



## EAGLE MOUNTAIN MINING

ASX Announcement | 6 March 2019

### Exploration Update – Completion of Phase One Drilling

- Continued execution of the Silver Mountain strategy with completion of phase one of the drill campaign at the Pacific Horizon prospect.
- Drilling was completed at the northern end of the Pacific Horizon, targeting both volcanogenic massive sulphides (VMS) and quartz-carbonate breccia mineralisation.
- Eight planned and two unplanned drill holes have been completed at the Pacific Horizon for a total of 2,640 metres. Assays are yet to be received for two of these drill holes.
- A detailed geochemical analysis will be conducted once all the Pacific Horizon assays have been received. The second round drilling at the Pacific Horizon will be based on the geochemical analysis information.
- The diamond drill rig has now moved and commenced drilling at the southern extension of the Pacific Horizon.
- Drilling will also test the highly-prospective Red Mule detachment zone and Scarlett Quartz Vein target.
- Eagle Mountain has recently appointed Australian geological consultant Dr Dave Compston to provide additional geological strength to the in-country team at Silver Mountain.

Eagle Mountain Mining Limited (ASX:EM2) ("Eagle Mountain" or the "Company") is pleased to provide an update on the Company's flagship Silver Mountain Project, located in Arizona, USA.

Eagle Mountain's Managing Director Charles Bass, commented:

*"The geological results obtained from this first round of drilling at Pacific Horizon have provided us with great confidence moving forward. While we haven't made a specific discovery in the first pass, we are very excited about the level and style of alteration that has been encountered. Once the geochemical analysis has been completed, we will better understand the style, phases and controls on mineralisation along the Pacific Horizon. In turn, this should lead to more successful follow-up drilling.*

*"In the interim we shift our focus to the Red Mule and Scarlett prospects, both of which we rate more highly than the Pacific Horizon."*

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**EAGLE MOUNTAIN MINING LIMITED | ACN 621 541 204**

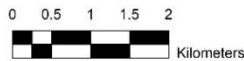
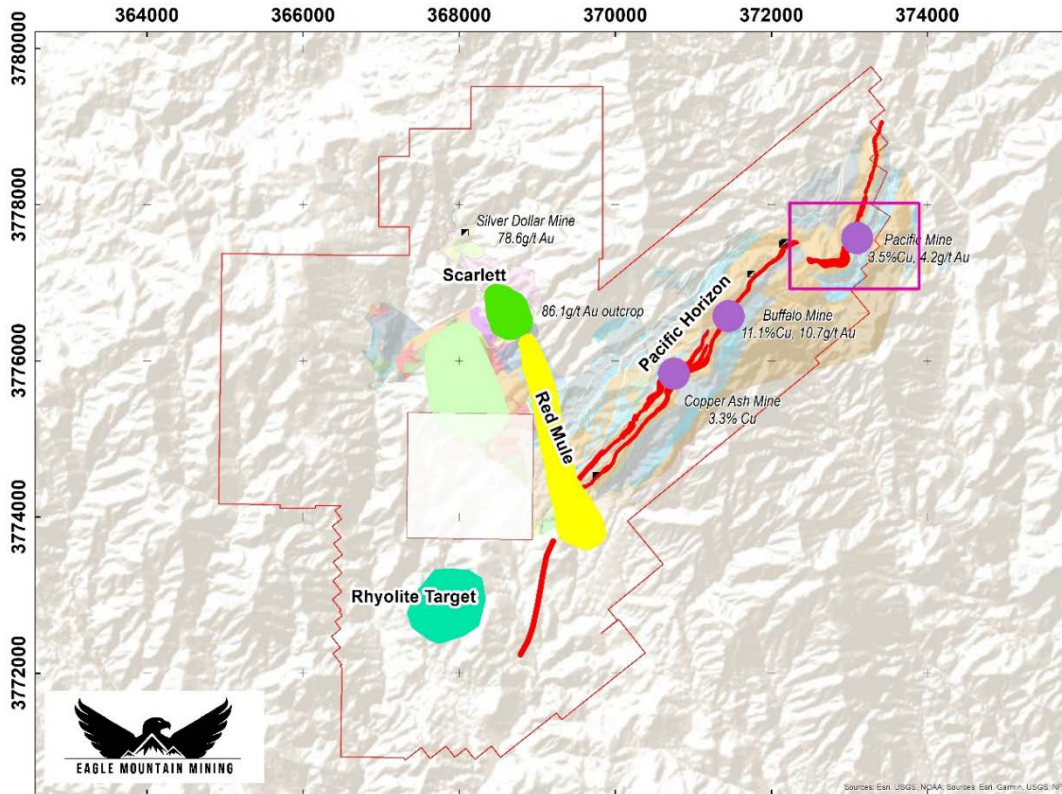
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- Legend**
- Historical mines
  - Private ranch with mineral ownership
  - Eagle Mountain Tenements
  - Pacific Horizon and southern extension
  - Quartz-carbonate breccias
  - Porphyry target
  - Porphyry veins
  - Detachment-related mineralisation
  - Rhyolite-related mineralisation
  - Figure 2 Inset

Figure 1 Silver Mountain Project overview with landholding and unique mineralisation styles

The Company is continuing to pursue the detailed corporate strategy established prior to listing in March 2018, which provided the framework to systematically explore the complex geology at the Silver Mountain Project.

Mr Bass noted, "We continue to believe that this structured and targeted approach provides the best opportunity to deliver long-term shareholder value. We continue to see enormous potential in Eagle Mountain's portfolio and this has only been reinforced by the geological interpretation of early exploration information. We spent considerable time last year establishing the logistics required to explore a greenfields area and with the bulk of that work having been completed, the path is set for us to focus on drilling."

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The Pacific Horizon hosted several historical mines, which included the VMS and quartz-carbonate breccia potential styles of mineralisation. Given that this potential mineralisation lies within the patented claims, minimal permitting was required and Eagle Mountain commenced phase one of the drill program at Silver Mountain in late September 2018 near the historic Pacific Mine (refer ASX releases 5 October 2018; 14 November 2018 and 14 December 2018).

The drill holes targeted both the Pacific Horizon (Proterozoic Massive Sulphides) and the quartz-carbonate breccia styles of mineralisation. Quartz-carbonate breccia samples collected from the historical mine dumps returned assays up to 11.1% Cu and 10.7 g/t Au (refer **Figure 1** and the Company Prospectus, ASX 14 March 2018).

Initially, eight priority diamond drill holes were drilled to test the northern portion of the Pacific Horizon. Analysis of core samples showed that some structures associated with alteration were not effectively tested by the drilling orientation. A change in the direction of drilling was proposed and two additional drill holes were drilled.

The drilling at the Pacific Horizon has now been completed for a total length of 2,640 metres.

While assays received to date do not contain economic level assays, they do contain important elemental assays that are critical in understanding the various stages and types of alteration that have been recorded in drill core logging. A detailed geochemical study will be conducted once all assays have been received. This study should offer valuable insights that will guide the next phase of drilling in this area.

The drill hole data for the 10 holes drilled over the Pacific Horizon are set out in Table 1.

*Table 1 Summary of completed drill holes – Pacific Horizon*

Hole ID	Hole Type	Easting	Northing	Elevation	Depth	Azimuth	Plunge
		[m]	[m]	[m]	[m]	[°]	[°]
18SMDD001	DDH	372971	3777679	1,428	254.1	120	-50
18SMDD003	DDH	372947	3777605	1,396	194.0	120	-60
18SMDD004	DDH	372792	3777706	1,407	345.3	120	-50
18SMDD005	DDH	373021	3777798	1,468	353.3	135	-45
18SMDD006	DDH	372827	3777367	1,477	184.6	150	-60
18SMDD007	DDH	371224	3776503	1,707	279.2	115	-65
18SMDD008	DDH	371085	3776333	1,752	209.9	135	-45
18SMDD009	DDH	371034	3776265	1,747	238.1	135	-50
18SMDD010	DDH	372947	3777605	1,397	293.2	20	-55
19SMDD011	DDH	372946	3777863	1,449	288.6	120	-65
18SMWW002	Water	372643	3777764	1,414	183.0	N/A	-90



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The first eight diamond drill holes together with the targeting rationale and the additional two holes drilled are set out in Table 2. Results per hole are not set out as except for an intercept in the first hole (18SMDD001) of 0.9 metres at 1.24% Cu, 2.49g/t Au and 64.7gt Ag from 107 metres, assay results received to date are not significant.

Assays are yet to be received for two of the drill holes at the Pacific Horizon.

*Table 2 Diamond Drilling initial results – Pacific Horizon*

Hole ID	Proximity to historical workings	Surface geochemistry anomaly	Induced Polarization Anomaly	VTEM Anomaly Ranking	Magnetic anomaly	Geology / Alteration
18SMDD001	Yes	Yes	Yes	2	No	Hydrothermal breccias up to 0.7m wide at 48.9-73.76m with associated carbonate alteration. Interpreted mining void at 105m downhole within 13m of bleaching, argillization and brecciation. Discontinuous, moderate to strong silicification from 150 to 177m
18SMDD003	Yes	No	Yes	2	Yes	Hydrothermal brecciation up to 1.3m wide at 37-52m with associated bleaching and argillization. Minor veining and selvages in the lower part of the hole
18SMDD004	Yes	No	Yes	2	Yes	Extensive bleaching associated with quartz-carbonate veins at 67-85m. Weak to moderate, discontinuous carbonate alteration from 166m to end of hole. Silica-altered zones up to 1.3m wide at 191.5-292.6m



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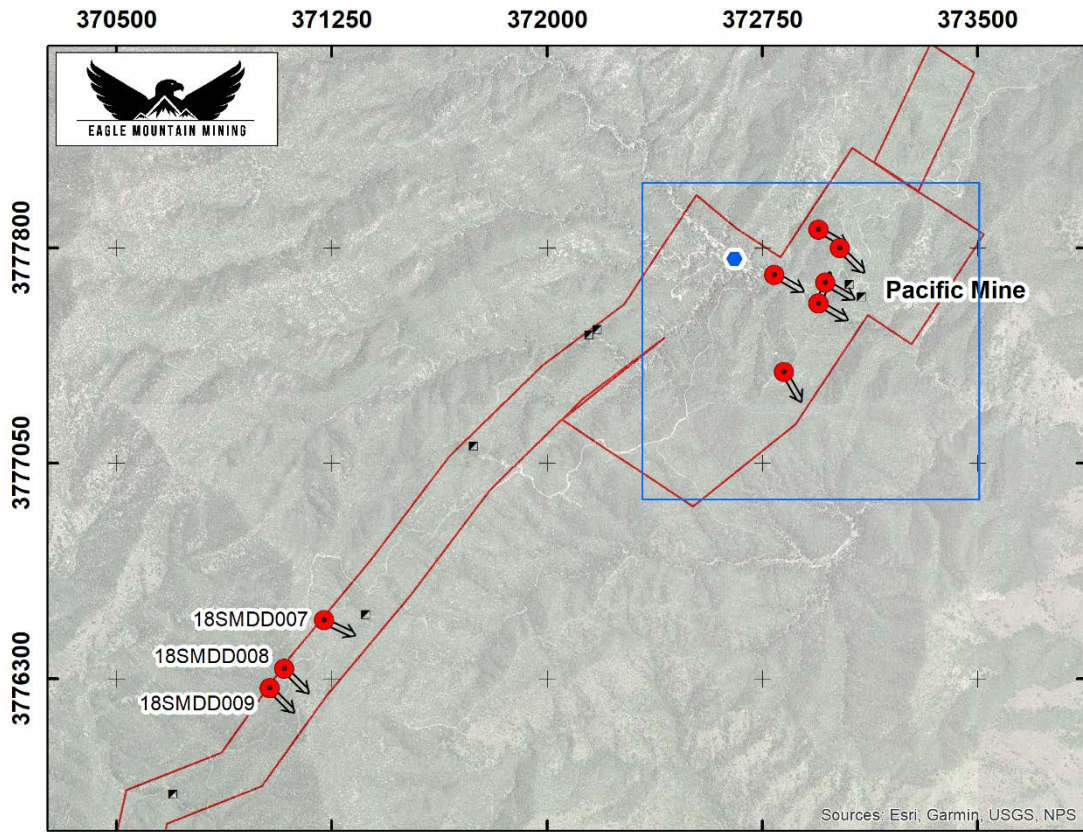
Hole ID	Proximity to historical workings	Surface geochemistry anomaly	Induced Polarization Anomaly	VTEM Anomaly Ranking	Magnetic anomaly	Geology / Alteration
18SMDD005	Yes	Yes	Yes	4	No	Three hydrothermal breccias up to 0.3m at 69.57-71.87m and at 96m. Pervasive silica and carbonate alteration at 276-305m
18SMDD006	No	Yes	Yes	4	No	Pervasive brittle deformation throughout the entire hole
18SMDD007	Yes	Yes	Yes	3	No	1.7m breccia at 88m. Pervasive hydrothermal brecciation at 130-143.2m
18SMDD008 Awaiting assays	No	No	No	2	Yes	Brecciated and bleached zones up to 2.2m wide at 60.8-66.5m. Brecciated and bleached zones up to 1.3m wide at 150.6-156.2m.
18SMDD009	No	Yes	No	3	Yes	Multiple zones of hydrothermally brecciated metachert up to 3.5m wide at 48.8-71.15m, 144.9-148m and 236.5-238.1m. Pervasive argillization and leaching near brecciated zone. Minor chlorite alteration.
18SMDD010	Yes	No	Yes	2	No	Multiple zones of hydrothermal breccia up to 2.6m wide at 36.3-67.33m, 95-98m, 210-215.8m. Argillization, bleaching and minor silicification adjacent to the breccias or as sub-metre selvages near veins.
18SMDD011 Awaiting assays	Yes	No	No	4	No	Discontinuous brecciated zones up to 1.5m wide at 102.8-130.6m. Veining and silicification at 149.2-153.3m. Three bleached zones up to 2.5m wide at 156.8-174.7m

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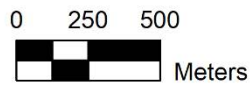


# EAGLE MOUNTAIN MINING

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Datum: NAD83  
Projection: UTM Zone 12N



### Legend

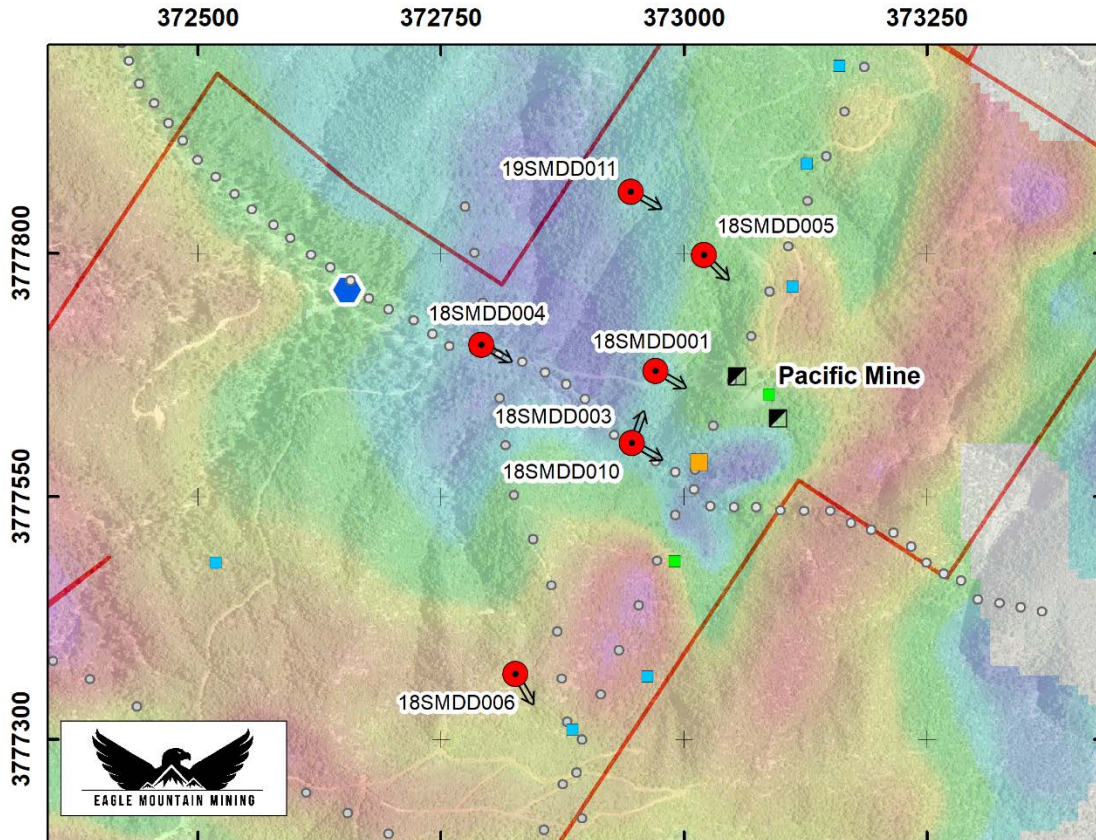
- ↑ Completed Hole with orientation
- Water Well
- ▭ Patented Claims
- ▣ Historical mine

Figure 2 Drill hole location. See Figure 3 for detail of Pacific Mine area (blue inset).

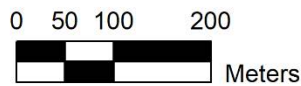


# EAGLE MOUNTAIN MINING

ASX Announcement | 6 March 2019



Datum: NAD83  
Projection: UTM Zone 12N



### Legend

- Completed Hole with orientation
- Water Well
- Patented Claims
- Historical mine
- VTEM Anomaly Rank 2
- VTEM Anomaly Rank 3
- VTEM Anomaly Rank 4
- IP Station

Figure 3 Detail of drill holes in the vicinity of the historical Pacific Mine overlaid with a magnetic image from our unmanned autonomous vehicle (UAV) (RTP TMI) and VTEM anomalies

## Operations Update

Drilling operations at Silver Mountain were shut down for 10 days over the Christmas and New Year break.

The Company has moved to 12-hour drilling shifts, from a continuous 24 hours per day basis prior to the break, which has resulted in improved efficiency and productivity rates.

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A down-hole electromagnetic (EM) survey was conducted on six holes (refer ASX 14 December 2018). The results of this EM survey did not provide any further valuable information in addition to what the Company had derived from previous airborne and ground geophysical surveys.

Eagle Mountain has recently appointed Dr Dave Compston, an Australian geological consultant, to provide additional geological resources on the ground at Silver Mountain and to assist with both the drill core logging, drilling and review of the alteration being logged.

### Next steps

The exploration team has moved on to the targets identified at Red Mule, Scarlett and near the historical Silver Dollar Mine. The drilling in this round comprises the following seven holes:

- one hole along the southern extension of the Pacific Horizon;
- one hole in the detachment zone at Red Mule;
- three holes at Scarlett targeting the depth extension to the high-grade gold veins at surface; and
- two holes at Silver Dollar targeting depth extension to the historical mine.

The Company will engage Dr Jeff Jaacks, who conducted the ground geochemical study to great effect in 2015, to carry out a detailed geochemical study on the drill assay results from the Pacific Horizon.

The Company will also continue with its review of prospects in the Silver Mountain Project area.

For further information please contact:

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## **EAGLE MOUNTAIN MINING**

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### **COMPETENT PERSON STATEMENT**

Information in this report relating to Exploration Results is based on information compiled under the supervision of Mr Charles Bass who is an employee of the company. Mr Bass is a Fellow of the Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientist. He holds shares and options in the Company. Mr Bass has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bass consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Where the Company references results from previous ASX announcements, JORC Table 1 disclosures are included within them. The Company confirms that it is not aware of any new information or data that materially effects the information included in those announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

### **EAGLE MOUNTAIN MINING LIMITED**

Eagle Mountain is a copper-gold explorer focused on the strategic exploration and development of the highly-prospective Silver Mountain Project located just outside of Phoenix, Arizona.

Arizona is at the heart of America's mining industry and home to some of the world's largest copper discoveries. Silver Mountain, which comprises three prospects, Pacific Horizon, Scarlett and Red Mule, lies on the same geological setting that hosts world-class porphyry copper mines such as Bagdad, Miami and Resolution, one of the largest undeveloped copper deposits in the world. It also lies on the southern extension of the metallogenic belt that hosts United Verde and Iron King.

The Company is undertaking an aggressive exploration drilling program which commenced in the first half of FY19.

Eagle Mountain is led by founder and Managing Director Charles Bass. Mr Bass has a proven track record in mining, having previously co-founded both Eagle Mining Corporation, a highly successful gold miner, and Aquila Resources, which was acquired by Baosteel and Aurizon Holdings for \$1.4 billion in 2014.

# JORC Code, 2012 Edition – Table 1 report template

Exploration Update (ASX 6 March 2019) – Exploration Update

## Section 1 Sampling Techniques and Data

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



Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Targets were tested by diamond drilling. Drill core was sampled at 0.3 to 1.3m intervals with nominal sampling interval of 1m.</li> <li>Samples returning Au <math>\geq</math> 0.2 g/t AND Cu <math>\geq</math> 0.1% are reported in the announcement.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling, HQ3 size. Downhole surveys are performed every approximately 30.5m (100 feet) using an AXIS Magshot system. The core is oriented using Boart Longyear's Truecore™ system to allow measurement of structural information.</li> </ul>
Drill sample recovery	<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>Core recoveries are recorded by the drillers at the rig and verified by the Company's personnel during core logging.</li> <li>In order to maximise sample recovery and core quality, all drilling is performed with a "triple tube" set up where two splits are inserted in the barrel to minimise core displacement and core loss.</li> <li>No discernible correlation between recoveries and grade was observed.</li> </ul>
Logging	<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</li> </ul>	<ul style="list-style-type: none"> <li>A quick log is completed on site and detailed logging (geological and geotechnical) is performed at the Company's logging facility in Tucson, Arizona.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>studies.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Logging is both qualitative and quantitative in nature. Portable XRF and magnetic susceptibility measurements are taken at regular intervals on the core. The core is also scanned with a spectrometer. Core is photographed initially during quick logging. Additional photos are taken and after mark up, before sampling.</li> <li>• 100% of the core is logged.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The core is sawn in half and then half of the core is bagged and sent to the laboratory while the other half is left in the core box for future reference. When duplicates are collected the core is quartered: one quarter is sent to the laboratory as the primary sample, the other quarter is sent to the laboratory as the duplicate and the remaining half of the core is left in the box for future reference.</li> <li>• ALS Global conducted all preparation work: samples were weighed, dried and finely crushed to better than 70% passing 2mm; sample was split using a riffle splitting and a split of up to 250g pulverised to better than 85% passing 75µm.</li> <li>• Sample sizes are considered appropriate to the grain size of the material being sampled.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• ALS Global assay methods: ME-MS61 (48 element four acid ICP-MS), Hg-MS42 (trace Hg by ICP-MS) and Au-AA23 (Au 30g charge Fire Assay with Atomic Absorption finish). The technique is considered a total digest of relevant minerals. Above detection samples were re-assayed with Au-GRA21, Ag-OG62, Cu-OG62, Pb-OG62, Zn-OG62</li> <li>• Certified Reference Material (CRM), blanks and duplicates were inserted at a ratio of 1:10 with a minimum of 1 CRM per batch. CRMs are inserted at intervals never exceeding 20 samples. Acceptable levels of accuracy and precision have been established.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Significant intersections have been verified by the Company's senior geologists, Chief Geologist and external consultants.</li> <li>• No twinned holes drilled.</li> <li>• Logging and sampling data are collected using tablet computers and Logchief software to ensure data integrity. The data is transferred weekly to the Datashed database.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>No assay adjustment performed.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>NAD83 UTM Zone 12N</li> <li>National Elevation Dataset. Horizontal resolution of approximately 10m and vertical resolution of 1m</li> <li>Drill holes are located with a hand-held GPS with an estimated horizontal accuracy of <math>\pm 5</math>m.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <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> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The data spacing is insufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource estimation.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<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> <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>The relationship between drilling orientation and orientation of key mineralised structures is yet to be determined.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Core boxes are picked up at the rig by Company personnel and kept under locked storage on site and at camp. Weekly core pick ups are completed by ALS Global and core delivered to the Company's core shed in Tucson, Arizona. After processing, samples are collected by ALS Global and delivered to its own laboratory for assaying. Each box location and movements are recorded in a Chain of Custody database. During transport the core and samples are tamper-proofed.</li> </ul>
<i>Audits or reviews</i>	<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>No audits or reviews of sampling techniques have been completed.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and</i>	<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</li> </ul>	<ul style="list-style-type: none"> <li>The Silver Mountain project consists of 26 patented mining claims, 424 unpatented mining claims and 6 state exploration permits. The</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>land tenure status</i>	<p><i>ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<p>Company holds a 100% interest in the mineral rights for all tenements. The Company also owns the surface rights for the 26 patented mining claims (private property). Refer to the 2018 Annual Report for details.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>It is believed that the first mining claims to the Pacific Horizon prospect were staked in 1898.</li> <li>Between 1906 and 1912 the Pacific Copper Mining Company sunk a 150m (500 feet) shaft in to the gossan at the site of the Pacific Mine.</li> <li>Some drilling was carried out in 1966 though it is not clear who conducted the program (possibly Heinrichs GeoExploration).</li> <li>In 1968, Heinrichs GeoExploration conducted some dual frequency IP, resistivity and magnetic geophysical surveys. This was followed by further geophysical surveys in 1978 using Very Low Frequency (VLF) Electro Magnetics (EM).</li> <li>KOOZ contracted Applied Geophysics in 1978 to run EM surveys (VLF, MaxMin II and Crone Horizontal Shootback) over selected areas.</li> <li>The most detailed (unpublished) mapping over the property was carried out by Kennecott in 1991 and 1992, focussing on the eastern and central areas of the Pacific Horizon prospect.</li> <li>The Kennecott mapping was based on previous work done by Winegar et al., (1978) and the only mapping since 1992 was done by Ferguson &amp; Johnson (2013, Arizona Geological Survey), which only touches on the Pacific area.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>There are four types of deposit style: <ul style="list-style-type: none"> <li>Proterozoic volcanogenic massive sulphides in Precambrian greenstone</li> <li>Quartz-carbonate breccia with associated copper-gold-silver mineralisation</li> <li>Younger (Laramide arc) Cu-Au porphyry and associated high-grade gold veins</li> <li>Overprinting and remobilisation of fluids and deposits by Cainozoic transtension giving detachment style mineralisation</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary																																																																																																
Drill hole Information	<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 drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <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>	<table border="1"> <thead> <tr> <th>Hole ID</th> <th>Hole Type</th> <th>Easting [m]</th> <th>Northing [m]</th> <th>Elevation [m]</th> <th>Depth [m]</th> <th>Azimuth [°]</th> <th>Plunge [°]</th> </tr> </thead> <tbody> <tr> <td>18SMDD001</td> <td>DDH</td> <td>372971</td> <td>3777679</td> <td>1428</td> <td>254.1</td> <td>120</td> <td>-50</td> </tr> <tr> <td>18SMDD003</td> <td>DDH</td> <td>372947</td> <td>3777605</td> <td>1396</td> <td>194</td> <td>120</td> <td>-60</td> </tr> <tr> <td>18SMDD004</td> <td>DDH</td> <td>372792</td> <td>3777706</td> <td>1407</td> <td>345.3</td> <td>120</td> <td>-50</td> </tr> <tr> <td>18SMDD005</td> <td>DDH</td> <td>373021</td> <td>3777798</td> <td>1468</td> <td>353.3</td> <td>135</td> <td>-45</td> </tr> <tr> <td>18SMDD006</td> <td>DDH</td> <td>372827</td> <td>3777367</td> <td>1477</td> <td>184.6</td> <td>150</td> <td>-60</td> </tr> <tr> <td>18SMDD007</td> <td>DDH</td> <td>371224</td> <td>3776503</td> <td>1707</td> <td>279.2</td> <td>115</td> <td>-65</td> </tr> <tr> <td>18SMDD008</td> <td>DDH</td> <td>371085</td> <td>3776333</td> <td>1752</td> <td>209.9</td> <td>135</td> <td>-45</td> </tr> <tr> <td>18SMDD009</td> <td>DDH</td> <td>371034</td> <td>3776265</td> <td>1747</td> <td>238.1</td> <td>135</td> <td>-50</td> </tr> <tr> <td>18SMDD010</td> <td>DDH</td> <td>372947</td> <td>3777605</td> <td>1397</td> <td>293.2</td> <td>20</td> <td>-55</td> </tr> <tr> <td>19SMDD011</td> <td>DDH</td> <td>372946</td> <td>3777863</td> <td>1449</td> <td>288.6</td> <td>120</td> <td>-65</td> </tr> <tr> <td>18SMWW002</td> <td>Water</td> <td>372643</td> <td>3777764</td> <td>1414</td> <td>183</td> <td>N/A</td> <td>-90</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li></li> </ul>	Hole ID	Hole Type	Easting [m]	Northing [m]	Elevation [m]	Depth [m]	Azimuth [°]	Plunge [°]	18SMDD001	DDH	372971	3777679	1428	254.1	120	-50	18SMDD003	DDH	372947	3777605	1396	194	120	-60	18SMDD004	DDH	372792	3777706	1407	345.3	120	-50	18SMDD005	DDH	373021	3777798	1468	353.3	135	-45	18SMDD006	DDH	372827	3777367	1477	184.6	150	-60	18SMDD007	DDH	371224	3776503	1707	279.2	115	-65	18SMDD008	DDH	371085	3776333	1752	209.9	135	-45	18SMDD009	DDH	371034	3776265	1747	238.1	135	-50	18SMDD010	DDH	372947	3777605	1397	293.2	20	-55	19SMDD011	DDH	372946	3777863	1449	288.6	120	-65	18SMWW002	Water	372643	3777764	1414	183	N/A	-90
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Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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').</li> </ul>	<ul style="list-style-type: none"> <li>All intervals reported are down hole length. True width not known.</li> </ul>																																																																																																
Diagrams	<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>Appropriate maps are attached to this announcement.</li> </ul>																																																																																																
Balanced reporting	<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 exploration results obtained so far have been reported.</li> </ul>																																																																																																
Other substantive	<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</li> </ul>	<ul style="list-style-type: none"> <li>No other meaningful and material exploration data beyond this and previous market releases and the information in the Independent</li> </ul>																																																																																																

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<i>exploration data</i>	<i>method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	Geologist Report included in the Company's Prospectus.
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Further work will include interpretation of logging and assay results together with a proposed geochemical review and additional drill holes in the Pacific Mine, Red Mule, Scarlett and Silver Dollar areas.</li> </ul>