tenure was granted on the 1st of October 2016 for a period of three years. There are no known impediments to obtaining a licence to operate in this area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	For information on other exploration data/results please refer to LCR announcement dated 4/4/2017, which refers to historic soil and rock chip geochemical survey results and subsequent drilling results. For information on the historic geophysical survey data/results please refer to LCR announcement dated 25/07/2017.

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralisation.*	The Kraaipan Project covers an approximately 50 kilometre long stretch of the Kraaipan Greenstone Belt (KGB) in Southern Botswana. The KGB is a part of the larger Amalia-Kraaipan Greenstone Terrane of the Kaapvaal Craton (AKGB), consisting of north trending, linear belts of older Archaean (~3500 Ma) meta-volcanic and meta-sedimentary rocks, separated by granitoid units. The KGB in Botswana is interpreted to be highly prospective for both orogenic gold and magmatic nickel-copper-PGM sulphide mineralisation as these rocks are directly along strike and within the same geological units as the well-known Kalgold (over 4.0 million ounces of gold) and Kalplats (over 6.5 million ounces of PGMs) deposits across the border in South Africa. The gold mineralisation identified by previous exploration within the KGB is distinctly similar to that found at Kalgold. It occurs in shallow dipping (approximately 65°E) quartz-carbonate veins, found in clusters or swarms, within a steeply dipping, sub-greenschist facies, magnetite-chert, banded iron formation (BIF) rock units. In both areas, the gold mineralized veins are associated with disseminated sulphide mineralisation, dominated by pyrite, which is distributed around and between the shallowly dipping quartz vein swarms.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth hole length.*	See Table 1 and Table 2 in this announcement.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not Applicable.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No assays reported here, so no comments can be made about data aggregation methods in relation to Exploration Results.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such	Not Applicable.

Criteria	JORC Code explanation	Commentary
	aggregations should be shown in detail.	
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not Applicable.
Relationship between mineralisation widths and intercept lengths	*If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.*	The predominant geometry of the mineralisation in structures with respect to drill hole angle was between 70-80 degrees. However, the most common mineralisation was disseminated and therefore, no geometry of could be established in these zones.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Not Applicable.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Not Applicable.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	No assays reported here.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported) including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	For information on other exploration data/results please refer to LCR announcement dated 4/4/2017, which refers to historic soil and rock chip geochemical survey results and subsequent drilling results. For information on geophysical survey data/results please refer to LCR announcement dated 25/07/2017. For information on the northwest sector soil geochemical data/results please refer to LCR announcement dated 11/09/2017. For information on the northeast sector soil geochemical data/results please refer to LCR announcement dated 26/09/2017. For information on the central sector soil geochemical data/results please refer to LCR announcement dated 16/10/2017. For information on the KB01 and KB05 EM targets please refer to LCR announcement dated 23/10/2017.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Laconia is continuing its maiden drill program on the Kraaipan Gold-Nickel-Copper-PGM Project. The diamond-core drilling part of the program has been completed but several geochemical anomaly targets are still to be tested with RC drilling. The next geochemical exploration targets to be RC drilled are CEN003 and CEN004 (Central Sector: See ASX Announcements dated

Criteria	JORC Code explanation	Commentary
		16/10/2017). Exploration targets CEN003 and CEN004 are both a gold anomalous zones of approximately 700 and 600 metres respectively. These gold anomalous zones are interpreted to be hosted within greenstone rocks that are proximal to a major east-west shear zone that could have been a conduit for gold enriched mineralising fluids. Once assay results are received, further work to extend any potentially economic intersects will be considered.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Once assay results are received, further work to highlight possibly extensions of any potentially economic intersects will be considered.