



6 September 2019

Acquisition of advanced exploration projects including the Penny South Gold Project

- **Binding option to acquire 100% of Altilium Metals Limited to create a focused West Australian Gold and Nickel exploration company**
- **Altilium owns a portfolio of highly prospective advanced exploration assets including:**
 1. **Penny South Gold Project – contiguous with the Penny West Gold Project owned by Spectrum Metals (ASX:SPX), with over 2.5km strike of Penny West shear**
 2. **Narndee Project Area – consisting of the Narndee Igneous Complex (Ni-Cu-PGM), and Kiabye Greenstone Belt (Au)**
 3. **Unaly Hill South (Au) – at the convergence of the major Youanmi and Yuinmery regional shears**
 4. **Windimurra Igneous Complex (Ni-Cu-PGM, Li) – recently identified lithium bearing pegmatites**
- **Altilium’s Managing Director Dr Caedmon Marriott and Chairman Rhod Grivas to join the board of Aldoro, bringing significant mineral exploration and capital markets experience**
- **Dual drilling programs to be undertaken in the 4th quarter 2019 - Drilling at the Penny South Gold Project & Aldoro’s Leinster Nickel drilling program**
- **Share placement of \$650,000 at \$0.15 per share, representing a premium to market bolstering Aldoro’s cash reserves to circa \$4,000,000**
- **Acquisition of Altilium funded via the issue of 10,800,000 fully paid ordinary shares in Aldoro, subject to shareholder approval**

Aldoro Resources (ASX:ARN, “Aldoro” or “the Company”) is pleased to announce that it has entered into a binding option agreement to acquire 100% of Altilium Metals Limited (“Altilium”). Altilium holds a series of advanced exploration projects in the Murchison Region of Western Australia including the Penny South Gold Project in the Youanmi Gold Mining District and the multi-commodity Narndee Project Area.

Commenting on the acquisition Aldoro’s Chairman Jeremy King said:

“We are extremely pleased to reach agreement for the acquisition of Altilium Metals. The addition of their exciting exploration assets, including the Penny South Gold Project, greatly enhances Aldoro’s existing portfolio and builds on our long-term strategy of creating a significant Western Australian exploration and development company. We look forward to welcoming Caedmon Marriott and Rhod Grivas to Aldoro’s board, the experience they bring will greatly assist Aldoro going forward”.

Altium’s Managing Director Caedmon Marriott commented:

“Altium is very pleased to join forces with Aldoro to build a Western Australian exploration company. Given the current gold price the combined company’s immediate focus will be on Altium’s gold projects – the flagship Penny South Gold Project, underexplored Kiabye Greenstone Belt and Unaly Hill South. Like Aldoro, we are also very positive on the long-term outlook for nickel and are excited by their existing collection of nickel assets, we look forward to see the results of the upcoming maiden drilling program at the Leinster Project, as well advancing our Narndee Igneous Complex Ni-Cu-PGM Project.”

Overview of Altium Metals

Altium owns 5 Exploration Licences and 2 Exploration Licence Applications in the Murchison Region of Western Australia. The tenements contain a number of advanced exploration projects around the Younami Gold Mining District and the Windimurra-Narndee Igneous Complex. The projects are principally focused on gold, nickel and copper mineralisation. The tenements form 4 main project areas, covering a total of 756km²:

1. Penny South Gold Project

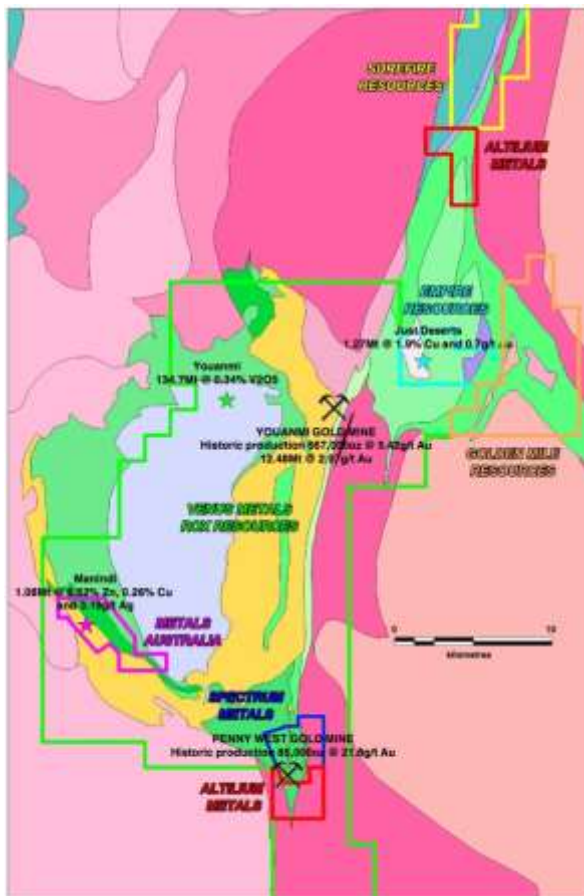


Figure 1A: Younami Gold Mining District



Figure 1B: Enlarged Map of Penny West Area



The Penny South Gold Project lies directly to the south of the Penny West Gold Project owned by Spectrum Metals (ASX:SPX) and contains over 2.5km strike extension of the Penny West Shear, that hosts the historic high-grade Penny West Gold Mine. Historic drilling within tenement E57/1045 has encountered various significantly anomalous intersections of gold mineralisation including 2m at 33.98g/t Au, 6m at 1.27g/t Au and 5m at 1.11g/t Au. Like the Penny West area, tenement E57/1045 contains limited outcrop and is overlain by 1m to 30m of sand and sedimentary cover. The average depth of historic drilling within the Penny South Gold Project is less than 40m down hole. Spectrum has reported outstanding recent exploration success at Penny North and at the southern end of the Penny West pit within deeper drill holes beneath cover. Aldoro intends to utilise a similar exploration strategy to test surface anomalies at depth.

2. Narndee Project Area

The Narndee Project Area is formed of 2 exploration projects (differentiated by different styles of geology) surrounding the Narndee Igneous Complex – the Narndee Igneous Complex (Ni-Cu-PGM) and the Kiabye Greenstone Belt (Au)

Narndee Igneous Complex (Ni-Cu-PGM)

The Narndee Igneous Complex is a large layered mafic-ultramafic complex covering approximately 700km². Historic exploration has generally focused on PGM mineralisation using a Bushveld model, whilst historic drill results have found good indications of Ni-Cu sulphide mineralisation. Maximus Resources (ASX:MXR) flew an airborne EM survey over the complex in 2008^[1] (ASX, 20 August 2008), identifying multiple EM targets, but only conducted limited follow up work. Aldoro intends to build on this wealth of historical information, including multiple geophysical datasets, and is excited by the nickel potential of the project.

Kiabye Greenstone Belt (Au)

The Kiabye Greenstone Belt wraps around the western side of the Narndee Complex, predominantly formed of Norie Group amphibolite-metabasalt and Yaloginda metasedimentary units, with a sheared contact against the surrounding Tuckanarra Suite granite. The greenstone belt extends for over 30km of strike and is historically underexplored due to thin 1m to 5m cover. Anomalous indications of gold have been identified along the length of the belt in historic work.

3. Unaly Hill South

Tenement E57/1048 lies at the southern end of the Atley Complex, located between the Youanmi and Sandstone Gold Mining Districts and contiguous with Surefire Resources (ASX:SRN) Unaly Hill Vanadium Project. Whilst the tenement contains a significant vanadium titanomagnetite exploration target it is also considered prospective for gold mineralisation with the intersection of two major regional shears – the northern extension of the Youanmi Shear and its intersection with the Yunmery Shear, also known to host gold mineralisation^[2].

4. Windimurra Igneous Complex

Tenement applications E58/518 and E58/519 cover approximately 420km² of the Windimurra Igneous Complex. Recent field work and geological mapping interpretation by Altium has identified

over 20 pegmatites at the edge of the Windimurra Complex, that are considered prospective for lithium mineralisation.

Altium's 4 main project areas are shown in Figure 2, below.

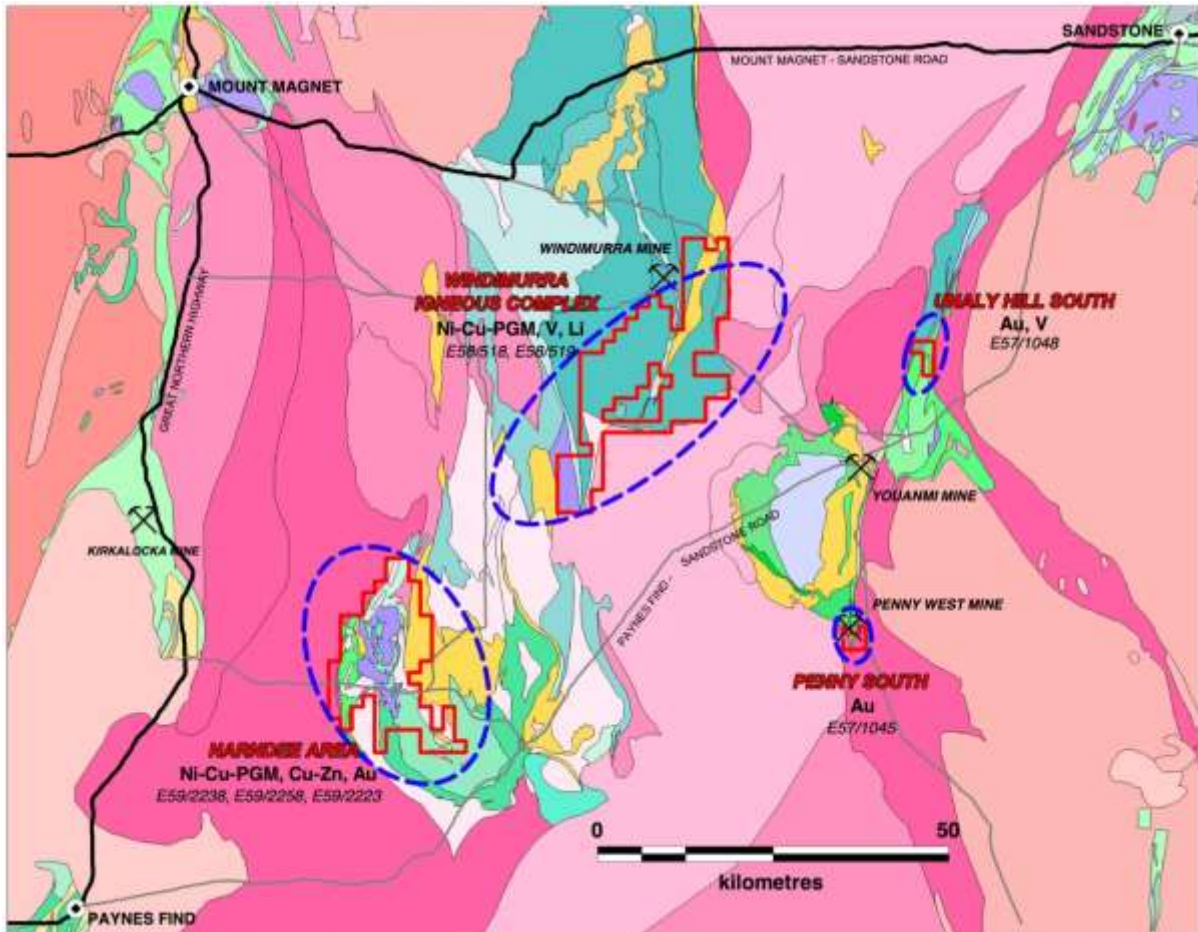


Figure 2: Altium Metals Project Areas

Summary of Acquisition Terms

Aldoro has entered into a binding term sheet for the option to acquire a 100% interest in Altium Metals Limited, the key terms of the acquisition are as follows:

- Aldoro will pay a \$50,000 option fee to secure the exclusive option to acquire 100% of the issued share capital of Altium.
- If the Option is exercised, at completion Aldoro will issue Altium shareholders a total of 10,800,000 fully paid ordinary shares to acquire all outstanding shares in Altium Metals Limited at a deemed price of \$0.15 per share.
- Caedmon Marriott and Rhod Grivas to join the board of Aldoro at completion of the acquisition.



- Aldoro will assume a maximum of up to \$250,000 of liabilities and debts held by Altilium, consisting of \$100,000 payment to the original vendors of the Narndee and Windimurra Projects, and up to \$150,000 of outstanding creditors.
- Issue of 1,200,000 facilitator shares to Xcel Capital Pty Ltd.

The acquisition remains subject to legal and technical due diligence. Completion of the acquisition and the issue of Aldoro shares to the vendors and facilitators remains subject to shareholder and regulatory approval.

Details of Placement

Aldoro has finalised binding terms for a share placement to raise capital for exploration activities and working capital which was very well supported by the Altilium vendors in addition to the Aldoro directors who have subscribed for \$90,000 of the placement (subject to shareholder approval). The Company will issue 4,333,333 shares at \$0.15 per share to raise \$650,000 (before costs) which represents a premium of 12.8% to the 20-day VWAP. The shares will be issued using the Company's existing capacity pursuant to ASX Listing Rule 7.1.

The Placement will be made without a prospectus or other disclosure document to applicants meeting the exemption criteria of s.708 of the Corporations Act 2001. The Company will apply to the ASX for quotation of the shares and subject to, and conditional on, complying with all ASX Listing Rule Requirements.

General Meeting

Aldoro shall hold a general meeting to seek shareholder approval for the issue of consideration shares payable for the acquisition of Altilium Metals Limited, approval of the director participation in the Placement and the issue of facilitator shares.

ENDS

[1] Maximus Resources Limited, ASX, 20 August 2008, High Tech REPTM Survey Locates New Exploration Targets in Narndee Project Area, Western Australia

[2] Golden Mile Resources Limited, ASX, 21 August 2019, G88 to Acquire Under-Explored High Grade Gold Opportunity

| Hole ID | East | North | RL | Azimuth | Dip | Depth (m) | Intercept | Results |
|-----------|--------|---------|-----|---------|-----|-----------|------------------------|------------------------------------|
| 95PSR0673 | 676700 | 6804400 | 500 | 270 | -60 | 40 | 38 to 40m | 2m @ 33.98g/t Au |
| PWAC062 | 676600 | 6805500 | 500 | 270 | -60 | 48 | 29 to 35m 39 to 40m | 6m @ 1.27g/t Au 1m @ 1.58g/t Au |
| DSAC004 | 676701 | 6805700 | 485 | 270 | -60 | 62 | 57 to 62m | 5m @ 1.11g/t Au |

Competent Persons Statement

The information in this announcement that relates to Exploration Results and other technical information complies with the 2012 Edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Nicholas Burn, a consultant of Aldoro Resources Ltd. Mr Burn is a member of the Australian Institute of Geoscientists.



He has sufficient experience that is relevant to the styles of mineralisation and type of deposits under consideration, and to the activity being undertaken, 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 Burn consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Penny South

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sampling techniques | <ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> | <ul style="list-style-type: none"> The principal forms of historical sampling within the Penny South project area comprise; <ul style="list-style-type: none"> Soil geochemical sampling Rotary airblast (RAB), aircore and limited RC drilling Gold Mines of Australia (GMA) undertook extensive exploration in the period 1989 -1996 with extensive soil sampling returning disappointing results and angled RAB drilling generating some encouraging results in the regolith. Two anomalous intercepts of 2m @ 33.98 g/t Au (95PSR0673;38-40m) and 1m @ 1.04 g/t Au (PSR0100;28-29m) were tested by very limited RC drilling however the majority regolith anomalies were untested. <p>Australian Mineral Investors (1996 – 2000); No on ground work was completed in this period.</p> <p>Lach Drummond Resources (2002- 4); Follow-up aircore drilling of the GMA generated regolith anomalies with better results including 6m @ 1.27 g/t Au (PWAC062; 29-35m) and 1m @ 1.04 g/t Au (PWAC092; 33-34m)</p> <p>Goldcrest (2008-13); No on ground work was completed in this period.</p> <p>Beacon Minerals (2014-15); 34 angled aircore holes totalling 1820m were undertaken to test the historical regolith anomalies. Results were moderate with follow up RC drilling proposed for significant aircore results.</p> Based on available data, there is no information about reference measures taken to ensure sample representivity. However, there is nothing to indicate that drilling and sample practices did not follow prevailing normal industry practices All historical exploration within the project is first pass exploration, with different vintages of data quality appropriate at the time of sampling. |
| Drilling techniques | <ul style="list-style-type: none"> <i>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</i> | <ul style="list-style-type: none"> Previous drilling involved shallow wide spaced RAB/Aircore/RC drilling for gold exploration along the Youanmi Shear Historical records on the drill details are limited with RAB/RC drilling |

| Criteria | JORC Code explanation | Commentary |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <i>type, whether core is oriented and if so, by what method, etc).</i> | for gold by previous explorers using best practice for that time. Aircore drilling by Beacon Minerals was completed by an RA150 rig fitted with 750/350 air compressor and drilling to blade refusal. |
| <i>Drill sample recovery</i> | <ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>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.</i> | <ul style="list-style-type: none"> • There are no records regarding sample recovery available for the previous drilling programs. • No records are available • Insufficient information available from public records to review grade bias in relation to sample recovery. |
| <i>Logging</i> | <ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> | <ul style="list-style-type: none"> • Geological logging completed and is available in hard copy format suitable for first pass exploration. • Logging is qualitative in nature • All the drillholes were geologically logged. |
| <i>Sub-sampling techniques and sample preparation</i> | <ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> | <ul style="list-style-type: none"> • No core is available for the project • Aircore samples were composited from individual 1 metre piles into 4m composite samples with a scoop, sample interval determined by geological logging of the regolith and geological boundaries. • Sample preparation is considered suitable as a first pass exploration program to indicate zones for further testing • QAQC and sampling protocols for previous RAB/RC drill exploration in the project area is unknown. • No information regarding homogenization and sampling of historic RAB drill samples for gold exploration is available |
| <i>Quality of assay data and laboratory tests</i> | <ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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</i> | <ul style="list-style-type: none"> • Assaying for the Beacon aircore drilling was undertaken by Intertek/Genalysis with preparation by drying and pulverising of a 10g sample, aqua regia digest and ICP MS method for gold only. The methods are considered appropriate for this style of mineralisation • No geophysical tools were noted in the historical drill programs |

| Criteria | JORC Code explanation | Commentary |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p><i>derivation, etc.</i></p> <ul style="list-style-type: none"> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> | <ul style="list-style-type: none"> • There are no QAQC records relating to the historical exploration. No mention of QAQC issues affecting the results were made but cannot be verified based on available data. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> | <ul style="list-style-type: none"> • No verification by independent personnel • No twin holes were drilled • All data from the programs is primarily stored in hardcopy format • It is not known whether any adjustments have been made, but this cannot be verified based on available data |
| Location of data points | <ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> | <ul style="list-style-type: none"> • Accuracy and precision of previous surveyed drill coordinates are unknown. All later drillholes were located by handheld GPS with an accuracy of 3m. • Coordinates are in GDA94 Zone 50. • There is no detailed documentation regarding the accuracy of the topographic control |
| Data spacing and distribution | <ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> | <ul style="list-style-type: none"> • Given the first pass nature of the exploration program, the spacing of the exploration drilling is appropriate for understanding the exploration potential and the identification of broad anomalous zones. • Not applicable as first pass exploration drilling • No sample compositing has been applied |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> | <ul style="list-style-type: none"> • The drill orientation is variable through the drill programs, however angled RAB/aircore is approximately orthogonal to the interpreted strike and dip of the targeted structures. No comment can be made at this point on whether the dip and direction of dip has resulted in biased sampling due to insufficient information. • There is no apparent bias in the drilling orientation used that has been noted in public reports. |
| Sample security | <ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> • No records are available on sample security measures. |
| Audits or reviews | <ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> • No sampling techniques or data have been independently audited. |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Mineral tenement and land tenure status</i> | <ul style="list-style-type: none"> <i>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.</i> <i>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.</i> | <p>The Penny South project is held under E57/1045 (4 graticular blocks) and was acquired by Altium Metals in July 2018 from original holder Legend Resources.</p> <p>There are no Native Title interests associated with the licence and no known historical or environmentally sensitive areas within the tenement area.</p> |
| <i>Exploration done by other parties</i> | <ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> | <p>Previous exploration of relevance has been undertaken by;</p> <ul style="list-style-type: none"> Gold Mines of Australia 1989-96 Lach Drummond Resources 2002 - 2004 Beacon Minerals Ltd 2013-2015 |
| <i>Geology</i> | <ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> | <p>The Penny South Project is located within the southern parts of the Youanmi greenstone belt, a modest-sized greenstone belt that straddles the boundary between the Murchison and Southern Cross Domains. This boundary is marked by the regionally extensive Youanmi Fault which defines the eastern boundary of the southern parts of the Youanmi greenstone belt.</p> <p>The Youanmi greenstone belt is dominated by metamorphosed mafic extrusives and intrusives with minor BIF, intrusive felsic porphyries and some felsic volcanic rocks. The Youanmi intrusive complex is made up of layered mafic and ultramafic rocks and occurs to the immediate west of the main greenstone sequence in the southern parts of the belt.</p> <p>The Penny South Project area covers an area south of the abandoned Penny West pit. It encompasses approximately 5.5km of strike of the southern end of the Youanmi greenstone belt. The anomalous gold occurs in a favourable structural setting close to the Youanmi Fault, a major structure known to host or control gold mineralisation in the district.</p> |

| Criteria | JORC Code explanation | Commentary |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Drill hole Information</i> | <ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> | <p>Historic drilling by previous explorers used best practice for that time.</p> <p>Drilling has been predominantly for gold. The data has been supplied as both hardcopy and digital, however the documentation in terms of location of collars, datums etc is minimal. Consequently the use of any data obtained is recommended for indicative purposes only in terms of potential gold mineralisation and for developing Exploration targets.</p> |
| <i>Data aggregation methods</i> | <ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> | <p>Raw composited sample intervals have been reported and aggregated where appropriate.</p> |
| <i>Relationship between mineralisation widths and intercept lengths</i> | <ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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’).</i> | <p>All results referenced are based on down-hole metres and therefore may not reflect the true width of mineralisation or thickness of host lithologies. Given the widely spaced nature of the drilling, the mineralisation, geometry and extent of potential orebodies cannot be readily modelled at this early stage.</p> |
| <i>Diagrams</i> | <ul style="list-style-type: none"> • <i>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.</i> | <p>Diagrams showing historical drill intercepts and Beacon drillhole intercepts/tabulations are included in the announcement “ASX: Beacon Minerals Limited (BCN), 13 February 2015, Youanmi Deep South Aircore Results.”</p> |
| <i>Balanced reporting</i> | <ul style="list-style-type: none"> • <i>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</i> | <p>Only selected RAB/aircore drill intercepts have been mentioned and due to the nature of the drilling and lack of adequate records and survey control, they are considered indicative only and not material.</p> |

| Criteria | JORC Code explanation | Commentary |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <i>Exploration Results.</i> | |
| <i>Other substantive exploration data</i> | <ul style="list-style-type: none"> <i>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.</i> | Not applicable |
| <i>Further work</i> | <ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <p>Planned exploration by Altium on the Penny South Project will initially focus on a complete review of the historic exploration data and analysis of the dataset.</p> <p>Following this data review it is proposed that high powered EM surveys are undertaken to test the interpreted structural extensions from the Penny West pit, their strike continuity and potential to develop a small high grade gold resource.</p> |