ANGLO AUSTRALIAN RESOURCES NL

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EXCELLENT METALLURGICAL RESULTS FROM MANDILLA

High gold recoveries support a conventional gravity and CIP processing pathway with low reagent consumptions, further de-risking the Mandilla Gold Project

Anglo Australian Resources (ASX: **AAR**) (**AAR** or **Company**) is pleased to report highly encouraging results from initial metallurgical testing at its 100%-owned **Mandilla Gold Project**, located 70km south of Kalgoorlie in Western Australia.

The results demonstrate extremely high gold recoveries, fast leach kinetics and low reagent consumptions in both the oxide and fresh rock samples tested to date, representing an important step in de-risking the Mandilla Gold Project ahead of the release of a maiden JORC Mineral Resource Estimate.

Results confirm excellent metallurgical recoveries as tabled below:

- In the oxide zone

Table 1 – Summary of the oxide composite metallurgical results

Grind Size P80 (µm)	Au Calc Head Grade (g/t)	Au Extraction (%)		
		Grav	8-hr	48-hr
75	0.92	68.8	96.9	98.4
106	0.96	71.1	97.0	98.4

- In the fresh zone:

Table 2 – Summary of the LG fresh variability composite metallurgical result

Grind Size P80 (µm)	Au Head Calc Grade (g/t)	Au Extraction (%)		
		Grav	8-hr	48-hr
75	0.60	80.7	95.8	95.8
106	0.75	66.3	95.5	97.3

Importantly, the results demonstrate that gold recoveries of over 95% can be achieved after only 8 hours of leaching with modest reagent consumption, albeit with testing conducted using Perth tap water. This should support a conventional process plant design with low reagent costs.

These preliminary results will be followed by the main fresh composite sample and additional variability testing to confirm that the gold can be economically extracted prior to release of the Mineral Resource Estimate.

Additionally, reverse circulation (RC) drilling recommenced at Mandilla on 6 January 2021. The focus of this drilling is the Mandilla East in-fill program, which was originally planned for September 2020. This was delayed as a result of the previous drill rig being unable to cost effectively drill to the required depths for the planned program.

The Mineral Resource Estimate which was commenced during late 2020 will be completed once this current Mandilla East program has been reported.

AAR Managing Director Marc Ducler said: *"These initial metallurgical test results are very encouraging as they demonstrate that Mandilla hosts economically recoverable gold mineralisation. This was a very important box to tick in progressing the Mandilla Gold Project to the next stage and one which I am very pleased with. It paves the way for the completion of a Mineral Resource Estimate.*

"The slight delay in completing the Mineral Resource Estimate, originally targeted for completion late last year, was due to the track-mounted rig being unable to effectively achieve the required penetration rates for the deeper in-fill holes that were planned at Mandilla East. This has now been rectified by the arrival of an alternate rig and the Mandilla East in-fill program is currently underway. We expect to release results from the large backlog of assays submitted prior to Christmas in the coming weeks."

Mandilla Gold Project - WA

AAR – 100% interest

The Mandilla Gold Project is situated in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain, some 70km south of the significant gold mining centre of Kalgoorlie, Western Australia. The location of the project in relation to Kalgoorlie and other nearby gold projects is shown in Figure 1.

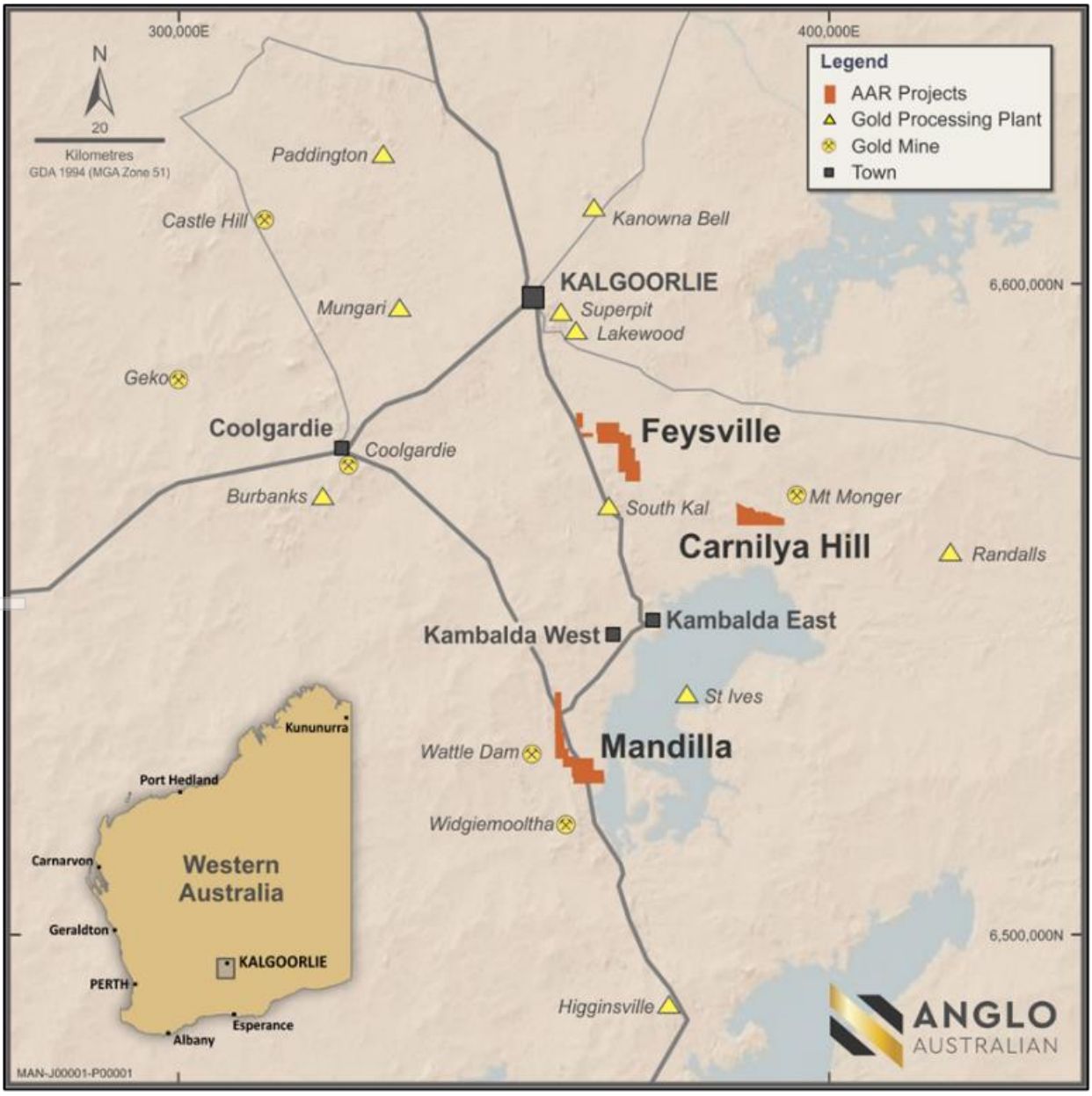

Figure 1 – Mandilla Gold Project location map

The Mandilla Gold Project lies on the western margin of a porphyritic granitic intrusion known as the Emu Rocks Granite, locally termed the Mandilla Syenite. The granitic intrusion intrudes volcanoclastic sedimentary rocks in the Project area which form part of the Spargoville Group as shown in Figure 2.

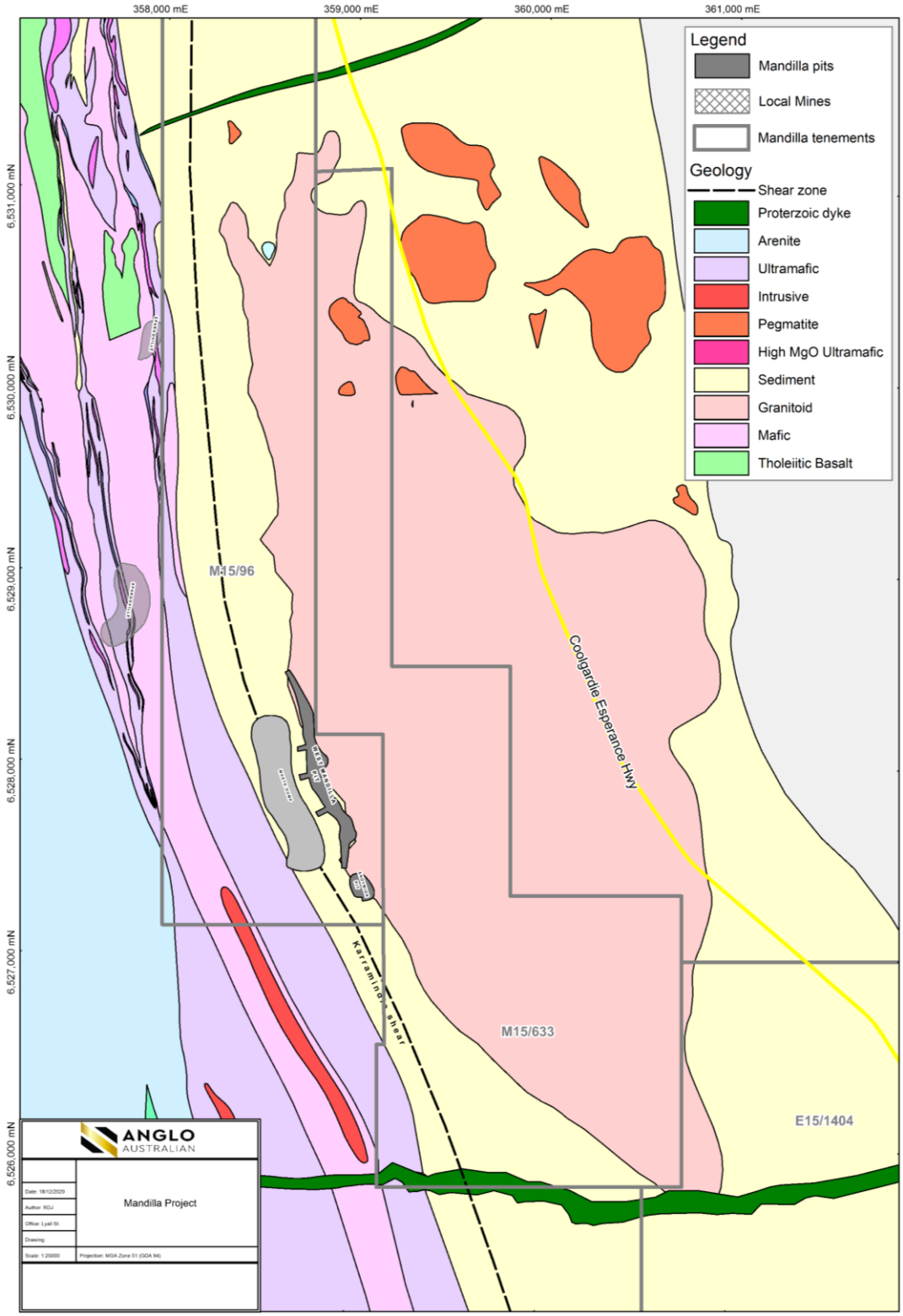

Figure 2 - Mandilla Gold Project local area geology

Significant NW to WNW-trending structures along the western flank of the project are interpreted from aeromagnetic data to cut through the granitic intrusion and may be important in localising mineralisation at Mandilla East.

A second sub-parallel structure appears to host the gold mineralisation at Mandilla South.

The Mandilla Gold Project is covered by existing Mining Leases. As outlined in the Company's 31 August 2020 announcement, the Leases are no longer subject to any third-party royalties other than the standard WA Government gold royalty.

Metallurgical Testing

Metallurgical samples were collected from diamond drill holes MDRCD 151[1], MDRCD 228[2] and MDRCD 236[3]. These holes were selected as they cover the strike length of the zones of known mineralisation as determined in the September 2020 Quarter and as depicted in Figure 3 below.

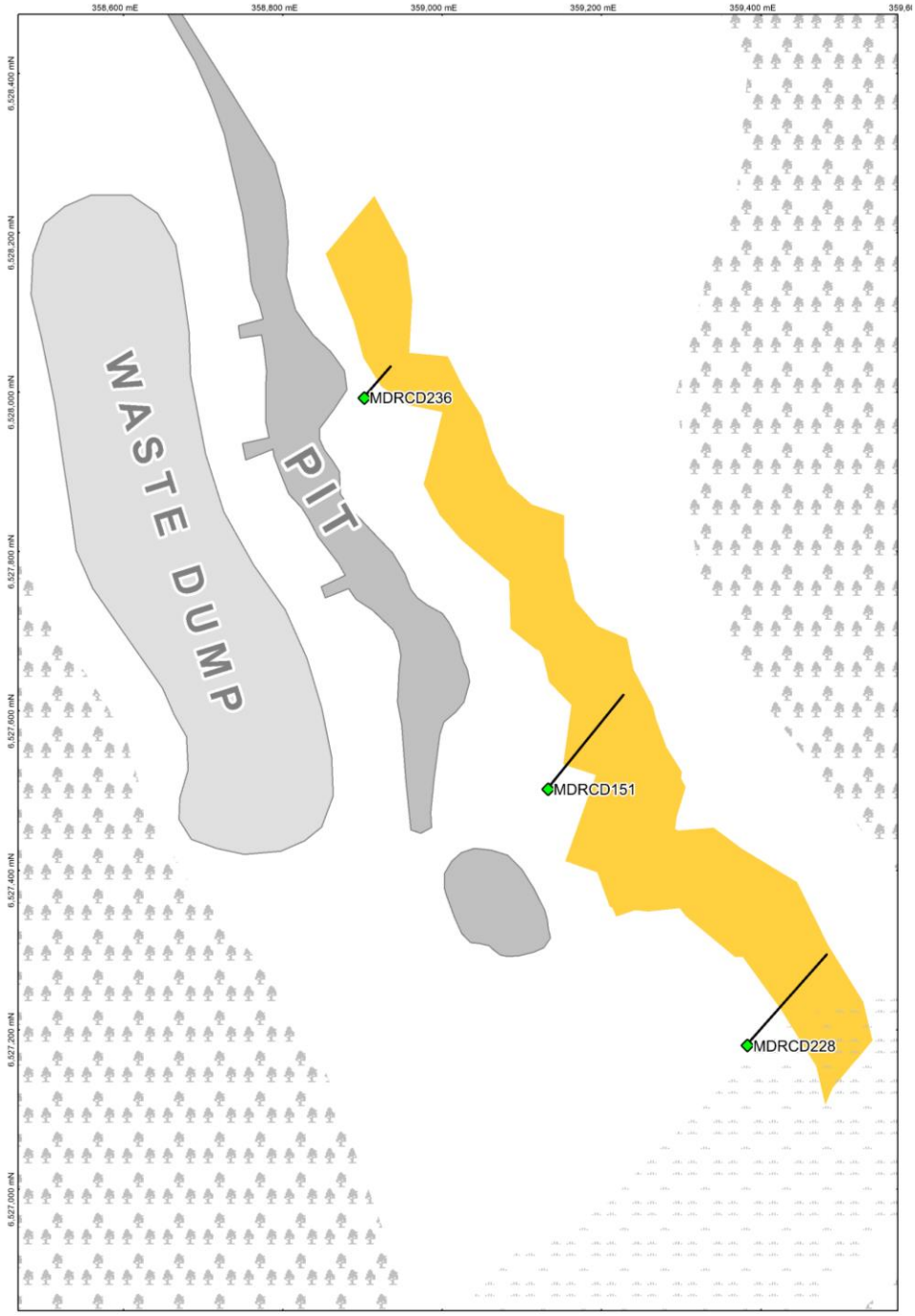

Figure 3 – Location of Mandilla East diamond drill holes for metallurgical testing

The samples were composited into oxide and fresh samples based on geological logging. Samples were then crushed to 100% passing 3.35mm prior to homogenising and then splitting by rotary sample divider. The metallurgical test involves grinding two samples for each composite, one to 80% passing 75 micron and the other to 80% passing 106 micron and then processed in a laboratory sized Knelson concentrator.

[1] Results for MDRCD151 was reported to ASX on 19 June 2020
[2] Results for MDRCD228 was reported to ASX on 11 August 2020
[3] Results for MDRCD236 are reported as part of this announcement

The concentrate collected was then subjected to an intensive cyanidation leach and the gold recovered from this was reported as gravity gold. The tail from the Knelson concentrator was then bottle rolled for 48 hours at a pH of 10 and an initial cyanide concentration of 1000ppm. Solution samples were taken at several stages to determine the leach kinetics.

Detailed results are tabled below:

- In the oxide zone

Table 3 – Oxide composite metallurgical test results

Grind Size P80 (µm)	Au Calc Head Grade (g/t)	Au Extraction (%)						Au Tail Grade (g/t)	Reagents (kg/t)	
		Grav	2-hr	4-hr	8-hr	24-hr	48-hr		NaCN	Lime
75	0.92	68.8	94.4	96.9	96.9	96.9	98.4	0.02	0.32	0.32
106	0.96	71.1	95.5	96.3	97.0	97.0	98.4	0.02	0.21	0.21

- In the fresh zone:

Table 4 – LG fresh variability composite metallurgical test results

Grind Size P80 (µm)	Au Calc Head Grade (g/t)	Au Extraction (%)						Au Tail Grade (g/t)	Reagents (kg/t)	
		Grav	2-hr	4-hr	8-hr	24-hr	48-hr		NaCN	Lime
75	0.60	80.7	94.6	94.6	95.8	95.8	95.8	0.03	0.25	0.14
106	0.75	66.3	91.5	94.5	95.5	95.5	97.3	0.02	0.23	0.23

The results have demonstrated the mineralisation at the Mandilla Gold Project to be insensitive to grind size, to have a high gravity recoverable gold content, exceptionally high overall gold recovery and low reagent consumption.

These gravity and leach results will be complemented with an additional two samples to be tested followed by oxygen uptake, viscosity testing, rheology and reagent optimisation. This will feed into the initial study phases for the Mandilla Gold Project.

Furthermore, diamond core from each of the drill holes was used to perform an SMC Test on both the oxide and fresh rock components. The results, as tabulated below, indicate that both the fresh and oxide rock samples are very competent in terms of rock strength. The DWi(%) (drop weight index) shows that the fresh rock is harder than 87% of the rock types in the SMC Test database.

Table 5 – SMC Test Results

Sample	DWi (kWh/m^3)	DWi (%)	Mi Parameters (kWh/t)			SG
			Mia	Mih	Mic	
Fresh	10.0	87.0	27.3	21.9	11.3	2.65
Oxide	8.8	76.0	24.6	19.2	9.9	2.64

Sample	A	b	A*b	ta	SCSE (kWh/t)
Fresh	100.0	0.26	26.0	0.25	12.04
Oxide	68.8	0.44	30.3	0.30	11.14

MDRCD 236

Diamond drill hole MDRCD236, as illustrated in Figure 3, which was drilled to provide core for geotechnical and metallurgical testing is also reported as part of this announcement. MDRCD236 was drilled as part of the 13-hole diamond drill program completed in August 2020 with results for this program announced to ASX on 11 August 2020 and 15 September 2020. MDRCD236 returned **41.6m at 0.90g/t** from 39.2m (with 6 instances of visible gold logged) plus **11.1m at 0.64g/t** from 97.7m (with one instance of visible gold logged).

MDRCD236 was drilled to twin the reverse circulation (RC) hole MDRC201 which returned a similar broad zone of mineralisation (38m at 1.42g/t from 38m). The intention of MDRCD236 was to collect mineralised oxide diamond drill core to assist with geotechnical and metallurgical testing. The correlation of the diamond and RC hole was excellent albeit the grade difference serves to highlight the nuggety nature of the mineralisation.

This announcement has been approved for release by the Managing Director. For further information:

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Compliance Statement

The information in this announcement that relates to metallurgical test work is based on, and fairly represents, information and supporting documentation compiled by Mr Marc Ducler, who is a full-time employee of Anglo Australian Resources NL. Mr Ducler is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. The information that relates to processing and metallurgy is based on work conducted by ALS Metallurgy Pty Ltd (ALS Metallurgy) on diamond drilling samples collected under the direction of Mr Ducler and fairly represents the information compiled by him from the completed ALS Metallurgy testwork. Mr Ducler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ducler consents to the inclusion in this report of the material based on this information, in the form and context in which it appears.

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Ms Julie Reid, who is a full-time employee of Anglo Australian Resources NL. Ms Reid is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. Ms Reid has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Reid consents to the inclusion in this announcement of the material based on this information, in the form and context in which it appears.

Previously Reported Results

There is information in this announcement relating to exploration results which were previously announced on 19 June 2020 and 11 August 2020. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

APPENDIX 1 - DIAMOND DRILL HOLE DETAILS

Table 6 - Drill hole data

Hole ID	Type	Hole Depth (m)	GDA (North)	GDA (East)	GDA RL	Dip	MGA Azmith
MDRCD236	DD	150	6,527,994	358,902	323.6	-60	40

Table 7 - Diamond drilling intersections

Hole ID	Location	From (m)	To (m)	Length (m)	Grade g/t Au
MDRCD236	Mandilla East	**39.2**	**80.8**	**41.6**	**0.90**
		includes 0.9m @ 20.56g/t Au from 43.2m			
		97.7	108.8	11.1	0.64

Section 1: Sampling Techniques and Data - Mandilla

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	The project has been sampled using industry standard drilling techniques including diamond drilling (DD) and RC drilling. The sampling described in this release has been carried out on the last 2019 and all 2020 Diamond (DDH) drilling and Reverse Circulation (RC) drilling. The DDH core is orientated, logged geologically and marked up for assay at a maximum sample interval of 1.2 metre constrained by geological or alteration boundaries. Drill core is cut in half by a diamond saw and half HQ or NQ2 core samples submitted for assay analysis. RC pre-collars were used for 6 of the diamond holes over the latest three drill campaigns. DD core was marked up by AAR geologists with MDRCD151 sent to Genalysis-Kalgoorlie for cutting and the other two holes to MinAnalytical in Perth, via Centurion Transport. The remaining 13 holes were cut on site with an Almonte hire saw. Cut core was sampled and all samples assayed by MinAnalytical. Company standards and blanks were inserted at 25 metre intervals. Duplicates were taken with sampling to extinction performed on selected sample intervals. RC drill samples are collected at 1m intervals via a cyclone and splitter system and logged geologically. A four-and-a-half-inch RC hammer bit was used ensuring plus 20kg of sample collected per metre. All RC samples were collected in bulka bags in the AAR compound and trucked weekly to MinAnalytical in Kalgoorlie via Hannans Transport. All samples transported were submitted for analysis. Transported material of varying thickness throughout project was generally selectively sampled only where a paleochannel was evident. All samples were assayed by MinAnalytical with company standards blanks and duplicates inserted at 25 metre intervals. *Historical - The historic data has been gathered by a number of owners since the 1980s. There is a lack of detailed information available pertaining to the equipment used, sample techniques, sample sizes, sample preparation and assaying methods used to generate these data sets. Down hole surveying of the drilling where documented has been undertaken using Eastman single shot cameras (in some of the historic drilling) and magnetic multi-shot tools and gyroscopic instrumentation. All Reverse Circulation (RC) drill samples were laid out in 1 metre increments and a representative 500 – 700 gram spear sample was collected from each pile and composited into a single sample every 4 metres. Average weight 2.5 – 3 kg sample. All Aircore samples were laid out in 1 metre increments and a representative 500 – 700 gram spear sample was collected from each pile and composited into a single sample every 4 metres. Average weight 2.5 – 3 kg sample*. 1m samples were then collected from those composites assaying above 0.2g/tAu
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	DD Drilling was cored using HQ and NQ2 diamond bits. All RC holes were drilled using face sampling hammer reverse circulation technique with a four-and-a-half inch bit. Aircore Drilling - blade bit. For a 4.5 inch diameter hole
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Definitive studies on RC recovery at Mandilla have not been undertaken systematically, however the combined weight of the sample reject and the sample collected indicated recoveries in the high nineties percentage range. Poor recoveries are recorded in the relevant sample sheet. No assessment has been made of the relationship between recovery and grade. Except for the top of the hole, while collaring there is no evidence of excessive loss of material and at this stage no information is available regarding possible bias due to sample loss. DDH: DDH drilling collects uncontaminated fresh core samples which are cleaned at the drill site to remove drilling fluids and cuttings to

		present clean core for logging and sampling. RC: RC face-sample bits and dust suppression were used to minimise sample loss. Drilling airlifted the water column above the bottom of the hole to ensure dry sampling. RC samples are collected through a cyclone and cone splitter, the rejects deposited on the ground, and the samples for the lab collected to a total mass optimised for photon assay (2.5 to 4 kg).
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All chips and drill core were geologically logged by company geologists, using their current company logging scheme. The majority of holes (80%+) within the mineralised intervals have lithology information which has provided sufficient detail to enable reliable interpretation of wireframe. The logging is qualitative in nature, describing oxidation state, grain size, an assignment of lithology code and stratigraphy code by geological interval. RC: Logging of RC chips records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. All samples are wet-sieved and stored in a chip tray. DDH: Logging of DDH core records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples, and structural information from oriented drill core. All recent core was photographed in the core trays, with individual photographs taken of each tray both dry, and wet, and photos uploaded to the AAR Server. Older pre-2020 core has been variously photographed and are copied onto the AAR server for reference.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	HQ Diamond core was halved and the right side sampled The RC drill samples are collected at 1m intervals via a cyclone and splitter system and logged geologically. A four-and-a-half inch RC hammer bit was used ensuring plus 20kg of sample collected per metre. *Historical - The RC drill samples were laid out in one metre intervals. Spear samples were taken and composited for analysis as described above. Representative samples from each 1m interval were collected and retained as described above. No documentation of the sampling of RC chips is available for the Historical Exploration drilling* Recent RC drilling collects 1 metre RC drill samples that are channelled through a rotary cone-splitter, installed directly below a rig mounted cyclone, and an average 2-3 kg sample is collected in pre-numbered calico bags, and positioned on top of the rejects cone. Wet samples are noted on logs and sample sheets. Standard Western Australian sampling techniques applied. There has been no statistical work carried out at this stage. MinAnalytical assay standards, blanks and checks were inserted at regular intervals. Standards, company blanks and duplicates were inserted at 25 metre intervals. RC: 1 metre RC samples are split on the rig using a cone-splitter, mounted directly under the cyclone. Samples are collected to 2.5 to 4kg which is optimised for photon assay. Sample sizes are appropriate to the grain size of the material being sampled. Unable to comment on the appropriateness of sample sizes to grain size on historical data as no petrographic studies have been undertaken. Sample sizes are considered appropriate to give an indication of mineralisation given the particle size and the preference to keep the sample weight below a targeted 4kg mass which is the optimal weight to ensure representivity for photon assay. There has been no statistical work carried out at this stage.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable*	Photon Assay technique at MinAnalytical Laboratory Services, Kalgoorlie. Samples submitted for analysis via Photon assay technique were dried, crushed to nominal 85% passing 2mm, linear split and a nominal 500g sub sample taken (method code PAP3512R) The 500g sample is assayed for gold by PhotonAssay (method code PAAU2) along with quality control samples including certified reference materials, blanks and sample duplicates. The MinAnalytical PhotonAssay Analysis Technique: - Developed by CSIRO and the Chrysos Corporation, This Photon Assay technique is a fast and chemical free alternative to the traditional fire assay process and utilizes high energy x-rays. The process is non-destructive on and utilises a significantly larger sample than the conventional 50g fire assay.

	levels of accuracy (i.e. lack of bias) and precision have been established.	MinAnalytical has thoroughly tested and validated the PhotonAssay process with results benchmarked against conventional fire assay. The National Association of Testing Authorities (NATA), Australia's national accreditation body for laboratories, has issued Min Analytical with accreditation for the technique in compliance with TSO/TEC 17025:2018-Testing. Certified Reference Material from Geostats Pty Ltd submitted at 75 metre intervals approximately. Blanks and duplicates also submitted at 75m intervals giving a 1:25 sample ratio. *Historical - Sample receipt – LIMS Registration – Sample sorting and Reconciliation. Sample weights are recorded – Samples dried on trays 105° C for a minimum of 12 hours Samples are pulverised to 85% passing 75um using a LM5 Pulveriser. Pulps sent to Intertek Perth with a 25 gram sample split off. Assayed for Au, As Co, Cu, Ni, Pb, Zn by method AR25/MS, Samples assaying greater than 1000ppb Au assay by AR25hMS. Standard Intertek Minerals protocols re blanks, standards & duplicates applied.* Referee sampling has not yet been carried out.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Geology Manager or Senior Geologist verified hole position on site. MDRCD151 diamond RC precollar to 150m, subsequent DD drilling speared away from precollar and diamond core was produced from 46m down hole, producing a twin hole to 150m. MDRCD236 was drilled to test oxide ore and twin the previously drilled MDRC201. Standard data entry used on site, backed up in South Perth WA. No adjustments have been carried out. However work is ongoing as samples can be assayed to extinction via the PhotonAssay Analysis Technique
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill holes have been picked up by Leica RTK GPS. Minecomp were contracted to pick up all latest drilling collars. Grid: GDA94 Datum UTM Zone 51
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	RC Drill hole spacing is 40m on section, with 40m sectional spacing in the Mandilla East area increasing to up to 120m by 80m away from the main mineralisation. Diamond drilling is at 80m spacing with only 6 AAR DD holes drilled in the area. AC Drill hole spacing is 50 to 100m on section, with 200 and 400m sectional spacing (approximate). NO Sample compositing was undertaken
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	All drill holes have been drilled normal to the interpreted strike. Most of the current holes drilled on a 040 azimuth, with a few still at 220 azimuth as dip had been interpreted as steep.
Sample security	• *The measures taken to ensure sample security.*	All samples taken daily to AAR yard in Kambalda West.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits have been carried out at this stage.

Section 2: Reporting of Exploration Results – Mandilla

<table>
<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.
• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</td><td>
<table>
<tr><th>Tenement</th><th>Status</th><th>Location</th><th>Interest Held (%)</th></tr>
<tr><td>E 15/1404</td><td>Granted</td><td>Western Australia</td><td>100</td></tr>
<tr><td>M 15/96</td><td>Granted</td><td>Western Australia</td><td>Gold Rights 100</td></tr>
<tr><td>M 15/633</td><td>Granted</td><td>Western Australia</td><td>Gold Rights 100</td></tr>
</table>
The tenements are in good standing with the Western Australian Department of Mines, Industry Regulation and Safety.
In June 2003 Anglo Australian Resources NL (“AAR”) announced the acquisition of the project from Gold Fields Australasia Pty Ltd and assumed management of the project in December 2003.</td></tr>
<tr><td>Exploration done by other parties</td><td>• Acknowledgment and appraisal of exploration by other parties.</td><td>Several programs of RC percussion, diamond and air core drilling were completed in the area between 1988-1999 by Western Mining Corporation (WMC). In early 1988 a significant soil anomaly was delineated, which was tested late 1988 early 1989 with a series of 4 percussion traverses and diamond drilling. Gold mineralisation was intersected in thin quartz veins within a shallowly dipping shear zone. 1989-90- limited exploration undertaken with geological mapping and 3 diamond holes completed.
1990-91- 20 RC holes and 26 AC were drilled to follow up a ground magnetic survey and soil anomaly. 1991-94 - no gold exploration undertaken
1994-95 – extensive AC programme to investigate gold dispersion. A WNW trending CS defined lineament appears to offset the Mandilla granite contact and surrounding sediments, Shallow patchy supergene (20-25m) mineralisation was identified, which coincides with the gold soil anomaly
During 1995- 96 - Three AC traverses 400m apart and 920m in length were drilled 500m south of the Mandilla soil anomaly targeting the sheared granite felsic sediment contact.
1996-97 - A 69 hole AC program to the east of the anomaly was completed but proved to be ineffective due to thin regolith cover in the area. WID3215 returned 5m @7g/t from 69m to EOH.
1997-1998- 17 RC infill holes to test mineralisation intersected in previous drilling was completed. A number of bedrock intersections were returned including WID3278 with 4m @ 6.9g/t Au from 46m.</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>Mandilla is situated on the margins of the Emu Rocks Granite (a high level stock of porphyritic monzogranite/syenite) intruding the Spargoville Felsics. The Mandilla deposit was defined by a 50ppb Au soil anomaly. The regolith consists of a surface veneer of ferruginous, pisolitic gravelly alluvium up to 15m thick, overlying a partially stripped saprolitic monzogranite and felsic pyroclastics up to 40m thick(Clarke 1991). Mineralisation is associated with narrow flat lying quartz veining within the granite and to a lesser extent the felsicpyroclastics. Pyrite generally associated with the quartz veining in weakly foliated shears.</td></tr>
<tr><td>Drill hole Information</td><td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
• easting and northing of the drill hole collar
• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
• dip and azimuth of the hole
• down hole length and interception depth
• hole length.
• 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</td><td>This Information has been summarised in Table 6 and 7 of the ASX announcement.</td></tr>
</table>

	Competent Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No data aggregation methods have been used. A 100ppb Au lower cut off has been used to calculate grades for AC drilling A 0.3g/t Au lower cut off has been used to calculate grades for RC drilling, with maximum internal dilution of 5m. A cutoff grade of >0.5g*m has been applied for reporting purposes in the tables of results. This has not been applied.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Not known at this stage.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Applied
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Balanced reporting has been applied.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No other substantive exploration data.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Follow up Reverse Circulation & Diamond Drilling is planned. No reporting of commercially sensitive information at this stage.