

# MINCOR TO PROCEED WITH DEVELOPMENT OF THE WIDGIEMOOLTHA GOLD PROJECT

**Toll treatment agreement secured with leading Australian gold producer, Westgold**

- Mincor's Board has approved the development of the Company's 100%-owned Widgiemooltha Gold Project in Western Australia, following completion of an Enhanced Feasibility Study (EFS).
- Toll treatment agreement executed with subsidiary of Westgold Resources Limited (ASX: WGX) to process ore at the Higginsville gold processing plant for 12 months, commencing in July 2018.
- Mining and technical services agreements executed with Hampton Transport Services Pty Ltd and Goldfields Technical Services Pty Ltd, respectively.
- Commencement of mining activities scheduled for this month, with mobilisation and pre-production activities currently underway.
- Increased Gold Mineral Resources of 4.3 million tonnes at 2.0g/t Au for 273,600 ounces of gold and start-up Ore Reserve of 899,000 tonnes at 2.7g/t Au for 76,900 ounces of gold.
- Initial ore delivery schedule of 40,000t per month.
- Key outcomes of the EFS, based on final contract pricing and at a flat gold price of A\$1,600/ounce:
  - Recovered gold of 71,700 ounces over an initial two-and-a-half-year mine life
  - Pre-production capital cost of A\$2.2 million
  - Undiscounted after-tax cash flow of \$30.7 million
  - C1 cash costs<sup>1</sup> of A\$981/ounce
  - All-in sustaining costs (AISC)<sup>2</sup> of A\$1,133/ounce
  - Maximum cash draw-down of A\$4.9 million
  - Net Present Value (NPV<sub>8%</sub>) after tax of A\$27.4 million
- Option to increase ore delivery schedule to 60,000 tonnes per month.
- A large number of defined exploration targets provide potential for further resource expansion and mine life extension.

Mincor's Managing Director, Mr Peter Muccilli, said the development of the Widgiemooltha Gold Project (WGP) would allow the Company to crystallise significant value from its gold assets by adopting a conservative, low-risk development strategy supported by a processing agreement with an experienced and highly-respected operator.

*"The Project has a very low upfront capital requirement and can be funded from existing cash reserves," he said.*

*"With start-up gold Reserves of 77,000 ounces, the Widgiemooltha Gold Project is expected to generate cash-flow for the Company for the next two and a half years, with potential to extend mine life through further exploration success. The engagement of highly respected project managers, Goldfields Technical Services, to oversee day to day operations at Widgiemooltha allows Mincor's technical team to focus on delivering its nickel sulphide exploration strategy at Kambalda.*

*"Mincor's high quality land-holdings continue to provide us with exciting opportunities for growth. The decision to proceed with development of the Widgiemooltha Gold Project provides Mincor with a path back to short term cash-flow. At the same time, we are beginning to see some exciting results from our nickel exploration activities, as evidenced by the recently announced high-grade results from Cassini."*

<sup>1</sup> C1 Cash Operating costs include all mining, processing, haulage, site administration and refining costs

<sup>2</sup> AISC include C1 costs + royalties + capital costs, excludes head office corporate costs

## Widgiemooltha Gold Project – Enhanced Feasibility Study Outcomes

Underpinning the decision to proceed with the development of the WGP were the results achieved in the Enhanced Feasibility Study (EFS). The results of the EFS are summarised in the tables below:

Table 1: WGP Enhanced Feasibility Study – key outcomes

PRODUCTION SUMMARY	Units	
Life of Mine	months	29
Strip Ratio	waste: ore	5.7
Ore Mined <sup>#</sup>	kt	912
Average Grade	g/t Au	2.7
Contained Gold	ounces	78,200
Average LOM Metallurgical Recovery	%	91.8%
Recovered Gold	ounces	71,700
Payable Gold	ounces	71,700
CAPITAL COSTS	LOM	
Pre-production Capital	\$1.8	
Infrastructure Capital	\$0.4	
<b>TOTAL CAPITAL COSTS</b>	<b>\$2.2</b>	
PROJECT ECONOMICS	LOM \$M	A\$/oz
<b>Revenue (Gold Price at A\$1,600/oz.)</b>	\$114.7	\$1,600
C1 Cash Costs <sup>^</sup>	\$70.3	\$981
Royalties <sup>^^</sup>	\$9.1	\$127
Pre-Production Capital Costs	\$1.8	\$25
<b>All-In Sustaining Costs (AISC)*</b>	<b>\$81.2</b>	<b>\$1,133</b>
Infrastructure Capital	\$0.4	\$6
Rehabilitation Cost	\$2.3	\$33
<b>All-In Costs (AIC)**</b>	<b>\$83.9</b>	<b>\$1,171</b>
Undiscounted Cashflow (After-tax)	\$30.7	
<b>NPV8% (After Tax)***</b>	<b>\$27.4</b>	
Maximum Cash Drawdown	\$4.9	
Payback (months)	6	

• Numbers may not add up due to rounding.

• Cost estimation has been completed to a ±15% accuracy level.

<sup>#</sup> Ore mined based on 98.5% Probable Reserve and the inclusion of diluted and recovered Inferred Resources of 1.5% that are additional to the Probable Reserve.

<sup>^</sup> C1 Cash Costs include all mining, processing, haulage, site administration and refining costs.

<sup>^^</sup> Royalties include WA State royalty and third-party royalty.

\* AISC include C1 costs + royalties + pre-production capital costs.

\*\* AIC include AISC + infrastructure capital costs + rehabilitation, excludes head office corporate costs.

\*\*\* NPV includes accumulated tax losses carried forward from prior years which was used to offset against profit generated from the Project.

The total ore mined is based on 98.5% Probable Reserve and the inclusion of 1.5% of diluted and recovered Inferred Resources that are additional to the Probable Reserve. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Table 2: Project financials at various gold price scenarios

Gold price per ounce	Undiscounted cash flow (After-tax)	NPV8% (After Tax)	Maximum Cash drawdown
A\$1,500	\$24.4M	\$21.7M	\$4.9M
A\$1,600	\$30.7M	\$27.4M	\$4.9M
A\$1,700	\$37.1M	\$33.2M	\$4.9M

The EFS confirms the viability of a gold mining operation initially based on the extraction of shallow reserves across eight open pits at Widgiemooltha, with the ore to be treated via a toll treatment arrangement with Westgold Resources Limited's subsidiary, Avoca Mining Pty Ltd, at the Higginsville gold processing plant. Key EFS outcomes include a low upfront capital outlay of just A\$2.2 million which is forecast to generate an undiscounted after-tax cash-flow at a flat A\$1,600/ounce gold price of A\$30.7 million, with a maximum cash drawdown of A\$4.9 million. The Project is forecast to recover a total of 71,700 ounces of gold over an initial mine life of two and half years.

The Company's Gold Mineral Resources inventory at Widgiemooltha and near Norseman contains approximately 335,000 ounces across six prospects (see Appendix 1). The bulk of the Gold Mineral Resources inventory (273,600 ounces) is contained within five key prospects at Widgiemooltha that form the basis of the EFS. The Jeffreys Find prospect was not included in the EFS.

## Summary of Key Technical Elements contained within the EFS

### Purpose of the Report

Mincor completed a Feasibility Study in April 2017 (2017 FS) for the WGP. The 2017 FS confirmed the economic viability of a start-up gold mine based on the extraction of shallow reserves across a number of open pits. For full details on the 2017 FS, refer to ASX release dated 26 April 2017.

Post the 2017 FS, further drilling campaigns were completed at Widgiemooltha which upgraded the Gold Mineral Resources inventory for the WGP. The Company subsequently initiated the EFS to incorporate the upgraded Gold Mineral Resources as well as contract rates for toll treatment, mining and technical services.

The EFS was conducted by Mincor personnel and external consultants. Key contributors are listed in Table 3.

Table 3: Study contributors

Contributor	Role/Section
Paul Darcey – Mincor Resources	Project study owner
Rob Hartley – Mincor Resources	Resource, Reserve and general study guidance
Chen Sun – Mincor Resources	Accounting and finance
Cube Consulting	Resource modelling
Dave Clark – Minero Consulting	Study management services, financial modelling
Gary McCrae - Minecomp	Pit optimisation, design, scheduling
JT Metallurgical Services	Metallurgical guidance and review
Kevin Phelan – Hartfield Nominees	Metallurgical and milling guidance and review
Tim Green – Green Geotechnical	Geotechnical evaluation
Botanica Consulting	Environmental consultants
Groundwater Resource Management (GRM)	Hydrogeology and hydrology studies
AMC Consulting	Independent Technical Expert (ITE) - due diligence study

### Location and Site Infrastructure

The WGP is located 1.5km west of Widgiemooltha and 30km southwest of Kambalda and lies within the Coolgardie Shire in the Goldfields region of Western Australia. Coolgardie lies approximately 80km to the north of Widgiemooltha and Kalgoorlie-Boulder is approximately 85km to the northwest.

Access to the Widgiemooltha townsite is via the sealed all-weather Coolgardie–Esperance Highway. The unsealed Cave Hill Road is currently used to gain access from Widgiemooltha to the prospects.

There is a roadhouse and caravan park at Widgiemooltha. The town of Kambalda provides housing, shopping facilities and light industrial services.

### Tenements

Mincor's five Resource-level gold prospects at the WGP are contained within contiguous granted Mining Leases (Table 4).

Figure 1: Regional plan showing Mincor's landholdings in Kambalda

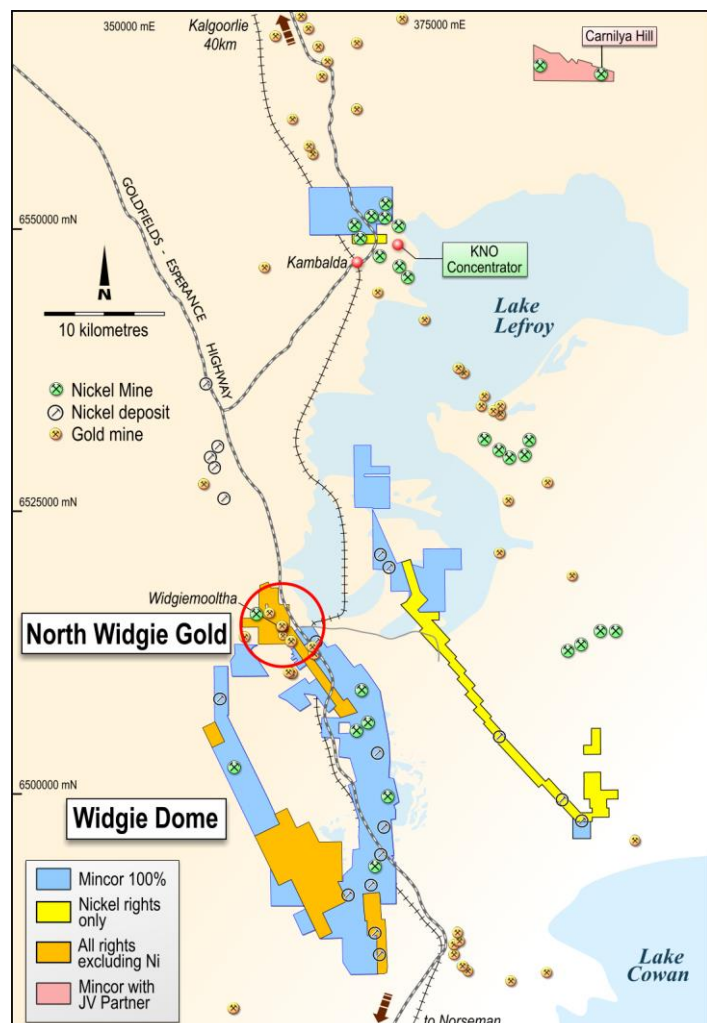


Table 4: Tenements within the project area

Lease	Area (ha)	Grant date	Expiry date	Holding company	Purpose
M15/94	869.85	31/05/1984	30/05/2026	St Ives <sup>^</sup>	Mining
M15/48	359.65	14/02/1984	13/02/2026	Mincor	Mining
M15/103	902.40	12/12/1984	11/12/2026	St Ives <sup>^</sup>	Mining
M15/105	9.68	22/10/1984	21/10/2026	Mincor	Mining
M15/478	9.71	03/08/1990	02/08/2032	Mincor	Mining
M15/1830	4.55	17/3/2017	16/03/2038	Mincor	Mining
L15/325	18.28	04/09/2012	03/09/2033	Lukah <sup>^^</sup>	Road
L15/378	1.50	Application		Mincor	Road/Water Pipeline
L15/374	1.08	Application		Mincor	Road/Water Pipeline

<sup>^</sup> St Ives is the registered holder of the tenements M15/94 and M15/103 and the holdings are in the process of been transferred to Mincor. Mincor is the beneficial holder of the gold rights, and hence has the right to mine gold.

<sup>^^</sup> Lukah Mining is the registered holder of Miscellaneous Licence L15/325. The tenement is in the process of being transferred to Mincor. Mincor is the beneficial owner of the Miscellaneous Licence which is an existing haulage option.

Applications for Miscellaneous Licences L15/374 and L15/378 were lodged in August 2017 and December 2017 respectively. These applications were lodged to allow for additional ore haulage options to the south.

## Widgiemooltha Geology

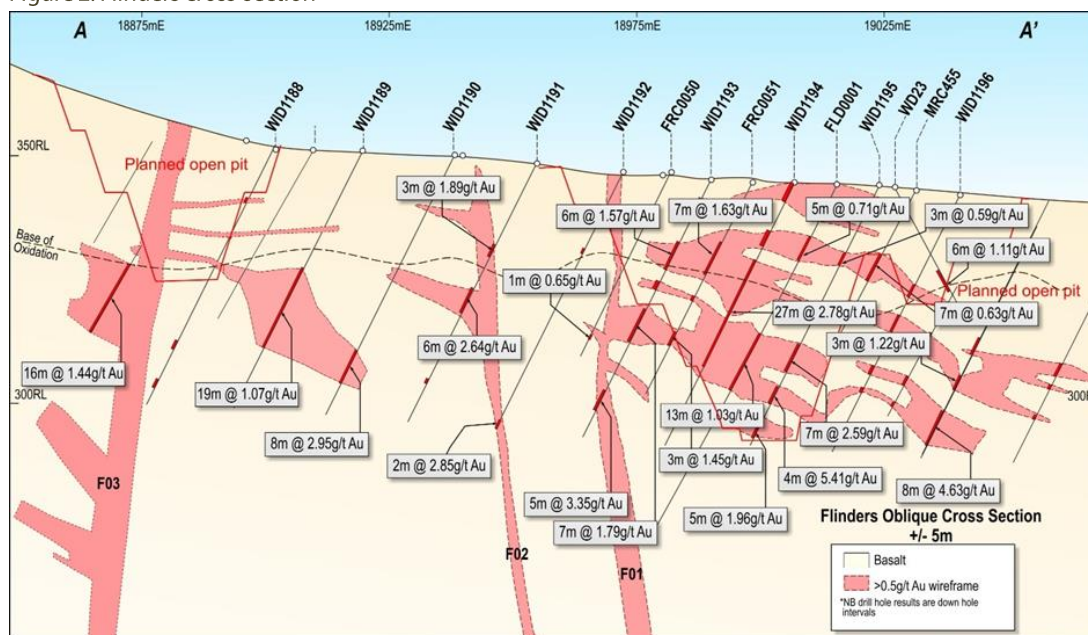
The Widgiemooltha mineralisation is controlled by north-northwest trending structures and mainly hosted within basaltic rocks. Alteration assemblages consist of biotite-albite-carbonate and contain finely disseminated sulphides, mostly pyrite. The veining is dominantly quartz-carbonate with minor pyrite. Small aplite dykes, 1–10m thick, occur at Bass and Hronsky, and minor cherty-pyritic sediments and pegmatitic dykes at Flinders.

Two ore morphologies can be identified at North Widgiemooltha, namely the steeply-dipping tabular lodes such as Bass and Hronsky, and the stacked shallow-dipping reef complexes hosting Flinders, Darlek and to a lesser extent, West Oliver.

There is only thin transported overburden in local areas (<3m). The degree of weathering in the area varies with saprolite (100% weathered sulphides) from 0 to 15m below the surface, while saprock (a mixture of weathered and unweathered sulphides) occurs down to 50m depth.

The geology of Flinders and Flinders West prospects is shown in Figure 2 below. For further geological details at each prospect, refer to ASX announcements in April 2017 and November 2017.

Figure 2: Flinders cross-section



## Widgiemooltha Gold Mineral Resources

The updated Gold Mineral Resources at Widgiemooltha incorporated the results of two phases of infill drilling and the re-processing of four assay batches after quality assurance and quality control (QAQC) checks. The Mineral Resources was based on new 0.5 g/t wireframes for all prospects. This was reported to the ASX on 7 November 2017.



The infill drilling campaign was successful in upgrading the Mineral Resources classification within the notional June 2016 pit shells from an Inferred category to the higher confidence Indicated status. This upgraded Mineral Resources includes a significant increase to the Indicated category for the use in the EFS, and the determination of Ore Reserves as required by the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (2012 JORC Code).

Table 5: North Widgiemooltha Gold Mineral Resources as at March 2018 (excluding Jeffreys Find)

RESOURCE	MEASURED		INDICATED		INFERRED		TOTAL		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Ounces
West Oliver <sup>^^</sup>	-	-	314,900	2.1	153,600	2.3	468,500	2.2	33,100
Bass <sup>^</sup>	-	-	355,200	2.1	400,600	2.0	755,800	2.1	50,400
Hronsky	-	-	249,600	2.5	144,300	1.8	393,800	2.3	28,600
Darlek	-	-	549,100	2.0	342,300	1.6	891,400	1.9	53,100
Flinders <sup>^^^</sup>	-	-	1,216,600	2.1	576,500	1.5	1,793,200	1.9	108,500
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>2,685,400</b>	<b>2.1</b>	<b>1,617,300</b>	<b>1.8</b>	<b>4,302,700</b>	<b>2.0</b>	<b>273,600</b>

Notes:

• Figures have been rounded and hence may not add up exactly to the given totals.

• Resources are inclusive of Reserves reported at 0.5g/t cut-off.

<sup>^</sup> Bass Resource area within tenement M15/94.

<sup>^^</sup> West Oliver resource area has been modified, boundary between West Oliver and Flinders for this resource is 11570 N (Mine grid).

<sup>^^^</sup> Flinders Main orebody, one of five orebodies that make up Flinders has been modified since the November 2017 release due to removal of top cut.

3D block models were generated for each of the five prospects. Real world estimation was completed using 1m composites, with the inverse distance squared interpolation method for gold, and averages for density within oxidation zones based on diamond drill core (see ASX release dated 7 November 2017 for further details).

The Mineral Resources were assigned to three material types defined by the degree of weathering within the sulphides. These material types are saprolite (100% weathered sulphides), saprock (a mixture of weathered and unweathered sulphides) and fresh (100% unweathered sulphides). The material type is important for the application of metallurgical recoveries, which vary for each type.

The classifications of Mineral Resource confidence levels were undertaken by Mincor's geological staff and reported as per the JORC Code (2012) guidelines. The classifications were based on drillhole spacing and robustness of geological interpretation. Based on these criteria, the bulk of Mineral Resources were classified as Indicated. Inferred Resources are located at the periphery of all the prospects where drill densities are lower. Whole resource shapes could also be classified as Inferred (if based on limited drillholes).

## Gold Price Forecasts and Marketing

A position on the future A\$ gold price was taken following consideration of the current \$A spot price and using the December 2017 "Energy & Metals" and "Foreign Exchange" consensus forecast data. Due to the short mine life of the Project and strong outlook (consensus forecasts for gold are >A\$1,600/ounce), a flat gold price of A\$1,600/ounce was incorporated into the financial model over the life of the Project. The spot gold price on 5 March 2018 was A\$1,703/ounce.

Mincor's gold will be refined by and sold to the Perth Mint.

## Mining Factors and Assumptions

The revised pit optimisations were generated using the November 2017 Mineral Resources block models. In most cases, Mincor selected A\$1,450 to A\$1,500 pit shells which provided sufficient freeboard to the current gold price and a solid foundation for final pit designs for the EFS.

Mine designs included the final geotechnical slope stability parameters established by Green Geotechnical which was completed after the April 2017 FS. The geotechnical study reviewed stability of existing pits in the immediate area and fresh diamond drill core to provide a stability analysis of EFS pit designs, with recommended slope angles and wall design parameters.

Pit designs were completed to cater for a combination of fixed chassis 100-tonne trucks for the bulk material and six-wheel articulated trucks for the tighter mining areas. The 100-tonne trucks, together with a 120-tonne excavator, were assigned to the upper bulk material by bench. As pit parameters got tighter, the design switched to use of articulated trucks. On most cases, articulated trucks were matched with 90-tonne excavators; however, in the bottom of some of the pits and very tight areas, a 45-tonne excavator was allocated.

Mining dilution was applied at 20% for all pits, except the main Flinders Main pit F01 surface which was assigned 10% given the greater ore widths. These parameters were validated by carrying out a dilution assessment of the ore by applying operational practical dilution skins to both the footwall and hangingwall. In addition, Mincor relied on historical reconciled from ore grades achieved from pits in the area as support to the assigned dilution levels.

A mining recovery of 95% was used for all pits. A minimum ore mining excavation width of 2.0m was adopted as suited to the selected excavator bucket widths and practical swing room. These parameters are considered appropriate by independent consultants for the types of mineralisation observed at Widgiemooltha.

## Widgiemooltha Metallurgy

Hartfield Nominees and JTMS provided metallurgical consultancy services for the EFS which included additional metallurgical assessment as related to the new Flinders West deposit which did not present in the 2017 FS. For this work, as per the 2017 FS, ALS-Ammtec undertook the test work at their metallurgical testing facilities in Balcatta, Western Australia.

Composite samples covering all Mincor's Widgiemooltha gold prospects were collected and tested during the 2017 FS. These were based on reverse circulation (RC) percussion chips, with each composite being made up of between 20 and 30 downhole metres to ensure representivity of both oxide and transitional (partly weathered) mineralised profiles. The samples were selected to represent the average grade of each deposit, after an allowance for mining dilution. For the EFS, metallurgical test work was expanded to include the new Flinders West prospect.

The 2017 FS established expected recoveries for the WGP, based on test work undertaken using industry-standard 24-hour bottle roll cyanidation on various size fractions. These size fractions present within the normal operating grind size expected in conventional carbon-in-leach (CIL) or carbon-in-pulp (CIP) gold processing plants in the area.

The metallurgical test work concluded that excellent recoveries and favourable leach kinetics would be expected. Table 6 provides the recovery parameters adopted for the study.

Table 6: Recovery parameters adopted in the study

	PROCESSING METALLURGICAL RECOVERIES		
	Saprolite	Saprock	Fresh
<b>All prospects</b> – Flinders, Flinders North, Flinders West, Hronsky North, Darlek, Bass South (Area 3), Bass South (Area 2), Bass South (Area 1), Bass North, West Oliver South, West Oliver North	94.5%	92.5%	89.0%

The reagent consumption in leach tests did not suggest abnormal usage rates and the Ball Mill Index ascertained is consistent with similar ore types in the Goldfields region of Western Australia.

Gravity determination tests have shown that 15% to 30% of the gold can be collected in a gravity circuit.

As part of overall study due diligence, Mincor carried out a site visit of the Higginsville plant with its metallurgical consultants.

## Gold Ore Reserves

The EFS resulted in an upgrade to the Ore Reserve to 899,000 tonnes at 2.7g/t Au for 76,900 ounces of gold (Table 7). The estimated Ore Reserves stated are inclusive of Measured and Indicated Mineral Resources and excludes Inferred material.

Table 7: Ore Reserves as at March 2018

DEPOSIT	PROVED		PROBABLE		TOTAL		
	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Ounces
Flinders	-	-	440,000	2.8	440,000	2.8	40,000
West Oliver	-	-	121,000	2.5	121,000	2.5	9,600
Hronsky	-	-	126,000	2.7	126,000	2.7	11,100
Darlek	-	-	185,000	2.2	185,000	2.2	13,100
Bass	-	-	27,000	3.6	27,000	3.6	3,100
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>899,000</b>	<b>2.7</b>	<b>899,000</b>	<b>2.7</b>	<b>76,900</b>

Notes:

- Calculations have been rounded to the nearest 1,000 tonnes, 0.1g/t Au grade and 100 ounces. Differences may occur due to rounding.
- For further details, please see Appendix 3 (JORC Code, 2012 Edition – Table Report Template Sections 1, 2, 3 and 4).
- Difference in the Reserves and the Production target (Table 1) is the inclusion of 1.5% of diluted and recovered inferred material.

## Overall Mining Approach

The EFS includes the new Flinders West pit together with a larger Flinders Main pit. The EFS has also incorporated contract rates for direct mining, ore transportation, processing and mine management. Reoptimisation of the Bass North, Bass South 1 and Bass South 2 pits, rendered them subeconomic. As a result, these pits have been excluded from the EFS mining plan. The mining plan includes further development of the existing Darlek and Hronsky pits, with all other pits presenting as new mining regions. The total mining inventory is provided in Table 8.

Each of the eight pits has varying tonnage/grade distributions by bench, which drives a mining sequence to match the targeted ore processing rate of 40,000 tonnes per month, whilst optimising the utilisation of assigned excavators.

Table 8: Breakdown of production ore to be mined and metrics by pit

PIT DESIGN						Ore volume (BCM)	Waste volume (BCM)	Total volume (BCM)	Stripping ratio (BCM:BCM)
Resource	Design	Total							
		Tonnes*	Au (g/t)	Ounces	Pit design depth				
Flinders	North	34,000	2.5	3,000	35	13,000	105,000	118,000	8.0
	Main	232,000	3.1	23,000	60	90,000	325,000	415,000	3.6
	West	186,000	2.6	16,000	75	74,000	547,000	621,000	7.4
West Oliver North		38,000	2.6	3,000	40	17,000	130,000	147,000	7.8
West Oliver South		83,000	2.4	6,000	35	37,000	173,000	210,000	4.7
Hronsky		127,000	2.7	11,000	65	53,000	527,000	580,000	9.9
Darlek		185,000	2.2	13,000	65	67,000	173,000	239,000	2.6
Bass South	Area 3	27,000	3.6	3,000	35	12,000	90,000	102,000	7.8
TOTAL	ALL	912,000	2.7	78,000		362,000	2,070,000	2,432,000	5.7

\* Ore mined includes diluted and recovered Inferred Resources (1.5% in total) above the Reserve figure.

The EFS mining operating philosophy is to work a 12-hour day shift. Goldfields Technical Services Pty Ltd will provide the day to day mine management and technical services and Hamptons Transport Pty Ltd to carry out the mining activities. The workforce is expected to be drive in-drive out from Kalgoorlie.

Pre-production mining activities will include mobilisation, site establishment, clearing, grubbing, road building and stockpiling of topsoil and vegetation. The pre-production phase will also include RC grade control drilling prior to start-up of the pits to allow grade control orebody modelling to be completed ahead of mining. The site infrastructure establishment includes offices, service facility, run of mine (ROM) pads, magazine area, waste dump pads and a road network linking the pit operations.

Mining load and haul will occur over 26 months. Mining will commence at the Flinders Main pit which will provide simple single start-up digger arrangement.

Drill and blast activities will be carried out from surface on 5m benches, excavated in two 2.5m passes. No free dig has been assumed in the schedule although likely in places. Additional drilling allowance has been provided for probing existing voids.

The required mining load and haul fleet is based on 100-tonne fixed chassis trucks loaded from a 120-tonne excavator for the bulk pit material movement and six-wheel articulated trucks loaded by 90- or 45-tonne excavators for the lower RL and narrower pit areas. Mining will be supported by standard ancillary mobile equipment and plant. Ore and waste will be hauled to respective stockpiles nearby.

Ore and waste production has been based on allocated dig rates and available equipment hours by excavator/truck match by Saprolite, Saprock or Fresh material. Mining productivities have been reduced on lower benches or tight areas to account for restricted mining conditions.

Ore from the different pits will be stockpiled onto various ROM pads for subsequent rehandle by a front-end loader into road trains for haulage to the mill ROM pad. Waste rock will be hauled either to specific waste dumps or as hauled and dumped as pit backfill.

RC grade control drilling will be undertaken ahead of mining using firm tendered rates established late 2017. Sampling and assaying costs as well as mobilisation and demobilisation have been factored into the operating cost.

The ore mining rate has been scheduled at 40,000 tonnes of ore per month to Westgold's Higginsville gold processing plant in accordance with a toll treatment agreement. Haulage will be via road trains, accessing the Coolgardie-Esperance Highway.

An apron and road works allowing highway access may need to be established; as such, an appropriate provision have been included in the pre-mining capital estimations. The Esperance–Coolgardie Highway is classified as RAV 7.3.

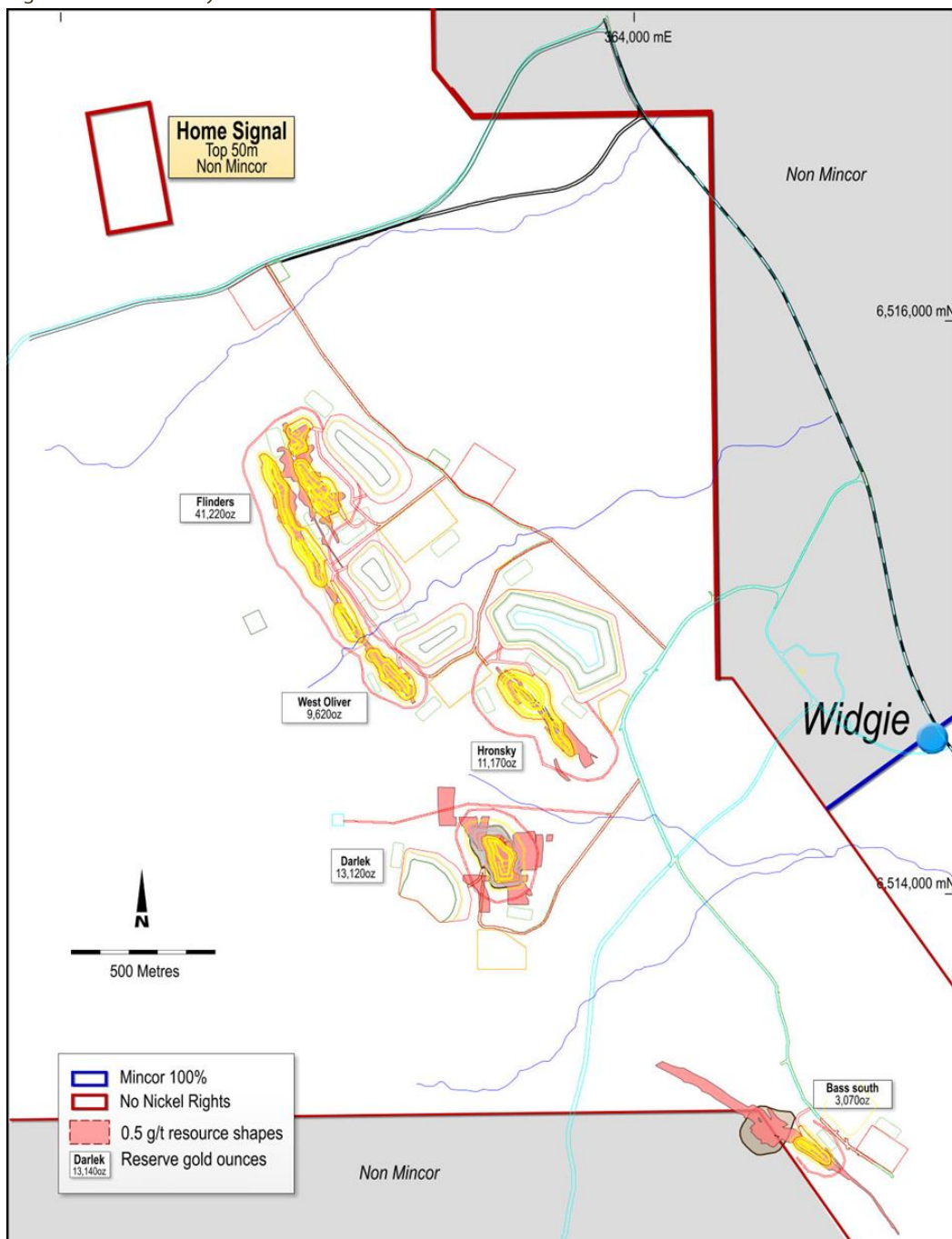
Site mine management and technical workforce consists of management and technical staff under a turn-key consultancy arrangement, together with a selection of specialist consultants as required. This arrangement will be supported and supervised by Mincor corporate staff.

Key mining physicals are summarised as follows:

- Ore and associated waste is from eight pits with a total of 2,432 k.BCM.
- Total ore as per the Production Target schedule is 362 k.BCM, waste 2,070 k.BCM. Overall stripping ratio is 6:1 waste to ore.
- The depth of the pits ranges from 35m to 75m (average is 60m) with pit volumes ranging from 29 k.BCM to 621 k.BCM (average 304 k.BCM).

A full site layout of the Widgiemooltha operations with pit outlines, waste dumps and site infrastructure is presented in Figure 3.

Figure 3: WGP – site layout and Ore Reserves





## Costs

The key operating cost elements adopted in the EFS financial model are based on contract rates for:

- Mining
- Ore toll treatment (including haulage)
- Mine management
- Grade control drilling

## Royalties

A State royalty of 2.5% is payable on realised value of the sold gold. The first 2,500 ounces produced in each financial year is exempted from this royalty.

Widgiemooltha has a Third-Party Royalty affecting gold production. A royalty of 10% of the payable gold sold over a gold price of A\$600 is payable for all mining leases except for M15/1830. If production exceeds 200,000 ounces of gold, an additional 4% royalty is added.

## Cost Matrix

The following table provides a breakdown of costs per unit over the life of the Project.

Table 9: Breakdown of costs by area

OPERATING COSTS (gold price at A\$1,600/ounce)	LOM cost	LOM cost/ore tonne	LOM cost/ounce (A\$)
Mining and Technical Services	\$29.2M	\$32.05	\$408
Processing, Haulage and Refining Costs	\$39.7M	\$43.52	\$554
General Administration	\$1.3M	\$1.47	\$19
Royalties (State and Third Party)	\$9.1M	\$9.99	\$127
<b>TOTAL OPERATING COSTS</b>	<b>\$79.4M</b>	<b>\$87.03</b>	<b>\$1,108</b>

## Capital Costs

### Pre-production Capital Costs

All work activities conducted during the months prior to and up to mining commencement of have been allocated as pre-mining capital costs.

Infrastructure capital includes the construction of site infrastructure/offices, roadworks and highway access. A 15% contingency provision has been included.

Pre-production mining capital includes initial grade control program prior commencement of mining as well as contractor mobilisation, site preparation including clearing, grubbing and topsoil stockpiling.

Table 10: Pre-capital cost summary

CAPITAL COSTS	Pre-production (A\$M)
<b>Pre-production mining capex</b>	
Site preparation	\$1.27
Mining administration	\$0.09
Grade control	\$0.41
<b>Subtotal</b>	<b>\$1.78</b>
Infrastructure capital	\$0.42
<b>TOTAL CAPITAL COSTS</b>	<b>\$2.20</b>

## Heritage

The southern part of the Project area, around the proposed Bass Pit, lies within the Ngadjju Native Title Claim (WC1999/002). An Aboriginal Heritage Survey was completed in November 2016 by the Goldfields Land and Sea Council, with the assistance of six Ngadjju Traditional Owners. The survey covered an area of ~600 hectares, well outside the proposed Bass work area to allow for future expansion. The Ngadjju Peoples approved all currently proposed mining activities.

## Environmental

All environmental baseline field flora and fauna studies were completed by Botanica Consulting (Botanica) in May 2016 compliant to statutory requirements for a Clearing Permit (CPS7402/2). The subsequent Clearing Permit was granted in 2017. An amendment to Clearing Permit (CPS7402/3) to northeast of the existing granted clearing permit was lodged in February 2018.

Botanica carried out a flora and fauna survey. Initial baseline studies recorded two Priority Taxa, no Threatened flora, and no sightings of fauna on the EPBC Threatened fauna list. Botanica assessed that the impacts of proposed mining on flora and fauna would be localised, small to negligible and, therefore, manageable.

Botanica completed waste rock characterisation studies. Results indicate no potentially acid-forming materials. Samples were also tested for heavy metals and the associated risk of producing metalliferous drainage. Results from the samples indicated very low potential for production of metalliferous drainage.

Based on the above, a Mining Proposal was lodged with the Department of Mines, Industry Regulation and Safety (DMIRS) and subsequently approved in 2017. An amendment to the Mining Proposal to include Flinders West was lodged in February 2018 and is currently awaiting assessment. Water Licences (26D and 5C) were also lodged and subsequently approved in 2017.

An amendment to the Mining Proposal to include the Flinders West prospect was lodged with the DMIRS in February 2018 and is currently awaiting assessment. This pending approval will not affect project start-up.

Rehabilitation costs has been applied using the DMIRS formula used to calculate the Mining Rehabilitation Fund (MRF) together with requirements on ongoing monitoring. On this basis, the EFS determined a cost of A\$2.3 million rehabilitation costs which would be applied progressively over the project life.

## Hydrogeology

Groundwater Resource Management undertook the hydrological study for the WGP. A preliminary report recommended several small-scale crossings with culverts on the main north-south access road in five different locations.

The water management plan required the diversion of Widgiemooltha Creek around the southern end of the proposed West Oliver North pit. The diversion costs have been included in the financial model.

Pit water inflows from water bore testing is considered minimal and dewatering (if needed) will only require small scale pumping.

The hydrogeology and hydrology reports were updated in 2018 to include the Flinders West prospect.

## Other

Following completion of the 2017 FS, Mincor engaged consultant Herring Storer to complete acoustic modelling and reporting as related to the nearby Widgiemooltha residents. The outcomes of this work have provided a good management tool to ensure compliance of mining generated noise to the residents.

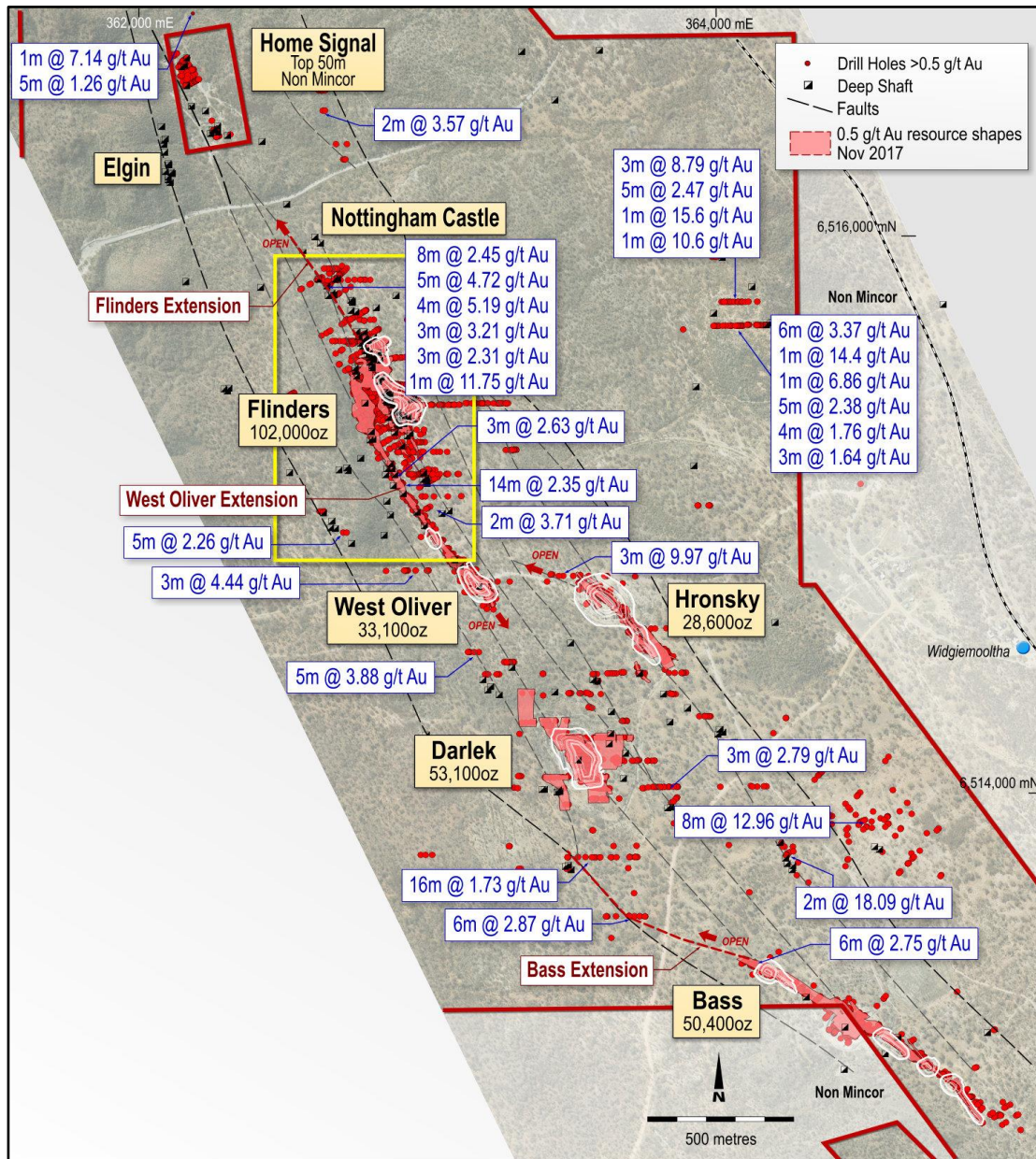
As part of the EFS process, Mincor continued to consult with key stakeholders related to WGP. Consultations included the Shire of Coolgardie, the Widgiemooltha local community, various local government agencies, and third-party mining companies working in the immediate area. In addition, consultation sessions with the Widgiemooltha residents occurred over the EFS study period.

## Widgiemooltha Exploration Potential

The EFS results reconfirmed the value of the gold exploration portfolio at Widgiemooltha (Figure 4). The Gold Mineral Resources at each prospect remain open both along strike and down-plunge. The exploration portfolio provides a foundation for the Company to expand its gold inventory with further drilling. The area has well-defined targets, including:

- Extensional targets immediately north of Bass and Flinders
- Numerous historical shallow high-grade intersections across the broader area.

Figure 4: Widgiemooltha gold prospects and regional potential



## Independent Technical Evaluation

AMC Consultants Pty Ltd (AMC) was engaged by Mincor to undertake a review of data supporting the 2017 FS and the EFS of the WGP. In its role as the Independent Technical Expert (ITE), AMC undertook a review of the technical data, procedures, parameters and results of the 2017 FS and EFS, to assess the quality of the technical work underlying the proposed life-of-mine (LOM) plan. To this end, AMC examined the Project for fatal flaws, material errors and to identify risks and opportunities.

In undertaking the review, AMC made a qualitative assessment of project risks. AMC does not consider that there are any fatal flaws in the Project as described by the EFS.

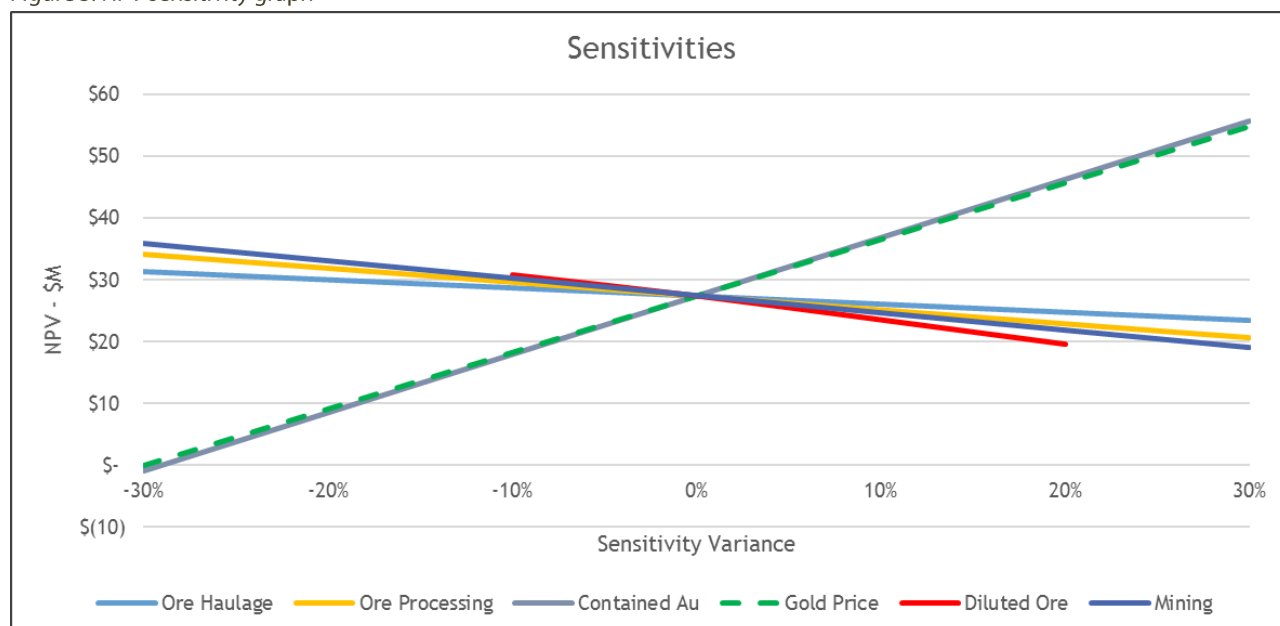
## Sensitivity

Sensitivity analysis was completed on a range of inputs to identify key areas of potential financial variance and their impact on project economic viability, measured in net present value and maximum cash drawdown.

The sensitivity analysis chart (Figure 5) identified changes in gold price (Table 2) and recovered gold ounces (contained Au) as the major area of sensitivity.

The study also carried out scenario sensitivity, modelling the effects of combined increased tonnes from addition ore dilution, reduced ore grade and increased mining cost. This work showed that the Project remained robust.

Figure 5: NPV sensitivity graph



## Risks and Opportunities

### Risks

- A major fall in the A\$ gold price – the financial model assumes a flat price of A\$1,600/ounce.
- Not achieving modelled rates of mining production, dilution, mining recovery and metallurgical recovery.
- Potential challenges resulting from the complex or shapes at Flinders and Darlek prospects.

### Opportunities

- Future gold price >A\$1,600/ounce.
- Toll treatment capacity >40,000 tonnes per month.
- Well established exploration portfolio with the potential for low-cost exploration drilling programs to grow the Mineral Resources inventory.

The information in this Public Report that relates to Exploration Results is based on information compiled by Robert Hartley, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hartley is a full-time employee of Mincor Resources NL. Mr Hartley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hartley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

- ENDS -

**Released by:**  
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## APPENDIX 1: Gold Mineral Resources as at March 2018

RESOURCE		MEASURED		INDICATED		INFERRED		TOTAL		
		Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Tonnes	Au (g/t)	Ounces
West Oliver	Mar 2018	-	-	314,900	2.1	153,600	2.3	468,500	2.2	33,100
	Nov 2017	-	-	314,900	2.1	153,600	2.3	468,500	2.2	33,100
Jeffreys Find	Mar 2018	-	-	833,400	1.7	321,700	1.5	1,155,100	1.7	61,600
	Nov 2017	-	-	833,400	1.7	321,700	1.5	1,155,100	1.7	61,560
Bass	Mar 2018	-	-	355,200	2.1	400,600	2.0	755,800	2.1	50,400
	Nov 2017	-	-	355,200	2.1	400,600	2.0	755,800	2.1	50,400
Hronsky	Mar 2018	-	-	249,600	2.5	144,300	1.8	393,800	2.3	28,600
	Nov 2017	-	-	249,600	2.5	144,300	1.8	393,800	2.3	28,600
Darlek	Mar 2018	-	-	549,100	2.0	342,300	1.6	891,400	1.9	53,100
	Nov 2017	-	-	549,100	2.0	342,300	1.6	891,400	1.9	53,100
Flinders	Mar 2018	-	-	1,216,600	2.1	576,500	1.5	1,793,200	1.9	108,500
	Nov 2017	-	-	1,216,600	1.9	576,500	1.5	1,793,200	1.8	102,000
<b>TOTAL</b>	Mar 2018	-	-	<b>3,518,800</b>	<b>2.0</b>	<b>1,939,000</b>	<b>1.8</b>	<b>5,457,800</b>	<b>1.9</b>	<b>335,200</b>
	Nov 2017	-	-	3,518,800	2.0	1,939,000	1.8	5,457,800	1.9	328,660

### Notes:

- Figures have been rounded and hence may not add up exactly to the given totals.
- Resources are inclusive of Reserves reported at 0.5 g/t cut-off.
- Refer to the 7 November 2017 ASX, release for JORC Table 1 details.

Mincor Resources NL confirms that it is not aware of any new information or data that materially affects the information included in this announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed.

The information in this report that relates to Mineral Resources is based on information compiled by Rob Hartley who is a full-time employee of the Company and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking 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 Hartley consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Member of the AusIMM.

## APPENDIX 2: Gold Ore Reserves as at March 2018

DEPOSIT		PROVED		PROBABLE		TOTAL		
		Tonnage	Au (g/t)	Tonnage	Au (g/t)	Tonnage	Au (g/t)	Ounces
Flinders	<b>Mar 2018</b>	-	-	<b>440,000</b>	<b>2.8</b>	<b>440,000</b>	<b>2.8</b>	<b>40,000</b>
	June 2017	-	-	249,000	2.9	249,000	2.9	23,000
West Oliver	<b>Mar 2018</b>	-	-	<b>121,000</b>	<b>2.5</b>	<b>121,000</b>	<b>2.5</b>	<b>9,600</b>
	June 2017	-	-	128,000	2.7	128,000	2.7	11,000
Hronsky	<b>Mar 2018</b>	-	-	<b>126,000</b>	<b>2.7</b>	<b>126,000</b>	<b>2.7</b>	<b>11,100</b>
	June 2017	-	-	136,000	2.9	136,000	2.9	13,000
Darlek	<b>Mar 2018</b>	-	-	<b>185,000</b>	<b>2.2</b>	<b>185,000</b>	<b>2.2</b>	<b>13,100</b>
	June 2017	-	-	181,000	2.3	181,000	2.3	13,000
Bass	<b>Mar 2018</b>	-	-	<b>27,000</b>	<b>3.6</b>	<b>27,000</b>	<b>3.6</b>	<b>3,100</b>
	June 2017	-	-	95,000	2.9	95,000	2.9	9,000
<b>TOTAL</b>	<b>Mar 2018</b>	-	-	<b>899,000</b>	<b>2.7</b>	<b>899,000</b>	<b>2.7</b>	<b>76,900</b>
	June 2017	-	-	790,000	2.7	790,000	2.7	69,000

Notes:

- Calculations have been rounded to the nearest 1000T, 0.1 g/t Au grade and ounces.
- Differences may occur due to rounding.
- Further Details please see Appendix 3-JORC Code, 2012 Edition – Table Report Template Sections 1, 2, 3 and 4.

Mincor Resources NL confirms that it is not aware of any new information or data that materially affects the information included in this announcement and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed. Variances to the Reserve tonnages when compared to those reported in June 2017 are directly related to the revised Mineral Resource estimate. This relates primarily to Flinders (inclusion of Flinders West) and Bass (reduction of pits).

The information in this report that relates to Ore Reserves is based on information compiled by Dave Clark who is a full-time employee of Minero Consulting and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking 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 Clark consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Fellow of the AusIMM.

## APPENDIX 3: JORC Code, 2012 Edition – Table Report Template Sections 1,2 3 and 4

### Section 1: Sampling Techniques and Data (criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>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 1m samples from which 3kg was pulverised to produce a 30g 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.</li> </ul>	<ul style="list-style-type: none"> <li>Reverse circulation (RC) chip samples were collected in 1m intervals.</li> <li>The whole sample was riffle split in a two-stage splitter, that produced a 75% split stored on site in plastic bags, the remaining 25% was split to a 2–5kg sample for assaying.</li> <li>The remaining 12.5% was only collected for duplicate samples otherwise it was discarded.</li> <li>Samples were submitted to an accredited commercial laboratory, samples over 3kg in weight were 50:50 riffle split before proceeding with sample preparation.</li> <li>All samples were analysed via 50g fire assay.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (e.g. 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).</li> </ul>	<ul style="list-style-type: none"> <li>Drill type is all 150mm diameter RC drilling.</li> <li>Diamond drillholes are HQ3 size.</li> <li>Mincor diamond core was orientated.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Sample recoveries were not recorded, however given the excess sample weights in the 12.5% splits which were recorded by the laboratory, recoveries were very good.</li> <li>The whole sample was collected through a cyclone and riffle split in a two-stage splitter, that produced a 75% split stored onsite in plastic bags, the remaining 25% was split to a 2–5kg sample for assaying.</li> <li>No relationship between recovery and grade was noted, and no biases were observed. Sample recovery was consistently good during for the 2017 drilling programs.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All RC chips are geologically logged for lithology, alteration, vein percentage and oxidation.</li> <li>RC chips have been geologically logged to a level of detail to support appropriate Mineral Resource estimation.</li> <li>Logging has been conducted both qualitatively and quantitatively – descriptions of lithologies, alteration, as well as intensity estimates on alteration and weathering, and vein percentage amount.</li> <li>All drillholes were logged in full.</li> </ul>
<b>Subsampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all subsampling stages to maximise representivity</li> </ul>	<ul style="list-style-type: none"> <li>No diamond drill (DD) core drilling was carried out for the 2017 drilling programs.</li> <li>RC samples were split by riffle splitter at the drill rig into a small calico bag for laboratory analysis and the reject collected in green plastic bags and left at the drill site.</li> <li>All the samples were dry and sample collected for assaying weighed 2–5kg, which is considered appropriate for grain sizes of the material expected.</li> <li>Certified standards and blanks, and duplicate samples were inserted every 10 samples within a drill sequence.</li> </ul>

Criteria	JORC Code explanation	Commentary
	of samples.	
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Every 30<sup>th</sup> sample has a field duplicate collected at the same time when the sample was collected. Duplicates are stored at the field office area and can be used for later confirmation the high-grade intersections and for other quality assurance/quality control (QAQC) checks.</li> <li>Pulp duplicates were systematically collected in the lab and assayed for QAQC purposes.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Sample size of 2-5kg is appropriate for grain size of material for gold sampling.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>Mincor samples were sent to SGS Kalgoorlie Laboratory (SGS), a NATA accredited laboratory. The samples were oven dried and pulverised. A 50g charge weight of the resultant pulverised material is assayed using a high-grade fire assay fusion method (FA50) using lead flux with a silver collector. Atomic absorption spectroscopy (AAS) is used to determine the final concentration of gold. This method is considered a total measure of gold.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>In addition to Mincor QAQC samples submitted with the batch, SGS uses its own certified reference materials for QAQC adherence.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Field and laboratory pulp duplicates were systematically analysed and compared with original sample assays.</li> <li>Filed duplicates were collected for each 30<sup>th</sup> interval and will be processed and analysed for confirmation purpose.</li> <li>Laboratory pulp duplicates were systematically analysed and compared with original sample assays.</li> <li>Results show good consistency of the gold assays determined from original sample with that of the duplicates.</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>Historic rotary air blast holes were twinned with RC percussion infill holes during previous drilling campaigns. Results confirmed the initial intersection mineralisation and geology.</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>Mincor holes are logged on Microsoft Excel templates and uploaded by consultant into Datashed format SQL databases, these have their own inbuilt libraries and validation routines.</li> <li>Validation against assay, lithological and drill meta-data was completed by the software prior to consolidation within the main Widgiemooltha database.</li> <li>Primary field data is collated into a file for each drill program and is stored in the Mincor regional and head offices. Electronic data is stored in Datashed, where it can only be changed by a database administrator.</li> <li>Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation.</li> <li>The primary returned assay result was used for reporting of all intersections and in Mineral Resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias.</li> <li>The database was reviewed and independent validation checks conducted by Cube Consulting Pty Ltd (Cube).</li> </ul>
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>Drillhole collars are located using a Leica Captivate RTK GPS. The survey control was SSM Widgiemooltha 35, horizontal accuracy of 0.015m, vertical accuracy 0.05m.</li> <li>The drillhole collar survey accuracy would be, Positional 0.05, Vertical 0.1; these were single shots, sometimes under trees.</li> </ul>

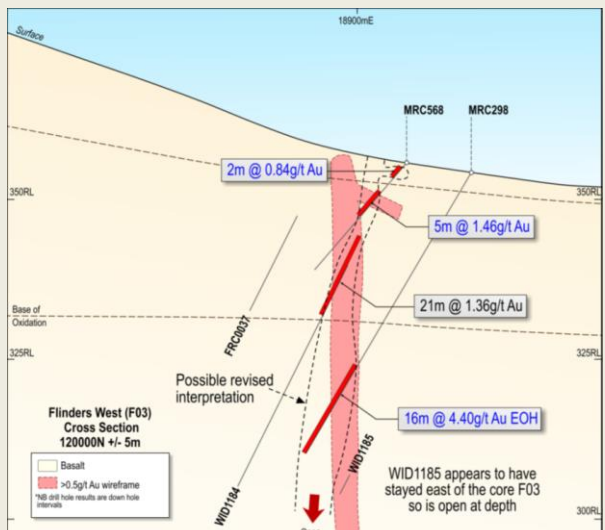


Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Downhole survey is made by Reflex tool with the measurements taken nominally at 20–30m intervals. All holes were surveyed.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>Holes are picked up in MGA94 UTM 51.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>A surface topography digital terrain model (DTM) file (50cm contoured) was produced by recent orthophoto surveys covering the entire Widgiemooltha North Project area. This file was used in the 2017 program for validation the RLs of the drillhole collars derived from the GPS readings.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Drillhole spacing for the 2017 drilling is nominally 20m x 20m within Resource areas and up to 100m between prospects.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Recent drilling was undertaken on 15–20m spaced east-west oriented sections.</li> <li>The drillhole spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resource estimates.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>No sample compositing of field samples has been applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li>Hole azimuths were orientated either at 239° to 59°, and commonly 60° dips.</li> <li>Mineralised structures appear to strike at approximately 330° and are steeply dipping.</li> <li>Thus, drill orientation should not introduce any bias.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> <li>2017 drilling orientation is optimal for sampling the gold lodes and testing their controlling structures at each of the Widgiemooltha North projects.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The sampling of RC material is overseen by Mincor exploration employees in the field and the samples are taken into Mincor's custody at the time of drilling, whereupon they are organised and stored at secure company premises before being delivered to the contracted laboratory by Mincor staff.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>In-house audits of data are undertaken on a periodic basis. QAQC reports are generated by the database consultant.</li> <li>Cube has conducted a review of the QAQC results and also inspected drilling and sampling activities during the site visit in July 2017.</li> </ul>

## Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All resources lie within mining tenements owned 100% by Mincor Resources NL. Listed below are tenement numbers and expiry dates: <ul style="list-style-type: none"> <li>M15/48 – Darlek – 13/02/2026</li> <li>M15/103 – Flinders – 11/12/2026</li> <li>M15/105 – Flinders North – 21/10/2026</li> <li>M15/478 – Flinders South – 02/08/2032</li> <li>M15/1830 – Hronsky – 16/03/2038</li> <li>M15/48 – Bass - 13/02/2026.</li> </ul> </li> <li>One determined native title claim covers the Bass prospect.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Leases are granted and are properly maintained.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration and mining activities have been conducted by a number of parties previously: <ul style="list-style-type: none"> <li>Bass was previously explored by WMC and mined by Resolute.</li> <li>Hronsky was explored by Black Mountain Gold NL and mined by Amalg.</li> <li>Darlek was previously explored by WMC and mined by Resolute.</li> </ul> </li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Widgiemooltha North Gold Project area lies approximately 4km east of the Widgiemooltha Granitic Dome in the southern part of the Archaean Norseman-Wiluna Greenstone Belt.</li> <li>Locally the stratigraphic sequence of tuffaceous sediments, mafic and ultramafic rocks has been cut by northwest-trending shear zones and subjected to folding in the northeast quadrant of the tenure. The stratigraphic units are metamorphosed to Upper Greenschist–Lower Amphibolite Facies.</li> <li>The project area lies in Archaean shear zone hosted gold deposits associated with mafic-ultramafic volcanics, metasediments and mafic-felsic intrusives. There is evidence of supergene enrichment within some of the project areas.</li> <li>Brief descriptions of styles of mineralisation for each project are outlined as follows (from McEwen, 2000b) and Mincor (2016c): <ul style="list-style-type: none"> <li><b>Bass</b> – Gold mineralisation is hosted by flat lying quartz veins in basalt and interflow sediments that locally strike at northwest and dip steeply to the east. The bulk of the mineralised veins lie adjacent to the western contact of a sheared sediment and plunge gently towards the northwest at approximately 40°. Narrow, steep dipping mineralised veins also occur within the sheared sediment. A sub-vertical, east-west trending Proterozoic dyke crosscuts the mineralisation at depth.</li> <li><b>Darlek</b> – Gold mineralisation at Darlek occurs within a thick sequence of basalts and interflow sediments. Gold occurs within a stockwork quartz vein system that trends north-northwest within a tight, steeply east dipping shear zone.</li> <li><b>Hronsky</b> – Gold mineralisation is hosted within a thick basalt/sediment sequence with gold mineralisation contained within north-westerly trending quartz-bearing shear zones. The Hronsky shear trend runs parallel to the east of the Flinders-Darlek shear trend.</li> <li><b>Flinders</b> – Gold mineralisation is associated with north-northeast trending quartz-carbonate veining that crosscuts north-northwest trending sheared basalt and thin, cherty interflow sediments. High-grade gold mineralisation occurs at the intersection of the vein sets and cherty sediments (the target of historical prospecting activity). The core of the Flinders resource area is marked by north-northwest aligned densely clustered series of old shafts and diggings located along the Flinders tenements.</li> <li><b>West Oliver</b> – Gold mineralisation is associated with steep east dipping, northwest trending quartz veins hosted within an interpreted strike extension of the Darlek-Flinders shear system.</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Drillhole information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: <ul style="list-style-type: none"> <li>easting and northing of the drillhole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li> <li>dip and azimuth of the hole</li> <li>downhole length and interception depth</li> <li>hole length.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Location of data for 2017 drilling has been previously reported in media releases dated 7 August 2017 and 28 August 2017.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Intersections have been reported above 0.5g/t Au, intercepts are length weighted only. Up to 2m of internal dilution in some instances.</li> <li>Cutting of high grades was not applied.</li> </ul>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Sample lengths from 2017 RC drilling are all 1m lengths.</li> <li>Intersections can include short intervals of anomalous gold mineralisation, in the range of 1.5g/t Au to 9.15g/t Au per 1m or 2m length which are surrounded by a mineralisation of a lower grade, above 0.5g/t Au, which create thicker mineralised bodies.</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable. Only gold grade is reported.</li> <li>No metal equivalent reporting is used or applied.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The recent holes were drilled either at dips ranging from -50° to -60° dip along the strike of each zone in order to provide intersections normal with the mineralisation, thus the intercept length is an accurate measure of the mineralisation thickness.</li> </ul>
	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>Geometry of mineralisation is sufficiently well known, either from recent infill drilling or from evidence within the pit walls and pit surfaces.</li> <li>Mineralisation is generally steep, so downhole intercepts will be greater than true width. There are also shallow to flatter lying supergene enrichment zones.</li> </ul>
	<ul style="list-style-type: none"> <li>If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Maps and sections are included in this and previous media announcements on which this Table 1 is based.</li> <li>Maps summarising the recent drilling intersections have been previously reported in media releases dated 7 August 2017 and 28 August 2017.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>All 2017 RC drilling that form the basis of the updated Mineral Resource estimate have been reported previously in the media releases dated 7 August 2017 and 28 August 2017.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>No other exploration data is considered meaningful and material to this announcement.</li> <li>Mincor has carried out field multi element analysis using a handheld portable x-ray fluorescence (XRF) analyser for a full suite of elements.</li> <li>No groundwater was intersected in drilling.</li> <li>Fresh rock is very competent.</li> </ul>

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Resources at the extremities are usually still open down plunge and along strike, see example in the diagram below (from media release dated 28 August 2017): Flinders West cross section:</li> </ul> 

### Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> </ul>	<ul style="list-style-type: none"> <li>The 2017 RC drilling data was uploaded directly from laboratory digital files by database consultant. Mincor geology personal checked results on cross sections and whilst creating composite table in database.</li> <li>The historic drilling data is derived from Resolute and WMC data in database format which Mincor has previously compiled into a regional geological database in Microsoft Access format (Wannaway_v462.mdb). This database and its updated versions have been relied upon as the source of data for the 2017 Mineral Resource estimation work completed by Cube.</li> </ul>
	<ul style="list-style-type: none"> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Cube carried out a database validation review of the supplied drilling data, supplied DTMs and 3D model validation checks prior to undertaking the resource estimation update.</li> <li>Validation checks on the database included comparing collar points to the topography, maximum hole depths, checks between tables and the collar data. Cube also verified the data using visual inspection of the drillholes in 3D mining software (Surpac and Leapfrog) to identify inconsistencies of drillhole traces.</li> </ul>
Site visits	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Brian Fitzpatrick (Principal Consultant – Cube) conducted a site visit to the Widgiemooltha North open pit workings on 12 July 2017.</li> <li>During the site visits, Brian Fitzpatrick inspected the deposit areas including historic workings at Flinders and West Oliver; old open pits mined at Bass, Hronsky and Darlek; and current RC drilling and sampling activities at Flinders West. Notes and photographs were taken along with discussions with site personnel regarding geology and mineralisation of the deposits, procedures, drilling and sampling procedures, logging and portable XRF analysis, and quality control procedures.</li> </ul>
Geological interpretation	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Previous interpretations and the successful mining of these interpretations have given reasonable confidence with the current geological interpretation and modelling.</li> </ul>
	<ul style="list-style-type: none"> <li>Nature of the data used and of any assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Data is sourced from the historical drill logging and recent RC chip logging, and information from the old open pits and historic shafts, with projections made between drill sections and extending into along strike and down dip extensions based on a drill spacing of 20m x 20m/10m.</li> </ul>
	<ul style="list-style-type: none"> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>The results of previous mining and close spaced drilling have provided confirmation of the interpretations used for 2017 Mineral</li> </ul>



Criteria	JORC Code explanation	Commentary
		Resource estimate. For Flinders and West Oliver, the recent infill drilling has resulted in changes to the interpretation from predominantly shallow dipping mineralised zones to steeper main shear hosted zones with shallow vein shoots projecting off the main shears.
	<ul style="list-style-type: none"> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>The interpretation from the historical drill logging and recent RC chip logging, and geological information visible from the old open pits and historic shafts helped guide the interpretation.</li> </ul>
	<ul style="list-style-type: none"> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>Drillhole grade data was used to develop mineralised outlines. The outlines were modelled to a nominal grade cut-off of approximately 0.5g/t Au cut-off which allowed the model shapes to have optimum continuity.</li> <li>The major steeply dipping shear zones hosting mineralisation typically pinch and swell, giving variable thickness of mineralisation. Shallow supergene enrichment zones will affect the block grade estimation where steep and shallow mineralisation intersects.</li> </ul>
Dimensions	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<p><b>Bass:</b></p> <ul style="list-style-type: none"> <li>The Mineral Resource area has an overall strike length of approximately 1,040m with a maximum width of the mineralisation envelope being 110m.</li> <li>The Mineral Resource is modelled to 125m vertical depth with the estimate based predominantly on RC drilling collared from surface.</li> <li>A total of seven mineralised domains were modelled to represent changes in strike and dip of each mineralisation domain modelled.</li> </ul> <p><b>Darlek:</b></p> <ul style="list-style-type: none"> <li>The Mineral Resource area has an overall strike length of approximately 470m with a maximum width of the mineralisation envelope being 390m.</li> <li>The Mineral Resource is modelled to 100m vertical depth with the estimate based predominantly on RC drilling collared from surface.</li> <li>A total of 32 discrete mineralised domains were modelled to represent changes in strike and dip of each mineralisation domain modelled, overall trending in a shallow to moderate dip toward the north-northeast.</li> </ul> <p><b>Hronsky:</b></p> <ul style="list-style-type: none"> <li>The Mineral Resource area has an overall strike length of approximately 500m with a maximum width of the mineralisation envelope being 70m.</li> <li>The Mineral Resource is modelled to 90m vertical depth with the estimate based predominantly on RC drilling collared from surface.</li> <li>A total of nine mineralised domains were modelled to represent changes in strike and dip of each mineralisation domain modelled, overall steeply dipping toward the north-northwest.</li> </ul> <p><b>Flinders-West Oliver:</b></p> <ul style="list-style-type: none"> <li>Flinders and West Oliver project areas have been combined into one Mineral Resource area with an overall strike length of approximately 1,080m with a maximum width of the mineralisation envelope being 250m.</li> <li>The Mineral Resource is modelled to 200m vertical depth with the estimate based predominantly on RC drilling collared from surface.</li> <li>A total of six mineralised domains were modelled to represent changes in strike and dip of each mineralisation domain modelled. Most of the modelled domains contain a major steeply dipping continuous zone, with discontinuous "extensional vein" structures extending to the west and east from the steeper mineralisation.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Estimation and modelling techniques</b>	<ul style="list-style-type: none"> <li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li> </ul>	<p><b>Bass:</b></p> <ul style="list-style-type: none"> <li>Ordinary kriging (OK) estimation method was used to estimate gold into the 3D block model for the Bass deposit.</li> <li>Variogram calculations were carried out on the 1m composites from the three main domains for the steep lodes but only domain gave robust variograms. The same process was carried out for the shallow lodes with one domain being the most informed with 399 composites. The variogram and search parameters for two well informed domains were therefore used to represent the poorly informed domains.</li> <li>Samples were composited to 1m within each estimation domain, using fixed length option and a threshold inclusion of samples at sample length 50% of the targeted composite length.</li> <li>The influence of extreme grade values was reduced by top-cutting where required. The top-cut levels were determined using a combination of top-cut analysis tools (grade histograms, log probability plots and coefficients of variation (CVs)). Top-cuts were reviewed and applied on a domain basis.</li> <li>The kriging neighbourhood analysis (KNA) function within Supervisor software was used to determine the most appropriate block size and other estimation parameters such as minimum and maximum samples, discretisation, to be used for the estimation.</li> <li>Parent block size of 2m x 5m x 5m in the X, Y, Z directions respectively was used and they were sub-blocked to 0.5m x 1.25m x 1.25m. This was deemed to be appropriate for block estimation and modelling the selectivity for an open pit operation.</li> <li>Gold was estimated in two passes with the first pass using optimum search distance of 30m as determined through the KNA process and the second run was set at 500m in order to populate all blocks.</li> </ul> <p><b>Darlek:</b></p> <ul style="list-style-type: none"> <li>OK estimation method was used to estimate gold into the 3D block model for the Darlek deposit.</li> <li>Variogram calculations were carried out on the 1m composites from the three main domains for the steep lodes but only domain gave robust variograms. The same process was carried out for the shallow lodes with one domain being the most informed with 399 composites. The variogram and search parameters for two well informed domains were therefore used to represent the poorly informed domains.</li> <li>Samples were composited to 1m within each estimation domain, using fixed length option and a threshold inclusion of samples at sample length 50% of the targeted composite length.</li> <li>The influence of extreme grade values was reduced by top-cutting where required. The top-cut levels were determined using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs). Top-cuts were reviewed and applied on a domain basis.</li> <li>The KNA function within Supervisor software was used to determine the most appropriate block size and other estimation parameters such as minimum and maximum samples, discretisation, to be used for the estimation.</li> <li>Parent block size of 2.5m x 5m x 2.5m in the X, Y, Z directions respectively was used and they were sub-blocked to 0.625m x 1.25m x 0.625m. This was deemed to be appropriate for block estimation and modelling the selectivity for an open pit operation, and to obtain accurate volume representation of the narrow discrete mineralised domains modelled.</li> <li>Gold was estimated in two passes with the first pass using optimum search distance of 25m as determined through the KNA process and the second run was set at 250m in order to populate all blocks.</li> </ul> <p><b>Hronsky:</b></p> <ul style="list-style-type: none"> <li>OK estimation method was used to estimate gold into the 3D block model for the Hronsky deposit.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>Variogram calculations were carried out on the 1m composites for the main well-informed mineralised domain, which also provided robust variogram and search parameters to represent the poorly informed domains.</li> <li>Samples were composited to 1m within each estimation domain, using fixed length option and a threshold inclusion of samples at sample length 50% of the targeted composite length.</li> <li>The influence of extreme grade values was reduced by top-cutting where required. The top-cut levels were determined using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs). Top-cuts were reviewed and applied on a domain basis.</li> <li>The KNA function within Supervisor software was used to determine the most appropriate block size and other estimation parameters such as minimum and maximum samples, discretisation, to be used for the estimation.</li> <li>Parent block size of 2.5m x 5m x 5m in the X, Y, Z directions respectively was used and they were sub-blocked to 0.625m x 1.25m x 1.25m. This was deemed to be appropriate for block estimation and modelling the selectivity for an open pit operation, and to obtain accurate volume representation of the narrow discrete mineralised domains modelled.</li> <li>Gold was estimated in two passes with the first pass using optimum search distance of 30m as determined through the KNA process and the second run was set at 300m in order to populate all blocks.</li> </ul> <p><b>Flinders-West Oliver:</b></p> <ul style="list-style-type: none"> <li>Inverse distance to the power of two (ID2) estimation method was used to estimate gold into the 3D block model for the Flinders West deposit.</li> <li>Variography was attempted using the 1m composite data from inside the mineralisation wireframes. Poorly structured variograms were generated. Consequently, the drilling is considered to be beyond the limits of the short-range variability of the gold mineralisation, particularly for the shallow dipping, discrete vein structure modelled. Without robust variograms, geostatistical interpolation methods were not considered appropriate, so ID2 interpolation was chosen with ellipsoids oriented to match mineralisation directions evident in the grade distribution and 3D domaining.</li> <li>Samples were composited to 1m within each estimation domain, using fixed length option and a threshold inclusion of samples at sample length 50% of the targeted composite length.</li> <li>The influence of extreme grade values was reduced by top-cutting where required. The top-cut levels were determined using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs). Top-cuts were reviewed and applied on a domain basis, for the Flinders main domain no top-cut was applied as the de-clustered sample mean was higher than the mean top-cut block model grade and grade outliers were well constrained by samples nearby.</li> <li>Parent block size of 2.5m x 5m x 2.5m in the X, Y, Z directions respectively was used and they were sub-blocked to 0.625m x 1.25m x 0.625m. This was deemed to be appropriate for block estimation and modelling the selectivity for an open pit operation, and to obtain accurate volume representation of the narrow discrete mineralised domains modelled.</li> <li>Gold was estimated in two passes with the first pass using optimum search distance of 25m as determined through the KNA process and the second run was set at 250m in order to populate all blocks.</li> </ul> <p><b>Software:</b></p> <ul style="list-style-type: none"> <li>Surpac v6.8.0 was used for modelling and estimation. Snowden Supervisor v8.6 was used for statistical and geostatistical data analysis to review search parameters.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> </ul>	<ul style="list-style-type: none"> <li>Current Mineral Resource estimate used ID2 estimation as check estimate against the OK estimation, with no significant variations in global estimate results for each project.</li> <li>Mincor completed the most recent estimates, mostly carried out by ID2 estimation, with minor differences in grade estimation parameters from the current estimate.</li> <li>Previous Resolute estimates exist for Flinders and Darlek but both were done at higher cut-offs in a lower gold price environment.</li> <li>No historical production records from the old open pits were available to use, such as grade control data, to assist with modelling and continuity of grade. Production data in the form of total tonnage mined and grade was available for Darlek and Bass.</li> </ul>
	<ul style="list-style-type: none"> <li>The assumptions made regarding recovery of by-products.</li> </ul>	<ul style="list-style-type: none"> <li>No by-product recoveries were considered.</li> </ul>
	<ul style="list-style-type: none"> <li>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</li> </ul>	<ul style="list-style-type: none"> <li>Estimation of deleterious elements was not completed for the mineral resource. Only gold assays were extracted by Cube from the Mincor database assay tables.</li> </ul>
	<ul style="list-style-type: none"> <li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> </ul>	<ul style="list-style-type: none"> <li>For all project areas and mineralisation domains, the search radius selected was based on lode geometry and drillhole spacing.</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions behind modelling of selective mining units.</li> </ul>	<ul style="list-style-type: none"> <li>The block model definition parameters included a primary block size and sub-blocking and are deemed appropriate for the mineralisation and to provide adequate volume definition where there are narrow or complex zones modelled. These dimensions are suitable for block estimation and modelling the selectivity for an open pit operation.</li> </ul>
	<ul style="list-style-type: none"> <li>Any assumptions about correlation between variables.</li> </ul>	<ul style="list-style-type: none"> <li>No correlation analysis between other elements and Au was conducted. The XRF data analysis was not available for the 2017 Mineral Resource estimate.</li> </ul>
	<ul style="list-style-type: none"> <li>Description of how the geological interpretation was used to control the resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>The mineralised domains acted as a hard boundary to control the Mineral Resource estimate. The domaining was based on knowledge of the steeply dipping shears known to host gold mineralisation from drill logging and visual evidence in the old pits. The shallow to flat structures are interpreted as supergene enrichment based on the correlations with oxidation surfaces interpreted from previous modelling and from the 2017 drill logging information.</li> </ul>
	<ul style="list-style-type: none"> <li>Discussion of basis for using or not using grade cutting or capping.</li> </ul>	<ul style="list-style-type: none"> <li>Composite gold grade distributions within the mineralisation domains were assessed to determine if a high-grade cutting should be applied.</li> <li>The top-cut was determined using a combination of top-cut analysis tools (grade histograms, log probability (LN) plots and effects on the CV and metal at risk analysis.</li> <li>In most cases, only a very small number of outlier values are included in the estimation domains that required top-cut values to be applied.</li> </ul>
	<ul style="list-style-type: none"> <li>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</li> </ul>	<ul style="list-style-type: none"> <li>Block model validation was conducted by the following means: <ul style="list-style-type: none"> <li>Visual inspection of block model estimation in relation to raw drill data on a section-by-section basis.</li> <li>Volumetric comparison of the wireframe/solid volume to that of the block model volume for each domain.</li> <li>A global statistical comparison of input and block grades, and local composite grade (by northing and RL) relationship plots (swath plots), to the block model estimated grade for each domain.</li> <li>Comparison of the cut grade drillhole composites with the block model grades for each lode domain in 3D.</li> </ul> </li> <li>Limited open pit mining information was available, particularly broken down by flitches or levels, and therefore no reconciliation analysis was able to be completed.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Moisture</b>	<ul style="list-style-type: none"> <li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>The tonnages are estimated on a dry tonnes basis. Moisture was not considered in the density assignment.</li> </ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"> <li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>Cut-off grade for reporting is 0.5g/t Au, in line with recommendations from Mincor.</li> <li>As resources occur at surface the model was constructed with a view towards selective open pit mining. Thus, a 0.5g/t Au lower cut-off was deemed appropriate.</li> </ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Open pit mining has previously taken place at Bass, Hronsky and Darlek.</li> <li>Any future mining method is likely to be selective open pit mining.</li> </ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>Bass and Darlek ore was milled by Resolute at Chalice and the Hronsky ore previously milled by Amalg.</li> <li>Mincor have conducted numerous tests assuming standard carbon-in-leach treatment of run of mine ore.</li> <li>Each prospect has two master composites representing oxide and mixed fresh/transitional material, except for Darlek where mining from the current pit floor has already removed oxide material.</li> <li>Recoveries are in line with typical goldfields orebodies.</li> </ul>
<b>Environmental factors or assumptions</b>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The deposits are within already disturbed land by previous mining.</li> <li>The location and size of these deposits would lend themselves to small open pits with treatment at a third-party mill elsewhere in the district.</li> <li>Only environmental issues would be waste rock storage and water disposal from pits.</li> </ul>



Criteria	JORC Code explanation	Commentary												
Bulk density	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>There is no density measurement for the RC samples, however, recent diamond drillholes completed by Mincor were measured for specific gravity, averages within oxidation boundaries were used globally within each prospect.</li> <li>Bulk density values were stored within the assay table of Mincor access database "Wannaway_v462.mdb". A total of 380 samples had bulk density values are recorded in the database.</li> <li>Previous records had noted that density determinations were carried out using the immersion method on individual core samples from seven diamond drillholes (MDD291 to MDD297) within the Widgiemooltha North project area.</li> <li>For each Mineral Resource estimate, the samples were classified according to their weathering status using the DTM surfaces for the oxidation surfaces (Base of Oxidation, and Top of Fresh Rock). The average density values were calculated per weathering category and tabulated as follows:</li> </ul> <table border="1"> <thead> <tr> <th>Material type</th><th>Oxide state</th><th>Assigned density</th></tr> </thead> <tbody> <tr> <td>All samples</td><td>Oxide</td><td>2.11</td></tr> <tr> <td>All samples</td><td>Transitional</td><td>2.38</td></tr> <tr> <td>All samples</td><td>Fresh</td><td>2.9</td></tr> </tbody> </table>	Material type	Oxide state	Assigned density	All samples	Oxide	2.11	All samples	Transitional	2.38	All samples	Fresh	2.9
Material type	Oxide state	Assigned density												
All samples	Oxide	2.11												
All samples	Transitional	2.38												
All samples	Fresh	2.9												
Classification	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>Blocks have been classified as Indicated or Inferred essentially based on data spacing and using a combination of search volume and number of data used for the estimation.</li> <li>Indicated Mineral Resources are defined nominally on 25m x 20m spaced drilling or less.</li> <li>Inferred Mineral Resources are defined by data density greater than 25m x 20m spaced drilling and confidence that the continuity of geology and mineralisation can be extended along strike and at depth.</li> <li>Classification limits may vary where grade and geology are extremely continuous even though drill spacing extends passed the nominal limits specified.</li> <li>The resource classifications are based on the quality of information for the geological domaining, as well as the drill spacing and geostatistical measures to provide confidence in the tonnage and grade estimates.</li> <li>The Mineral Resource estimate appropriately reflects the Competent Person's view of the deposit.</li> </ul>												
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>A previous review of the Mineral Resource estimates for the Widgiemooltha North projects was carried out by Cube in 2016.</li> <li>For the current estimates peer reviews of work carried out by Cube have been conducted internally, and with Mincor staff. An external peer review of the Mineral Resource estimates is also being conducted.</li> </ul>												
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which</li> </ul>	<ul style="list-style-type: none"> <li>The Bass, Hronsky and Flinders-West Oliver Mineral Resources are made up predominantly of narrow, continuous mineralised gold zone. The Darlek Resource is made up of a series of shallow, discrete, sub-parallel gold-bearing shears.</li> <li>The current modelled Mineral Resource is a reasonable representation of the global contained metal, those domains without a top cut may contain a small number of blocks that may be overestimated.</li> <li>The resource risk is considered to be low to moderate as the density of drilling support the classification of over half of the Mineral Resource to be classified as Indicated.</li> <li>In addition, previous Open Pit mining has verified the reproducibility of the original RC mineralised drill intersections for Bass, Hronsky and Darlek.</li> <li>The Mineral Resource estimates each constitute a global resource estimate.</li> </ul>												

Criteria	JORC Code explanation	Commentary
	<p>should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</p> <ul style="list-style-type: none"> <li>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<p><b>Bass:</b></p> <ul style="list-style-type: none"> <li>Previous open pit mining activity was undertaken by Resolute Ltd from 1999 until January 2000. Total production recorded was 71,267 tonnes at 3.02g/t Au for 6,920 ounces of gold (McEwen, 2000).</li> </ul> <p><b>Darlek:</b></p> <ul style="list-style-type: none"> <li>Previous open pit mining activity was undertaken by Resolute Ltd from 1999 until January 2000. Total production recorded was 96,303 tonnes at 2.50g/t Au for 7,738 ounces of gold (McEwen, 2000).</li> </ul> <p><b>Hronsky:</b></p> <ul style="list-style-type: none"> <li>Previous open pit mining activity was undertaken by Amalg in 1995. Total production has been documented at 1,450 ounces of gold (McEwen, 2000).</li> </ul> <p><b>Flinders-West Oliver:</b></p> <ul style="list-style-type: none"> <li>No previous open pit mining. Extensive shallow historical underground workings occur along most of the strike length from West Oliver to the main Flinders mineralised zone.</li> </ul>

## Section 4: Estimation and Reporting of Ore Reserves

(criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral Resource estimate for conversion to Ore Reserves</b>	<ul style="list-style-type: none"> <li>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>The resource block models and dates used as the basis for the Ore Reserve estimation are as follows: <ul style="list-style-type: none"> <li>Bass_rotated_bm_20171025.mdl</li> <li>Dlk_bm_20170816.mdl (Darlek)</li> <li>Fwo_bm_20171027.mdl (Flinders-West Oliver)</li> <li>Hrn_bm_20171024.mdl (Hronsky).</li> </ul> </li> <li>Mineral Resources are inclusive of Ore Reserves.</li> </ul>
	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>The Competent Person visited the site firstly in March 2017 and a number of times since.</li> </ul>
<b>Study status</b>	<ul style="list-style-type: none"> <li>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>The study is considered to be to a Feasibility Study level of confidence (i.e. +/- 15% accuracy).</li> <li>The Ore Reserve is based on a new feasibility study (March 2018) which is an enhancement/update of the previous project Feasibility Study released in April 2017 and includes an updated Mineral Resource when compared to the April 2017 Feasibility Study.</li> </ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"> <li>The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>Cut-off grades were determined specific to material weathering (oxide, transitional, fresh) and by pit area.</li> <li>Inputs to cut-off grade calculations were: <ul style="list-style-type: none"> <li>Contractor related costs (mining, ore haulage, grade control, ore treatment) based on formal Request for Quotation (RFQ) packages.</li> <li>Owner related, miscellaneous and on-costs costs based on study costs modelling which included known Mincor cost areas.</li> <li>Metallurgical recoveries based on a detailed metallurgical test work programme.</li> <li>Application of royalties for both State and third party.</li> <li>A gold price of A\$1,600/ounce.</li> </ul> </li> </ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"> <li>The method and assumptions used as reported in the Pre-Feasibility or Feasibility</li> </ul>	<ul style="list-style-type: none"> <li>Based on the mineralogy depth and configuration, all deposits were assessed as being wholly amenable to mining via open</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</p> <ul style="list-style-type: none"> <li>• The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>• The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</li> <li>• The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>• The mining dilution factors used.</li> <li>• The mining recovery factors used.</li> <li>• Any minimum mining widths used.</li> <li>• The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>• The infrastructure requirements of the selected mining methods.</li> </ul>	<p>pit methods.</p> <ul style="list-style-type: none"> <li>• Open pit mining is based on use of 90–100-tonne fixed chassis trucks or 40-tonne six-wheel articulated trucks, depending on the ore configuration or depth.</li> <li>• Geotechnical pit slope parameters were based on a detailed geotechnical assessment (Green Geotechnical), relying on historical pits, diamond core, televiwer data, mapping and structural/stability analysis.</li> <li>• Grade control RC drilling and reinterpretation will be required for all deposits ahead of mining to further detail the Reserve and the mine design.</li> <li>• Mine designs were informed by completing a respective nested pit optimisation shells using Whittle pit optimisation software.</li> <li>• Selected pit shells for each deposit ranged from A\$1,300 to A\$1,500/ounce.</li> <li>• The optimisation and mine design process used input costs and revenue parameters as listed in the above “Cut-off parameters” section.</li> <li>• Mining dilution applied at a 20% factor for all pits, except the main Flinders pit which used 10% given the greater ore widths. The assigned dilution parameters are based on a dilution evaluation study using expanded hanging wall and footwall dilution skins.</li> <li>• Mining recovery of 95%.</li> <li>• A minimum working mining width of 10m at the base of pits.</li> <li>• Mining is via a range of excavator/truck matches to best optimise ore: <ul style="list-style-type: none"> <li>○ 100-tonne ex/90-tonne fixed chassis truck</li> <li>○ 90-tonne ex to 40-tonne articulated truck</li> <li>○ 45-tonne ex to 40-tonne articulated truck.</li> </ul> </li> <li>• The Ore Reserve estimation is exclusive of all Inferred material.</li> <li>• The project will require some minor road upgrades to access the highway. Power will be via diesel gensets and potable water will be trucked to site to a holding tank.</li> </ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"> <li>• The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>• Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>• The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</li> <li>• Any assumptions or allowances made for deleterious elements.</li> <li>• The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</li> <li>• For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	<ul style="list-style-type: none"> <li>• Recovery method based on standard CIP from cyanide leached gold.</li> <li>• Metallurgical testwork outcomes based on a program managed by experienced consultant metallurgists.</li> <li>• Test work samples selected from each prospect, with one composite of saprolite and one composite of saprock/fresh material. Darlek was limited to one composite from the base of the current open pit.</li> <li>• No deleterious elements or outcomes (including preg-robbing) were noted.</li> <li>• Three of the existing orebodies have previously been treated – either at the Chalice mill or Burbanks mill. Historical data in this area however has been available.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Environmental</b>	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>Botanica Consulting conducted detailed flora and fauna surveys which was followed by an autumn flora survey.</li> <li>A waste rock classification has been completed, based on samples taken from each deposit. In general, most of the waste rock is classified as benign, however small amounts of potential acid generating material was noted for a particular zone within the Hronsky waste. This will be managed by encapsulation with non-acid forming waste.</li> <li>The West Oliver pit design will encroach on to the Widgiemooltha creek. A diversion has been designed to manage this aspect.</li> <li>Acoustic modelling has been completed in relation to the nearby Widgiemooltha residents (within one kilometre), with resultant noise controls implemented.</li> <li>Ongoing noise and dust monitoring will be carried out during operations.</li> <li>A detailed surface water management as well as ground water modelling evaluation was completed. Surface stormwater will be managed by establishing a number of engineered flood bunds and sumps. Removal of groundwater from pits will be managed by diesel pumps.</li> <li>Dust suppression will be achieved by extraction of available project pit ground water or raw water from designated nearby completed pits.</li> </ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>The Coolgardie-Esperance Highway is within a few kilometres to the east.</li> <li>The nearby town of Widgiemooltha provides services (including fuel and food) for persons travelling on the Coolgardie-Esperance Highway.</li> <li>Potable water will be trucked into site and stored in purpose tanks.</li> <li>Power requirements will be for offices and workshop and will be via diesel genset.</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>Capital costs are limited to: <ul style="list-style-type: none"> <li>Mobilisation costs of mining contractor establishment</li> <li>Establishment of road network</li> <li>Start-up culverts and creek diversion</li> <li>Coolgardie-Esperance Highway apron</li> <li>Fencing/security.</li> </ul> </li> <li>Direct mining costs are based on firm contract rates from a shortlisted contractor.</li> <li>Site mine management based on a firm contract rate for a turn-key mine management group.</li> <li>Ore haulage and processing based on a firm agreement for a toll treatment arrangement.</li> <li>RC grade control drilling based on a firm executable contract.</li> <li>Owner offsite costs, as well as other general operating costs have been estimated as part of the Feasibility Study.</li> <li>All treatment and refining charges are incorporated within the toll treatment charge. No deleterious ore processing conditions are expected or cause for penalties.</li> <li>The project has a short life and fast implementation phase so current gold prices have been used. All prices are in Australian dollars.</li> <li>There is a 2.5% state royalty and a private royalty payable. The private royalty partially applied to Hronsky and wholly to all other deposits.</li> </ul>
<b>Revenue factors</b>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Head grade is based on diluted and recovered Indicated Mineral Resources from Whittle optimised pit shells.</li> <li>Gold price is based on a flat A\$1,600/ounce based on current price trends.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	
<b>Market assessment</b>	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>Gold bullion will be produced for sale from the toll treatment plant.</li> <li>Gold is an easily traded product and likely sold to the Perth Mint.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</li> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	<ul style="list-style-type: none"> <li>Key financial assumptions: <ul style="list-style-type: none"> <li>Gold price of A\$1,600/ounce</li> <li>Accumulated tax loss of A\$79.04 million</li> <li>Minimum ore toll treatment capacity of 40,000 tonnes per month.</li> </ul> </li> <li>An economic model was used to test to robustness of the targeted Ore Reserve. For this, financial return was measured in net cashflow, NPV and IRR.</li> <li>The economic model used a discount rate of 8% and a base gold price of A\$1,600. Given the short project life, no inflation factors were used.</li> <li>The economic model used the costs and revenue factors as previously discussed.</li> <li>For the economic model, sensitivity modelling was carried out on key operating cost and revenue driver areas to +/- variation ranges to test the robustness of the project. Key outcomes of this exercise were: <ul style="list-style-type: none"> <li>The project is most sensitive to gold price/contained gold. NPV to gold price is positive above A\$1,250/ounce or -30%.</li> <li>Gold price sensitivities: <ul style="list-style-type: none"> <li>A\$1,500: \$21.7 million</li> <li>A\$1,600: \$27.4 million</li> <li>A\$1,700: \$33.1 million.</li> </ul> </li> <li>The project is next most sensitive to dilution assumption. A dilution sensitivity assessment was carried out which demonstrated that the project is still viable with significant ore dilution increases above that assumed (30%).</li> <li>The third most sensitive group are operating costs. Separate cost sensitivities were carried out on mining, ore haulage and ore processing.</li> <li>In addition to the above, scenario modelling was carried out to test combinations are sensitivity factors, including recovered ore and dilution. This modelling confirmed the robustness of the project under reasonable scenario test values.</li> </ul> </li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>Mining Licence from WA State Government.</li> <li>Involvement of local Widgiemooltha townspeople in operational and mine closure plans.</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</li> <li>Any identified material naturally occurring risks.</li> <li>The status of material legal agreements and marketing arrangements.</li> <li>The status of governmental agreements and approvals critical to the viability of the project,</li> </ul>	<ul style="list-style-type: none"> <li>All tenements are granted mining licences.</li> <li>Approval for land clearance has been obtained.</li> <li>Approved Mining Proposal document.</li> <li>Approved Clearing Permit.</li> <li>Approved Project Management Plan.</li> <li>Approved water licences (5C and 26D).</li> </ul>



Criteria	JORC Code explanation	Commentary
	such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	
<b>Classification</b>	<ul style="list-style-type: none"> <li>• The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>• Whether the result appropriately reflects the Competent Person's view of the deposit.</li> <li>• The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>• Probable Reserves are based on (i.e. are a subset of) Indicated Resources which have been tested for financial viability.</li> <li>• The Competent Person is satisfied with the classification of the Reserves in view of the deposit.</li> <li>• There is no proportion of the Ore Reserve derived from Measured Mineral Resources at this point.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>• An independent audit of the Feasibility Study and the Ore Reserve estimate has been completed by AMC Consultants Pty Ltd (Independent Technical Evaluation – January 2018).</li> </ul>
<b>Discussion of relative accuracy/ confidence</b>	<ul style="list-style-type: none"> <li>• Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>• The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>• Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>• It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>• Based on the parameters and factors discussed in this Section 4, the methods used to determine an Ore Reserve for the Widgiemooltha Project are deemed appropriate for the project type and scale. Other than gold price, the Ore Reserve is most sensitive to the dilution and recovery parameters, both with have been stress tested as a risk scenario. Risks in this area would particularly apply to the West Oliver-Flinders interpretations given some geometric complexity associated with this deposit region.</li> <li>• The Ore Reserve estimate is global.</li> <li>• The Bass, Hronsky and to a lesser extent Darlek ore bodies are less complex and hence have less risk attached to them.</li> <li>• As support to the Ore Reserve process, historical grades achieved from Hronsky, Darlek and Bass were assessed. This historical information provided additional confidence to the assigned reserve grades applied for these deposits and others.</li> </ul>