Johnnies Reward, Au-Cu, MINERAL RESOURCE ESTIMATION

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EXECUTIVE SUMMARY

Conarco Consulting (Conarco) was requested by Davenport Resources (Davenport) to assess the Johnnies Reward Prospect within the Southern Cross Bore project area and a Mineral Resource Estimation was completed during January and February 2018. All fundamentals of the MRE were reviewed, including the interpretation of the mineralisation.

The mineralisation extends from an outcropping gossan and dips steeply to the east with a moderate northerly plunge. The deposit comprises two main lodes hosted within a magnetite-pyroxenite. There is a constant weathering profile with fresh rock occurring ~20 m below the surface.

Ordinary Kriging (OK) was the preferred estimation method and was carried out for gold and copper for each of the mineralised domains. The total Mineral Resource for Johnnies Reward is 2.2 Mt @ 1.4 g/t gold equivalent for 101 koz gold equivalent. The Mineral Resources are listed in Table 1.

Mineral Resource Estimate for the Johnnies Reward Deposit - February 2018								
Domain	Cut-off	Tonnes (kt)	Au (g/t)	Au (Oz)	Cu (%)	Cu (t)	AuEq (g/t)	AuEq (oz)
B Transition	0.0	75	0.5	1,000	0.5	500	1.3	3,000
A	0.0	145	1.1	5,000	0.3	500	1.6	7,000
B	0.0	1,970	0.7	47,000	0.4	8,000	1.4	91,000
Total	0.0	2,190	0.7	52,000	0.4	9,000	1.4	101,000

Table 1 – List of Mineral Resources at a 0 g/t gold cut off.

Conarco has been engaged to deliver a Mineral Resource which has been reported in accordance with the JORC (2012) code based on information provided by Davenport. Although Conarco accepts no responsibility with the data it has been provided, all attempts have been made to validate the data. Conarco is therefore unaware of anything that would have a material impact to the Mineral Resource.

DISCLAIMER

This report is based on data provided electronically by Davenport. The last visit to the project was in 2017 with the author being employed as a consultant by Davenport. The author therefore has some background to the project and was also involved during the IPO of Davenport Resources in 2016. More information and knowledge has been obtained since then, and although all care was taken during the analysis of the data, no responsibility is taken for the accuracy of the data or for any conclusion made.

The author is also a member of the Australian Institute of Geoscientists (AIG) and has sufficient experience in the style of deposit to act as a Competent Person as defined by the JORC code (2012).

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1 INTRODUCTION

Conarco Consulting was engaged by Davenport Resources to provide a maiden Mineral Resource Estimate (MRE) for the Johnnies Reward Prospect. The deposit forms part of the Southern Cross Bore Project (SXB) and is located 75 km northeast of Alice Springs, Northern territory, Australia. (Figure 1.1).

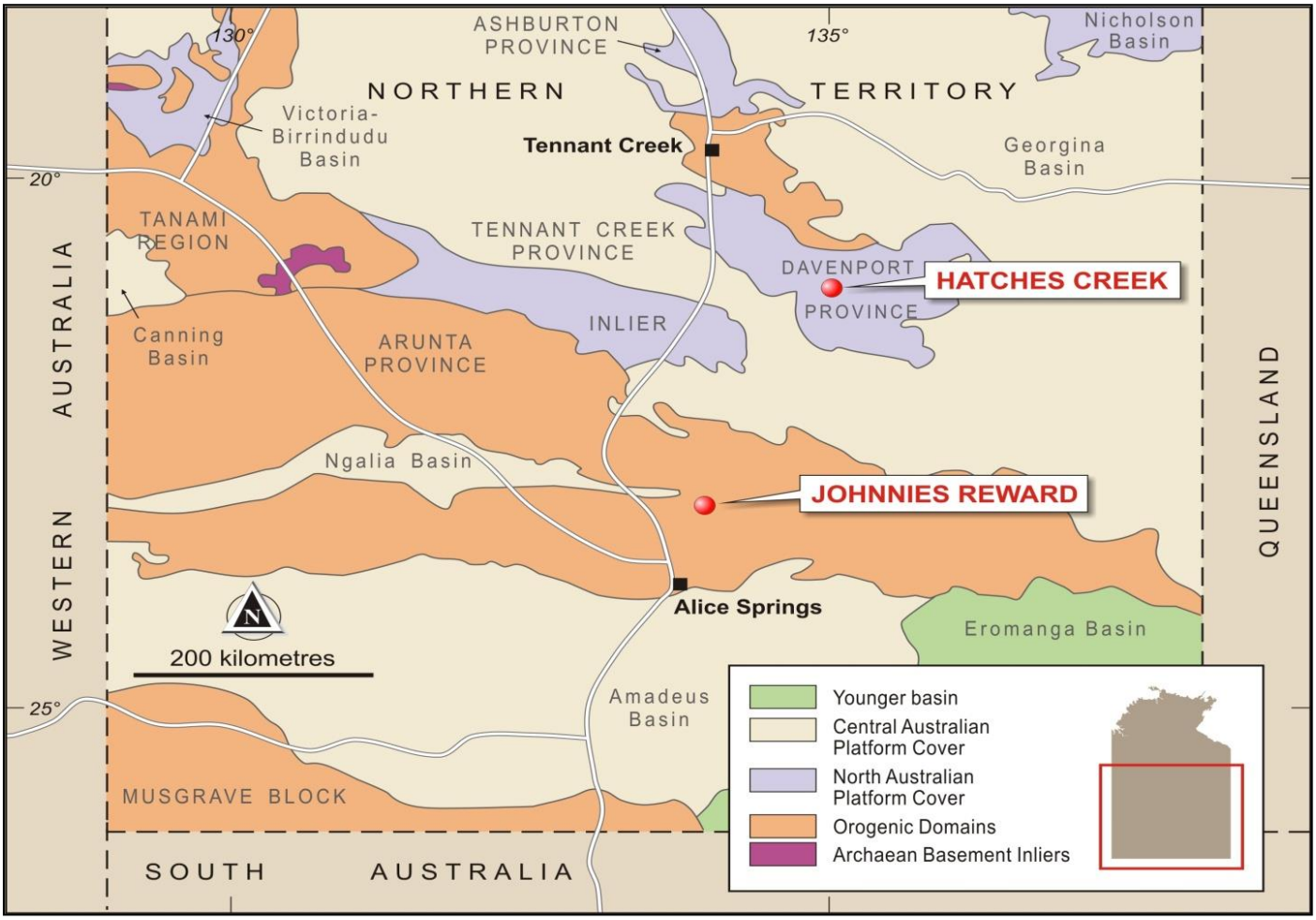


Figure 1.1 – Location of the Johnnies Reward prospect.

Data used for the Mineral Resource was provided by Davenport and included the database in Microsoft Access format and the corresponding tables in csv format. These were imported in Vulcan mining software. Vulcan triangulations of the mineralised domains were created using this data at a nominal 0.5 g/t gold equivalent value and a weathering profile between the transition and fresh rock boundary was also made. The extent of the project is shown in Figure 1.2.

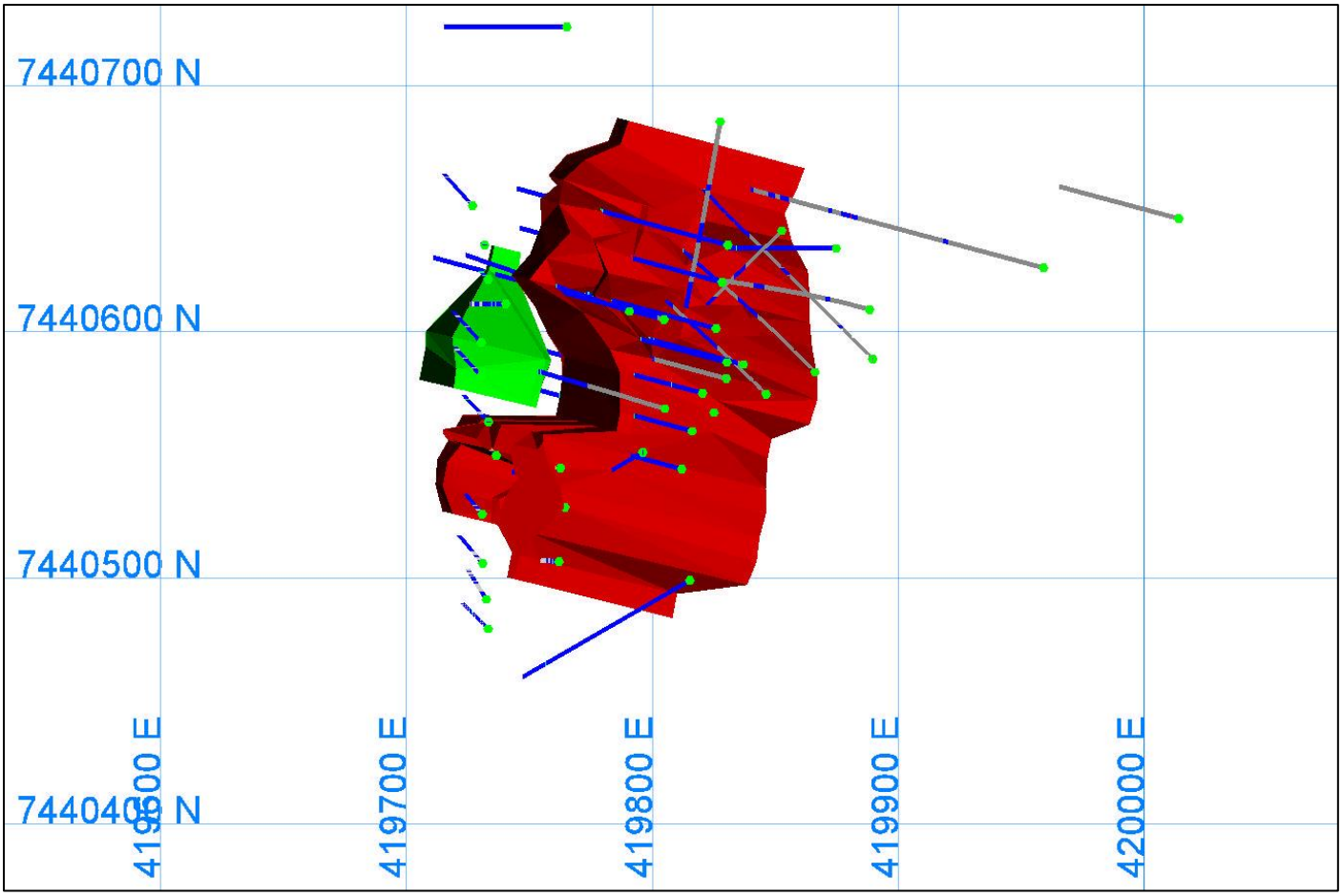


Figure 1.2 – Johnnies Reward mineralised domains (red and green) and drilling.

2 GEOLOGY AND MINERALISATION

A review of the geology was not considered as part of the scope of work and therefore has been transcribed from the previous reports.

2.1 Regional Geology

The licence areas are located within the southeast Arunta Inlier (Figure 2.1) a major ensialic Palaeo to Mesoproterozoic mobile belt of multiply deformed polymetamorphic basement terrain covering 200,000 square km in central Australia. It differs from other north Australian Proterozoic inliers by intensity and frequency of apparent deformation, high grade of metamorphism and abundance of granite thus more akin to mobile belts in southern Africa and the Baltic Shield.

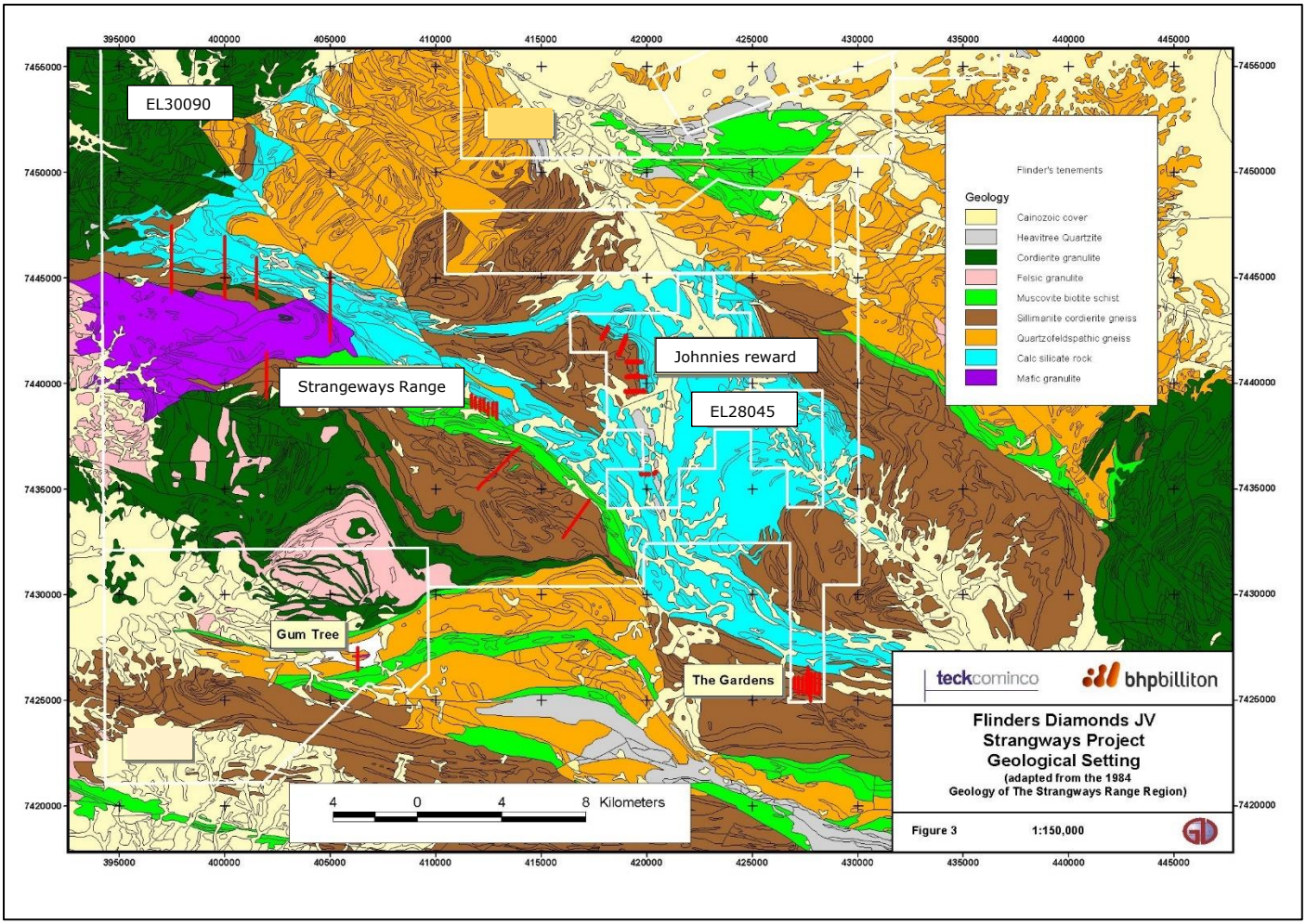


Figure 2.1 – Regional geology

A tectonic setting of older 2.5-2.0 GA continental crust, nowhere exposed, beneath Paleoproterozoic rocks (185 0Ma) is the current model. The overall style of deformation and subsequent basin development across central Australia is similar to other continental settings where thick-skinned deformation and rifted or sag continental basin development are the norm. The mobile belt evolved over 1500 Ma commencing with mafic and felsic volcanism, mafic intrusions within a latitudinal rift followed by marine deposition of shale and limestone, followed by subsequent deformation, metamorphism and emergence.

Flysch sedimentation accompanied by volcanism continued within geosynclinals troughs flanking the latitudinal ridge of meta-igneous rocks followed by shallow-marine platform deposition, more deformation/metamorphism plus granitic intrusion all of which point towards an extensional continental setting? Furthermore, recent geochemical and isotopic data interpretation combined with remapping of mafic rock units indicate abundance of 1810 – 1800 Ma high level tholeiitic mafic intrusions with geochemical signatures of continental margin subduction or back-arc related magmatism.

The southeast Arunta region is assigned to the Aileron Province locally referred to as Ongeva package (1825 – 1790) of which the Strangways Metamorphic Complex (SMC) on ALICE SPRINGS is a major component (1820 – 1790 Ma), bounded to the south by a regional linear zone of tectonism trending east southeast for 140 km hosting the Winnecke goldfield and Arltunga Nappe Complex – hosted White Range goldfield (25,000 ozs). It crops out northwards for 40 km truncated by Florence Creek shear zone juxtaposing older SMC against 1765 Ma Oonagalabi tongue rocks assigned to upper Bungitina metamorphics. The remaining northerly limit of cropping out SMC forms a sheared unconformable contact with 743 Ma Harts Range Group Riddoch Amphibolite trending west northwest for about 60 km before disappearing beneath on-lapping Waite Formation Tertiary sediments. The SMC of unknown thickness (estimates from mapping of 5 to 15 km) is a package of complexly folded Paleoproterozoic mafic/felsic granulite and metasediments. Basement to SMC is nowhere exposed and is therefore unknown however age dating of intrusives show most of SMC is older than 1780 Ma. Parts are deposited

in a deeper water setting based on chrono-stratigraphic correlations with turbiditic Lander Rock beds in NAPPERBY i.e. Pelites of Erontonga and Yambah granulites are deep-water mudstones and greywackes.

The Utnalanama Zn-Cu prospect (formerly Phlogopite mine) 20 km south of Johnnies an interpreted volcanic associated massive sulphide deposit (VAMS) also supports a mooted deep water setting, occurring at depths of at least 1000 m. Recent convention suggests SMC changes from a bimodal volcanic sequence upward to a pelitic succession overlain by siliciclastics and carbonate however caution is warranted as many of felsic/mafic extrusives appear to be intrusive? The presence of extrusive/pyroclastic volcanics cannot be dismissed however locally intrusive units are more common within the SMC. Intense deformation, metamorphism and accompanying anatexis have largely obliterated all primary sedimentary/igneous rock features. Additionally, wall rocks of mineral deposits such as Johnnies Cu-Au deposit were extensively altered prior to high grade metamorphism thus generally protolithic rock-type classifications are educated guesses?

2.2 Local Geology

EL 28045 is underlain by Cadney metamorphics near the top of SMC positioned centrally within a cropping out, north westerly trending rectangular area 140 km long by 40 km wide on ALICE SPRINGS.

The north trending Pinnacles fault zone bisects the licence area with upper Cadney calcsilicate and marble to the east, hosting the narrow vein Pinnacles copper deposits while to the west, the protolithic carbonate depositional environment, abruptly transitions to a pelite, psammite, volcanic intrusive and minor carbonate assemblage of metamorphosed to granulite facies, biotite-garnet-sillimanite gneiss, amphibolite's, quartzite, marble, calcsilicate and mafic granulite. The south southeast-trending Woolana lineament readily apparent on satellite imagery passes through the licence area from north to south east.

Johnnies Reward Prospect (Figure 2.2) occurs within lower Cadney metamorphics comprising metapelite quartzofeldspathic gneiss, felsic granulite and minor mafic granulite located stratigraphically just below the lower – upper Cadney metamorphic transitional contact. Johnnies is hosted by a north-striking, overturned east-dipping (60 degrees) metasedimentary succession dominated by quartzose gneiss subdivided into the following major lithological units:

1. Quartz – biotite – garnet gneiss
2. Quartz – feldspar – biotite gneiss
3. Diopside – tremolite – magnetite rock hosting Cu – Pb (Zn – Ag – Au) mineralisation
4. Mafic granulite referred to by Alcoa as "plagioclase pyroxenite"
5. Pegmatite occurring as a coarse grain equigranular pink microcline and quartz intrusive possibly related to the Wuluma granite (1728 Ma).

The above are generally concordant with stratigraphy however mafic granulite is interpreted as mafic sills.

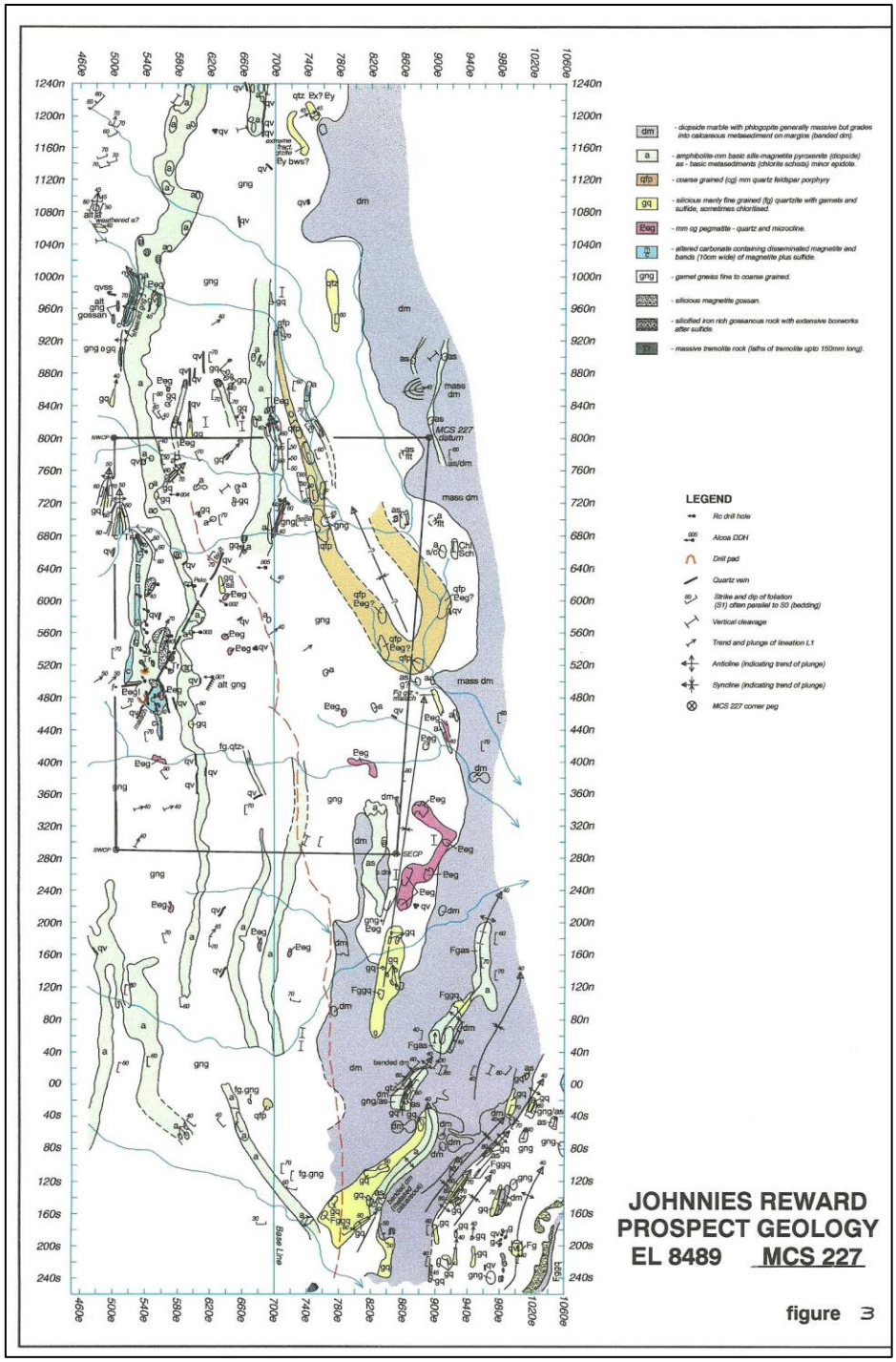


Figure 2.2 – Johnnies Reward local geology

The lode diopside – tremolite – magnetite unit strikes north for 200 m delineated by a profound negative vegetation anomaly some 50 m wide. The mineralised gossan comprising a tightly folded overturned anticline plunging 45 degrees north northeast is juxtaposed against the western boundary/contact of the above lode unit. Remnant forsterite marble within lode unit drill core implies a carbonate replacement origin. The abundance of garnet increases from the west towards the lode. The dominant lithology quartzose gneiss is chloritised on both footwall and hangingwall of lode unit for up to 35 m away from the lode/gneiss contact. Small to large scale steeply north northeast plunging folds are present throughout the prospect area.

2.3 Mineralisation and Alteration

Mineralisation (quarter core Alcoa E058 – 005). The following styles of mineralisation are present;

1. High Cu, Pb, Zn, Ag with relatively low anomalous Au occur in magnetite-tremolite/diopside lode assemblage.

2. High gold, low anomalous copper occurs in quartz-biotite-garnet minor magnetite rock lacking diopside and tremolite.

Bismuth and molybdenum are associated with Au (Cu) assemblages. Lode rock is low in SiO_2, Al_2O_3, Na_2O, and K_2O thus consistent with mooted replaced carbonate origin. It is also enriched in total iron and magnesium i.e. magnetite ± diopside ± tremolite mineralogy.

CaO is enriched at and near the top of lode rock due to preponderance calcic pyroxene (diopside) and amphibole (tremolite, hornblende) silicates are dominated by Ca – poor anthophyllite and hypersthene. MnO enrichment occurs below CaO – enriched zone characterised by Mn – rich anthophyllite replacing Mn – poor tremolite. Along the MnO - CaO enriched zone boundary is a narrow zone of high TiO_2, Al_2O_3, K_2O, F, REE and Th suggesting a possible mafic rock on the margin of a mooted original carbonate lens? However, 0.1% REEs plus 200ppm Thorium suggest hydrothermal introduction of above.

A tentative metal zonation from bottom to top is as follows:

Au (Cu) → Cu-Pb-S (Zn-Ag-Au) → Pb-Mn → REE →Ca, with iron and magnesium enrichment present throughout mineralised zone. Mineralised lode rock contains up to 30% magnetite also pyroxene, amphibole and quartz with amphibole replacing pyroxene. Talc locally replaces calcium-poor amphibole. Lenses of forsterite marble indicate lode rock replacing carbonate (supported by whole rock geochemistry).

Sulphide comprises pyrite, chalcopyrite, galena and sphalerite with minor pyrrhotite, molybdenite, scheelite, native bismuth, bismuthinite. Molybdenite and scheelite occur together with other sulphides as inclusions in magnetite or replacing fibrous amphibole.

Within Au (Cu) footwall mineralised zone quartz-biotite-garnet assemblage contains minor magnetite, chalcopyrite and pyrite distinguishing it from un-mineralised quartz-biotite-garnet gneiss. Local lode hangingwall biotite, sericite, sillimanite shear zones contain magnetite-chalcopyrite replaced by hematite – bornite respectively in association with carbonate.

Johnnies wall and lode rocks have magnesium numbers less than 60 and are therefore considerably more iron – rich than Utnalanama deposit. Johnnies country rocks contain feldspar and thus appreciable CaO, Na2O and K2O. However, Johnnies footwall zone is depleted in both Na_2O and K_2O and the upper mineralised zone enriched in manganese (up to 2.78% MnO). Johnnies protoliths comprise three geochemical divisions i.e.

- Aluminium rich (felsic)

- Aluminium poor

- Iron-enrichment

The accompanying mineralisation is superimposed on above protolithic types (strong association of base metal mineralisation and iron enrichment). Most Al-rich rocks have similar Titanium/zirconium ratio of 23 – 33 indicating a dacitic (intermediate volcanic) protolith.

Al-poor rocks show low Zr and low to moderate TiO_2 contents implying a relatively pure carbonate protolith. The elevated TiO2 in an aluminium-poor rock is the result of hydrothermal alteration? Titanium mobility is known to occur in skarn systems.

The upper mineralised unit and mafic granulite have similar protoliths i.e. a subalkaline basalt composition.

Hangingwall garnet-biotite-quartzofeldspathic gneiss shows REE patterns typical of meta-sedimentary upper crustal sourced rocks. Unaltered mafics at Johnnies show REE patterns similar to mid ocean ridge basalts (MORB). Johnnies Reward hangingwall protolith contains feldspar / muscovite conversely the footwall zone lacks feldspar reflected in the depletion of Na_2O and K_2O of footwall relative to hangingwall rocks (which are relatively unaltered) however footwall has undergone pervasive quartz-chlorite-sericite alteration.

Johnnies through its close association with magnetite-rick rocks and its lack of quartz-cordierite assemblages, is not a VAMS deposit further reinforced by its lead-rich character. Instead an iron oxide-hosted copper-gold model is proposed similar to Ernest Henry Tennant Creek, Prominent Hill and Olympic Dam.

The age of deposition of Johnnies Ongeva package SMC host rocks is 1810-1800 Ma however the mineralisation is epigenetic deemed to have been transported to its current depositional trap site during the 1790-1770 Ma Yambah event? However recent GA lead isotopic dating, hitherto unpublished shows a continuum of individual apparent ages from 1720-1360 Ma with a cluster of 10 analyses around 1583.9 ± 7.3 Ma the age of the World's largest IOCGU deposit (10 billion tonnes) Olympic dam in SA. Another cluster occurs at 1002 Ma coinciding locally with the intrusion of the Stuart dolerite dyke swarm an east-west extensional episode of north trending dykes occurring throughout southern Arunta Inlier.

Johnnies Reward is hosted by a north-trending shear likewise Pinnacles copper deposits. Hence locally mineralisation has evolved over 730Ma (1730 Ma to 1002 Ma) involving at least two discrete remobilisations the earlier one of which over a remarkable continuum of 360 Ma?

3 PREVIOUS EXPLORATION

Details relating to the exploration history between 1889 and 2011 has been comprehensively detailed by Mackie, 2012. All details have been transcribed from the report.

1889 – 1981

The gossanous rock at Johnnies Reward was discovered by John Vitosky in 1964 comprising massive hematite, quartz / jasper stained with malachite cropping out as two easterly dipping overturned limbs of a north north-east plunging anticline possessing the overall aspect of a Tennant Creek – type ironstone?

Youles (1964) carried out a geological reconnaissance of the general area after recommending a low level aeromagnetic survey after inspecting Central No 2 and Johnnies Reward Prospect. BMR flew an aeromagnetic survey over The Pinnacles – Johnnies Reward area in 1965. The total area flown was 147 sq. km's (980 line km) at a line spacing of 152 metres and an altitude of 80 metres (Tipper, 1966). The Pinnacles area was magnetically nondescript however a 4000 gamma dipolar anomaly was delineated over Johnnies Reward.

In 1965 Geopeko established a grid over the Johnnies Reward gossan covering 7.42 Ha (2.74 line km) carrying out ground magnetic and self-potential geophysical surveys. They tested the resultant anomaly with a core drill hole to a depth of 141 metres intersecting 17 metres averaging 0.45 g/t Au and 0.26% Cu from 62.8 metres downhole depth (Williams, 1965). BMR followed up the 1965 delineated airborne magnetic anomaly, (causative body 300 metres long dipping vertically) with ground magnetic. SP, IP and EM surveys concluding the geophysical response resembled a shallow ovoid body about 180 metres long 6 to 60 metres wide less than 75 metres deep largely above Geopeko's drill hole?

Also during the winter of 1967 prior to commencement of the Magellan program BMR conducted more ground geophysics. The results were not published until Haigh 1971. BMR constructed 3 grids namely Geopeko Johnnies Reward grid extended covering 117.56 Ha (16.315 line km), Pinnacles (288 Ha, 11.22 line km) over the area of alluvial flats and the New Folly or Polly Boy grid (12.26 Ha, 3.22 line km). Eight traverses away from the gridded areas (12.42 line km) were also surveyed.

Ground magnetic IP and SP surveys were conducted over the entire Pinnacles Grid. A broad IP anomaly was delineated which remains untested.

EM and SP surveys were conducted over the New Folly Grid delineating an EM anomaly over the existing workings. The EM anomaly was followed up with IP producing a weak anomaly. This also remains untested.

In the summer of 1967/68 K McMahon and Partners Pty Ltd for Magellan Petroleum Corporation established a grid over the main Pinnacles workings (975 metres by 2,926 metres, 285.28 Ha, 24.37 line kilometres; E-W traverses 122 metres apart) to undertake a detailed mapping program. The general area Pinnacles to Johnnies Reward was mapped at 1:12,000 while individual workings i.e. Polly Boy – Ophir – Central No 2 – Ciccone's – Urals were mapped at 1:2,400 using the grid or at 1:1,200 using a plane table. Johnnies Reward was also mapped at 1:1,200 using the Geopeko grid.

A ground magnetic survey was conducted over the alluvial flat north of Ciccone's shafts (5.12 line km, readings every 27.4 m, where significant, stepping down to 9.14 m). No anomalies resulted.

A "cobra" percussion drilling program was undertaken testing bedrock geochemistry. Dust sampled over 0.60 m to 0.91 m intervals and analysed for Cu, Pb, Zn and sporadically for Au, Ag, Bi by atomic

absorption. Maximum hole depth was 3.65 metres. A total of 219 holes were drilled for 830.28 metres of which 671 samples assayed. 63 rock chip samples were assayed for Cu, Pb, Zn, Au, Ag, Bi and Ni.

Four core drill holes were completed (from surface) totalling 465.42 metres. Only 108 samples were assayed. Of these 36 were from Pinnacles No 1 (102.71 m) with a best result from 3 m to 9 m of 1.4% Cu from 43 to 91.4 metres the hole averaged 476 ppm Cu. Pinnacles No 1 was drilled to test the Ophir North quartz veining at depth.

Thirty-three samples from Pinnacles No 2 (101.5 m) were assayed for no anomalous result designed to test down dip extensions of Ophir South near surface mineralisation.

6 samples were assayed from Pinnacles No 4 (94.79 m) designed to test down dip extensions of Ciccone's shaft mineralisation. No anomalous results were recorded.

Also in 1968 McMahons completed a core drill hole namely Pinnacles No 3 in the vicinity of Alcoa DDHE058-003 (exact location unknown) at Johnnies Reward. The hole inclined at 53 degrees on a bearing of 268 degrees reached a final depth of 166 metres. An anomalous copper zone was intersected between 110 and 119 metres down-hole depth i.e. 9 metres averaging 0.55% copper. No gold assays were undertaken. They also drilled 23 shallow RAB holes into the lode and assayed 53 random samples for copper, lead and zinc. Best results were 1.61% Cu, 1.7% Pb and 2% Zn.

In 1969 BMR mapped the area of the 1965 aeromagnetic survey at a scale of 1:22,500 (Shaw 1970), to assist interpretation of both BMR geophysical surveys. Shaw's report describes the copper workings and Johnnies Reward Prospect incorporating geochemical data from the Magellan program as well as the results of the ground geophysical surveys after Haigh, 1971.

From 1969 - 73 Stockdale Prospecting Limited conducted an extensive drainage sampling program over a 270 sq. km area including EL 28045. Twenty-nine drainage samples were collected for heavy mineral analysis. A minus 80 mesh fraction was sieved off for geochemical analysis however they were not assayed until 1988 (Marx 1984).

1982 – 1986

Alcoa Australia Ltd was granted EL 3026 over the prospect area in 1982. 1:20,000 scale color aerial photography was flown over 480sq km to assist reconnaissance mapping. The immediate area surrounding Johnnies Reward was mapped at 1:5000 scale and the prospect mapped at 1:500 scale. 122 rock chip and 11 soil samples were collected and analysed for gold, silver, copper, lead and zinc. Of these, 36 rockchip and 11 soil samples were taken from the immediate vicinity of Johnnies Reward gossan. The following maximum metal values were obtained (Table 3.1).

Element	PPM	Rock-Type
Gold	2.45	Metapyroxenite
Silver	54	Malachite stained metapyroxenite
Copper	13.4%	Malachite stained metapyroxenite
Lead	9600	Weathered metapyroxenite
Zinc	1250	Quartz-hematite-tremolite gossan

Table 3.1 – Metal values from Johnnies Reward gossan.

73, 10 metre composite rockchip samples were taken along rock sample traverse JR. 16 petrological samples were submitted for description.

Rock sample traverse JR results showed a sharp increase in metal values Cu, Pb, Zn, Au and Ag over a zone of approximately 100 metres centred on the mafic horizon. Other mafic horizons in the footwall sequence were also anomalous in copper and lead but devoid of precious metals.

During 1983, three core drill holes were completed namely E05-001, 002 and 003 totalling 370.9 metres. 201, one metre samples were submitted for analysis (Table 3.2).

Hole	Interval	Metres	Average Values	Host Lithologies
E058 – 001	73-78m	5	0.04ppm Au 2.06 Ag 0.27% Cu	Magnetite pyroxenite
	76	1	0.17% Pb	
	93-96	3	0.09ppm Au 0.14% Cu	Footwall gneiss
	112-114	2	0.42ppm Au 0.24% Cu	Footwall gneiss
E058 – 002	77-126.5	50	1.83ppm Au	Mag.px & footwall gneiss
	76-102	27	4.58ppm Ag	Mag.px & footwall gneiss
	74-102	29	0.26% Cu	Mag.px & footwall gneiss
	77-94	18	0.46% Pb	Magnetite pyroxenite
	79-95	17	0.35% Zn	Magnetite pyroxenite
	96-115	20	4.04ppm Au	Footwall gneiss
	98-103	5	4.75ppm Au	Footwall gneiss
	109-115	6	8.55ppm Au	Footwall gneiss
	117-126.5	10	0.19% Cu	Footwall gneiss
E058 – 003	30-39	9	0.31ppm Au	Magnetite pyroxenite
	30-56	26	4.13ppm Ag	Magnetite pyroxenite
	29-58	29	0.5% Cu	Magnetite pyroxenite
	29-83	54	0.36% Cu	Magnetite pyroxenite
	30-56	26	0.28% Pb	Magnetite pyroxenite
	40-47	7	0.6% Zn	Magnetite pyroxenite
	80-81	1	1.19ppm Au 1.8ppm Ag	Footwall gneiss
	86-87	1	0.13ppm Au 2.4ppm Ag 0.28% Cu	Footwall gneiss

Table 3.2 – Mineralised intersections from 1983 Alcoa drilling.

In all holes, mineralisation intersected commenced immediately below the magnetite pyroxenite – hangingwall gneiss contact (tremolite-diopside-magnetite assemblage) silver, lead, zinc mineralisation is confined exclusively to the pyroxenite. Anomalous copper and gold mineralisation occurs in the pyroxenite however it also extends into the footwall gneisses particularly gold where the highest values occur in altered gneisses below the pyroxenite unit. Magnetite, pyrite and associated chalcopyrite are uniformly disseminated throughout the pyroxenite and to a lesser extent in the altered footwall gneisses where the best gold intersections occur.

During 1984 two core drill holes were completed at Johnnies Reward namely E058-004 (108 metres) and E058-005 (208 metres) to follow up, along strike and down-plunge the mineralisation intersected by the 1983 program. 316 metres were drilled of which 278 one metre samples were submitted for analysis.

DDH E058-004 concluded in altered quartz-garnet biotite gneiss comprising up to 50% garnet with traces of finely, disseminated pyrite and chalcopyrite. The interval from 97 to 103 metres averaged 269 ppm copper while the bottom of the hole i.e. 104 to 108 metres averaged 167 ppm copper and is also weakly anomalous in gold. The cropping out pyroxenite was intersected higher up the hole comprising mainly plagioclase and diopside weakly anomalous in gold and copper (10ppb and 200ppm respectively). No significant mineralisation was intersected.

DDH E058-005 designed to test the down-plunge extension of mineralisation intersected in drillhole 002 was drilled on an azimuth of 265 degrees magnetic oblique to plunge direction of surface mineralisation however several zones of significant mineralisation were intersected (Table 3.3).

Interval	Metres	Au ppm	Ag ppm	Cu%	Pb%	Host Lithologies
109-128	19			0.15		Magnetic pyroxenite
109-133	24		1.45			Magnetic pyroxenite
117-119	2				0.3	Magnetic pyroxenite
121-128	7				0.34	Magnetic pyroxenite
131-135	4			0.15		Magnetic pyroxenite
138-200	62			0.26		Magnetic pyroxenite & footwall gneiss
139-160	21	1.06				Magnetic pyroxenite
139-167	28			0.45		Magnetic pyroxenite
139-171	32		5.17			Magnetic pyroxenite & footwall gneiss
139-155	16					Magnetic pyroxenite
153-157	4	2.12			0.34	Magnetic pyroxenite
162-171	9	0.58				Magnetic pyroxenite & footwall gneiss
162-167	5				0.21	Magnetic pyroxenite

Table 3.3 – Mineralised intersections from E058-004, Alcoa 1984.

As in previous holes, significant mineralisation commences below the pyroxenite – hanging wall gneiss contact. The best metal values are confined to this unit with only copper and a few metres of half gram gold mineralisation extending into the footwall gneiss alteration zone immediately below the magnetite pyroxenite. Copper is ubiquitous throughout the entire hole commencing at 138 metres. Elevated zinc values are confined to the pyroxenite however they seldom rise above 500ppm. There is good agreement between the best gold, silver and base metal values in the bottom half of the pyroxenite unit commencing at 138 metres.

During 1984 Alcoa completed a regional rock chip sampling program comprising seven traverses (2.7 kilometres) across the prospective stratigraphic interval north and south of Johnnies Reward. 218, ten metre composite samples were collected and analysed for gold, silver, copper, lead and zinc.

Traverse A commences on the western flank of a major basinal feature three kilometres north north-east of Johnnies Reward. It passes westwards through pyroxenites, gneisses and quartzites to the footwall calc-silicate, marble sequence. The pyroxenite at the top of the sequence was anomalous in copper (205ppm) and zinc (100ppm). The footwall marble showed values of 80ppm lead. The recessive pyroxenite horizon manifested by a negative vegetation anomaly similar to Johnnies Reward was not sampled.

Traverse B, 850 metres north of Johnnies Reward had one anomalous copper value (255ppm) in a plagioclase pyroxenite.

Traverse C, 600 metres south of Johnnies Reward showed no anomalous metal values.

Traverse D, 1500 metres north of Johnnies Reward has a 50 m wide plagioclase pyroxenite unit weakly anomalous in lead (86ppm). Two samples of gneiss assayed 20ppb gold.

Traverse E, 2.4 kilometres north of Johnnies Reward across the basinal feature had no significant metal values.

Traverse F, 2.2 kilometres north east of Johnnies Reward was across a quartz-garnet-biotite gneiss unit. No anomalous values were recorded.

Traverse G, is across the probable equivalent of Johnnies Reward sequence five kilometres south. The sequence comprises thinly bedded gneisses of quartz-mica-amphibole and calc-silicates capped by a prominent quartzite unit. Weak malachite mineralisation occurs near the western end of the traverse and is probably an extension of Jills Penny copper workings located a few hundred metres north of the traverse. Copper values up to 0.42% accompanied by weakly anomalous lead (41ppm) were recorded.

1987 – 1995

In 1988 Tectonic Resources NL established a grid orientated true north south centred on Johnnies Reward gossan. Total area gridded 79.75Ha (18.57 line km), E-W traverses 40 metres apart 20 metre stations.

Soil samples were collected and assayed for gold only. 15 RC drill holes (454 metres) tested soil anomalies ranging from 10 to 100ppb gold. The results of the drilling program were not reported to the N.T. Department of Mines and Energy.

Also in 1988 Tectonic submitted 57 one metre Alcoa mineralised quarter-core samples for gold analysis by fire assay resulting in a dramatic increase in gold values shown in Table 3.4.

Hole	Sample Interval	Metres	AAS Au ppm	Fire Assay
E058-002	75 – 125	50	0.91	1.83
	98 – 103	5	3.34	4.45
	109 - 115	6	2.53	8.55

Table 3.4– AAS vs FIRE ASSAY GOLD VALUES

The maximum gold value achieved by AAS was 12ppm from 110 – 111 metres in E058, after fire assay it increased to 36ppm.

In 1992 Stockdale returned to the area to follow up anomalous gold results obtained from -80 mesh splits from drainage samples collected during the 1969 – 73 regional sampling program. The samples were XRF analysed for 36 elements. Out of the 29 samples collected from drainages within EL 28045, 5 gave values ranging from 9 to 17 ppb Au upon resampling however, these highly anomalous values after BLEG and AAS analysis gave values ranging from zero to 0.8ppb Au. Orientation BLEG sampling and analysis of the main drainage emanating from Johnnies Reward gossan showed within a 100 metres values ranging from 0.8-1.0 ppb Au were obtainable while 500 metres downstream values reduced to 0.6ppb Au.

Twenty-seven sample sites were visited during the program with a minus 80 mesh and BLEG sample taken from each. A Co, Cu, Zn drainage anomaly was delineated in the north west corner of EL 28045 (7443000N, 416700E).

In 1993 Saturn Resources conducted overbank drainage sampling of creeks around Johnnies Reward for no anomalous results.

1996

Centralfield Minerals (EL8489) re-established Tectonic Resources grid.

CRAE Pty Ltd conducted a ground magnetic survey over the above grid on E-W traverses 40 metres apart, 10 metre stations (18.57 line km, 79.75Ha) to further refine the intense magnetic anomaly over Johnnies Reward ironstone delineated by the 1965 BMR aeromagnetic survey (Tipper, 1966) and the subsequent follow up ground magnetic survey in 1967 (Haigh, 1971).

BMR"s findings were confirmed and refined. A second intense but smaller anomaly was located over gossanous skarn at JR North Prospect untested to date.

The grid was mapped at 1:1,000 scale to assist interpretation of magnetic data (79.75 Ha).

Alcoa DDH"s E058002 and 005 were re-logged.

1997

The 15 RC drill holes (454 metres) drilled by Tectonic Resources NL in 1988 were re-logged and resampled. Four Hundred and nine samples assayed for Au, Cu, Bi and As with a best result of 15 metres averaging 1.04gms/tonne Au and 0.81% Cu commencing from 5 metres down hole depth in hole JR5.

DDH Geopeko 1 was re-logged confirming that only the magnetite pyroxenite unit was sampled and assayed (44.8 to 79.86m). The best gold intersections in the Alcoa drillholes were in footwall gneisses occurring below the magnetite pyroxenite unit.

Johnnies Reward and JR North Prospects were mapped at 1:500 scale (15 Ha).

Pasminco conducted a minus 80 mesh drainage sampling orientation survey of 8 samples for no anomalous results.

Two rock samples were thin sectioned and described by Pontifex.

1998

Forty-two rock chip samples were taken over Johnnies Reward and Pinnacles copper shows, assayed for Cu, Pb, Zn, Au, Ag, Bi, Sb, Mo and Cr. Twelve BLEG -2 mm drainage samples were taken from creeks draining the same area.

CRAE digital magnetic data was reprocessed delineating an arcuate demagnetised zone on the western boundary of the grid.

The Tectonic Resources NL gold in soil data was digitised and reprocessed.

Landsat SPOT located digital MSS data was purchased for the entire Laughlen map sheet.

1999 – Tennant Creek Gold P/L

The northern third of the main Johnnies Reward grid was extended 300 metres to the west (JR West grid 5.7 line km, 21.6 Ha).

Allender Exploration completed a ground magnetic survey over the JR West grid on E_W traverses 40 metres apart continuous read-out (5.7 line km). The alluvial flat between Johnnies Reward and The Pinnacles workings was also magnetically surveyed on traverses 100 metres apart (14.98 line km, 141.5 Ha). This survey partially overlaps the area of BMR"s Pinnacles Grid.

The JR West survey delineated the westerly extend of the demagnetised zone however its prospectively if any has yet to be established. The alluvial flat (Airstrip grid) is magnetically inert.

The postulated demagnetised zone (JR West grid) was mapped at 1:500 scale.

Fifty-four rock chip samples were taken mainly on the footwall or western contact of the Johnnies Reward mineralised sequence and the demagnetised zone. The footwall alteration halo of the JR North gossanous skarn was also sampled. All rock chip samples were assayed for Au Ag, Cu, Pb, Zn, Bi.

To assist regional structural interpretation and possibility of Johnnies Reward analogues BMR"s aeromagnetic data was digitised and reprocessed. No other regional dipolar magnetic anomalies were delineated.

An Omni Star GPS Survey was undertaken accurate to 0.1 metres. Two hundred and seventy-four points were logged over the JR-Pinnacles area. The Omni Star accurately relocated existing BMR grids.

Nine rocks were sent to I R Pontifex for petrological description. The rock samples were a representative section from footwall to hanging wall (west to east) across the Johnnies Reward gossan sequence. Pontifex was able to identify a north-south trending zone of greenschist facies retrogression about 200 metres wide centred on cropping out ironstone or gossan.

2000 – 2001 Flinders Diamonds Ltd

Magellan rock chip (63) and drill hole (219 percussion, 4 core drillholes) assay were digitised and reprocessed.

Alcoa rock chip sampling results centred on Johnnies Reward gossan (30) were digitised.

All Magellan geological mapping was digitised and redrafted.

The ring of gossans area immediately west of Ciccone's Shafts was mapped.

BMR ground geophysical survey data was re-evaluated. The relevant plans were digitised and redrafted using 1999 Omni Star survey co-ordinates to accurately locate and tie into the AMG the various grids i.e. Johnnies Reward, Pinnacles, New Folly and the anomalies delineated.

The 1:20,000 scale colour aerial photography was obtained from Alcoa. The relevant frames covering Johnnies Reward and the Pinnacles copper shows were digitised (2). A detailed photo-structural interpretation was completed.

The Landsat/SPOT satellite MSS data sets were combined to produce high resolution images at scales of 1:5,000, 1:10,000, 1:25,000 AND 1:50,000 of the Johnnies Reward – Pinnacles area. Geological and structural interpretations of the images were completed.

The Johnnies Reward ground magnetic data sets (CRAE and Allender Exploration) were reinterpreted using the following images:

CRAE and AE combined TMI R to P

CRAE TMI North Illumination

CRAE TMI East Illumination

Tectonic Resources NL gold in soil results taken over the Johnnies Reward grid were digitised and reprocessed.

2002 – 2004

Flinders Diamonds Ltd were granted EL 23592 12 February 2003 over the area of expired EL 8489. It was farmed out to Teck Cominco – BHP Alliance who contracted Geodiscovery Group to conduct a regional rockchip sampling program. A total of 85 samples were taken over seven east-west traverses north to northwest and south of Johnnies Reward gossan. Sampling traverses JR1 and JR2 were over Johnnies Reward and Johnnies Reward North gossans respectively.

However, rockchip and soil sampling of the Johnnies Reward area away from known mineralisation was not encouraging for potential polymetallic massive sulphide deposits.

In 2005 NTGS Report 17 was released summarising geochemistry of Alcoa E058 DDH 002 quarter drill core from base to top displaying a distinct geochemical zonation namely Au→Cu-Pb-S→Pb-Mn→REEs-HFSEs→Ca with iron and magnesium enrichment present throughout the mineralised zone.

2005 – 2009

EL 23592 was transferred to Maximus Resources Ltd. They contracted GPX Airborne to fly a combined HOISTEM electromagnetic and AMAG survey comprising 85 line km during November 2006. 27 east-west flight lines, 80m apart at a nominal terrain clearance of 50m were flown over Johnnies Reward gossan area with the EM transmitter loop and receiver a nominal 35m above ground.

In January 2008 EL 23592 was farmed out to Minotaur Exploration Ltd who conducted a ground EM survey to follow up a coincident HEM/AMAG anomaly delineated by the 2006 GPX survey over the Johnnies Reward gossan. 5 lines of moving loop EM were conducted over the HEM anomaly. 5 lines of fixed loop EM were conducted from a single loop to refine the location of an interpreted conductive body relative to existing drillholes. Johnnies Reward GEM Survey specifications (Table 3.5)

SURVEY	Moving Loop	Fixed Loop
Line spacing	100m	50m
Station spacing	50m	25m
Loop size	100m	300m x 400m
Sensor	Fluxgate magnetometer and RVR coil	Fluxgate magnetometer and RVR coil

Table 3.5 – Ground EM survey

Modelling delineated a thick conductive plate centred over 419760E, 744585N commencing at a vertical depth of 50 m dipping 24 degrees east to a depth of 21 5m trending north for 27 m.

MEL concluded the above conductor was intersected by Alcoa DDH E058002 (TD 126 m) correlating with the top of a mineralised copper-gold-sulfide-magnetite intersection of 50 metres averaging 1.83 g/t gold 0.2% copper from 75 m downhole depth coincident with the modelled conductor.

AMAG from the HEM Survey indicated the source of a conductor penetrates the surfaces consistent with cropping out magnetite pyroxenite?

A 49 station, one km apart ground gravity survey was conducted over EL 23592 by Atlas Geophysics during May 2008. Johnnies Reward gossan lies on the north western boundary of a gravity low i.e. granite. Residual gravity contours over AMAG RTP TMI image show a correlation of gravity and magnetic highs in the northern licence areas.

2011 – 2015

Details relating to the exploration history has been comprehensively detailed by Bain, 2016 and has mostly been collated from previous annual reports compiled by Buskas. All details have been transcribed from the report.

Exploration undertaken between 30 November 2010 and 29 November 2011, the first year of tenure of EL 28045. Following surrender by Maximus Resources of EL 23592 in February 2010. The EL 28045 was granted over the same area to AW Mackie on 30 November 2010. Work undertaken included collation of all historical data from 1965 to 2008 and entry into a digital database. The 2006 GPX airborne data was

acquired, computer modelled and image processed. The Gillen Creek crossing at Southern Cross bore was re-established and existing tracks to Johnnies Reward upgraded.

Exploration undertaken between 30 November 2011 and 29 November 2012, the second year of tenure of EL 28045. Work included an RC drilling program, a soil-sampling program, metallurgical test work and mineralogical studies. The drilling program consisted of 8 RC drill holes that targeted the down dip / plunge gold-copper mineralisation at Johnnies Reward identified by Alcoa in 1984. The soil-sampling program consisted of 18.5kms of line in two grids and a single test line over the Johnnies Reward Prospect. One grid targeted a structural corridor running 1.4 km's north of Johnnies Reward North the other tested a magnetic anomaly located about 2.3 km's to the northwest of Johnnies Reward. A total of 393 soil samples were collected and analysed for gold, silver, arsenic, bismuth and copper. A mineralogical study and preliminary metallurgical test work was conducted to establish if the gold mineralisation intersected in the drilling program was amenable to traditional CIP processing.

Exploration undertaken between 30 November 2012 and 29 November 2013, the third year of tenure of EL 28045. Work included an RC drill program, soil sampling with associated rock sampling, a second drill program including both RC and diamond drilling and an airborne geophysical survey. The first drilling program consisted of 9 RC drill holes that targeted the down dip / plunge gold-copper mineralisation at Johnnies Reward identified by Alcoa in 1984. The soil sampling program had two aspects a regional component and a follow-up component with infill and extension of a sampling grid completed the previous year. The second drilling program included 25 RC drill holes/pre-collars and 4 diamond tails. At the Black Angus Prospect 17 RC holes were drilled together with one RC pre-collar with a diamond tail, 13BARCD038 drilled under the NT Collaborative drilling program. At the Johnnies Reward Prospect 1 RC hole was completed, 2 RC pre-collars with diamond tails were drilled and a diamond tail extension was added to an RC drill hole drilled in the first program. At Brahman Prospect 4 RC holes were drilled. The airborne VTEM (Versatile Time Domain Electromagnetics) and magnetic was completed close to the end of the period. A total of 313.5 line kms were flown covering an area of 42.38 km2.

Exploration undertaken between 30 November 2013 and 29 November 2014, the fourth year of tenure of EL 28045. In January 2014, Arunta commissioned a study by SGC (Southern Geoscience Consultants) to interpret data from the airborne VTEM and magnetics survey. The data was of reasonably good quality and from it over 152 anomalies were identified. Of these two were classified as high priority, twenty-seven as moderate priority and sixty-eight as lower priority. The high and moderate priority anomalies fall within four priority areas (Figure 3.1).

- Zone 1 (Johnnies Reward) includes the 2 high priority anomalies which are coincident with a significant magnetic high and a number of moderate anomalies which closely follow a structural boundary extending up to Black Angus where geochemical sampling and shallow drilling have identified elevated Cu, Pb, Zn and Au concentrations. A VTEM survey conducted over the area in late 2013 identified three conductive anomalies. One is a highly localised anomaly centred over the Johnnies Reward Prospect.
- Zone 2 includes a series of moderate anomalies that closely follow an interpreted structure, the Woollanga Lineament, occurring on the shoulder of a much broader anomaly to the east.
- Zone 3 includes an assortment of moderate, weak and negative transient anomalies that follow a structural boundary. Modelling was difficult due to the large background response. No ground investigation has been undertaken in the area.
- Zone 4 comprises a single anomaly, Anomaly 42, located close to a structural boundary which may be caused by a small strong conductor proximal to elevated Cu in soil geochemistry.

Selected anomalies were modelled using thin plates to estimate discrete conductor orientations and strengths and drill holes were designed to intersect the modelled plates.

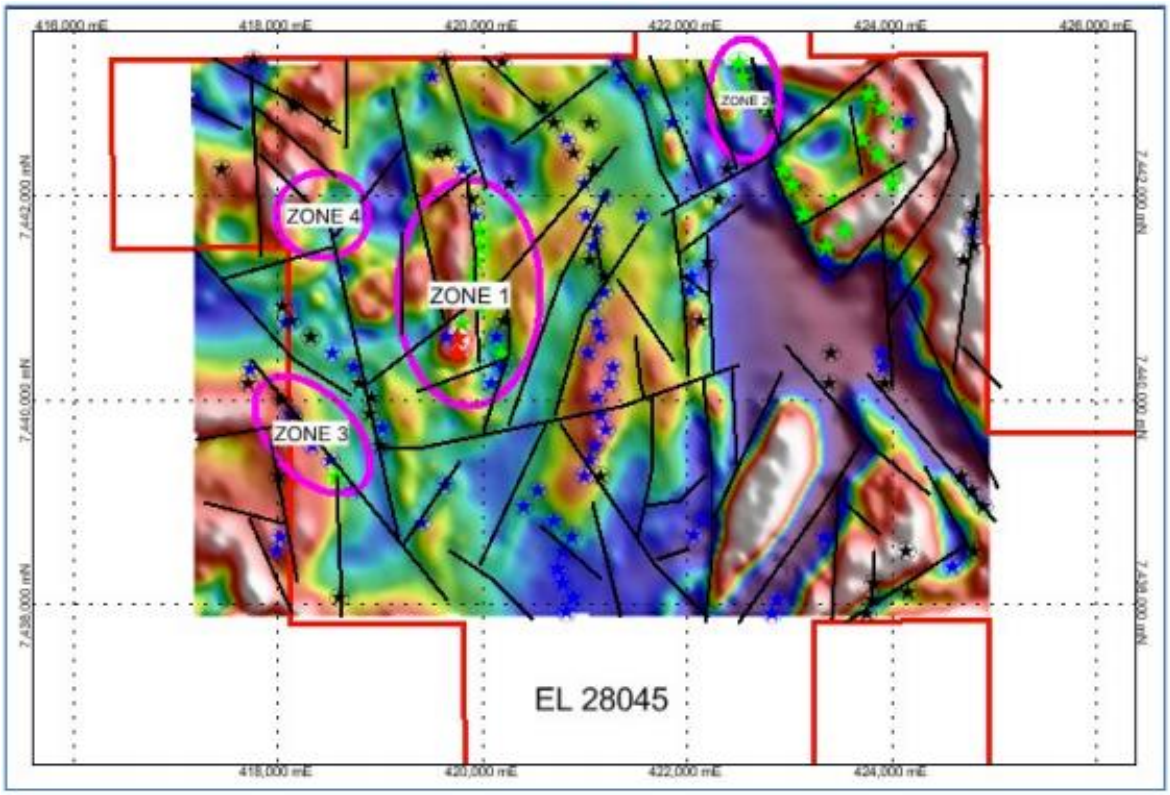


Figure 3.1 – The background image is a magnetic RTP image, with an overlying lineament interpretation (black lines). Anomalies indicated by stars High = red, moderate = green, low = blue and negative transients = black.

Exploration undertaken between 30 November 2014 and 29 November 2015, the fifth year of tenure of EL 28045. No field-work was undertaken during the period. Internal review continued regarding the drilling recommended in the SGC interpretation of the 2013 VTEM survey to test the priority targets. As no funding was available for field-work no final conclusion has been reached as to the merit of drill testing the identified targets. These recommendations from the SGC report (Sykes 2014) are repeated below:

- Within the Johnnies Reward Prospect (Zone 1) three anomalies, 72, 77 and 81 were plate modelled. A single drill hole proposed to test each anomaly for a total of three drill holes.
- At the Wagyu - Black Angus Prospect two anomalies, 52 and 61, were identified also in Zone 1. Arunta identified this prospect in 2013 as a Cu/Au soil anomaly coincident with a sheared geological contact. The conductive plates modelled dip steeply to the east, consistent with the mapped contact zone between the Lower and Upper Cadney Metamorphics. Each anomaly was targeted with a drill hole.
- At Zone 2, two drill holes were recommended, one each in anomaly 11 and 15. These anomalies are associated with the Woollanga Lineament.
- At Zone 3, a single drill hole for anomaly 103.
- At Zone 4 SGC proposed a drill hole for anomaly 42 which is associated with a small strong conductor located close to a structural boundary and proximal to elevated Cu geochemistry.

4 MINING

Details relating to the mining history has been comprehensively detailed by Mackie, 2012. All details have been transcribed from the report.

The Pinnacles copper gougings located in the northeast licence area were discovered in 1889. The copper mineralisation comprising malachite, chalcocite, bornite, traces of azurite, chrysocolla, rare cuprite and native copper occur as open space fillings within quartz veins with traces of gold, silver and bismuth. Tourmaline is also present and siderite gangue. In 1942 P. Ciccone sunk two shafts 6 and 18 metres deep intersecting a small chalcocite-rich quartz vein occurring at the calcsilicate/marble contact. Estimated production until 1948 was 50 tonnes averaging 20% copper.

Sullivan (1942) described the mineralisation in Ciccone"s Shaft, followed by Jensen (1943) who reported Pinnacles copper ore was primary. In 1948 Enterprise Exploration visited the copper shows (Thompson,

1948). In 1952 Bell and Firman (Mines Branch) mapped Ophir and Ciccone"s workings. An inferred Ore Reserve to 6 metres of 100 tonnes averaging 20% copper and 9,000 tonnes averaging 5% copper was quoted. Two drill holes recommended by Bell (1952) were drilled but failed to intersect the main ore zone.

In 1952 Kurt Johannsen, opened up Ophir South and North gougings, followed by Central No 2 worked until 1957. Production for the period is estimated at 20 tonnes averaging 20% copper.

From 1964 to 1968 J Vitosky and others grubstaked by Reg Harris of Alice Springs recommenced working gougings opened up by Johannsen namely Central No 2, Ophir North and South.

Central No 2 is the largest working on the field comprising a horizontal drive or open cut 40 metres long by 5 metres wide by 12 metres deep trending north into the side of a marble ridge following a zone of high density quartz veining located at the sheared contact of calcsilicate and marble. 1500 tonnes of quartz were mined and hand-picked resulting in an ore parcel of 33.5 tonnes averaging 15.75% Cu and 2.9 ounces silver (Port Kembla Smelter records).

Other recorded production is as follows:

Ophir North 50.95 tonnes @ 9.26% copper

Ophir South 17.93 tonnes @ 5.27% copper

Urals 7.25 tonnes @ 8.24% copper

Polly Boy 22 tonnes @ 17.8% copper

Estimated production to the end of 1968 is 248 tonnes averaging 12.4% copper. Of this total 21.6 tonnes averaged 2.9 ounces per tonne, silver. No further recorded mining activity has occurred since 1968.

5 GEOPHYSICAL SURVEYS

In July 2017 7,290 line km of airborne magnetics and radiometrics was flown by MagSpec airborne surveys over the Southern Cross Bore project. The magnetics survey is comprised of 100m spaced lines on an east west bearing. Southern Geophysical Consultants (SGC) were then engaged to interpret the data. This information has been transcribed from a final report SGC, 2017

The data was processed and used as the basis of the 1:25,000 scale interpretation. The new detailed magnetic and radiometric survey has delivered good quality data and has enhanced the understanding of the area. A new structural and lithological interpretation has been completed and has delivered a range of exploration leads.

Sixteen discreet targets have been highlighted, fourteen magnetic targets and two radiometric targets. All of these targets were recommended for field investigation, there are three high priority targets that are analogous to the Johnnies Reward deposit, and were recommended for high priority follow up. Additional to these targets, 5 broader areas of general exploration interest have been selected as areas for more regional exploration focus.

The interpretation is highly complex, with the airborne survey data providing both an expansion and simplification of the geological picture. SGC's approach to the integration of geological and airborne geophysical data centres on a stage of observation, followed by integration and interpretation. The initial step in the interpretation was to make basic observations of:

- Magnetic rock units,
- Faults, contacts, trends
- Radioelement zones and contacts

Some of these basic observations are retained in the final interpretation plan and are presented as mapinfo layers, shown in Figure 5.1:

Magnetic rock units - the lines on this layer represent the best estimate of the shape and position of the coherent rock units that contain magnetite and/or pyrrhotite. The dominant highly magnetic rock units

are likely magnetite-bearing lithologies and or alteration. The strong and moderate magnetic rock units are highlighted as thick units while low amplitude units are denoted by thin units.

The continuation of the Johnnies Reward host lithology can clearly be seen in Figure 5.1.

Major faults – Major breaks in magnetic character, with significant offset and large strike extent, are likely to be recent, as they predominately appear to be post deformation.

Fault with displacement discontinuity – significant faults or breaks that are depicted by significant unit terminations or offsets.

Minor fault or fracture – These magnetic lows or breaks represent possible minor faults with limited displacement or possible fracture zones.

The next step of the interpretation process is the integration with the geology, this was primarily achieved through:

- Cross-reference mapped rock units
- Generalise, redefine units with mag/rad
- Consolidate fault structure

The area has undergone significant deformation and metamorphism and has strong structural complexity, therefore, there is a huge amount of lithological and structural information present in the magnetics and radiometric data. The radiometric and magnetic signature is cross-referenced with mapped rock units that are used to interpret lithology in conjunction with the 1:250,000 and 1:100,000 geological mapping. The magnetic and radiometric signatures have been used to adjust the mapped lithologies in places where the mapping and interpreted signatures do not match. In areas where there are subtle, but desirable differences within a lithology, the internal subdivisions have been retained to highlight the variations. When numerous lithologies had similar magnetic and radiometric signatures, existing mapping was used to indicate which lithology was most likely. For example, mafic granulite, amphibolite, marble and mafic calc-silicate rocks all have low radiometric signals and variable magnetic signals. Future field mapping can be used to update the current interpretation.

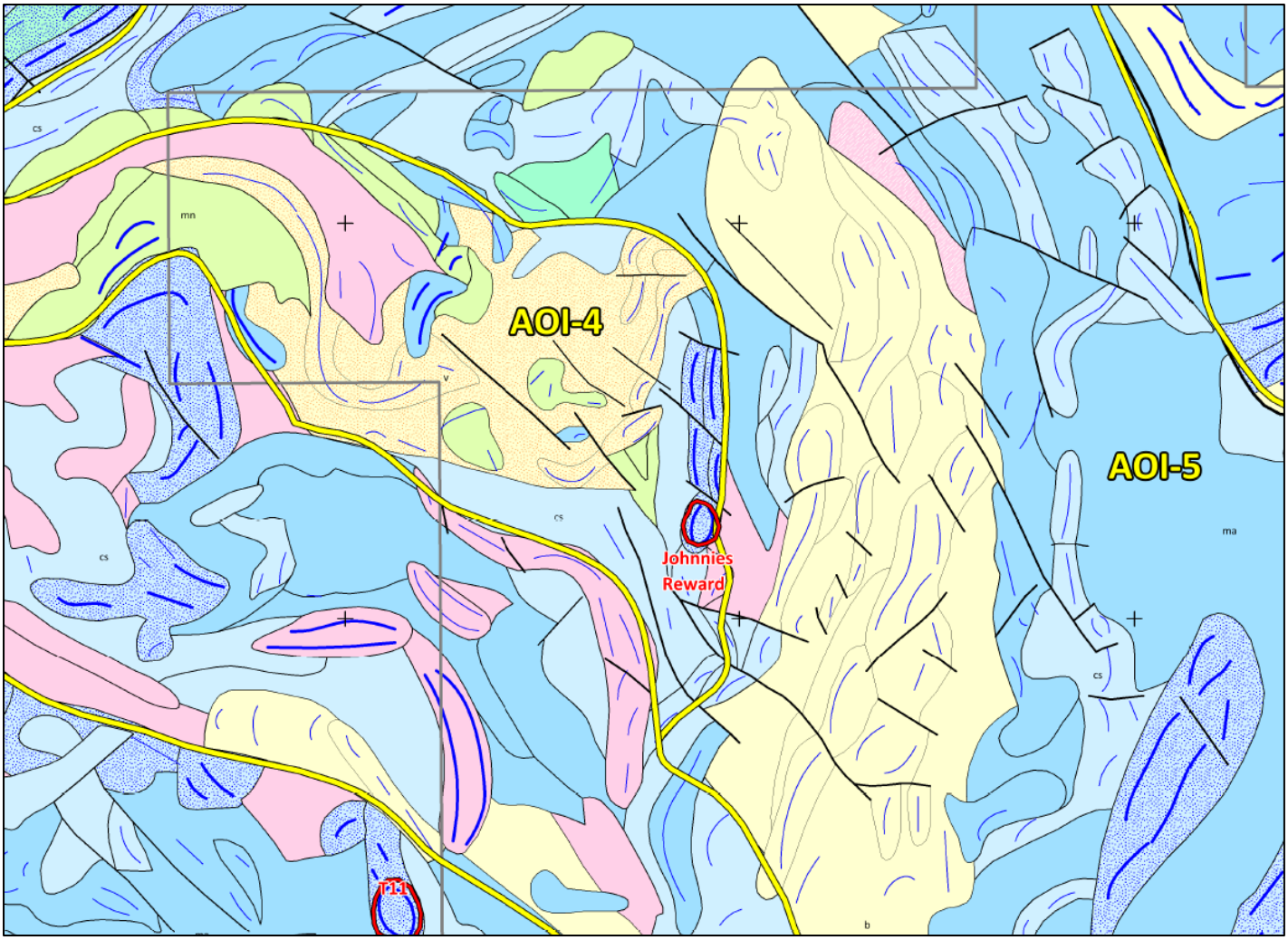


Figure 5.1 – Magnetic (blue lines) and structural (grey lines) interpretation of the Johnnies Reward area.

6 PREVIOUS ESTIMATES

The mineral Resource estimation for the Johnnies Reward project is a maiden Mineral Resource and therefore there have been no previous estimates.

7 DRILLING AND LOGGING

A review of the drilling and logging utilised the database supplied to Conarco. There are 63 holes in total, including 41 drilled at Johnnies Reward, 18 at Black Angus and 4 at Brahman Table 7.1.

Prospect / Type	No. Holes	Drill Meters
Black Angus	**18**	**1,168**
RCP	17	1,000
RCP/Diamond Tail	1	168
Brahman	**4**	**450**
RCP	4	450
Johnnies Reward	**41**	**4,699**
Diamond	6	828
Percussion	15	454
RCP	17	2,914
RCP/Diamond Tail	3	503
Grand Total	**63**	**6,317**

Table 7.1 – Drilling within the Southern Cross Bore project.

7.1 Drilling Data

During the 1960's there were 15 percussion holes drilled that have a prefix "JR" and were drilled to a maximum of 40 m for a total for of 454 m. These holes do not have downhole surveys, however given their short depth, this is not considered material to the project. These holes also lack geological, and geotechnical information. Given their age and lack of information available, these holes have been used for the MRE but only within the Inferred Resource.

During this period there was also a diamond hole drilled by Geopeko to a depth of 141 m at the Johnnies Reward prospect. This hole was not downhole surveyed and therefore all due care was taken to use this hole within the MRE as the mineralisation was similar to other surrounding holes.

Between 1983 and 1984 five diamond holes were drilled at the Johnnies Reward prospect that have a prefix E058 and were drilled to a maximum of 208 m for a total of 687 m. Holes E058/001 – E058/003 were downhole surveyed at end of hole and therefore there were between 105 m – 130 m between surveys. E058/004 and E058/005 where surveyed more regularly with approximately 50 m between surveys. It is assumed all holes were drilled within the rod string as there are no changes to the azimuth values. Therefore, some caution was exercised when using these holes in the Mineral Resource estimation.

Between 2012 and 2013 42 holes were drilled. 20 holes were drilled at Johnnies Reward including 17 RC holes and three RC with diamond tails. 18 holes were drilled at Black Angus including 17 RC holes and one RC with a diamond tail. Four RC holes were drilled at Brahman.

Drill holes 12JRRC001 – 12JRRC008 and 13BARC018 – 13BARC042 were collar surveyed by GPS and downhole surveyed within the rod string using a single shot survey. Due to the magnetic interference of the rod string, only the dips are available. The remaining holes were collar surveyed by GPS and downhole surveyed using a gyro survey tool. The dip and azimuth values were calculated as an average of the "in" and "out" surveys.

7.2 Geological Logging

There is no information relating to the logging procedures however the database comprises sufficient information for the style of deposit. The majority of the data from both RC chips and diamond were sampled over one-meter intervals however some of the diamond have some smaller and larger intervals. There are also composite intervals for the RC samples that range in size from 1 m to 6 m.

Geological logging included three major lithological codes each including grain size and three mineral codes. There are also codes for percentage pyrite, bornite, pyrrhotite, sulphide, pyrolusite, vein quartz, limonite and haematite. This level of detail is sufficient for Mineral Resource estimation however further work is required for geotechnical, metallurgical and mining studies.

7.3 Sampling

Information prior to 2012 is not available and the following is a description of the RC sampling procedures after this date.

7.4 RC Drilling

7.4.1 Methods

The drill holes were geologically logged, sampled and magnetic susceptibility readings were recorded at 1 m intervals at the time of drilling.

Utilising a cone splitter both single meter samples and 4 m composite samples were collected at the time of drilling using the "spear" methodology. As drill holes do not always end in even multiples of 4 m a number of 3 m, 2 m and 1 m composites were collected. All drill holes were lithologically logged and a chip sample from each meter drilled was stored in chip trays (Buskas, 2014).

7.4.2 Sample Preparation

Single meter samples visually judged to be from the better mineralised portions of each drill hole and composite samples from all other parts of the drill holes were selected for analysis (Buskas, 2014). Samples were submitted to ALS in Alice Springs for preparation prior to being forwarded to ALS' laboratory in Perth for analysis of Au, Cu and Fe. Gold analysis was done by method Au-AA25 which is a fire assay method completed on a 30 g charge followed with an AAS finish (Atomic Absorption

Spectroscopy). When high gold results were received a repeat gold analyse was performed. Both copper and iron were analysed for using ME-ICP61. This method is a four acid near total digest followed by and ICP MS (Inductively Couple Plasma Mass Spectrometry) or ICP AES (Inductively Coupled Plasma Atomic Emission Spectrometry) finish. In those instances, where Cu or Fe analyses exceeding the upper limit of detection an ore grade analysis was performed (Buskas, 2013).

7.5 Diamond drilling

During 2013, four holes were drilled with an RC pre-collar before switching to diamond drilling. Diamond drilling was done with NQ sized core and oriented using a Reflex core orientation device.

7.5.1 DDH Methods

During 2013, four holes were drilled with an RC pre-collar before switching to diamond drilling. Diamond drilling was done with NQ sized core and oriented using a Reflex core orientation device.

On completion of drilling all diamond core was oriented with a bottom of the hole line marked on the core as defined by the orientations marks made by the drillers. Following orientation, the core was marked up in one meter intervals after which it was photographed. After photography recoveries and RQDs were measured and recorded. This was followed by lithological logging and when possible structural logging of the core (Buskas, 2014).

7.5.2 Sample Preparation

Core samples which were visually judged to contain the better mineralisation in the diamond tails were submitted for analysis as half core. Samples of half core varied from 0.3 m to 1.5 m in length with the majority being 1 m long. As knowledge of the mineralisation at Black Angus was limited it was decided that it would be best to submit samples from the entire length of the diamond tail of 13BARCD038. To achieve this all core not judged to contain potentially significant mineralisation were submitted as fillets with ten 5 m and one 2.3 m core fillets submitted for analysis (Buskas, 2014).

7.6 Excluded Data

A total of one hole 12JRRC013 (Table 7.2) was excluded from the MRE since there were no assays.

Hole	Hole_Type	Deposit	East	North	RL	Max Depth	Reason
12JRRC013	RC	Johnnies Reward	419,830.5	7,440,689.4	716.4	153.0	No Assays

Table 7.2 – List of hole excluded from the MRE.

8 ASSAY DATA

8.1 Assaying

8.1.1 Gold

Gold Assays were submitted to ALS Laboratory, Alice Springs and test by Atomic Absorption Spectroscopy (AAS) using a 30 g finish. A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead.

The bead is digested in 0.5 mL dilute nitric acid in the microwave oven. 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 mL with de-mineralized water, and analysed by atomic absorption spectroscopy against matrix-matched standards.

8.1.2 Other Elements

All other elements were tested by Inductively Coupled Plasma - Atomic Emission Spectroscopy (ICP - AES). A prepared sample (0.25 g) is digested with perchloric, nitric, hydrofluoric and hydrochloric acids. The residue is topped up with dilute hydrochloric acid and the resulting solution is analysed by inductively coupled plasma-atomic emission spectrometry. Results are corrected for spectral interelement interferences.

8.2 QA/QC

8.2.1 Summary

As a general rule, the reporting of QA/QC results and procedures is poor or missing altogether. Most of the data, especially the drilling was conducted before the formation of JORC and standardised reporting methods. It is recommended that the future collection of samples, albeit at surface or by drilling, use an appropriate quantity of standards, blanks, duplicate and independent laboratory checks.

8.2.2 Standards and Blanks

There is no data available for standards and blanks.

8.2.3 Duplicate Samples

Samples were generally tested by Atomic Absorption Spectroscopy (AAS) technique, with 3315 samples recorded in the database. There were up to two repeat samples, with 43 and 16 samples recorded in the database respectively. There were also two repeat assay using a Fire Assay Technique with 22 and 10 samples recorded.

A comparison of the original AAS assay to the repeat and re-assay samples are shown in Figures 8.1 – 8.4. There is a good correlation between the AAS and the repeat assays with a line of regression of 0.996 and 0.95 indicating an acceptable level of repeatability. There is greater variability when the AAS samples are compared to the FA50 assays. The Fire Assays are generally higher and there is generally a poorer correlation, indicating that there could be a bias using this assay method.

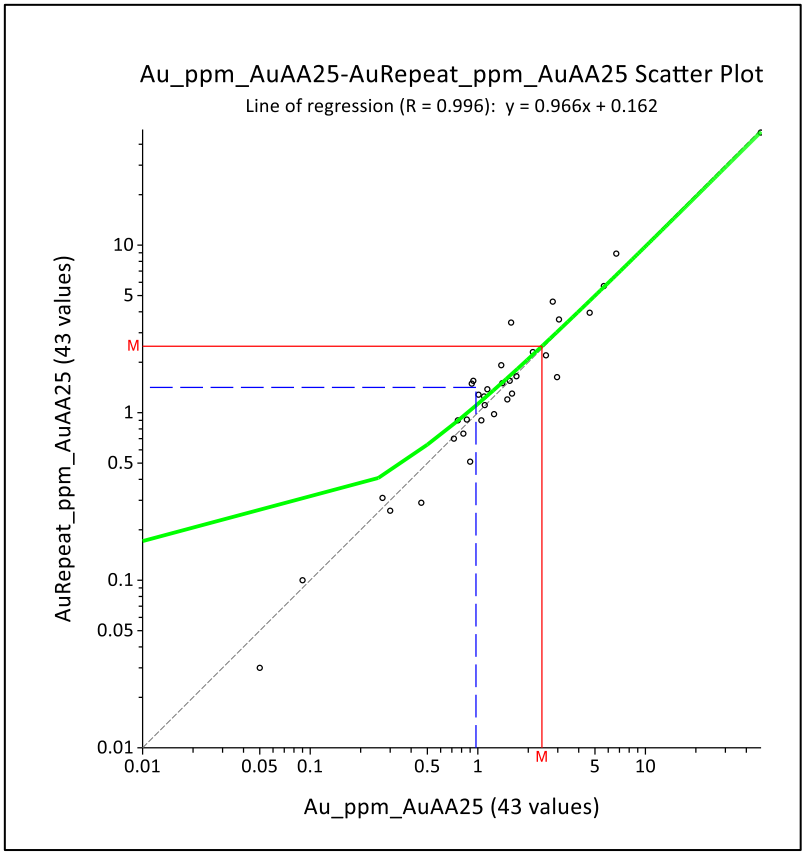


Figure 8.1 – Comparison of assays and repeat assay.

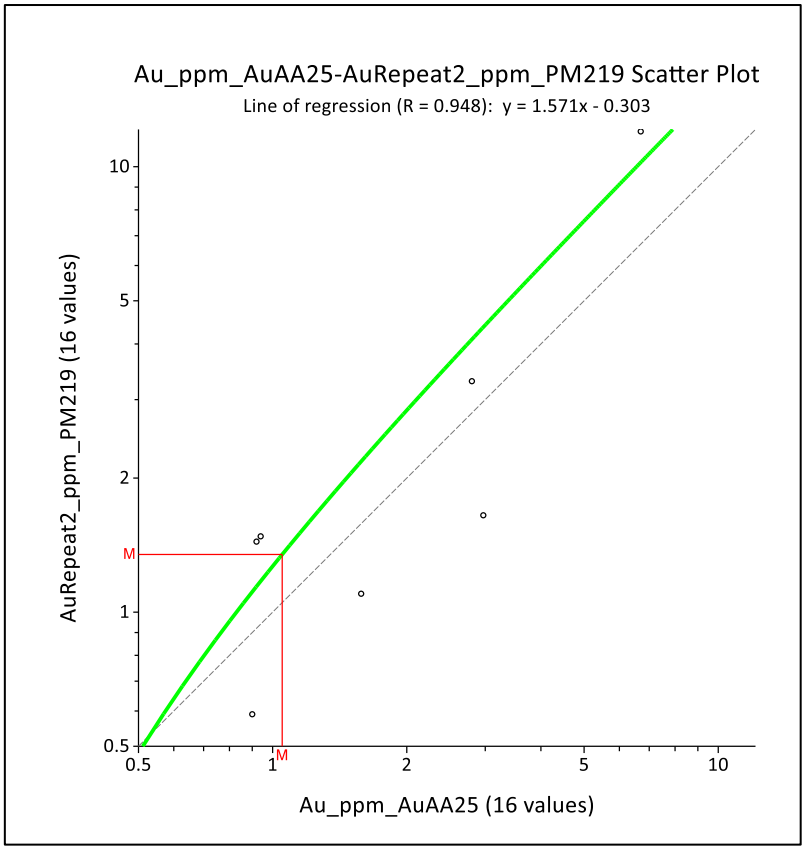


Figure 8.2 – Comparison of assays and second repeat assay.

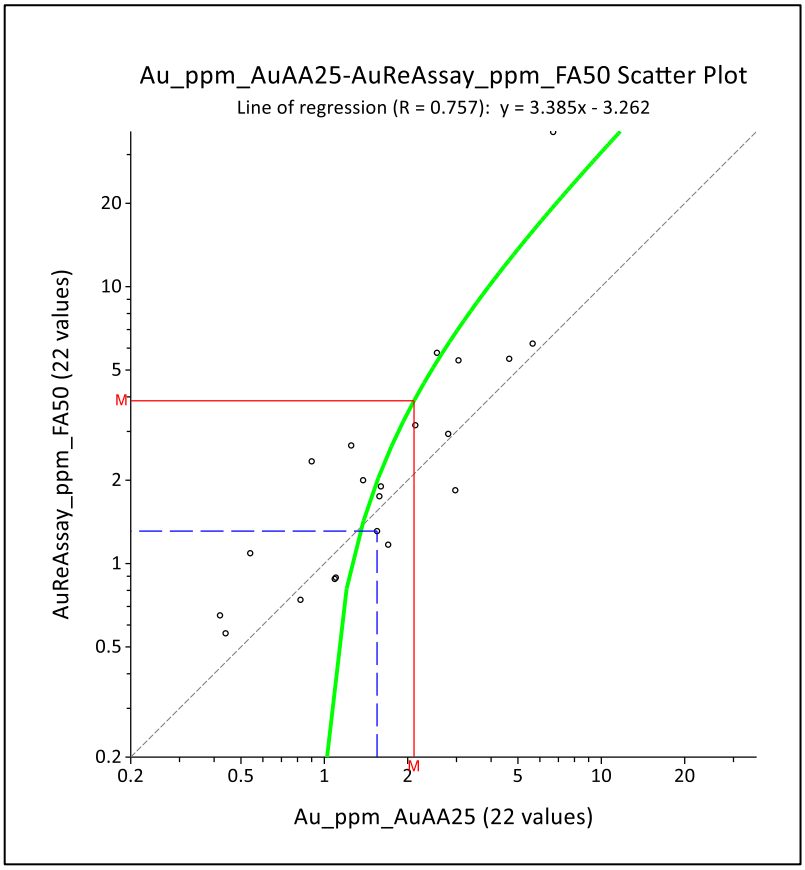


Figure 8.3 – Comparison of assays and re-assay.

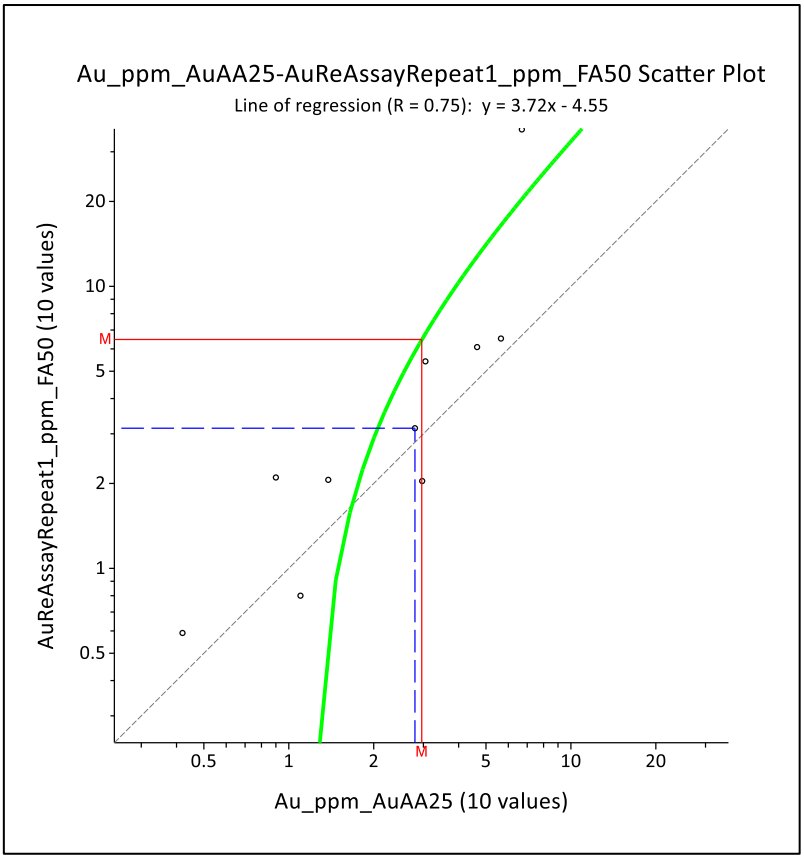


Figure 8.4 – Comparison of assays and re-assay repeat 1.

8.2.4 Independent Laboratory Checks

There is no mention of the use of an independent Laboratory check.

9 BULK DENSITY DATA

Density measurements are available for hole E08/002 where 84 measurements were taken through the main mineralised zone (Table 9.1) however there is no information available as to the type of technique used. It was decided that the median value best represents the overall data due to some outlier higher values (Figures 9.1 and 9.2)

Zone	Samples	Minimum	Maximum	Mean	Median	Assigned SG
waste	34	2.6	3.7	2.9	2.9	2.9
Mineralised	50	2.9	4.1	3.3	3.2	3.2

Table 9.1 – Summary statistics for the SG.

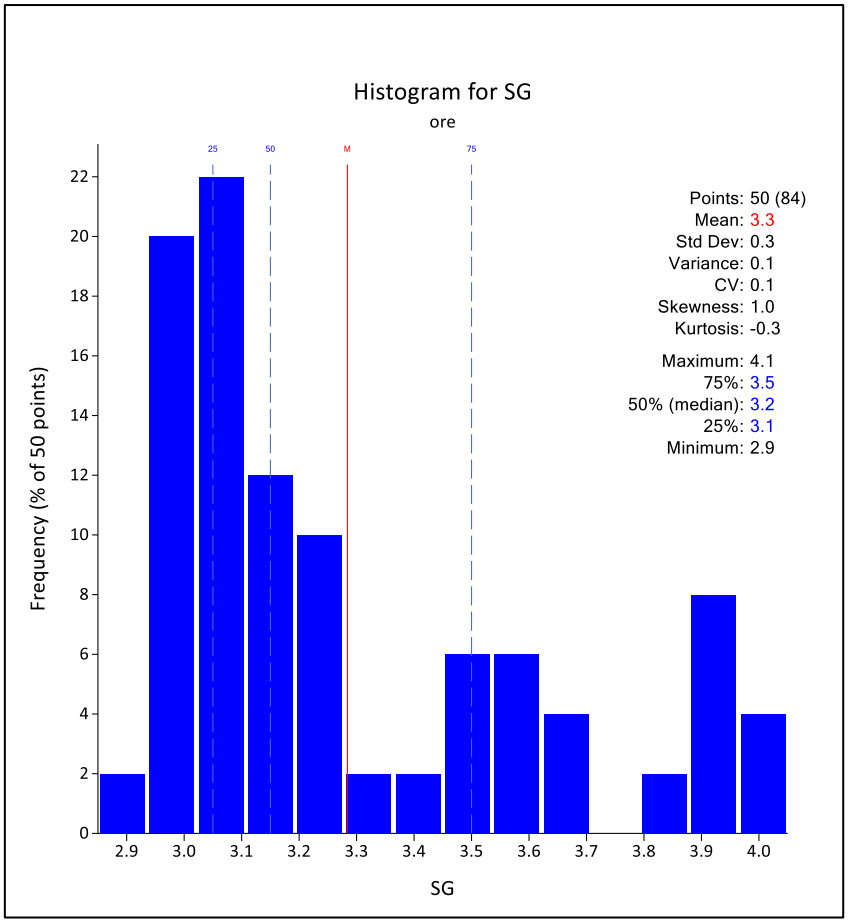


Figure 9.1 – Histogram of the SG within the mineralised domain.

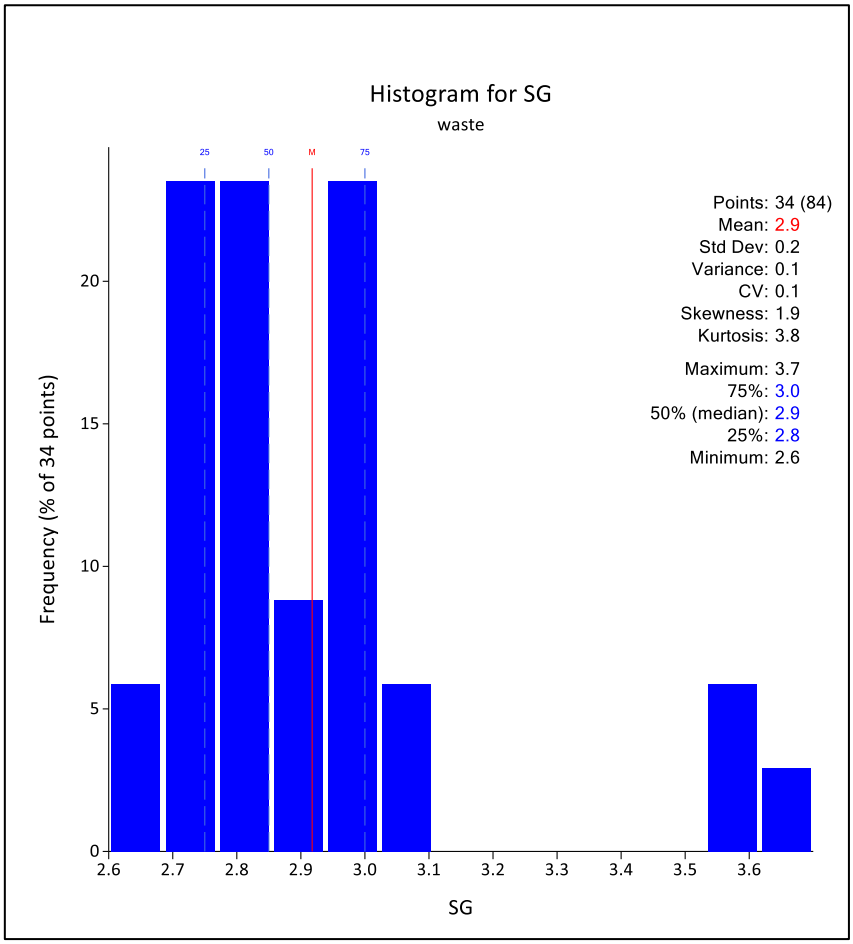


Figure 9.2 – Histogram of the SG within the waste domain.

Density measurements were only taken through fresh rock (both mineralised and mineralised) and therefore a SG for the partly oxidized and total oxidized zones cannot be determined. In addition, there is no correlation with gold grade however it is expected to be better correlated with iron grades which were not assayed.

These assumptions will be taken into account when assigning Mineral Resource categories defined by the JORC code. It is recommended that further work is carried out to determine the potential difference in SG between the weathered units and also the distribution the SG within the mineralised and mineralised domains.

10 DATABASE VALIDATION

A database validation of some 63 holes has found only one minor error where hole 13JRRCD040 has an overlapping sample interval between 59 – 60 m. This is interpreted to be a scribing error as it is the change between RC and diamond drilling. This error should be amended, however, a check of the assays shows that this is not material to the project.

Other validation checks included collar coordinates with similar results, overlapping intervals for all fields, final depth discrepancies between all tables, survey azimuth between 0 - 360°, survey dip between -90° and + 90°. There were no other errors.

11 METALLURGICAL TEST WORK

The aim of this work was to establish that the gold is recoverable by traditional CIP methods. Four composite samples were submitted from recent drilling 12JRRC001 and 12JRRC004

These were crushed to <3.35mm, homogenised and each individual sample split into 3 sub samples, for head assay, grind establishment (80% passing -75um) and cyanidation leach test work. The leach test work involved a simple bottle roll with the addition of cyanide (NaCN) and lime at around 40% solids.

These was then monitored and agitated for 48 hours with sampling at 2, 4, 6, 24 and 48 hours. The leach solutions and residue were then analysed with the results listed in Table 11.1.

ANALYTE	UNIT	COMPOSITE 1 12JRRC004 68-78m	COMPOSITE 2 12JRRC004 83-93m	COMPOSITE 3 12JRRC001 79-86m	COMPOSITE 4 12JRRC001 90-100m
Au_1	ppm	2.30	2.37	1.97	5.57
Au_2	ppm	2.12	2.66	2.00	4.40
Ag_1	ppm	2.7	3.6	1.2	1.8
Ag_2	ppm	2.7	3.3	1.5	1.8
Cu	ppm	5560	3865	3570	2700
Pb	ppm	390	225	155	165
Zn	ppm	706	104	120	236
Bi	ppm	620	300	280	330
Au (drill result)	ppm	2.42	2.51	2.05	4.95
Cu (drill result)	ppm	6200	4100	4000	2800

Table 11.1 – results of head assays and average drill intercepts.

11.1 Results

The head assays for gold and copper compare very well to the average drill intercepts and are therefore considered representative and suitable for this analysis.

Overall recovery of gold was generally excellent with around 90% of the gold in solution after 48 hours in composites 1 and 4. In composites 2 and 3, about 20% of gold remained in the solid after 48 hours. These have the solid (leach tail) grades of 0.50 and 0.33 ppm gold which was not extracted. However, leach kinetics were efficient as recoverable gold exceed 80% after the first 6 hours. The rate of gold extraction for composite sample 4 is shown in Figure 11.1 and it can be noted that leach kinetics slow

down after 24hrs. Further work will be needed on grind sizes and mineralogy. The reagent's consumptions are within a reasonable range, similar to expected consumption rates at operational sites.

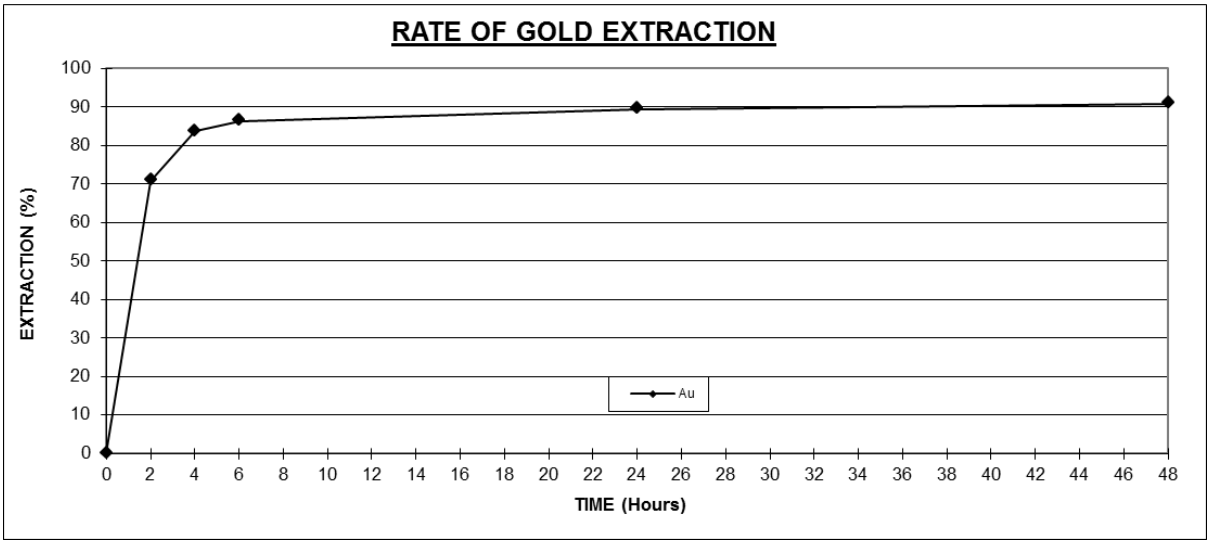


Figure 11.1 – Rate of gold extraction for composite 4.

12 MINERALOGICAL STUDY

One pair of gold-bearing Knelson panned concentrate and tailings from composite 4 was provided to ALS metallurgy for quantitative automated mineralogical analysis (ALS metallurgy, 2012).

The results of the mineralogical study indicate that the composite 4 concentrate is made up primarily of quartz 42.5%, magnetite 27.4% and chlorite/micas 15.0%. Minor constituents included pyroxenes – amphiboles 7.0%, garnets 4.3% and pyrite 1.5%. Other minerals are negligible with the exception of chalcopyrite 0.74% which occurs primarily in the tails. Gold was not detected.

It was also noted that the Knelson panned concentrate was inefficient in separating potentially gold bearing sulphides from magnetite and gangue silicates. A minor proportion of the concentrate is made up of sulphides (~3.3% combined). The Au-Ag mineral phases intercepted in the sample are classified as native gold (95 – 100% Au and 0 – 5% Ag). No gold mineral grain was intercepted in the concentrate. Only one fine, liberated and equant pure native gold grain was detected in the gravity tail.

13 DOMAIN INTERPRETATION

13.1 Weathering Surfaces

A topographical surface was created by Southern Geophysical Consultants (SGC) and was generated by the information gained from an airborne magnetic survey. A boundary separating the fresh rock from the partly oxidized zone was created by Conarco using information from drillholes.

13.2 Mineralisation Wireframes

Conarco created a set of wireframes using the drillholes and database provided with three-dimensional interpretation in cross-section, long section and plan views to ensure suitable continuity in all directions.

The mineralised zones (Table 13.1) have been interpreted using a combination of cross-sections, long sections and level plans. A nominal 0.5 g/t gold equivalent cut-off grade has been used to define the boundary between mineralised and un-mineralised material, although some intercepts below 0.5 g/t AuEq have been included for continuity purposes. The gold equivalent value was calculated using a gold price of AUD$1600/oz and a copper price of AUD$8460/t. The equation is as follows:

$$Gold\ Equivalent = gold\ (ppm) + \frac{coper(ppm)}{6077}$$

Sectional polygons have been digitised at nominal 10 m spacing's with these used to create 3-D mineralisation solids. A minimum downhole length of 1 m has been used with internal dilution included if the combined length weighted average was greater than 0.5 g/t gold equivalent.

Wireframe Name	Code	Style	Type	Description
AuEq_A.00t	100	Solid	Domain	high grade domain
AuEq_B.00t	200	Solid	Domain	high grade domain
dtm.00t	0	Surface	Topo	Topography
Pox.00t	1	Surface	Topo	Fresh / partly oxidized boundary

Table 13.1 – List of wireframes used for the MRE

The mineralisation wireframes have been extended half the distance to the nearest drillhole up to a maximum of 20 m. The extremities of the wireframes have also been extrapolated to a maximum of 20 m along strike.

A total of 2 domains have been interpreted and modelled for the mineralisation at Johnnies Reward (Figures 13.1 and 13.2), the largest of these zones is the zone B.

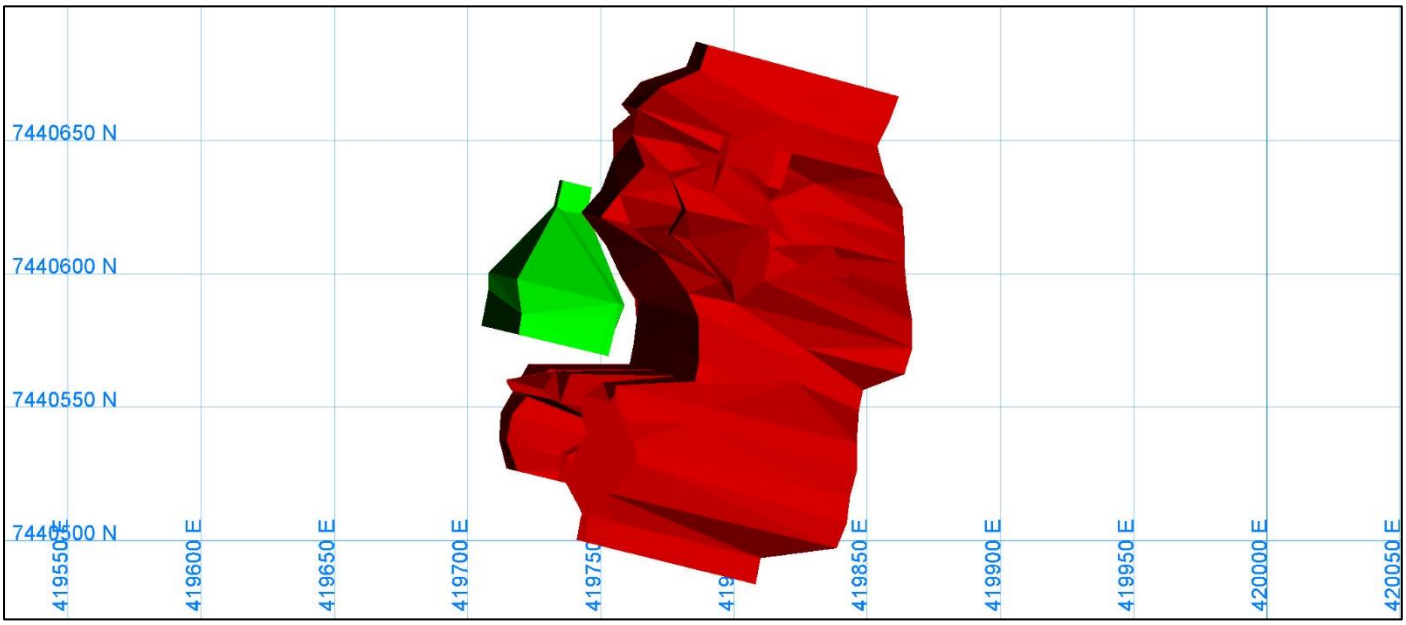


Figure 13.1 – Plan view showing all mineralised domains (A = green, B = red).

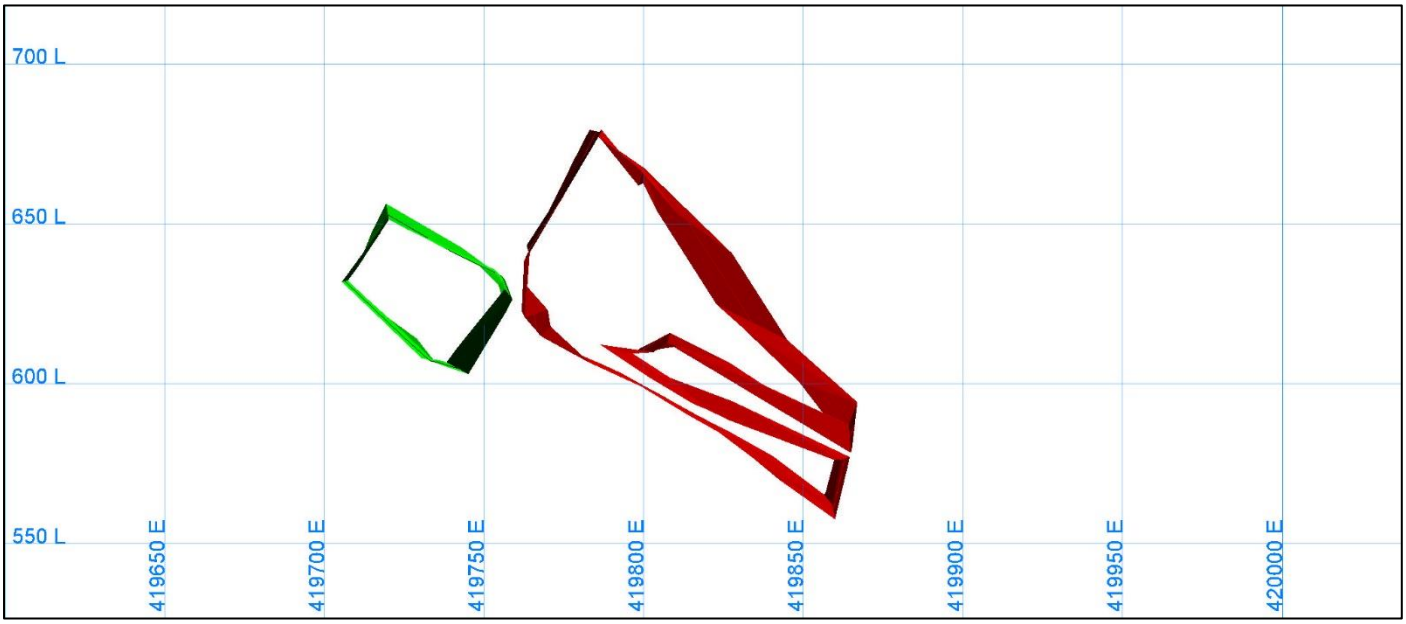


Figure 13.2 – Cross section view at 7440600 mN (looking north) of all mineralised domains (A = green, B = red).

14 RESOURCE ESTIMATION

14.1 Compositing

The wireframes of each mineralised zone have been used to code the database to allow identification and independent analysis. All holes have been composited to 1 m as suggested by the sample analysis in Figure 14.1.

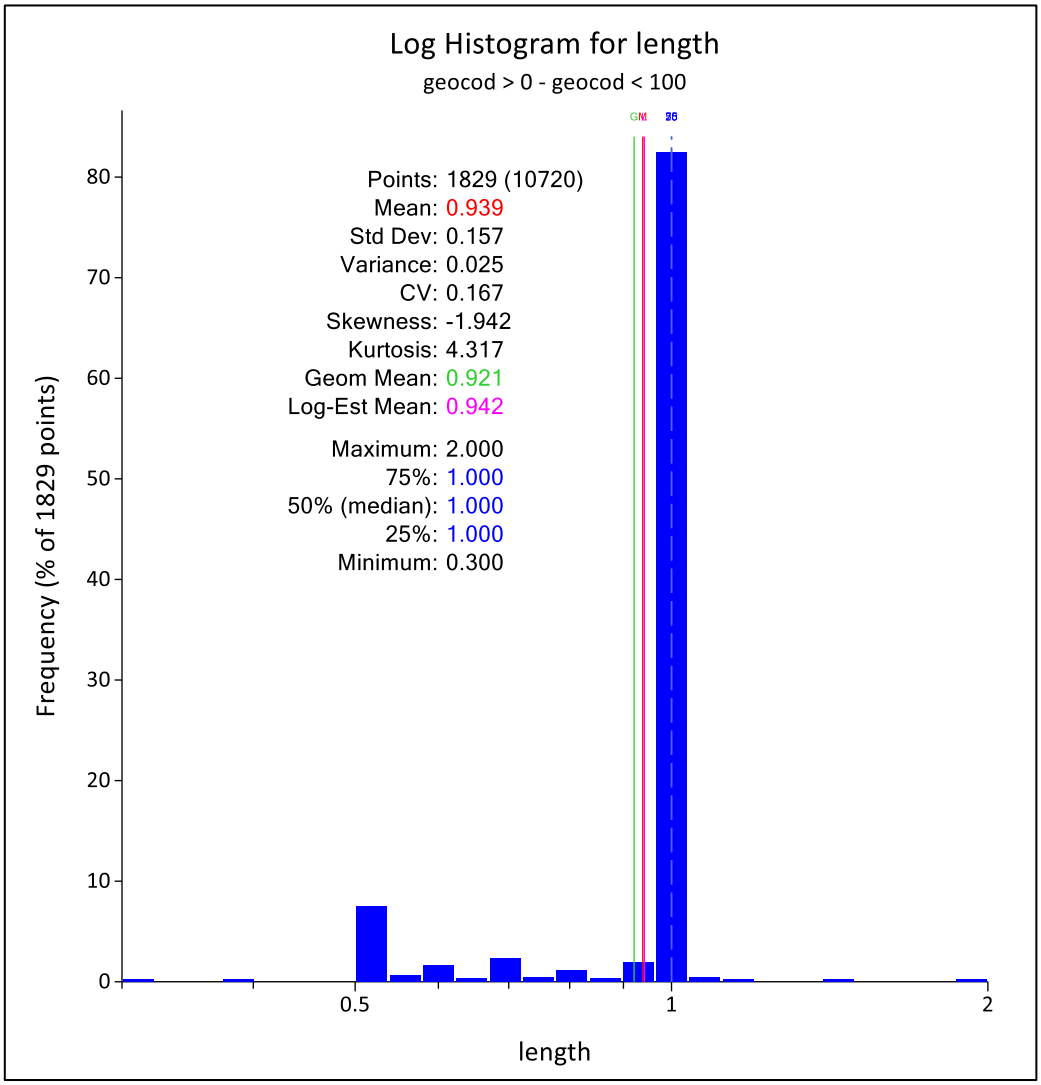


Figure 14.1 – Histogram of sample length of all mineralised domains

The composited data has been assessed independently and has then been imported into Snowden's Supervisor v8.8 software for analysis with the difference between the length weighted raw samples and the composited data provided in Table 14.1.

Domain	Element	Number of Samples		Mean Grade		Std Dev		Coeff Variation		Raw Sample Range		Comp Sample Range	
		Raw	Comp	Raw	Comp	Raw	Comp	Raw	Comp	Minimum	Maximum	Minimum	Maximum
100	Au	38	38	1.0	1.0	1.2	1.2	1.3	1.3	0.0	4.3	0.0	4.3
200	Au	733	738	1.0	1.0	2.4	2.4	2.3	2.3	0.0	48.8	0.0	48.8
100	Cu	38	38	0.32%	0.33%	0.3	0.3	0.9	0.9	0.1%	1.4%	0.1%	1.4%
200	Cu	733	738	0.42%	0.42%	0.4	0.4	0.9	0.9	0.0%	4.3%	0.0%	3.5%
100	AuEq	38	38	1.5	1.5	1.2	1.2	0.8	0.8	0.2	4.6	0.2	4.6
200	AuEq	733	738	1.7	1.7	2.5	2.4	1.4	1.4	0.0	49.3	0.0	49.3

Table 14.1 – Comparison of raw and composited gold data for all domains

14.2 Top-cuts

The composite gold data for all domains displays a positively skewed distribution as expected with this style of deposit. The composites for each mineralised domain have been analysed to identify any extreme values which could have an adverse effect on the grade estimation. Any extreme values identified have been top-cut, with the effect of this process summarised in Table 14.2. Top-cuts have been assessed using a combination of the log-probability plots and log histogram plots. Domain 200 returned Coefficient of Variation (CV) greater than 1.2 and therefore have required top-cutting (Appendix 1). Only 1 sample

was affected by the top cut which was at the 99.9th percentile, suggesting very little metal has been removed from the data before estimating. Domain 100 remained as composited uncut data.

Domain	Lode	Element	Number of Samples		Mean Grade			Top-Cut Value	Standard Deviation		Coeff of Variation		Max Un-Cut Grade	Top-Cut %ile
			Un-Cut	Top-Cut	Un-Cut	Top-Cut	% Diff		Un-Cut	Top-Cut	Un-Cut	Top-Cut		
200	High Grade	Au	738	1	1.0	1.0	-4.6%	15	2.4	1.6	2.3	1.7	48.8	99.9
200	High Grade	AuEq	738	2	1.7	1.7	-2.8%	15	2.4	1.8	1.4	1.1	49.3	99.8

Table 14.2 – Comparison of raw and top cut composited data for all elements.

14.3 Variography

Variography has been completed using Snowden's Supervisor software for gold, copper and gold equivalent. The composited uncut data from domains 100 and 200 were combined and has then been used for continuity modelling using a normal scores transform. All data reported are the results from the back-transform. To determine the nugget value, a downhole variogram with a 1 m lag has been used. For the gold mineralised domains, this resulted in a relatively low nugget ranging from 0.14 to 0.33. The result of the nugget value was then fitted to a nested two structure spherical model. This resulted in well-constructed variograms, listed in Table 14.3 and an example from domain 200 is shown in Figure 14.2. The variograms for each domain are shown in Appendix 2.

Domain	Element	Dir 1	Dir 2	Dir 3	Rotation 1	Rotation 2	Rotation 3	C0	C1	A1	C2	A2	C3	A3	Comments
100	Au	049-->197	039-->357	010-->095	196	49	75	0.25	0.56	24.0 76.5 60.5	0.09	186.0 96.5 76.0			Used combined data from domain 100 and 200
200	Au	049-->197	039-->357	010-->095	196	49	75	0.25	0.56	24.0 76.5 60.5	0.09	186.0 96.5 76.0			Used combined data from domain 100 and 200
100	Cu	-085-->330	-000-->060	005-->150	330	85	0	0.14	0.31	39.5 22.5 29.0	0.54	56.0 67.5 106.5			Used combined data from domain 100 and 200
200	Cu	-005-->009	-029-->102	060-->090	7	-5	-30	0.33	0.45	15.5 20.0 7.0	0.23	108.5 103.0 51.0			Used combined data from domain 100 and 200
100	AuEq	042-->216	034-->342	030-->095	216	42	48	0.23	0.66	24.0 76.5 60.5	0.11	186.0 96.5 76.0			Used combined data from domain 100 and 200
200	AuEq	042-->216	034-->342	030-->095	216	42	48	0.23	0.66	24.0 76.5 60.5	0.11	186.0 96.5 76.0			Used combined data from domain 100 and 200

Table 14.3 – Summary of variography results for each domain of gold, copper and gold equivalent.

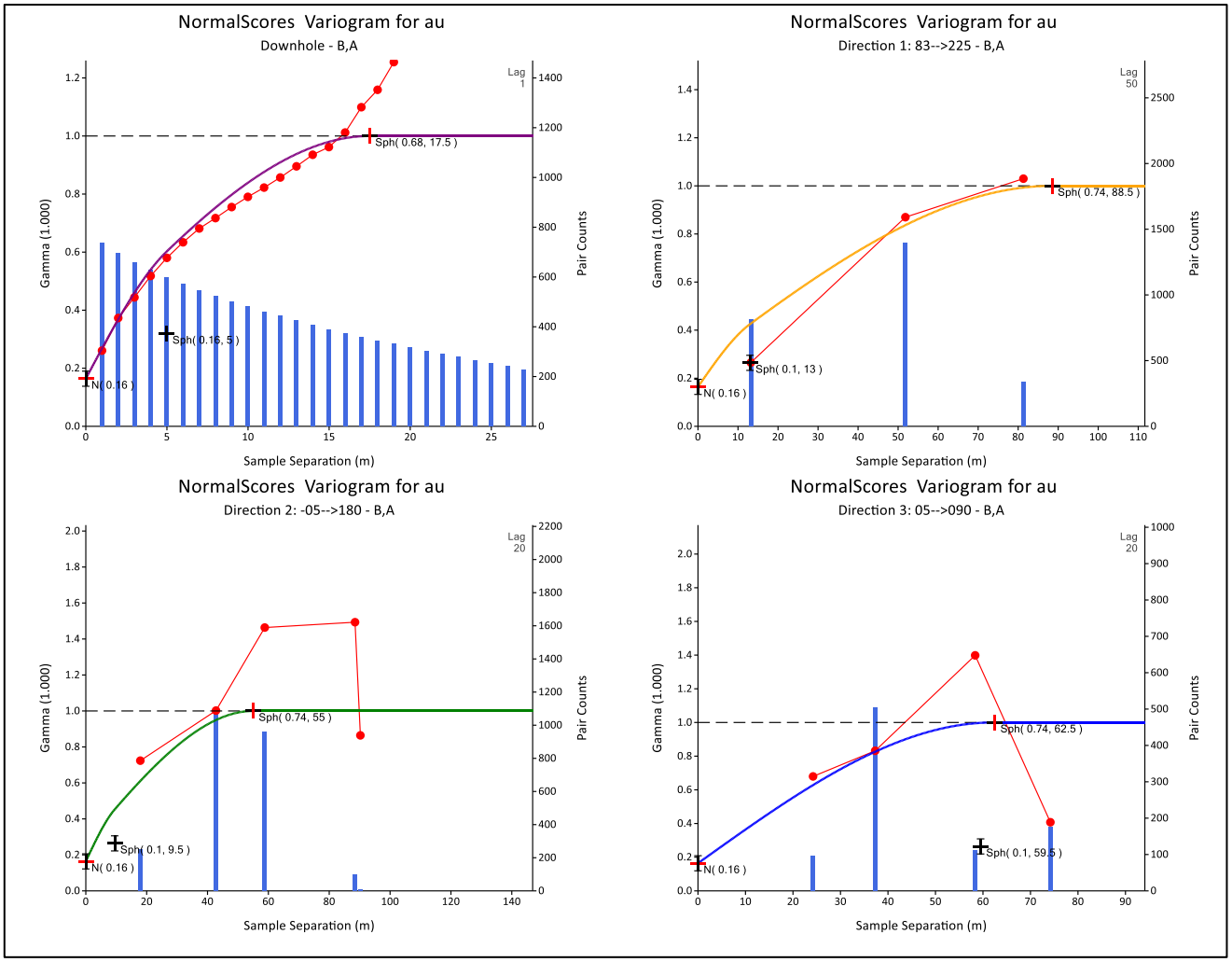


Figure 14.2 – Variography from domain 200 (gold).

14.4 Block Modelling

A block model has been created in Maptek Vulcan V10 with a parent block size of 10 m (X) x 10 m (Y) x 10 m (Z) with a sub-block size of 1 m (X) x 1.0 m (Y) x 1 m (Z). The parent block size has been selected based on the average drill spacing and also by kriging neighbourhood analysis (KNA) to select a block with the best overall kriging efficiency, slope of regression and minimal negative kriging weights (Figure 14.3). The sub-block size was necessary to provide sufficient resolution compared to the wireframes, with all sub-blocks assigned the same grade as the parent block. The parameters for the block model are listed in Table 14.4.

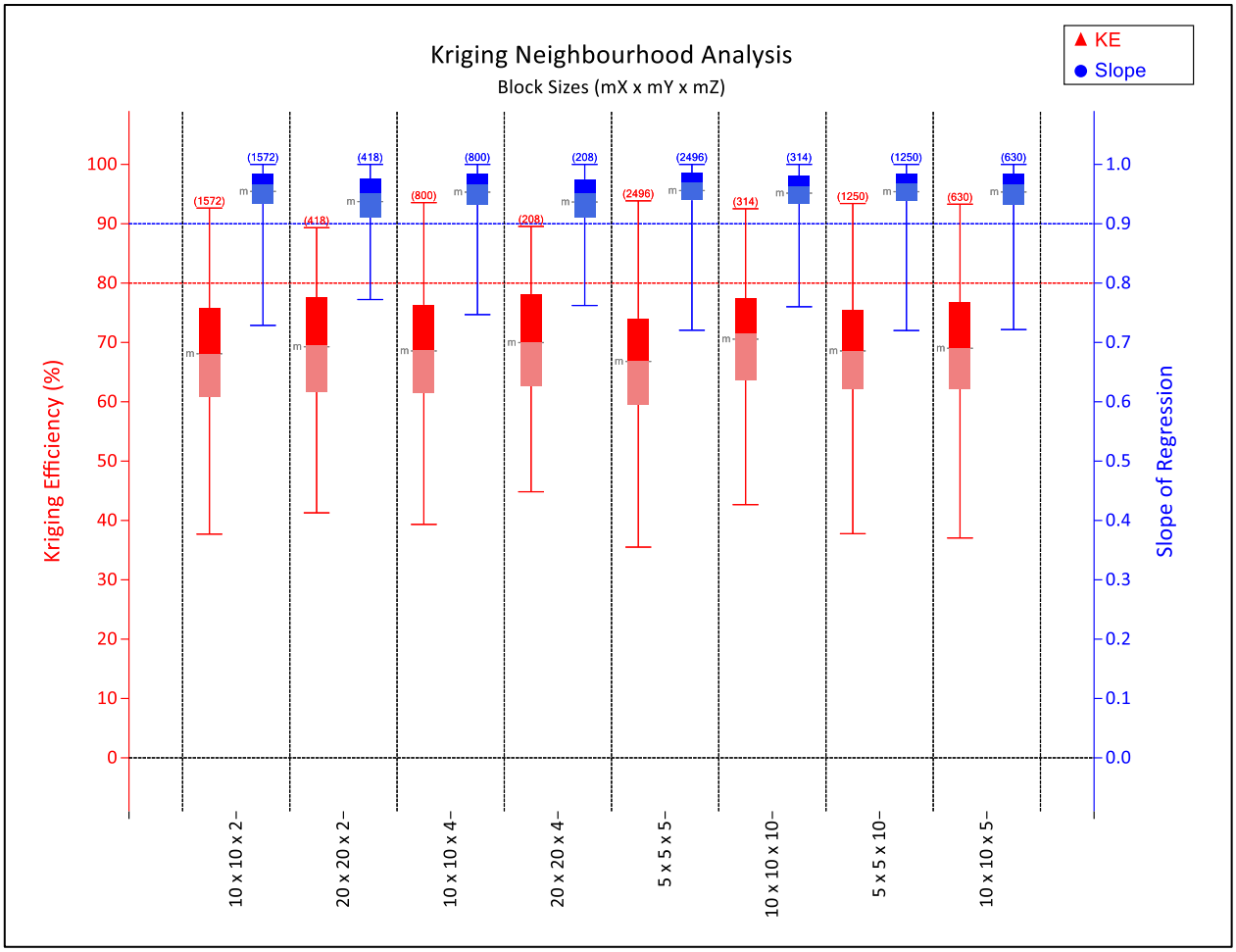


Figure 14.3 – Box and whisker chart of domain 100 (gold) showing the kriging efficiencies and slope of regression at different block sizes.

Variable	Type	Default Value	Description
au_pref	Float (Real * 4)	-99	Preferred Au grade
cu_pref	Float (Real * 4)	-99	Preferred Cu grade
ore_halo_waste	Short (Integer * 2)	0	0 = Waste Block, 1 = HG Block, 2 = LG Block, 3 = Halo Block
sg	Float (Real * 4)	2.7	Assigned or calculated density for each block
lode	Short (Integer * 2)	-99	The next level of sub-domaining down whereby sub-domain areas are defined
mined	Byte (Integer * 1)	0	0 = in-situ, 1 = Mined, 2 = Back-filled
rescat	Byte (Integer * 1)	4	1 = Measured, 2 = Indicated, 3 = Inferred, 4 = Unclassified
weath	Byte (Integer * 1)	2	0 = above topo surface (air), 1 = partly oxidised, 2 = fresh rock
au_est_pass	Short (Integer * 2)	-99	Denotes the estimation pass that filled the block
au_nn	Float (Real * 4)	-99	au nearest neighbour
au_ns	Float (Real * 4)	-99	Number of informing samples for gold
au_ok	Float (Real * 4)	-99	Au grade estimated by ordinary kriging method
au_bv	Float (Real * 4)	-99	Block variance for Au
au_kv	Float (Real * 4)	-99	Kriging variance for Au
au_ke	Float (Real * 4)	-99	Kriging efficiency for Au
au_lgp	Float (Real * 4)	-99	Lagrange multiplier for Au
au_sor	Float (Real * 4)	-99	Slope of regression for Au (can be used for assistance with classification - the closer to 1 the slope is, the "better" the estimate)
au_noh	Integer (Integer * 4)	-99	Number of holes used in the estimation for Au
au_minkrgwgt	Integer (Integer * 4)	-99	minimum kriging weight for Au (useful for checking for negative kriging weights which can result in under-estimation of metal)
au_distx	Float (Real * 4)	-99	au OK mean distance
au_id2	Float (Real * 4)	-99	Gold grade estimated by inverse distance weighted method
cu_est_pass	Short (Integer * 2)	-99	Denotes the estimation pass that filled the block
cu_nn	Float (Real * 4)	-99	cu nearest neighbour
cu_ns	Integer (Integer * 4)	-99	Number of informing samples for copper
cu_ok	Float (Real * 4)	-99	Cu grade estimated by ordinary kriging method
cu_bv	Float (Real * 4)	-99	Block variance for Cu
cu_kv	Float (Real * 4)	-99	Kriging variance for Cu
cu_ke	Float (Real * 4)	-99	Kriging efficiency for Cu
cu_lgp	Float (Real * 4)	-99	Lagrange multiplier for Cu
cu_sor	Float (Real * 4)	-99	Slope of regression for Cu
cu_noh	Integer (Integer * 4)	-99	Number of holes used in the estimation for Cu
cu_minkrgwgt	Integer (Integer * 4)	-99	minimum kriging weight for Cu
cu_distx	Float (Real * 4)	-99	Cu OK mean distance
cu_id2	Float (Real * 4)	-99	Copper grade estimated by inverse distance weighted method
aueq_nn	Float (Real * 4)	-99	aueq nearest neighbour
aueq_ns	Integer (Integer * 4)	-99	Number of informing samples for aueq
aueq_ok	Float (Real * 4)	-99	aueq grade estimated by ordinary kriging method
aueq_bv	Float (Real * 4)	-99	Block variance for aueq
aueq_kv	Float (Real * 4)	-99	Kriging variance for aueq
aueq_ke	Float (Real * 4)	-99	Kriging efficiency for aueq
aueq_lgp	Float (Real * 4)	-99	Lagrange multiplier for aueq
aueq_sor	Float (Real * 4)	-99	Slope of regression for aueq
aueq_noh	Integer (Integer * 4)	-99	Number of holes used in the estimation for aueq
aueq_minkrgwgt	Integer (Integer * 4)	-99	minimum kriging weight for aueq
aueq_distx	Float (Real * 4)	-99	aueq OK mean distance
aueq_id2	Float (Real * 4)	-99	aueq grade estimated by inverse distance weighted method
aueq_est_pass	Short (Integer * 2)	-99	Denotes the estimation pass that filled the block
aueq_calc	Float (Real * 4)	-99	calculated aueq

Table 14.4 – List of block model variables

14.5 Grade Estimation

For the entire deposit, the wireframes have been used as hard boundaries for the interpolation of gold, copper and gold equivalent grades. This is to ensure only assays within each wireframe have been used to estimate the block inside the same wireframe. Ordinary Kriging (OK) has been used for the estimation of gold, copper and gold equivalent grades. A total of three interpolation passes has been used to fill the block model.

The search ellipse distance and orientation used have been selected for each domain based on the variograms. The search ellipses have been rotated within some domains to account for variations in the orientation of the mineralisation.

The first estimation pass had a distance of 1/3 of the range of the variogram with the number of samples used ranging from 6 to 22 samples. The second pass had a distance approximately equal to that of the variogram with the same minimum and maximum number of samples as the first pass. The third pass used the same distance as pass two, with a decrease in the minimum samples required to 2 samples. The minimum and maximum numbers of samples for the estimation have been determined from a Kriging Neighbourhood Analysis (KNA) whereby the kriging efficiencies and slope of regression flatten suggesting that there is little benefit in using a greater number of samples (Figures 14.4). A check for negative kriging weights supported these choices. The details of the search parameters are listed in Table 14.5.

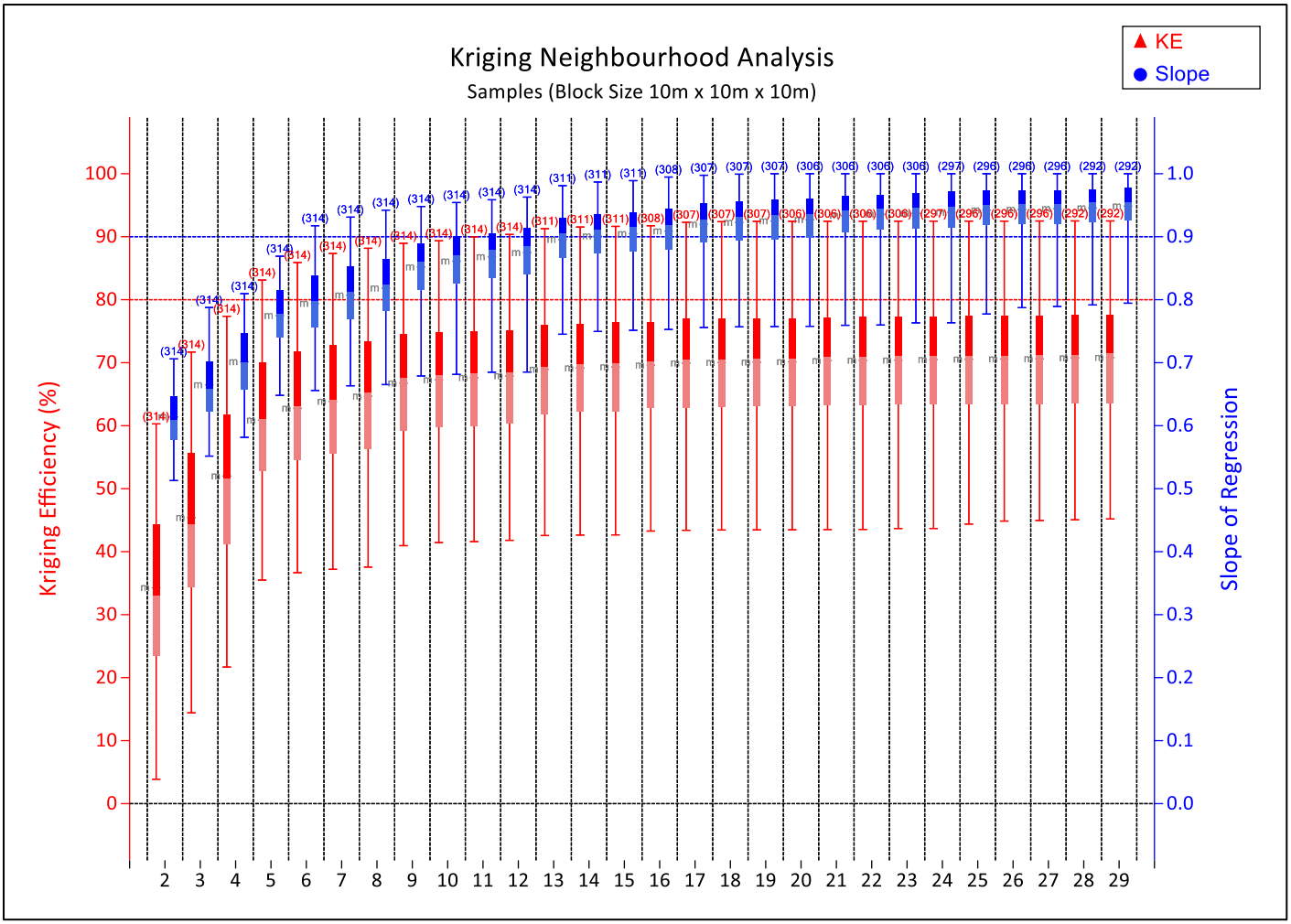


Figure 14.4 – A Kriging Neighbourhood Analysis of domain 200, showing how the kriging efficiencies and slope of regression changes with sample size.

Domain	Element	First Pass						Second Pass						Third Pass					
		Search			# Samples		Samp/	Second Pass			# Samples		Samp/	Third Pass			# Samples		Samp/
		Major	S_Maj	Minor	Min	Max	hole	Major	S_Maj	Minor	Min	Max	hole	Major	S_Maj	Minor	Min	Max	hole
100	Au	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	
200	Au	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	
100	Cu	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	
200	Cu	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	
100	AuEq	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	
200	AuEq	25	21	13.5	6	22	4	76	62.5	40.5	6	22	4	76	62.5	40.5	2	6	

Table 14.5 – Search pass parameters.

14.6 Resource Classification

The entire Johnnies Reward deposit has been classified as an Inferred Resource until further information proves the quality of the historic data. As previously mentioned, some of the hole collars did not match the topography. Also, additional information is required to refine the density properties within the deposit. Also due to the lack of standards submitted to the laboratory the assessment of the QA/QC is incomplete.

14.7 Validation

Several validation steps have been used to check the integrity of the block model, which compares the volume and grade of the model.

14.7.1 Volume

The block model and wireframe volume comparison (Table 14.6) shows the effectiveness of the sub-blocks with all domains showing an excellent correlation. Both domain showed an excellent correlation.

Domain	Wireframe Volume	Block Model Volume	% Difference
100	44935	44929	-0.01%
200	639562	639150	-0.06%

Table 14.6 – Comparison of block model and wireframe volumes.

14.7.2 Grade

A check is also made to ensure the interpolation of the block model correctly honours the drilling data. This is done by comparing the Ordinary Kriging (OK) block grade (estimated grade) to the composite grade of each domain (Table 14.7). Most of the domains show reasonable correlation between the estimated grade and the de-clustered composite grade. It is important to note that the gold and gold equivalent grades for the un-clustered data for domain 200 correlates poorly. This is most likely caused by some close spaced drillholes and holes drilled at different orientations.

Domain		BM Tonnes	BM Grade	No. Samples	Input Grade	De-clustered Grade	Tonnes/ sample	Diff BM vs Input	Diff BM vs DC Grade	Comments
100	Au	143773	1.1	38	0.96	0.96	3783.5	15%	15%	Declustering based on HG domain
200	Au	2045280	0.7	738	0.964	0.75	2771.382	-27%	-7%	Declustering based on HG domain
100	Cu	143773	0.33%	38	0.33%	0.33%	3783.5	1%	1%	Declustering based on HG domain
200	Cu	2045280	0.42%	738	0.42%	0.42%	2771.382	0%	0%	Declustering based on HG domain
100	AuEq	143773	1.6	38	1.496	1.496	3783.5	7%	7%	Declustering based on LG domain
200	AuEq	2045280	1.4	738	1.658	1.46	2771.382	-16%	-4%	Declustering based on LG domain

Table 14.7 – Comparison of input and output grades.

The comparison of input and output grades (Swath Plot) has been made and are shown in Figures 14.5 – 14.7. Each of the swath plots shows a suitable level of smoothing during the estimation. The generally good correlation between the input and output grades in all directions provides satisfactory confidence in the grade estimation of the deposit. All intercepts through the deposit are listed in Appendix 3.

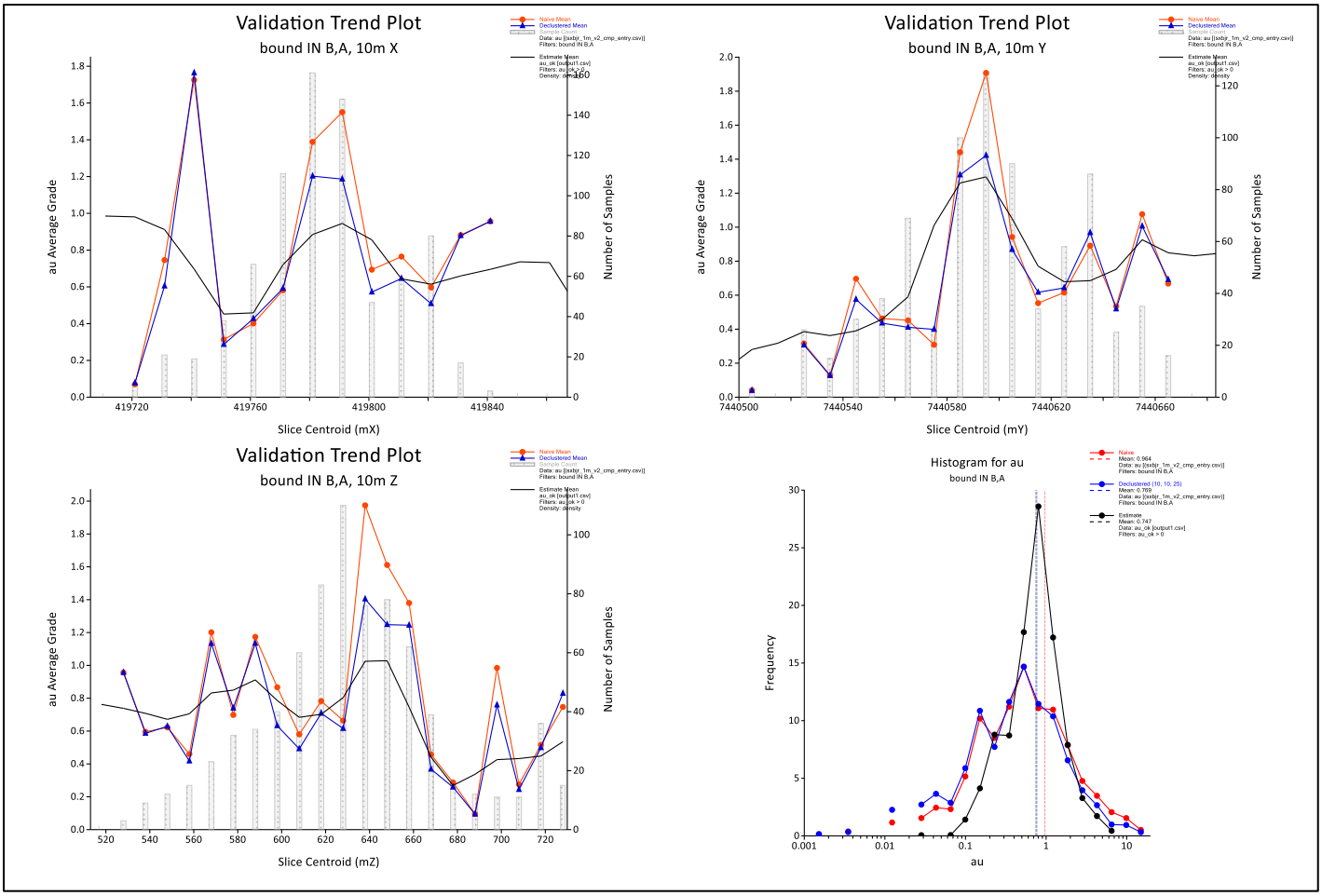


Figure 14.5 – Swath plot, Comparison of block gold grade and composite gold grade by easting, northing and RL for the combined domains 100 and 200.

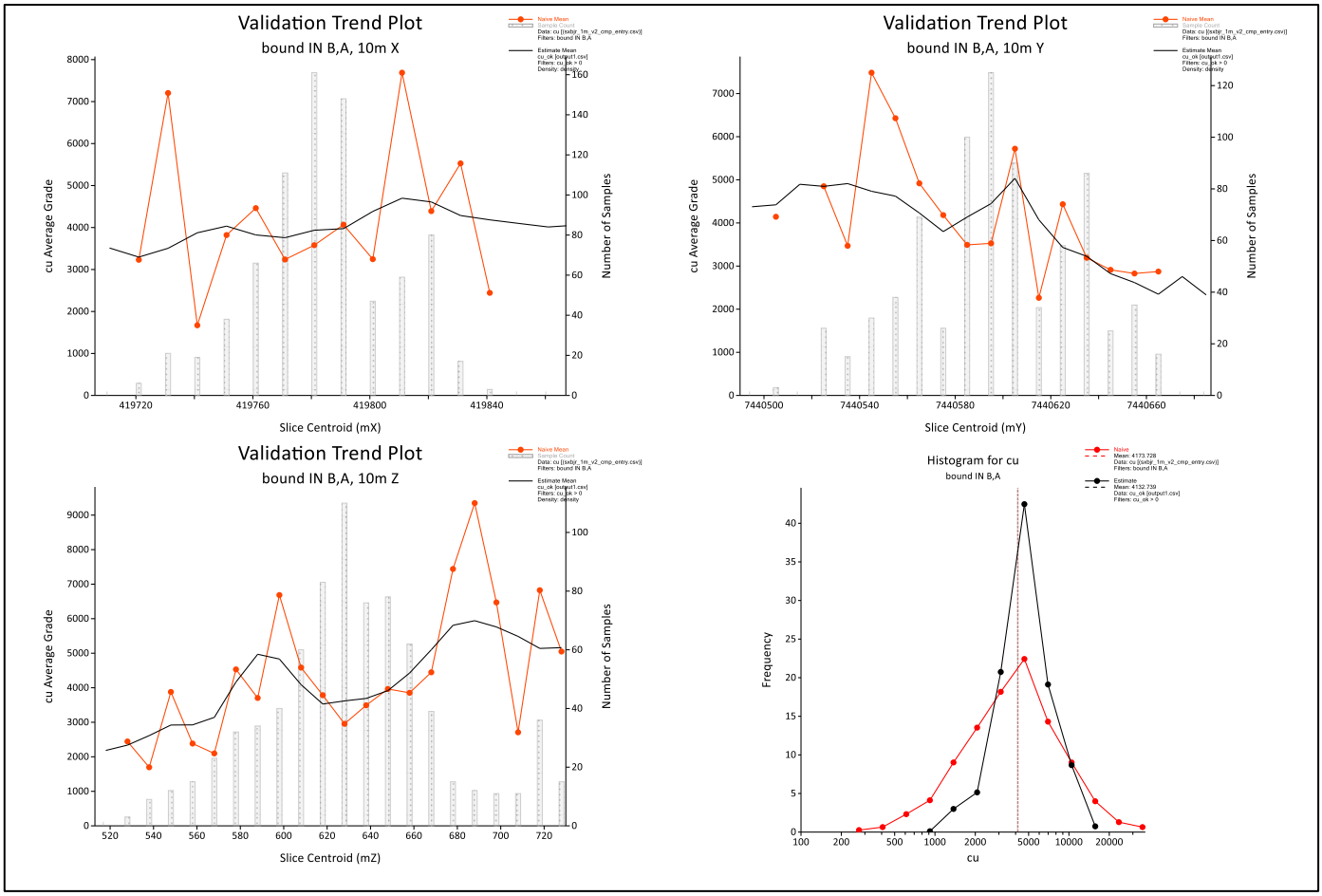


Figure 14.6 – Swath plot, Comparison of block copper grade and composite copper grade by easting, northing and RL for the combined domains 100 and 200.

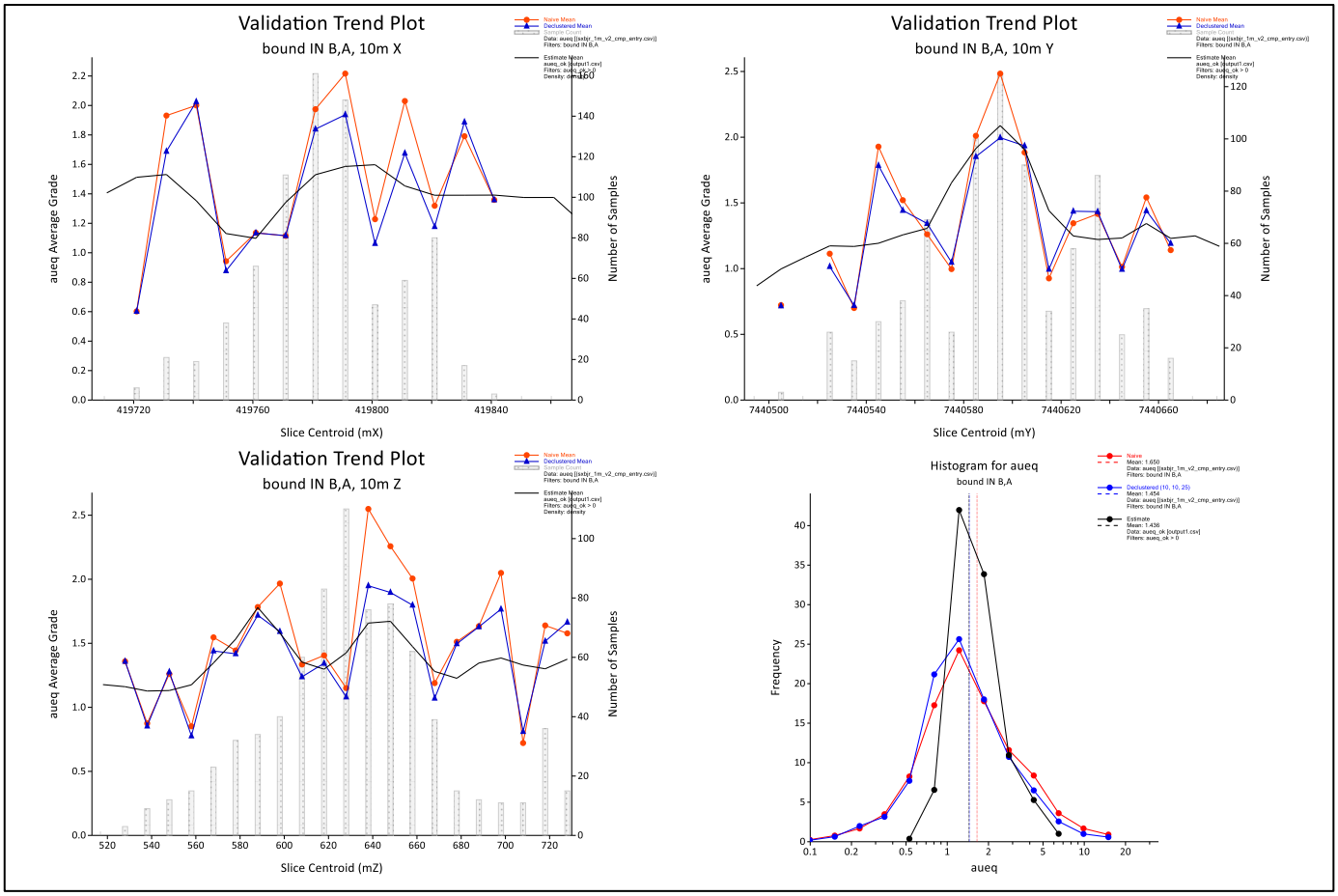


Figure 14.7 – Swath plot, Comparison of block gold equivalent grade and composite gold equivalent grade by easting, northing and RL for the combined domains 100 and 200.

15 MINERAL RESOURCE STATEMENT

The Johnnies Reward deposit is estimated to contain 2.2 Mt @ 1.4 g/t gold equivalent for 101 koz gold equivalent of Inferred Resources. This includes 52 koz gold at 0.7 g/t gold and 9000 tonnes copper at 0.4% Cu. A list of each domain by Mineral Resource category at a 0 g/t block cut-off grade is shown in Table 15.1. and are shown in Figures 15.1.

Mineral Resource Estimate for the Johnnies Reward Deposit - February 2018								
Domain	**Cut-off**	**Tonnes (kt)**	**Au (g/t)**	**Au (Oz)**	**Cu (%)**	**Cu (t)**	**AuEq (g/t)**	**AuEq (oz)**
B Transition	0.0	75	0.5	1,000	0.5	500	1.3	3,000
A	0.0	145	1.1	5,000	0.3	500	1.6	7,000
B	0.0	1,970	0.7	47,000	0.4	8,000	1.4	91,000
Total	0.0	2,190	0.7	52,000	0.4	9,000	1.4	101,000

Table 15.1 – List of Mineral Resources at a 0 g/t gold block cut off.

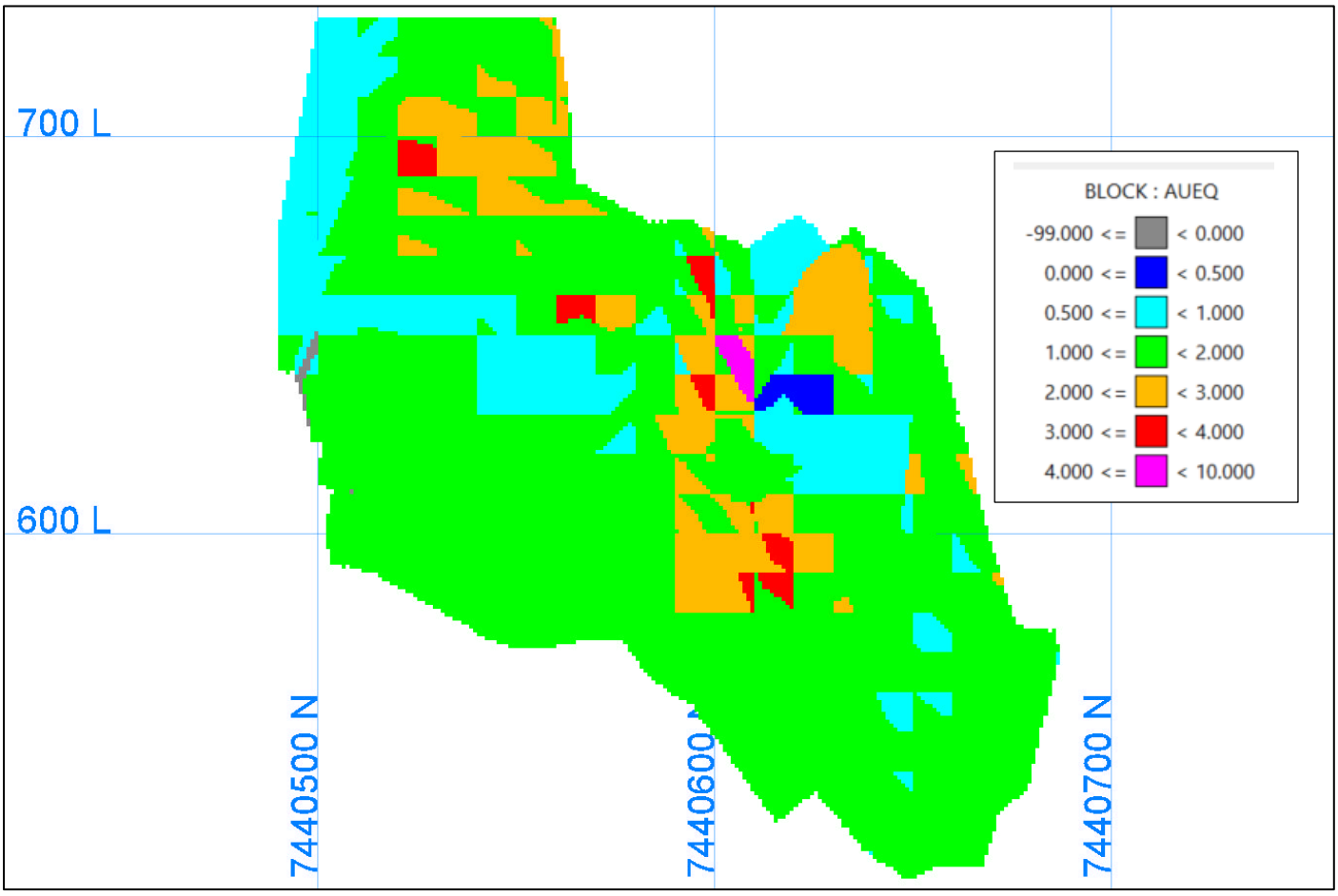


Figure 15.1 – Mineral Resources looking west.

A comparison of the tonnes and grade at different cut-off gold grades is shown in Figure 15.2. This supports a 0 g/t gold cut-off where both the tonnes and grade graph is flat, thereby only omitting a small proportion of the tonnes (6,600 t) below this grade. This is a function of the construction of the mineralised wireframes which were based on a nominal 0.5 g/t AuEq cut-off.

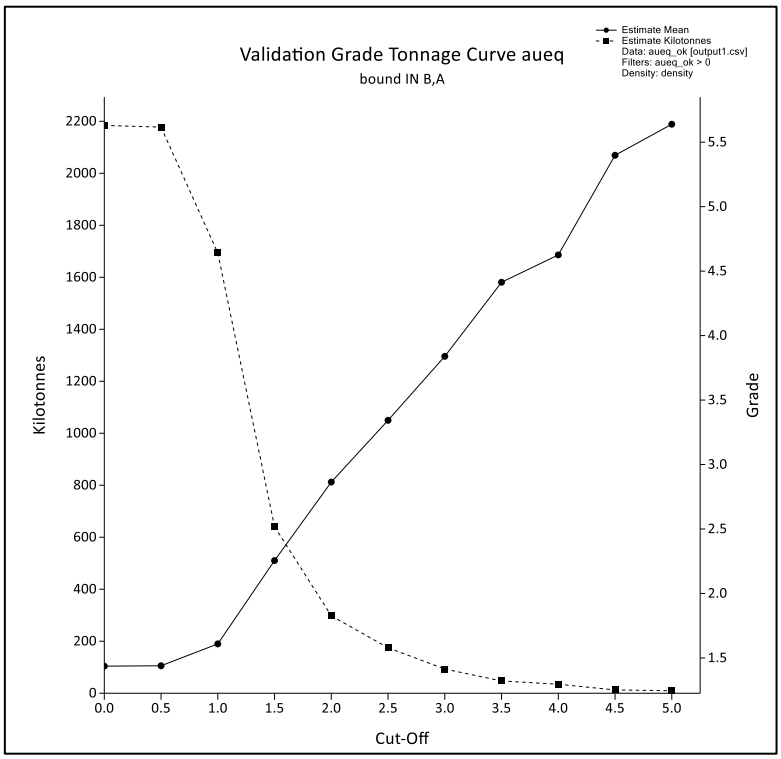


Figure 15.2 – Grade comparison at different cut-off gold grades.

The ounces of gold per vertical metre are shown in Figure 15.3. The data shows that gold is first encountered at surface (720 RL) from when there is a slight increase in gold endowment to 760 RL before increasing sharply. From 630 RL there is a gradual decrease in the contained ounces. Lode B is considerably small than lode A and occurs between 650 RL and 600 RL.

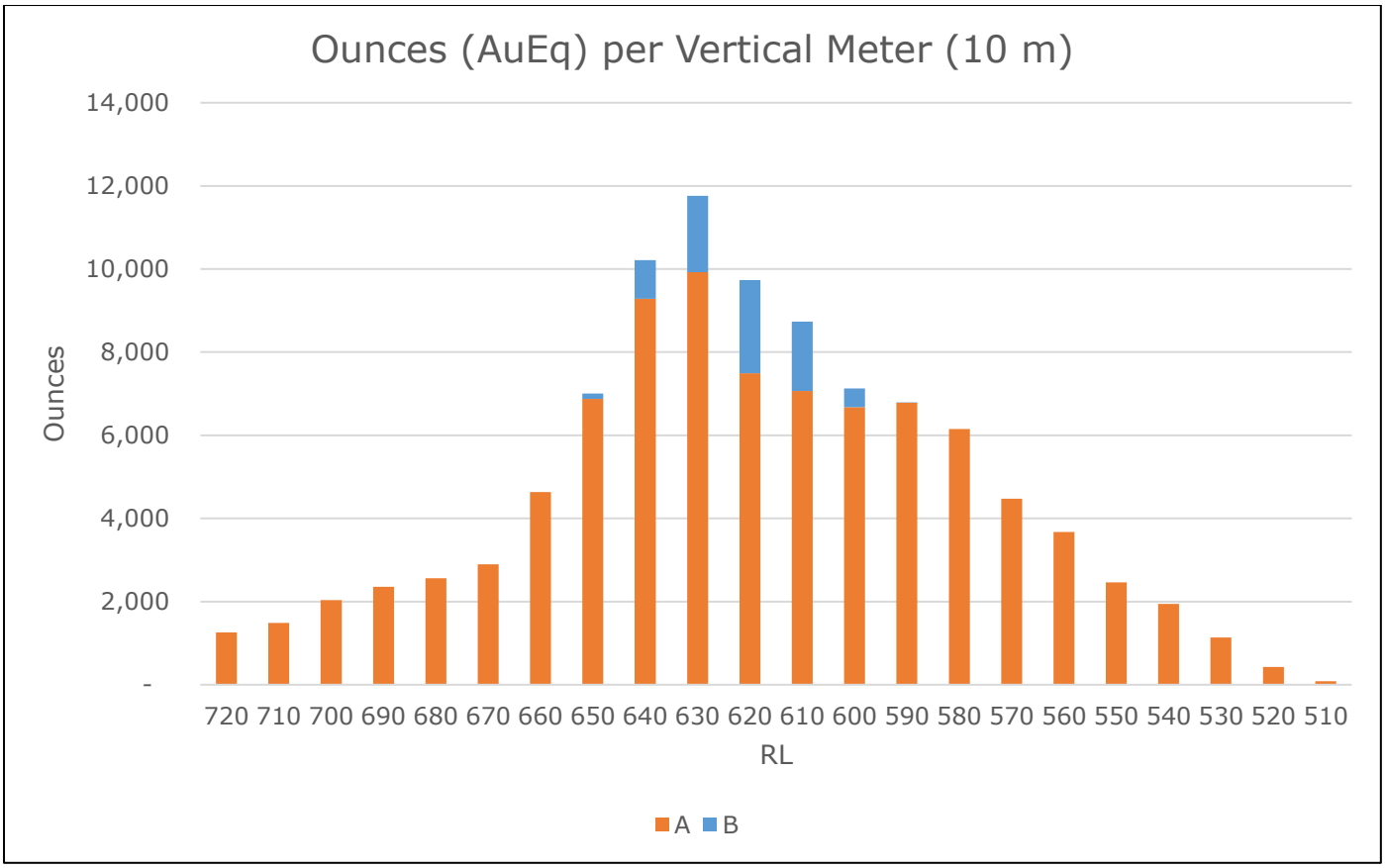


Figure 15.3 – Gold equivalent ounces per vertical meter (10m).

16 RECOMMENDATIONS

16.1 Exploration Potential

During the MRE process three areas within the Johnnies Reward prospect have shown to have potential for extending mineralisation. These are shown in Figure 16.1. Area 1 shows the northern extension potential, area 2 shows the down-dip potential and area 3 shows the up-dip potential.

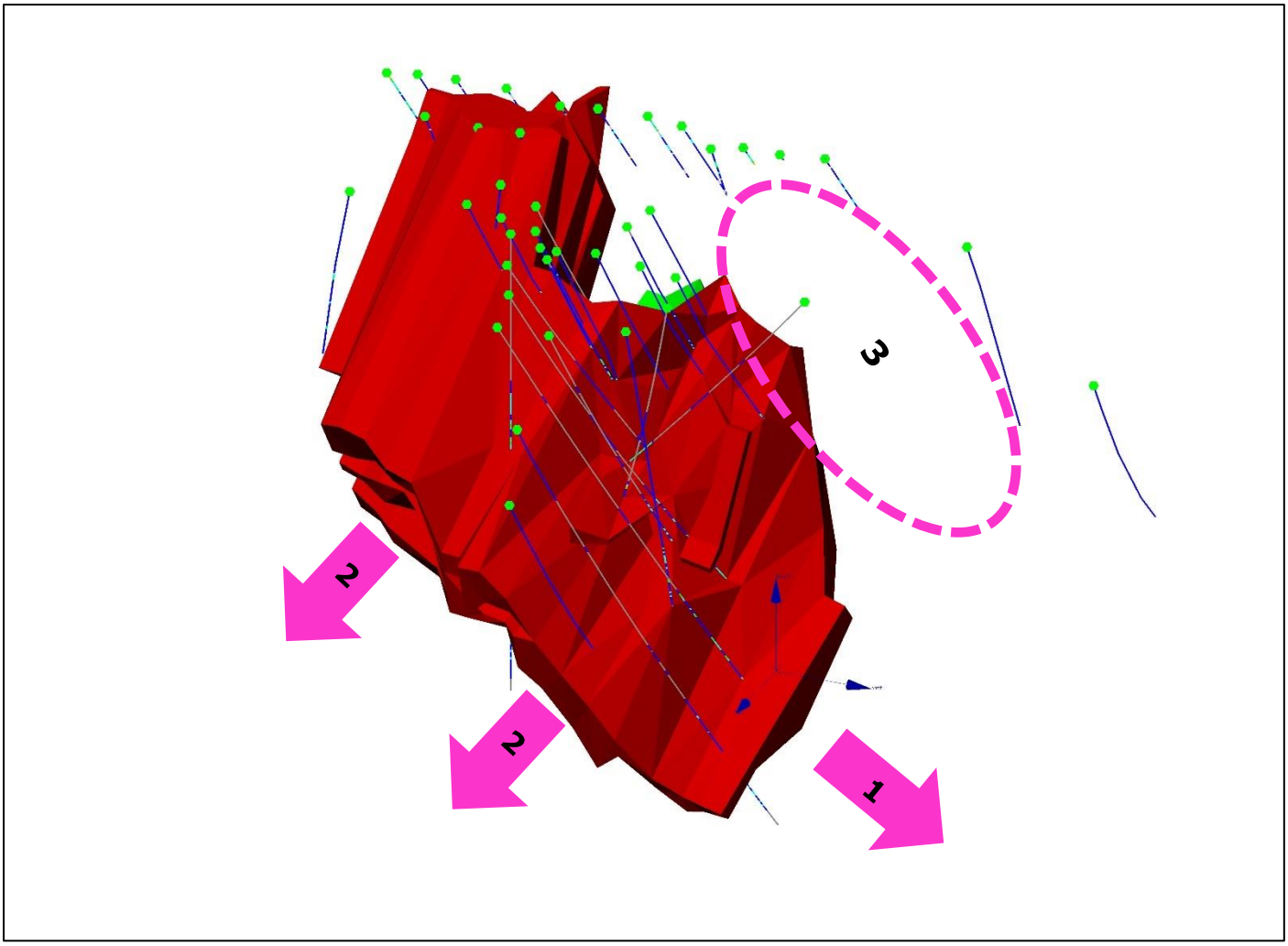


Figure 16.1 – Oblique view(south-west) of Johnnies Reward showing three areas of exploration potential.

First, the most northerly drill section (7,440,644 mN) is within ore grade mineralisation (Figure 16.2). There is no drilling to the north of this section and therefore the mineralisation remains open.

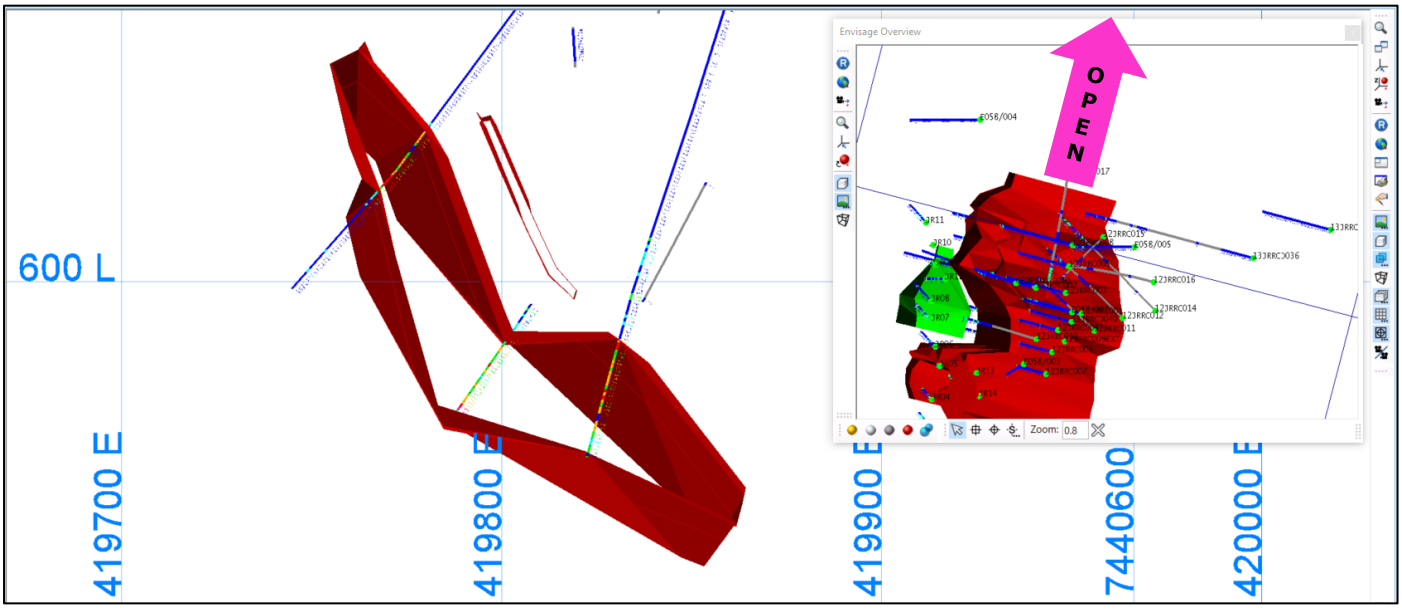


Figure 16.2 – Cross section at 7440644 mN

Second, drilling to the east of the Johnnies Reward is yet to define the down-dip extensions of the mineralisation. This is shown in Figures 16.3 and 16.4.

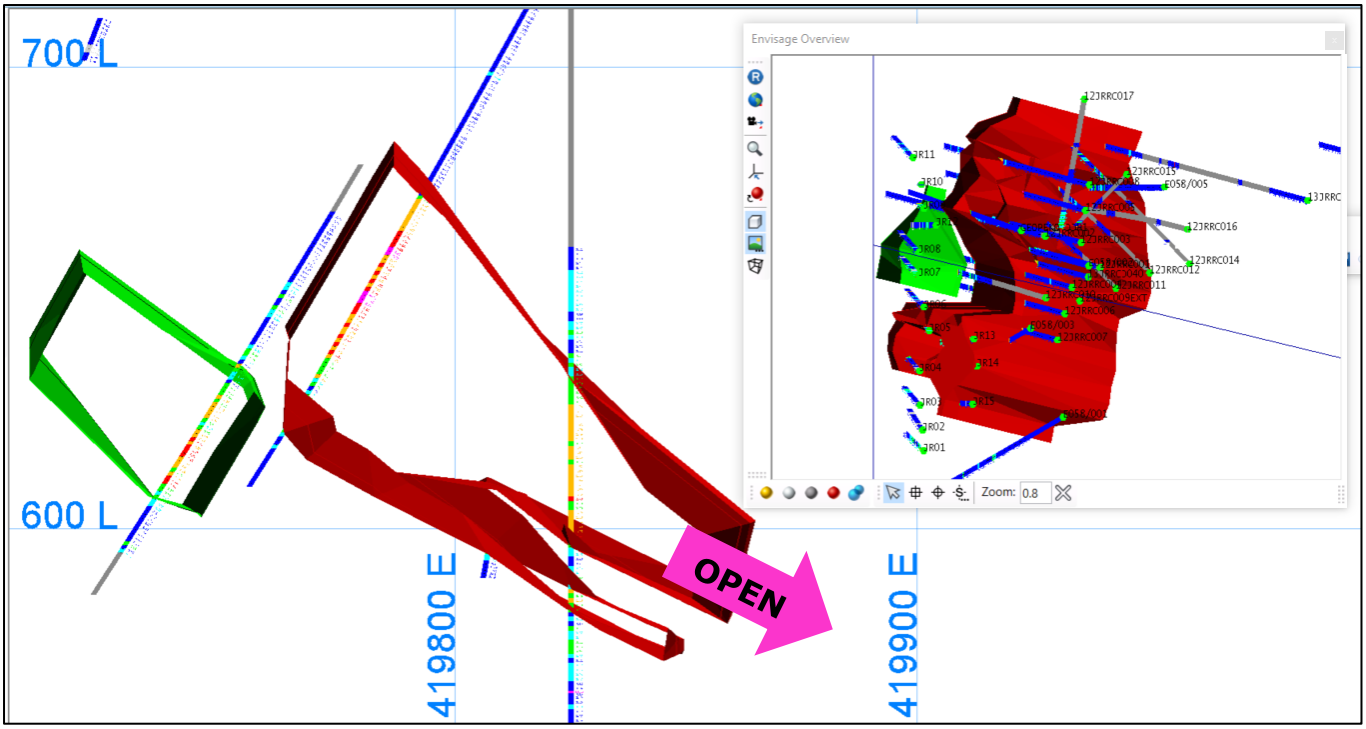


Figure 16.3 – Cross section at 7,440,575 mN and plan view showing mineralisation open down-dip.

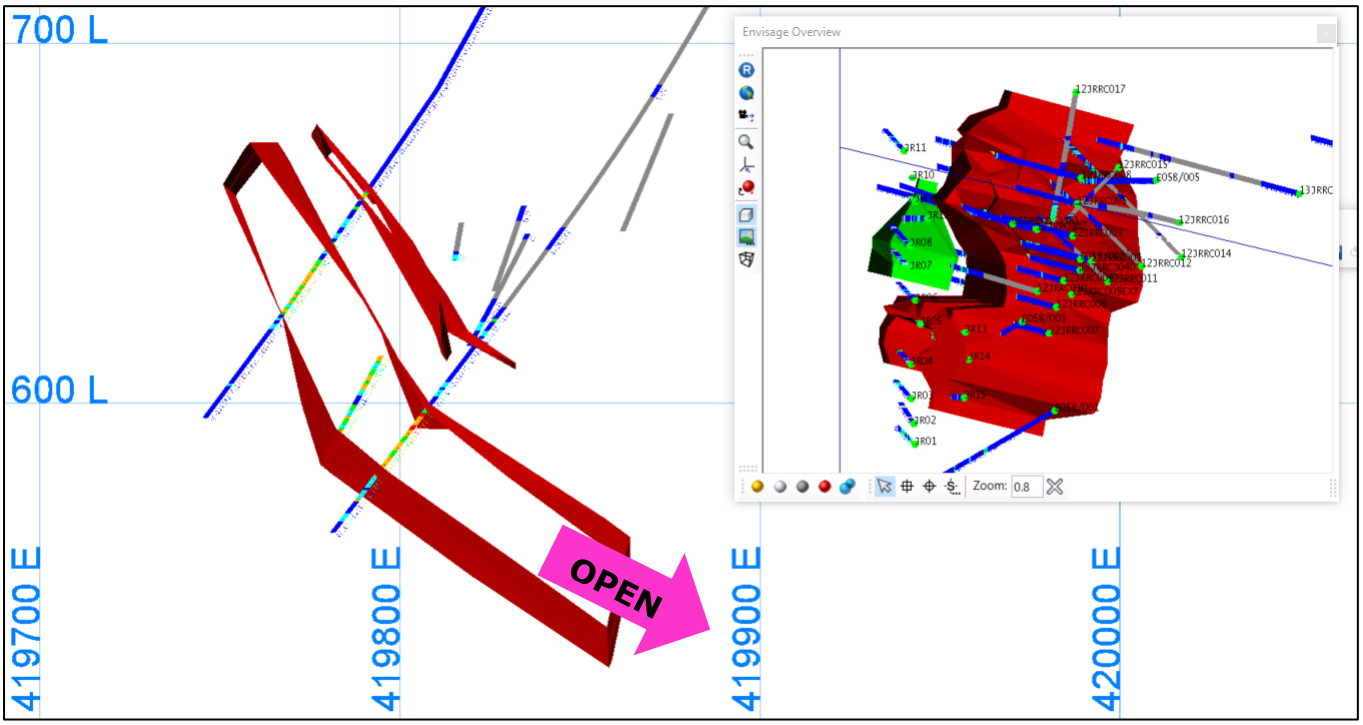


Figure 16.4 – Cross section at 7,440,625 mN and plan view showing mineralisation open down-dip.

Third, there is a reasonable possibility of extending mineralisation up-dip of the current interpretation north of 7,440,600 mN. Percussion holes JR9 and JR12 comprise ore grade mineralisation with the possible extension shown in Figure 16.5. Hole JR9 is a short hole (9m) and ended in mineralisation with the last assay being 1.1 g/t AuEq. There is currently not enough supporting information to include this in the Mineral Resource estimate and further drilling will confirm this interpretation.

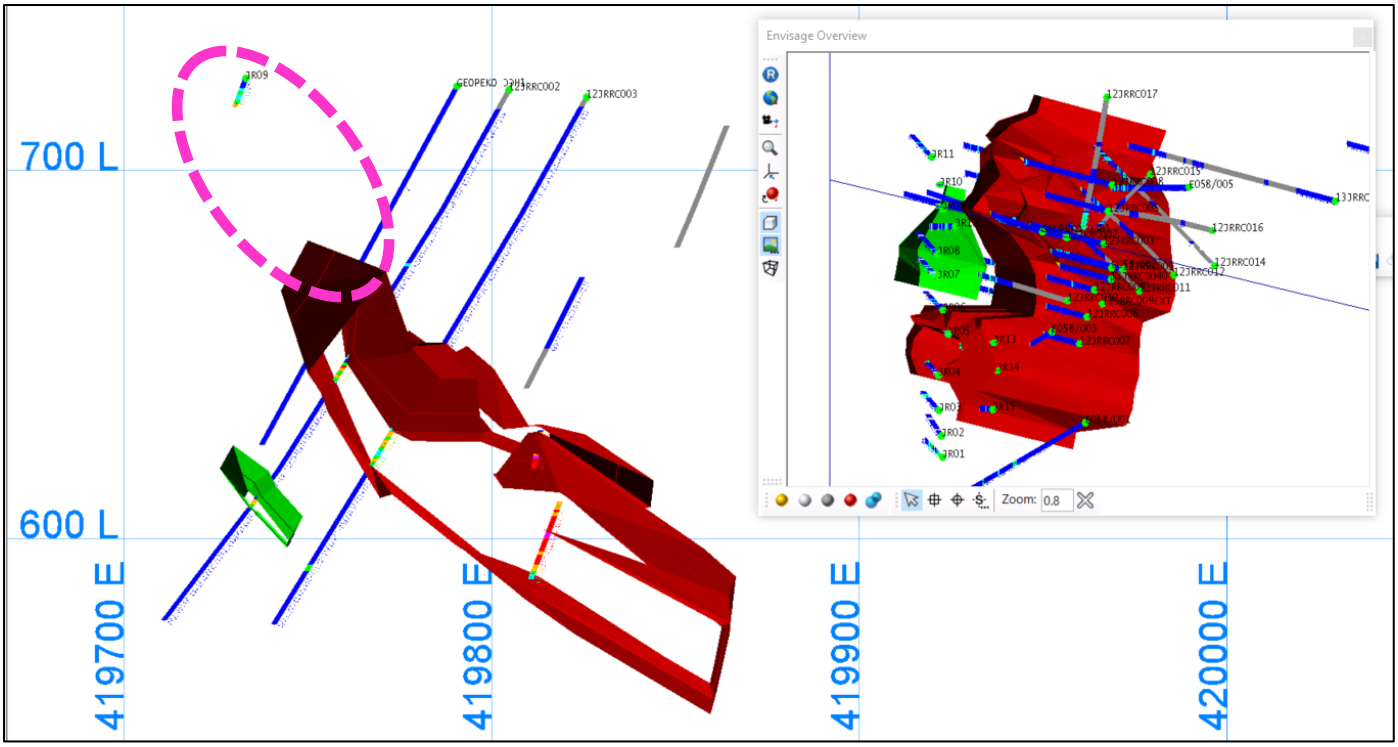


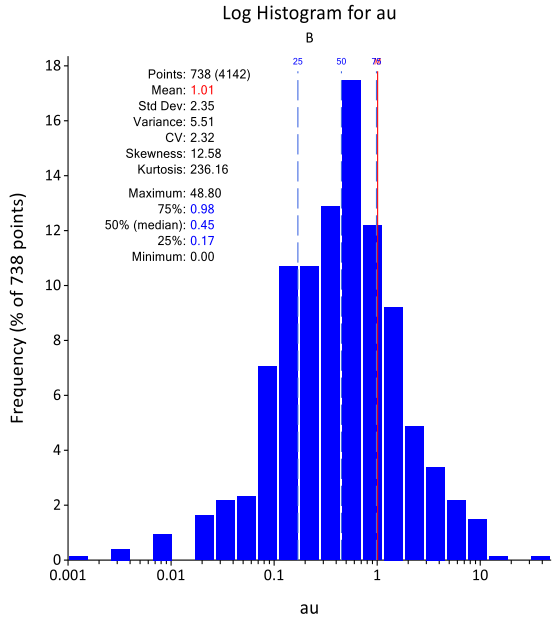
Figure 16.5 – Cross section at 7,440,605 mN and plan view showing potential mineralisation up-dip.

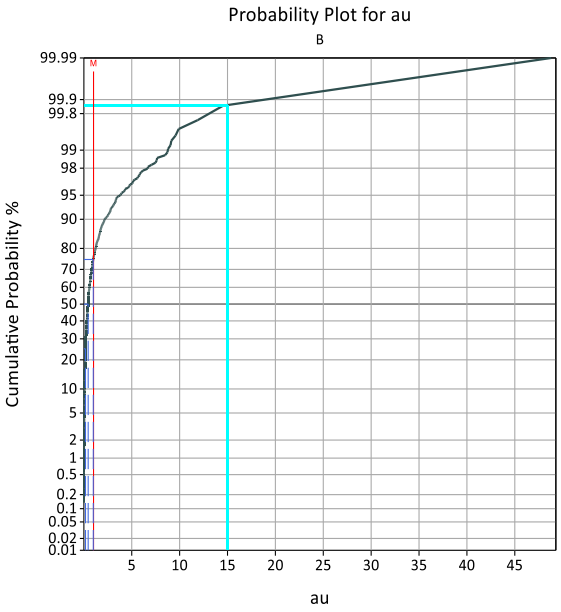
APPENDIX 1 – TOP-CUT DATA

Top Cut Analysis -

Domain:	200	Element	Au	Top cut:	15

Domain	# samples	max	raw mean	top cut	top cut %ile	top cut mean	# samples top cut	% difference
200	738	48.8	1.0	15	99.9	1.0	1	-4.6%

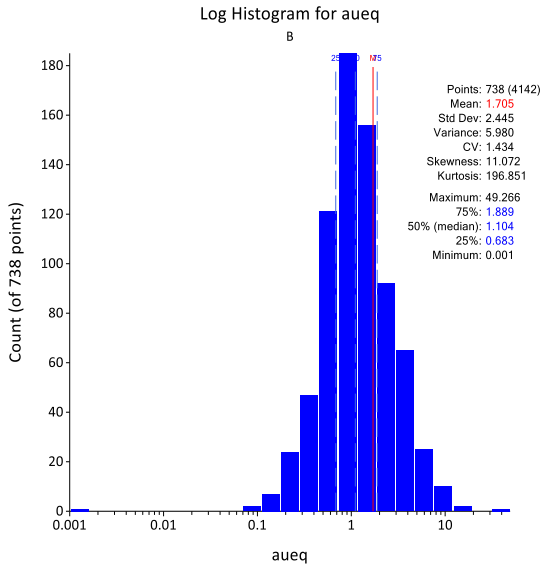


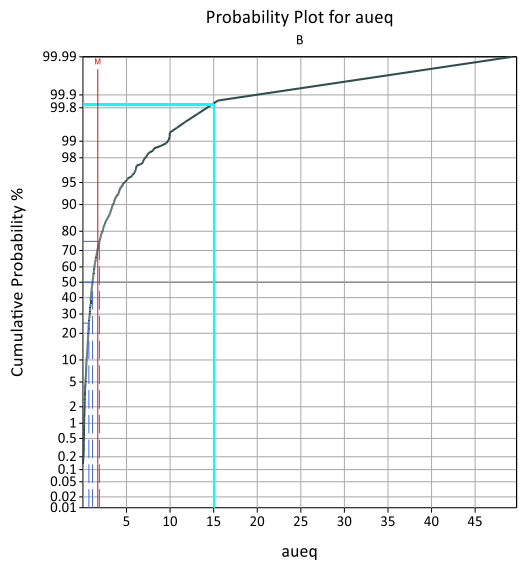


Top Cut Analysis -

Domain:	200	Element	AuEq	Top cut:	15

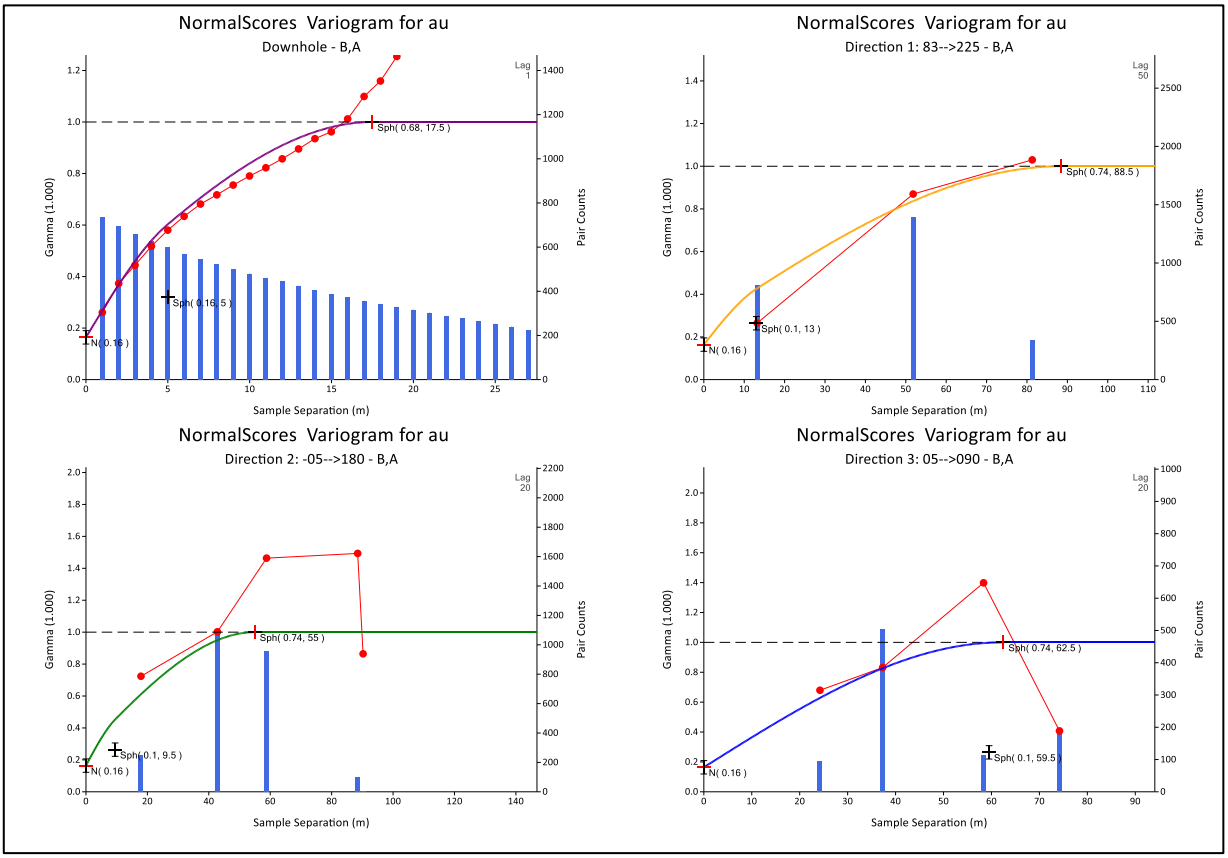
Domain	# samples	max	raw mean	top cut	top cut %ile	top cut mean	# samples top cut	% difference
200	738	49.3	1.7	15	99.8	1.7	2	-2.8%



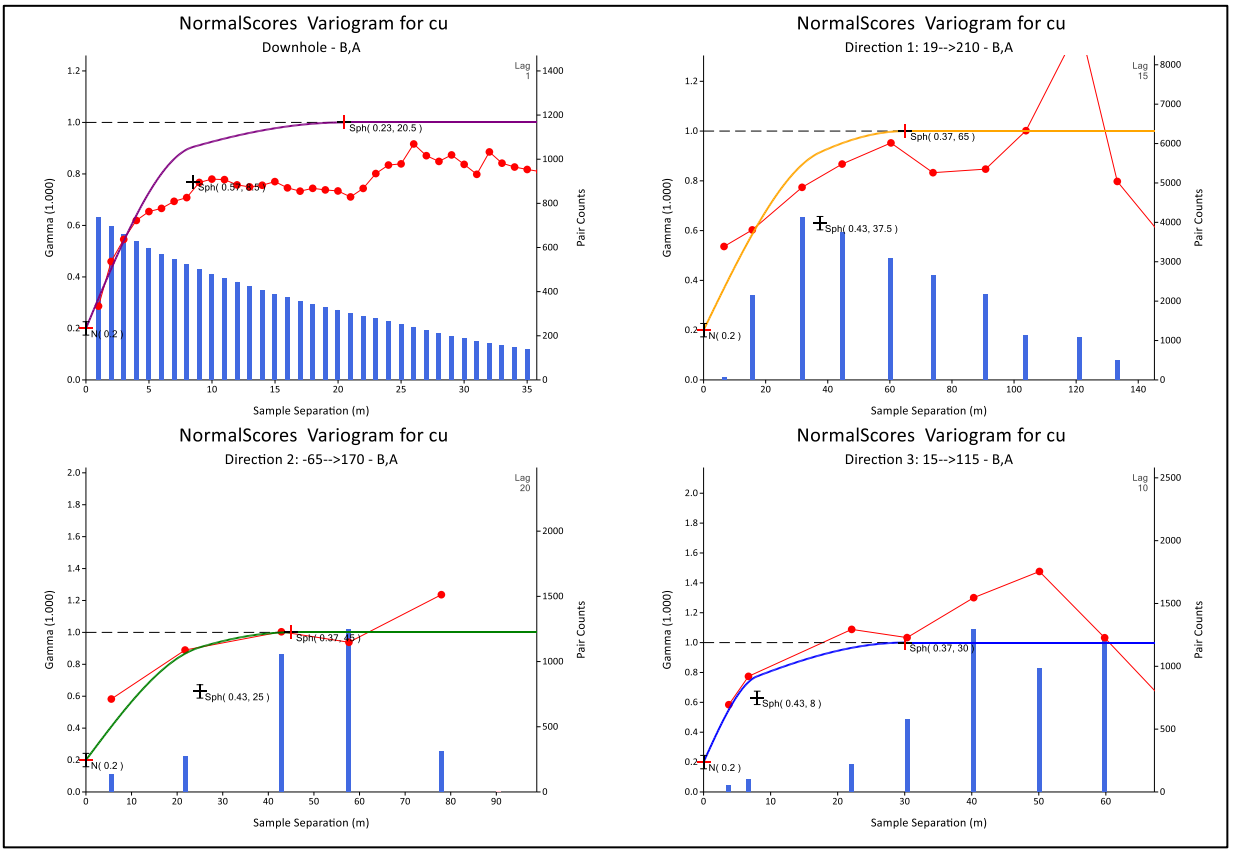


APPENDIX 2 – VARIOGRAPHY

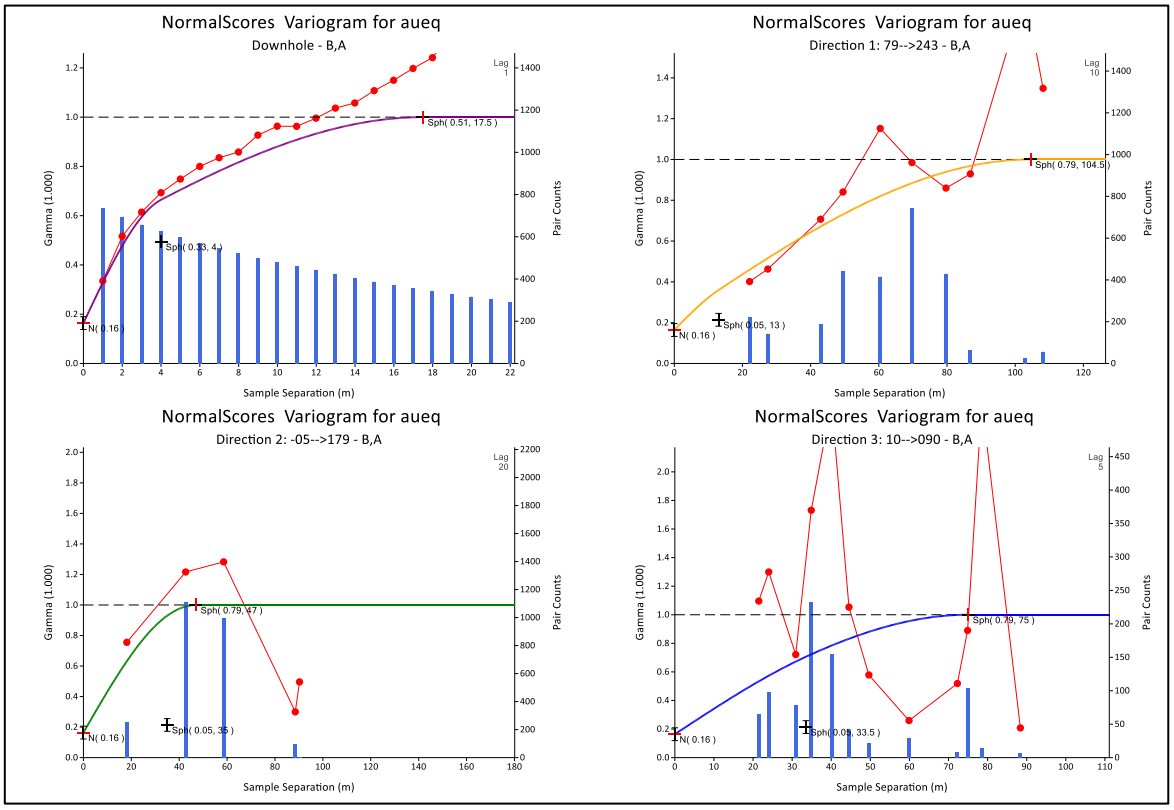
Gold



Copper



Gold Equivalent



APPENDIX 3 – INTERCEPTS

Hole	Hole Type	East	North	RL	EOH	FROM	TO	Length	Lode	Au (g/t)	Cu (%)	AuEq (g/t)
12JRRC001	RC	419,784.4	7,440,600.8	631.5	151.0	75.0	132.0	57.0	B	1.9	0.26%	2.3
12JRRC002	RC	419,758.9	7,440,617.3	645.3	174.0	87.0	93.0	6.0	B	0.8	0.39%	1.4
12JRRC002	RC	419,735.1	7,440,623.7	609.5	174.0	132.0	135.0	3.0	A	0.0	0.62%	1.0
12JRRC003	RC	419,783.0	7,440,612.8	646.2	168.0	85.0	87.0	2.0	B	0.4	0.17%	0.7
and	RC	419,770.1	7,440,616.3	624.5		106.0	117.0	11.0	B	0.8	0.10%	1.0
12JRRC004	RC	419,777.9	7,440,586.4	646.4	150.0	57.0	117.0	60.0	B	2.3	0.38%	3.0
12JRRC005	RC	419,790.8	7,440,630.2	658.6	150.0	70.0	74.0	4.0	B	3.5	0.04%	3.6
and	RC	419,774.3	7,440,634.6	634.6		89.0	114.0	25.0	B	0.5	0.27%	1.0
12JRRC006	RC	419,778.4	7,440,569.7	661.2	150.0	47.0	98.0	51.0	B	0.3	0.55%	1.2
12JRRC007	RC	419,789.5	7,440,550.2	684.8	150.0	41.0	48.0	7.0	B	0.1	1.00%	1.7
12JRRC007	RC	419,775.6	7,440,553.9	664.4	150.0	66.0	73.0	7.0	B	0.1	0.42%	0.8
and	RC	419,763.6	7,440,557.1	646.8		86.0	96.0	10.0	B	0.2	0.58%	1.1
12JRRC008	RC	419,773.9	7,440,650.4	632.3	150.0	94.0	115.0	21.0	B	0.9	0.41%	1.6
12JRRC009EXT	RC	419,825.0	7,440,567.1	614.5	186.8	88.0	125.0	37.0	B	0.6	0.39%	1.2
and	RC	419,825.0	7,440,567.1	584.5		134.0	139.0	5.0	B	0.6	0.29%	1.0
12JRRC010	RC	419,744.2	7,440,586.8	621.1	163.0	103.0	138.0	35.0	A	1.0	0.30%	1.5
12JRRC011	RC	419,804.8	7,440,613.4	632.1	181.0	102.0	105.7	3.7	B	0.0	0.13%	0.2
and	RC	419,787.0	7,440,630.0	598.9		122.0	168.0	46.0	B	0.8	0.31%	1.3
12JRRC012	RC	419,811.9	7,440,633.4	602.8	191.0	135.0	138.0	3.0	B	0.4	0.33%	0.9
and	RC	419,793.8	7,440,649.1	571.4		161.0	191.0	30.0	B	0.9	0.19%	1.2
12JRRC014	RC	419,816.4	7,440,662.0	544.9	217.0	189.0	211.0	22.0	B	0.6	0.30%	1.1
12JRRC015	RC	419,822.0	7,440,610.6	619.4	181.0	106.0	108.0	2.0	B	0.1	0.54%	1.0
and	RC	419,815.1	7,440,603.5	600.8		116.0	140.0	24.0	B	1.1	1.14%	3.0
12JRRC016	RC	419,800.2	7,440,625.2	588.9	187.0	144.0	167.0	23.0	B	0.9	0.62%	1.9
12JRRC017	RC	419,812.9	7,440,606.2	627.1	211.0	115.0	126.0	11.0	B	0.6	0.54%	1.5
and	RC	419,811.1	7,440,596.9	617.2		126.5	142.0	15.5	B	0.6	0.98%	2.2
and	RC	419,807.2	7,440,575.8	595.2		164.0	166.0	2.0	B	0.2	0.39%	0.8
13JRRCD036	RCD	419,839.3	7,440,658.1	532.4	272.2	217.7	220.0	2.3	B	0.9	0.26%	1.3
13JRRCD040	RCD	419,784.8	7,440,593.1	640.9	138.2	61.0	123.0	62.0	B	2.0	0.38%	2.7
E058/002	Diamond	419,785.8	7,440,599.5	630.2	126.5	76.0	126.0	50.0	B	0.9	0.21%	1.3
E058/003	Diamond	419,780.5	7,440,542.0	693.7	113.5	29.0	43.0	14.0	B	0.8	0.79%	2.1
and	Diamond	419,772.9	7,440,537.6	678.5		52.0	55.0	3.0	B	0.1	0.35%	0.7
and	Diamond	419,762.6	7,440,531.7	657.1		75.0	81.0	6.0	B	0.2	0.37%	0.8
E058/005	Diamond	419,826.2	7,440,633.9	568.9	208.2	139.0	171.0	32.0	B	0.7	0.41%	1.4
GEOPEKO DDH1	Diamond	419,756.9	7,440,619.9	661.0	141.1	62.9	79.9	17.0	B	0.5	0.26%	0.9
JR04	Percussion	419,723.1	7,440,535.1	709.2	40.0	21.0	27.0	6.0	B	0.1	0.32%	0.6
JR05	Percussion	419,732.2	7,440,554.5	718.7	30.0	5.0	21.0	16.0	B	0.9	0.82%	2.3
JR13	Percussion	419,757.1	7,440,544.2	720.3	40.0	4.0	18.0	14.0	B	0.7	0.51%	1.5
JR14	Percussion	419,758.7	7,440,528.2	719.7	40.0	0.0	23.0	23.0	B	0.3	0.51%	1.2
and	Percussion	419,747.2	7,440,527.2	699.8		33.0	36.0	3.0	B	0.1	0.26%	0.6
JR15	Percussion	419,753.8	7,440,507.2	714.8	40.0	15.0	18.0	3.0	B	0.0	0.41%	0.7

APPENDIX 4 – JORC 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 down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	All sampling for drilling was by industry standard drilling techniques such as aircore, reverse circulation and diamond drilling. Soil and rock chips samples were collected from designated grid systems and collected at regular intervals.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The type of drilling, angle of drilling and sample density is industry standard for the style of deposit and ensures there is sample representivity. Soil sampling has been conducted over multiple grid spacing namely 200 m x 200 m and 50 m x 50 m. A comparison has been made between the two outlining that this in an effective exploration method. There is no information available on the calibration of the measuring tools.
	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.	Information prior to 2012 is not available and the following is a description of the sampling procedures after this date. <u>RC Drilling</u> The drill holes were geologically logged, sampled and magnetic susceptibility readings were recorded at 1 m intervals at the time of drilling. Utilising a cone splitter both single meter samples and 4 meter composite samples were collected at the time of drilling using the "spear" methodology. As drill holes do not always end in even multiples of 4 m a number of 3 m, 2 m and 1 m composites were collected. All drill holes were lithologically logged and a chip sample from each meter drilled was stored in chip trays. Single meter samples visually judged to be from the better mineralised portions of each drill hole and composite samples from all other parts of the drill holes were selected for analysis. Samples were submitted to ALS in Alice Springs for preparation prior to being forwarded to ALS' laboratory in Perth for analysis of Au, Cu and Fe. Gold analysis was done by method Au-AA25 which is a fire assay method completed on a 30 g charge followed with an AAS finish (Atomic Absorption Spectroscopy). When high gold results were received a repeat gold analyses was performed. Both copper and iron were analysed for using ME-ICP61. This method is a four acid near total digest followed by and ICP MS (Inductively Couple Plasma Mass Spectrometry) or ICP AES (Inductively Coupled Plasma Atomic Emission Spectrometry) finish. In those instances, where Cu or Fe analyses exceeding the upper limit of detection an ore grade analysis was performed. <u>Diamond drilling</u> Four holes were drilled with an RC pre-collar before switching to diamond drilling. Diamond drilling was done with NQ sized core and oriented using a Reflex core orientation device.

Criteria	JORC Code explanation	Commentary
		On completion of drilling all diamond core was oriented with a bottom of the hole line marked on the core as defined by the orientations marks made by the drillers. Following orientation, the core was marked up in one meter intervals after which it was photographed. After photography recoveries and RQDs were measured and recorded. This was followed by lithological logging and when possible structural logging of the core. Core samples which were visually judged to contain the better mineralisation in the diamond tails were submitted for analysis as half core. Samples of half core varied from 0.3 m to 1.5 m in length with the majority being 1 m long. As knowledge of the mineralisation at Black Angus was limited it was decided that it would be best to submit samples from the entire length of the diamond tail of 13BARCD038. To achieve this all core not judged to contain potentially significant mineralisation were submitted as fillets with ten 5 m and one 2.3 m core fillets submitted for analysis. <u>Soil Samples</u> Soil sampling over the gridded areas was conducted on east-west running lines spaced at 100 m intervals north-south with samples collected on 50 m centres (Buskas, 2013), 200 m spaced lines with samples collected every 200 m including a follow up infill programme reducing the line spacing to 50 m. At all sites the upper 5 cm to 10 cm of soil was scraped off to minimise the amount of organic material included in samples. Soil was passed through a 1.5 mm sieve with 0.5 kgs of the undersized fraction retained in a paper geochem bag for analysis. At each site a short description of the site and material collected was recorded. All samples were submitted to ALS' preparation facility in Alice Springs where they were prepared prior to shipping to Perth for analysis. All samples were analysed for Au, Ag, As, Bi and Cu. Gold was analysed for using a trace level method Au-TL43 where a 25 g sample is digested in an aqua regia solution and followed by an ICP-MS (Induced Coupled Plasma Mass Spectrometry) finish. The remaining elements Ag, As, Bi and Cu were analysed by ICP43. In this method an aliquot from the aqua regia gold digestion is analysed using ICPAES (Induced Coupled Plasma Atomic Emission Spectroscopy). <u>Rock chips</u> All rock samples collected were submitted to ALS' preparation facility in Alice Springs where they were prepared prior to shipping to Perth to be analysed. Samples were analysed for Au using method Au-AA25, a 30 gram fire assay, and by method ME-ICP61 a four acid "near total" digest followed by analysis by ICP-AES (Inductively Coupled Plasma Atomic Emission Spectroscopy) for Ag, As, Bi, Cu, Pb and Zn.
Drilling techniques	*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.).*	There were 63 holes in the database, including 6 Diamond, 15 Percussion, 38 Reverse Circulation and 4 Reverse Circulation with diamond tails. Diamond tails were drilled NQ size and oriented using a Relex core orientation device.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Recoveries have been recorded for holes 12JRRC009EXT, 13JRRCD036, 13BARCD038 and 13JRRCD040. Generally, recoveries are very good and are close to 100%. There are minor areas

Criteria	JORC Code explanation	Commentary
		where recoveries are less than 60% and as a low as 0%. These have been interpreted as "cavings". Recoveries have been calculated as a percentage based on interval length / recovery length and are only applied to diamond drilling.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	It is assumed that recoveries of samples were an acceptable standard as the drilling companies involved; Australian Mineral and Waterwell Drilling and McKay drilling are well known competent drillers across Australia.
	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.	There is no evidence between sample recovery and grade as low recovery rates are generally outside of the mineralised domains.
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.*	Cuttings and core have been geologically logged and the information compiled into a coded system for use in computer coded analysis. This includes three major lithological codes each including grain size and three mineral codes. There are also codes for percentage pyrite, bornite, pyrrhotite, sulphide, pyrolusite, vein quartz, limonite and haematite. This level of detail is sufficient for Mineral Resource estimation however further work is required for geotechnical and mining studies.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Non-core holes are quantitative by nature and are reliant on the sample interval. Diamond drilling is also quantitative with sampling generally over 1 m interval although some smaller and larger intervals occur.
	The total length and percentage of the relevant intersections logged.	All holes used within the database were logged in full
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All core was cut and half core was sampled. In 1988, 57 samples from the Alcoa drilling were re-assayed by fire assay using quarter core.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	When possible samples were split with a riffle splitter, away from the mineralised zones the samples were speared. Sub sample preparation followed standard practice for this type of sampling.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The samples type is considered appropriate for the style of mineralisation.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The samples type is considered appropriate for the style of mineralisation.
	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.	The drilling type and angle of drilling to the orebody is considered to be appropriate. Duplicate sampling of fire assays is shown to be appropriate and are explained further in section 10.1 of this report.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample size is considered appropriate for the style of mineralisation.

Criteria	JORC Code explanation	Commentary
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.*	The samples were either assayed by fire assay or AAS with some check assays. This is considered appropriate for the style of deposit. The use of blanks and standards have not been used or not made available. This is considered below industry standard and is recommended for future drilling and sampling programmes.
	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.	No geophysical tools were used in the estimation of the deposit.
	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.	The use of blanks and standards have not been used or not made available. This is considered below industry standard and is recommended for future drilling and sampling programmes.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	There are no reports of the verification of significant intersections by an independent company, however drilling has been carried out by multiple owners over many years and shows that there are comparable results.
	The use of twinned holes.	There were no twinned holes specifically drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	There is no documentary of this nature available.
	Discuss any adjustment to assay data.	There has been no adjustment to the assay data. The assay receipts from ALS laboratories are available for drilling after 2013.
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*	**Drilling** Holes 12JRRC001 - Holes 12JRRC001 and 13BARC018 - 13BARC018 have been collar surveyed by GPS and downhole survey using "in-rod" single shot survey. Therefore, due to magnetic interference only the dips are able to be measured. Holes 12JRRC009 – 12JRRC017 have been collar surveyed by GPS and downhole survey by gyro using an average of the "in" and "out" results. The remaining holes were drilled prior to 1983. The survey details of these holes are not available however the data was re-processed following a GPS survey accurate to 0.1 m which was conducted in 1998. **Soil and chip samples** Samples collected after 2012 were surveyed by hand held GPS at the time of collection. The survey details of samples prior to 2012 are not available however the data was re-processed following a GPS survey accurate to 0.1 m which was conducted in 1998

Criteria	JORC Code explanation	Commentary
	Specification of the grid system used.	The grid system that is used is UTM zone 53S. There is no known establishment of a local grid.
	Quality and adequacy of topographic control.	There is no evidence of a topographic surface that can be used for control purposes.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The data spacing is adequate for reporting Exploration Results and is discussed below.
	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.	The main mineralised zones of the Jonnies Reward prospect are drilled on sections 10 – 15 m along strike. This level of detail is considered appropriate for the style of deposit.
	Whether sample compositing has been applied.	All samples have been reported in their natural state. It is anticipated that once a Mineral Resource is established, compositing will be required but it cannot be guaranteed whether the composted values will be reported.
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 majority of the drilling has been drilled at an appropriate angle to reduce bias and produce the most robust result. Drill azimuths range between 190 and 328 degrees with the majority occurring between 225 and 285 degrees. The vast majority of the dips are at -60 degrees with a total range between -50 and -70 from the horizontal.
	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.	Further work is required to fully understand the key mineralised structures at a local scale. The drilling to date is appropriate for broader scale structures and therefore is suitable for reporting Exploration Results.
Sample security	*The measures taken to ensure sample security.*	No information is not available however the project area is remotely located.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	There is no evidence of any audits or reviews however this report may be considered as such.

SECTION 2 REPORTING OF 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.*	Davenport Ltd currently holds Exploration Licences EL28045 and EL 30090. Davenport considers the tenement is in good standing and is located 75 km NE of Alice Springs.
	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.	There are no known impediments.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The exploration history is very detailed and outlined in section 3 of this report. The following is a brief summary.

Year	Company	Prospect	Type	Quantity / Scale	Comments
1964		Regional	Geo reconnaissance		
1964		Pinnacle - JR	aeromag		
1965	Geopeko	JR	ground mag		
			Self-potential Geophysics		
			IP		
			EM		
			Diamond drilling	1	
1967	Magellan	Pinnacle	Ground mag		
		Pinnacle	IP		Broad anomaly remains untested
		Pinnacle	SP		
		New Folly	EM		
		New Folly	SP		
		Pinnacle - JR	Mapping	1:12,000	
		Polly Boy	Mapping	1:2400	
		Ophier	Mapping	1:2400	
		Central No. 2	Mapping	1:2400	
		Ciccone's	Mapping	1:2400	
		Urals	Mapping	1:2400	
		JR	Mapping	1:1200	
			Percussion drilling	219 holes, 671 samples	830 m, max depth 3.65 m assayed for Cu, Pb and Zn
			rock chips	63	assayed for Cu, Pb, Zn, Au, Ag, Bi and Ni.
		Pinnacles	Diamond drilling	4	
1968		JR	Diamond drilling	1	
1969			Mapping	1:22,000	
1969 - 1973	Stockdale Prospecting	Regional	Drainage Sampling	270 sq km's	
		Regional	Color aerial photography	1,20,000	480 sq km's
1982	Alcoa Australia	JR	Mapping	1:5000	
			Mapping	1:500	
			Rock Chips	122	
			Soil Samples	11	
			Traverse Sampling	73	10 m composites
1983 - 1984			Diamond drilling	5	E058 series holes
1984			rock chips	218	7 traverses, 10 m composites
1988	Tectonic Resources	JR	Soil Samples		
			RC drilling	15	454 m
			Re-assay of Alcoa drilling	57	quarter core samples were fire assayed
1992	Stockdale Prospecting	Regional	Re-assay of Stockdale's drainage samples	73	XRF for 36 elements
1993	Saturn Resources	JR	Drainage Sampling		
1996	CRAE	JR	ground mag		
			Mapping	1:1,000	
			Re-logging	2	E058/002 and E058/005
1997	?	JR	Re-logging	15	Tectonic Resources RC drilling
		JR	Re-logging	1	DDH Geopeko 1
		JR	Mapping	1:500	
	Pasminco	?	Drainage Sampling	8	Orientation survey
			Thin Section	2	
1998	?	Pinnacle - JR	rock chips	42	
		Pinnacle - JR	Drainage Sampling	12	BLEG - 2 mm
			Re-processing CRAE mag data		
			Re-processing Tectonic's soil data		digitised and reprocessed
	Allender Exploration	JR	Ground mag	traverses 40 m appart	JR West grid
		Pinnacle - JR	Ground mag	traverses 100 m appart	
		JR	mapping		1:500 of JR West grid
			rock chips	54	footwall contact of mineralised sequence and JR North gossanous skarn
		Pinnacle - JR	GPS Survey	274 points	The Omni Star accurately relocated existing BMR grids
		JR	Petrology	9	
1999	Flinder's Diamonds	JR	Re-processing of data	63 Magellan rock chips	digitised and reprocessed
			Re-processing of data	219 percussions holes	digitised and reprocessed
			Re-processing of data	4 diamond holes	digitised and reprocessed
			Re-processing of data	30 Alcoa rock chips	digitised and reprocessed
			Re-processing of data	Magellan mapping	digitised and reprocessed
		Ciccone's Shafts	Mapping		
		JR	Re-processing of data	BMR geophysical survey	re-drafted using 1999 GPS survey coords
			Re-processing of data	ground mag from CRAE and Allender	digitised and reprocessed
			Re-processing of data	Tectonic's soil samples	digitised and reprocessed
2002 - 2004	Flinder's Diamonds	JR	rock chips	85	
2006	Maximus Resources	JR	HOISTEM / AMAG	85 line km, 80 m spacing	
2008	Minitaur Exploration	JR	Ground EM	5 lines of moving loop and fixed loop	
			Gravity Survey	49 station, one km apart	
2011	Arunta Resources	Regional	Collation of historic data		
2012		JR	RC drilling	8	
			Soil Samples	393	18.5 km of line over two grids
			Mineralogical Study		
			Metallurgical test work		
2013			RC drilling	9	
			Soil Samples	?	
		Black Angus	RC drilling	17	one diamond tail
		JR	RC drilling	3	all with diamond tails
		Brahman	RC drilling	4	
		Regional	Airborne VTEM and magnetics	315 line km's	
2014		Regional	Interp from VTEM and magnetics	152 anomolies identified	2 high priority, 27 moderate priority and 68 lower priority

Geology	*Deposit type, geological setting and style of mineralisation*	Johnnies Reward a stratabound distal volcanogenic gold-silver base metal deposit comprising mineralised oxide facies iron formation (hematitic gossan) and dolomitic-chloritic tuffaceous unit (magnetite pyroxenite) is classified as an IOCG deposit, metamorphosed to granulite facies assemblages subsequently remobilised by Alice Springs Orogeny greenschist facies event indicated by pervasive retrogressive mineral assemblages occurring within the discordant,

Criteria	JORC Code explanation	Commentary
		structurally controlled quartz-carbonate-magnetite-sulfide mineralised vein stockwork forming the deposit
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.* *• 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.*	See table below Summary of key intersection of the Johnnies Reward Prospect using a 0.5 g/t gold equivalent cut-off. Down hole lengths are reported.
	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high	There has been no data aggregation to rock chip or soil sampling data.

Hole	Hole Type	East	North	RL	EOH	FROM	TO	Length	Lode	Au (g/t)	Cu (%)	AuEq (g/t)
12JRRC001	RC	419,784.4	7,440,600.8	631.5	151.0	75.0	132.0	57.0	B	1.9	0.26%	2.3
12JRRC002	RC	419,758.9	7,440,617.3	645.3	174.0	87.0	93.0	6.0	B	0.8	0.39%	1.4
12JRRC002	RC	419,735.1	7,440,623.7	609.5	174.0	132.0	135.0	3.0	A	0.0	0.62%	1.0
12JRRC003	RC	419,783.0	7,440,612.8	646.2	168.0	85.0	87.0	2.0	B	0.4	0.17%	0.7
and	RC	419,770.1	7,440,616.3	624.5		106.0	117.0	11.0	B	0.8	0.10%	1.0
12JRRC004	RC	419,777.9	7,440,586.4	646.4	150.0	57.0	117.0	60.0	B	2.3	0.38%	3.0
12JRRC005	RC	419,790.8	7,440,630.2	658.6	150.0	70.0	74.0	4.0	B	3.5	0.04%	3.6
and	RC	419,774.3	7,440,634.6	634.6		89.0	114.0	25.0	B	0.5	0.27%	1.0
12JRRC006	RC	419,778.4	7,440,569.7	661.2	150.0	47.0	98.0	51.0	B	0.3	0.55%	1.2
12JRRC007	RC	419,789.5	7,440,550.2	684.8	150.0	41.0	48.0	7.0	B	0.1	1.00%	1.7
12JRRC007	RC	419,775.6	7,440,553.9	664.4	150.0	66.0	73.0	7.0	B	0.1	0.42%	0.8
and	RC	419,763.6	7,440,557.1	646.8		86.0	96.0	10.0	B	0.2	0.58%	1.1
12JRRC008	RC	419,773.9	7,440,650.4	632.3	150.0	94.0	115.0	21.0	B	0.9	0.41%	1.6
12JRRC009EXT	RC	419,825.0	7,440,567.1	614.5	186.8	88.0	125.0	37.0	B	0.6	0.39%	1.2
and	RC	419,825.0	7,440,567.1	584.5		134.0	139.0	5.0	B	0.6	0.29%	1.0
12JRRC010	RC	419,744.2	7,440,586.8	621.1	163.0	103.0	138.0	35.0	A	1.0	0.30%	1.5
12JRRC011	RC	419,804.8	7,440,613.4	632.1	181.0	102.0	105.7	3.7	B	0.0	0.13%	0.2
and	RC	419,787.0	7,440,630.0	598.9		122.0	168.0	46.0	B	0.8	0.31%	1.3
12JRRC012	RC	419,811.9	7,440,633.4	602.8	191.0	135.0	138.0	3.0	B	0.4	0.33%	0.9
and	RC	419,793.8	7,440,649.1	571.4		161.0	191.0	30.0	B	0.9	0.19%	1.2
12JRRC014	RC	419,816.4	7,440,662.0	544.9	217.0	189.0	211.0	22.0	B	0.6	0.30%	1.1
12JRRC015	RC	419,822.0	7,440,610.6	619.4	181.0	106.0	108.0	2.0	B	0.1	0.54%	1.0
and	RC	419,815.1	7,440,603.5	600.8		116.0	140.0	24.0	B	1.1	1.14%	3.0
12JRRC016	RC	419,800.2	7,440,625.2	588.9	187.0	144.0	167.0	23.0	B	0.9	0.62%	1.9
12JRRC017	RC	419,812.9	7,440,606.2	627.1	211.0	115.0	126.0	11.0	B	0.6	0.54%	1.5
and	RC	419,811.1	7,440,596.9	617.2		126.5	142.0	15.5	B	0.6	0.98%	2.2
and	RC	419,807.2	7,440,575.8	595.2		164.0	166.0	2.0	B	0.2	0.39%	0.8
13JRRCD036	RCD	419,839.3	7,440,658.1	532.4	272.2	217.7	220.0	2.3	B	0.9	0.26%	1.3
13JRRCD040	RCD	419,784.8	7,440,593.1	640.9	138.2	61.0	123.0	62.0	B	2.0	0.38%	2.7
E058/002	Diamond	419,785.8	7,440,599.5	630.2	126.5	76.0	126.0	50.0	B	0.9	0.21%	1.3
E058/003	Diamond	419,780.5	7,440,542.0	693.7	113.5	29.0	43.0	14.0	B	0.8	0.79%	2.1
and	Diamond	419,772.9	7,440,537.6	678.5		52.0	55.0	3.0	B	0.1	0.35%	0.7
and	Diamond	419,762.6	7,440,531.7	657.1		75.0	81.0	6.0	B	0.2	0.37%	0.8
E058/005	Diamond	419,826.2	7,440,633.9	568.9	208.2	139.0	171.0	32.0	B	0.7	0.41%	1.4
GEOPEKO DDH1	Diamond	419,756.9	7,440,619.9	661.0	141.1	62.9	79.9	17.0	B	0.5	0.26%	0.9
JR04	Percussion	419,723.1	7,440,535.1	709.2	40.0	21.0	27.0	6.0	B	0.1	0.32%	0.6
JR05	Percussion	419,732.2	7,440,554.5	718.7	30.0	5.0	21.0	16.0	B	0.9	0.82%	2.3
JR13	Percussion	419,757.1	7,440,544.2	720.3	40.0	4.0	18.0	14.0	B	0.7	0.51%	1.5
JR14	Percussion	419,758.7	7,440,528.2	719.7	40.0	0.0	23.0	23.0	B	0.3	0.51%	1.2
and	Percussion	419,747.2	7,440,527.2	699.8		33.0	36.0	3.0	B	0.1	0.26%	0.6
JR15	Percussion	419,753.8	7,440,507.2	714.8	40.0	15.0	18.0	3.0	B	0.0	0.41%	0.7

Criteria	JORC Code explanation	Commentary
Data aggregation methods	*grades) and cut-off grades are usually Material and should be stated.*	Drill samples intervals have assumed a grade cut-off of 0.5 g/t gold equivalent.
	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.	No information is available however since most of the drilling is by non-diamond core methods such as RC and AC, this is not considered to be a material outcome.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Metal equivalents have been calculated using the following assumptions: A gold price of AUD$1600/oz and a copper price of AUD$8460/t. The equation is as follows: $Gold\ Equivalent = gold\ (ppm) + \frac{coper(ppm)}{6077}$
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *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').*	There is no known relationship between mineralisation width and intercept length and therefore down hole lengths are reported. Further information is required before the geometry of the mineralisation is understood to a point where true widths can be reported.
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.*	Diagrams are shown in Figures 1.2, 13.1 and 13.2. Other miscellaneous diagrams are throughout the report.
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.*	The reporting of drill samples, soils samples and rock chips is considered balanced.
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.*	Independent consulting metallurgists have reported ore to be soft with a low grinding index and have high metallurgical recoveries for conventional CIP processing. Metallurgical evaluation for leaching has been investigated by Ore Test Pty Ltd for the mottled and saprolite zones returning a recovery ranging between 75% and 98% by agglomerating the ore.
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).*	There is great potential to extend known mineralisation along strike and down-dip of current known zones of mineralisation. It is also reasonable to assume that further work on the current data and future additional drilling will result in a maiden Mineral Resource Estimation for the Johnnies Reward Prospect.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Exploration targets are described in section 16 of the report are shown in Figures 16.1 to 16.5

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Conarco also concluded that there were no major issues with the integrity of the database with checks being made between the original assays and the input values.
	Data validation procedures used.	Conarco is unsure of the procedures used at the time of colection, but is aware that Davenport has appointed a database manager for future use.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.*	John Collier from Conarco visited the site in 2016 as part of the independent expert report for the IPO at the time. At the time, the collars of the drillholes were not rehabilitated so could be verified by hand held GPS. Core held at the Alice Springs facility was also verified. Another visit was conducted in 2017 as part of a reconnaissance sampling programme.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	There is strong confidence in the geological interpretation. This is based on the relatively close spaced drill holes which exhibit continuity of structure as well as grade.
	Nature of the data used and of any assumptions made.	Geological mapping and drilling have confirmed clear geological structure resulting in generally continuous, robust wireframes.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The mineralised wireframes have been created using a metal equivalent value as there appears to be a strong correlation between gold and copper mineralisation. It is possible that these mineralising events could be separate, therefore warranting separate domains for each metal.
	The use of geology in guiding and controlling Mineral Resource estimation.	The use of geological information obtained from drill core and RC logging was paramount to the creation of ore domains.
	The factors affecting continuity both of grade and geology.	There are no known factors affecting the continuity of grade however the geology appears to be constrained by a magnetic pyroxenite. This appears to be a regional lithological unit with the reason of mineralisation yet to be identified.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	The Johnnies Reward prospect is 200 m long in a north-east direction and extends 100 m down-dip with the southern part of the mineralisation outcropping and forming a gossan. There is moderate northerly plunge. The true width of the deposit is up to 60 m.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	The deposit mineralisation was constrained by wireframes constructed using a 0.5 g/t AuEq cut-off grade. The wireframes were applied as hard boundaries in the estimate. Statistical and geostatistical analysis was carried out on data from 2 lodes (A and B). The results for each lode were combined to produce robust variograms. A top-cut of 15 g/t were applied to the gold and gold equivalent data as determined from the statistical analysis. Ordinary Kriging was used to estimate average block grades in 3 passes using Vulcan software.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	No previous modern mining has taken place and so production data is unavailable.

Criteria	JORC Code explanation	Commentary
	The assumptions made regarding recovery of by-products.	The recovery of other by-products were not considered.
	Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).	Deleterious elements were not considered to be in high enough concentrations to warrant estimating.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Parent block size of 10 m (E) X 10 m (N) X 10 m (RL) (E) with subcells of 1 m by 1 m by 1 m. The parent block size was selected on the basis of 50% of the average drill hole spacing as well as a kriging neighbourhood analysis which assists the determination of the optimum block size by the best analysing kriging efficiencies, slope of regression and negative kriging weights. Validation was conducted on the entire deposit).
	Any assumptions behind modelling of selective mining units.	No assumptions have been made of selective mining units
	Any assumptions about correlation between variables.	No assumptions have been made about correlation between variables.
	Description of how the geological interpretation was used to control the resource estimates.	The geological interpretation correlated the mineralisation with the structural domains. These domains were then used as hard boundaries for geostatistical analysis, variography and grade estimation.
	Discussion of basis for using or not using grade cutting or capping.	Statistical analysis showed that the gold and gold equivalent had moderate coefficient of variation and that outlier values were present. Therefore, top cutting of grades was required at 15 g/t gold which removed one sample for the gold data and two samples from the gold equivalent data. The statistics are listed in Table 14.2.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Validation plots for gold, copper and gold equivalent showed good correlation between the composite grades and the block model grades (see Figures 14.5 – 14.7).
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages and grades were estimated on a dry in situ basis. No moisture values were reviewed.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The Mineral Resource has been reported at a 0 g/t Au cut-off based on assumptions about economic cut-off grades and geological continuity. Since the mineralised domains were created using a nominal 0.5 g/t AuEq grade, there were minimal tonnes (6600t) below this grade.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Conarco has assumed that the deposit would be mined using the modern mechanised open pit technique. No minimum mining width has been assumed since the deposit has been classified as an Inferred Resource. If further drilling of the deposits is likely to upgrade the classification of the Mineral Resource then a minimum mining width might be assumed, or the use of a regularised block model for engineering purposes.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Metallurgical factors or assumptions</td><td>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</td><td>No major assumptions regarding metallurgical assumptions have been made however the results of the test work are outlined in Section 11 of the report.</td></tr>
<tr><td>Environmental factors or assumptions</td><td>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</td><td>No assumption has been made.</td></tr>
<tr><td rowspan="3">Bulk density</td><td>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</td><td>Density measurements are available for hole E08/002 where 84 measurements were taken through the main mineralised zone however there is no information available as to the type of technique used. It was decided that the median value best represents the overall data due to some outlier higher values
<table>
<tr><th>Zone</th><th>Samples</th><th>Minimum</th><th>Maximum</th><th>Mean</th><th>Median</th><th>Assigned SG</th></tr>
<tr><td>waste</td><td>34</td><td>2.6</td><td>3.7</td><td>2.9</td><td>2.9</td><td>2.9</td></tr>
<tr><td>Mineralised</td><td>50</td><td>2.9</td><td>4.1</td><td>3.3</td><td>3.2</td><td>3.2</td></tr>
</table></td></tr>
<tr><td>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</td><td>This data is not available and was considered when assigning the Mineral Resource classification.</td></tr>
<tr><td>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</td><td>See above.</td></tr>
<tr><td>Classification</td><td>The basis for the classification of the Mineral Resources into varying confidence categories.</td><td>Due to incomplete data mentioned above, the entire Johnnies Reward mineralisation has been assigned an Inferred Resource.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	As above
	Whether the result appropriately reflects the Competent Person's view of the deposit.	This result appropriately reflects the Competent Person's view.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	Internal audits have not been completed.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.*	The level of relative accuracy is reflected in the appropriate sub-division of Measured, Indicated and Inferred Resources as outlined in the JORC code 2012.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	This statement relates to global estimated tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	No production data is available.