Positive Redmoor Study Results and Re-commencement of drilling

28 May 2018

New Age Exploration (NAE or "the Company") is pleased to announce the recommencement of drilling at its 50% owned Redmoor Tin-Tungsten Project in Cornwall. This year's programme is aimed at extending the high-grade resource and has been triggered by an encouraging economic evaluation based on recently completed mining, processing and surface infrastructure studies.

HIGHLIGHTS

- Encouraging results from a preliminary economic evaluation based upon recently completed high-level mining, processing and surface infrastructure studies.

- A phased drilling programme of between 5,000 m and 10,000m in total is planned.

- Phase 1 of the drilling programme, expected to commence in June, has been funded for 4,000 m via a £664,000 underwriting and loan arrangement provided by Strategic Minerals Plc, NAE's joint venture partner.

- The drilling programme will initially focus on expanding the High Grade Inferred Mineral Resource of 4.5 Mt @ 0.37% WO_3, 0.25% Sn, 0.57% Cu (1.00% SnEq)[1] through drilling of the 4-6 Mt High-Grade Exploration Target[1&2] identified within the Sheeted Vein System ("SVS").

- The drilling contract has been signed, permitting completed, and the first of two rigs is currently being prepared for mobilisation to site.

- The grade of the resource, in drilling to date, has shown a tendency towards an increase with depth. It is hoped that the deeper holes planned to test the Exploration Target below the currently delineated resource, may result in further improved grades.

- Drilling, assaying and a resource update are expected to be completed by the end of 2018.

NAE Managing Director Gary Fietz commented; *"The recently completed high level mining, processing and infrastructure studies have provided both the Company and its Joint Venture partner, Strategic Minerals Plc, with the confidence that, subject to identification of additional high-grade resources, the Redmoor project has the potential to deliver attractive returns on investment.*

[1] *NAE Announcement, 20 March 2018, Redmoor 2018 Mineral Resource Update*

[2] *It should be noted that this Exploration Target is conceptual in nature, that there are currently insufficient data to define a Mineral Resource within this volume, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.*

We are very encouraged by the potential of this years drilling programme, expected to commence in June, to both increase the tonnage and average grade of the Redmoor resource."

Introduction

NAE's 50%-owned joint venture vehicle, Cornwall Resources Limited ("CRL") has recently completed high-level mining, processing and surface infrastructure studies for its Redmoor Tin-Tungsten Project located in Cornwall, UK. These studies have been based on the updated High Grade Inferred Mineral Resource of 4.5 million tonnes @ 0.37% tungsten (WO_3), 0.25% tin and 0.57% copper for a 1.0% tin equivalent grade[3], announced in March 2018[4]. The completed mining, processing and infrastructure studies focus on a processing plant and mine surface infrastructure fed from an underground mine, accessed via a decline.

Cautionary Statement

The results of the mining, processing and surface infrastructure studies recently completed, and the economic assessments based on these studies do not constitute a Scoping Study as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (JORC). This is primarily due to the fact that this work is based on an Inferred Mineral Resource which is, by its nature, uncertain. Any valuation results contained in this announcement are therefore illustrative only and should not be relied upon for investment purposes.

Mining Study

Technical consultants, Mining One ("Mining One"), of Australia were engaged to carry out a preliminary mine design, conceptual life-of-mine schedule, and mining capital and operating cost estimates for the Redmoor project, based on the updated High-Grade Inferred Mineral Resource announced in March 2018 [4].

Mining One selected retreat up-hole stoping with paste-fill as a potentially viable mining method. This assessment was based on the size and geometry of the ore body and environmental considerations. The preliminary mine design includes a decline from surface (portal), with access to the central parts of the resource from which ore drives can be developed in both directions along strike. A return air rise (RAR) and an escape-way system were also included in the design.

Mineable Shape Optimiser software was used to optimise mining stope designs. The design criteria were based on a cut-off grade assessment in combination with a preliminary geotechnical assessment and mining equipment constraints.

The mining study was based on assumptions of 15% dilution with a dilution grade of 0.3% SnEq and a 95% mining recovery, resulting in a near 100% conversion of the resource to preliminary mining inventory. Further studies are required to more accurately define these factors.

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[3] *Equivalent metal calculation notes; SnEq% = Sn%*1 + WO₃%*1.43 + Cu%*0.40. Commodity price assumptions: WO₃ US$ 33,000/t, Sn US$ 22,000/t, Cu US$ 7,000/t. Recovery assumptions: total WO₃ recovery 72%, total Sn recovery 68% & total Cu recovery 85% and payability assumptions of 81%, 90% and 90% respectively*

[4] *NAE Announcement, 20 March 2018, Redmoor 2018 Mineral Resource Update*
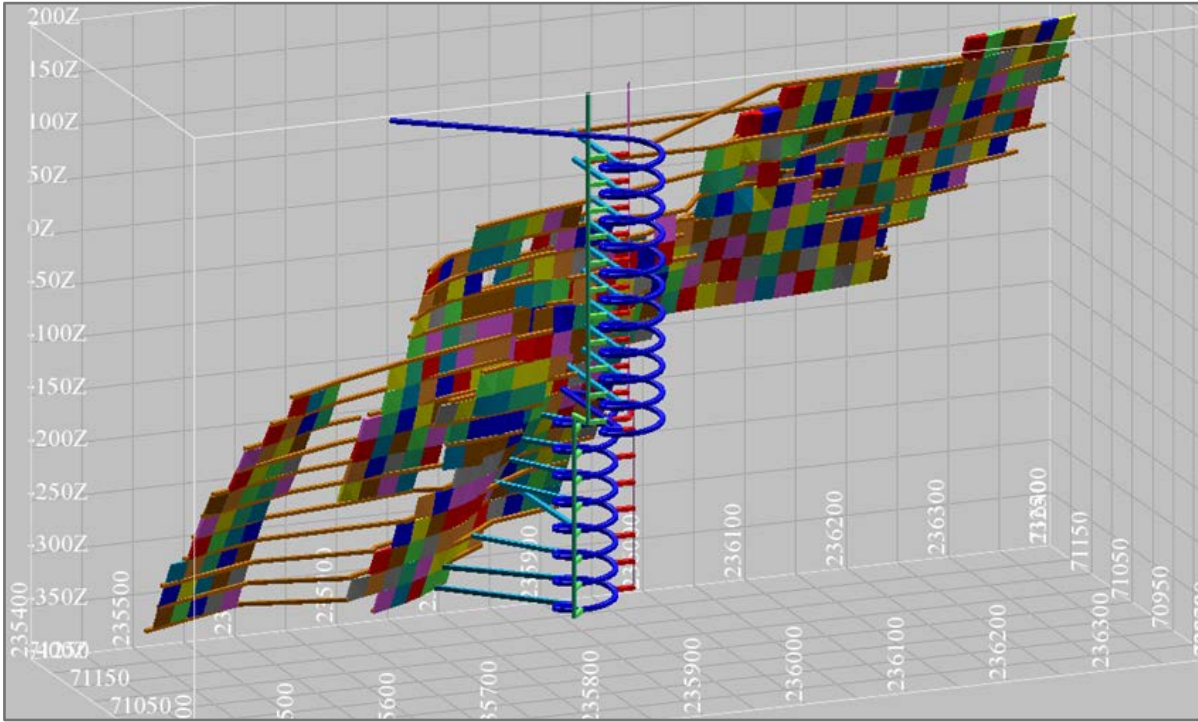
Figure 1- Isometric view (looking north) of decline and stoping design (Mining One, May 2018)

The High Grade Inferred Resource[5] shows a significant increase in grade (SnEq) with depth from the surface.
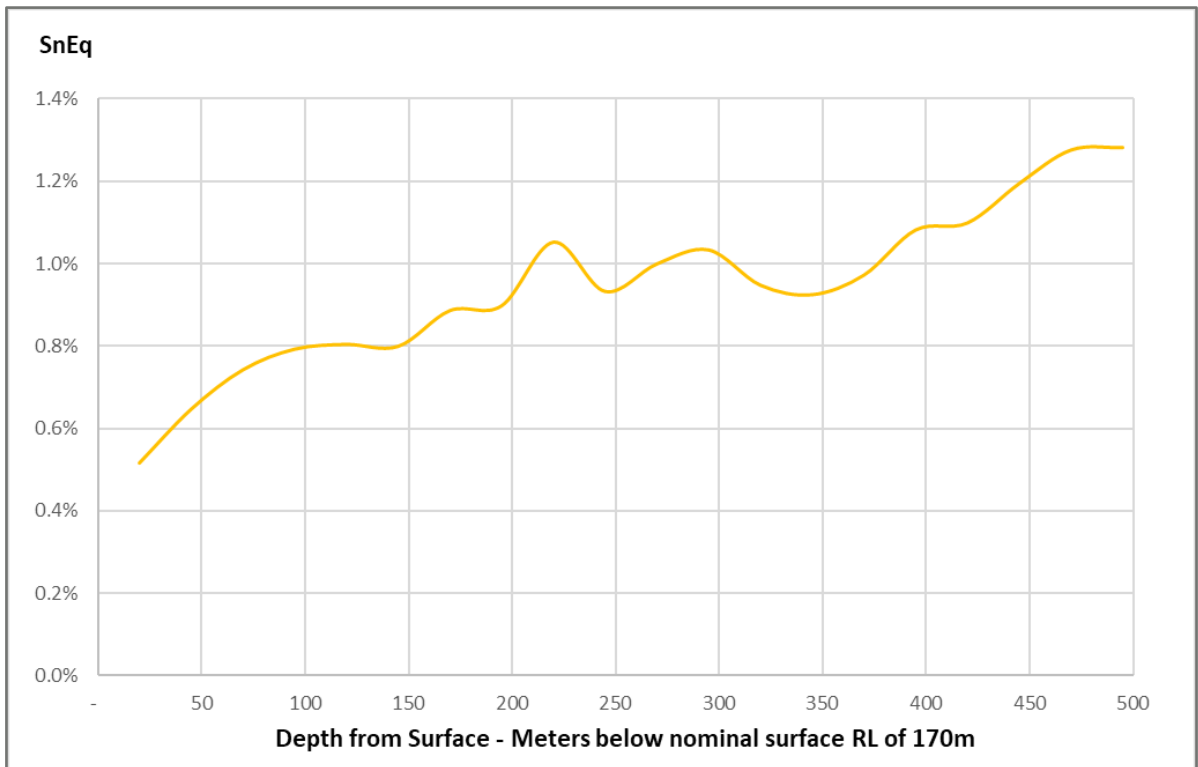

Figure 2 – High Grade Inferred Resource Tin Equivalent Grade vs Depth from Surface

[5] *NAE Announcement, 20 March 2018, Redmoor 2018 Mineral Resource Update*

Processing and Infrastructure Study

CRL engaged UK-based engineers, Fairport Engineering Limited ("Fairport") to complete a study of the Redmoor processing plant and mine surface infrastructure. Fairport has recent engineering design and construction management experience, having worked on a similar-scale tungsten processing plant in Spain. The processing plant design was based on a process flowsheet developed by consultants Devlure in 2015, using historical metallurgical testwork undertaken on drill core samples at Redmoor. The Fairport study included preliminary design of a process plant and related surface infrastructure as well as capital and operating cost estimates.

Based on the historical metallurgical test-work available, Redmoor ore was considered by Devlure to be a coarse-grained and relatively simple-to-process ore with high expected recoveries and low processing costs. The process flowsheet used as a basis of design by Fairport includes;

- Crushing and screening
- Pre-concentration
- Milling
- Froth flotation
- Gravity separation
- Concentrate thickening, dewatering and drying
- High intensity magnetic separation
- Tailings thickening

Fairport also undertook preliminary design, operating and capital cost estimates for mine surface infrastructure at Redmoor including;

- Tailings disposal
- Mine paste backfill plant
- Water treatment plant
- Incoming utilities (power & water)
- General surface facilities (offices, amenities, workshops, access and site roads and drainage etc.)

Economic Evaluation

A high level economic evaluation of the project has been completed internally by CRL, based on;

- The mining study results completed by Mining One;
- The processing and surface infrastructure study completed by Fairport Engineering; and
- Estimates of other project costs made by CRL.

The results of the economic evaluation have been encouraging and confirmed that the project is potentially economically attractive and that further exploration and studies should be undertaken on the project.

While the project is expected to deliver excellent operating margins, the existing Inferred High Grade Resource of 4.5Mt, although providing a positive return, requires to be increased in order to achieve the Joint Venture partners criteria for development investment.

The results of the economic evaluation also show that, with an in-situ grade of 1.0% SnEq., as per the current inferred resource grade; attractive returns on investment, in excess of the Joint Venture partners criteria for investment, can be achieved. This is subject to the definition of additional resource tonnes and their addition to the mining inventory. CRL believe there is potential for this within the High Grade Exploration Target material identified by SRK and will be aiming to convert a significant portion of this through the 2018 drilling. Considerable support for this is provided by hole CRD019, which was drilled into the High Grade Exploration Target volume, and intersected high-grade material at the correct modelled position, but was deemed to be too distant from other drillholes to be included in the most recent High Grade Inferred Resource.

2018 Drilling Programme

An exploration drilling programme is expected to commence at Redmoor in June 2018, with an initial focus on expanding the existing high-grade resource through drilling of the Exploration Target identified in the Company's 20 March 2018 announcement.

A drilling contract has been signed with Priority Drilling Company Limited ("Priority"), to complete a phased drilling programme of between 5,000 m and 10,000 m in total, the first phase of which, consisting of 4,000 m, has been funded. Priority has extensive experience in base and precious metals and coal exploration drilling and has been selected after a competitive selection process.

CRL and SRK Consulting UK ("SRK") believe that it is realistic to consider that mineralisation continues at depth within the Exploration Target in a similar style to that already tested within the Inferred High Grade Resource area. The Exploration Target has been determined by assuming that SVS mineralisation containing High Grade Zones in similar frequency and thickness to those within the High Grade Inferred Mineral Resource area, extends down-dip beyond the currently delineated resource, approximately 250 m beyond the maximum modelled depth of the High Grade Inferred Mineral Resource. This resulted in a High Grade Exploration Target, of 4 – 6 Mt at a grade of between 0.9 – 1.3% SnEq, being defined in accordance with the guidelines for such set out in the JORC Code (2012) [6 & 7].

As mentioned above, drillhole CRD019, completed near the end of CRL's 2017 programme, provides significant support for the Exploration Target. While the results from this drillhole have not yet been incorporated into the High Grade Inferred Mineral Resource, this hole intersected over 20 m (true thickness) @ between 1.14% SnEq to 2.63% SnEq, including 7.00 m (4.82 m true thickness) @ 2.63% SnEq from 507.05 m within which was including 1.00 m (0.71 m true thickness) @ 12.38% SnEq from 510.05 m. This high-grade mineralisation is within the Exploration Target volume and at grades significantly in excess of those of the reported resource above it. As shown in Figure 2, based on results to date, the grade of the resource appears to improve significantly with depth, highlighting the potential for higher grades within the Exploration Target, a finding which is supported by drillhole CRD019.

[6] *NAE Announcement, 20 March 2018, Redmoor 2018 Mineral Resource Update*

[7] *It should be noted that this Exploration Target is conceptual in nature, that there are currently insufficient data to define a Mineral Resource within this volume, and that it is uncertain if further exploration will result in the determination of a Mineral Resource.*

FUNDING ARRANGEMENTS

In order that drilling can commence in June 2018, NAE's Joint Venture Partner, Strategic Minerals Plc have provided CRL with a £332,000 loan and has also underwritten a placement of shares in CRL of £664,000, to occur on 3 September 2018.

NAE has until the 31 August 2018 to fund its £332,000 share of the placement to retain its 50% interest in CRL, which is the Company's intention. If NAE does not take up the placement by 3 September 2018, then NAE's ownership would be diluted to 40% and Strategic Minerals Plc would increase its ownership to 60% of CRL, although all decision making would remain on a 50:50 basis.

FORWARD LOOKING STATEMENTS

This report contains "forward-looking information" that is based on the Company's expectations, estimates and forecasts as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, objectives, performance, outlook, growth, cash flow, earnings per share and shareholder value, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses, property acquisitions, mine development, mine operations, drilling activity, sampling and other data, grade and recovery levels, future production, capital costs, expenditures for environmental matters, life of mine, completion dates, commodity prices and demand, and currency exchange rates. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as "outlook", "anticipate", "project", "target", "likely", "believe", "estimate", "expect", "intend", "may", "would", "could", "should", "scheduled", "will", "plan", "forecast" and similar expressions. The forward-looking information is not factual but rather represents only expectations, estimates and/or forecasts about the future and therefore need to be read bearing in mind the risks and uncertainties concerning future events generally.

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