

# OUTSTANDING HISTORICAL GOLD DRILL RESULTS AT STRELLEY

## Multiple Walk-Up Drill Targets

Carnaby Resources Limited (ASX: CNB) (**Carnaby** or **Company**) is pleased to announce the compilation of historical gold exploration results at the 100% owned Strelley Gold Project. This has identified several large-scale gold targets including significant historical drill results in the highly prospective Mallina Basin province of Western Australia.

### Highlights

- **The Strelley Gold Project** – gold exploration dormant for 12 years at a structural and stratigraphic setting not dissimilar to the large Hemi gold discovery by De Grey Mining Ltd (ASX: DEG). Outstanding historical gold exploration drill results.
- **Palisade Prospect** – 7 km long MMI soil gold anomaly open to the southwest coincident with a **~300-500 m wide** gold mineralised bottom of hole RAB drilling anomaly (Figure 2, 3 & 4).
- **Gibraltar Prospect** – >2 km long gold anomaly along the Tabba Tabba Shear Zone with drill results up to **10 m @ 1.6 g/t gold** including **2 m @ 5.7 g/t gold** (Figure 2 & 4).
- **Stockade Prospect** – 3 km long MMI soil gold anomaly, sparsely drilled on 500 m spaced sections with results up to **1 m @ 6.6 g/t gold** and **3 m @ 1.5 g/t gold** (Figure 2 & 5).
- **Conwy Prospect** – 5 km long MMI soil gold anomaly at the intersection of the Tabba Tabba Shear Zone and Berghaus Shear Zone (Figure 2).

**The Company's Managing Director, Rob Watkins commented:**

**"We are truly excited about the emerging gold potential at Strelley given the magnitude of the gold anomalies present and the favourable structural location. Covering 254 km<sup>2</sup> in the Mallina Basin, Strelley and Mount Grant place Carnaby as a key stake holder in what has the potential to become a new and highly endowed gold province."**

#### Fast Facts

Shares on Issue 98M

Market Cap (@ 13 cents) \$12.7M

Cash \$1.8M<sup>1</sup>

<sup>1</sup>As of 31 March 2020 and inclusive of Restricted Cash

#### Board and Management

Peter Bowler, Non-Exec Chairman

Rob Watkins, Managing Director

Greg Barrett, Non-Exec Director

Paul Payne, Non-Exec Director

Ben Larkin, Company Secretary

#### Company Highlights

- Proven and highly credentialed management team
- 100% ownership of the Tick Hill Gold Project (granted ML's) in Qld, historically one of Australia highest grade and most profitable gold mines
- Past production of 511 koz at 22 g/t gold
- Indicated and Inferred Mineral Resource of 845,000 t @ 2.47 g/t gold for 67,100 ounces\*
- Proven and Probable Ore Reserves of 459,900 t @ 1.89 g/t gold for 28,000 ounces\*
- 323 km<sup>2</sup> surrounding exploration package containing numerous gold and copper targets
- 254 km<sup>2</sup> of highly prospective tenure in the Mallina Basin, Pilbara of WA
- Tight capital structure and strong cash position

*\*Refer ASX release 5 June 2020*

#### Registered Office

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[www.carnabyresources.com.au](http://www.carnabyresources.com.au)

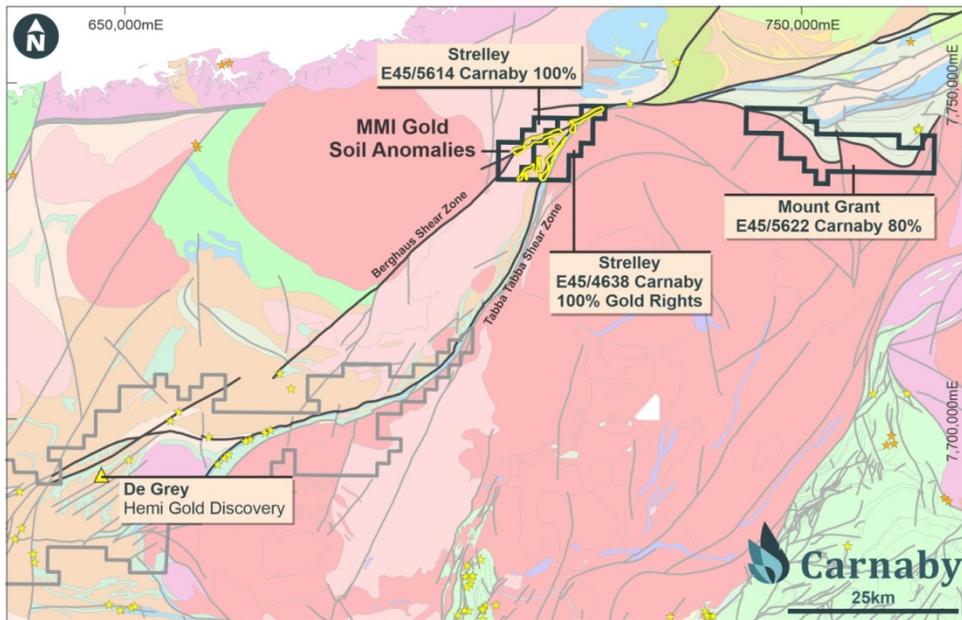


Figure 1: Carnaby's new Strelley and Mount Grant gold projects.

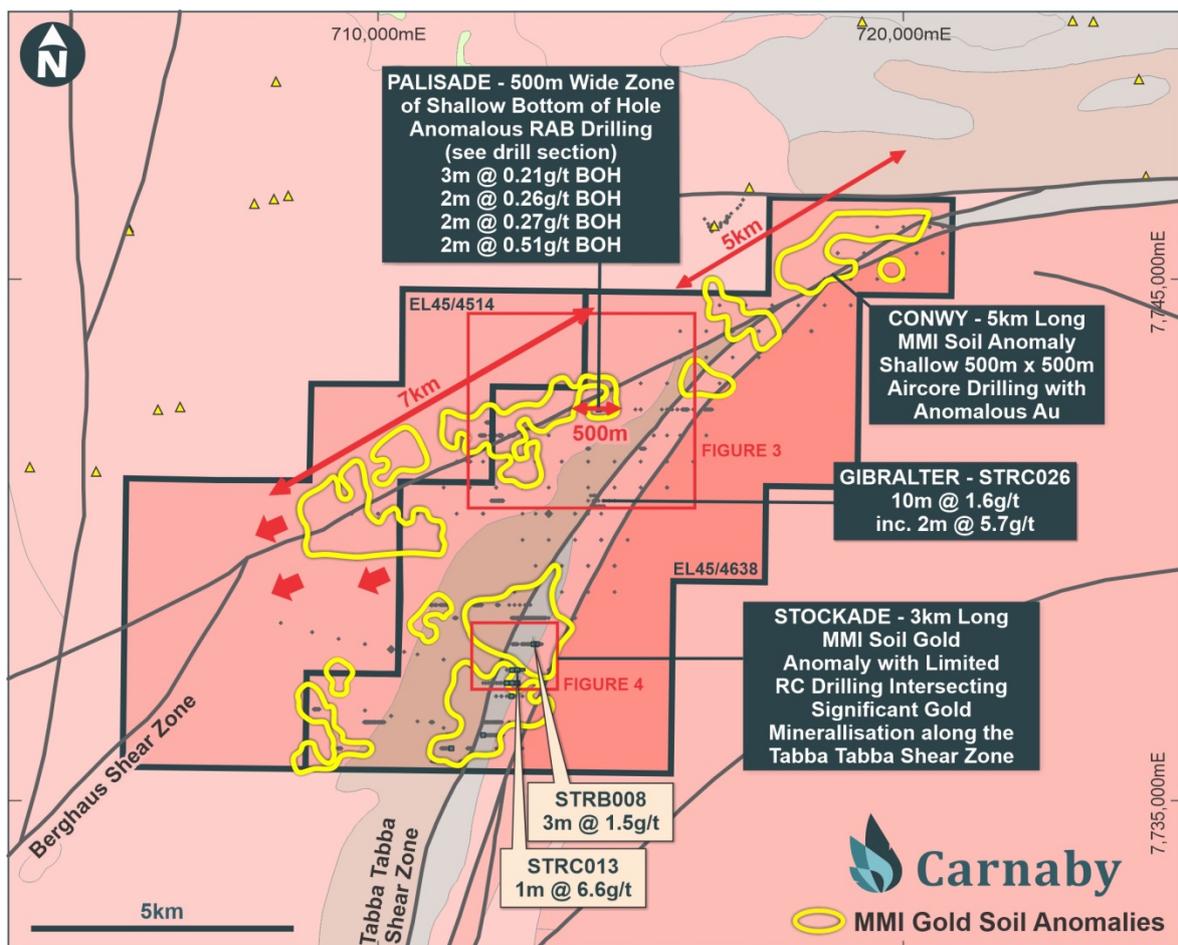


Figure 2: Strelley gold project showing location of MMI gold soil anomalies and significant historical drill results.

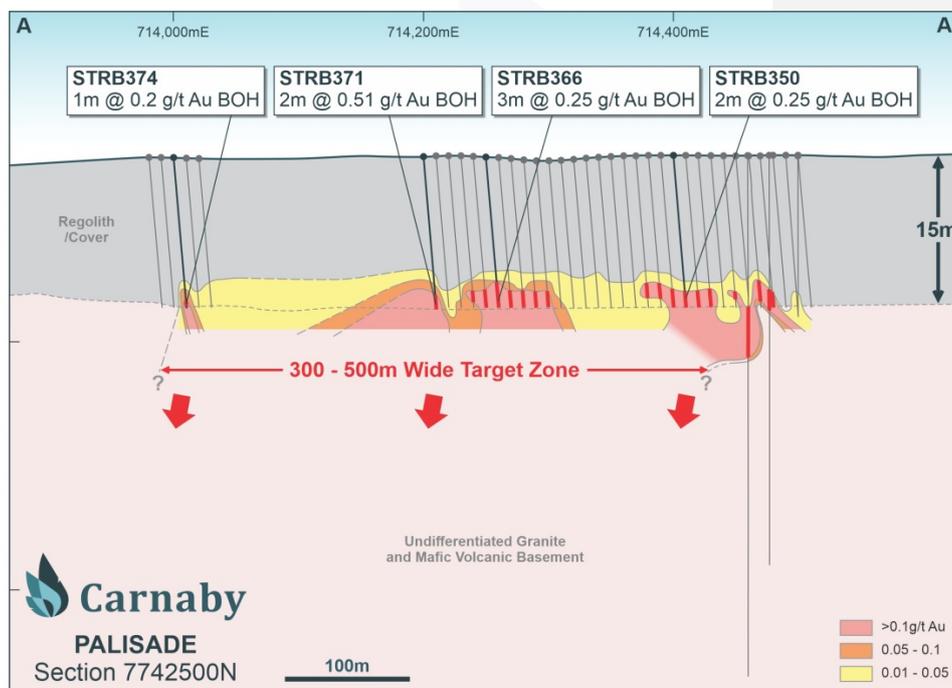
### PALISADE (Carnaby 100%)

The Palisade target encompasses a 7 km long southwest trending Mobile Metal Ion (**MMI**) gold soil anomaly coincident with the interpreted location of the Berghaus Shear Zone (Figure 3). The soil anomaly remains completely open to the southwest.

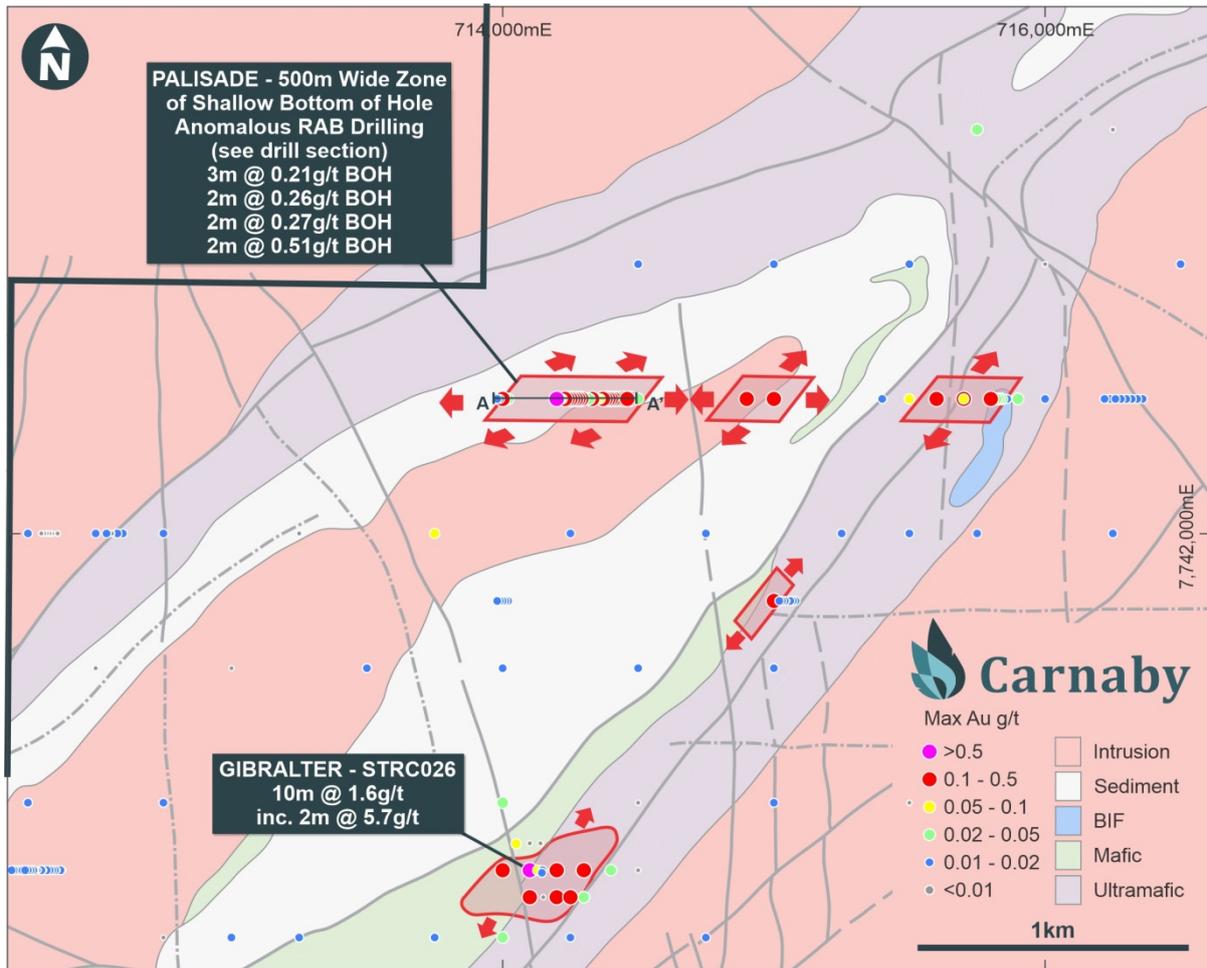
A single RAB traverse drilled in 2008 intersected widespread gold anomalism over a **300-500m wide section below only 15 m of cover** (Figure 3 & 4). All holes recorded **bottom of hole** anomalous gold up to **2 m @ 0.51 g/t gold** in STRB371 associated with strong to intense silica alteration and quartz veining within sheared granite and greenstone units.

Follow up drilling of this anomaly was curtailed in 2008 due to the GFC and has remained dormant for the last 12 years due to a focus on Lithium and lack of gold exploration in the Pilbara prior to the recent resurgence after the Hemi gold discovery by De Grey Mining Ltd.

The Palisade target is interpreted to occur on a shear zone at the edge of an intrusion and is completely open along strike and at depth (Figure 4). Carnaby plans to immediately follow up the high priority Palisade target with drilling along strike and to test beneath the large 300-500 m wide bottom of hole RAB gold anomaly.



**Figure 3: Palisade 300-500 m wide bottom of hole RAB drilling gold anomaly. Drill section is at 10 times vertical exaggeration.**



**Figure 4: Palisade and Gibraltar plan showing interpreted geology and location of drill results.**

### **GIBRALTAR (Carnaby 100%)**

The Gibraltar target encompasses a ~3 km section of the Tabba Tabba Shear Zone along a major bend in the shear zone to a northeast orientation (Figures 4).

Significant gold mineralisation has been intersected with results up to 10 m @ 1.6 g/t gold from 77 m including 2 m @ 5.8 g/t gold in STRC026.

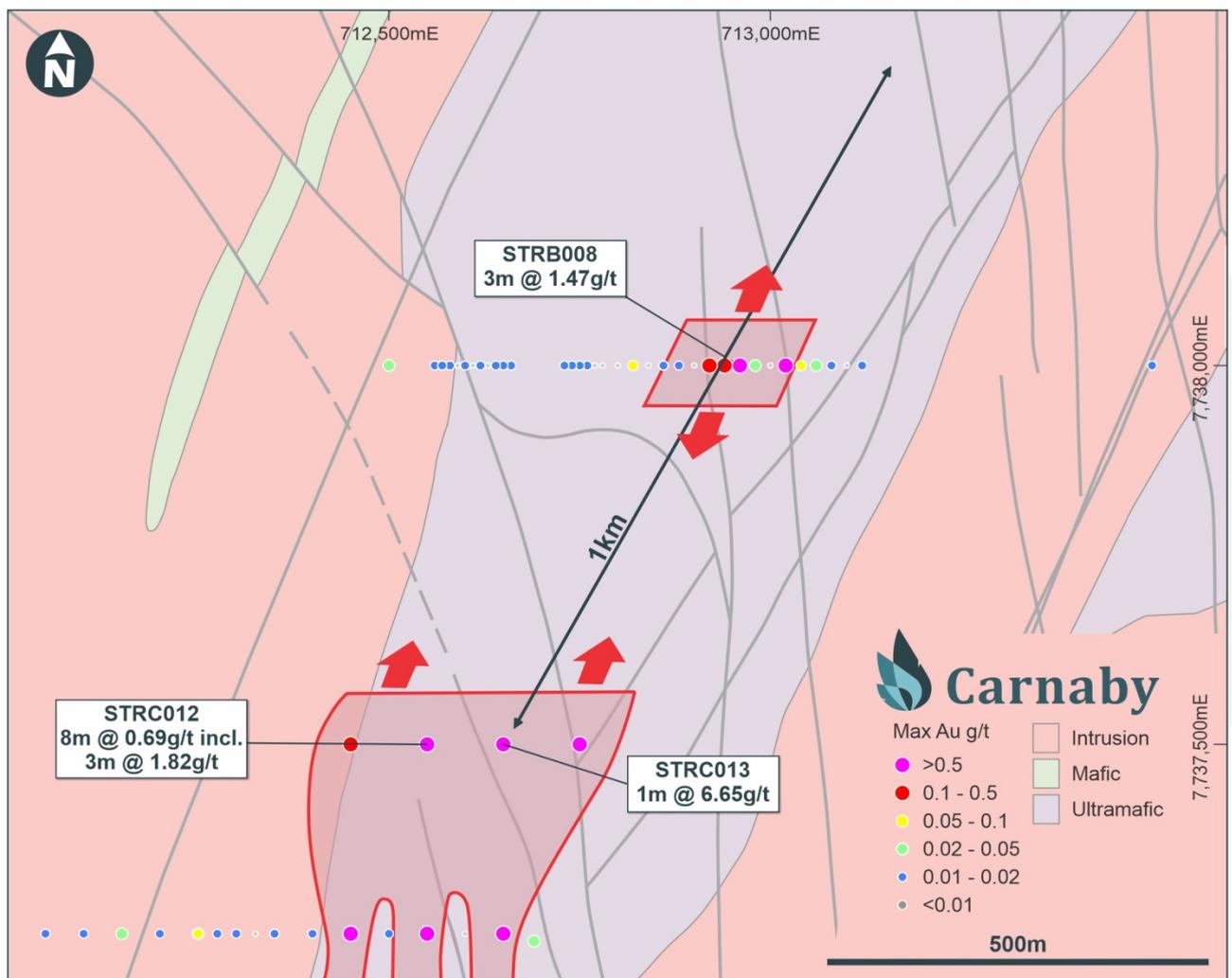
The Gibraltar target remains highly underexplored to the north where the nearest drill traverse is 1.3 km along strike and then a further 1 km to the next drill traverse after that, both of which intersected anomalous gold results.

### STOCKADE (Carnaby 100%)

The Stockade target encompasses a 3 km long SSW trending MMI gold soil anomaly coincident with the Tappa Tappa Shear Zone (Figure 2).

Significant gold mineralisation has been interested in very wide spaced historical drilling of up to 1 m @ 6.6 g/t gold in STRC013. This result remains open for 500 m to the north where a single RAB traverse also intersected shallow gold mineralisation of up to 3 m @ 1.5 g/t gold from 17 m in STRB008 (Figure 5). No drilling has been completed for another 500 m north of this RAB line.

The Stockade target remains highly prospective and highly underexplored and will form part of the initial exploration programs to be completed at Strelley.



**Figure 5: Stockade plan showing interpreted geology and location of drill results.**

### **CONWY (Carnaby 100%)**

The Conwy target encompasses a 5 km long MMI gold soil anomaly at the confluence of the Tabba Tabba and Berghaus shear zones. The target area is completely overlain by cover sequences approximately 15 m deep (Figure 2).

Wide spaced historical scout aircore drilling on 500 m x 500 m spacing has intersected anomalous gold results at the base of transported interface on 2 consecutive holes.

The Conwy target is along strike from both the Palisade and Gibraltar targets and remains a highly prospective target that requires follow up gold exploration.

### **SUMMARY OF HISTORICAL GOLD EXPLORATION AT THE STRELLEY PROJECT**

A Variable Time Electromagnetic (**VTEM**) geophysical survey was flown over parts of the tenement area in 2007. Subsequent RC drill testing of selected VTEM highs intersected gold mineralisation at several locations with results up to 10 m @ 1.6 g/t gold including 2 m @ 5.7 g/t gold and 1 m @ 6.6 g/t gold at Gibraltar and Stockade respectively.

Historical soil sampling using Mobile Metal Ion (**MMI**) has been utilised at Strelley as a surface geochemical method as traditional soil sampling methods were considered to have been ineffective. MMI is a partial leach technology used in covered areas to detect subtle gold dispersion in the overlying cover. The MMI soil sampling identified several large corridors of gold anomalism at Palisade, Stockade and at Conwy coincident with the Tabba Tabba Shear Zone and a NE structure interpreted as the northern extension of the Berghaus Shear Zone (Figure 2).

Subsequent scout RAB and aircore drilling of MMI gold soil anomalies also identified widespread shallow gold results up to 2 m @ 0.51 g/t gold in bottom of hole at Palisade.

The historical gold exploration results at Strelley indicate that it is part of a large gold mineralising system at the confluence of the Berghaus and Tabba Tabba shear zones at a major bend in the Tabba Tabba Shear Zone not dissimilar to the structural and stratigraphic setting of the large Hemi gold discovery by De Grey Mining Ltd (ASX: DEG) (Figure 1). Exploration at Strelley is being rapidly expedited.

Further information regarding the Company's projects can be found on the Company's website [www.carnabyresources.com.au](http://www.carnabyresources.com.au)

**For further information please contact:**  
**Robert Watkins, Managing Director**  
**(08) 9320 2320**

**Competent Persons Statement**

The information in this document that relates to exploration results is based upon information compiled by Mr Robert Watkins. Mr Watkins is a Director of the Company and a Member of the AUSIMM. Mr Watkins consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears. Mr Watkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code).

**Disclaimer**

References may have been made in this announcement to certain ASX announcements, including references regarding exploration results, mineral resources and ore reserves. For full details, refer to said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and the mentioned announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources, Exploration Target(s) or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## Table 1 Strelley Historical Drill Results

Location	Hole ID	Easting	Northing	Azimuth	Dip	Depth From	Interval	Au (g/t)	Comments
Strelley	STAC149	710750	7737800	360	-90	14	1	0.1	BOH
Strelley	STAC182	714460	7742500	360	-90	12	4	0.13	
Strelley	STRB006	713020	7738000	90	-50	8	4	0.25	
Strelley	STRB008	712960	7738000	90	-50	0 17	4 3	0.14 1.47	
Strelley	STRB009	712940	7738000	90	-50	12	19	0.13	
Strelley	STRB037	712540	7737000	90	-50	24	5	0.24	BOH
Strelley	STRB084	712280	7736250	90	-50	15	1	0.15	BOH
Strelley	STRB088	712240	7736250	90	-50	9	6	0.25	
Strelley	STRB133	711400	7736000	90	-50	5	1	0.89	
Strelley	STRB270	712600	7738500	90	-50	12	4	0.12	BOH
Strelley	STRB344	714470	7742500	90	-50	14	2	0.13	BOH
Strelley	STRB345	714460	7742500	90	-50	13	2	0.34	
Strelley	STRB346	714450	7742500	90	-50	15	1	0.28	BOH

Strelley	STRB347	714440	7742500	90	-50	14	1	0.31	
Strelley	STRB349	714420	7742500	90	-50	14	2	0.16	BOH
Strelley	STRB350	714410	7742500	90	-50	14	2	0.25	BOH
Strelley	STRB351	714400	7742500	90	-50	14	2	0.14	BOH
Strelley	STRB352	714390	7742500	90	-50	14	2	0.23	BOH
Strelley	STRB353	714380	7742500	90	-50	13	2	0.13	
Strelley	STRB354	714370	7742500	90	-50	14	2	0.28	
Strelley	STRB362	714290	7742500	90	-50	15	2	0.26	BOH
Strelley	STRB363	714280	7742500	90	-50	15	2	0.27	BOH
Strelley	STRB364	714270	7742500	90	-50	14	2	0.18	BOH
Strelley	STRB365	714260	7742500	90	-50	14	2	0.2	BOH
Strelley	STRB366	714250	7742500	90	-50	15	3	0.25	BOH
Strelley	STRB367	714240	7742500	90	-50	14	2	0.2	BOH
Strelley	STRB368	714230	7742500	90	-50	14	2	0.14	BOH
Strelley	STRB371	714200	7742500	90	-50	14	2	0.51	<b>BOH</b>
Strelley	STRB374	714000	7742500	90	-50	15	1	0.2	BOH
Strelley	STRC005	712450	7737250	93	-50	36 111 137	3 3 3	0.10 0.60 0.16	
Strelley	STRC006	712550	7737250	93	-50	47	<b>3</b>	<b>0.97</b>	
Strelley	STRC007	712650	7737250	93	-50	33	7	0.26	
Strelley	STRC011	712450	7737500	93	-50	95	2	0.23	
Strelley	STRC012	712550	7737500	93	-50	111 130 Inc 133	5 8 <b>3</b>	0.22 0.69 <b>1.82</b>	
Strelley	STRC013	712650	7737500	93	-50	36	<b>1</b>	<b>6.65</b>	
Strelley	STRC014	712750	7737500	93	-50	62	<b>3</b>	<b>0.48</b>	
Strelley	STRC017	712700	7738750	93	-50	94 Inc 101	9 <b>1</b>	0.37 <b>2.21</b>	
Strelley	STRC026	714100	7740750	93	-50	77 Inc 83	<b>10</b> <b>2</b>	<b>1.64</b> <b>5.77</b>	
Strelley	STRC028	714300	7740750	93	-50	80	3	0.16	
Strelley	STRC041	714900	7742500	92	-50	14	2	0.18	
Strelley	STRC061	712000	7736250	90	-60	83	4	0.37	

\*The reported historical drilling comprises RAB (prefix STRB), Aircore (prefix STAC) and RC. The intercepts are reported above a 0.1g/t lower cut-off with no more than 2m internal dilution. Abbreviation BOH = Bottom of hole intercept.

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under</li> </ul>	<ul style="list-style-type: none"> <li>Historical drill holes have been undertaken by reverse circulation drilling with shallow exploration drilling undertaken by RAB and aircore drilling.</li> <li>Shaw River Manganese Limited to have undertaken industry</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>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.</p> <ul style="list-style-type: none"> <li>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>• Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>• 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.</li> </ul>	<p>standard protocols at the time.</p> <ul style="list-style-type: none"> <li>• Shaw River Manganese Limited drill samples used analysis by Historical drill results were analysed using Aqua Regia with ICP and MS finish for full suite of multielements at Ultratrace laboratories in Perth Western Australia.</li> <li>• The Historical exploration data is considered suitable for current reporting purposes, however further work would be required to verify the data suitable for inclusion in potential future project reviews of resource estimations.</li> <li>• MMI Soil Sampling Method The sampling method followed at each location is described below: <ul style="list-style-type: none"> <li>• In undisturbed environments samples should be collected approximately 10 to 25 cm below the true soil interface at a consistent depth. The initial step in taking an MMI soil sample requires the surface soil layer to be scraped away eliminating loose organic matter, debris, and any possible contamination. Do not vary depth beneath the true soil interface, or target a specific layer/feature of a soil profile when sampling.</li> <li>• Before actually taking the soil sample material, equipment should be brushed to eliminate residue from previous samples and preferably flushed with the soil from the new sample site. During sample collection and handling, no jewellery (watches, rings, bracelets, and chains) should be worn, as this can be a major source of contamination.</li> <li>• Equipment <ul style="list-style-type: none"> <li>• A 30-cm diameter plastic garden sieve or kitchen colander with minus 5mm apertures, available from hardware and supermarkets, is ideal for sample collection. Plastic collection dish with similar diameter and a kitchen floor brush used for cleaning the sieve and dish between samples;</li> <li>• A bare steel (no paint) garden spade; and</li> <li>• Plastic snap seal bags, do not use calico</li> </ul> </li> </ul> </li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• 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).</li> </ul>	<ul style="list-style-type: none"> <li>• Historical drilling was conducted by several different drilling companies. Aircore drilling total 175 holes for 3,628m drilled by Wallace drilling, RAB drilling totals 444 holes for 7,745m drilled by Challenge Drilling, RC drilling totals 42 holes for 4,915m drilled by various drilling contractors.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• No specific database or report recovery information is available for historic drilling.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• Records available indicate that logging was completed by geologists and is at a level sufficient to generate maps, plans and sections found in company reports.</li> </ul>
Sub-sampling techniques and sample	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled,</li> </ul>	<ul style="list-style-type: none"> <li>• No original records of subsampling method have been found for drilling; it is possible that this information can be sourced in the future. Database records indicates that a nominal 4m</li> </ul>

Criteria	JORC Code explanation	Commentary
preparation	<ul style="list-style-type: none"> <li>rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>composite sampling regime was used which was subsampled to 1m split intervals for anomalous gold results.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No historic detailed records of assaying QAQC is available and it is not possible to comment absolutely on the quality of assaying work undertaken. The work carried out by previous workers used reputable assay laboratories within the region and it is reasonable to assume that the assay results stated in the exploration reports are indicative of mineralisation styles in the area. It is possible that further information can be sourced in the future. It is unknown what QAQC procedures were used by the previous workers. It is reasonable to assume that they used industry acceptable procedures for that time. All drill holes samples were analysed at ALS or Ultratrace laboratories. MMI samples were analysed at SGS laboratories.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>At the prospect scale the quality of data is currently considered acceptable for exploration purposes. Further investigation and validation will be undertaken as work programs progress.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The historic method of collar coordinate determination was not recorded in historical reports or database.</li> <li>Grid systems used by previous explores was MGA94/50.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Reconnaissance aircore and RAB drilling was completed at 500m x 500m spacing. Selected areas have been followed up with mostly single line RAB traverses. Selected RC drilling traverses have been completed at 50 and 100m hole spacing. MMI soil sampling was completed at 250m eastwest lines at 20m sample spacing.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling</li> </ul>	<ul style="list-style-type: none"> <li>The southern half of the project containing the Tabba Tabba Shear strikes approximately NNE and is considered to be well tested with EW drill and soil sample lines. In the northern half of the project where the Tabba Tabba Shear bends to a NE orientation coincident with a NE fault, the orientation of the</li> </ul>

Criteria	JORC Code explanation	Commentary
	orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	historical soil sampling and drill traverses is considered to be at a non optimal orientation and consideration will be given to re-orientating future exploration grids in that area.
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>No detailed information is available for the historic sample security undertaken.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No detailed information is available for the historic sampling techniques and data.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section).

Criteria	Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>ELA45/5614 is an exploration licence application owned 100% by Carnaby Resources Ltd.</li> <li>E45/4638 is a granted exploration license which is being transferred from Lithium Power WA Holdings Pty Ltd (LPWA) to Carnaby Resources Ltd as part of an agreement whereby LPWA's parent, Lithium Power International Ltd retains certain mineral rights relating to Lithium minerals. Carnaby own 100% of the gold rights on the tenement. Heritage survey and plan of works need to be completed before substantial work can be completed on the tenement.</li> </ul>
Acknowledgment and appraisal of exploration by other parties.	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Shaw River Manganese Limited completed the original gold exploration on the tenement delineating several gold anomalies in soils and drilling.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Strelley project is located in the northern part of the Archean Pilbara Craton. The tenement is located within the Mallina basin group greenstone and intrusives on the district scale Tabba Tabba Shear zone which hosts significant gold mineralisation to the SW within De Greys Mining Ltd's tenure. The recent discovery of the intrusion related Hemi gold discovery by De Grey Mining Ltd has generated significant new interest in the Mallina Basin. Within the Strelley project late intrusive rocks equivalent in age to the Hemi gold discovery are present. Gold mineralisation intersected in the Strelley project to date is associated with silicification and quartz veining.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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</li> </ul>	<ul style="list-style-type: none"> <li>Included in report. Refer to the report and Table 1.</li> </ul>

Criteria	Explanation	Commentary
	Competent Person should clearly explain why this is the case.	
Data aggregation methods	<ul style="list-style-type: none"> <li>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.</li> <li>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 aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Significant intercepts above 0.1 g/t Au with no more than 2 m internal dilution have been reported</li> <li>Higher grade intercepts have been separately reported where applicable.</li> <li>Metal equivalents have not been used.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>All drill intercepts have been reported as downhole lengths and not enough information is present to know the true widths of these intersections.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See the body of the announcement.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The exploration results should be considered indicative of mineralisation styles in the region.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>As discussed in the announcement</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Planned exploration works are in the process of being prepared.</li> </ul>