

21 December 2017

ASX : ENR

Company Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
Sydney NSW 2000

Results Expand Telfer Gold Opportunities

- **Ultra-detailed aerial mapping utilising drone technology has commenced at East Thomson's Dome**
 - **Survey to target extensions to known reefs and identify new reef positions in areas where widespread coarse gold occurrences have been identified**
 - **Aircore drilling has extended the gold stockwork corridor at Telfer West by 1.5km to the south-east**
 - **East Thomson's Dome and Telfer West recognised by WA Government through co-funded drilling grants of up to \$150,000 at each project under the Exploration Incentive Scheme**
-

The directors of Encounter Resources Ltd ("Encounter / Company") are pleased to provide an update on gold exploration programs at East Thomson's Dome ("ETD") and Telfer West and outline upcoming planned activities.

Commenting on the projects, Encounter Managing Director Will Robinson said:

"Encounter's East Thomson's Dome project captures a compelling geological target located just 5km from the Telfer Gold Mine. Surface geochemistry, drilling and prospecting activities focused along the outcropping axis of the dome have confirmed a large-scale gold anomaly that is now more than 2km in strike. We anticipate our aerial mapping program now underway has high potential to increase the scale of this prospective area as we begin to realise the full potential of this exciting project".

East Thomson's Dome

Final assay results from the October / November 2017 drill campaign at East Thomson's Dome have been received. The 26 hole RC / Aircore program was primarily focused on the Fold Closure prospect with additional drilling completed at the 45 Reef, the 46 Reef and the NE soil anomaly.

A 15 hole program of RC drilling was completed at the Fold Closure reef in early November 2017. New zones of reef-style mineralisation have been identified across the 200m by 200m drill area. Near surface intersections include:

- 6m @ 2.7g/t Au from 39m in ETG0125 (new result)
- 4m @ 4.3g/t Au from surface in ETG109
- 4m @ 3.5g/t Au from 17m in ETG110
- 2m @ 5.4g/t Au from 46m in ETG106

The reefs at the Fold Closure prospect remain open to the north-west and south-east and further drilling will be completed north of the prospect in early 2018.

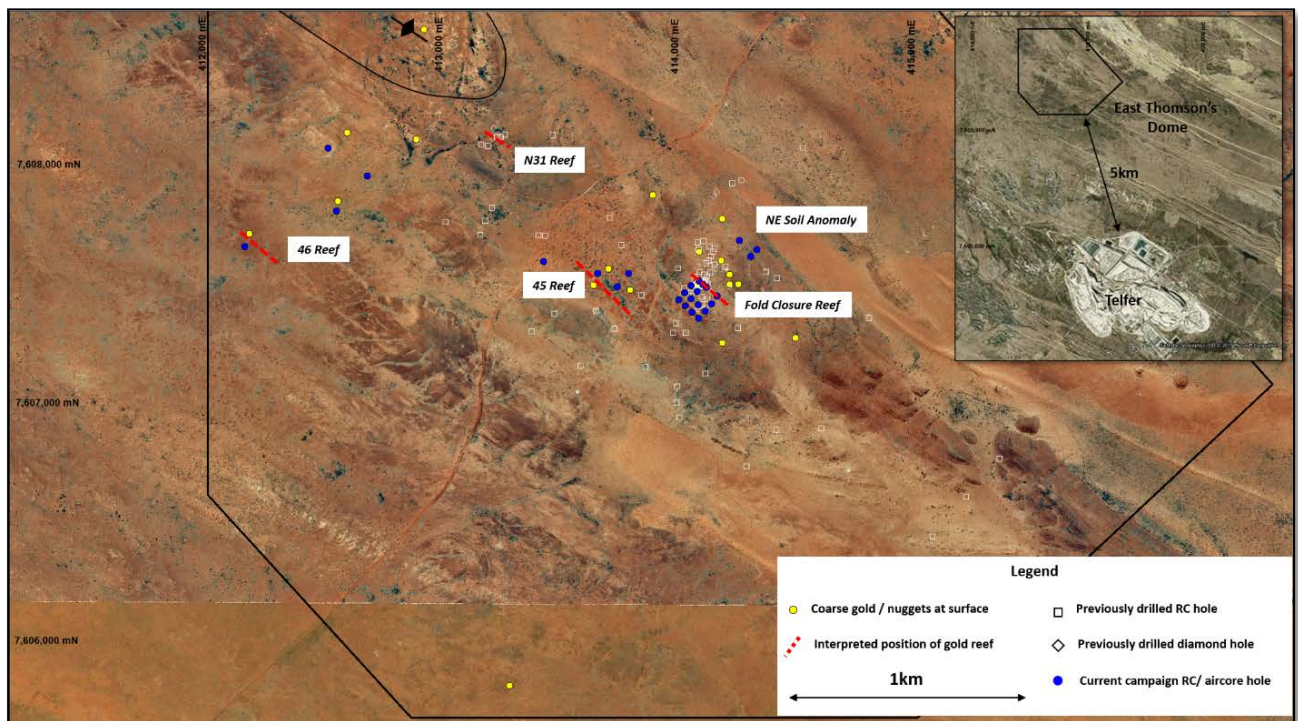


Figure 1 – East Thomson's Dome Coarse Gold locations on airphoto background. Insert Figure 1A - Location Map

As shown from the initial under cover drilling at the NE Soil Anomaly including 38m @ 0.3g/t Au from 44m in ETG0114 (refer ASX Announcement 30 November 2017), large areas of thin or patchy sand cover have not been effectively tested by previous explorers. Shallow aircore drilling has the potential to extend known anomalies and discover new significant regolith anomalies that will provide focus for follow up drilling of primary gold targets. High quality regolith anomalies are likely to represent the surface expression of sub-vertical gold systems and the targeting of these positions where they intersect favourable reactive stratigraphy will be the focus of the WA Government 2018 co-funded EIS diamond drilling program.

An ultra-detailed airborne mapping survey utilising drone technology has commenced at East Thomson's Dome. This program of airborne photography, as well as follow up mapping and sampling, will facilitate rapid detailed assessment of the large scale target area. The initial flights are planned for the north-east and south-west of the fold axis at East Thomson's Dome where thin, patchy cover has been a deterrent to historical geological mapping and sampling programs. The drone photography will be flown at sufficient detail to identify extensions to known gold bearing reefs as well as identifying new sub-cropping reefs in areas of thin sand cover. Areas of interest identified during this survey will be mapped, rock chip sampled and metal detected. Results from this program will be incorporated into the design of the next phase of drilling at the East Thomson's Dome project in early 2018.



Photo 1 – Ultra-detailed Aerial Mapping program in progress - East Thomson's Dome

Telfer West

Two lines of aircore drilling were completed at the Telfer West project to test an interpreted structural offset of the main stockwork corridor (see Figure 2).

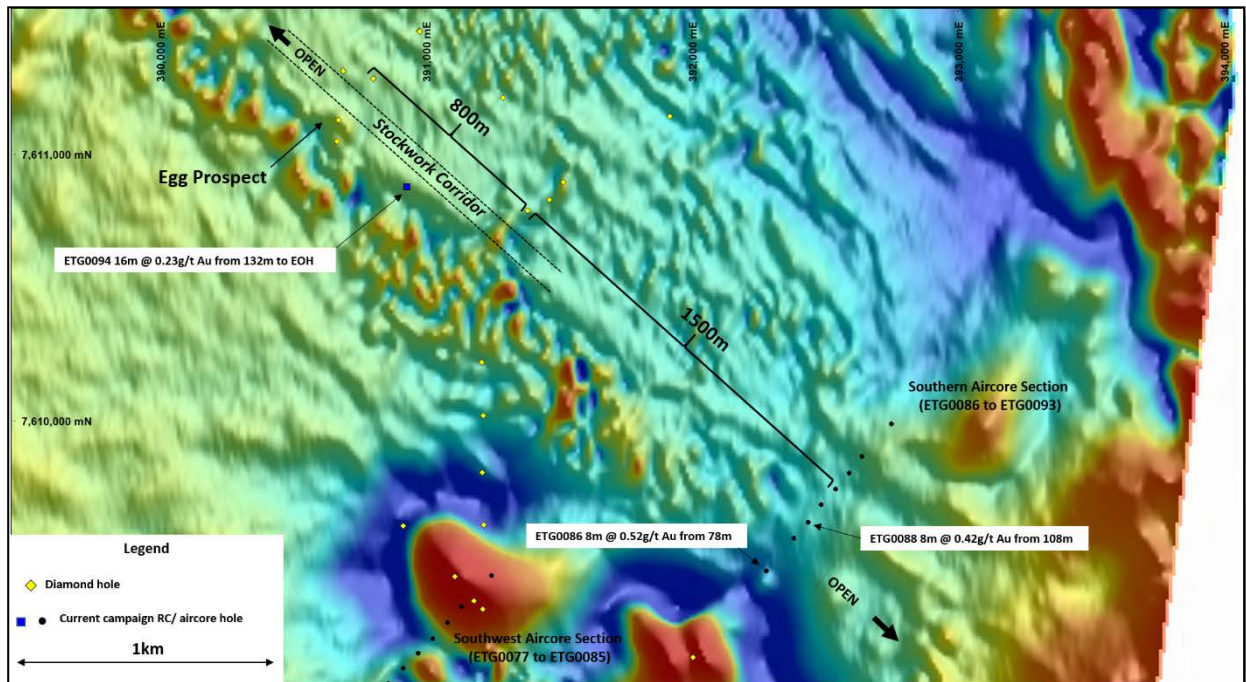


Figure 2 – Telfer West Stockwork Corridor.

The eastern line of eight aircore holes (ETG0086-ETG0093) successfully outlined a zone of significant supergene gold anomalism that has extended the stockwork gold corridor by a 1.5km to the southeast. Aircore results from this single line of drilling highlight a broad zone of gold anomalism and include:

- 8m @ 0.52g/t Au from 78m and 13m @ 0.09g/t from 98m to EOH in ETG0086
- 8m @ 0.42g/t Au from 108m and 2m @ 0.31g/t from 124m in ETG0088

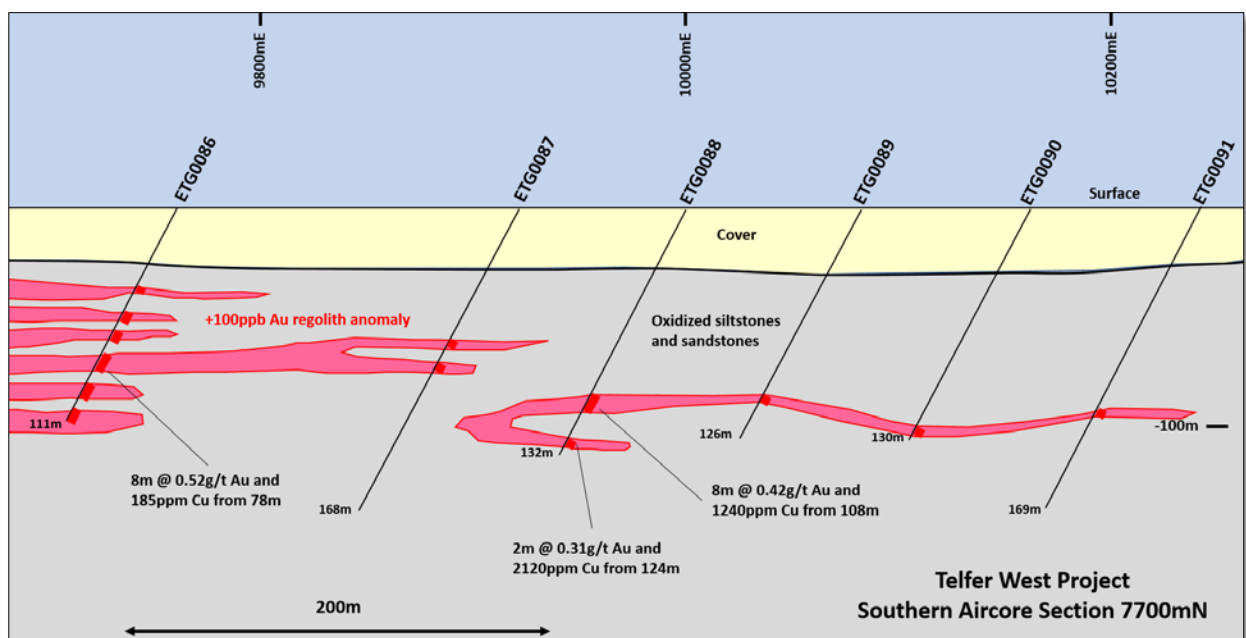


Figure 3 – Telfer West Stockwork Corridor - Southern Aircore Section

Further aircore drilling will be completed at this newly identified southern supergene gold anomaly to provide a primary target for deeper drilling.

A single RC hole, ETG0094, was drilled 400m south east of the Egg Prospect to test a +200m long surface gold geochemical anomaly (see Figure 2). The anomaly is situated along the now 5km long stockwork corridor and is located between two 800m spaced drill lines. This hole returned an encouraging result of 16m @ 0.23g/t Au from 132m to the end of the hole.

A review of drilling along the full 5km long stockwork corridor is currently being completed with the objective to define potential high grade shoots within this extensively mineralised structure. Preliminary 3D modelling in the region around the Egg Prospect has defined a potential north plunging higher grade shoot. It is proposed that RC hole ETG0094 will be utilised as a diamond pre-collar to test this high grade target. This diamond tail and other tests of potential high grade shoots within the stockwork corridor will be the focus of the WA Government 2018 co-funded EIS diamond drilling program.

Hole ID	From (m)	To (m)	Length (m)	Gold g/t	Cu (ppm)
ETG0100	2	7	5	0.11	254
and	52	54	2	0.12	188
and	86	118	32	0.14	302
and	132	134	2	0.15	236
and	144	146	2	0.13	340
and	180	186	6	0.12	414
and	206	210*	4	0.26	622
ETG0124	5	6	1	0.12	288
and	8	9	1	0.25	246
and	20	26	6	0.58	560
incl.	25	26	1	2.73	1130
and	30	32	2	0.13	333
and	61	62	1	0.16	436
and	67	69	2	0.16	396
and	104	105	1	0.11	460
and	108	109	1	0.1	326
and	111	112	1	0.17	124
and	127	130	3	0.1	350
and	148	149	1	0.1	352
ETG0125	24	29	5	0.15	335
and	39	45	6	2.72	781
incl.	40	41	1	14.60	640
and	58	65	7	0.18	742

Table 1: RC and Aircore assay results – East Thomson’s Dome (November 2017 campaign)

Intervals are calculated with a lower cut-off of 0.1g/t Au with some narrow internal zones less than 0.1g/t Au included. Internal higher grade intervals calculated at a 1g/t Au lower cut-off. * Denotes End of Hole intersection

Hole_ID	Hole Type	Northing (m)	Easting (m)	RL (m)	EOH(m)	Dip	Azi
ETG0071	AC	7613111	391384	290	100	-60	220
ETG0072	AC	7613236	391488	290	126	-60	220
ETG0073	AC	7613361	391595	290	120	-60	220

ETG0074	AC	7613483	391696	290	126	-60	220
ETG0075	AC	7612916	391746	290	162	-60	220
ETG0076	AC	7613038	391847	290	102	-60	220
ETG0077	AC	7613157	391948	290	126	-60	220
ETG0078	AC	7608893	390750	290	62	-60	40
ETG0079	AC	7609014	390862	290	79	-60	40
ETG0080	AC	7609071	390918	290	55	-60	40
ETG0081	AC	7609127	390974	290	70	-60	40
ETG0082	AC	7609182	391028	290	114	-60	40
ETG0083	AC	7609242	391085	290	82	-60	40
ETG0084	AC	7609302	391137	290	138	-60	40
ETG0085	AC	7609418	391250	290	101	-60	40
ETG0086	AC	7609437	392283	290	111	-60	220
ETG0087	AC	7609559	392385	290	168	-60	220
ETG0088	AC	7609618	392440	290	132	-60	220
ETG0089	AC	7609685	392489	290	126	-60	220
ETG0090	AC	7609744	392543	290	130	-60	220
ETG0091	AC	7609804	392593	290	169	-60	220
ETG0092	AC	7609866	392641	290	97	-60	220
ETG0093	AC	7609987	392752	290	87	-60	220
ETG0094	RC	7610877	390931	300	148	-55	40

Table 2: RC and Aircore collar locations – Telfer West (October 2017 campaign)

Estimated drill hole coordinates GDA94 zone 51 datum. Collars locations sourced from historical reports
EOH = End of hole depth; m=metre; azi=azimuth. Drill Type; AC = Aircore, RC = Reverse Circulation

Hole ID	From (m)	To (m)	Length (m)	Gold g/t	Cu (ppm)
ETG0085	96	98	2	0.1	351
ETG0086	40	42	2	0.1	88
and	54	58	4	0.23	177
and	62	66	4	0.14	61
and	78	86	8	0.52	185
and	98	111*	13	0.09	112
ETG0087	72	74	2	0.13	234
and	82	84	2	0.15	147
ETG0088	108	116	8	0.42	1240
and	124	126	2	0.31	2120
ETG0089	104	106	2	0.16	344
ETG0090	126	128	2	0.1	743
ETG0091	114	116	2	0.2	56
ETG0094	132	148*	16	0.23	8

Table 3: RC and Aircore assay results – Telfer West (October 2017 campaign)

Intervals are calculated with a lower cut-off of 0.1g/t Au with some narrow internal zones less than 0.1g/t Au included. Internal higher grade intervals calculated at a 1g/t Au lower cut-off. * Denotes End of Hole intersection

Background

Encounter holds exploration tenure over 2,000km² of the Paterson Province in Western Australia (WA), that hosts the Telfer gold-copper mine and the Nifty copper mine. Encounter is actively exploring for gold-copper deposits in the Telfer region as well as copper-cobalt and zinc-lead deposits at Yeneena.

The Company's gold portfolio includes Telfer West, a recent shallow, high grade gold discovery and East Thomson's Dome that includes a large scale gold soil anomaly identified adjacent to high grade outcropping gold reefs.

The copper-cobalt and zinc-lead prospects identified at Yeneena are located adjacent to major regional faults and have been identified through electromagnetics, geochemistry and structural targeting.

Separate to the projects in the Paterson Province, Encounter has an project generation alliance covering northern WA with Australia's largest gold mining company, Newcrest Mining Limited (ASX:NCM).

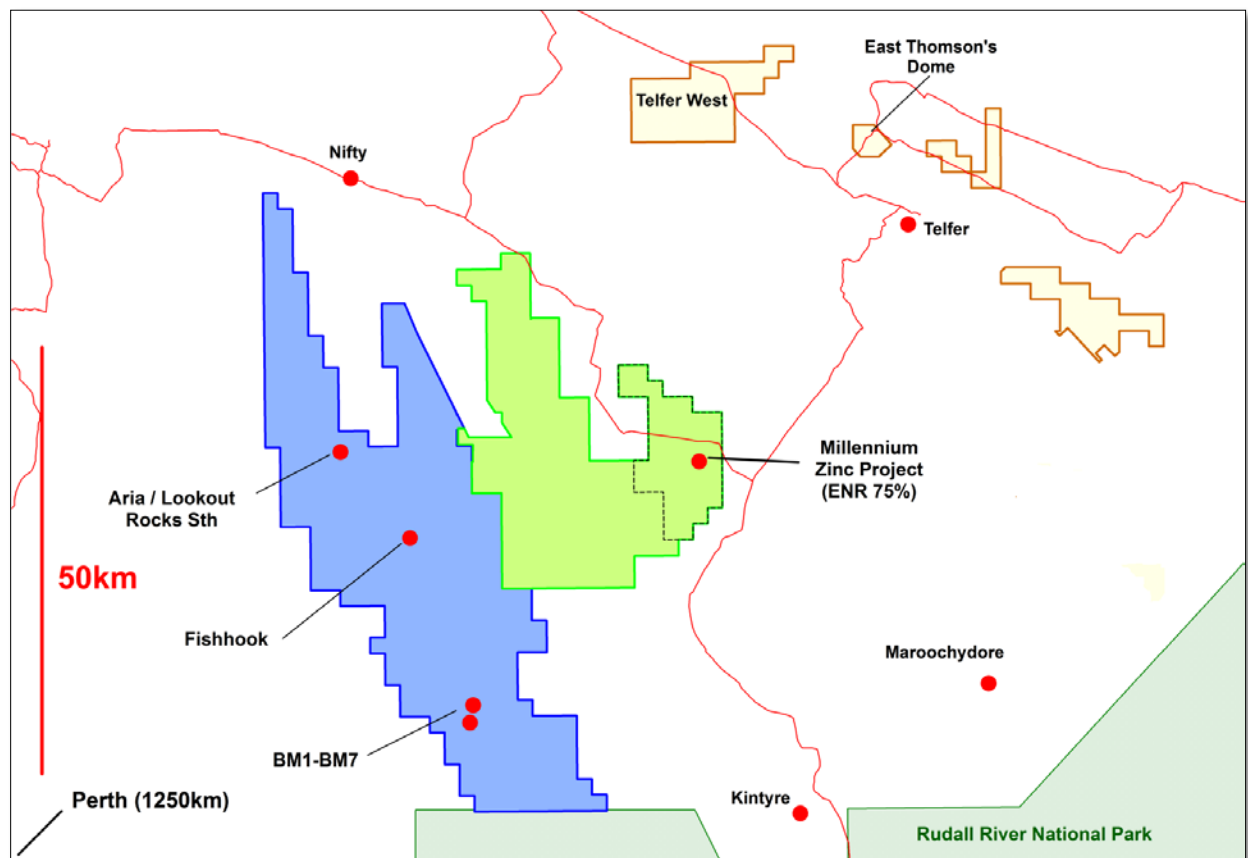


Figure 4: Yeneena region leasing and targets areas

The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bewick holds shares and options in and is a full time employee of Encounter Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewick consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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 down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Telfer West was sampled by Encounter using RC and aircore drilling. A 24 hole program has been completed for a total of 148m of RC drilling and 2,538m of aircore drilling. The RC hole was a single hole test of a geochemical anomaly located 400m SE of the Egg Prospect and aircore holes drilled across three separate prospect areas as either 1 or section programs.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	Drill hole collar locations were recorded by handheld GPS, which has an estimated accuracy of +/- 5m.
	<i>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</i>	Aircore and Reverse circulation drilling was used to obtain 2-4 kg samples every 1m downhole and composited into 2m samples. The samples from the drilling were sent to Bureau Veritas Minerals Pty Ltd Laboratories in Perth, where they were dried, crushed, pulverised and split to produce a sub – sample for Fire Assay, ICP – OES and ICP – MS analysis.
Drilling techniques	<i>Drill type (e.g. 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).</i>	Results reported in this announcement refer to samples from RC and aircore drilling. The RC hole was drilled using 124mm face sampling hammer and the aircore drilling used either a blade bit or hammer, both 102mm in diameter.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	RC and Aircore sample recoveries were estimated as a percentage and recorded by Encounter field staff
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Driller's used appropriate measures to minimise down-hole and/or cross – hole contamination in RC and aircore drilling.
	<i>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.</i>	To date, no detailed analysis to determine the relationship between sample recovery and/or grade has been undertaken for this drill program.

Criteria	JORC Code explanation	Commentary
Logging	<i>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.</i>	Geological logging is currently being completed on all drill holes, with lithology, alteration, mineralisation, structure and veining recorded.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Geological logging is qualitative in nature and records interpreted lithology, alteration, mineralisation, structure, veining and other features of the samples and core.
	<i>The total length and percentage of the relevant intersections logged</i>	All drill holes have been logged in full
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A – no core drilling was completed in this program
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC and aircore samples were collected on the rig using a cone splitter. Samples were recorded as being dry, moist or wet by Encounter field staff.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Sample preparation was completed at Bureau Veritas Minerals Pty Ltd Laboratories in Perth. Samples were dried, crushed, pulverised (90% passing at a $\leq 75\mu\text{M}$ size fraction) and split into a sub – sample that was analysed using fire assay and a 4 acid digest with an ICP – OES and ICP – MS finish.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QC procedures involve the use of commercial certified reference materials (CRMs) and in house blanks. The insertion rate of these will be at an average of 1:33.
	<i>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.</i>	Field duplicates were taken during RC and aircore drilling and were collected on the rig via a cone splitter at a rate of 1:50. The results from these duplicates are assessed on a periodical basis.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered appropriate to give an accurate indication of the mineralisation at Telfer West.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The sample(s) for ICP analysis have been digested and refluxed with a mixture of acids including Hydrofluoric, Nitric, Hydrochloric and Perchloric Acids. This extended digest approaches a Total digest for many elements however some refractory minerals are not completely attacked. Analytical methods used will be ICP – OES (Cu, Fe, K, Mg, Mn, Ni, P, S, Sc, Ti and Zn) and ICP – MS (Ag, As, Bi, Co, Mo, Pb, Sb, Sn, Te, W and Zr). Au, Pt and Pd were determined via Fire Assay.
	<i>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.</i>	N/A – no geophysical or handheld XRF instruments were used to determine information reported in this announcement
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of in house procedures. Encounter also submitted an independent suite of CRMs, blanks and field duplicates (see above). A formal review of this data is completed on an annual basis.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The intersections included in this report have been verified by Will Robinson (Managing Director)
	<i>The use of twinned holes.</i>	No twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary data is collected for Telfer West on toughbook computers using Excel templates and Maxwell Geoservice's LogChief software. Data collected was sent offsite to Encounter's Database (Datashed software), which is backed up daily.
	<i>Discuss any adjustment to assay data.</i>	N/A – no adjustments have been made to the assay data
Location of data points	<i>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.</i>	Drill hole collar locations are determined using a handheld GPS. Down hole surveys were collected at the completion of each hole using a north seeking gyro.
	<i>Specification of the grid system used.</i>	The grid system used is MGA_GDA94, zone 51.
	<i>Quality and adequacy of topographic control.</i>	Estimated RLs were assigned during drilling and are to be corrected at a later stage using the best available DTM.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The RC hole was a single hole test of a geochemical anomaly located 400m SE of the Egg Prospect. Aircore holes were drilled across three separate prospect areas as either 1 or 2 section programs. The two, single line aircore sections drilled to test the southern extension on the Stockwork corridor are 1.5km south of southernmost drilling completed along the mineralised structure.
	<i>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.</i>	Mineralisation has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	<i>Whether sample compositing has been applied.</i>	RC samples from drilling at the Fold Closure at East Thomson's Dome were not composited however all other RC and Aircore Drill samples from the Telfer West and other ETD prospects were composited from 1m sample piles into 2m composite samples.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	N/A – this is early stage drilling and the orientation of sampling to the mineralisation is not known.
	<i>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.</i>	This is early stage drilling and the orientation of sampling to the mineralisation is not known.
Sample security	<i>The measures taken to ensure sample security.</i>	The chain of custody is managed by Encounter. Samples were delivered by Encounter personnel to Newcrest's Telfer Mine site and transported to the assay laboratory via Goldstar Transport. Tracking protocols have been emplaced to monitor the progress of all samples batches.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on Telfer West data.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	<p>The Telfer West project is located within the tenement E45/4613 which is 100% held by Encounter. The prospect area is subject to a production royalty of A\$1 per dry metric tonne of ore mined.</p> <p>This tenements are contained completely within land where the Martu People have been determined to hold native title rights.</p> <p>No historical or environmentally sensitive sites have been identified in the area of work.</p>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>A regional LAG sampling program in the early 1980s conducted by WMC Resources identified a copper / arsenic anomaly over the area of the Telfer West project. Detailed mapping and ~2km spaced, shallow bedrock drilling by WMC was completed to produce a interpreted geology map of the area. Anomalous values of 150-520ppm As with no gold and low tenor copper values were recorded.</p> <p>In 1983 Newmont Holdings Pty Ltd (later Newmont Australia Ltd) entered into a joint venture with WMC over the Telfer West area.</p> <p>In 1984 Newmont and BHP entered an agreement with WMC to continue the joint venture with Newmont as operator. Newmont completed a regional aeromagnetic and radiometric survey in 1984 and colour photography survey. 144 rock chip samples and a bulk stream sediment sampling was also completed prior to a 15 hole RC drill program (total of 756m, LSR series) targeting the Upper Malu/ Puntapunta contact. RC Holes were drilled on four 400m spaced sections at ~40m spacing on the north-east side of the interpreted dome. No mineralized reef positions were identified in this program.</p> <p>In 1985, Newmont completed 4 diamond holes (LSPC 1-4) for a total of 391m in the south of the dome testing separate magnetic anomalies. Drilling returned encouraging results with Au-Cu-W 'skarn style' mineralization hosted in the Isdell Formation.</p> <p>In 1986, RAB drilling at the Egg prospect totaled 63 holes for 1175m over an area approx. 400m by 400m (ERG series). Sampling was limited to two samples per hole, one at the base of cover and one at the bottom of the hole. Four diamond holes (LHS86 series) for 677m were drilled across the project testing the Egg, Southern Magnetic anomaly and the northern Malu fold nose</p> <p>In 1987, the JV partners completed 13 (LSR 1-13) RAB holes for 379m along a single 1200m long east-west line in the south of the project. RC drilling (LSR 87 series) of 16 holes for 1383 were drilled in the vicinity of the southern magnetic anomalies. It is unclear at this stage if this drilling effectively tested the magnetic features.</p> <p>In 1988, Newmont completed 4 diamond holes (LHS 88-1, 4, 4a and 7) with drilling completed at the Egg, Stuttgart and Magnetic anomaly 1.</p> <p>In the following year, 1989, Newmont drilled a further 6 diamond holes (LHS 89 1-6) for a total of 563m targeting the Northern Magnetic anomaly, the Egg prospect and the Central Shear Zone.</p> <p>In 1990/91, 30 RAB holes (LHB series) were drilled on the Northern and Southern Magnetic anomalies and along the interpreted fold axis for a total of 1734m. Drilling was hampered by ground water resulting in the program being</p>

		largely ineffective. No additional drilling was completed at the project and most recent on ground activities occurred in 1993. The final tenement surrenders occurred in 1997 and it is assumed the joint venture terminated at the same time. No exploration work has been conducted over the Telfer West project since the termination of the WMC / Newmont / BHP joint venture.
Geology	<i>Deposit type, geological setting and style of mineralisation</i>	The Telfer West project is situated in the Proterozoic Paterson Province of Western Australia. A simplified geological interpretation shows a domal feature with Isdell Formation in the core of the fold being overlain by Malu Formation and the Puntapunta Formation forming the uppermost unit. The Telfer West project is considered prospective for sediment – hosted 'Telfer style' gold-copper mineralisation and skarn style mineralisation.
Drill hole information	<p><i>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> • <i>Easting and northing of the drill hole collar</i> • <i>Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i> • <i>Dip and azimuth of the hole</i> • <i>Down hole length and interception depth</i> • <i>Hole length</i> 	Refer to tabulations in the body of this announcement.
Data aggregation methods	<p><i>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.</i></p> <hr/> <p><i>Where aggregated 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 aggregations should be shown in detail.</i></p> <hr/> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>All reported assays have been length weighted, with a nominal 0.1g/t Au lower cut-off over a minimum of 1m. No upper cuts-offs have been applied.</p> <hr/> <p>Higher grade intervals that are internal to broader zones of gold mineralisation are reported as included intervals, using lower cut-offs of 1g/t Au.</p> <hr/> <p>No metal equivalents have been reported in this announcement.</p>

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of exploration results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<p>The geometry of the mineralisation is not yet known due to insufficient drilling in the targeted area.</p>
Diagrams	<p><i>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 plane view of drill hole collar locations and appropriate sectional views.</i></p>	<p>Refer to body of this announcement.</p>
Balanced Reporting	<p><i>Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></p>	<p>All significant intervals are reported with a 0.1g/t Au lower cut-off with no minimum width (with internal higher grade intervals quoted using a lower cut-offs of 1g/t Au)</p>
Other substantive exploration data	<p><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; 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.</i></p>	<p>All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.</p>
Further Work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Detailed airphotos are currently being acquired utilising a company owner UAV (drone). This data will facilitate detailed mapping of the known reef positions at East Thomson's and potential extend those reefs into areas of thin or patchy sand cover. These reefs will then be mapped, sampled and prospected in order to identify a focus of the mineralisation at ETD. This work will be used in designing the next phase of drilling which will include diamond drilling to target more reactive stratigraphy below the strong areas of surface gold anomalism.</p> <p>At Telfer West additional aircore drilling is required around the southern supergene anomaly to provide a possible primary target for deeper drilling. Diamond drilling will also be completed targeting higher grade zones within the 5km long stockwork corridor.</p>