

14 October 2020

## KALKAROO DRILLING AND STATUS UPDATE

### HIGHLIGHTS

- The Kalkaroo fault intersection zone is confirmed as a high priority exploration target for additional copper-gold resources based on further copper and gold mineralisation intersections in two recent reverse circulation drillholes, including **10 metres of 1.52 g/t gold**.
- Evaluation of the feasibility of the West Kalkaroo gold-only starter open pit continues with mining process engineering firm, Mincore Pty Ltd, contracted to undertake ore processing definition studies.
- Work on the Program for Environment Protection and Rehabilitation (**PEPR**) document progressed, with various consultants' studies completed or in progress.
- Detailed magnetotelluric (**MT**) survey soon to commence over the Kalkaroo orebody in collaboration with the University of Adelaide.
- The Kalkaroo JORC Mineral Resource and Ore Reserve parameters underpin Havilah's status as having one of the highest potential leverages to copper and gold in comparison to its ASX peers.
- Kalkaroo has an open pit JORC Ore Reserve of 100.1 million tonnes (90% Proved) at a CuEq grade of 0.89% based on near current spot copper and gold prices, making it one of the largest undeveloped open pit copper-gold deposits in Australia.

**Havilah Resources Limited (Havilah or Company)** is pleased to report recent reverse circulation (**RC**) drilling results from the last two holes drilled into the fault intersection zone that lies to the east of the planned Stage 3 starter open pit at West Kalkaroo. This area is considered favourable for vein and breccia style copper-gold mineralisation due to greater fracturing intensity caused by the combined fault dislocations (Figure 1).

The east-northeast fault zone (or main Kalkaroo fault) was intersected in drillholes KKRC0585 and KKRC0586 and is marked by a near vertical, 20 metre wide, well mineralised quartz-breccia.

Significant drill intercepts returned from the fault zone, and lying mostly outside of the current Kalkaroo JORC resource envelope, include:

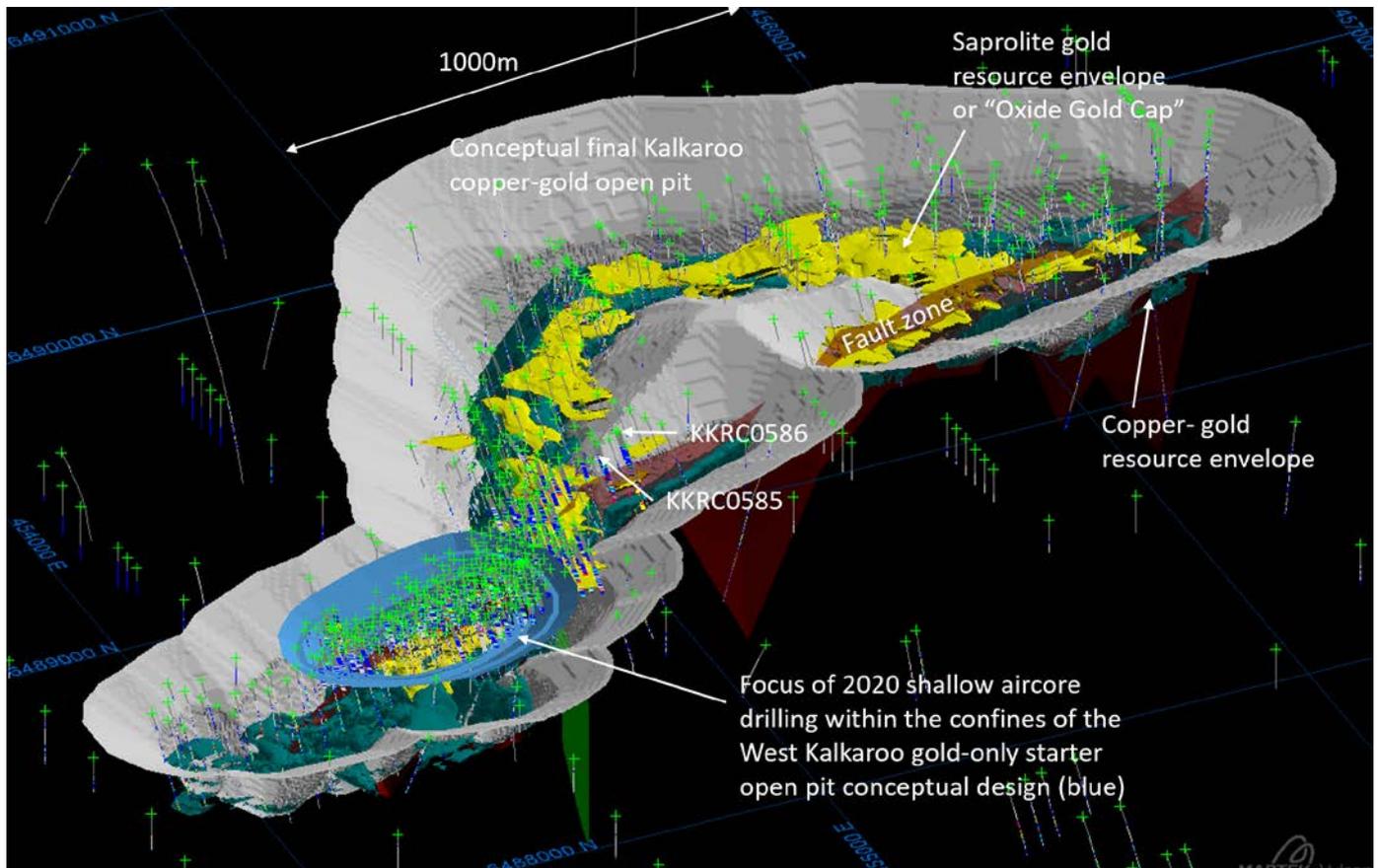
**KKRC0585:** 25 metres of 0.85 g/t gold from 112-137 metres and 16 metres of 0.22% copper from 128-144 metres (end of hole).

**KKRC0586:** 10 metres of 1.52 g/t gold from 112-122 metres.  
27 metres of 0.30% copper from 122-149 metres.  
34 metres of 0.26 g/t gold 122-156 metres.

The following geological observations are also of note:

1. Lanthanum (La), which is a good proxy for other rare earth elements (**REE**) at Kalkaroo is notably elevated, with values up to 1,050 ppm. The La mineralisation is highest within or near the best copper-gold mineralised zones. A more precise REE analytical method is required to properly quantify the actual REE spectrum (note that ppm = parts per million and 1 ppm = 1 g/t).
2. The rare and critical high value elements scandium (Sc) and gallium (Ga) are also elevated in the copper-gold mineralised zones with values up to 40 ppm and 90 ppm respectively. Again, more precise analyses are required to better understand the distribution of these elements.

3. In the deeper, less oxidised parts of both drillholes, gangue mineral assemblages dominated by biotite and magnetite are common, indicative of relatively high temperature potassic alteration (potassium-rich biotite) and iron metasomatism (iron oxide - magnetite) typical of the primary sulphide mineralisation at Kalkaroo.



**Figure 1** Location of RC drillholes on the major east-northeast fault zone several hundred metres east of the planned Stage 3 starter open pit (blue).

Havilah has recently contracted Mincore Pty Ltd, a Melbourne-based mining process engineering firm, to undertake a preliminary review and assessment to develop the process and flowsheet, and equipment selection for the West Kalkaroo gold processing plant. This study will consider the technical, commercial, economic and social issues in the development of the business plan, which includes size of plant, flowsheet options and additional testwork to eliminate options. The objective is to allow capex/opex estimates over a range of throughputs to an AusIMM Class 4 cost estimate with a  $\pm 35\%$  level of accuracy. These inputs will be applied in a financial model to determine the likely returns from the West Kalkaroo gold-only starter open pit.

In parallel, Havilah is also working on the completion of a PEPR document that is required to secure mine operating approvals from the Department for Energy and Mining. This requires detailed documentation of the social and environmental impacts of the proposed mining operation, risk mitigation strategies and mine closure plans.

Planning is well advanced for commencement during November 2020 of a detailed MT orientation survey over the Kalkaroo orebody and immediate surrounds, to be conducted by the University of Adelaide and 50% funded by the Accelerated Discovery Initiative ([refer to ASX announcement of 26 June 2020](#)). The objective is to determine whether the mineralised Kalkaroo fault zone is detectable as a major deep-seated conductive zone, and if so, whether other such conductive and potentially mineralised fault zones exist in the Kalkaroo area.

**Commenting on recent activities at Kalkaroo, Havilah’s Technical Director, Dr Chris Giles, said:**

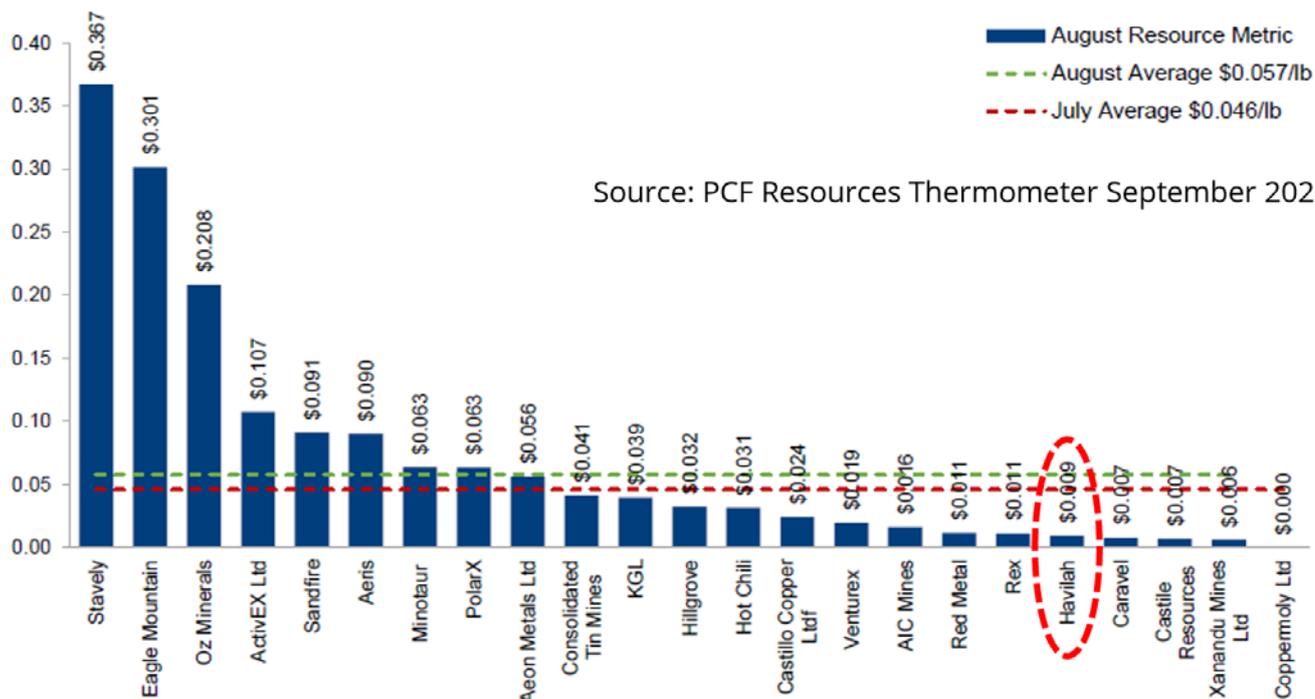
“The RC drilling results, combined with earlier drilling results, continue to indicate a wide zone of gold-copper mineralisation in the fault intersection area mostly outside of the current JORC resource envelope, with substantial scope to materially increase resource tonnages in this part of the Kalkaroo deposit.

“We are working on a number of other tasks in parallel, all designed to help us advance the West Kalkaroo gold-only starter open pit towards development, if feasible” he said.

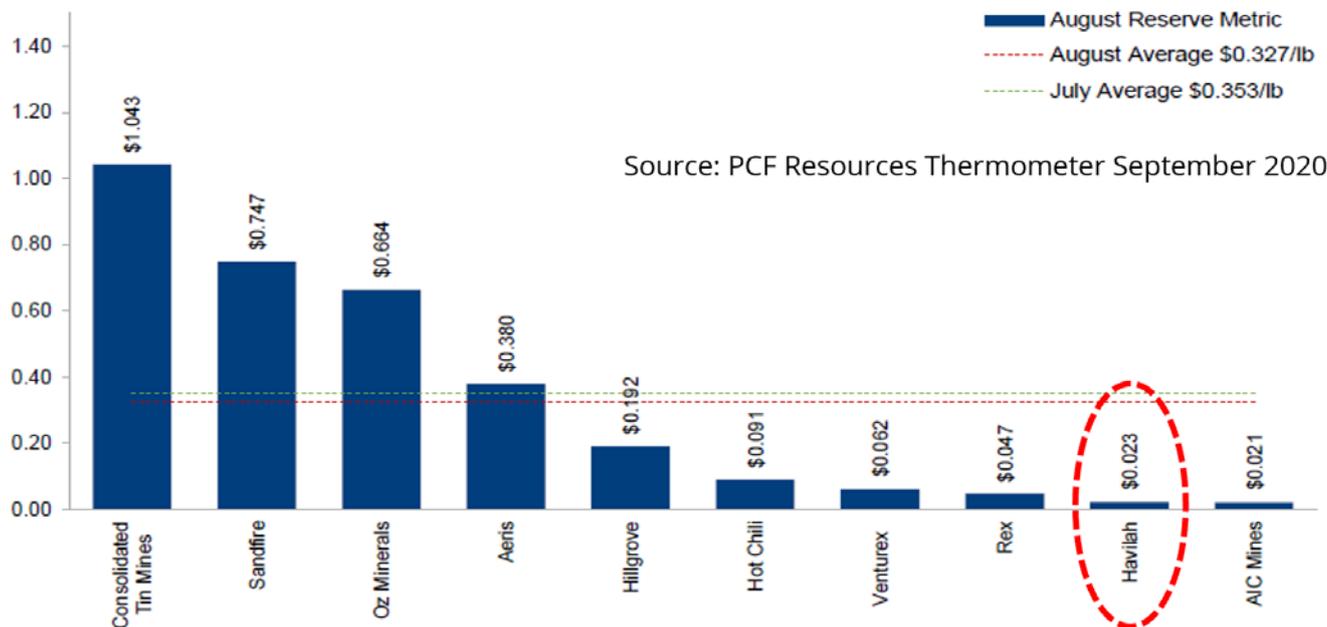
**Havilah compared to its copper and gold Australian Securities Exchange (ASX) peers**

Havilah has **one of the highest potential leverages to copper and gold in comparison to its ASX peers**, based on the ratio of Havilah’s enterprise value (EV) to its copper equivalent (CuEq) JORC Mineral Resources and Ore Reserves. The two charts below were published in PCF Capital’s Resources Thermometer for September 2020 research document, as reproduced with the permission of PCF Capital.

**ASX EV / Resource (A\$/lb CuEq)**



## ASX EV / Reserve (A\$/lb CuEq)



### About the Kalkaroo copper-gold-cobalt deposit

Havilah's 100% owned Kalkaroo copper-gold-cobalt deposit contains JORC Mineral Resources of 1.1 million tonnes of copper, 3.1 million ounces of gold and 23,200 tonnes of cobalt. It has an open pit JORC Ore Reserve of 100.1 million tonnes at a 0.89% CuEq\* of which 90% is in the Proved category (refer to JORC tables in half-year ended 31 January 2020 Interim Financial Report in [ASX announcement of 14 April 2020](#)). As such, Kalkaroo is one of the largest undeveloped open pit copper-gold deposits in Australia on a CuEq Ore Reserve basis.

Applying the 25% rise in the long-term forecast US\$ gold price, it is apparent that the Kalkaroo project NPV<sub>7.5%</sub> has approximately doubled ([refer to ASX announcement of 29 July 2020](#)). At the same time Havilah has considerably de-risked the project by securing ownership of the land and the required mining leases (and a Native Title Mining Agreement) over the Kalkaroo deposit.

Given the increased gold price, Havilah is presently evaluating the feasibility of developing the gold-only starter open pit at West Kalkaroo, that would initially target shallower oxidised gold resources. Resource infill drilling at 25 metre x 25 metre spacing completed this year within the planned open pit shell has delivered a high degree of confidence in the shallow gold resource.

Directors consider this gold-only, lower capital expenditure strategy is more likely to attract financing for West Kalkaroo and could in turn enhance the future development prospects of the much larger Kalkaroo copper-gold sulphide mining project. This approach has a high degree of optionality as the Kalkaroo project sulphide copper production could be initiated at any time after completion of the West Kalkaroo Stage 3 open pit, subject only to sufficient capital being available.

Accordingly, Havilah's technical personnel are currently focused on advancing the final Kalkaroo environmental approvals along with obtaining capex and opex estimates for the gold-only starter open pit. Havilah has a good understanding of the mining, geotechnical and materials handling aspects of the oxidised overburden and ore based on its earlier Portia gold mining experience.

Low sovereign risk, advanced, large scale open pit copper-gold development opportunities like Kalkaroo, with associated land ownership, are rare at a time when renewable energy and electric vehicles are adding to the demand for copper and cobalt and with copper breaching US\$3 a pound and gold around US\$1,900 an ounce.

South Australia's low sovereign risk, mining friendly government and enforcement of high ESG (environmental, social and governance) standards makes the Kalkaroo copper-gold project a potentially more attractive mining investment proposition compared to many offshore copper-gold-cobalt projects. This has been brought more sharply into focus by the COVID-19 pandemic, which has forced the suspension of many offshore projects in higher risk locations.

This release has been authorised on behalf of the Havilah Resources Limited Board by Mr Simon Gray.

For further information visit [www.havilah-resources.com.au](http://www.havilah-resources.com.au)

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#### **Cautionary Statement**

This announcement contains certain statements which may constitute 'forward-looking statements'. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. Given the ongoing uncertainty relating to the duration and extent of the global COVID-19 pandemic, and the impact it may have on the demand and price for commodities (including gold), on our suppliers and workforce, and on global financial markets, the Company continues to face uncertainties that may impact its operating and financing activities.

#### **Competent Person's Statements**

The information in this announcement that relates to Exploration Targets, Exploration Results, JORC Mineral Resources and Ore Reserves is based on data and information compiled by geologist Dr Chris Giles, a Competent Person who is a member of The Australian Institute of Geoscientists. Dr Giles is Technical Director of the Company, a full-time employee and is a substantial shareholder. Dr Giles has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Giles consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Except where explicitly stated, this announcement contains references to prior exploration results all of which have been cross-referenced to previous ASX announcements made by Havilah. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant ASX announcements.

\* **CuEq calculation** is based on the following formula:  $CuEq = \text{copper (Cu) ore reserve grade} + (\text{value 1 g/t gold (Au)} / \text{value of 1\% Cu} \times \text{Au ore reserve grade})$ . Assumptions: gold price US\$1,900/oz, copper price US\$6,500/tonne, overall metallurgical recoveries for gold and copper are the same based on the Kalkaroo pre-feasibility study (PFS), ore metal grades are from published Kalkaroo JORC Ore Reserve table. It is considered that both copper and gold are recoverable and saleable, given the calculations are based on published Ore Reserves derived from a PFS.

## Appendix 1

Sections 1 and 2 below provide a description of the sampling and assaying techniques in accordance with Table 1 of The Australasian Code for Reporting of Exploration Results.

### Details for drillholes cited in the text

Hole Number	Easting m	Northing m	RL m	Grid azimuth	Dip degrees	EOH depth metres
KKRC0585	455041	6489135	119	163	-60	144
KKRC0586	455093	6489145	119	163	-60	162
Datum: AGD66 Zone 54						

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Sample data was derived from Havilah reverse circulation (RC) drillholes as documented in the table above.</li> <li>RC assay samples averaging 2-3kg were riffle split at 1 metre intervals. A very small number of samples were too moist to go through the splitter and were collected directly from the cyclone in large plastic bags and grab sampled from them using a scoop.</li> <li>All RC drill samples were collected into pre-numbered calico bags and packed into polyweave bags by Havilah staff for shipment to the assay lab in Adelaide.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>All RC holes were drilled with a 121mm face sampling bit. All samples were collected via riffle splitting directly from the cyclone. A very small number of samples were too moist to go through the splitter and were collected directly from the cyclone in large plastic bags and grab sampled from them using a scoop.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and</li> </ul>	<ul style="list-style-type: none"> <li>The sample yield and wetness of the RC samples was routinely recorded in drill logs. Very few samples were too wet to split.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>ensure representative nature of the samples.</i></p> <ul style="list-style-type: none"> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>The site geologist and Competent Person consider that overall the results are acceptable for interpretation purposes.</li> <li>No evidence of sample bias due to preferential concentration of fine or coarse material was observed. If anything, it is possible that some wet samples may have under-called the native copper assays due to loss of the heavier sample fractions.</li> <li>Sample recoveries were continuously monitored by the geologist on site and adjustments to drilling methodology were made in an effort to optimise sample recovery and quality where necessary.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>All RC samples were logged by an experienced geologist directly into a digital logging system with data uploaded directly into an Excel spreadsheet and transferred to a laptop computer.</li> <li>All RC chip sample trays and some back-up samples are stored on site at Kalkaroo.</li> <li>Logging is semi-quantitative and 100% of reported intersections have been logged.</li> <li>Logging is of a sufficiently high standard to support any subsequent interpretations, resource estimations and mining and metallurgical studies.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>RC drill chips were received directly from the drilling rig via a cyclone and were riffle split on 1 metre intervals to obtain 2-3 kg samples.</li> <li>Sampling size is considered to be appropriate for the style of mineralisation observed. Assay repeatability for gold and other metals has not proven to be an issue in the past and is checked with regular duplicates.</li> <li>All Havilah samples were collected in numbered calico bags that were sent to ALS assay lab in Adelaide.</li> <li>At ALS assay lab the samples are crushed in a jaw crusher to a nominal 6mm (method CRU-21) from which a 3kg split is obtained using a riffle splitter. The split is pulverized in an LM5 to 85% passing 75 microns (method PUL-23). These pulps are stored in paper bags.</li> <li>All samples were analysed for gold by 50g fire assay, with AAS finish using ALS method Au-AA26 and a range of other metals by ALS method ME-ICP61.</li> <li>All sample pulps are retained by Havilah so that check or other elements may be assayed using these pulps in the future.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Fire assay method Au-AA26 is a total gold analysis.</li> <li>Assay data accuracy and precision was continuously checked through submission of field and laboratory standards, blanks and repeats which were inserted at a nominal rate of approximately 1 per 25 drill samples.</li> <li>Assay data for laboratory standards and repeats for Kalkaroo were previously statistically analysed and no material issues were noted.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Checking of the new Au and Cu assays against Au and Cu assays from adjacent earlier drillholes indicated good overall correlation.</li> <li>Rigorous internal QC procedures are followed to check all assay results.</li> <li>All data entry is under control of the responsible geologist, who is responsible for data management, storage and security.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>The holes were surveyed using an electronic downhole camera in a stainless steel rod and inner tube.</li> <li>Present drillhole collar coordinates were surveyed in UTM coordinates using a differential GPS system with an x:y:z accuracy of 20cm:20cm:40cm and are quoted in AGD66 Zone 54 datum.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The RC drillholes were widely spaced to explore a faulted zone further east.</li> <li>Sample compositing was not used.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>The drillhole azimuth and dip was chosen to intersect the interpreted mineralised zones as nearly as possible to right angles and at the desired positions to maximise the value of the drilling data.</li> <li>At this stage, no material sampling bias is known to have been introduced by the drilling direction.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>RC chip samples are directly collected from the riffle splitter in numbered calico bags.</li> <li>Several calico bags are placed in each</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>polyweave bag which are then sealed with cable ties. The samples are transported to the assay lab by Havilah personnel at the end of each field stint.</p> <ul style="list-style-type: none"> <li>• There is minimal opportunity for systematic tampering with the samples as they are not out of the control of Havilah personnel until they are delivered to the assay lab.</li> <li>• This is considered to be a secure and reasonable procedure and no known instances of tampering with samples occurred during the drilling programs.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing internal auditing of sampling techniques and assay data has not revealed any material issues.</li> <li>• Robert Dennis who was formerly employed by consulting firm RPM Global Asia Limited ('RPM') visited Kalkaroo during November 2016 and found field procedures to be of acceptable industry standard.</li> <li>• Wanbao Mining and RPM completed independent re-sampling and assaying for Kalkaroo and found results to be reliable.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Security of tenure is via current mining leases over Kalkaroo, owned 100% by Havilah.</li> <li>• Exploration drilling is currently being undertaken on Kalkaroo Mining Lease ML 6498.</li> <li>• A Native Title Mining Agreement is in place for Kalkaroo. The agreement was executed between Havilah and the Ngadjuri Adnyamathanha Wilyakali Native Title Aboriginal Corporation.</li> <li>• Havilah owns the Kalkaroo Station pastoral lease on which the drilling is being conducted.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Kalkaroo was explored by a number of major mining groups in the past including Placer Pacific Limited, Newcrest Mining Limited and MIM Exploration Pty Ltd, who completed more than 45,000m of drilling in the region.</li> <li>• All previous exploration data has been integrated into Havilah's databases.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• In general the mineralisation style is stratabound replacement and vein style copper-gold mineralisation within Willyama</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>Supergroup rocks of the Curnamona Craton.</p> <ul style="list-style-type: none"> <li>• At Kalkaroo, the stratabound mineralisation is uniformly distributed along more than 3 km of strike that follows an arc around the 35 degree dipping northern nose of the Kalkaroo south dome. It is hosted by an 80m-120m thick mineralised horizon that is sandwiched between psammitic footwall rocks and a thick pelitic hangingwall sequence.</li> <li>• In part, the mineralisation is associated with near-vertical, mineralised quartz vein breccia fracture/fault fillings, which probably formed channel ways for the mineralising fluids. Interference folding resulted in dome structures which probably acted as structural traps for the rising mineralising fluids carried by these vertical structures.</li> <li>• The mineralising events were associated with iron-rich and sodium-rich alteration fronts, which are manifest as widespread fine-grained magnetite in the lower sandy formations and as pervasive albite alteration, overprinted by later potassic veining and alteration.</li> <li>• Erosion in the Mesozoic and Tertiary period exposed the region to prolonged and deep weathering. Consequently, the original sulphide mineralisation shows typical supergene enrichment features in its upper part, caused by oxidation of the primary sulphides in the weathering zone, forming a soft clay rich rock called saprolite. This is manifest in a sub-horizontal stratification of the ore minerals from top to bottom:             <ol style="list-style-type: none"> <li>1. Supergene free gold in saprolite, with generally minor copper, recoverable by gravity and cyanide leaching methods.</li> <li>2. Native copper and gold in saprolite, largely recoverable by gravity methods.</li> <li>3. Chalcocite dominant with gold, recoverable by conventional flotation.</li> <li>4. Chalcopyrite dominant with gold and locally rich molybdenum, recoverable by conventional flotation.</li> </ol> </li> </ul>
<p><b>Drill hole information</b></p>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level - elevation above sea level in metres) of the drill hole collar</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• This information is provided in the accompanying table for the relevant drillholes.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length</li> </ul> <ul style="list-style-type: none"> <li>● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>● The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>● Not applicable as not reporting mineral resources.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>● These relationships are particularly important in the reporting of Exploration Results.</li> <li>● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>● Downhole lengths are reported. Drillholes are typically oriented with the objective of intersecting mineralisation as near as possible to right angles, and hence downhole intersections in general are as near as possible to true width.</li> <li>● For the purposes of the geological interpretations and resource calculations the true widths are always used.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>● Not applicable as not reporting a mineral discovery.</li> </ul>
<b>Balanced Reporting</b>	<ul style="list-style-type: none"> <li>● Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>● Not applicable as not reporting mineral resources.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>● Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples - size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock</li> </ul>	<ul style="list-style-type: none"> <li>● Relevant geological observations are reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>characteristics; potential deleterious or contaminating substances.</i></p>	
<p><b>Further work</b></p>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Additional drilling may be carried out in the future to explore strike and depth extensions and for resource delineation.</li> </ul>