4 June 2018

Follow Up Drilling Highlights Potential to Further Extend the JB Zone Zinc-Mineral Resource on the Paperbark Project

Highlights

- **Follow up drill hole JB07-18 intersected a 108m interval of zinc-lead mineralisation from a down hole depth of 123m at the JB Zone Prospect**
- **Drill hole JB07-18 was drilled to test for continuity of the JB Zone zinc-lead mineralisation to the east, and to determine if the zinc mineralisation at the JE Zone is connected at depth to the JB Zone Mineral Resource**
- **The 108m interval of zinc-lead mineralisation intersected in drill hole JB07-18 occurs 130m east of the currently defined eastern limit of the JB Zone Mineral Resource, which is defined as 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off and is classified as Inferred in accordance with JORC (2012)[1]**
- **101 samples from drill hole JB07-18 have been sent for geochemical analysis with the results expected before the end of June**
- **Drill hole JB06-18 has been completed testing the eastern extension of the JE Zone zinc mineralisation along the Dhufish Fault[2]**
- **Drilling of the final hole on the Paperbark drilling program for 2018 is currently in progress, with hole PB09-18 testing the western extension of the zinc mineralisation at the JE Zone and its potential connection to the JB Zone**

Pursuit Minerals Limited (ASX: PUR) (**Pursuit** or the **Company**) has intersected extensive zinc and lead sulphide mineralisation in follow up drilling at the JB Zone on the Paperbark Project in north-west Queensland.

Drill hole PB07-18 intersected zinc and lead sulphide mineralisation over an interval of 108m from 123m down hole.

The hole was drilled to determine if the zinc-lead mineralisation of the JB Zone Mineral Resource extends further to the east and whether the zinc-lead mineralisation at the JB and JE Zones are connected at depth. The JB Zone Mineral Resource is currently defined as 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off and classified as Inferred in accordance with JORC (2012).

[1] See ASX announcement dated 24 April 2017. The Company is not aware of any new information that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates in the Resource Statement continue to apply and have not materially changed.

[2] See ASX Announcement by the Company on 6 December 2017. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

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PB07-18 shows that the zinc-lead mineralisation of the JB Zone extends at least a further 130m east than the current boundary of the Mineral Resource.

An additional hole, PB06-18, was drilled to determine the eastern extent of the JE Zone zinc mineralisation along the Dhufish Fault.

Pursuit Minerals Managing Director Jeremy Read said intersecting an interval of 108m of zinc and lead mineralisation, 130m east of the current boundary of the JB Zone Mineral Resource, indicated that the JB and JE Zones were potentially part of one larger mineralised system.

"As the drilling proceeds at Paperbark we are getting indications that the thick zone of zinc-lead mineralisation, which constitutes the JB Zone, continues at fairly consistent thickness to the east towards our new zinc discovery at the JE Zone," Mr Read said.

"Our drilling this year is focussed on determining if the JB and JE Zones are connected and also trying to establish what controls the higher-grade zones of mineralisation within these broad packages of zinc mineralised rocks.

"If we are able to show, with a high degree of probability, that the JB and JE Zones are connected, then this would have major implications for the ultimate size of the mineral deposit. Extending the high-grade zones will clearly help the overall economics of the JB Zone Mineral Resource," Mr Read said.

Paperbark Project – JB and JE Zone Drilling Program

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km south-east of the Century Mine in north-west Queensland. It occurs within the Lawn Hill Platform of the Western Succession of the Mt. Isa Province. The project consists of one exploration permit EPM 14309, covering an area of approximately 70km^2. Exploration by previous companies focused on the JB Zone, where a Mineral Resource of 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade and classified as Inferred in accordance with the JORC Code (2012), has been defined (see Pursuit Minerals ASX Announcement 24 April 2017).

At Paperbark, Proterozoic basement rocks, members of the McNamara Group sediments, are well exposed. Geological mapping by previous tenement holders has contributed to a good understanding of the distribution of the various geological units, including:

- Torpedo Creek quartzite (orthoquartzite and conglomerate);
- Gunpowder Creek formation (dolomitic, feldspathic fine-grained sandstone-siltstone);
- Paradise Creek formation (stromatolitic, dolomitic siltstone);
- Esperanza formation (stromatolitic chert, sandstone and dolomitic siltstone);
- Lady Loretta formation (laminated, stromatolitic siltstone and shale);
- Shady Bore quartzite (orthoquartzite, fine dolomitic sandstone); and
- Riversleigh siltstone (carbonaceous siltstone, shale and sandstone).

Figure One – Paperbark Project

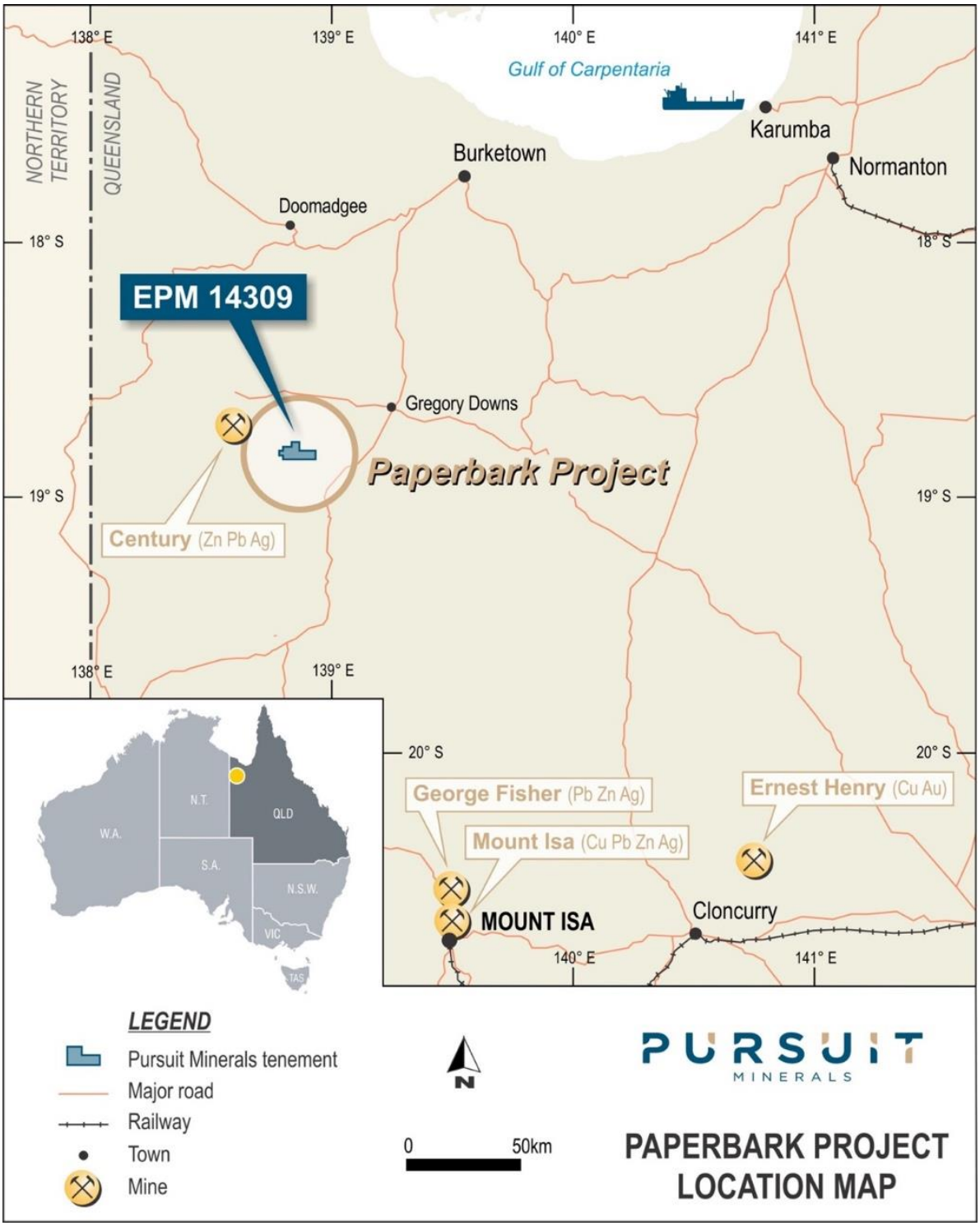
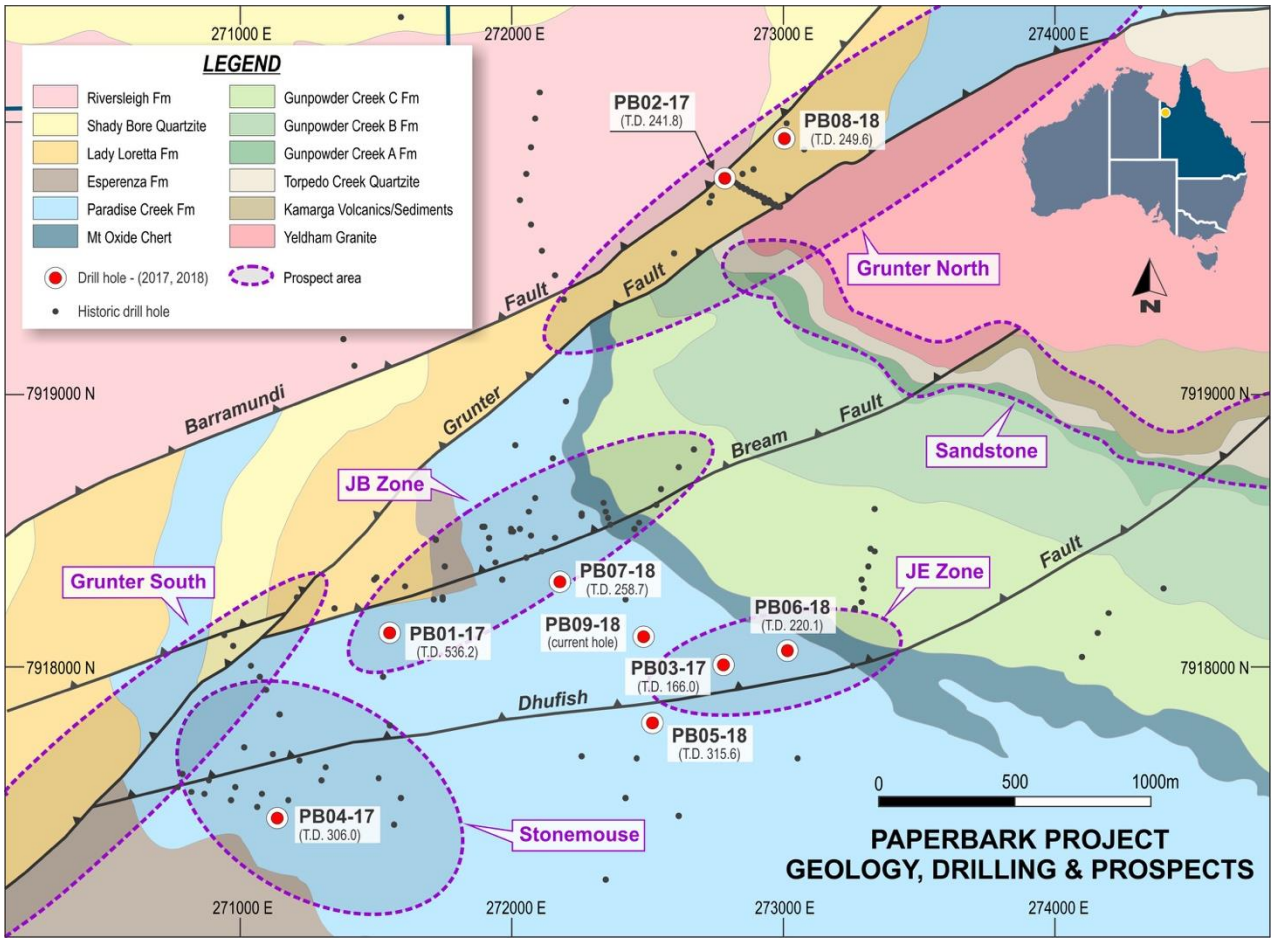


Figure Two – Paperbark Project Prospect Locations



The sediments dip moderately (30 degrees) to the southwest and all units are potential hosts for base metal mineralisation. The Proterozoic rocks are cross cut by two significant, north-east trending faults (named the Grunter and Barramundi faults), with a series of second order faults splaying off the main structures (Dhufish and Bream Faults).

Drill Hole PB07-18

Drill hole PB07-18 (Table One, Figure Three) was designed to test for eastern extensions to the JB Zone Mineral Resource. If the JB Zone was intersected in drill hole PB07-18, the other objectives of the drill hole were to determine the depth to top of any mineralisation and to investigate the geological controls on any higher-grade mineralisation.

Zinc and lead mineralisation was intersected in the Upper Gunpowder Creek Formation. The mineralisation occurs in the Lower Mineralised Dolomite Units, LMDa and LMDb, from a down-hole depth of 123m until 231m, a down-hole interval of 108m. More intense zones of mineralisation were intersected from down hole depths of 130-131m, 168-169m and 172-173m (Figure Four). The dominant form of mineralisation is as the matrix of collapsed brecciation and supplemented by lesser sphalerite-galena veining and minor spotty sphalerite. Alteration takes the form of an overprinting dolomitisation.

Table One

Prospect	Drill Hole Name	Easting (GDA94, Zone 54)	Northing (GDA94, Zone 54)	Azimuth (Degrees, Magnetic)	Dip (Degrees)	Actual Depth (m)
Paperbark	PB06-18	272 981	7 918 072	200	-65	220.1
Paperbark	PB07-18	272 176	7 918 313	150	-65	258.7

No faults were encountered during the drilling of hole PB07-18. Core orientations confirm sub-horizontal stratigraphy dipping gently to the south-east.

PB07-18 shows that the zinc-lead mineralisation of the JB Zone extends at least a further 130m east than the current boundary of the Mineral Resource. It appears that the hole remains intra-basinal, as indicated by the shallow dip of bedding and the lack of faulting. The eastern margin of the mineralisation intersected in drill hole PB07-18 may well be the Dhufish Fault which controls the mineralisation at the JE Zone. The source of mineralising fluids is thought to be the regional northeast trending Bream and Dhufish faults.

Geochemical analysis of 101 one metre half core samples of the mineralized zone between 123-231m is being undertaken.

Drill Hole PB06-18

In December 2017 Pursuit completed drill hole PB03-17, which tested the down-dip extent of gossanous and zinc-anomalous siltstones at the JE Zone, and intersected a zone strongly anomalous in lead and zinc from 116.0m until the end of hole at 166.0m. The rocks in the drill hole were highly weathered with most sulphides converted to iron oxides. As a result of the greatly increased depth of weathering at the JE Zone, drill hole PB05-18 (Figure Three) was drilled down dip of drill hole PB03-17, with the objective of intersecting the zinc and lead sulphide mineralisation below the depth of weathering (see Pursuit's ASX Announcement 17 May 2018). Drill hole PB05-18 intersected various levels of sphalerite and galena mineralisation in the Lower Mineralised Dolomites of the Gunpowder Creek Formation from a down hole depth of 202.0m until 253.4m. Assays results are expected by mid-June.

Drill hole PB06-17 (Table One, Figure Five) was drilled to test the eastern extent of the zinc-lead mineralisation intersected at the JE Zone in holes PB05-18 and PB03-17. PB06-17 intersected the target Gunpowder Creek Formation at a down hole depth of 35m and continued in the Lower Mineralised Dolomite Units, LMDc, LMDa, LMDb, until the end of hole at 220.1m. The drill core was extremely weathered to a down hole depth of 198m. Minor zones of trace mineralisation were intersected between 121-133m and 205-213m. A fault zone was intersected between 25-29m and is interpreted to be a splay off the main Dhufish Fault Zone which was intersected between 78-84m down hole depth. Due to the presence of these two fault zones the depth of weathering is greatly increased in a similar way to intersected in drill hole PB03-17.

Geochemical analysis is being undertaken on 33 one metre half core samples.

Figure Three – Paperbark Project Drill Hole Locations

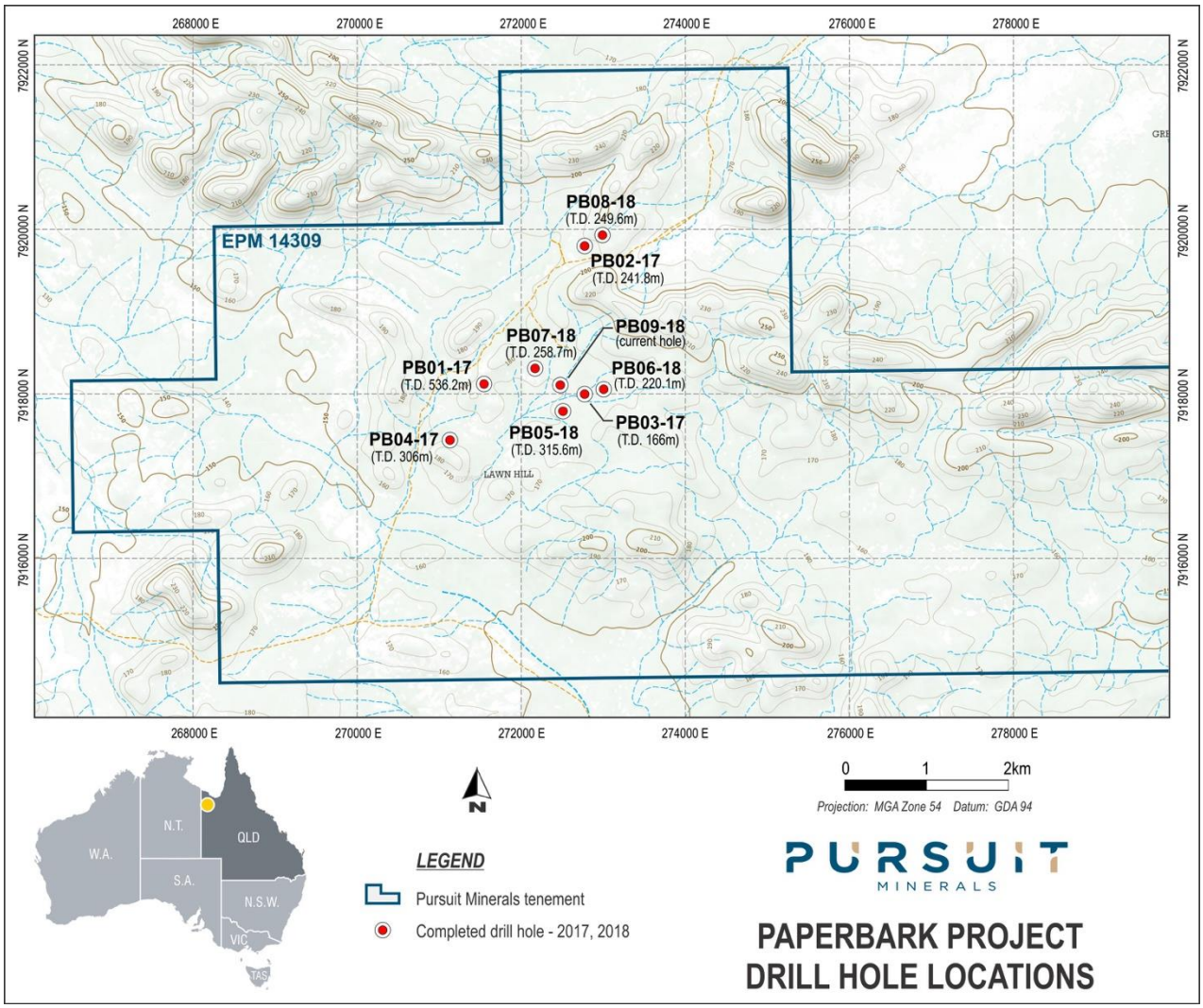


Figure Four – Geological Log of Drill Hole PB07-18

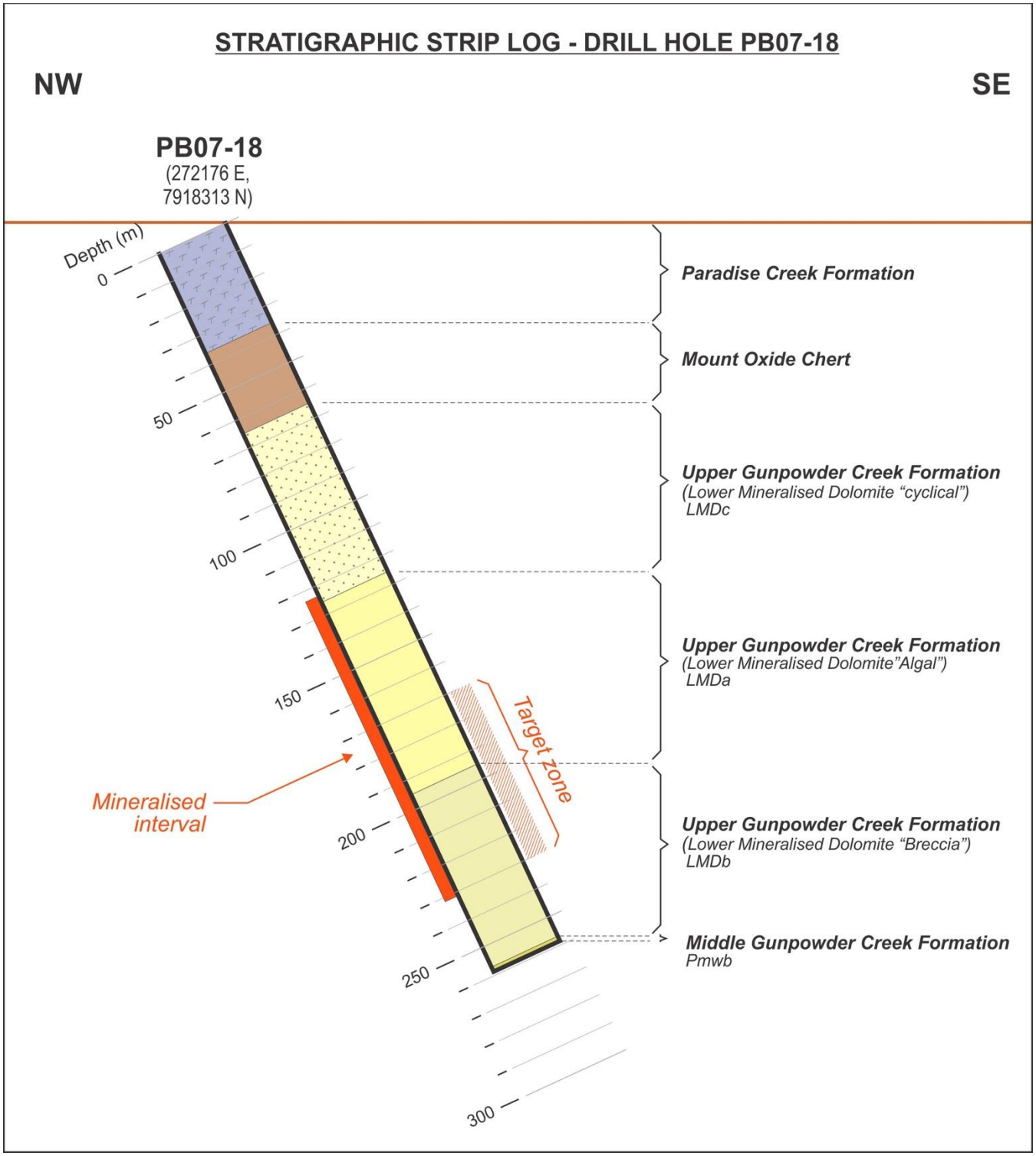
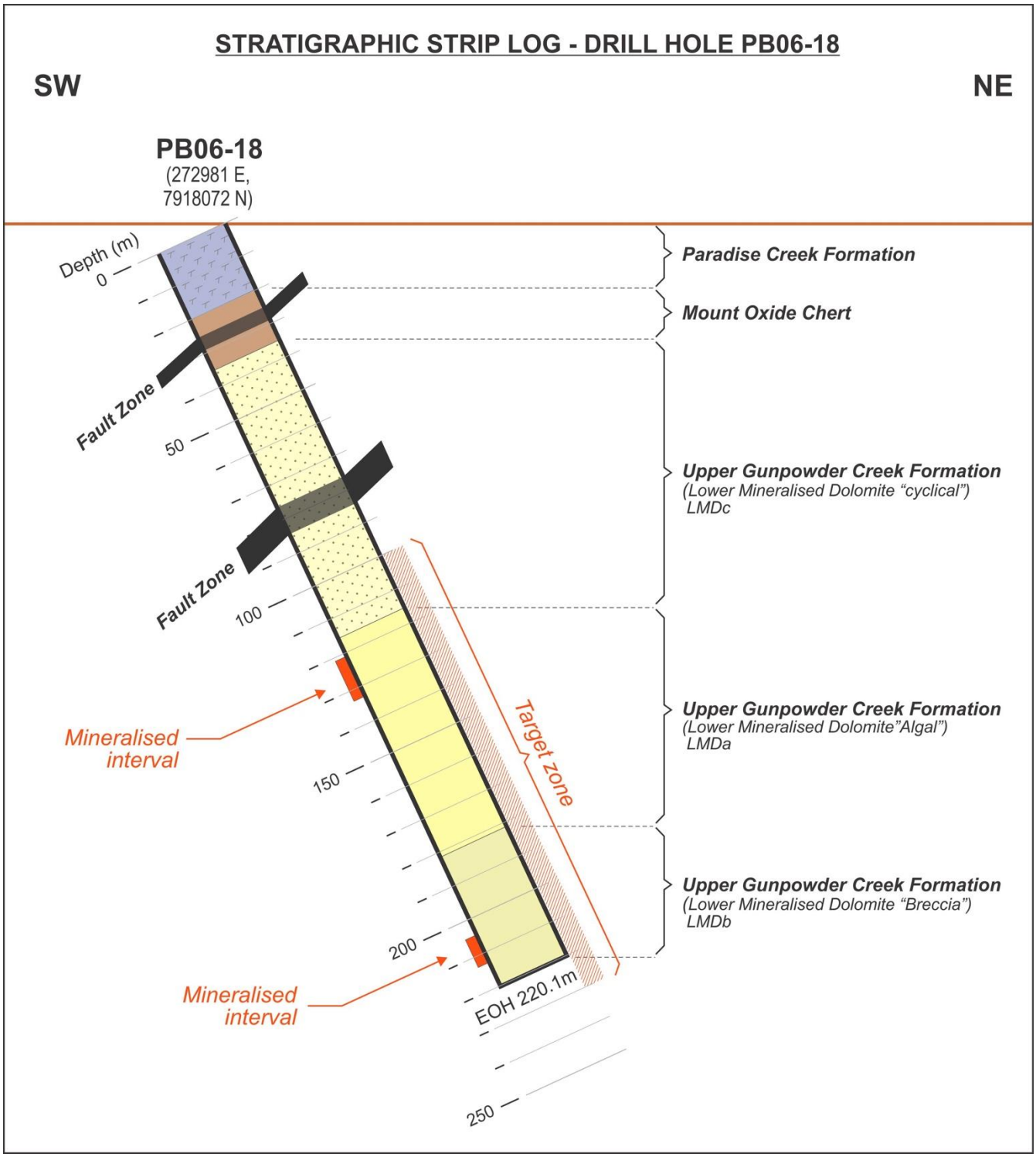


Figure Five – Geological Log of Drill Hole PB06-18



About Pursuit Minerals

Following completion of acquisition of the Bluebush, Paperbark and Coober Pedy Projects from Teck Australia Pty Ltd in 2017, Pursuit Minerals Limited (ASX:PUR) has become a mineral exploration and project development company advancing copper and zinc projects in world-class Australian metals provinces. Having acquired zinc and copper projects in the heart of the Mt Isa Province, Pursuit Minerals is uniquely placed to deliver value as it seeks to discover world class deposits adjacent to existing regional infrastructure and extract value from its existing mineral resources.

In 2018, Pursuit is expanding its project portfolio by applying for high quality vanadium projects, on open ground, in both Sweden and Finland. Sweden has a long history with vanadium, being the country where vanadium was first confirmed as a metal. Finland, has in the past produced up to 10% of the worlds vanadium from the Mustavarra mine in central Finland and is currently rated the number one jurisdiction globally for developing mineral projects.

Led by a team with a wealth of experience from all sides of minerals transactions, Pursuit Minerals understands how to generate and capture the full value of minerals projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate development and deliver returns to shareholders and stakeholders.

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– ENDS –

Competent person's statement

Statements contained in this announcement relating to exploration results are based on, and fairly represents, information and supporting documentation prepared by Mr. Jeremy Read, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 224610. Mr. Read is a full-time employee of the Company and has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the *Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012*. Mr Read consents to the use of this information in this announcement in the form and context in which it appears.

The data in this announcement that relates to the Mineral Resource for the JB Prospect is based on, and fairly represents, information and supporting documentation prepared by Mr Simon Tear, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM), Member No 202841 and who has sufficient experience relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Tear is a director of H&S Consultants Pty Ltd and he consents to the inclusion of the estimates of the Mineral Resource for the JB Prospect Resource in this announcement in the form and context in which it appears.

JORC TABLE

TABLE 1 – Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole 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 (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.*	N/A – Sample results are not presented in the announcement. Only geological and visual descriptions of the mineralisation are given. One metre samples of NQ2 half core have been dispatched to the laboratory for analysis from drill holes PB06-18 (33 samples) and PB07-18 (101 samples)
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	The drilling techniques used were Reverse Circulation and diamond HQ and NQ2 drilling. Reverse Circulation drilling drilled the rock sequences from 0m until 96.4m in hole PB06-17 and from 0m until 121m in hole PB07-18m. Samples were taken as 1m splits. From 96.4m until the end of hole at 220.1m HQ diamond drilling was used in hole PB06-18. From 121m until 134.6m HQ diamond drilling was used and from 134.6m until the end of the hole at 258.7m NQ2 diamond drilling was used in PB07-18. For drill hole PB06-18 the drill hole was drilled at an inclination of -65 degrees towards 200 degrees (magnetic). For drill hole PB07-18 the drill hole was drilled at an inclination of -65 degrees towards 150 degrees (magnetic). The drill core was orientated, and direction of geological structures were recorded.

Criteria	JORC Code explanation	Commentary
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.*	The HQ and NQ2 diamond drill core from the Proterozoic basement rocks were measured and compared against the drilled depths of the hole on a metre by metre basis. This allowed core recovery factors to be determined. Drill core recovery was generally in the range 70-80% in drill hole PB06-18. Drill core recovery was generally in excess of 90% in drill hole PB07-18. Moderate levels of core loss were experienced in drill hole PB06-18 due to the weathered nature of the strata being drilled. Only minor areas of core loss were experienced in drill hole PB07-18, with sections of core loss ranging in down hole width from 0.2m – 0.4m. In order to ensure the drill core samples are representative of the rock sequences drilled, half drill core was cut from both drill holes PB06-18 and PB07-18 and submitted to the laboratory for analysis.
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.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	The sections of each drill holes PB06-18 and PB07-18 which were diamond drill core have been fully geologically and geotechnically logged to a standard which would support a Mineral Resource estimation. The top sections of each drill holes, which were Reverse Circulation drilled and the drill chips from both holes were geologically logged. Geotechnical logging of the drill chips from the reverse circulation drilling was not possible. As drill hole PB07-18 is only the third hole drilled into the JE Zone, there are currently no plan to undertake a Mineral Resource estimation. If further drilling is undertaken with the objective of defining a Mineral Resource, then the geological and geotechnical logging completed will be of sufficient standard to allow the estimation of a Mineral Resource. 100% of both holes PB06-18 and PB07-18 were geologically logged. Drill hole PB07-18 was drilled to the east of the JB Zone Mineral Resource, which is defined as 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off and is classified as Inferred in accordance with JORC (2012). It is possible that this Mineral Resource will be revised to incorporate the results from drill hole PB07-18. Consequently, drill hole PB07-18 was logged to a standard consistent with being able to use the data to revise the JB Zone Mineral Resource.

Criteria	JORC Code explanation	Commentary
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*	From the reverse circulation drilling between 0.0 – 96.4m in drill hole PB06-18 and from 0.0 – 121.0m samples were taken as 1m splits from the cyclone and approximately were 3-4 kg in weight. These samples were above the zone of mineralisation and have not been submitted for analysis. Samples from the diamond drilling through the mineralised zone from 123m until 231m in drill hole PB07-18 were taken as half NQ2 diamond drill core, 1 metre in length. Samples from drill hole PB06-18 were taken ad half NQ2 diamond drill core, 1m in length. Sub-sampling was not undertaken on the diamond drill core submitted for analysis. Geochemical standards and duplicate samples were inserted into the assay run, every 20 samples. This is deemed to be appropriate for the drill core samples being collected. Results for the duplicates and standards are not yet available. Six samples were submitted for QA/QC purposes in drill hole PB06-17 and 12 samples submitted for QA/QC purposes in drill hole PB07-18.

Criteria	JORC Code explanation	Commentary
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.*	The half core samples have been submitted to the ALS laboratory in Mt Isa for assaying. Samples will be prepared using Sample Preparation PREP31B. A sample prepared using ALS PREP31B is placed into the ALS tracking system, weighed, dried and finely crushed to better than 70% passing a 2mm screen. A split of up to 250g is taken and pulverised to better than 85% passing a 75 micron screen. This method is deemed suitable for half core drill samples. Each sample will be assayed using ALS technique MEICP61A. The ALS MEICP61A analysis technique takes as a 0.25g sample and digests the sample with perchloric, nitric, hydrofluoric and hydrochloric acids. The reside is topped up with dilute hydrochloric acid and the resulting solution is analysed by inductively coupled plasma-emission spectrometry. The four acid digestion used in this method is described by ALS as a "near-total" digest. Standard, duplicate and blank samples were submitted in the sample run every 20 samples. Sample results are yet to be received from the laboratory.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The mineralised intersection reported in the announcement in drill hole PB07-18 may be incorporated into a new Mineral Resource model for the JB Zone. If this does in fact occur, then independent verification of the mineralised interval will occur at that time. Drill hole PB06-18 was only the third drill hole into the zinc and lead mineralised rocks within the Gunpowder Creek Formation at the JE Zone. Assay results are yet to be received. Consequently, no independent verification has yet been completed.
	The use of twinned holes.	Consequently, no twinned holes have yet been completed at either the JB or JE Zones.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Geological and geotechnical data was collected in the field and entered directly into an acQuire database on a MacBook field computer. Data was verified using the acQuire data base and upon verification was uploaded into a "cloud based" acQuire data base hosted by a third-party provider.
	Discuss any adjustment to assay data.	N/A – assay data has yet to be received.

Criteria	JORC Code explanation	Commentary
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.*	The drill hole collar location was located in the field using a hand-held GPS and reported in GDA94 Zone 54K with an accuracy of +/- 5m.
	Specification of the grid system used.	Datum: Geocentric Datum of Australia (GDA) Grid Co-ordinates: Map grid of Australia 1994 (MGA94), Universal Transverse Mercator, using the GRS80 Ellipsoid, Zone 54K
	Quality and adequacy of topographic control.	The altitude of each sample location was recorded using a hand-held GPS to an accuracy of +/- 5m.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The diamond drill core from drill holes PB06-18 and PB07-18 were sampled on a 1 metre basis using half core samples.
	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.	Drill hole PB06-18 is the third drill hole to intersect the zinc and lead mineralised rocks within the Gunpowder Creek Formation encountered at the JE Zone and there are no plans to currently define a Mineral Resource. However, as samples and geological data are being collected on a metre by metre basis, the data will be of sufficient quality to establish the geological and grade continuity for a Mineral Resource to be estimated. The mineralised intersection reported in the announcement in drill hole PB07-18 may be incorporated into a new Mineral Resource model for the JB Zone. The 1m spacing of assay data and the continuous geological data for drill hole PB07-18, is of sufficient spacing to allow the data to be used in a Mineral Resource estimate.
	Whether sample compositing has been applied.	Samples were not composited
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.*	Variable strength mineralisation was recorded from 123 until 231m, down hole depth in hole PB07-18. 101 samples of 1m half core were cut from this length of mineralisation. Therefore, there will be no bias in the sampling of the mineralised zone. Only weak mineralisation was recorded in drill hole PB06-18 from 121-133m and 205-213m. As 33 samples were collected from the intervals and also outside of the areas of mineralisation, representative sampling was achieved.

Criteria	JORC Code explanation	Commentary
	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.	N/A – drill holes samples have yet to been received back from the laboratory
Sample security	*The measures taken to ensure sample security.*	Samples were collected in the field by Pursuit Minerals staff and were under their control at all times. Samples were then taken to the laboratory by Pursuit Minerals staff and submitted directly to the laboratory. Therefore, there was no opportunity for samples to be tampered with.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of sampling techniques and data were completed due to the limited nature of the sampling program (37 samples).

TABLE 1 – Section 2: Exploration Results

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 tenement (EPM 14309) comprising the Paperbark Project is 100% owned by Pursuit Minerals Limited. A 2% Net Smelter Return to Teck Australia Pty Ltd will be due from any production from Paperbark
	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.	EPM14309 is valid until 12 September, 2022.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	No assay or geochemical results from other parties are used in this announcement. Geological results were referred to from Newmont and RMG Resources Limited, previous holders of the EPM14309 tenement area. The Newmont information were taken from the A to P 1937M, Annual report of 1978. The RMG Resources Limited information was taken from an announcement RMG Resources made on 11 October 2012.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>The mineralisation is associated with algal dolomites, siltstones and sedimentary breccia’s within the Lower Mineralised Dolomites of the what is interpreted to be the Gunpowder Creek Formation. The mineralisation appears to be associated with dissolution and evaporitic collapse breccia zones and minor veins of quartz carbonate. At the JE Zone the mineralisation is very weathered down to a vertical depth of at least 150m and much of the sphalerite and galena has been replaced with iron oxides above that depth. The mineralisation is clearly related to later stage faults and collapse zones within carbonates. Pursuit considers the mineralisation to be epigenetic in origin and similar to Irish Style or Mississippi Valley Type.</td></tr>
<tr><td>Drill hole Information</td><td>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:
easting and northing of the drill hole collar
elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
dip and azimuth of the hole
down hole length and interception depth
hole length.</td><td>
<table>
<tr><th>Prospect</th><th>Drill Hole Name</th><th>Easting (GDA94, Zone 54)</th><th>Northing (GDA94, Zone 54)</th><th>Azimuth (Degrees, Magnetic)</th><th>Dip (Degrees)</th><th>Actual Depth (m)</th></tr>
<tr><td>Paperbark</td><td>PB06-18</td><td>272 981</td><td>7 918 072</td><td>200</td><td>-65</td><td>220.1</td></tr>
<tr><td>Paperbark</td><td>PB07-18</td><td>272 176</td><td>7 918 313</td><td>150</td><td>-65</td><td>258.7</td></tr>
</table>

Summary geology as drilled in hole PB06-18 is as follows (all depths are down hole depths):

Purpose: Test anomalous lead across Dhufish FZ
Target zone: 100-230m

RC: 0-96.4m
HQ: 96.4-220.1m EOH</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		Lithology 0-20m; Paradise Ck Fm, stromatolitic dolomite, dolomitic siltstone, limestone interbeds, nodular cherts, PCfm 20-35m; Mount Oxide Chert, grey laminated chert horizon, massive to laminated, MtOC 35-115.8m; Upper Gunpowder Ck Fm, cyclic dolomitic sandstone, dolomitic siltstone, stylolites, LMDc 115.8-181.5m; Upper Gunpowder Ck Fm, dolomitic siltstone, dolomitic sandstone, stylolites, algal mats, LMDa 181.5-220.1m; Upper Gunpowder Ck Fm, dolomitic sandstone, dolomitic siltstone, collapse breccias, LMDb Structure Two faults in the RC pre collar at 25-29m also 78-84m, likely represent splays of the Dhufish Fault. Core loss encountered throughout this drillhole is attributed to the Dhufish Fault Zone. Oriented core was not possible due to poor ground conditions. Downhole voids may be the result of dissolved limestones & dolomites of the Gunpowder Ck Fm by the percolation of sub surface waters through the Dhufish Fault Zone. Unfavourable ground conditions resulted in a reduced rate of recovery. Mineralisation Sulphide mineralisation was not observed in this drillhole due to extremely weathered core to 198m. It is probable that any galena-sphalerite mineralisation has been dissolved by circulating groundwaters. 39 samples were dispatched to ALS including six QAQC. Summary geology as drilled in hole PB07-18 is as follows (all depths are down hole depths): Purpose: Test continuity of JB resource to the East target zone; 170-230m RC; 0-121m HQ; 121-134.6m NQ; 134.6-258.7m EOH Lithology

Criteria	JORC Code explanation	Commentary
		0-38m; Paradise Ck Fm, stromatolitic dolomite, dolomitic siltstone, limestone interbeds, nodular cherts, PCfm 38-65m; Mount Oxide Chert, grey chert horizon, massive to laminated, MtOC 65-122.9m; Upper Gunpowder Ck Fm, cyclic dolomitic sandstone, dolomitic siltstone, stylolites, LMDc 122.9-195.7m; Upper Gunpowder Ck Fm, dolomitic siltstone, dolomitic sandstone, stylolites, algal mats, LMDa 195.7-257.6m; Upper Gunpowder Ck Fm, dolomitic sandstone, dolomitic siltstone, collapse breccias, LMDb 257.6-258.7m; Middle Gunpowder Ck Fm, ferruginous arkose, minor conglomerate, siltstone, Pmwb <u>Structure</u> No faults were encountered while coring this drillhole. Core orientations confirm sub horizontal stratigraphy gently dipping to the SE. Collapse brecciation is prominent in this sub basin. Favourable ground conditions supported a very high rate of recovery. <u>Mineralisation</u> A broad zone of sphalerite-galena +/- quartz was encountered from 123 - 231m downhole. The dominant form of mineralisation is as the matrix of collapsed brecciation and supplemented by lesser sphalerite-galena veining and minor spotty sphalerite. Alteration takes the form of an overprinting dolomitisation. Trace disseminated pyrite is pervasive.
	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.	This information has not been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	N/A – Visual description of mineralisation only

Criteria	**JORC Code explanation**	**Commentary**
	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.	N/A – Visual description of mineralisation only
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	*If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.*	The Lower Mineralised Dolomite units of the Gunpowder Creek Formation containing the mineralisation are interpreted to dip at moderate angle to the south-west. The structural orientation data collected in drill hole PB06-18 and drill hole PB07-18 suggests that the drill hole intersected the mineralised units at a high angle and hence down hole depths will be close to true thicknesses.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	Down-hole widths were reported. The exact true width is not known, but down hole widths are anticipated to be close to true thicknesses.
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.*	

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		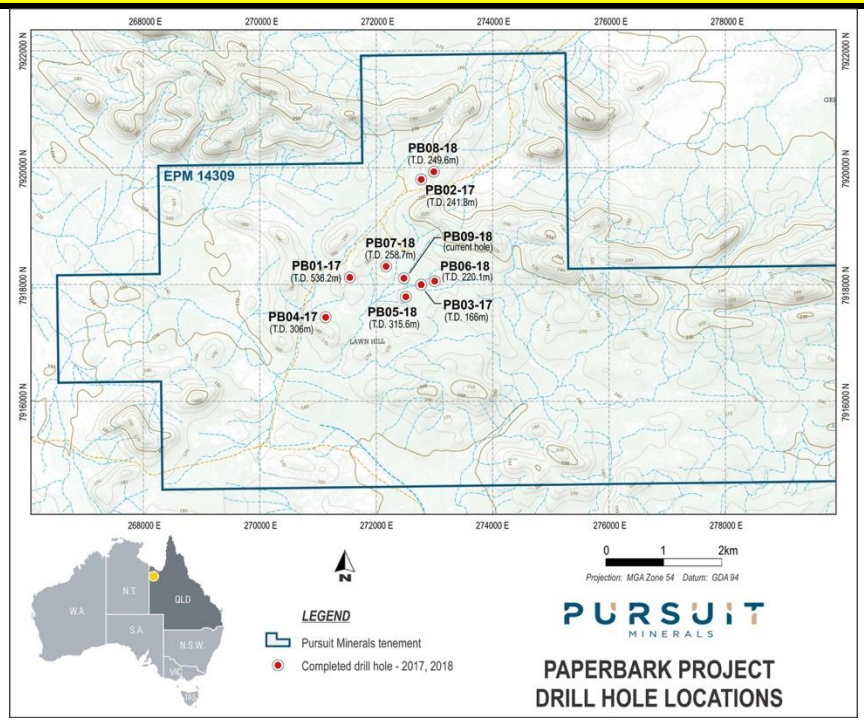

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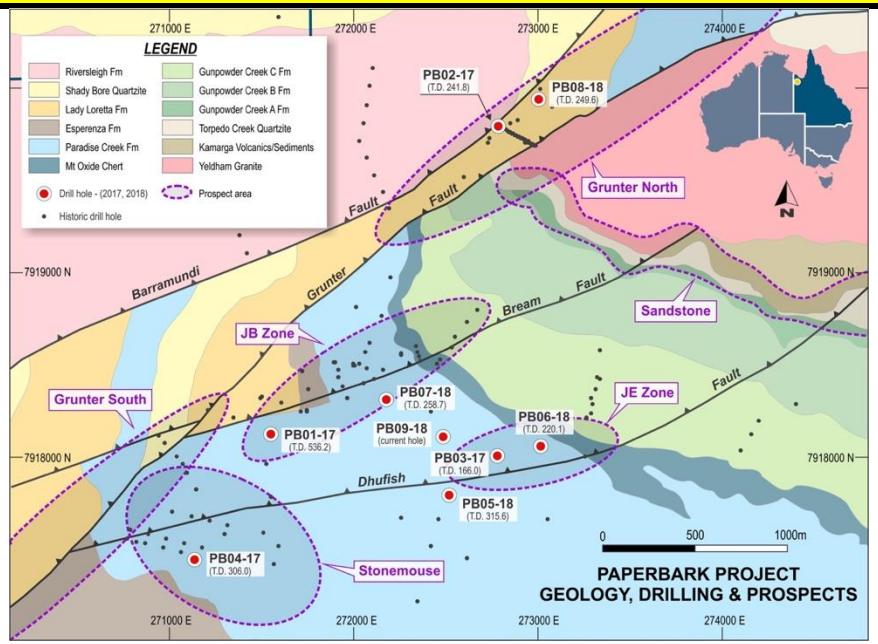
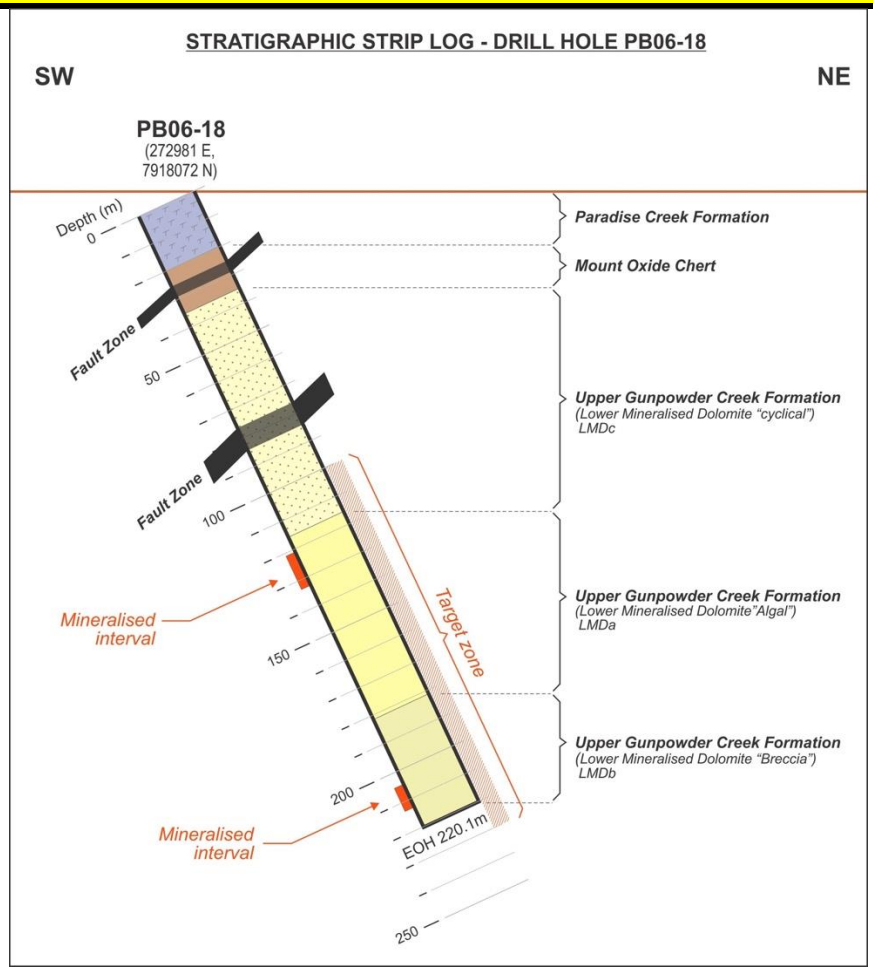
		

Criteria	JORC Code explanation	Commentary
		

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		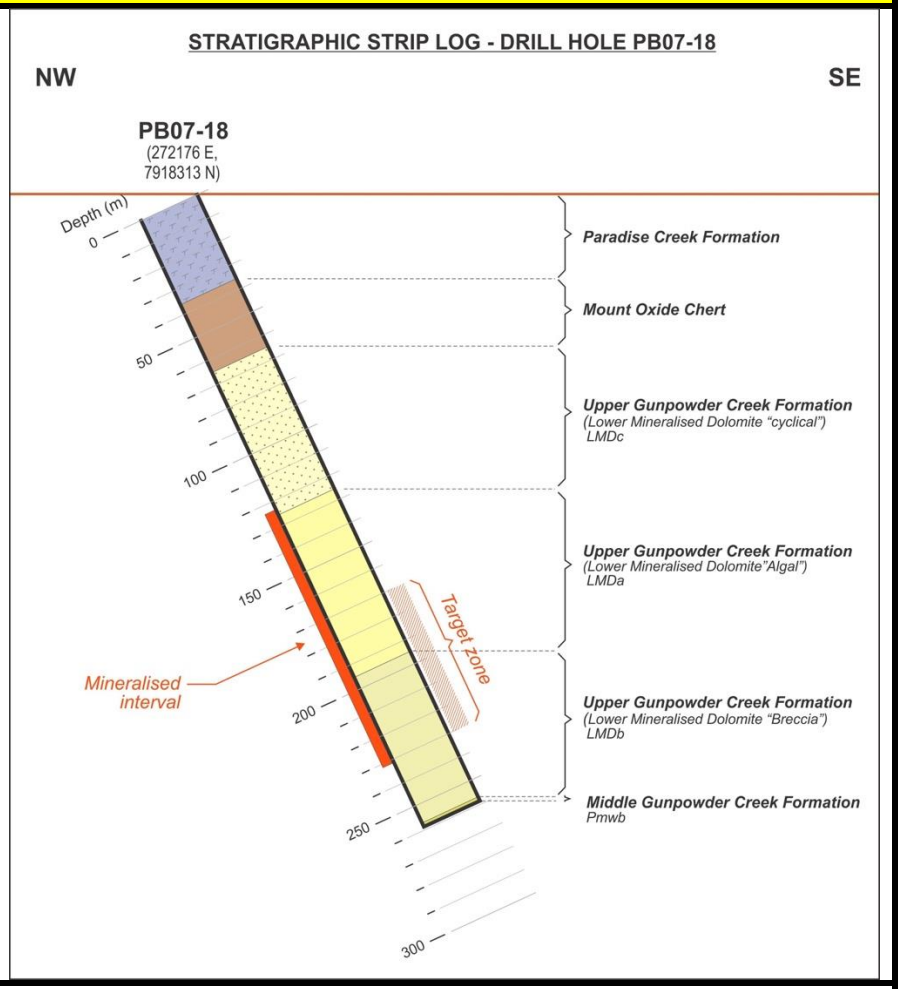
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	N/A – Visual description of mineralisation only

Criteria	JORC Code explanation	Commentary
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.*	N/A – Visual description of mineralisation only
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Follow up drilling will be conducted in order to attempt to define the extent of the mineralisation intersected in PB07-18. One more drill hole (PB09-18 see map below) will be completed as a part of the current drill program in order to investigate extensions to the JB Zone Mineral Resource and any links at depth between the mineralisation at the JE and JB Zones.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.