



6 July 2018

Manager of Company Announcements  
ASX Limited  
Level 40, Central Park  
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PERTH  
WA 6000

*By E-mail*

### **LA VICTORIA UPDATE**

EHR Resources Limited (ASX: EHX or “the Company”) advises that second phase drilling at the Rufina prospect in the La Victoria Gold-Silver project in Peru’s north central mineral belt continues.

Hole 1 of 5 has completed, with samples having been provided to SGS for laboratory assay. Drilling of Hole 2 is currently ongoing.

In addition, preparations for drilling at San Markito to the north of Rufina continue, and this program will commence as soon as drilling permits for this primary target are in place.

Attached is an update presentation on the La Victoria project.

For and on behalf of the Board

A handwritten signature in black ink, appearing to read 'Sarah Smith'.

Sarah Smith  
Company Secretary



# La Victoria Update

July 2018



# Forward Looking Statements



Certain information contained herein regarding EHR Resources Ltd and Eloro Ltd, including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities law and necessarily involve risks, including but not limited to risks associated with mining exploration, operating costs, production costs, volatility of share prices, currency fluctuations, imprecision of resource and reserve estimates, environmental risks and ability to access sufficient capital from internal and external sources.

As a consequence, actual results may differ materially from those anticipated in any forward looking statements. Plans, intentions or expectations disclosed in any forward-looking statements or information should not be read as guarantees of future results or events, and will not necessarily be accurate indications of whether or when or by which such results or events will be achieved.

Except as required by law, EHR Resources Ltd and Eloro Resources Ltd., expressly disclaim any intention and undertake no obligation to update any forward looking statements or information as conditions change.

Any historical mineral resources mentioned are strictly historical in nature and are non-compliant to neither JORC code nor National Instrument 43-101 mineral resources and mineral reserves standards, and should therefore not be relied upon. A qualified person has not done sufficient work to upgrade or classify the historical mineral resources as current JORC code or National Instrument NI-43-101 compliant.

# EHX and La Victoria

↑ EHX holds a Farm-in Agreement with TSX-V company Eloro Resources Limited to acquire up to 25% of Gold-Silver project, La Victoria, in Peru

↑ 10% interest already earned by EHX via conventional farm-in: funding **first phase reconnaissance drilling**

↑ Standard contributing JV post earn-in

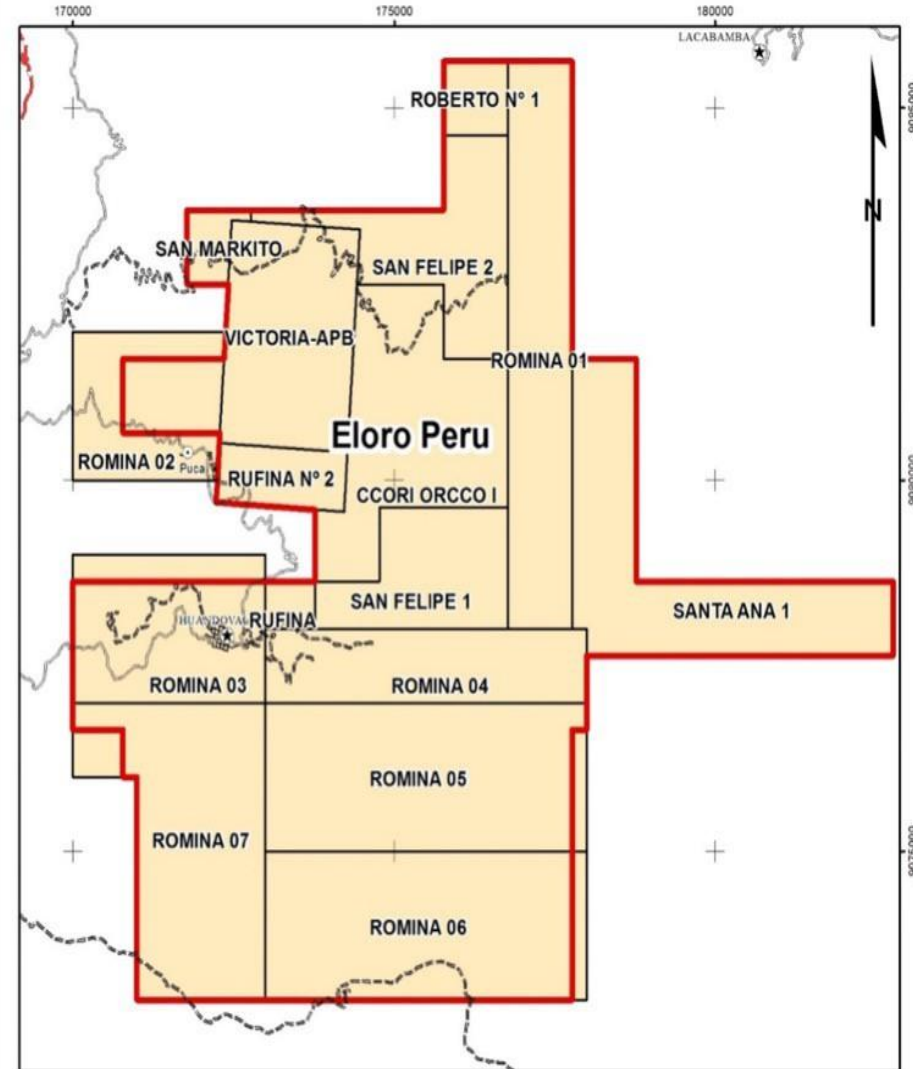
↑ Eloro Resources (TSX-V:ELO) market cap **circa C\$23m (July, 2018)** and is project manager, with EHR benefitting from ELO in-country expertise and technical team





# La Victoria: 100% controlled by EHX/Eloro JV

- ↑ 600km from Lima
- ↑ Recent staking has increased land holding position to 8,930 ha (89.3 km<sup>2</sup>)
- ↑ Low Sulphidation Epithermal Deposits
- ↑ 4 Principal Mineralized Zones:
  - San Markito, Rufina, Victoria-Victoria South, and Ccori Orcco
- ↑ Maiden reconnaissance drilling programme on the property completed January, 2018
- ↑ Second phase drill programme **currently underway** at Rufina



# Rufina: First round of drilling outlined major epithermal system

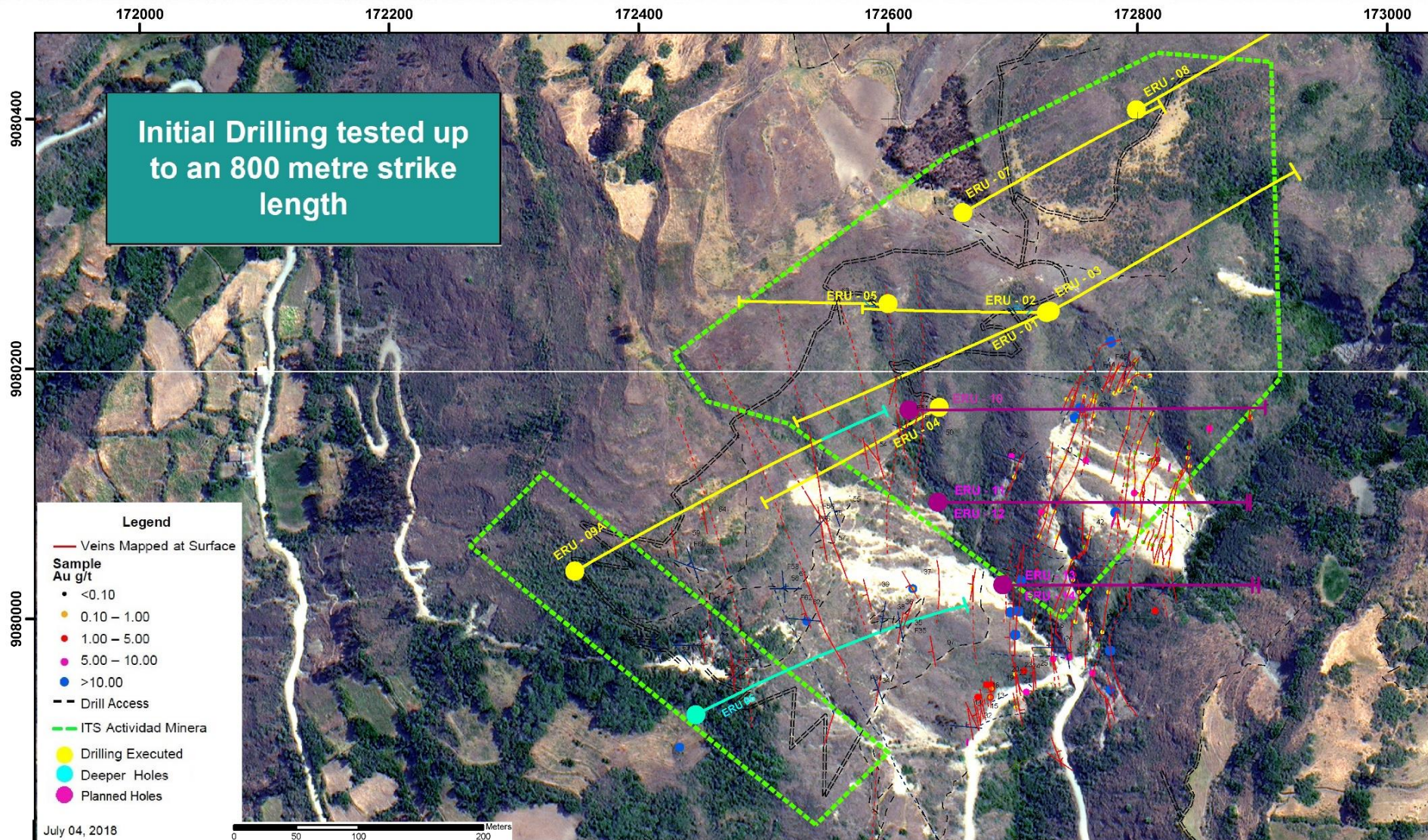


2,261 m of reconnaissance diamond drilling in 8 holes tested up to an 800 m strike length at Rufina Target. 4,000 m drilling program **in progress**.





# Rufina Second Phase Drill Plan





# Rufina First Phase Reconnaissance Drilling

↑ Drill holes intersected a **major gold-bearing low sulphidation epithermal system** extending approximately 350m along strike

↑ Significant results include (all core lengths)\*

- 3.46 g Au/t over 7.5m including **7.31 g Au/t over 3.4m** and 2.73 g Au/t over 1.5m in Hole ERU-02
- 2.10 g Au/t over 4.5m including **4.31 g Au/t over 1.6m** and 2.73 g Au/t over 1.5m in Hole ERU-04
- 1.86 g Au/t over 3.0m including **4.31 g Au/t over 1.0m** in Hole ERU-01
- 2.83 g Au/t over 1.0m in Hole ERU-03
- 1.92 g Au/t over 1.4m over 1.4m in Hole ERU-09A
- 0.66 g Au/t over 5.0m including 8.67 g Au/t over 0.4m in Hole ERU-09A
- 0.35 g Au/t over 19.5m in Hole ERU-04

\*See EHR ASX announcement dated 17 January 2018 for all results and associated JORC table





# New Rufina Eastern Target

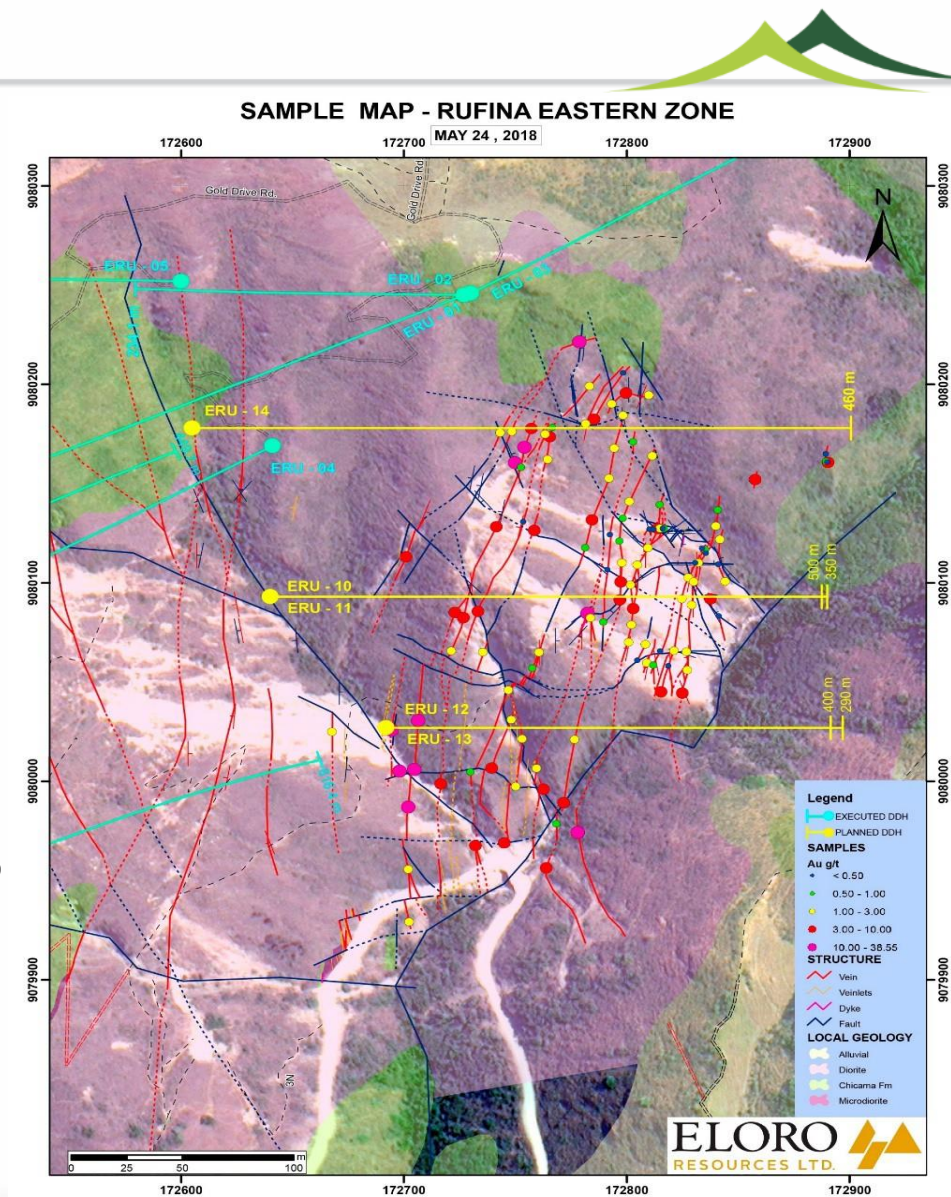
↑ Rufina Eastern is potentially the core of epithermal gold system at Rufina

↑ 117 channel samples taken over mineralized quartz veins in this target of 250 m by 150 m

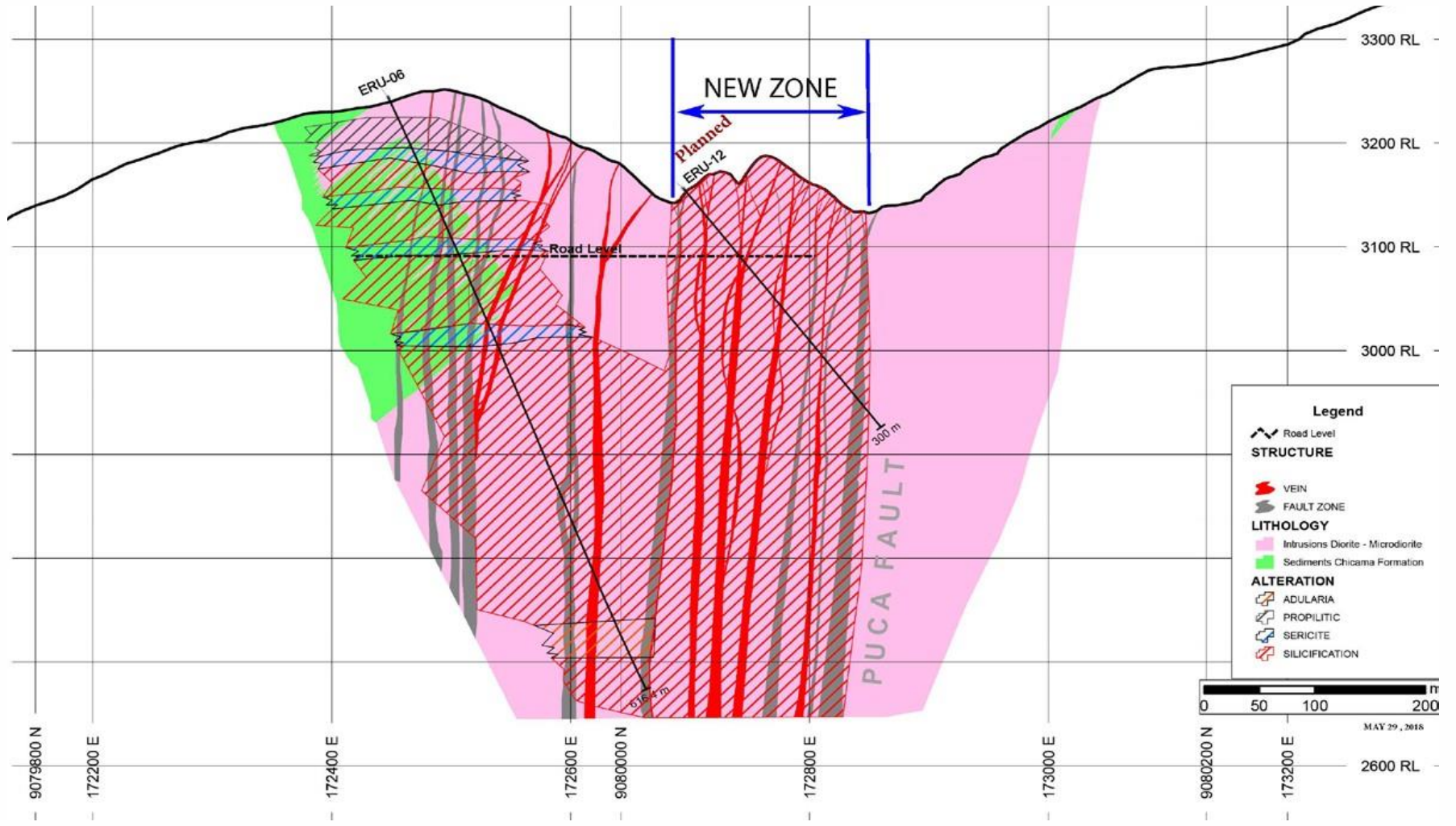
↑ Nearly three quarters of samples have returned **significant gold values over widths from 0.05 m to 1.60 m with highlights as follows:**

- 10 samples >10 g Au/t over widths 0.05 m to 0.80 m incl.  
27.24 g Au/t/0.80 m, 29.02 g Au/t/0.25 m and 38.55 g Au/t/0.15 m
- 27 samples with >3-10 g Au/t over widths of 0.10-0.60 m
- 47 samples with >1-3 g Au/t over widths of 0.10 m to 1.60 m\*

\*See EHR ASX announcement dated 7 June 2018 for all results and associated JORC table



# La Victoria: Cross Section Rufina Eastern



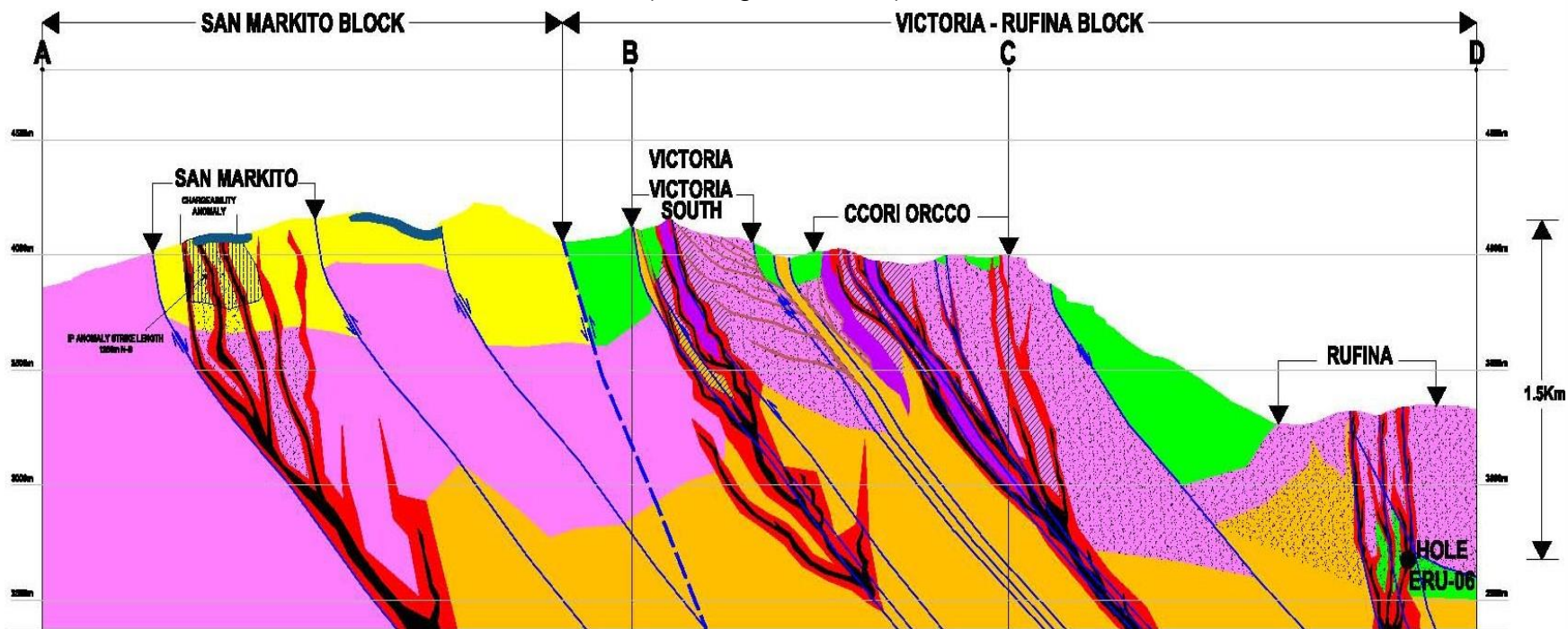


# 1.5km vertical extent of Au-Ag epithermal mineralisation at La Victoria



## La Victoria Project Preliminary Geological Model

(Looking to the East)



### LITHOLOGY

LITHOLOGY	
	MICRODIORITE
	DIORITIC PORPHYRY
	QUARTZ FELDSPAR PORPHYRY
	CHIMU FM
	CHICAMA FM

### ALTERATION

ALTERATION	
	SILICIFICATION
	ARGILIC
	SERICITIC

### STRUCTURE

STRUCTURE	
	QTZ STOCKWORK
	CRACKLE BRECCIA
	HYDROTHERMAL BRECCIA
	FAULT

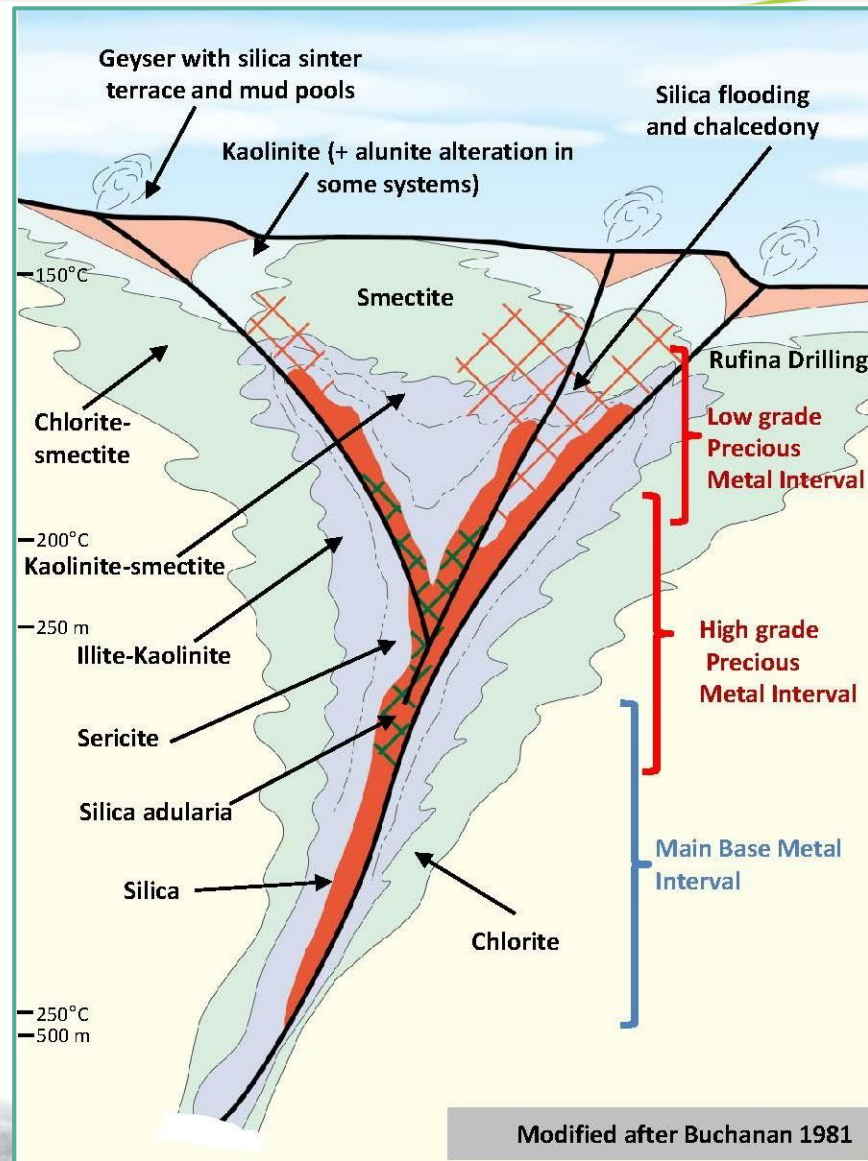
# Rufina Model – Typical Low Sulphidation Epithermal System

⚡ Initial drilling intersected the upper part of a classic “flower structure” in a low sulphidation system

⚡ Deep drilling in ERU-06 intersected potential core-style gold mineralization at end of hole.

2000m drilling is in progress to test the potential core of the epithermal system at Rufina Eastern.

2000m drilling planned to test San Markito when final drill permit is received.



Source: Exploration Alliance



# Corporate



Exchange	ASX:EHX	
Shares Issued:	126.6 million	
Options:	<i>11.0 million unlisted, escrowed</i>	
Market Capitalisation (@ \$0.075):	\$9.5 million	
Share Price (July 1, 2018):	\$0.075 per share	
Financial:	\$3.8 million cash, zero debt	
Board of Directors:	Stephen Dennis (Chairman) Michael O’Keeffe Jeremy King David Bradley	
Major Holders:	M O’Keeffe	11.08%
	HSBC Nominees	5.92%
	S Dennis	3.52%



# Appendix:

## La Victoria Further Information



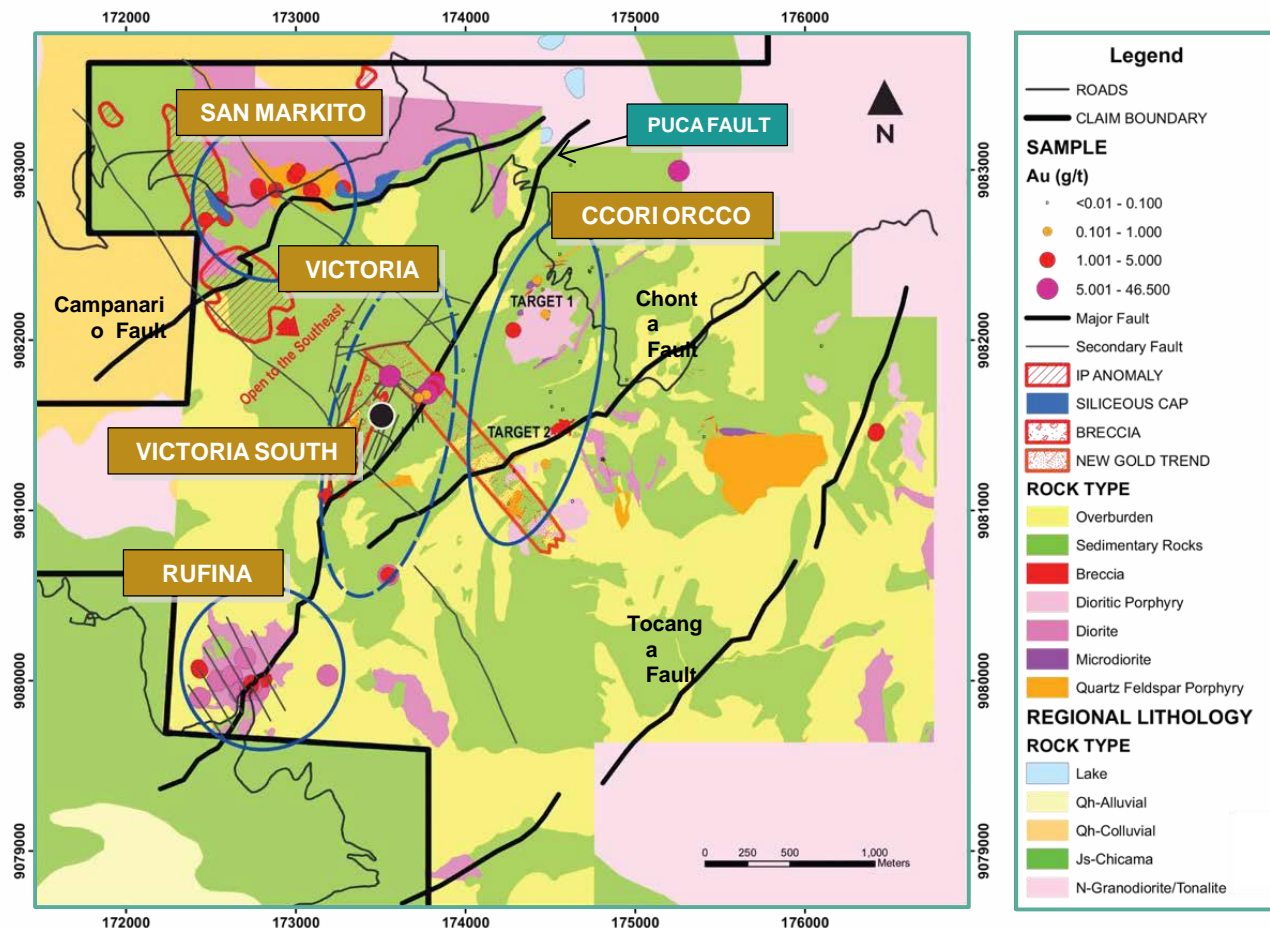


# Geological Plan and Major Target Areas

↑ Rock types, alteration style and mineralization similar to producing gold mines in Northern Peru Gold Belt

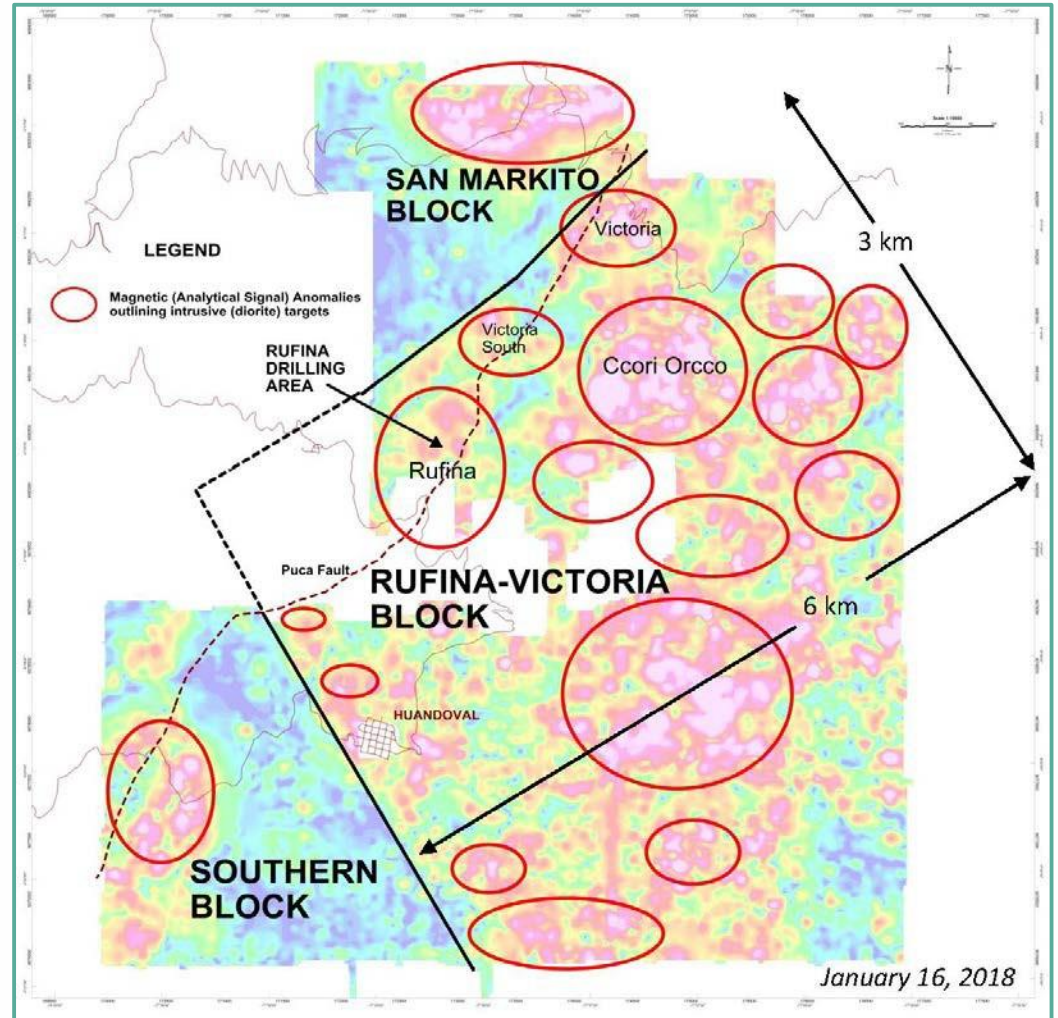
↑ Epithermal gold - silver mineralization occurs in structures associated with dioritic intrusives

↑ 4 Major target areas outlined for drilling: San Markito, Rufina, Victoria-Victoria South, and Ccori Orcco



# Geophysics: Magnetic Map with Target Areas

- ↑ Epithermal gold-silver mineralization occurs in structures principally associated with dioritic intrusives
- ↑ Dioritic intrusives can be readily identified by magnetics
- ↑ Magnetic surveys have outlined 18 major target zones in 3 major tectonic blocks
- ↑ Principal target area covers 6 km by 3 km in the Rufina-Victoria Block



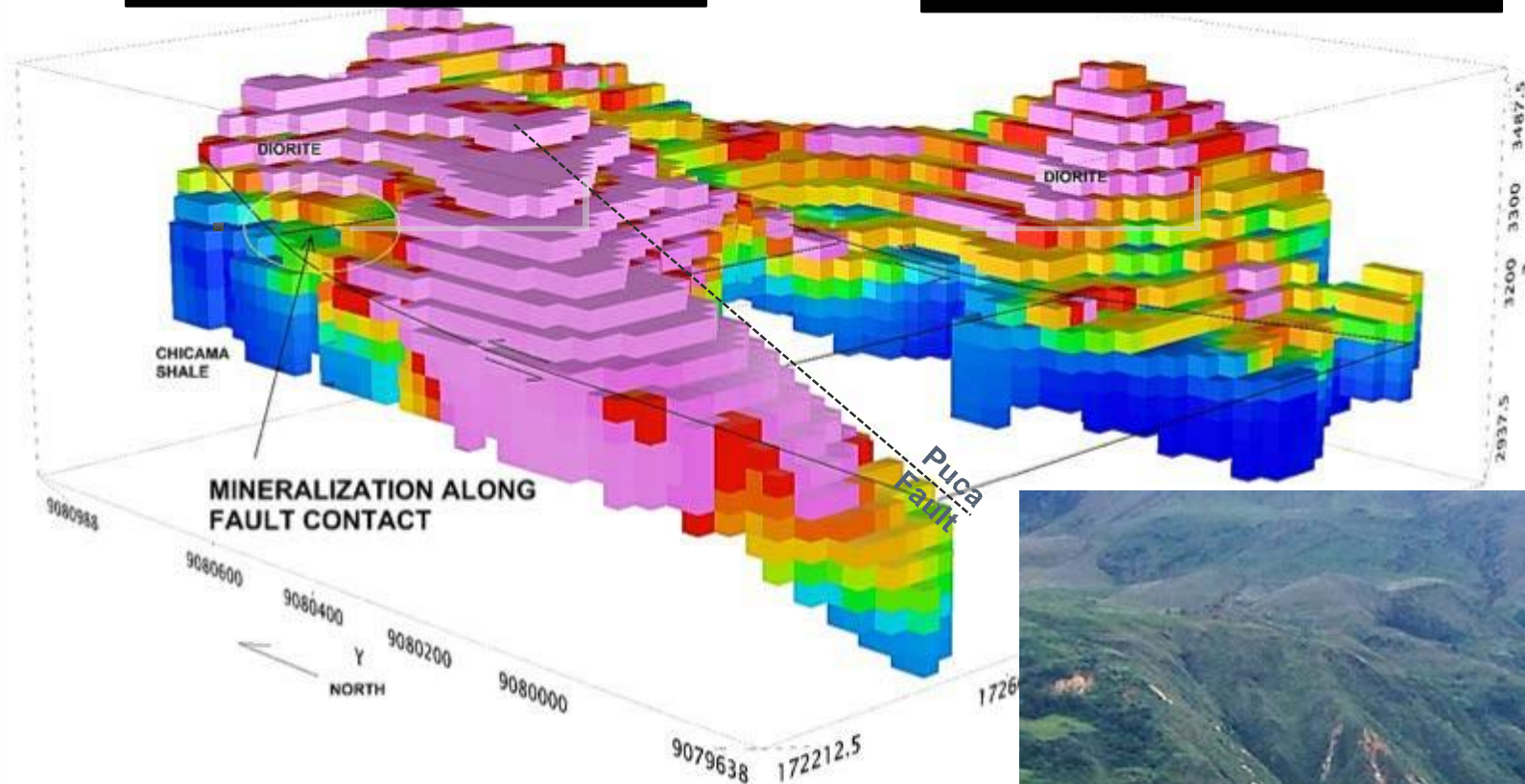


# Isometric Model: Resistivity of the Rufina Mineralized Zones



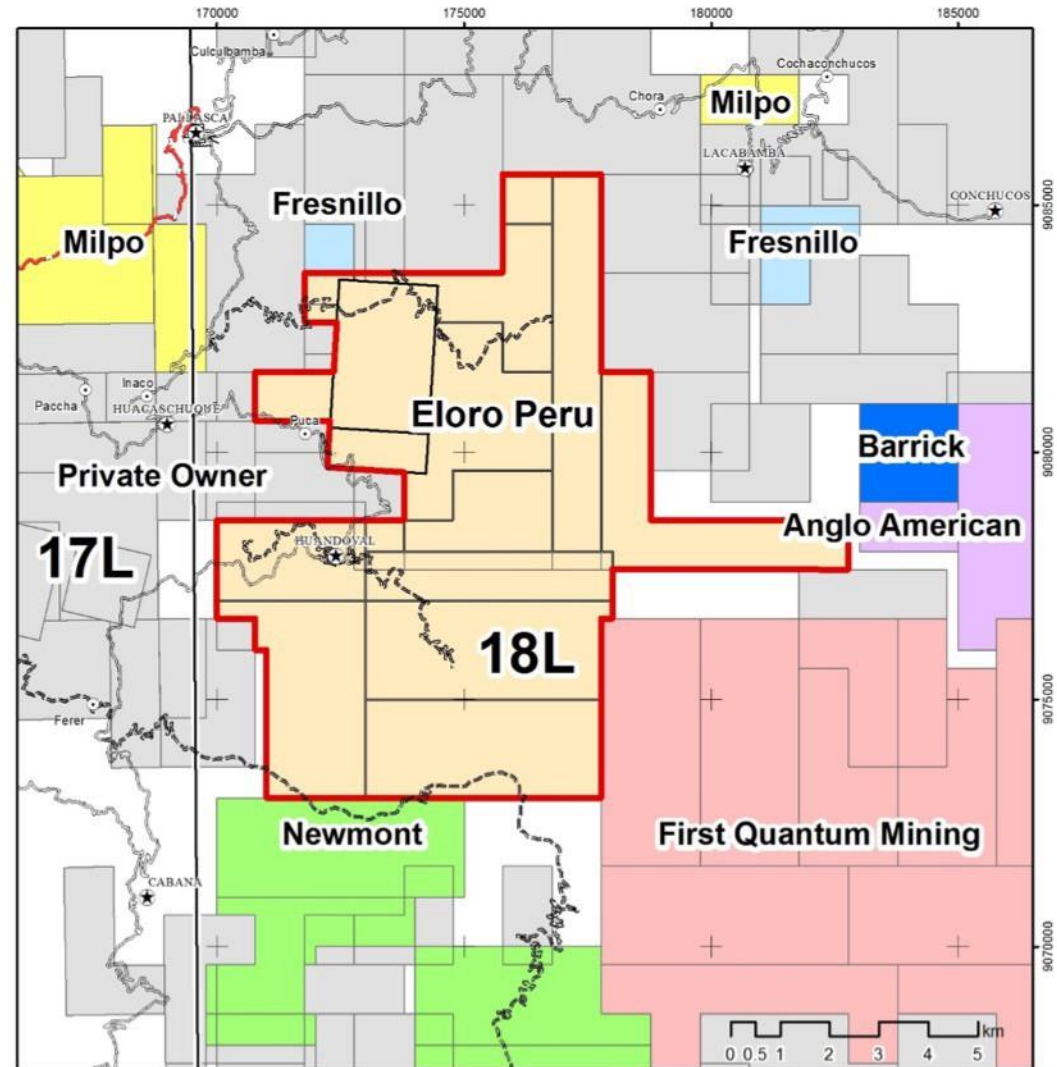
**RUFINA WEST**

**RUFINA EAST**



# La Victoria: Adjacent Ownership

↑ La Victoria tenure is surrounded by active, major mining companies



# La Victoria: North-Central Peru Mineral Belt Elephant Country

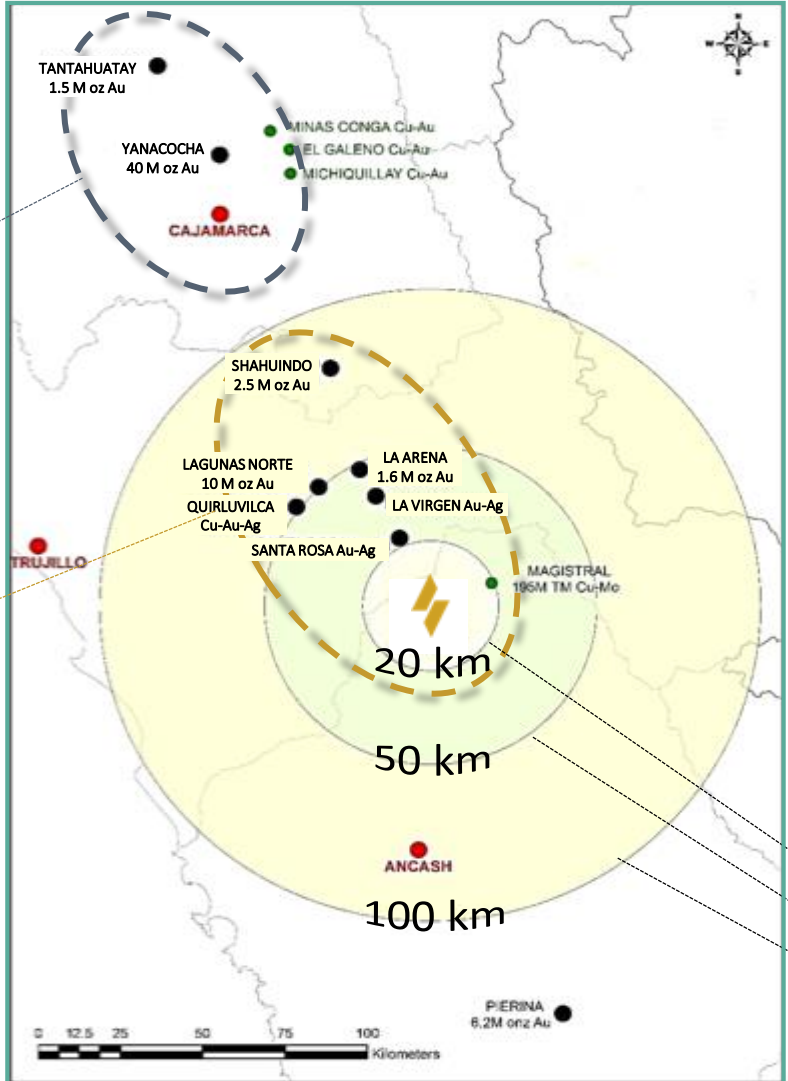


## VOLCANIC - HOSTED

Deposits in Tertiary Volcanics  
Yanacochoa , Cerro Colorado,  
Tantahuatay, La Zanja,  
Minas Conga, El Galeno,  
Michiquillay

## SEDIMENTARY - HOSTED

Deposits in Jurassic and  
Cretaceous Sediments  
Lagunas Norte, Quiruvilca,  
La Arena, La Virgen,  
Shahuindo, Santa Rosa,  
Patibal, Magistral, Retamas



- Mine in Operation
- Mining Project
- ⚡ La Victoria Project
- 20 km
- 50 km
- 100 km

Source: Life of Mine Reserves and Resources from company reports.



# La Victoria: Geological similarities to significant regional mines and deposits

## Lagunas Norte

- ↑ Host Rock Chimu FM Sediments
- ↑ Diatreme Breccia
- ↑ High Iron Oxides with Ore; Disseminated and Fracture Filling

## La Victoria

- ↑ Chimu FM Sediments (San Markito)
- ↑ Breccia (San Markito, Possibly Diatreme)
- ↑ High Grades with Iron Oxides in Fracture Filling (Rufina)

## La Arena

- ↑ High Sulphidation Epithermal Gold
- ↑ Copper-Gold Porphyry at Depth

## La Victoria

- ↑ Epithermal Gold (Rufina)
- ↑ Copper-gold Rock with Porphyritic Textures in Outcrop at Ccori Orcco Sector

## La Santa Rosa

- ↑ High Sulphidation Epithermal Gold
- ↑ Host Rock Chimu FM
- ↑ Gold in Arsenopyrite and Pyrite

## La Victoria

- ↑ Epithermal Gold
- ↑ Host Rock Chimu FM (San Markito)
- ↑ High Grade Gold (63.8 G/T) in Arsenopyrite with Pyrite (Rufina East); 46.4 G/T in Oxides (Rufina West)