ASX Release **14th June 2018**

Multiple Drill Targets Identified at Merlin Prospect from Gravity and EM Survey

Combined surface EM and Gravity geophysical survey completed

- **Large gravity high defined in central core of Merlin Prospect**
  - **Possible source/conduit (feeder)**
- **Multiple EM plates identified or extended**
  - **All EM plates coincident with gravity highs**
  - **Multiple EM conductors open and unconstrained at depth**
  - **All conductors associated with Ni-Cu sulphides**
- **Majority of EM plates plunging towards untested gravity high**
- **Drilling to commence in July**

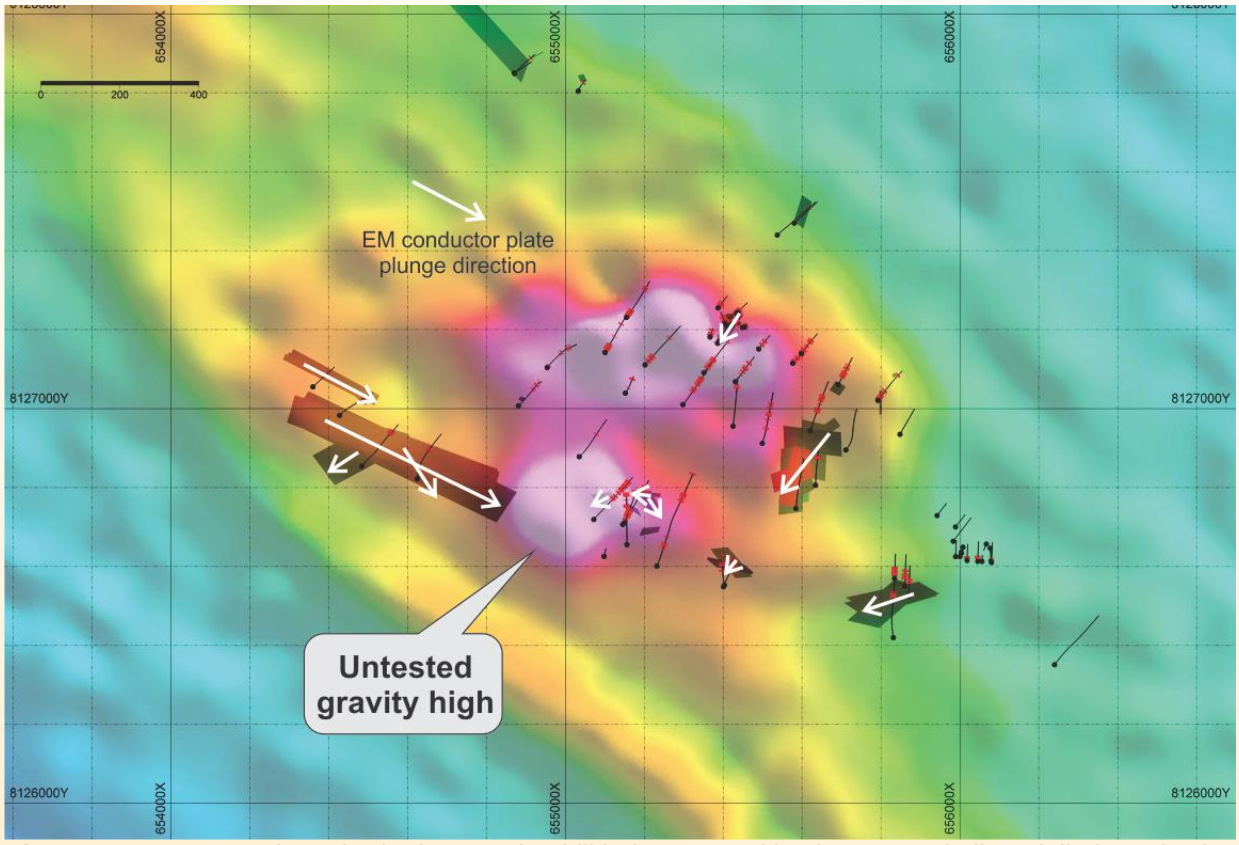

***Figure 2**. Large central gravity (BA) anomaly, drill hole traces with Ni>0.1% and all modelled conductive responses (MLTEM/DHTEM) at Merlin, note white arrows showing plunge direction of EM plates.*

PO Box 9028
Subiaco WA 6008

Suite 1, First Floor
14-16 Rowland Street
Subiaco WA 6008

Tel: 08-9380 6063
Fax: 08-9381 4056

www.buxtonresources.com.au
info@buxtonresources.com.au

Buxton Resources is pleased to provide an update for its 100% owned nickel-copper-cobalt Merlin project located in the West Kimberley region of Western Australia (Figure 1).

Final Gravity and MLTEM processed data and images have recently been received by Buxton from the surveys commenced 4 weeks ago (see *ASX announcement 15th May 2018*). Importantly, these data show a significant gravity high located centrally within the core of the Merlin Prospect in addition to new and known EM anomalies. These two data sets show a strong correlation between EM plates known to be associated with magmatic nickel-copper sulphides and high-density rocks (Figure 2). The largest and strongest gravity high is believed to sit below the detection limit of surface EM, gravity inversion modelling is in progress to define the depth and morphology of this central gravity high.

Two drilling campaigns have been completed at Merlin by Buxton and every hole has returned magmatic nickel sulphides. Grades range from 0.1% Ni to 8.1% Ni within ore textures including disseminated, net-textured/matrix, massive sulphide and brecciated massive sulphides over an area of approximately 2km^2. The newly discovered central gravity high, with most EM plates plunging towards this feature, supports the geological model that the central core is the main source/conduit (feeder) for mineralised magma (Figure 2 and 3).

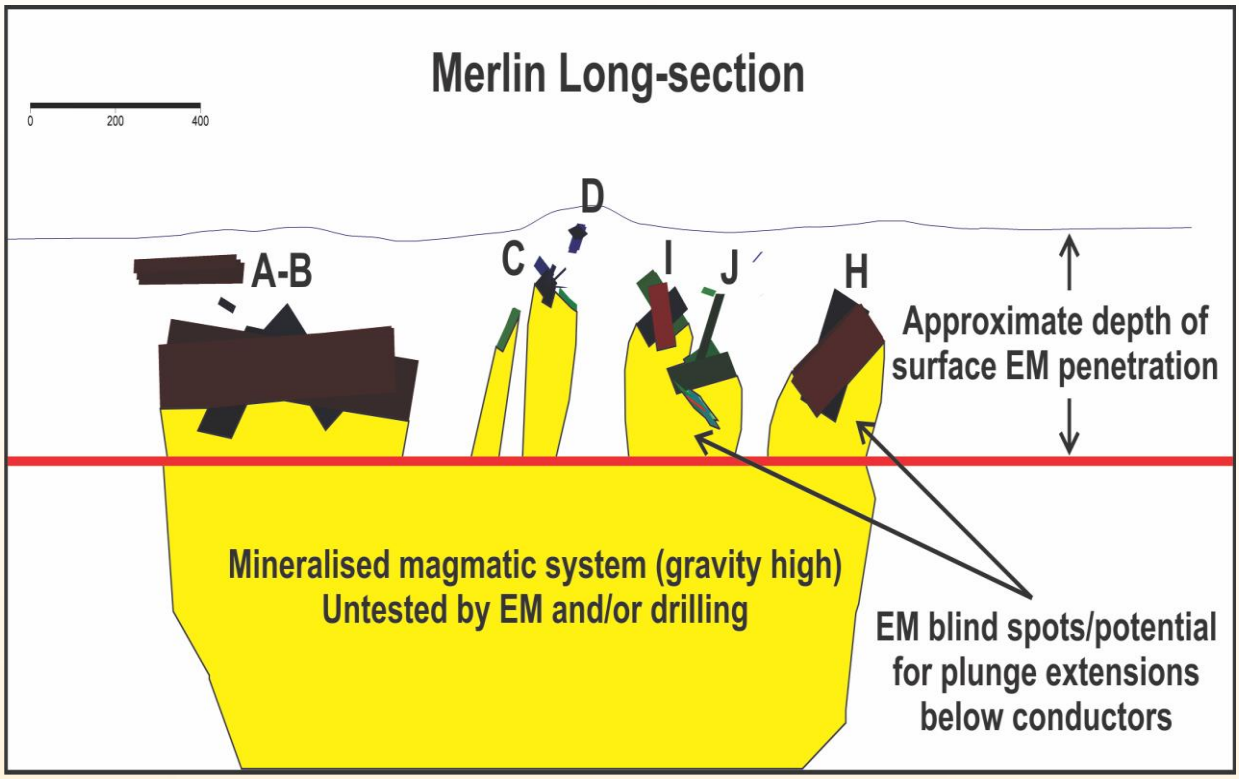

***Figure 3**. Merlin long-section showing all modelled conductive responses (MLTEM/DHTEM), approximate location of the gravity high feature, and most importantly the areas highlighted in yellow, which are yet to be tested by drilling and/or EM and have great potential for extensions to known conductive Ni-Cu sulphide mineralisation*

The location of the central gravity high also aligns perfectly with the schematic geological model released to the market 4 weeks ago (*ASX:BUX, 15th May 2018*) and suggests that the core of the Merlin magmatic system is still present and has not been faulted off (Figure 4).

Significant potential exists at Merlin for down dip/plunge extension to known EM conductors. Many of the known EM plates have only been tested with a single drill hole. All conductive targets have been proven to be related to Ni-Cu sulphide and are essentially open at depth due to the masking nature of conductive responses. Therefore, EM targets such as A, B, H, I & J still have massive potential for down dip/plunge extensions.

The variable nature of these chaotic primary magmatic plumbing systems means Ni-Cu sulphide mineralisation can vary significantly within a short distance. As an example of this, the EM conductor H shows considerable variation in the thickness of the intrusive, the location of high-grade massive sulphide below the mineralised intrusive, and large DHTEM and MLTEM responses. This provides an attractive drill target.

Prior to drilling commencing in July this year, Buxton will now run inversion models on the gravity data set to further define drill target depths and target locations. DHTEM will be an integral part of the upcoming drill program.

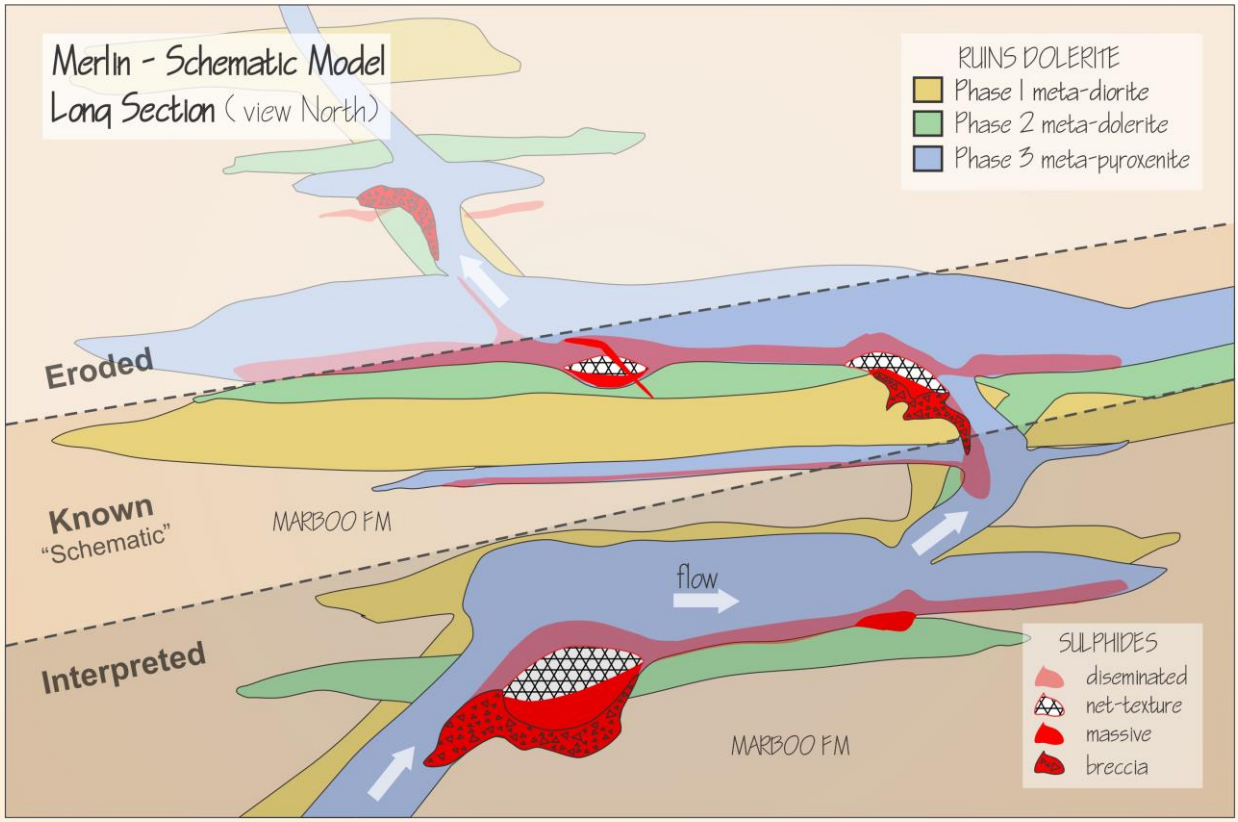

***Figure 4**. Schematic long-section model for Merlin magmatic system, with a conceptual large sulphide target within an accumulation of dense intrusive rocks at depth beneath the central Merlin prospect*

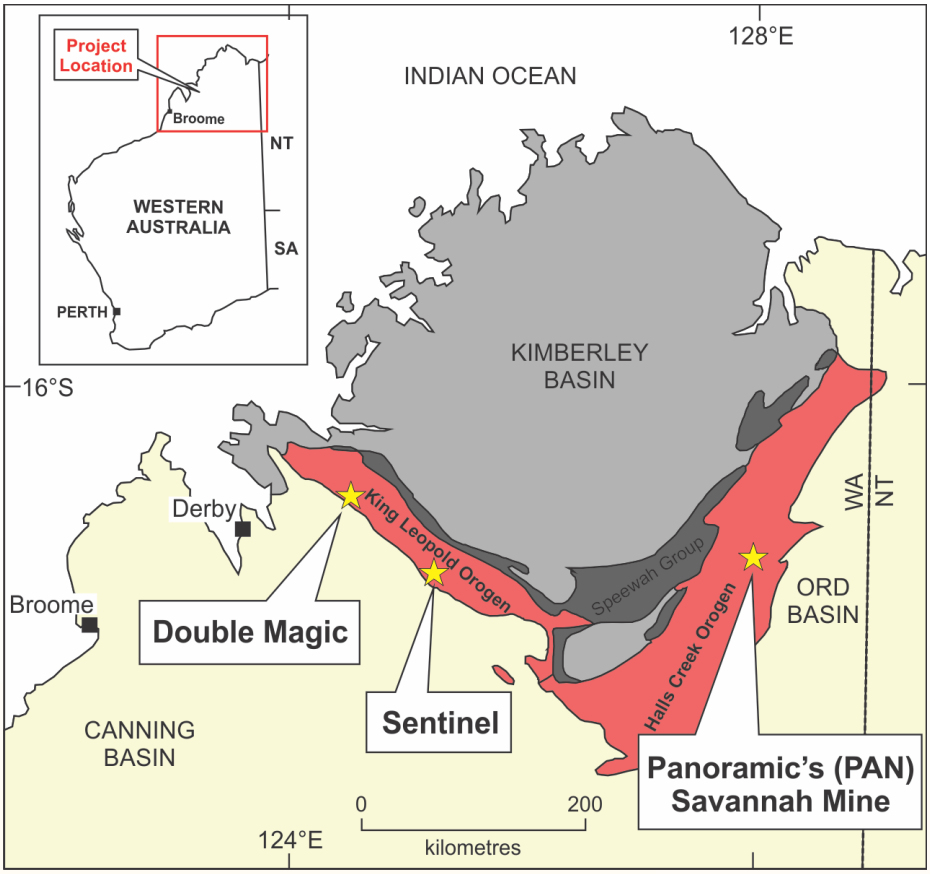

Figure 1 – *Location of Buxton's two West Kimberley projects (Double Magic and Sentinel) also showing the location of Panoramic's Savannah Ni-Cu Mine*

For further information, please contact:

Eamon Hannon
Managing Director
ehannon@buxtonresources.com.au

Sam Wright
Company Secretary
sam@buxtonresources.com.au

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Mr Eamon Hannon, Fellow of the Australasian Institute of Mining and Metallurgy, and Mr Derek Marshall, Member of the Australian Institute of Geoscientists. Mr Hannon and Mr Marshall are full-time employees of Buxton Resources. Mr Hannon and Mr Marshall have sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Hannon and Mr Marshall consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

JORC Table: 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.*	Ground gravity surveying was performed by Atlas Geophysics Pty Ltd using a single 2-person foot-borne crew. Stations were acquired on a 100m x 100m square grid pattern. MLTEM surveying was performed by Vortex Geophysics using an ATV supported 3-person crew. Single turn 200m x 200m loops, 200m spaced lines, with 100m spaced slingram (200m offset from loop centre) receiver. Southern Geoscience Consultants have reviewed, processed and modelled all geophysical data. Exploration drilling at the Double Magic project has been undertaken utilizing Reverse Circulation Percussion (RC) rigs, and HQ diamond core wireline rigs equipped with core orientation equipment. The drill-hole locations are picked up by handheld GPS. Previous drill programs holes have been surveyed by licensed surveyors with DGPS. Sampling was carried out under Buxton protocols and QAQC procedures are per industry best practice. RC drilling was sampled on 1m intervals. A rig mounted cyclone and cone splitter was used to provide a bulk sample and a representative split sample for assay. Core sample lengths vary up to 1.67 metres, quarter HQ core submitted for analysis. Samples have been submitted to Intertek Genalysis in Perth for analysis. A standard dry, crush and pulverize was followed by a four-acid digestion finished with ICP-MS for a suite of 48 elements. Samples from the 2018 re-sampling of DMDD0014 were already-sawn quarter HQ core submitted for the same 4A/ICP-MS 48 element analysis, however 1 sample was prepped as a 25g charge and also analysed for low-level PGEs and Au.
	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.	
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).*	The 2017 drilling program was drilled By Core Drilling. Reverse Circulation drilling was using a Schramm T685 drilling rig with Auxiliary and Booster using a 150mm face hammer. Diamond drilling was using an EDM 2000 truck mounted rig, drilling HQ2 core from surface. RC hole DMRC0035 was extended with NQ core. All core orientated using a TruCore orientation device on each drill run. All drill holes have been downhole gyro surveyed to determine accurate hole trajectories.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	The RC 's sample recovery and moisture are routinely recorded. All samples show good recovery and are dry. It is not believed that any bias has occurred due to loss or gain of sample. All core was measured on-site, recoveries calculated and reconciled with driller's plods.
	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.	
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.*	All drill holes are geologically logged on-site in real time by qualified and experienced geologists, recording relevant data to a set template. All logging included lithological features, mineral assemblages and estimated mineralisation percentages. All data was codified to a set of company code systems. All core is orientated, RQD logged, all structural data measured and recorded. All chips and core are photographed.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	
	The total length and percentage of the relevant intersections logged.	
	If core, whether cut or sawn and whether quarter, half or all core taken.	All RC 1m intervals were split with a rig mounted cone splitter. All HQ core was sawn at a constant angle to

Sub-sampling techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	orientation markings, sampled on even metres or to geological boundaries, up to a maximum of 1.67 metres in length. Quarter core submitted for assay. Sample preparation is consistent with industry best practice. Field QC procedures involved the use of certified reference material assay standards, blanks and duplicates for company QC measures, and laboratory standards, replicate assaying and barren washes for laboratory QC measures. The insertion rate of each of these QAQC measures averaged 1:20. The sample size is deemed appropriate for the material and analysis method.
	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.	
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.*	The exploration samples will be analysed at Intertek Genalysis in Perth, Australia. Sample preparation included drying, crushing, splitting and pulverizing. A four acid digest followed by a 48 element MS. Previous drill used a 4 acid digest with an OE finish and a 25 g fire assay for Pt and Pd. Metallurgical flotation testing was carried out by ALS on three 12 kg samples on ¼ and or ½ core from the 2015 drilling. Core was crushed and ground to 106um with natural pH with excess collector Sodium Ethyl Xanthate (SEX) and A3477 with MIBC (frother) added as froth stability required. The laboratories procedures are considered to be appropriate for reporting according to industry best practice.
	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.	Gravity equipment; - 2 x V100 Hi Target GNSS receivers, one base station and one RTK rover - Scintrex CG-5 digital automated gravity meter MLTEM equipment; - EMIT SMARTem24 Receiver - EMIT SMARTFluxgate - Vortex VTX-100 transmitter 500V 100A 20KVA
	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.	Not applicable.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant mineralisation has been verified by consultants and alternative company personnel.
	The use of twinned holes.	Two RC holes from the 2015 drill program (DMRC0003 and 17) have been twinned by HQ diamond core holes DMDD0001 and 2 respectively, confirming mineralisation in both cases. Core has been logged but not sawn for sampling as geological work is ongoing.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All data is collected initially on paper and handheld GPS. This data is hand entered to spread sheets and validated by Company geologists. This data is then imported into the company database and extra validation is carried out. Physical data sheets are stored at the company office. Digital data is securely archived on and off-site.
	Discuss any adjustment to assay data.	No adjustments to assay data have been made.
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.*	Handheld GPS (+/-5m) as well as reference to topographical and remote sensing data. Drillhole collars from the 2015 drill program were pickup by licensed surveyor.
	Specification of the grid system used.	MGA51 (GDA94).
	Quality and adequacy of topographic control.	A DEM (digital terrain model) was created from the altimeter data from the aerial magnetic survey and is deemed sufficient for this stage of exploration.

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.*	The coming drill program is reconnaissance and step out from the 2017 drilling program, spacing is deemed appropriate for this stage of exploration. Not applicable – No Mineral Resource or Ore Reserve calculations have been performed. The 2015 drilling had some RC composite samples taken in non-mineralised material into 2 or 4 metre composites from one metre bags using a spear. No sample compositing took place in 2017 drilling. Metallurgical samples were composite samples from drill core.
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.*	Information from orientated core indicates that drillhole orientation is appropriate for disseminated and massive matrix mineralisation. All mineralised intervals are down hole intervals, not true width.
Sample security	*The measures taken to ensure sample security.*	Samples were packaged and stored in secure storage from the time of gathering through to submission. Laboratory best practice methods were employed by the laboratory upon receipt. Returned pulps will be stored at a secure company warehouse.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits of the sampling techniques or data were carried out due to the early stage of exploration. It is considered by the Company that industry best practice methods have been employed at all stages of the exploration.

JORC Table: Section 2 – Reporting of 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 West Kimberley Ni-Cu-Co Project is located in the Kimberley region of Western Australia and consists of 11 granted exploration licences (EL), 1 granted prospecting licence (PL), 4 pending ELs and held in the names of Alexander Creek Pty Ltd and Buxton Resources Limited. Alexander Creek Pty Ltd is a wholly (100%) owned subsidiary of Buxton Resources Limited. This regional project is subdivided into project areas as follows; The Double Magic Project comprises 7 granted ELs (E04/1533, E04/2026, E04/2142, E04/2060, E04/2466, E04/2467, E04/2469) and 1 pending EL (E04/2468) all held by Alexander Creek Pty Ltd. Additionally, 1 granted PL (P04/269) is held in the name of Buxton Resources. The Sentinel Project consists of 1 granted EL (E04/2408) and 1 pending EL (E04/2527) held in the name of Buxton Resources Limited. The Ruins Project consists of 1 granted EL (E04/2480) held in the name of Buxton Resources. The remaining 2 granted ELs (E04/2407 & E04/2411) and 2 pending Els (E04/2406 & E04/2530) all held by Buxton Resources, are either wholly or partially within the Yampi Sound (Defence) Training Area. Access agreements are required with relevant government agencies prior to land access.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing with DMIRS and there are no known impediments for exploration on these tenements.

Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The Double Magic Project area (previously referred to as the Alexander Creek Project, Clara Hills, Jack's Hill, Limestone Springs & Maura's Reward) has been collected by numerous exploration parties, including Alexander Creek Pty Ltd, Victory Mines Limited (ASX:VIC), Proto Resources and Investments Limited (ASX:PRW), and Ram Resources Limited (ASX:RMR). All geophysical data has been independently reviewed by Southern Geoscience Consultants. All historical data presented has been previously reported under JORC 2004 and there has been no material change. There has been limited modern exploration elsewhere in Project areas. Historical work was mainly completed by Pickands Mather and Company International, Western Mining Corporation and government geological agencies.
Geology	*Deposit type, geological setting and style of mineralisation.*	Known mineralisation at the Double Magic Project is considered to be primary orthomagmatic intrusion related Ni-Cu-Co sulphide. The Project areas lie within the Palaeoproterozoic Hooper Province of the King Leopold Orogen in the Kimberley region of Western Australia. The geology of the Project is characterized by a thick turbiditic meta-sediments and silicic volcanics of the Marboo Formation which are intruded the Ruins Dolerite. The Ruins Dolerite is a medium- to fine-grained mafic-ultramafic intrusive that is host to the known nickel-copper sulphide mineralization. This mineralization is interpreted to represent primary orthomagmatic sulphide mineralization, however there appears to be minor re-mobilisation and alteration of the mineralization in places.
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:*	No new drill hole information is presented in this release. Details of the re-sampled hole (DMDD0014) have been previously reported
	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.	
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 stated.*	No weighting, truncations, aggregates or metal equivalents were used.
	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.	
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Due to the locally complex geometry of high-grade zones observed in orientated drill core (particularly remobilised massive sulphides) true widths of intersections are difficult to determine with full confidence. Any true
	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').	width estimates provided represent the best possible estimate, based on gross orientation of mineralised zones as interpreted from drilling, geophysical data, and surface mapping
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.*	No new drill hole information is presented in this release. New assay data from DMDD0014 is tabulated
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 currently available exploration results have previously been reported.
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.*	There is no other exploration data that is deemed to be meaningful or material.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	See text in body of release.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	See text and figures in body of release. Regionally, the extensive land package containing significant exposure of the nickeliferous host Ruins Dolerite are of exploration interest.