

LOZA RADAR AUSTRALIA

INTELLIGENT EXPLORATION

MOROAK JV PROJECT

PRELIMINARY GROUND PENETRATING RADAR SURVEY

Profile and Interpretation Report

Submitted to: Tom Reddicliffe (Kalyan Resources)

Survey Summary

Project Location: Moroak JV ; Flying Fox Station., Northern Territory

Client: Kalyan Resources Pty Limited

Survey Date: 20th August 2016

Number of lines: 4 x total of 1920 m

Survey Team: Derek Reeves (Loza Radar Australia)
Leonid Krynytskyi (Loza Radar)
John Wills (Representing the Client)

Description:

Loza Radar Australia were contracted to survey up to 5 lines that covered 3 x EM targets developed by the client to assist the client in determining drill targets. Loza Radar Australia agreed to schedule the survey into an existing work schedule that only allowed a single day in the project area.

4 of the 5 lines were completed and the following pages represent the processed and interpreted radar profiles.

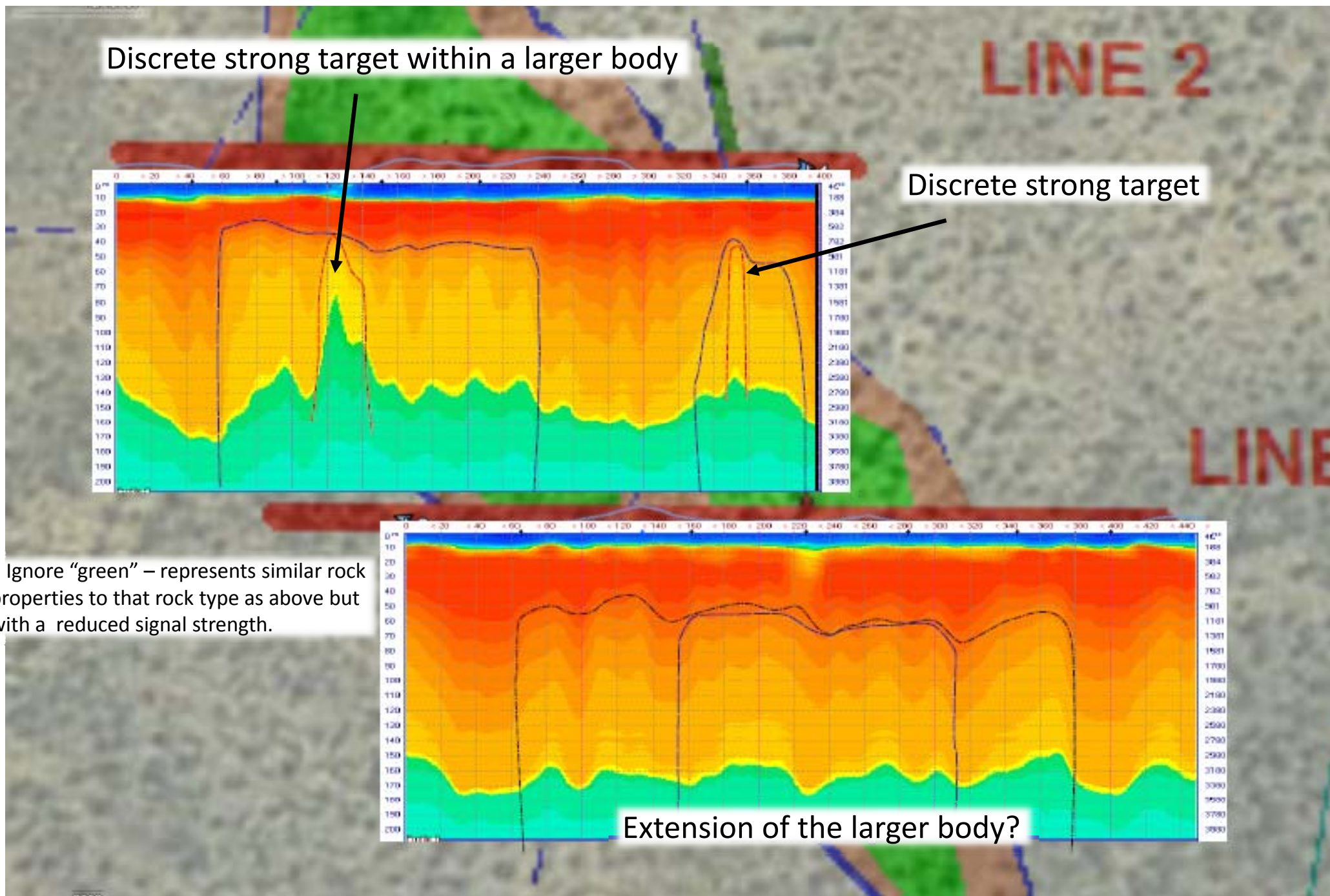
Line 1 and 2 profiles

Discrete strong target within a larger body

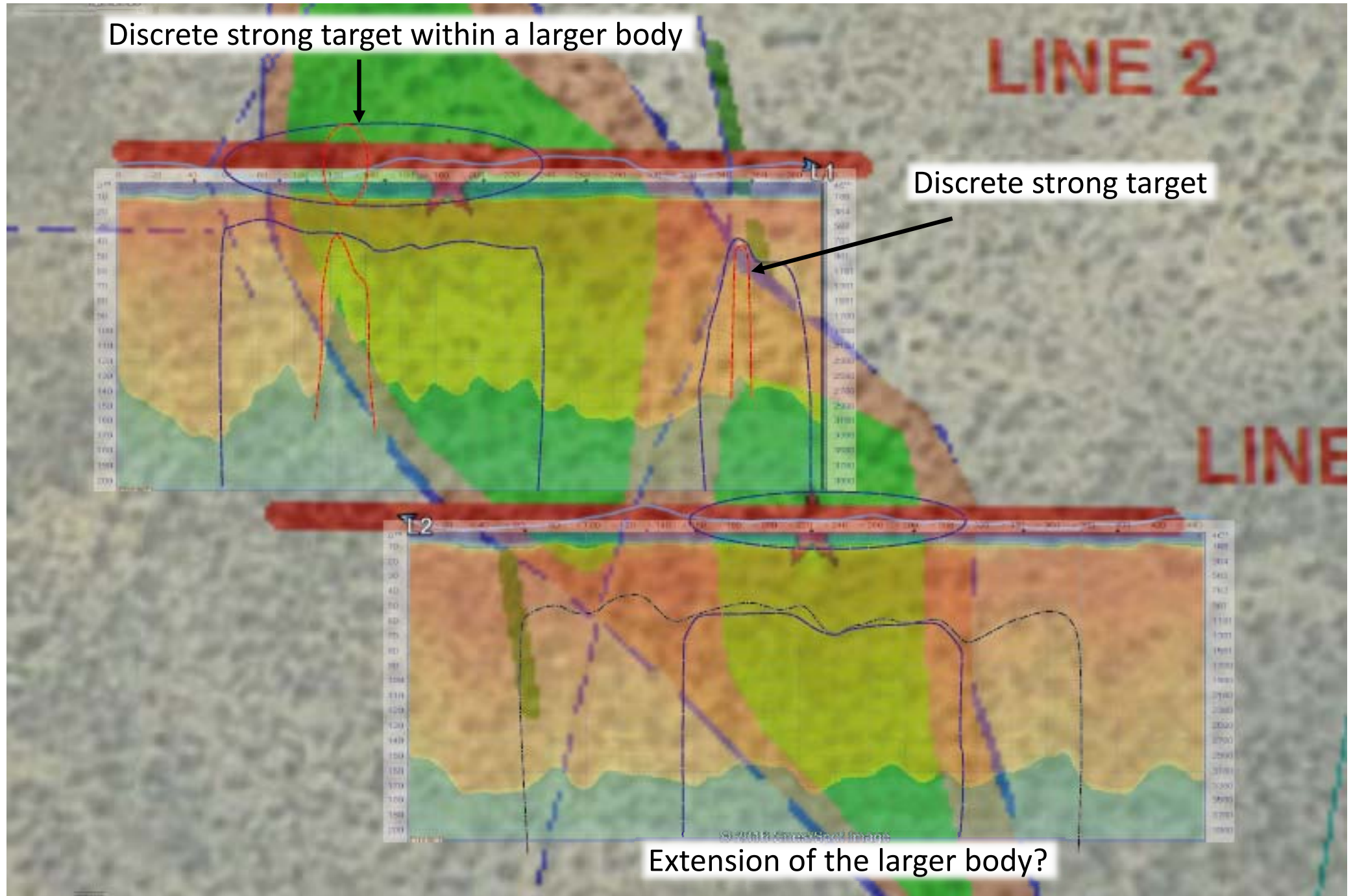
Discrete strong target

* Ignore "green" – represents similar rock properties to that rock type as above but with a reduced signal strength.

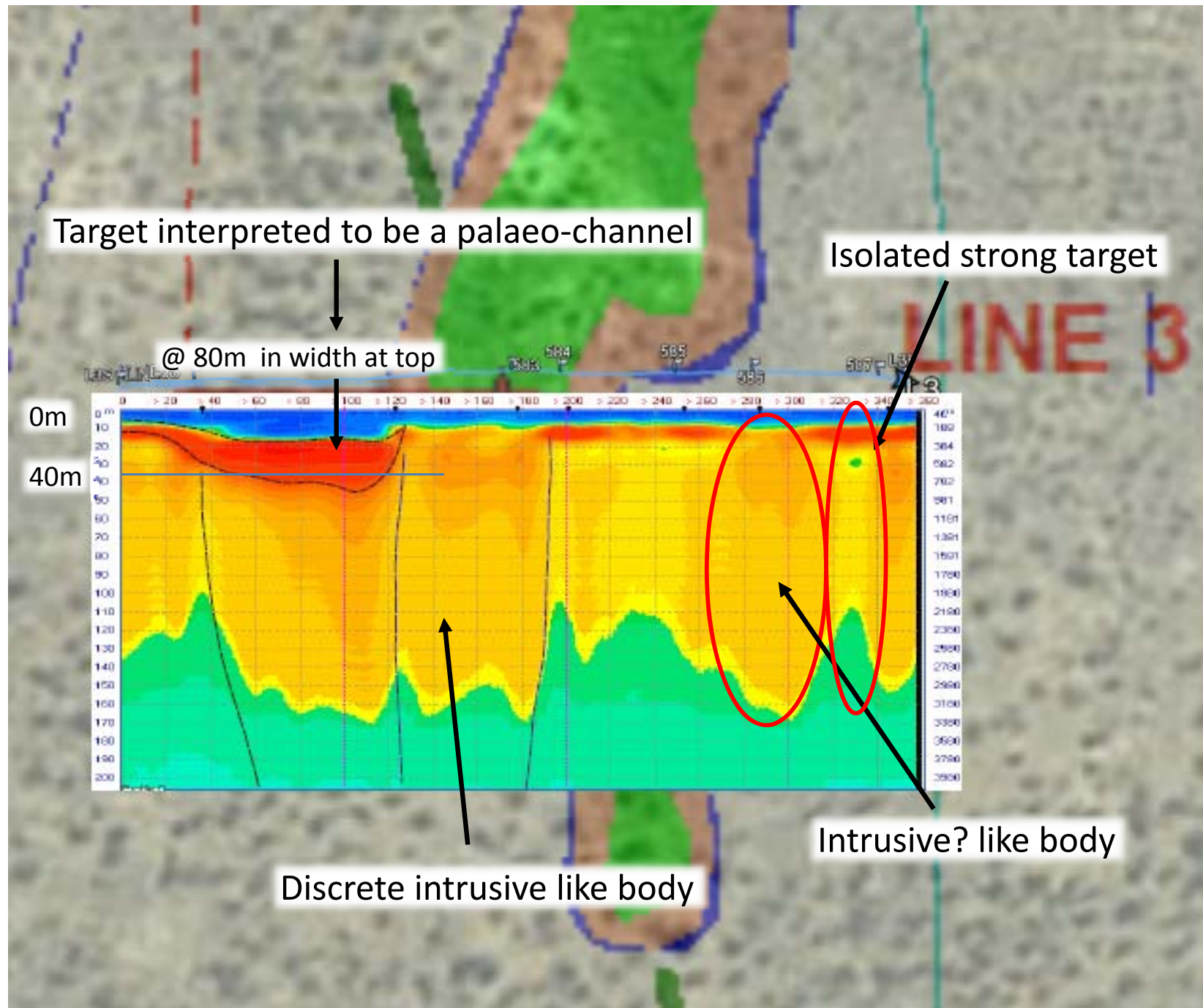
Extension of the larger body?



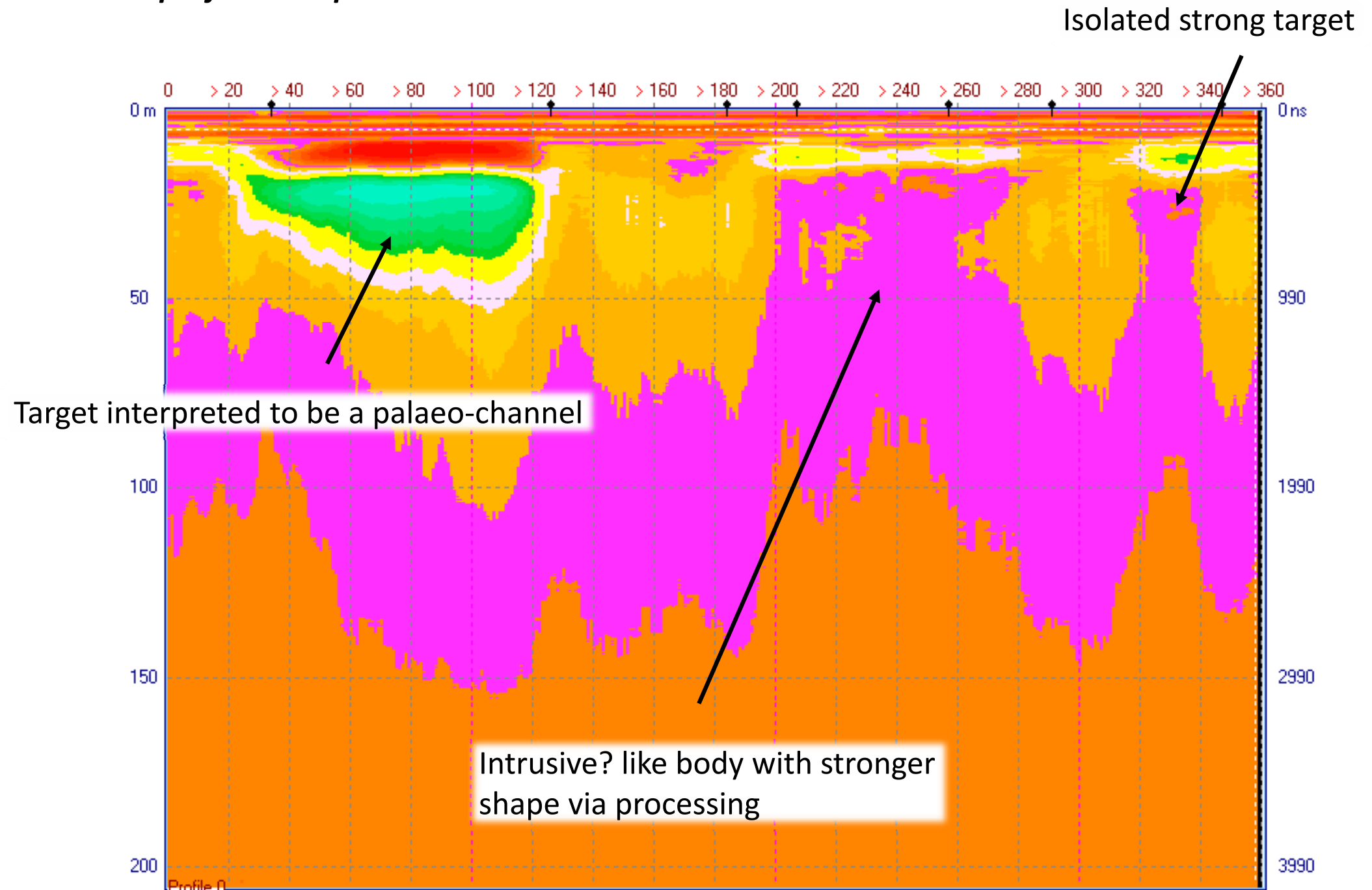
Line 1 and 2 profiles in relationship to existing EM targets



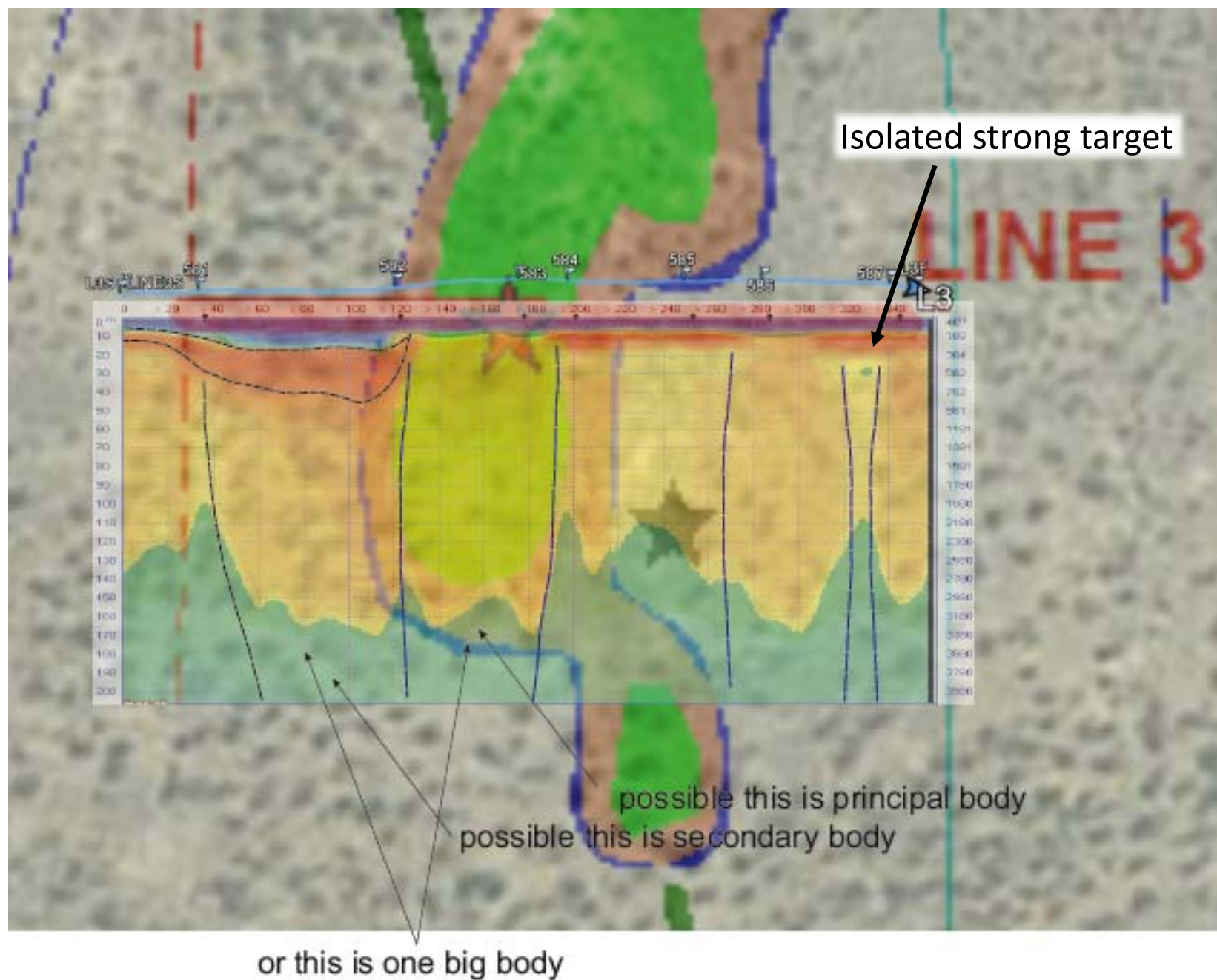
Line 3 profile: Interpretation A



Line 3 profile: Interpretation B

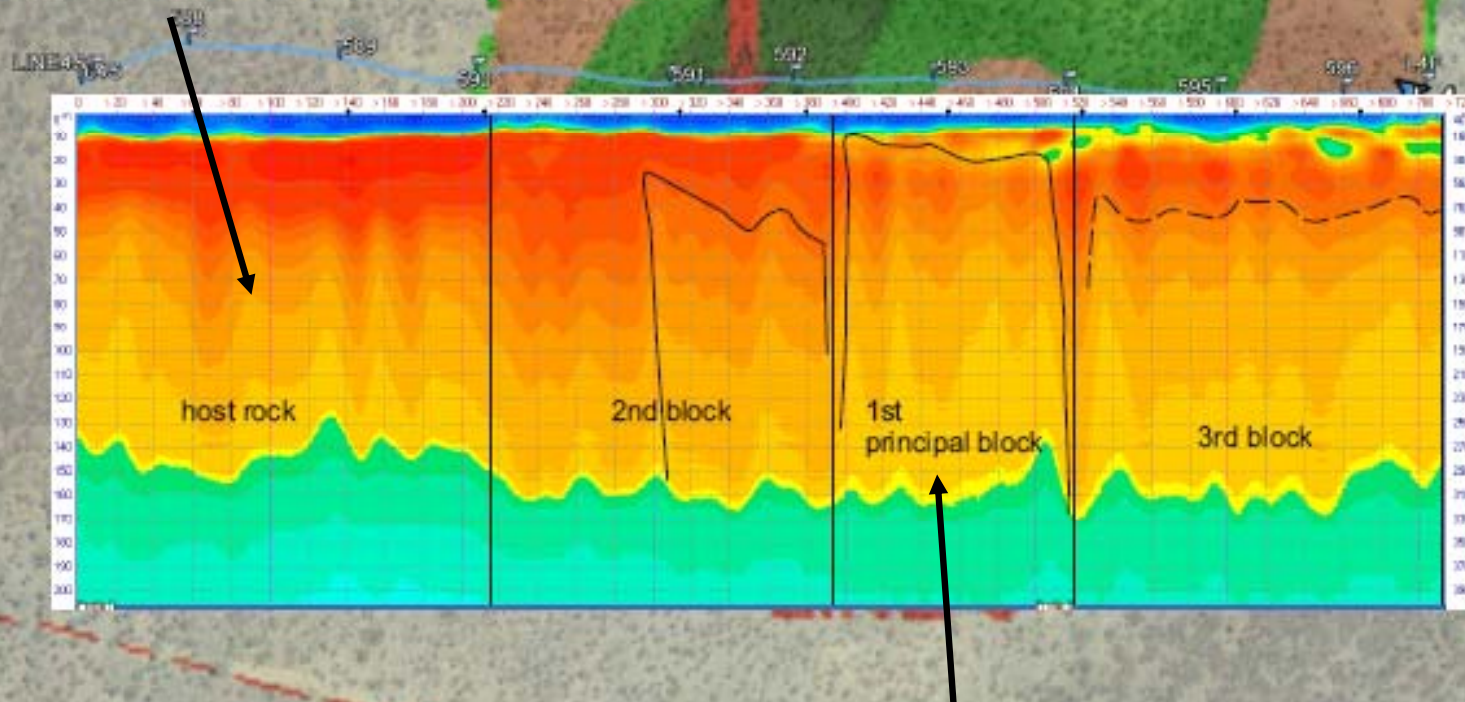


Line 3 profiles in relationship to existing EM targets with overall interpretation



Line 4 profile: Interpretation

Rock type exhibiting properties to that of sedimentary.



Strong central zone of intrusive nature surrounded by rock of similar properties but not as "crystalline?"

Comments and Recommendations

The surveyed lines were positioned by the client to obtain data to compare with the mapped EM data where the radar lines are to be considered to be reconnaissance lines rather than lines designed to map a known target. As such the selected line orientation reflected the perceived EM target rather than a sub-surface intrusion meaning the actual acquired radar data has not necessarily had the correct orientation.

Sufficient data was obtained to allow definition of sub-surface targets that may or may not be Kimberlite in nature but are of an intrusive rock type as delineated in the profile interpretation. Whether these bodies are of pipe or dyke definition cannot be determined without additional survey lines. In particular, the EM anomaly that Line 4 crossed should have a line oriented at 45 degree to the completed line 4 to provide a preferred orientation.

It is recommended that if drilling is undertaken that angled holes are drilled so as to intersect both the smaller interpreted targets as well as the larger targets. The anomaly identified on line 3 with signature properties of a palaeo-channel should be checked as the size and location could have regional as well as local importance for possible diamond bearing gravel.

Loza Radar Australia can assist in recommended drilling locations should the client decided to move into the drill stage. If a successful drill programme results in a confirmed Kimberlite on the radar generated targets, additional radar lines can be acquired to generate a model of the target.

While the information herein is collected and compiled with care, Loza Radar cannot guarantee the accuracy of the Information due to a lack of field data (historical such as drill holes) to calibrate the acquired data. The client agrees not to rely on the information of this report for any legal, accounting, investment, business or financial purposes. This information is provided with the express condition that no liability shall be incurred by Loza Radar as a result of any errors or omissions herein or any use or reliance upon this information.