HILLGROVE RESOURCES

ASX RELEASE

Monday, 13 April 2015

HILLGROVE REPORTS INITIAL EXPLORATION SUCCESS ADJACENT TO EXISTING ORE ZONES AT KANMANTOO MINE

Hillgrove Resources Limited (ASX:HGO) is pleased to report initial exploration success in one of its first exploration drill holes on the Mining Lease, **200 metres to the north of the current resource profile** at its Kanmantoo Copper Mine. The 433 metre deep reverse circulation (RC) hole returned the following assays at a depth of 300 metres below surface:

- **28 metres @ 0.61% Cu, 0.14g/t Au and 2.6g/t Ag** at a 0.2% Cu cut off – within a broader mineralised zone of;
- 39 metres @ 0.47% Cu, 0.11g/t Au and 2.1g/t Ag at a 0.1% Cu cut off, from 324 m downhole.

Included within the 28 metre intersection are:

- **a higher grade zone of 10 metres @ 0.88% Cu, 0.18g/t Au and 3.2 g/t Ag; and**
- **a peak one metre interval of 2.86% Cu, 0.8g/t Au and 9.4 g/t Ag.**

The intersected mineralisation is down dip of existing shallow level mineralisation to the north of the main ore zones and Giant pit, in an area where no deep drilling has been undertaken in the past. The location and tenor of the mineralised intersection indicates the following:

- It is within the same geological domain and along strike of the main ore zones in the Giant pit, approximately 200 metre north of the edge of the current mineralisation at the same depth;
- The intersection location is coincident with a significant N-S elongated density target identified during detailed gravity surveys in late 2014, and previously announced to the market;
- Mineralised intersection copper and gold grades are similar to current mining areas within the Kavanagh/Giant pits, with similar copper/gold ratio;
- The use of gravity surveys in targeting this area would indicate this to be a valuable exploration tool in the broader district going forward; and
- In collaboration with Titeline Drilling Pty Ltd, the successful R&D trial of deep (>400 metre) RC at the Kanmantoo mine, overcoming deviation and sample recovery issues.

This is the first stage of a targeted program aimed at extending the life of the Kanmantoo Mine, and was designed to test a pronounced coincident gravity, magnetic and electromagnetic (EM) target. Next steps for this area north of the Giant pit will include a downhole EM survey, a plan for six follow up holes along strike and based on downhole EM further up-dip drilling will be planned.

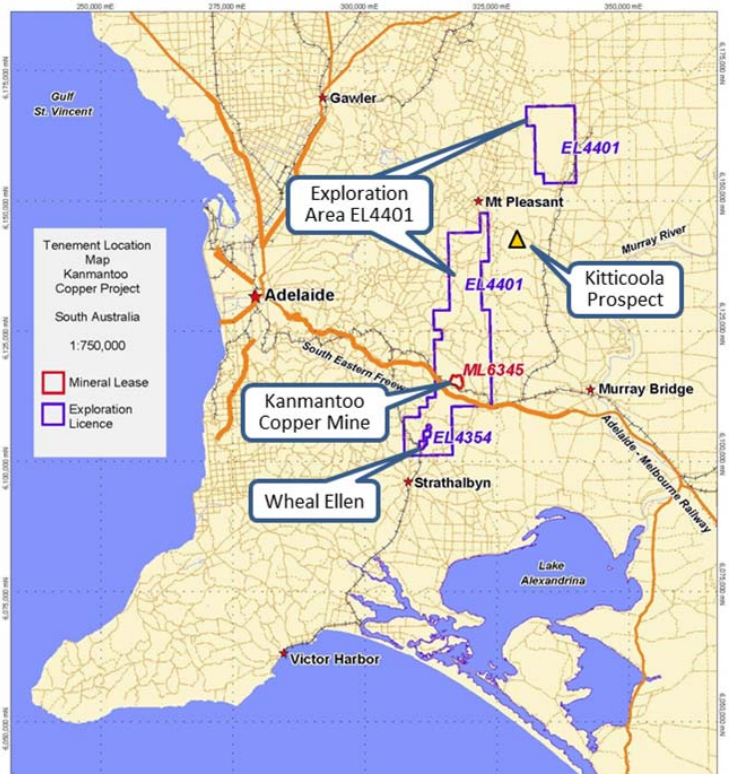
Background

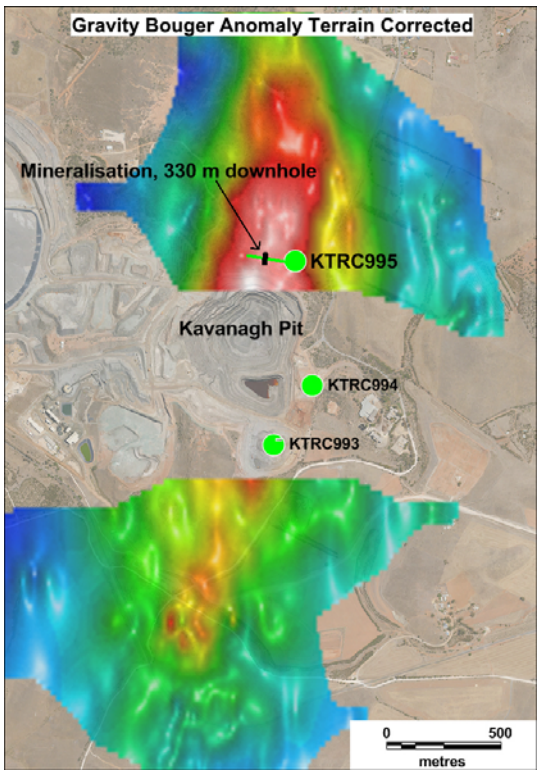
In late 2014 Hillgrove announced the re-commencement of exploration in the area of its operating Kanmantoo copper/gold mine in the Adelaide Hills. This involves a strategy of three concurrent exploration efforts with a budget of approximately $1.0M for the 2015 year, with additional commitments planned in future years. The exploration work includes:

- Delineation of near-mine resource extensions and satellite orebodies within the Kanmantoo mining lease;

- Testing the potential of existing regional near-surface prospects on Hillgrove's exploration tenements; and
- Defining fundamentally new prospects using modern geophysical techniques.

Kanmantoo Tenement and Prospects Location Map and Mining Lease Gravity Survey Results





A detailed gravity survey over the Kanmantoo mining lease identified a very strong gravity signal extending to the north of the existing main Kanmantoo orebody (right hand diagram above). Hillgrove also acquired downhole geophysical data (conductivity, density, induced polarisation, magnetic susceptibility) from a number of historic holes throughout the orebody to characterise the physical properties of the mineralisation and the host geology.

Gravity Modelling and Drill Hole Targeting

After integrating the terrain-corrected gravity data with various mine-scale datasets, a geophysicist constructed a best-fit 3D density model, facets of which are shown in figures 1, 2 and 3 below. A drill hole (KTRC995) was then planned to intersect the centroid of the modelled core of a notable and untested north-south trending, high density body north of the Kavanagh Pit and main orebody. Historic drilling in this zone has been exclusively shallow (<150m below surface) and intersected sub-economic widths of mineralisation, such that it was not incorporated into the 2013 resource model. In addition, ground EM collected in the area did not predict mineralisation below this level and therefore did not promote deeper drilling.

KTRC995 doubled as a test of deep RC drilling at the deposit, this method having not been successfully deployed deeper than 200m due to excessive deviation. The test was successful.

Two other RC exploration holes to the south of the main orebody testing conceptual targets either failed to reach target depth or failed to intersect any significant mineralisation (>2m at 2% Cu).

Geology Summary

KTRC995 was drilled to a total depth of 433m, penetrating a zone of magnetite alteration and coincident Cu-Au-Ag mineralisation at the same predicted depth and position as the gravity centroid. A full table of assay results is included in Appendix A. The geological host is the same garnet-andalusite-biotite schist (GABS) that characterises the main orebody. Mineralisation consists of chalcopyrite and pyrite in roughly

equal quantities, with no deleterious elements detected in significant quantities. This finding is consistent with the metallurgically well understood main orebody adjacent to the south.

Despite the broad nature of mineralisation and alteration intersected, the observed chemistry, lithology and physical property log do not appear to fully explain the gravity data. This implies either an intense density anomaly exists further below the level intersected or the density is more evenly distributed within a tabular body dipping steeply to the east and striking NNE in connection with the main orebody to the south. The latter option is the preferred concept, as it allows up-dip contiguity with the shallow historic mineralisation noted above. Either way, the “peanut” geometry of the dense body depicted in the figures below will require revision.

Hillgrove is also pleased with the success of the RC drilling technique, which through extensive trials and experiments was kept acceptably straight and can now be rolled out to test targets of >400m depth. Excessive localised groundwater that stopped drilling at 229m in the Spitfire pit was the only negative test.

Figure 1. Plan views showing two density inversion shells and the location of KTRC995 exploration hole. The right hand frame shows historic drill traces and cross sections referred to below.

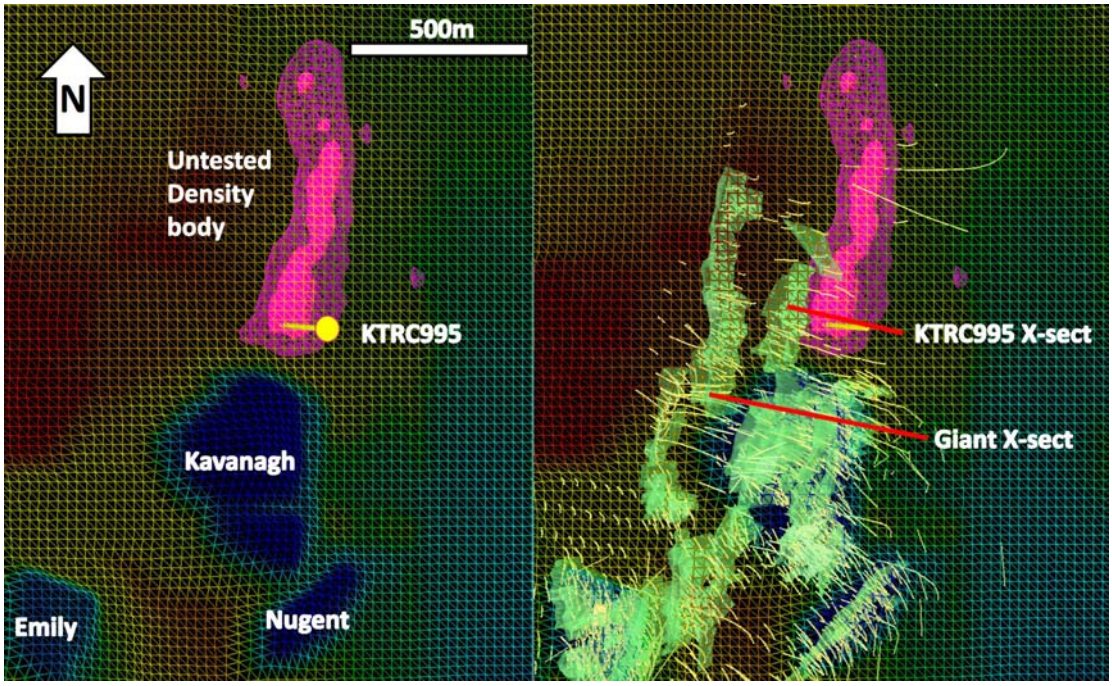


Figure 2. Conceptual 3D model, looking west, showing two potential density shells that may cause the observed surface gravity signature. Note that the density shells terminate just north of the Kavanagh pit due to physical limitations of data collection around the existing pit.

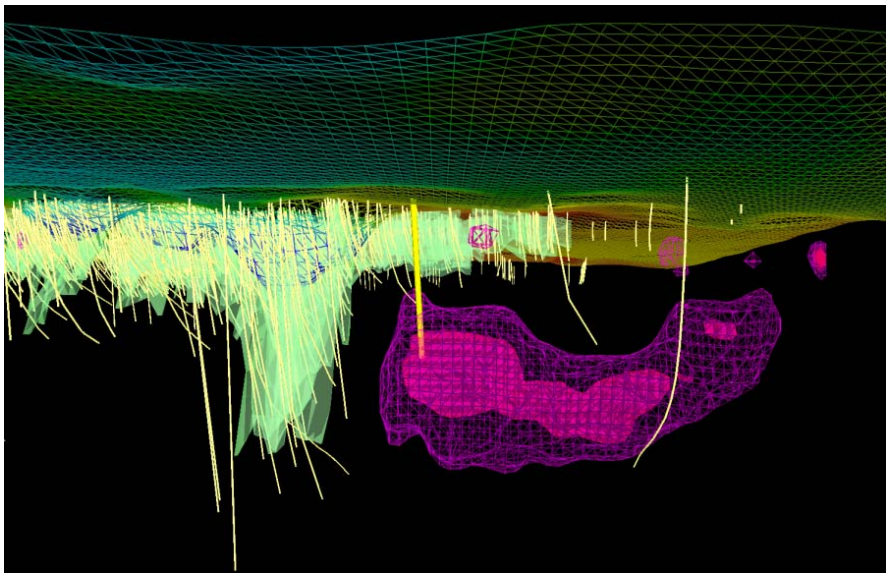


Figure 3 below is an existing Kavanagh (Giant) cross section some 300m south of the exploration hole drilling. This labels some historic copper intersections which can be compared to the section below (Figure 4) on which the exploration hole KTRC995 was drilled. The relative locations of these cross sections are shown on Figure 2.

Figure 3. Kavanagh (Giant North) cross-section

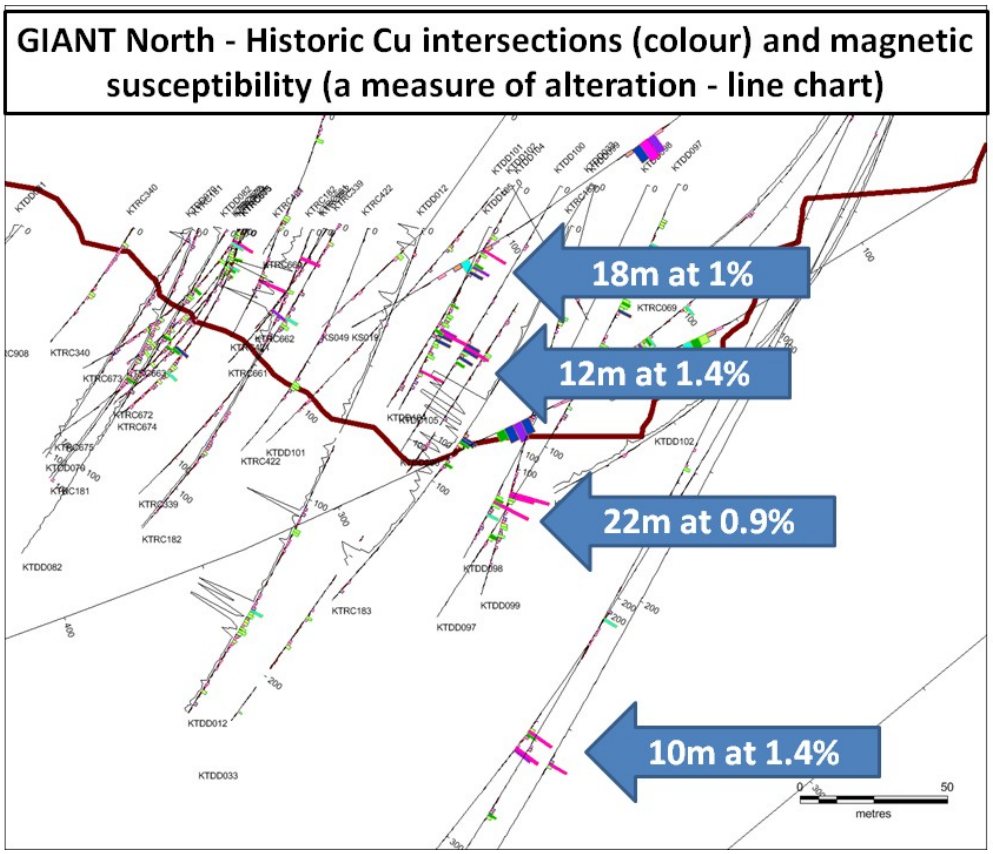
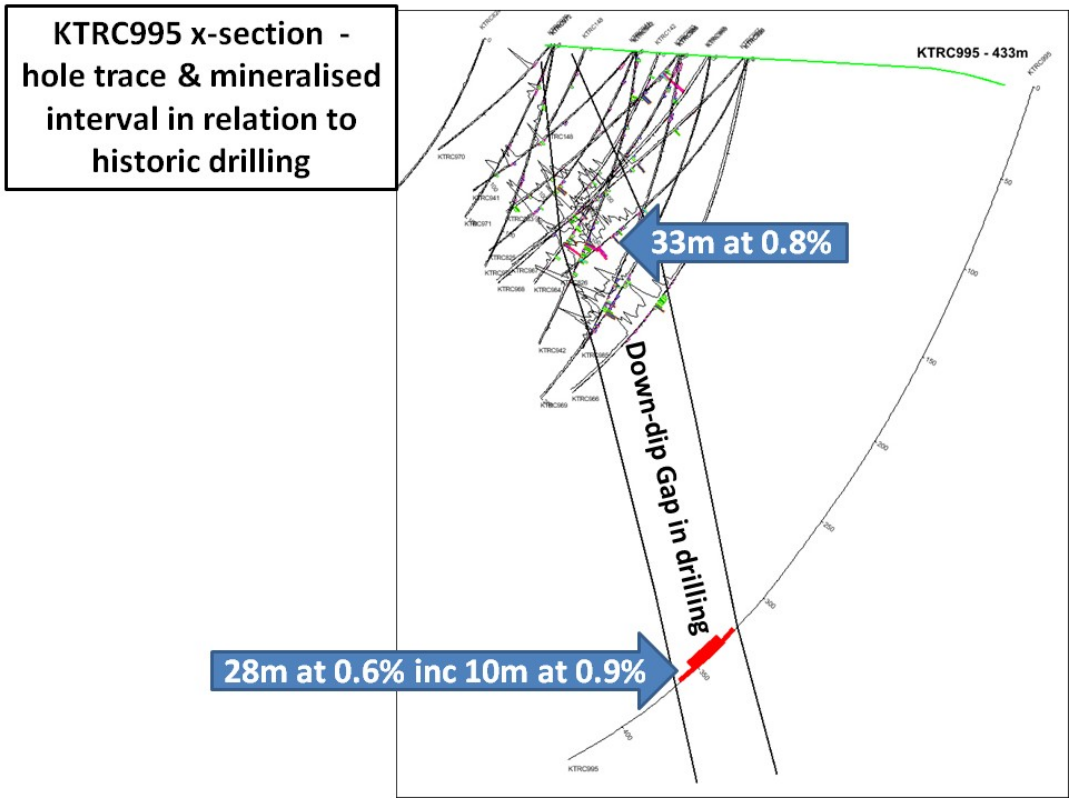


Figure 4. KTRC995 cross-section and conceptual down-dip correlation of mineralised interval



Planned Exploration Work from Here

Downhole geophysical data collected from KTRC995 and other historic drillholes through the Kanmantoo orebody will be integrated into the 3D model to generate a refined model and allow future drill targeting. In the newly recognised prospective zone north of the main orebody, Hillgrove will soon acquire downhole EM to identify zones of higher conductivity. This exploration tool has proven highly successful in the main orebody in the past. Following interpretation of this data and the 3D model, six further deep holes will be drilled along strike targeting a similar depth. These holes will be used for a more holistic 3D downhole EM exercise to refine the geometry, scale and characteristics of the overall mineral system. This in turn will be used to identify additional along-strike and up/down-dip conductive anomalies for more detailed drill testing in the immediate future.

In the broader exploration tenement package, a geophysical contractor (CGG International) has been selected to fly a detailed helicopter-borne EM survey (HeliTEM) over an area of 106km^2 of prospective geology for sedimentary hosted sulphides, including copper, lead, zinc and gold. This survey is scheduled for late April. Recent downhole electrical logging at Kanmantoo showed an excellent contrast between mineralisation (conductive) and barren host (resistive), auguring well for the success of the HeliTEM survey.

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ABOUT HILLGROVE

Hillgrove is an Australian mining company listed on the Australian Securities Exchange (ASX: HGO) focused on the operation of the Kanmantoo Copper Mine in South Australia, and with exploration projects on its Indonesian tenements. The Kanmantoo Copper Mine is located less than 55km from Adelaide in South Australia. With construction completed in late 2011, Kanmantoo is an open-cut mine with a throughput of 3.0Mtpa, to produce approximately 100,000 dry metric tonnes of copper concentrate per annum, containing approximately 20,000t copper and associated gold and silver per annum over the current life of mine.

Kanmantoo Global Mineral Resource Estimate at end February 2013

	JORC 2012 Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
In Situ Resource	Measured	2.63	0.88	0.10	1.95
	Indicated	21.77	0.82	0.23	2.21
	Inferred	5.0	0.67	0.13	1.79
		29.46	**0.80**	**0.20**	**2.11**
Long Term Stockpiles	Measured	1.39	0.46	N/A	N/A
	Indicated	0.50	0.18	N/A	N/A
		1.89	**0.39**	**-**	**-**
	Total	**31.30**	**0.78**	**0.20**	**2.11**

Note: In Situ Resource >0.20% Cu, Long Term Stockpiles >0.15% Cu.

Kanmantoo Global Ore Reserve Estimate at end February 2013

	JORC 2012 Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
In Situ Reserve	Proven	2.5	0.77	0.08	1.7
	Probable	18.2	0.72	0.20	2.0
		20.7	**0.73**	**0.18**	**1.9**
Long Term Stockpiles	Proven	1.4	0.46	N/A	N/A
		1.4	**0.46**	**-**	**-**
	Total	**22.1**	**0.71**	**0.18**	**1.9**

Note: In Situ Reserve >0.20% Cu. Long Term Stockpiles >0.15% Cu.

Competent Person's Statement

The information in this release that relates to Mineral Resources is based upon information compiled by Ms Michaela Wright, who is a Member of The Australasian Institute of Mining and Metallurgy. Ms Wright is a full-time employee of Hillgrove Resources Limited and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'. Ms Wright has consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.

The information in this release that relates to Ore Reserves is based upon information compiled by Mr Steven McClare, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr McClare is a full-time employee of Hillgrove Resources Limited and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'. Mr McClare has consented to the inclusion in the release of the matters based on their information in the form and context in which it appears.

The information in this release that relates to Exploration Results is based on information compiled by Dr David Rawlings, who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Rawlings consults independently as the Kanmantoo Project Exploration Manager for Hillgrove Resources Limited and has sufficient relevant experience to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code)'. Dr Rawlings consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix A

Table of assay results for exploration hole KTRC995

Orig	Hole_ID	Depth_from	Depth_to	Cu_%_Assay	Au_g/t	Ag_g/t
K52090	KTRC995	322	323	0.08	0.062	1
K52091	KTRC995	323	324	0.09	0.173	0.7
K52092	KTRC995	324	325	0.22	0.084	0.8
K52093	KTRC995	325	326	0.19	0.042	0.7
K52094	KTRC995	326	327	0.35	0.414	1.3
K52095	KTRC995	327	328	0.26	0.04	1
K52096	KTRC995	328	329	0.44	0.063	1.8
K52097	KTRC995	329	330	0.57	0.2	2.1
K52100	KTRC995	330	331	0.20	0.026	1
K52101	KTRC995	331	332	0.23	0.032	0.8
K52102	KTRC995	332	333	0.10	0.009	<0.5
K52103	KTRC995	333	334	0.35	0.057	1
K52120	KTRC995	334	335	2.86	0.801	9.4
K52122	KTRC995	335	336	1.12	0.141	3.5
K52123	KTRC995	336	337	0.60	0.104	1.7
K52124	KTRC995	337	338	0.21	0.017	<0.5
K52125	KTRC995	338	339	0.10	0.003	<0.5
K52126	KTRC995	339	340	0.15	0.009	<0.5
K52127	KTRC995	340	341	0.10	0.007	<0.5
K52128	KTRC995	341	342	0.10	0.013	<0.5
K52129	KTRC995	342	343	0.26	0.068	0.9
K52132	KTRC995	343	344	0.28	0.027	0.7
K52133	KTRC995	344	345	0.89	0.293	2.6
K52134	KTRC995	345	346	0.31	0.036	0.9
K52135	KTRC995	346	347	0.42	0.06	1.3
K52136	KTRC995	347	348	0.70	0.131	2.7
K52137	KTRC995	348	349	1.99	0.34	9.7
K52138	KTRC995	349	350	2.40	0.438	8.1
K52140	KTRC995	350	351	1.36	0.341	4.8
K52104	KTRC995	351	352	0.23	0.039	0.8
K52105	KTRC995	352	353	0.18	0.033	0.9
K52106	KTRC995	353	354	0.16	0.041	0.9
K52107	KTRC995	354	355	0.15	0.061	0.5
K52108	KTRC995	355	356	0.08	0.009	<0.5
K52109	KTRC995	356	357	0.06	0.17	<0.5
K52110	KTRC995	357	358	0.09	0.015	0.6
K52111	KTRC995	358	359	0.15	0.008	0.6
K52112	KTRC995	359	360	0.10	0.04	<0.5
K52113	KTRC995	360	361	0.11	0.009	0.6
K52114	KTRC995	361	362	0.35	0.024	1.3
K52115	KTRC995	362	363	0.13	0.008	0.6
K52116	KTRC995	363	364	0.07	0.012	<0.5

Appendix B

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and 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 (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.*	• Reverse Circulation (RC) drilling was completed at the NE Kanmantoo gravity anomaly. • Samples comprising RC pulp were collected as 1m splits directly from the rig cyclone, via a rotary splitter. Sample sizes were ~2kg. • Drill hole location (easting , northing and RL) was collected by a mine survey team and are accurate to within 2 cm. Detailed logging of Collar, Survey, Lithology, Sample and Magnetic Susceptibility information was completed for every metre. • All logging and sampling protocols remained constant throughout the program. • 1 m samples were screened using a handheld XRF ("Niton") to determine anomalous intervals, which were submitted to the laboratory for analysis. • Samples were collected and weighed, dried, crushed and pulverised at a commercial laboratory for analysis by 4 acid digest with an ICP finish. All above grade (termed Ore Grade) were assayed as such via OG62 Four Acid Digest. Gold assays were obtained via Fire Assay of 30g charge via ICPMS.
Drilling techniques	• *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).*	• EDM2000 Reverse Circulation (RC) drill rig was used to complete the program. • 5.5 inch hammer assembly utilised. • Booster/auxiliary compressor used only where water or rate of penetration became issues. • Groundwater encountered in KTRC995 was very minor.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Sample recovery visually estimated from drill spoil volume. • Sample recovery maximised via deliberately slow rate of penetration. • No sample bias is recognisable. • In the intervals reported here, recovery estimated to be uniformly 100%.
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.*	• Holes are routinely logged for downhole survey (dip and azimuth using magnetic deviation and/or gyro tool), conductivity, induced polarisation, magnetic susceptibility and density. • Borehole Wireline, a reputable company, undertakes this work. Tools are

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	regularly calibrated at registered calibration facilities. • Logging is quantitative. • All of the interval reported herein was logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and 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.*	• RC material from sample-return cyclone is sub-sampled via 8 to 1 rotary splitter. • Visual estimate is made of sub-samples to ensure they match the parent sample in terms of volume. • Sample is split in a damp condition, through careful management of water-injection dust suppression system. • Samples are prepared for analysis by ensuring they are dry and free from sources of contamination. • Duplicate samples are speared from the same interval of the RC spoils. • Sample size is more than sufficient for the pulp size, which is >95% silt grade.
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.* • *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.* • *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.*	• Hand held XRF device (Niton model XL3t) used for indications of mineralisation. • Instrument is regularly serviced and is checked against calibration standards regularly. In mineralised zones, this is 1 in 20. • Two 10 g samples are prepared from each of the 1m cyclone splits, encapsulated in cling film and placed on a measurement bench specifically designed for routine pulp measurement. • Analysis time is 30 seconds, demonstrated to be double the time requirement to achieve a detection limit of 20 ppm Cu. • Data from previous programs using the same procedure and same matrix has been reconciled sufficiently against laboratory assay data to enable it to be used as a screening tool. • Samples for laboratory assay are selected using an “anomalous value” threshold from the Niton data. • Duplicates and Standards are incorporated into the assay sample batches at a rate of approximately 1 in 20. Analysis of the QC samples indicates excellent reconciliation. • All samples then analysed by ALS in Perth by 4 acid digest with an ICPMS finish. All above grade (termed Ore Grade) were assayed as such via OG62 Four Acid Digest. Gold assays were obtained via Fire Assay of 30g charge via ICPMS. • The laboratory undertook their own interval QA-QC of samples and results of this exercise were satisfactory.

Criteria	JORC Code explanation	Commentary
Verification of sampling and 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 and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No twined holes exist. • Sufficient correlation exists between chip trays, Niton results and chemical assays to indicate that samples are in the correct order and representative of the interval assigned. • Collar locations were predetermined in the office from geophysical models and modified in the field as necessary (dependent on access etc.). All data collection (lithology logging, sampling, Niton analysis etc.) was completed at each drill hole location as hole was being drilled. Data initially written on paper log sheets or downloaded from Niton into XL spreadsheet. A complete data set (Maxwells template) was created on completion of the program, based on all information collected. Following verification, all data was uploaded into the corporate Datashed database. • There were no adjustments made to the analytical data presented in this announcement.
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collar located by GPS initially, then by mine survey team after rig has left drill pad. • Downhole dip and azimuth determined by downhole magnetic deviation or gyro survey. • MGA94 zone 54 • RL of drillhole collected by mine survey team, which is accurate to <2 cm.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• There is no specific drill spacing used for the program. Holes placed on discrete targets. • The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s). • No sample compositing applied.
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.* • *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.*	• RC sample material not appropriate for determining the orientation of geology or structure in the drillhole. • The foliation at the Kanmantoo mine is well established as striking 020 degrees (MGA94 grid), dip 70 degrees to east. Hole orientation, like most others at the site, was designed to be roughly orthogonal to this foliation at target depth. • KTRC995 intersects mineralisation with a Dip range of 39-47 degrees, and an Azimuth range of 292-295 degrees (MGA94 grid). • There is unlikely to be any bias introduced by the orientation of the drillhole.
Sample security	• *The measures taken to ensure sample security.*	• All drill samples are kept on the Kanmantoo drill site and are secure.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews beyond visual verification of data and mineralisation have taken place.

Section 2 Reporting of Exploration Results

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

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.* • *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.*	• All work that has taken place falls solely within ML6345, 100% owned by Hillgrove Resources. • There are no impediments to this mining lease.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historic drilling, including by Hillgrove Resources, has been carried out at this target depth in this part of the mining lease. Previous drilling in this area has been exclusively shallow, testing only down to 150 m vertically.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kanmantoo Copper deposit is hosted in pelitic metasedimentary rocks of the Kanmantoo Trough. It is variously viewed as being pre- or syn-metamorphic in genesis, with similarities in style to the enigmatic Mt Lyle in Tasmania and Mount Isa copper system. Copper is largely as chalcopyrite, accompanied by minor Gold. The main alteration minerals are garnet, andalusite, pyrite, magnetite and pyrrhotite.
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 and 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 and azimuth of the hole* o *down hole length and interception depth* o *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.*	• KTRC995 (NE gravity target) o 318404.3 mE 6115296.0 mN 193.2 mRL (MGA94 zone 54) o Collar dip 72 degrees to 272 (MGA94) o End of hole dip 28.4 degrees to 295 (MGA94) o Hole length: 433 m o Interception depth: 334-351 m o Interception width: 17 m • KTRC993 (Nuwest IP target) o 318312.2 mE 6114491.6 mN 83.9 mRL o Collar dip 75 degrees to 285 o End of hole dip 30 degrees to 288 o Hole length: 349 m • KTRC994 (Spitfire magnetic and structural target) o 318481.5 mE 6114749.2 mN 171.1 mRL o Collar dip 80 degrees to 272 o End of hole dip 60.5 degrees to 296 o Hole length: 229 m
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be*	• All assays relate to 1 m samples, so no weighting is required. • No top cuts were required because the highest Cu value of 2.86% is not statistically outlying the remaining population.

Criteria	JORC Code explanation	Commentary
	stated. • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• In relation to the intercepts quoted in the release, the following parameters have been applied: o 28 metres @ 0.61% Cu is calculated using 0.2% Cu cutoff and dilution is a maximum of 4 m with minimum 0.1% Cu. o 39 metres @ 0.47% Cu is calculated using 0.1% Cu cutoff and dilution is a maximum of 4 m with minimum 0.05% Cu. o 10 metres @ 0.88% Cu is calculated using 0.2% Cu cutoff and dilution is a maximum of 1 m with minimum 0.1% Cu. • No metal equivalents are reported or implied here.
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 (eg 'down hole length, true width not known').*	• True width of mineralisation has not been postulated. • No orientation data is available. • The geometry of the mineralisation is unknown. • Connection of the mineralised intercept in KTRC995 and mineralisation identified in historic drilling within 150 m of the surface is speculative only, and has not been demonstrated by sequential up-dip drillholes.
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.*	• See Figures in body of release.
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.*	• All results in this announcement are considered accurate and reflective of the mineral system being explored.
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.*	• All relevant and available data has been included in this report.
Further work	• *The nature and scale of planned further work (eg 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 and future drilling areas, provided this information is not commercially sensitive.*	• Further work relating to this drill hole to include downhole EM, programmed for 2-3 weeks time. • 3D image figures in the body of this release show the gravity inversion model that depicts an above-average dense zone oriented NNE extending north from this drillhole for at least 800 m at a similar or slightly deeper position, which may relate to garnetiferous host rock and possibly mineralisation. The latter is not possible to determine without further drilling and downhole EM.