

December 2018 Quarterly Activities Report

- **\$5 million IPO capital raising and listing process completed, trading on ASX commenced on 14 December 2018**
- **Excellent shallow results returned from RC drilling at several gold prospects¹**
- **Follow-up drilling to commence early February 2019**

Yandal Resources Ltd (ASX: YRL, “Yandal Resources” or the “Company”) is pleased to provide a summary of activities for the quarter ending 31 December 2018. The issue of a Prospectus to raise \$5 million and the completion of the ASX listing process was the main focus of Company activities during the period².

Yandal Resources has an exciting portfolio of highly prospective gold projects located in the Yandal and Norseman-Wiluna Greenstone Belts in Western Australia. The projects all contain significant historic and recently confirmed gold mineralisation, which will be the focus of exploration and development activities throughout 2019.

Comprehensive geo-dataset compilation and verification activities were conducted during 2018 at the Ironstone Well, Barwidgee, Mt McClure and Gordons projects in order to develop priority exploration and resource development targets. Initial reverse circulation (“RC”) drilling programs were completed during the quarter at the Flinders Park, Flushing Meadows, Challenger Way South and Gordons Dam prospects which returned highly encouraging results requiring priority follow-up.

Ironstone Well Project - Flinders Park Prospect

The Flinders Park prospect is located 5km southwest of the Flushing Meadows deposit on the regionally extensive Barwidgee Shear Zone (Figures 1 & 2). Five angled RC holes for 420m were completed to follow up broadly spaced supergene gold intercepts from historic Aircore (“AC”) drilling. Significant downhole intercepts were returned including¹;

- **15m @ 2.03g/t Au from 77m including 1m @ 14.52g/t Au from 79m (YRLRC0017); and**
- **8m @ 0.69g/t Au from 17m including 1m @ 2.26g/t Au from 24m (YRLRC0016).**

The result in hole YRLRC0017 is the highest grade and widest intercept to date at the prospect and the mineralisation is interpreted to be open in all directions. The fresh rock interface at Flinders Park is particularly deep, estimated to be approximately 125m in places, a fact that hampered the geological understanding of the prospect by previous explorers.

¹ Refer to Yandal Resources Ltd announcements dated 20 December 2018 and 9 January 2019

² Refer to Yandal Resources Ltd announcements dated 12 December 2018



Registered Address

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Board Members

Lorry Hughes	Managing Director/CEO
Katina Law	Chair
Kelly Ross	Non-Executive Director
Bianca Taveira	Company Secretary

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Gold Projects

Ironstone Well (100% owned)	
Barwidgee (100% owned)	
Mt McClure (100% owned)	
Gordons (100% owned)	
Shares on Issue	53,308,348
Share Price	\$0.20
Market Cap	\$11M
ASX Code	YRL

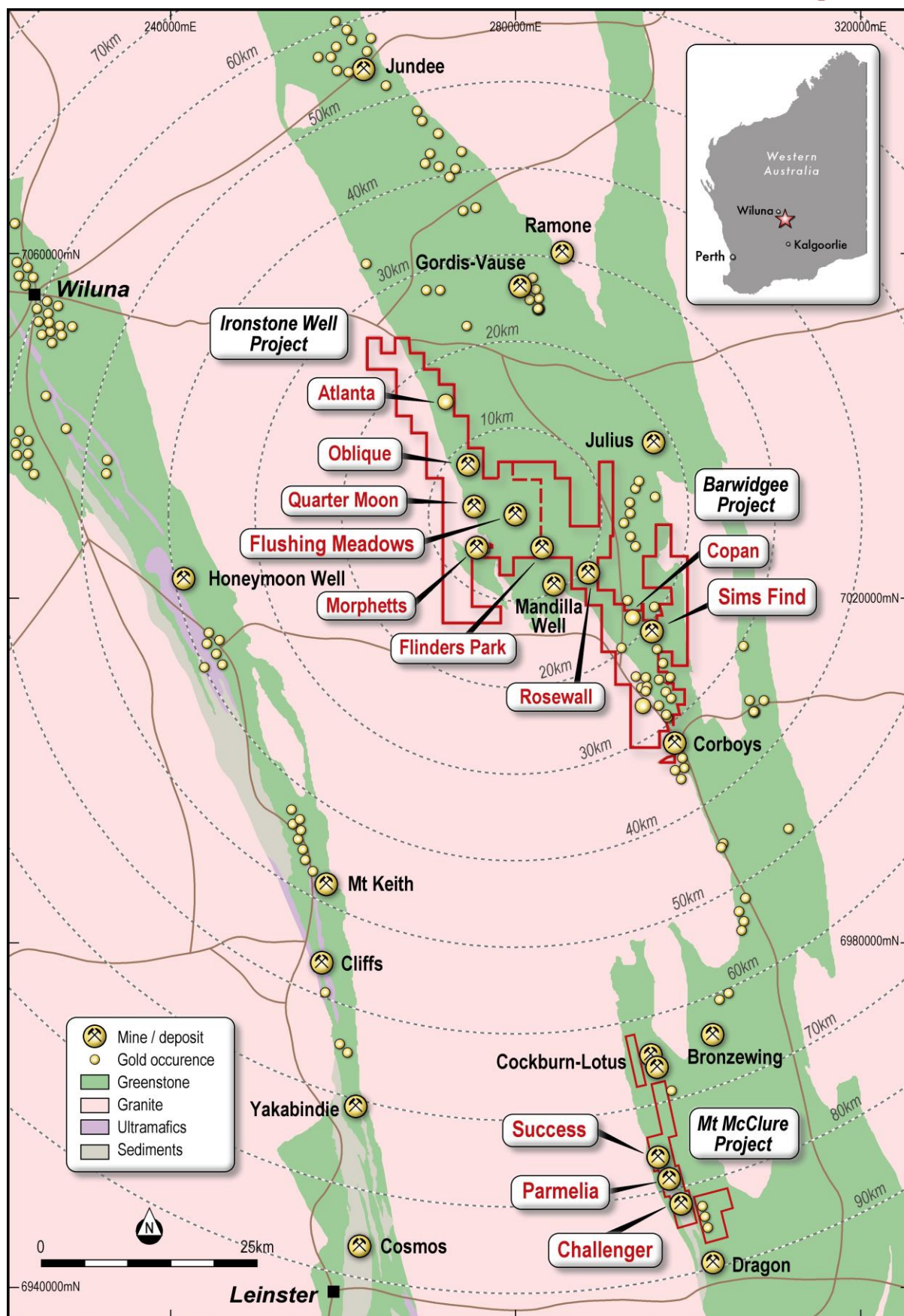


Figure 1 – Location of the Ironstone Well, Barwidgee and Mt McClure gold projects.

¹ Refer to Yandal Resources Ltd announcements dated 12 December 2018

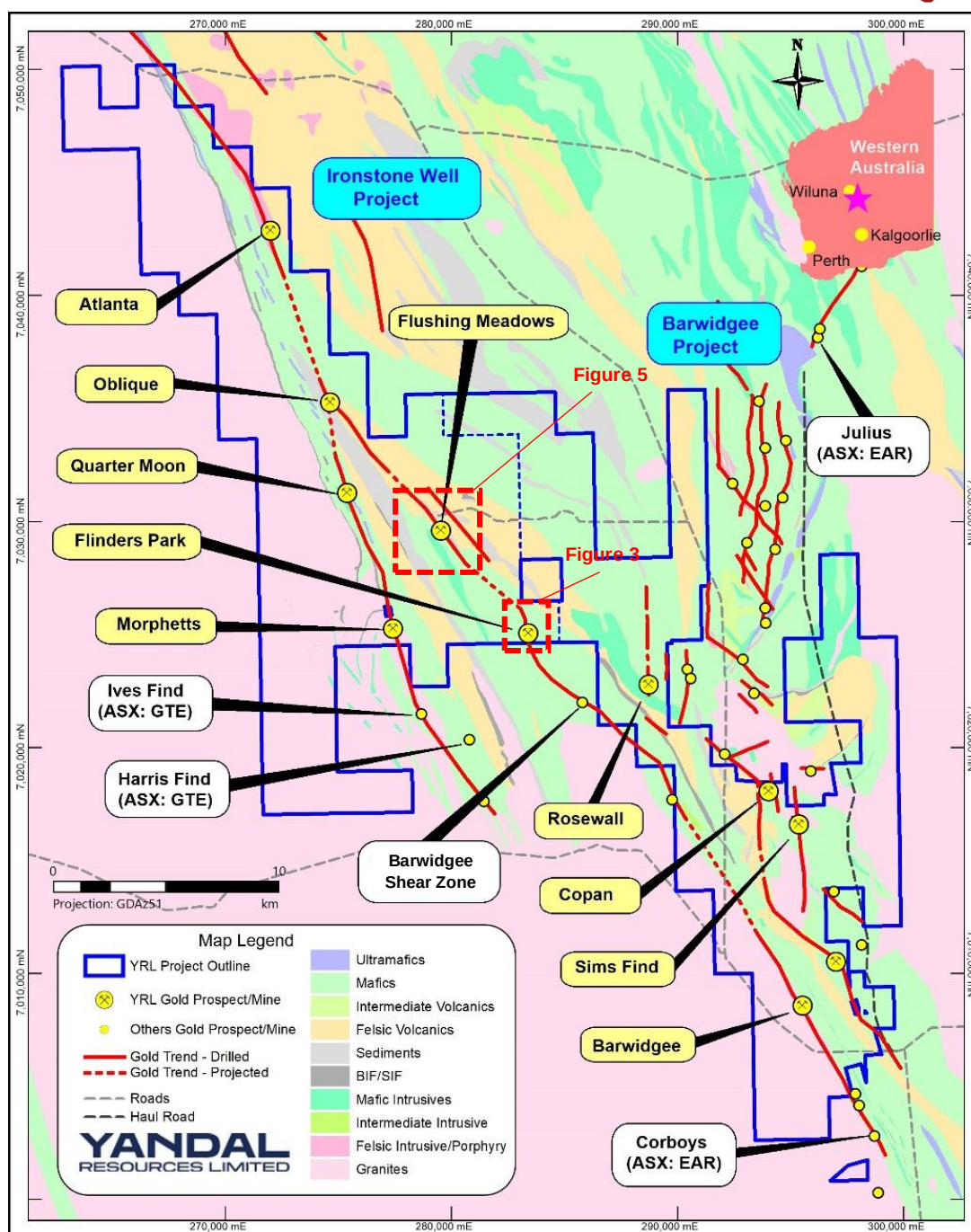


Figure 2 – Ironstone Well and Barwidgee gold project geological interpretation map including known prospects and structures.

To follow up anomalous historic AC results¹, previous explorer Eagle Mining Corporation N.L. completed several RC holes in a northwest zone approximately 200-400m east of and one in a zone beneath YRLRC0017 (Figure 3). Given the location of the new results and the interpretation of the historic drilling there is potential for the mineralisation to dip steeply to the west as indicated in the cross section A - A' (Figure 4).

The presence of steeply west dipping mineralisation had not been recognised by previous explorers and the Company interprets testing of the target to be ineffective. Most of the historic Rotary Air Blast ("RAB") or AC drill holes along strike from YRLRC0017 were oriented vertical or 270 degrees grid west.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018.

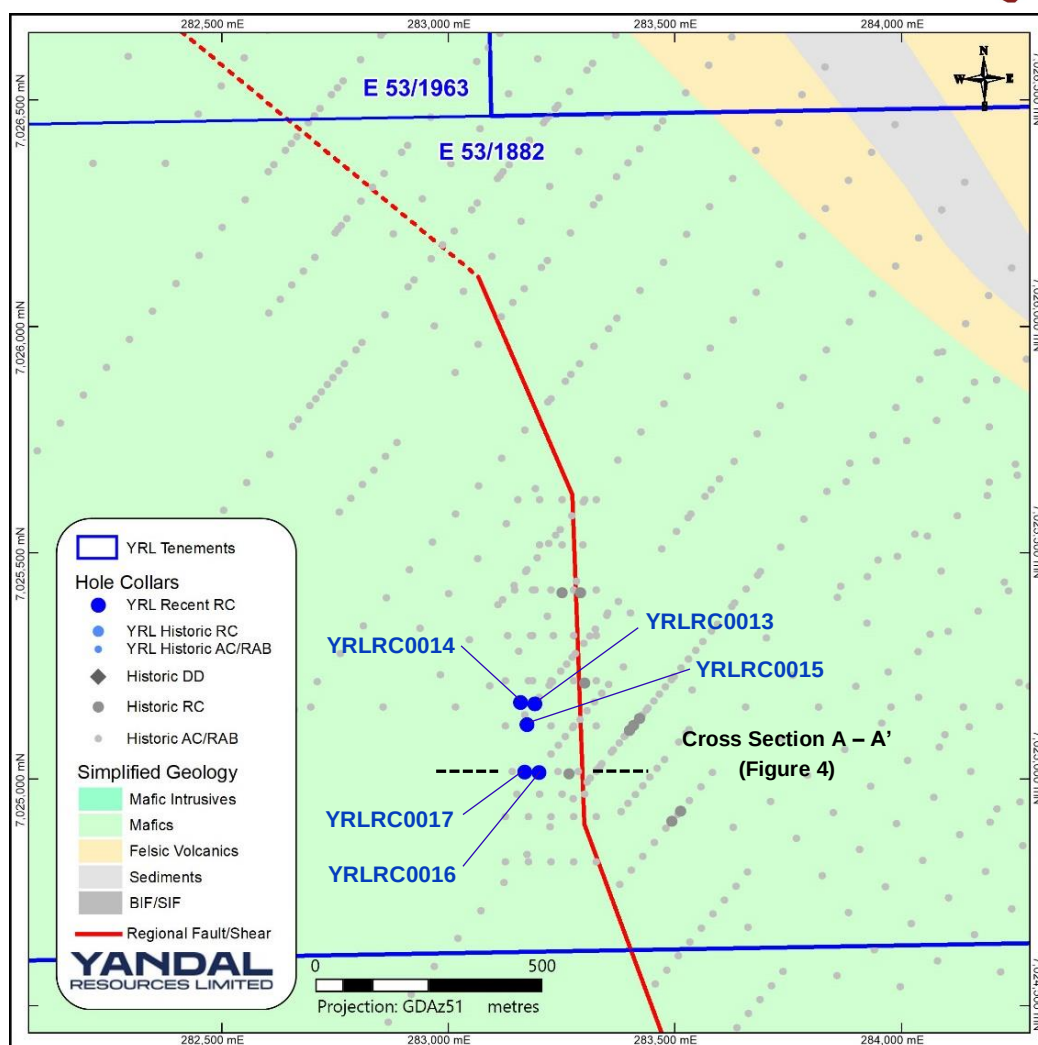


Figure 3 - Flinders Park prospect collar plan with the location of schematic cross section (A – A')¹.

Initial follow up exploration programs are in the advanced planning stages and will comprise new AC drilling to confirm and step out from the mineralisation identified in YRLRC0017. The AC program is planned to commence in early February 2019 and RC drilling will commence in the March Quarter 2019. The specific details of the proposed drilling will be released as they come to hand.

Ironstone Well Project - Flushing Meadows Prospect

The Flushing Meadows prospect is located approximately 5km northwest along strike from the Flinders Park prospect and is also within the Barwidgee Shear Zone (Figures 1 & 2). Twelve angled RC holes for 974m were completed as an initial confirmation study to evaluate oxide gold assay results returned from extensive historic AC and RC drill programs¹. The purpose of the program was to collect new information, to verify the historic database and possibly classify the mineralisation under the JORC 2012 Code.

Significant shallow oxide mineralisation was intersected in a number of holes which have confirmed the prospectivity of Flushing Meadows. A collar plan showing all holes within the database, the location of holes from the current program and the location of one representative cross section plan (Figure 6) is included as Figure 5.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 20 December 2018.

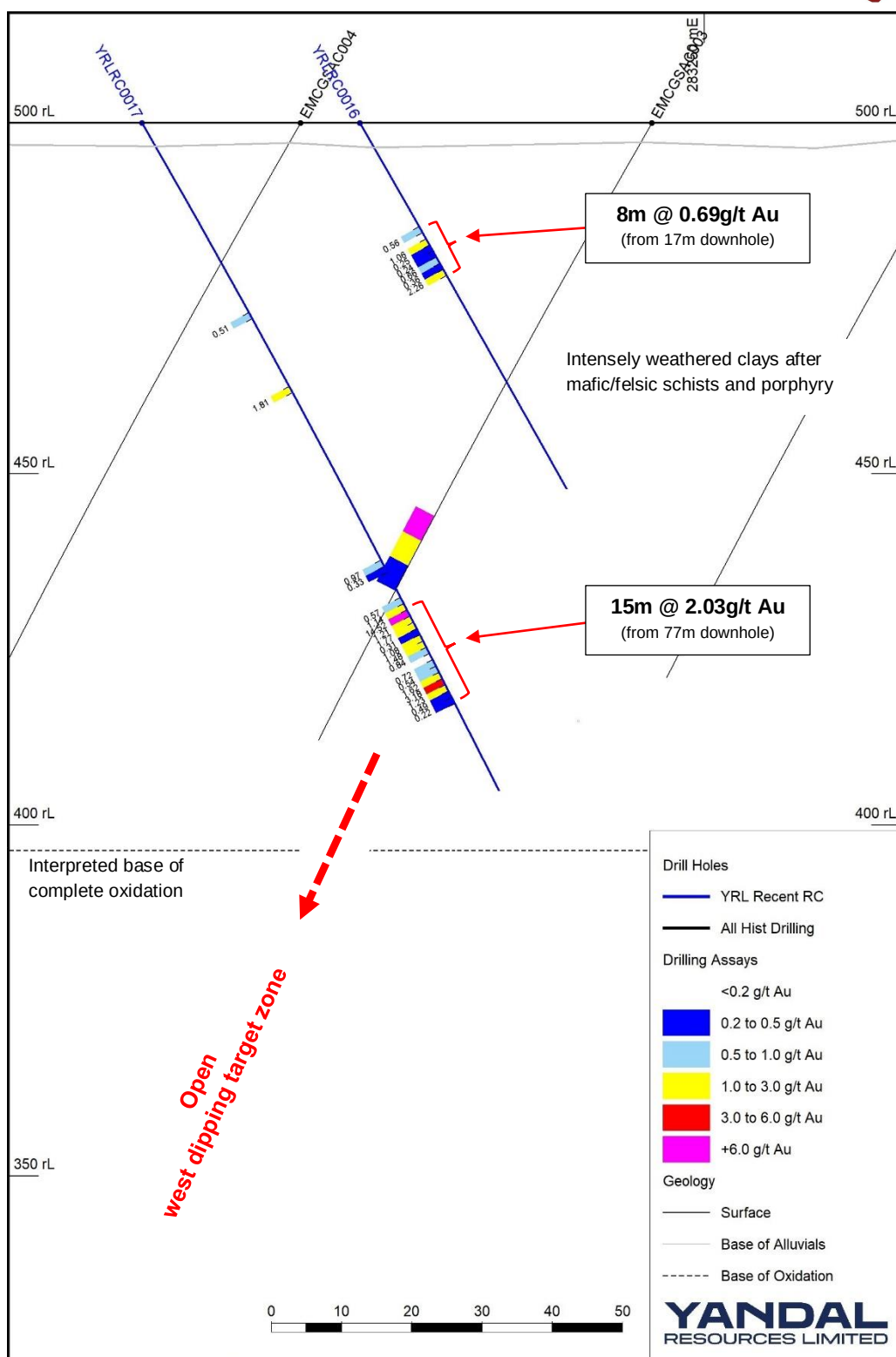


Figure 4 - Flinders Park prospect schematic cross section plan (A – A')¹.

Due to the relatively shallow depth of drilling, the majority of rocks types intersected are extremely weathered clays interpreted to be derived from felsic volcanogenic sediments and minor mafics. The results indicate widespread dispersion of gold via supergene enrichment and depletion processes which is a common feature of gold deposits in the Yandal Greenstone Belt and complicated earlier exploration efforts.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 20 December 2018.

Significant previously released downhole intercepts from the Flushing Meadows prospect include¹;

- **6m @ 3.92g/t Au from 18m including 2m @ 9.87g/t Au from 21m (YRLRC0003);**
- **6m @ 1.10g/t Au from 50m (YRLRC0003);**
- **6m @ 1.96g/t Au from 8m (YRLRC0004); and**
- **2m @ 3.36g/t Au from 18m (YRLRC0005).**

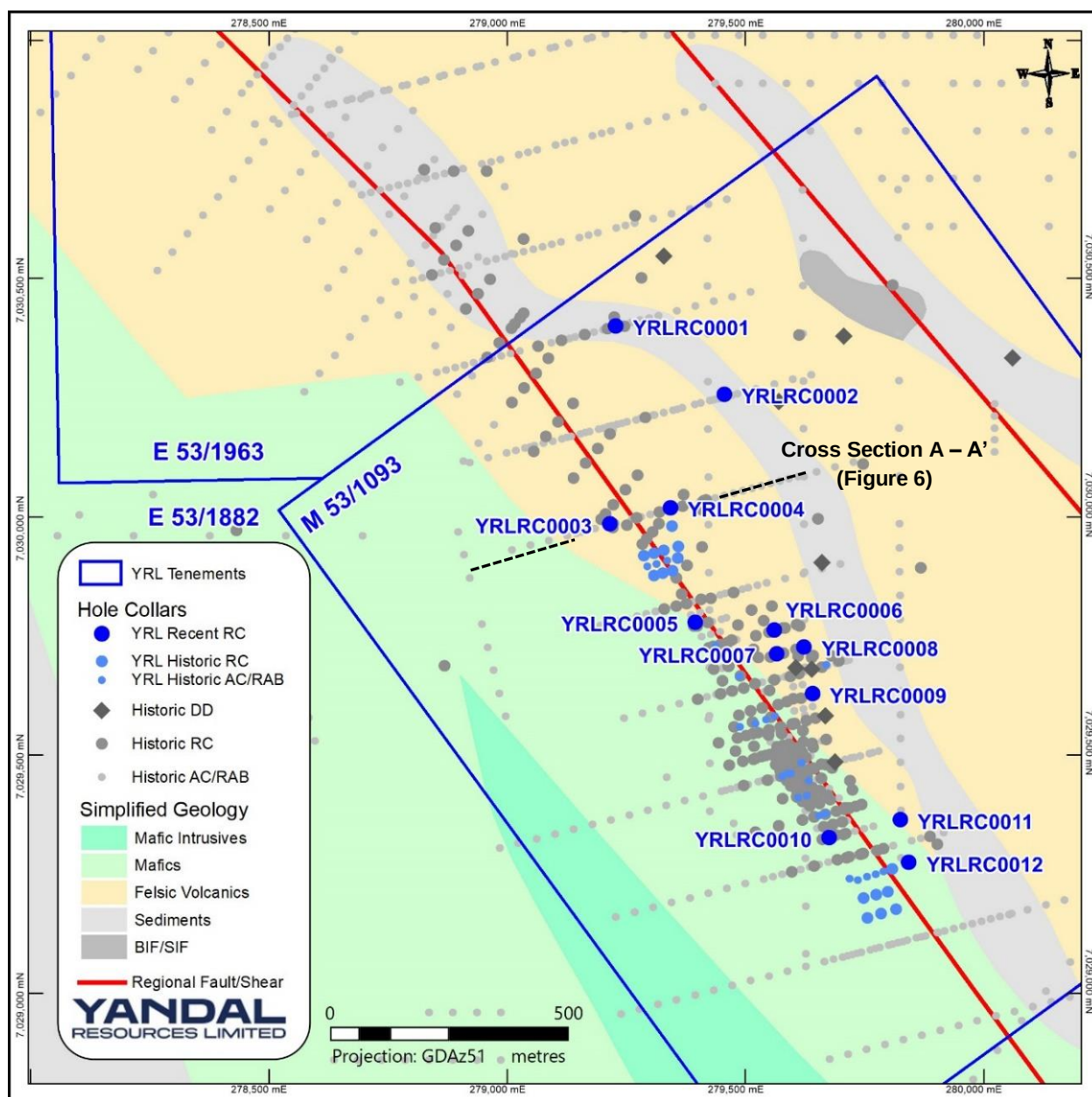


Figure 5 – Flushing Meadows prospect collar plan with schematic cross section (A – A') location¹.

The results correlate reasonably well with the Company's interpretation of the historically defined mineralisation and is the first step to assess the reliability of the historic database. Further drilling and QA/QC programs are now planned to confirm the location and reliability of historic intercepts on a number of additional drilling sections throughout the deposit. In addition confirmation AC drilling is planned to assess open mineralisation positions up to 800m north along strike from YRLRC0003 and YRLRC0004.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 20 December 2018.

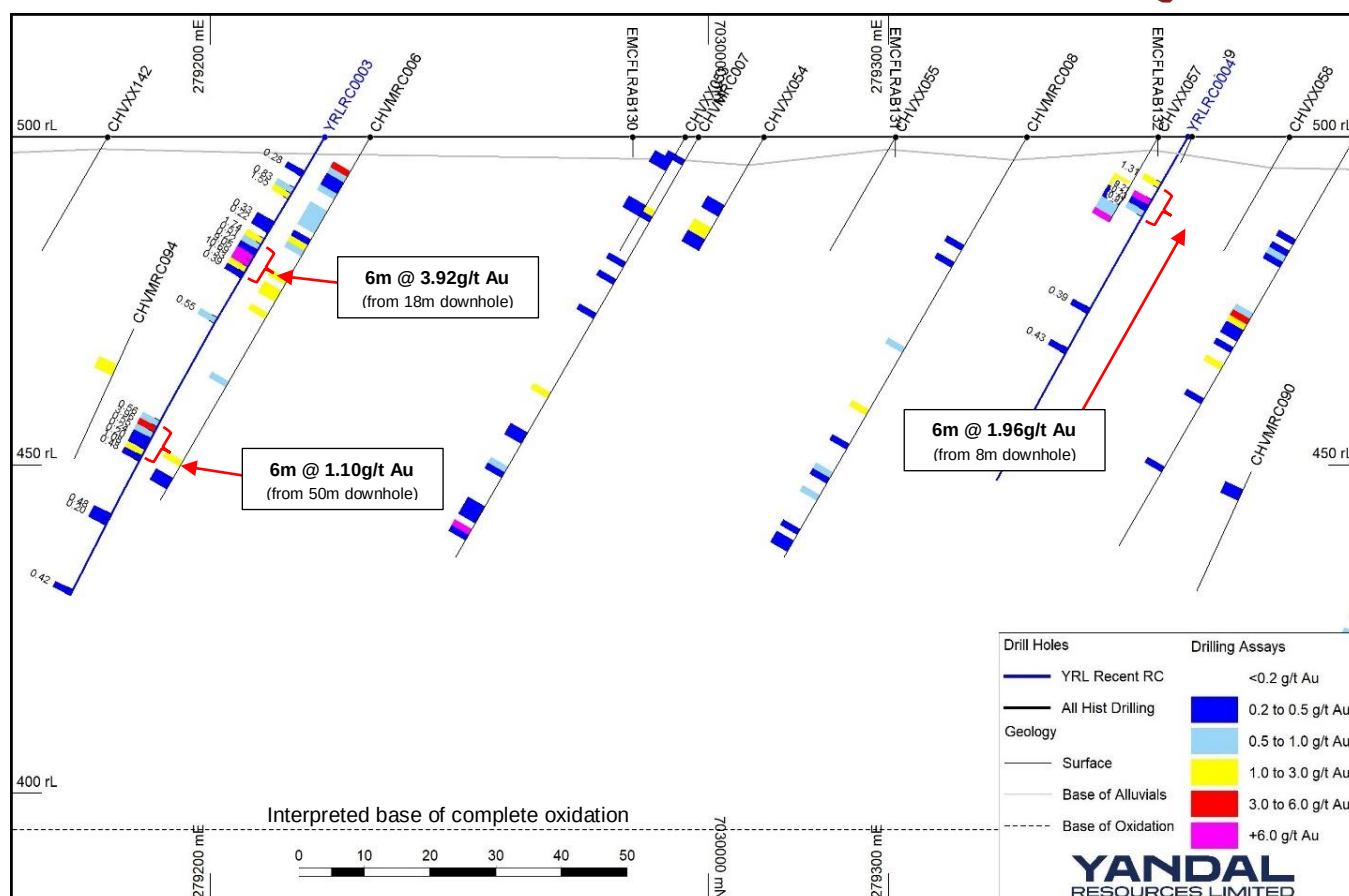


Figure 6 – Flushing Meadows prospect schematic cross section plan (A – A')¹.

Mt McClure Project - Challenger Way South Prospect

The Challenger Way South prospect is located approximately 20km south of the Bronzewing processing facility (owned by Echo Resources Ltd, ASX: EAR) on the southern end of an extensively mineralised structure, locally named the South West Trend. The South West Trend is host to a series of gold prospects occurring over a strike length of approximately 20km including the Success, Parmelia and Challenger Group deposits which were initially mined in the early 1990's (Figure 1 & 7).

Host rocks to the known mineralisation within the South West Trend include a volcano-sedimentary package of felsic to mafic composition. One angled RC hole for 90m was completed at Challenger Way South to confirm the location and tenure of gold mineralisation contained within the historic database and it did not intersect any significant gold mineralisation¹.

Upon review of the assay results, geological logs and further investigations, the Company believes that the historic grid reference was erroneous. From reassessment of the YRLRC0018 collar location and the interpreted plunge of mineralisation, it was determined that the hole was unlikely to intersect the intended target mineralisation.

Rocks encountered in the hole were highly weathered felsic sediments and tuffs with thin pyritic units which are typically encountered just before the gold mineralisation in other parts of the mineralisation system. The result has improved the Company's confidence in the accuracy of the historic database and the prospect is planned to be tested with follow up programs in the near term.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 20 December 2018.

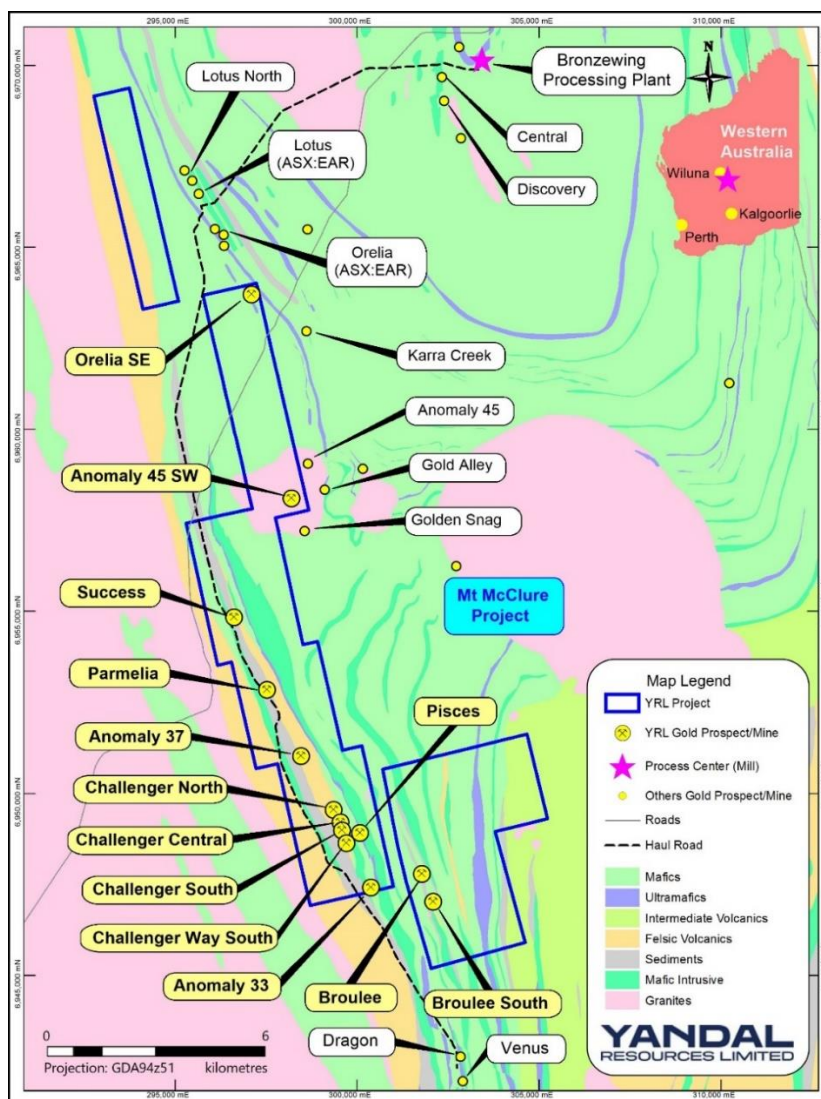


Figure 7 – Mt McClure gold project plan including the Challenger Way South prospect.

Gordons Project - Gordons Dam Prospect

The Gordons gold project is located in the highly prospective Kalgoorlie-Boulder Region of Western Australia (Figure 8) and the Gordons Dam prospect is located 20km northwest of the Kanowna Belle Gold Mine owned by Northern Star Resources Ltd (ASX: NST).

A total of 888m of RC drilling was completed at the Gordons Dam prospect in December 2018 with final 1m assay results received in early January 2019¹. The aim of the program was to locate the source of previously identified oxide gold in shallow saprolitic clays and palaeochannel sediments. The drilling was part of the WA Government's co-funded exploration incentive scheme, approved for a reimbursement of up to \$30,000 of direct drilling costs.

Significant gold mineralisation has been intercepted within the oxidised palaeochannel material and also in transitional and fresh rocks, including primary hematite altered felsic porphyry and sheared mafic volcanics. The primary mineralisation is believed to be structurally controlled with a steep east dip and a northeasterly strike orientation. The highest grade gold mineralisation intercepted occurs within supergene palaeochannel sediments above contacts between felsic porphyry and sheared mafic rock units.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 9 January 2019.

The new drilling results are particularly encouraging as consistent gold grades associated with sulphides have been discovered in primary rock for the first time at the prospect.

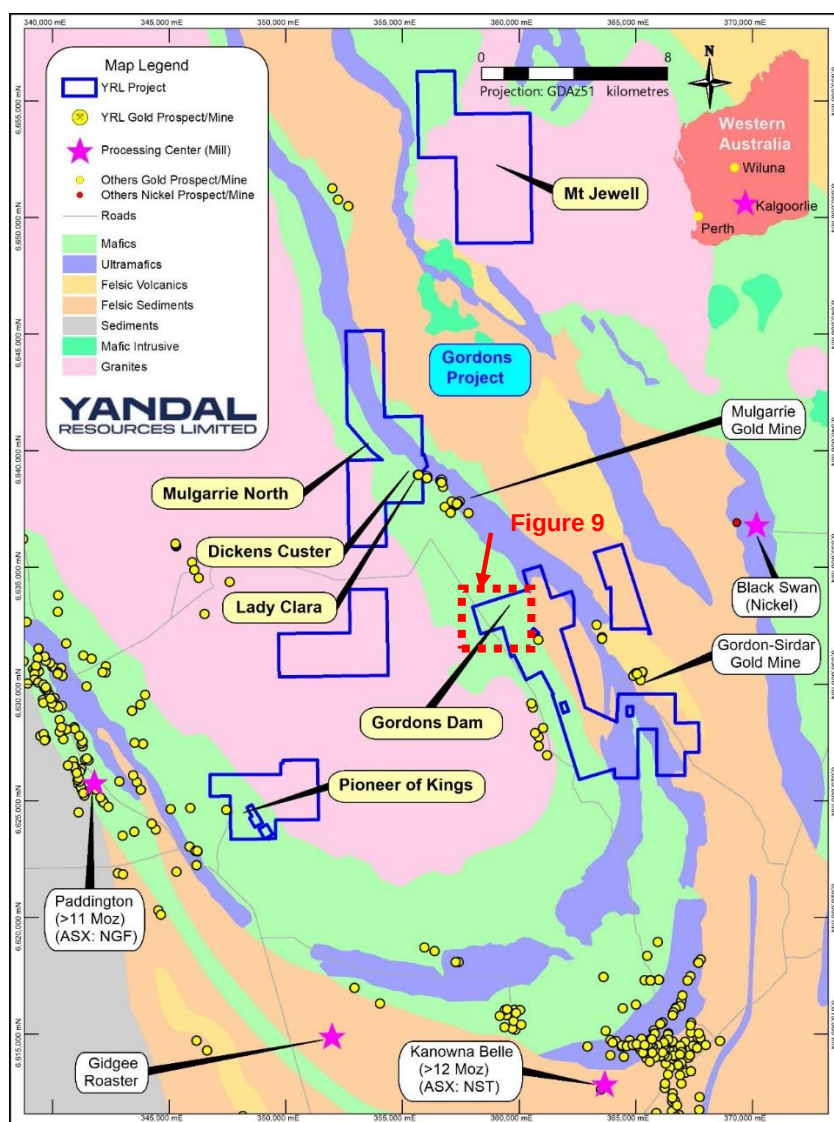


Figure 8 – Location of the Gordons Dam gold prospect within the Gordons project.

Drill chip logging has confirmed the presence of two porphyry rock units (one mineralised with hematite alteration; one barren) and a sheared fine grained mafic rock sequence which indicates geological complexity with some similarities to major gold deposits nearby. The mineralised porphyry unit is open and has been intersected over 200m strike length with a considerable down hole width of mineralisation up to 23m thickness in hole YRLRC0019.

Both the palaeochannel hosted and the primary mineralisation are open as there has been insufficient drilling to define the limits in any direction. A plan showing new and historic hole collars and selected significant intercepts is presented as Figure 9 for geological context. A representative cross section is shown as Figure 10. An important highlight from the program was the result from hole YRLRC0019 which included¹;

- **8m @ 7.33g/t Au from 35m including 1m @ 47.96g/t Au from 36m; and**
- **15m @ 0.95g/t Au from 80m and 8m @ 1.16g/t Au from 100m.**

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 9 January 2019.

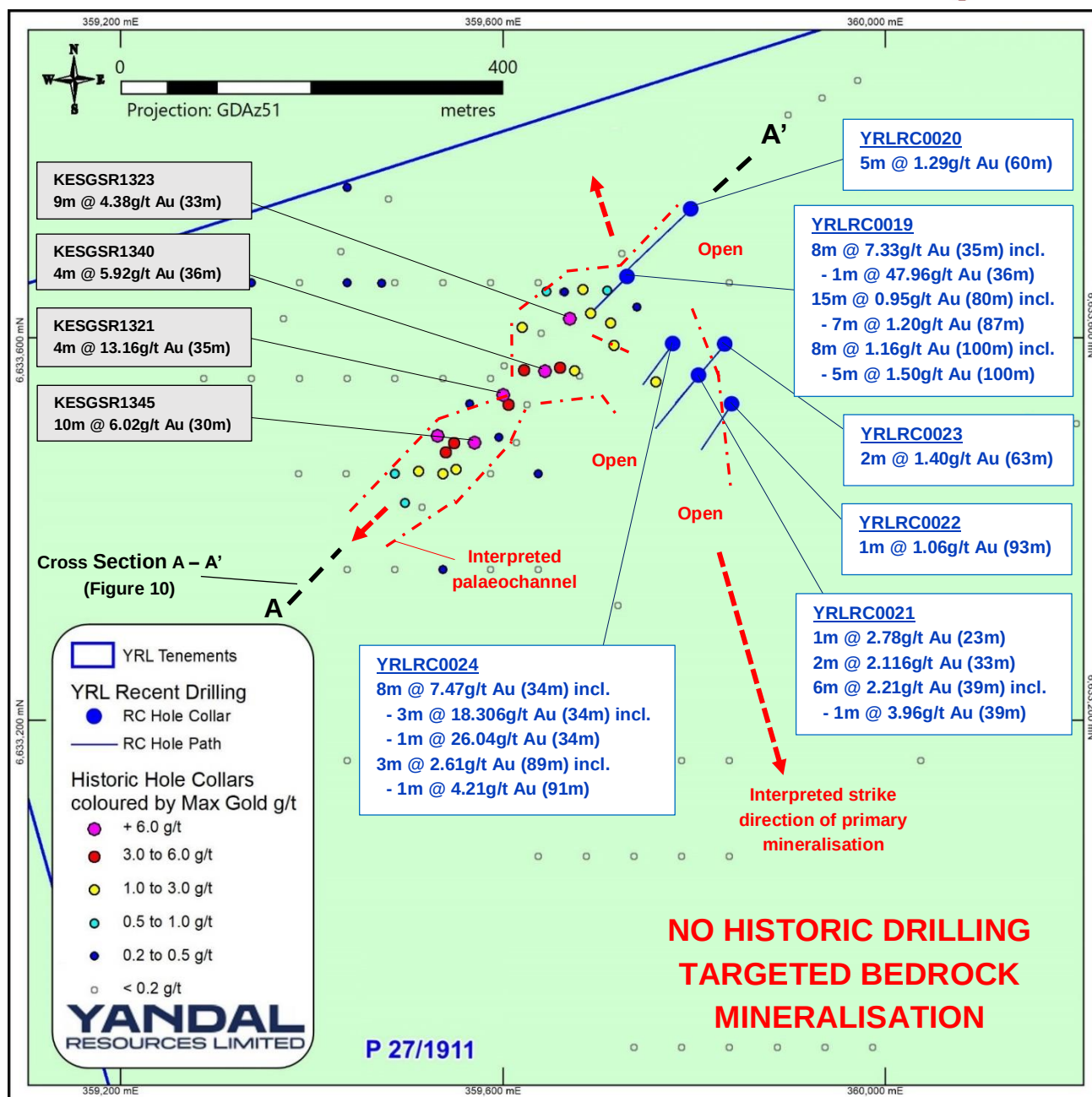


Figure 9 – Gordons Dam gold prospect drill collar plan within the Gordons Project¹.

The prospect area is covered by a 4-10m thick flat lying sheet of recent transported pisolitic gravels with variable induration at surface.

Underlying the gravels is a 15-25m thick sequence of transported light brown clays which in places are situated above a mineralised palaeochannel. The palaeochannel is typically composed of 3-6m of cream coloured clays with variable 2-6mm diameter granules and pebbles composed of rounded quartz and pisolitic lithic fragments.

The extent of the high grade palaeochannel hosted mineralisation and the bedrock hosted mineralisation are currently unknown and further drilling is recommended. Follow up AC and RC drilling programs are in the advanced planning stages to confirm the geometry and controls on the mineralisation and are planned to commence in the March Quarter 2019.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 9 January 2019.

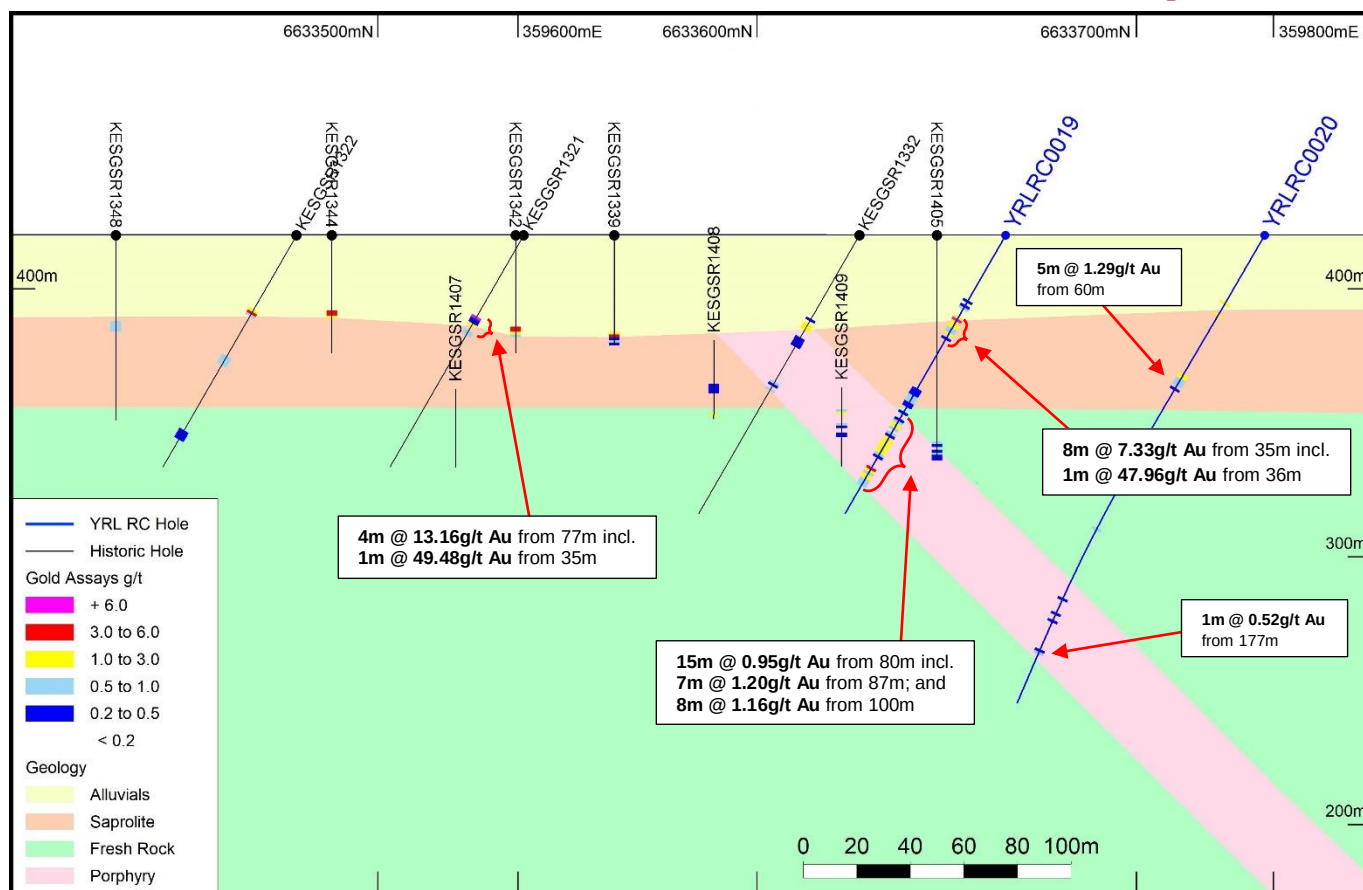


Figure 10 – Gordons Dam prospect schematic cross section plan (A – A')¹.

Corporate

The Company was admitted to the official list of ASX Limited ("ASX") on 12 December 2018 and began trading on 14 December 2018². A Replacement Prospectus for the Initial Public Offer ("IPO") of 25,000,000 Shares at an issue price of 20 cents each to raise \$5,000,000 closed oversubscribed due to very strong demand from strategic, sophisticated and retail investors. Panthea Capital Pty Ltd was Lead Manager to the IPO.

Substantial holders of the Company² include;

- Kesli Chemicals Pty Ltd <Ruane S/F A/C>;
- Northern Star Resources Limited (ASX: NST);
- Au Xingao Investment Pty Ltd;
- Mr Kenneth Joseph Hall <Hall Park A/C>;
- Mr Bruce Robert Legendre.

Issued capital at 31 December 2018 was 53,308,348 shares and there is 6,500,000 Unlisted 25c Options with an expiry date of 31 December 2021 on issue.

The Company's cash position was \$4.5M at 31 December 2018.

¹ Refer to Yandal Resources Ltd Replacement Prospectus dated 22 November 2018 lodged on the ASX 12 December 2018 and Yandal Resources Ltd announcement dated 9 January 2019;

² Refer to Yandal Resources Ltd announcements dated 12 December 2018.

Planned March Quarter Activities

During the March 2019 Quarter, Yandal Resources will focus upon the following activities;

- AC and RC drilling at the Flushing Meadows, Flinders Park, Oblique and Quarter Moon prospects - Ironstone Well project;
- AC drilling at the Rosewall prospect - Barwidgee project;
- RC drilling at the Success prospect – Mt McClure project;
- AC drilling at the Gordons Dam prospect – Gordons project.

For and on behalf of the Board



Lorry Hughes
Managing Director & CEO

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About Yandal Resources Limited

Yandal Resources listed on the ASX in December 2018 and has a portfolio of advanced gold exploration projects in the highly prospective Yandal and Norseman-Wiluna Greenstone Belts of Western Australia.

Yandal Resources' Board has a track record of successful discovery, mine development and production.

Competent Person Statement

The information in this document that relates to Exploration Results is based on information compiled by Mr Trevor Saul, a Competent Person who is a Member of The Australian Institute of Mining and Metallurgy (AusIMM). Mr Saul is the Exploration Manager of Yandal Resources. He is a full-time employee of Yandal Resources and holds shares and options in the Company.

Mr Saul has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Saul consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data other than the content of this report that materially affects the information in the Replacement Prospectus, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the Replacement Prospectus.

Tenement Schedule as at 31 December 2018

Locality	Tenement ID	Status	Holder	Ownership at Quarter End	Interest acquired during the Quarter	Interest disposed during the Quarter	Notes
Ironstone Well Gold Project							
Ironstone Well	M53/1093	Granted	Nemex 10%/Yandal 90%	100%	-	-	1
Oblique/Quarter Moon	E53/1882	Granted	Redcode	100%	-	-	2
Flushing Meadows	E53/1963	Granted	Redcode	100%	-	-	2
Flushing Meadows	E53/1964	Granted	Redcode	100%	-	-	2
Barwidgee Gold Project							
New England	E53/1843	Granted	Legendre	100%	-	-	3
Tuscana/Corboys	P53/1636	Granted	Yandal	100%	-	-	
New England	P53/1638	Granted	Yandal	100%	-	-	
New England	P53/1639	Granted	Yandal	100%	-	-	
Mt McClure Gold Project							
Anxiety Bore	P36/1808	Granted	Yandal	100%	-	-	
Anxiety Bore	P36/1809	Granted	Yandal	100%	-	-	
Anxiety Bore	P36/1810	Granted	Yandal	100%	-	-	
Anxiety Bore	P36/1811	Granted	Yandal	100%	-	-	
Anxiety Bore	P36/1812	Granted	Yandal	100%	-	-	
Success	P36/1813	Granted	Yandal	100%	-	-	
Success	P36/1814	Granted	Yandal	100%	-	-	
Success	P36/1815	Granted	Yandal	100%	-	-	
Success	P36/1816	Granted	Yandal	100%	-	-	
Parmelia	P36/1817	Granted	Yandal	100%	-	-	
Parmelia	P36/1818	Granted	Yandal	100%	-	-	
Parmelia	P36/1819	Granted	Yandal	100%	-	-	
Challenger	P36/1820	Granted	Yandal	100%	-	-	
Challenger	P36/1821	Granted	Yandal	100%	-	-	
Challenger	P36/1822	Granted	Yandal	100%	-	-	
Challenger	P36/1823	Granted	Yandal	100%	-	-	
Mt McClure	P36/1824	Granted	Yandal	100%	-	-	
Mt McClure	P36/1825	Granted	Yandal	100%	-	-	
Mt McClure	P36/1826	Granted	Yandal	100%	-	-	
Desperation Well	P36/1827	Granted	Yandal	100%	-	-	
Desperation Well	P36/1828	Granted	Yandal	100%	-	-	
Desperation Well	P36/1829	Granted	Yandal	100%	-	-	
Desperation Well	P36/1830	Granted	Yandal	100%	-	-	
Tony Well	P36/1831	Granted	Yandal	100%	-	-	
Tony Well	P36/1832	Granted	Yandal	100%	-	-	
Tony Well	P36/1833	Granted	Yandal	100%	-	-	

Tenement Schedule as at 31 December 2018 (continued)

Locality	Tenement ID	Status	Holder	Ownership at Quarter End	Interest acquired during the Quarter	Interest disposed during the Quarter	Notes
Mt McClure Gold Project							
Tony Well	P36/1834	Granted	Yandal	100%	-	-	
Tony Well	P36/1835	Granted	Yandal	100%	-	-	
Desperation Well Extended	P36/1852	Granted	Yandal	100%	-	-	
Challenger Extended	P36/1853	Granted	Yandal	100%	-	-	
Success Extended	P36/1854	Granted	Yandal	100%	-	-	
Parmelia Extended	P36/1855	Granted	Yandal	100%	-	-	
Gordans Gold Project							
Mt Jewell	E24/198	Granted	A. Rolfe	100%	-	-	4
Mt Jewell	E27/536	Granted	A. Rolfe & M. Rolfe	100%	-	-	4
Mulgarrie	M27/237	Granted	A. Rolfe	100%	-	-	4
Mt Jewell	P27/2206	Granted	A. Rolfe	100%	-	-	4
Boomerang Dam	P27/2214	Granted	Kesli	100%	-	-	5
Kanowna	P27/1911	Granted	Kesli	100%	-	-	5, 7
King of the West	ELA24/214	Application	Yandal	100%	-	-	
Wild Dog	ELA27/602	Application	Yandal	100%	-	-	
Mt Vettors	ELA27/605	Application	Yandal	100%	-	-	
Kanowna	MLA27/502	Application	Kesli	100%	-	-	5, 7
King of the West	PLA24/5266	Application	Yandal	100%	-	-	
King of the West	PLA24/5267	Application	Yandal	100%	-	-	
King of the West	PLA24/5268	Application	Yandal	100%	-	-	
King of the West	PLA24/5269	Application	Yandal	100%	-	-	
King of the West	PLA24/5270	Application	Yandal	100%	-	-	
King of the West	PLA24/5271	Application	Yandal	100%	-	-	
Gordons	PLA27/2338	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2339	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2340	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2341	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2342	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2343	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2344	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2345	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2346	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2354	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2355	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2356	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2357	Application	Zinfandel	100%	-	-	6

Tenement Schedule as at 31 December 2018 (continued)

Locality	Tenement ID	Status	Holder	Ownership at Quarter End	Interest acquired during the Quarter	Interest disposed during the Quarter	Notes
Gordans Gold Project							
Gordons	PLA27/2358	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2359	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2360	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2361	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2362	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2363	Application	Zinfandel	100%	-	-	6
Gordons	PLA27/2364	Application	Zinfandel	100%	-	-	6

Notes:

1. The 10% interest of Nemex Pty Ltd in this tenement was purchased by the Company under the Nemex Tenement Sale Agreement dated 29 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
2. These tenements were purchased by the Company under the Redcode Pty Ltd Tenement Sale Agreement dated 29 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
3. This tenement was purchased by the Company under the Bruce Legendre Tenement Sale Agreement dated 29 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
4. These tenements were purchased by the Company under the Antony and Matthew Rolfe Tenement Sale Agreement dated 21 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
5. These tenements are the subject of the Kesli Chemicals Pty Ltd Tenement Sale Agreement dated 21 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
6. These tenements are the subject of the Zinfandel Exploration Pty Ltd Tenement Sale Agreement dated 28 June 2018. As at 31 December 2018, the Company is still awaiting stamp duty assessment.
7. P27/1911 is a tenement that underlies M27/502 (Application). In the event of M27/502 being granted, the tenure on P27/1911 will cease.