Sultan Resources Ltd
ACN: 623652 522

CORPORATE DETAILS

ASX Code: SLZ

DIRECTORS

STEVEN GROVES
MANAGING DIRECTOR

JEREMY KING
CHAIRMAN

DAVID LEES
NON-EXECUTIVE DIRECTOR

CONTACT
Suite 2, Level 1,
1 Altona Street
West Perth WA 6005
www.sultanresources.com.au

info@sultanresources.com.au

ASX ANNOUNCEMENT

26th March 2020

WORK PROGRAM WELL ADVANCED ON NEW PORPHYRY GOLD AND COPPER PROJECTS IN NSW

Highlights

- **Rock and soil sampling programs underway on porphyry gold and copper targets in NSW to vector in on drill targets**
- **Strong exploration activity for similar targets in the area by juniors and majors, with ongoing spectacular results from the nearby Boda Discovery including 96.8m @ 3.97g/t gold, 1.52% copper within a larger zone of 1,167m @ 0.55g/t gold, 0.25% copper from 75 metres depth (ALK: ASX announcement 23/03/2020)**
- **Historic results from previous explorers at Sultan's Big Hill target reveal high grade copper mineralisation at surface.**

Sultan Resources Limited (ASX: SLZ) (**Sultan** or **Company**) is pleased to update the market on exploration progress at the Big Hill and Ringaroo Porphyry Cu-Au targets from the Colossus tenement package in central NSW that is currently under acquisition by Sultan (ASX Announcement 18/03/2020). Colossus have continued to undertake exploration fieldwork across the tenements, including geological mapping, rock and soil sampling and review of historic work. The rock and soil sampling programs are nearing completion, with samples currently in preparation for laboratory analysis

Current Exploration Program

Colossus Metals have been conducting ground exploration field work across the Big Hill and Ringaroo Porphyry Cu-Au targets (EL8735) during February and March. This work has included the collection of rock chip samples and comprehensive soil sampling grids. Additional soil samples have been collected from the Tucklan prospect (EL8734).

Samples are being prepared and transported for laboratory analysis.

Colossus' geologists have also undertaken field reconnaissance and mapping exercises across the Big Hill porphyry target (EL8735) and have noted a number of encouraging geological features that indicate the potential of the area to host porphyry-related mineralisation. Of particular interest is the Big Hill Magnetic Complex (Figures 3 to 5) which is a large scale (5.0km x 2.5km), ovoid shaped, high amplitude magnetic high complex interpreted to represent a buried Late Ordovician – Early Silurian intrusive complex. Magnetite - hematite veins and epidote – carbonate – malachite veins typically hosted in feldspar porphyry are observed at surface above the magnetic high anomaly (Figures 4 & 5).

Historic workings at the prospect display outcropping secondary copper mineralisation including malachite, azurite, chrysocolla and chalcocite (Figure 4 & 5). Geological mapping by Colossus has revealed hydrothermal alteration styles consistent with Cadia/Boda style alkaline porphyry mineralisation such as phyllic and propylitic assemblages (Figure 4) and localized zones of disseminated pyrite +/- chalcopyrite. Geological reconnaissance, rock chip and soil geochemical sampling has been completed across the Big Hill target and will be dispatched to the laboratory shortly. EL8735 also contains the Rinagroo Prospect which is considered to be a high-quality porphyry Cu-Au target and lies about 3km south of Impact's Aspley porphyry target (see below). First pass soil and rock chip sampling has commenced across much of Ringaroo, this work remains ongoing.

No historic drilling has been recorded on the Big Hill or Ringaroo targets.

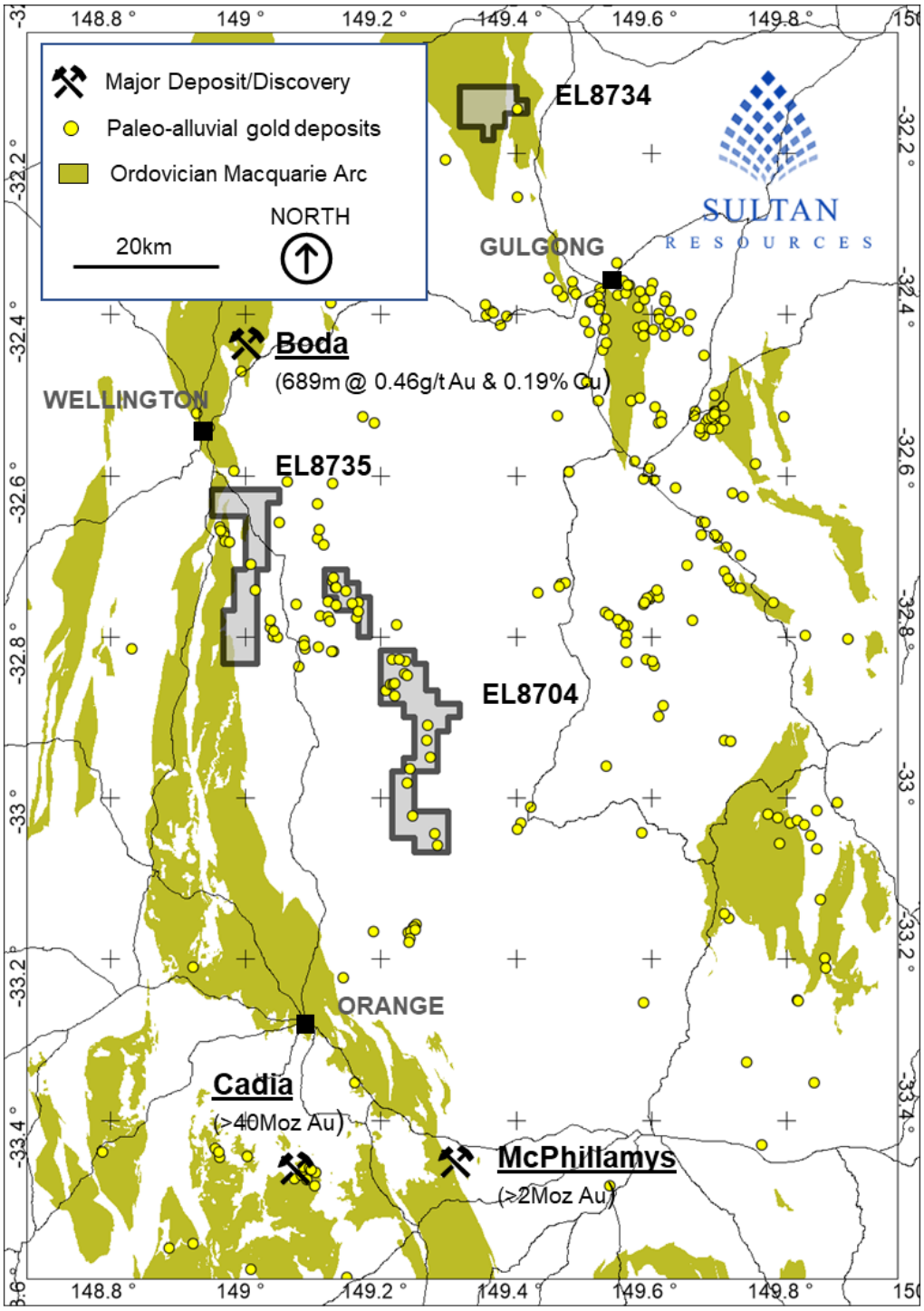

Figure 1: Location Map – Colossus Tenements over the prospective Macquarie Arc sequence

Peer Company Exploration in the Region

Exploration licence EL8735 "Star Plateau" is a 108km^2 ground holding encapsulating segments of the highly prospective Late Ordovician – Early Silurian Northern Molong Volcanic Belt which is considered prospective for porphyry Au-Cu-Mo, epithermal gold, gold-rich VMS and orogenic gold deposits. A high level of exploration activity, principally targeting porphyry Au-Cu mineralisation, is currently underway in the tenements surrounding EL8735. Recent highlights of the spate of activity by peer companies in the region include:

Alkane Resources (ASX:ALK) – The regionally significant Boda Au-Cu porphyry discovery (*see ASX Announcement 23/03/2020)* which has returned drill intersections including:

- KSDD007: 1,167m @ 0.55g/t Au, 0.25% Cu (including **96.8m @ 3.97g/t gold, 1.52% copper**)
- KSDD003: 507m @ 0.46 g/t Au, 0.20% Cu
- KSDD005: 689m @ 0.46 g/t Au, 0.19 % Cu

The Boda discovery lies approximately 25km north of the Ringaroo prospect area and 45km north of the Big Hill porphyry target in the same belt of Molong Volcanic rocks that traverse EL8735.

Magmatic Resources (ASX:MAG) – Have recently commenced diamond drilling on their Wellington North Project (*see ASX Announcement 24/03/2020)* which lies 15km and 35km and north-northwest of the Ringaroo and Big Hill targets respectively. The company are undertaking deep diamond drilling into geophysical targets at the Lady Ilse prospect where geophysics, geological mapping and historic drilling have revealed features indicative of porphyry mineralisation similar to the nearby Boda discovery by Alkane Resources.

Kincora Copper (TSXV:KCC) – Recently acquired a 65% interest in the 587km^2 Lachlan Fold Belt tenements from RareX Limited (ASX:REE) for A$1.27m (see ASX Announcement 31/01/2020). Part of the acquisition is adjacent to the west of EL8735. Kincora Copper is a TSX Venture Exchange-listed successful and well-funded exploration company who focus on porphyry Cu-Au exploration in Australia and Mongolia. They are planning to drill their targets shortly.

Impact Minerals (ASX:IPT) – Have a large tenement portfolio across the Molong Volcanic Belt. Of particular interest, is the recent identification of the Aspley porphyry target (see ASX Announcement 22/11/2019), which lies just north of Sultan's Ringaroo porphyry Cu-Au prospect within the same Ordovician volcanic rocks. Apsley is defined by an area of magnetic anomalies in Ordovician volcanic rocks with direct similarities to the Boda Kaiser area and where fresh copper sulphides bornite and chalcopyrite occur in surficial magnetic rocks. Impact have reported elevated copper to 8.1% and silver to 13.1g/t from rock samples at Aspleys (see ASX Announcement 14/01/2020).

Krakatoa Resources (ASX:KTA) – Acquired a portfolio of licences in the Lachlan Fold Belt in 2019 (see ASX Announcement 05/12/2019). The company's Belgravia Project is a porphyry Au-Cu target which lies approximately 25km south of the Big Hill target. Krakatoa recently completed a 2,358m, 128 hole aircore program and full tenement airborne magnetic survey across the Belgravia project (see ASX announcement 17/03/2020).

Majors that are active in Molong Volcanic Belt include **Freeport McMoRan**, with a ground position just to the south of the Star Plateau project; Newcrest Mining with their world-class Cadia-Ridgeway operations in the same belt some 50km to the south and FMG Resources who have a built a very large tenement holding in the Belt.

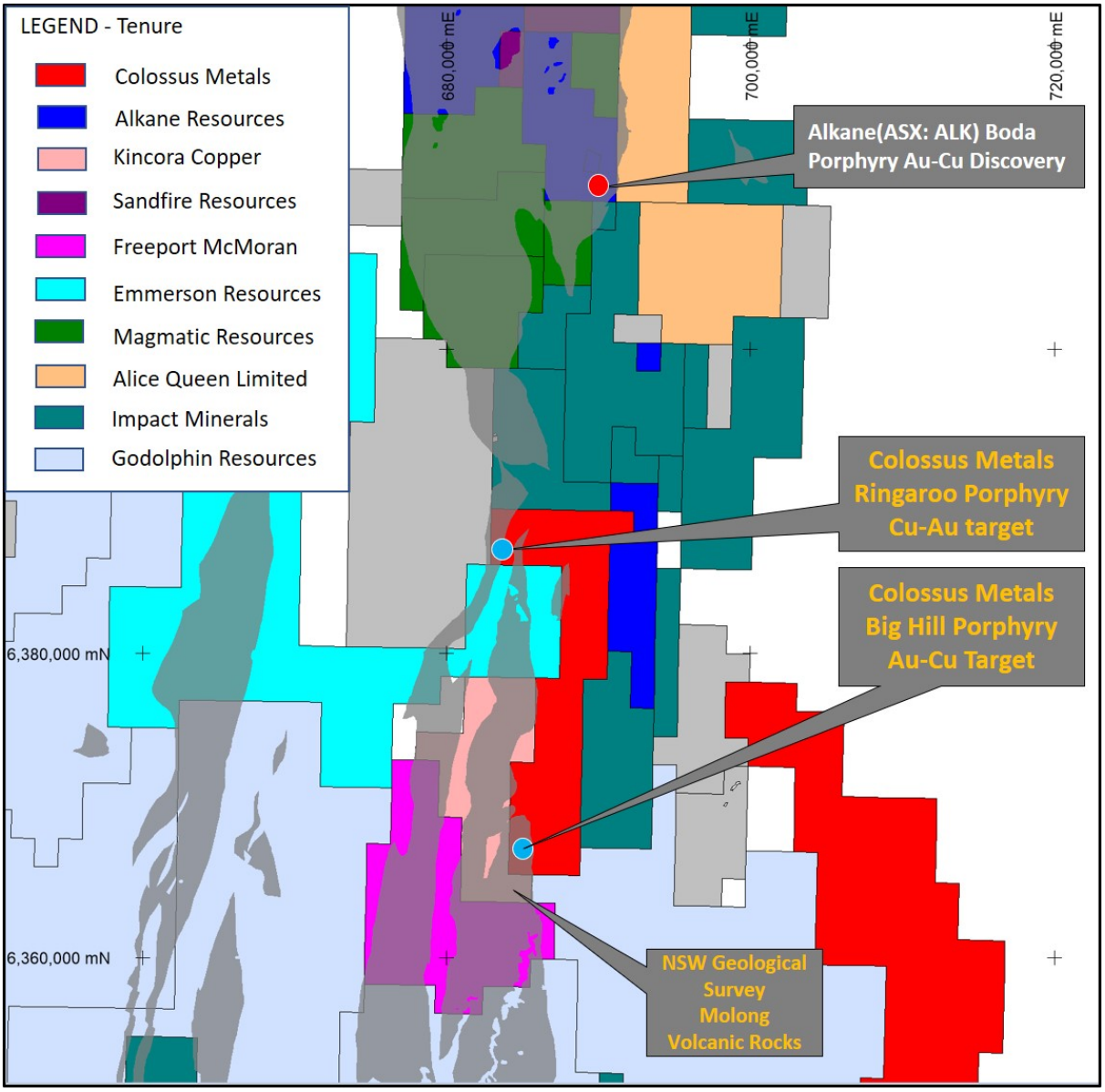

Figure 2: Tenement map of the area surrounding EL8735 showing the significant peer companies who are currently active in the area.

Historic Exploration across EL8735

The bulk of exploration work over EL8375 has been undertaken by Clancy Exploration (now RareX Limited (ASX:REE). Much of EL8735 was part of Clancy's EL6661 which has recently been the subject of an acquisition by Kincora Copper (see above). The portion of EL6661 that covers the Big Hill target was relinquished by Clancy in 2016. Previous explorers in and around the immediate area of the EL8735 include CRAE (Rio Tinto), MIM, Newcrest, North Ltd and LFB Resources.

Work by Clancy Exploration in the period from 2006 to 2016 included 1:25,000 scale geological mapping, an airborne magnetic and radiometric survey, B-horizon hand auger soil sampling and rock chip sampling. Results of work carried during the 10 years of tenure over the proportion covered by EL8735 showed favourable Ordovician geology in parts with some elevations in copper content[1].

Interrogation of the NSW Government Department of Planning, Industry and Environment's MinView and DIGS systems have revealed historical rock samples in the Big Hill area to have contained up to 1.58% Cu^2 and 2.47% Cu^3 in historical rock chips.

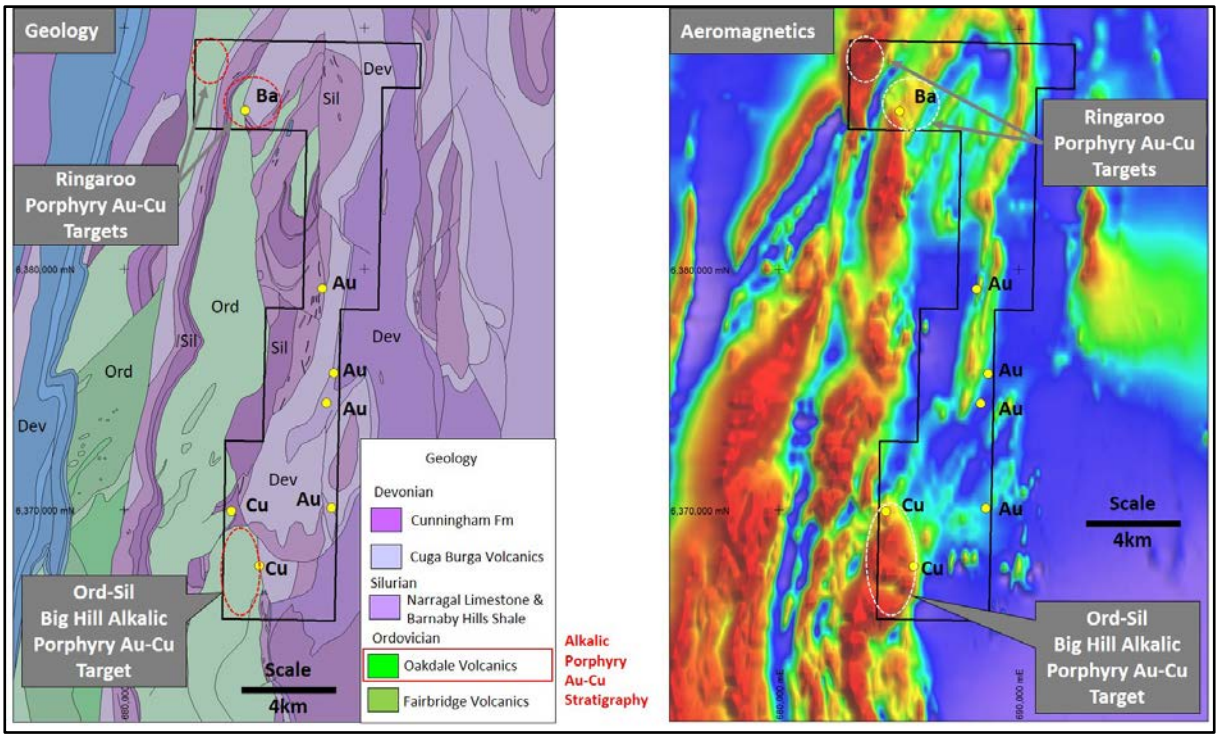

Figure 3. Comparison map of EL8735 showing the Big Hill and Ringaroo porphyry targets on backgrounds of interpreted geology and magnetics (background maps sourced from MinView – Department of Planning Industry and Environment)

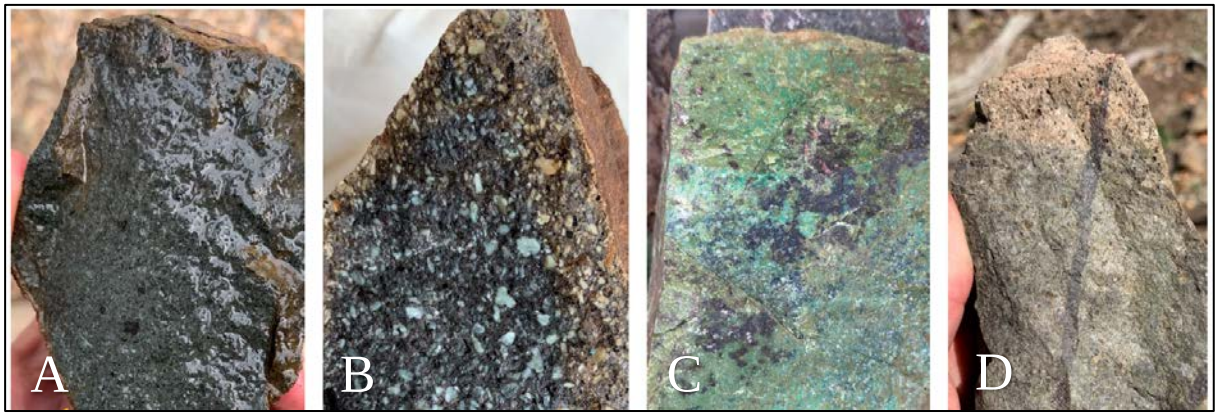

Figure 4. Alteration and mineralisation styles observed at the Big Hill Complex (EL 8735). ***Photo A*** *shows an example of upper, or outer porphyry style hydrothermal alteration. The sample is magnetite-rich, with an inner propylitic zone (Chlorite-actinolite-epidote-magnetite) alteration overprinted by late pyrite-rich phyllic (quartz-albite-chlorite-sericite-pyrite) alteration in volcaniclastic wall rocks.* ***Photo B*** *is evidence of alkalic intrusives and was taken from outcropping mafic monzodiorite-monzonite porphyry exhibiting minerals including plagioclase-K feldspar-pyroxene-olivine-hornblende-magnetite-quartz.* ***Photo C*** *shows an example of outcropping secondary copper mineralization in the form of malachite-azurite-chrysocolla-chalcocite-native copper occurring as stains within narrow epidote veins.* ***Photo D*** *shows narrow magnetite-hematite veining.*

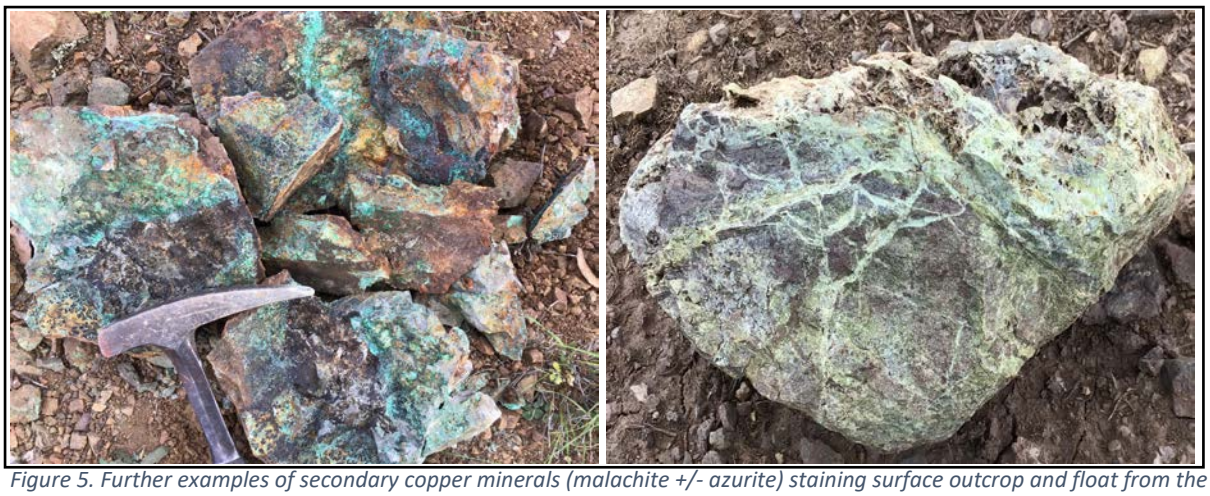

Figure 5. Further examples of secondary copper minerals (malachite +/- azurite) staining surface outcrop and float from the Big Hill magnetic complex (right). Left epidote-carbonate alteration and veining, Big Hill magnetic complex.

Next Steps

The immediate work program for EL8735 will continue with further soil and rock sampling and geological mapping with a view to defining the optimum sites for geophysical surveys such as Induced Polarisation. The aim of this work is to discover sub-surface sites of disseminated sulphides that often mark the location porphyry-style mineralisation. Any prospective targets defined by this work will be tested by a series of deep drill holes.

With $2.5m cash, Sultan is well placed to fund exploration on the new acquisition well into the future.

About the Vendors

The Vendors are mineral exploration professionals, with a combined 50+ years' experience in minerals exploration in the Lachlan Orogen of NSW. Their experience extends to mineral project assessment, permitting, financing and development. The Vendors have been closely connected with significant mineral exploration discoveries in NSW including McPhillamy's Gold Deposit (>2MoZ Au) and Tomingley Gold Deposit.

Authorised by:
Mauro Piccini
Company Secretary

For further information contact:

Managing Director
Steve Groves
info@sultanresources.com.au

Investor Relations
Peter Taylor
Peter@nwrcommunications.com.au
0412 036 231

References:

1. Vassallo, K.E. 2016: RE0009188 (GS2017/0382) - Partial Relinquishment Report for EL6661 CUNDUMBUL - 15th November 2006 to 14th November 2016.
2. DIGS online Database - Deposit no. 1152 in GS1994/132. Number 30998 in GS1984/385 where the information is from. Rockchip sample - 1.58% Cu, 240ppm As.
3. Spencer, A. 2000: R00042453 (GS2000/176) Second annual & final exploration report, EL 5468, 5469, 5531, Molong Wellington area

Competent Persons Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on historical exploration information compiled by Mr Steven Groves, who is a Competent Person and a Member of the Australian Institute of Geoscientists. Mr Groves is Managing Director and a full-time employee of Sultan Resources Limited. Mr Groves has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Groves consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Sultan Resources

Sultan Resources is a West Australian focused exploration company with a portfolio of quality assets in emerging discovery terranes currently targeted by successful explorers such as Gold Road Resources, Sandfire Resources and Lodestar Minerals. Sultan's tenement portfolio includes prospective targets for gold, Nickel, Cobalt and base metals and include tenements at Thaduna, Lake Grace, East Tallering and Dawallinu, all located within the southern terrane region of the Yilgarn Craton in south and south eastern Western Australia. Sultan's board and management strategy is for a methodical approach to exploration across the prospects in order to discover gold and base metals that may be delineated via modern exploration techniques and exploited for the benefit of the company and its shareholders.

Appendix 1: Data and sources for Peer Comparison

Company	Market Cap 25/03/2020	Relevant Project	Stage	Information Source
Alkane Resources (ASX:ALK)	**AUD$333.5m**	**Boda Cu-Au Porphyry**	**Exploration Drilling**	*ASX Announcement 23/03/2020*
Magmatic Resources (ASX:MAG	**AUD$40.5m**	**Wellington North**	**Early-stage exploration drilling**	*ASX Announcement 24/03/2020*
Kincora Copper (TSXV:KCC)	**CAD$4.1m**	**Cundumbul**	**Early-stage exploration**	ASX Announcement 31/01/2020 https://www.kincoracopper.com/
Impact Minerals (ASX:IPT)	**AUD$6.2m**	**Aspley**	**Early-stage exploration**	ASX Announcements 14/01/2020 and 22/11/2019
Krakatoa Resources (ASX:KTA)	**AUD$6.6m**	**Belgravia Project**	**Early-stage exploration**	ASX announcement 17/03/2020

Appendix 2: JORC Code, 2012 Edition Table 1 – Colossus Metals

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature & 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.*	Current Rock sampling program • Rock chip samples were taken in the field by Colossus geologists during field inspection of the Big Hill porphyry target • Rock samples were collected from surface outcrop and float

Criteria	JORC Code explanation	Commentary
	• *Include reference to measures taken to ensure sample representivity & the appropriate calibration of any measurement tools or systems used.* • *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.*	• Outcrop samples are resistant portions of the local geology and are considered to be in situ. Float samples are interpreted to have been sourced from local area.. • Samples weighing up to several kilograms were collected Current soil sampling program • All soil sample points were located using a hand-held GPS with +/-5m accuracy utilising MGA zone 55 (GDA94) coordinate system. Surface organic matter was removed from the sample site using a hand pick and shovel and a 25cm x 25cm x 25cm deep hole was dug using a mattock, with a sample of primarily B soil horizon collected. The soil sample was screened using a 3mm mesh aluminium sieve and a 200-250 gram sub sample of -3mm fraction was retained in a labelled soil geochemical bag for analysis. Soil sample IDs and locations are stored digitally in a register which also notes sample content and conditions. External certified reference material / standards, blanks and duplicates are submitted every 50th, 51st and 52nd sample respectively for QAQC purposes. Historic soil sampling program (Clancy Exploration) • From October 2011 to January 2013, a 250m x 250m grid was completed over EL6661. Site locations were traversed using a single point GPS receiver. One 'B' horizon sample was taken at each location. A hand auger was used to obtain a 250 gram sample, which was sieved to achieve a <3mm 'fine' fraction.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) & details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented & if so, by what method, etc.).*	• N/A
Drill sample recovery	• *Method of recording & assessing core & chip sample recoveries & results assessed.*	• N/A

Criteria	JORC Code explanation	Commentary
	• *Measures taken to maximise sample recovery & ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery & grade & whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	
Logging	• *Whether core & chip samples have been geologically & geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies & metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length & percentage of the relevant intersections logged.*	Current Rock sampling program • A short geological description was taken at each sample point • The description is qualitative and includes lithology, alteration and mineralisation
Sub-sampling techniques & sample preparation	• *If core, whether cut or sawn & whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc.& whether sampled wet or dry.* • *For all sample types, the nature, quality & appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Current Rock and soil sampling program • The sample preparation for both rock and soils follows industry best practise involving oven drying, crushing and pulverisation Historic Soil Sampling (Clancy Exploration) • The entire sample collected was analysed using a portable XRF machine, thus no sub sampling or preparation was required.
Quality of assay data & laboratory tests	• *The nature, quality & appropriateness of the assaying & laboratory procedures used & whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make & model, reading times, calibrations factors applied & their derivation, etc.*	Historical soil Sampling (Clancy Exploration) • XRF analysis of all samples was carried out by Clancy staff using the Innov-X Delta Handheld XRF Analyser in a static test bench/workstation setup at the Clancy office in Orange NSW. Each sample was prepared in the same manner, firmly packed into sample test cups with a mylar film barrier and placed within the workstation. This method of first pass analysis is a more

Criteria	JORC Code explanation	Commentary

	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) & whether acceptable levels of accuracy (i.e. lack of bias) & precision have been established.*	effective and reliable way to analyse large quantities of soil samples for a relatively low cost.
		• The advantages to this system include:
		  • allowing samples to be collected in the field and transported back to the shed in Orange for analysis which saves time and increases productivity of sampling contractors in the field; and,
		  • allows a rigorous and repeatable method of sample preparation which provides more confidence for the results given by the XRF i.e. same sample size, packed into a small test cup with a mylar film, analysed in the same way (on the workstation), for the same amount of time, therefore reducing possible analytical errors associated with wet and loose samples as well as reducing possible contamination.
		• Each sample was analysed in 'soil mode' for a total test time of 2 minutes. Previous trials of the XRF have shown that this test time provides a sufficiently accurate analysis of each sample. Certified reference materials and blanks are introduced into the sample stream after every 20 samples analysed, to ensure QAQC of the XRF analysis. XRF results accompany this report.
		• The XRF dataset was analysed to identify anomalism of major elements. Levelling the base metal values across differing basement rocks was initially carried out by assessing the mafic character of in-situ soils. Mafic rocks have a higher Fe content and hence their soils should also have a corresponding elevated level of Fe. Mafic rocks also have a higher background level of base metals such as copper, as the copper is easily accommodated in the crystal lattice of mafic minerals. Therefore, fresh mafic rocks generally contain greater background levels of copper than felsic rocks, unless they are mineralized. However, in the oxidized soil profile, Fe can be mobile, so other 'immobile' trace elements (e.g. Sc, V, Co, Cr), can be used as a proxy for Fe content to determine the mafic character of the underlying geology and hence a background copper level.

Criteria	JORC Code explanation	Commentary
		• A Cu/V ratio was calculated using iOGas and the results gridded (Figure 4). Those samples with a Cu/V ratio of >1 were determined to be truly anomalous regardless of host rock type. Across the project area, several areas were found to be anomalous in copper, irrespective of host rock type.
Verification of sampling & assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical & electronic) protocols.* • *Discuss any adjustment to assay data.*	• N/A
Location of data points	• *Accuracy & quality of surveys used to locate drill holes (collar & down-hole surveys), trenches, mine workings & other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality & adequacy of topographic control.*	• A handheld GPS was used to locate each sample point. Accuracy of +/- 5m is considered reasonable • MGA94, Zone 55 • Elevation were in AHD (MGA94, Zone 55)

Data spacing & distribution	• *Data spacing for reporting of Exploration Results.*
	• *Whether the data spacing & distribution is sufficient to establish the degree of geological & grade continuity appropriate for the Mineral Resource & Ore Reserve estimation procedure(s)&classifications applied.*
	• *Whether sample compositing has been applied.*
		• Soil samples from the current program are collected across a grid spaced at
		  • Big Hill - 100m x 200m
		  • Ringaroo - 200m x 200m.
		• Historical soil samples were collected on a grid pattern at either 250m x 250m or, in some areas at a 50m x 50m grid.
		• These spacings are considered reasonable to provide sufficient geochemical coverage over the target types sought.

Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures & the extent to which this is known, considering the deposit type.*	• N/A

Criteria	JORC Code explanation	Commentary
geological structure	• *If the relationship between the drilling orientation & the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed & reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	All geochemical samples were selected by geologists in the field delivered directly to the lab by Colossus,
Audits or reviews	• *The results of any audits or reviews of sampling techniques & data.*	• Not applicable

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

Criteria	JORC Code explanation	Commentary
Mineral tenement & land tenure status	• *Type, reference name/number, location & 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 & environmental settings.* • *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.*	• The licences referred to in this document are part of a proposed acquisition by Sultan Resources for 100% of the assets of Colossus Metals. The licences include EL8734, EL8704 and EL8735, which together cover a total area of approximately 326 km2 within the Lachlan Fold Belt of central NSW. A summary of the material terms and conditions of the Proposed Acquisition, pursuant to the Term Sheet, are as follows: • Completion of the Proposed Acquisition is subject to and conditional upon a number of conditions precedent, including due diligence, obtaining any necessary third-party consents and the Company obtaining all necessary shareholder and regulatory approvals for the Proposed Acquisition. • The Company will pay of a non-refundable exclusivity fee of $50,000. • If the conditions precedent are satisfied, the Company will provide the following consideration for the Proposed Acquisition: • 10,000,000 fully paid ordinary shares (at a deemed issue price of 7.5 cents) in the capital of the Company, subject to a voluntary escrow period of six (6) months from the date of execution of the Term Sheet (Consideration Shares); and

Criteria	JORC Code explanation	Commentary
		• $100,000 cash consideration. • The Company will issue, subject to completion of the Proposed Acquisition, a total of 1,000,000 fully paid ordinary shares in the capital of the Company to Xcel Capital Pty Ltd and Arq Capital Pty Ltd (and/or their nominees) in respect of their role in identifying the Projects, consideration of the Projects as a commercial opportunity for the Company, and for assisting the Company to negotiate the terms of the Proposed Acquisition (Facilitation Shares). • The Terms Sheet also contains the following additional material terms and conditions: • the Company will grant the Vendors (or their nominee) a two percent (2%) net smelter royalty in respect of the tenements comprising the Projects; and • the Company will be responsible for maintaining the Projects, on and from execution of the Term Sheet. EL8734 and 8735 are due for renewal in April 2020 and Sultan has been advised by Colossus that all expenditure commitments have been met for the respective 2 year term.
Exploration done by other parties	• *Acknowledgment & appraisal of exploration by other parties.*	• Previous exploration over EL8735 has been limited. Work reported was generally generative in nature and at a reconnaissance level. The most detailed exploration was undertaken by Clancy Exploration during the period 2006 – 2016 and is considered to have been performed to a high standard.
Geology	• *Deposit type, geological setting & style of mineralisation.*	The Project lies halfway between the Cadia and Boda Cu-Au porphyries within the central Molong Belt of the Ord Macquarie Arc, East Lachlan, NSW. It is located on the Intersection of a major N-S striking arc parallel and NW-SE striking cross arc structural corridors, The Lachlan Orogen is approximately 700 km wide and 1000 km long and has disputed complex evolutionary history. The Macquarie Arc is part of the eastern sub-province of the Lachlan Orogen and is the host to numerous porphyry Au–Cu deposits. It consists mainly of subduction-related Ordovician intermediate and mafic volcanic, volcaniclastic and associated intrusive rocks

Criteria	JORC Code explanation	Commentary
		and was accreted to Gondwana in the Early Silurian, and underwent rifting and burial in the Middle to Late Silurian. It consists of four structural belts, namely, the western (Junee-Narromine), the central (Molong), the eastern (Rockley-Gulgong) Belt, and southern (Kiandra) volcanic belts. These belts have most likely been formed by rifting and dismemberment of a single arc, which developed along the boundary between the Australian and proto-Pacific plates during the Ordovician and was subsequently dismembered during the Silurian. An entirely intra-oceanic setting is postulated for the Macquarie Arc (Crawford et al., 2007), with four phases of arc-type magmatism, the earliest in the Early Ordovician, and culminating in the Late Ordovician to Early Silurian. The four phases of volcanism in the Macquarie Arc relate to distinct groups of porphyritic intrusions that vary from monzodiorite-diorite through monzonite-granodiorite compositions and correspond with porphyry copper-gold and epithermal gold-silver mineralisation Lithology The Big Hill target eshibits features consistent with an Alkalic intrusive complex, with mineralogy & textures typical of the Cadia Intrusive Complex, including outcropping monzogabbro, diorite, monzodiorite & mafic monzonite porphyry dykes & small plugs or 'apophyses'. Intrusives have intruded interpreted Cadia and Boda equivalent stratigraphy being the Late Ordovician Oakdale Volcanics, including an upper volcanic dominant and lower volcano-sedimentary package equivalent to the Forest Reef Volcanics & Weemalla Fm at Cadia and Kaiser Volcanics & Bodangora Fm at Boda. An upper sequence consisting of basalt, andesite, trachyte & latite lavas, volcaniclastics and sub volcanic intrusions including feldspar-pyroxene porphyry dykes has been recognised. The lower sequence dominated by finely laminated, interbedded, volcaniclastic siltstones and sandstones, with localised skarn horizons.

Criteria	JORC Code explanation	Commentary
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:* o *Easting & northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip & azimuth of the hole* o *down hole length & interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material & this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	N/A
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades)&cut-off grades are usually Material & should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results & longer lengths of low grade results, the procedure used for such aggregation should be stated & some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• N/A
Relationship between mineralisation widths & 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 & 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').*	• N/A

Criteria	JORC Code explanation	Commentary
Diagrams	• *Appropriate maps & sections (with scales)&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 & appropriate sectional views.*	• See maps and figures accompanying this ASX release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low & high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Only historical results are referred to from publicly available document: Vassallo, K.E. 2016: RE0009188 (GS2017/0382) - Partial Relinquishment Report for EL6661 CUNDUMBUL - 15th November 2006 to 14th November 2016
Other substantive exploration data	• *Other exploration data, if meaningful & material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size&method of treatment; metallurgical test results; bulk density, groundwater, geotechnical & rock characteristics; potential deleterious or contaminating substances.*	• In February 2013, Clancy Exploration completed an 1805 line-km helicopter-based magnetic and radioelement survey using Aerosystems Pty Ltd over EL6661. Data was collected on 75m line spacings. This survey covered the southern portions of EL8735. The survey is of excellent quality and areas of high magnetic intensity correlate to portions of Ordovician volcanic and volcaniclastic sequences
Further work	• *The nature & scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations & future drilling areas, provided this information is not commercially sensitive.*	• The focus on future work will be to ultimately generate targets fro drilling. Work to enable this will include further soil sampling programs coupled with dipole-dipole IP geophysics to locate bodies of disseminated sulphides beneath the surface. If sufficient encouragement is gained from this work, then deeper RC or diamond drilling is anticipated.