ASX CODE: SPX

CAPITAL STRUCTURE

Share Price	$0.027
Shares On Issue	1053.7m
Market Cap	$28.3m
Options Unlisted	75.0m

MAJOR SHAREHOLDERS

Patina Resources PL	11.9%
A. Barton & Assocs	8.6%
Moutier Hldgs	3.6%
Rock the Polo Pty Ltd	3.1%
Plateaux Resources	2.8%

DIRECTORS / MANAGEMENT

Alexander Hewlett
Executive Chairman

Paul Adams
Managing Director

James Croser
Technical Director

Nader El Sayed
Non-Executive Director

Mark Pitts
Company Secretary

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New zone of high grade in southern-most hole below Penny West Pit

Spectrum Metals Limited ("SPX" or "the Company") is pleased to announce that it has received the first assay results from its drilling below the open pit at Penny West, located 25kms south of the Youanmi mining center in WA.

Key Points

- Assay results received from eight holes beneath the open pit. Significant intercepts include:
  SPWRC006 - **5m at 28.9 g/t gold** from 203m,
  including **1m at 103 g/t** gold from 203m,
  within **31m at 5.50 g/t** gold from 203m.
- The intersection in hole SPWRC006 occurs in the deepest and southern most hole yet received from the SPX drilling program underneath of Penny West Open Pit (see Figure 1).
- This unusually thick intersection may represent a new zone of structural thickening to the south and at depth and has generated a large new target for further drilling.
- SPX is therefore currently designing a program of RC and diamond holes to follow up the intersection in hole SPWRC006 down dip and to the south in addition to the holes that are still to be drilled under the northern end of the pit.
- SPWRC006 was drilled 500m south of the recent Penny North discovery and demonstrates the growth potential within this system.
- Assays are pending for Magenta (3 holes), Penny West (3 holes) and Penny North (12 holes).

Spectrums Managing Director, Paul Adams said "*This is another incredible intersection for Spectrum and once again clearly demonstrates the capacity of the Penny West gold system to deliver significant gold mineralisation.*

Hole SPWRC006 is the deepest hole on the southern-most line drilled into the Penny West lode in our program and was designed to discover depth extensions to the known mineralisation. This intersection could open up a new exploration front under and south of the Penny West Pit".

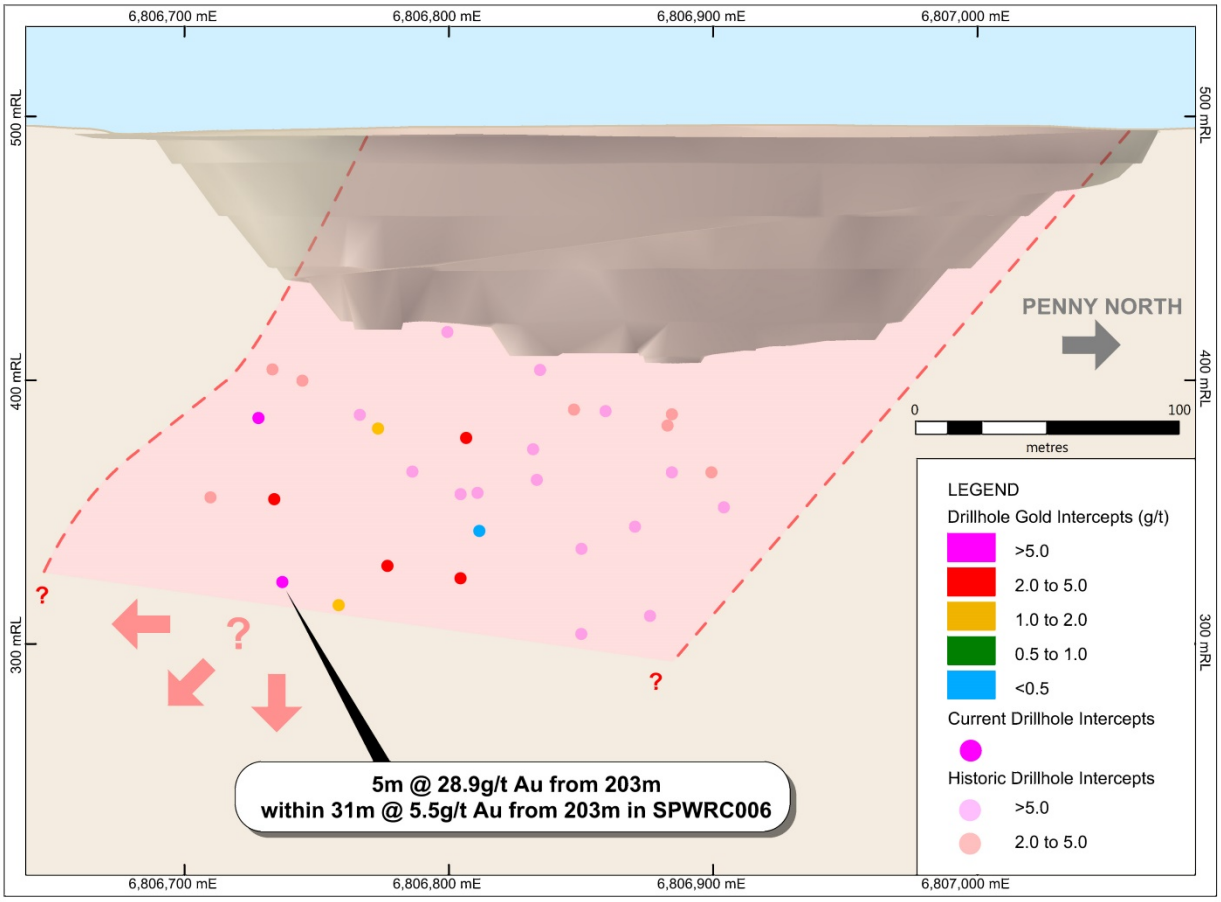

Figure 1. Long Section through the Penny West lode with new wide, high-grade intercept in SPWRC006 and open to the south and down-dip

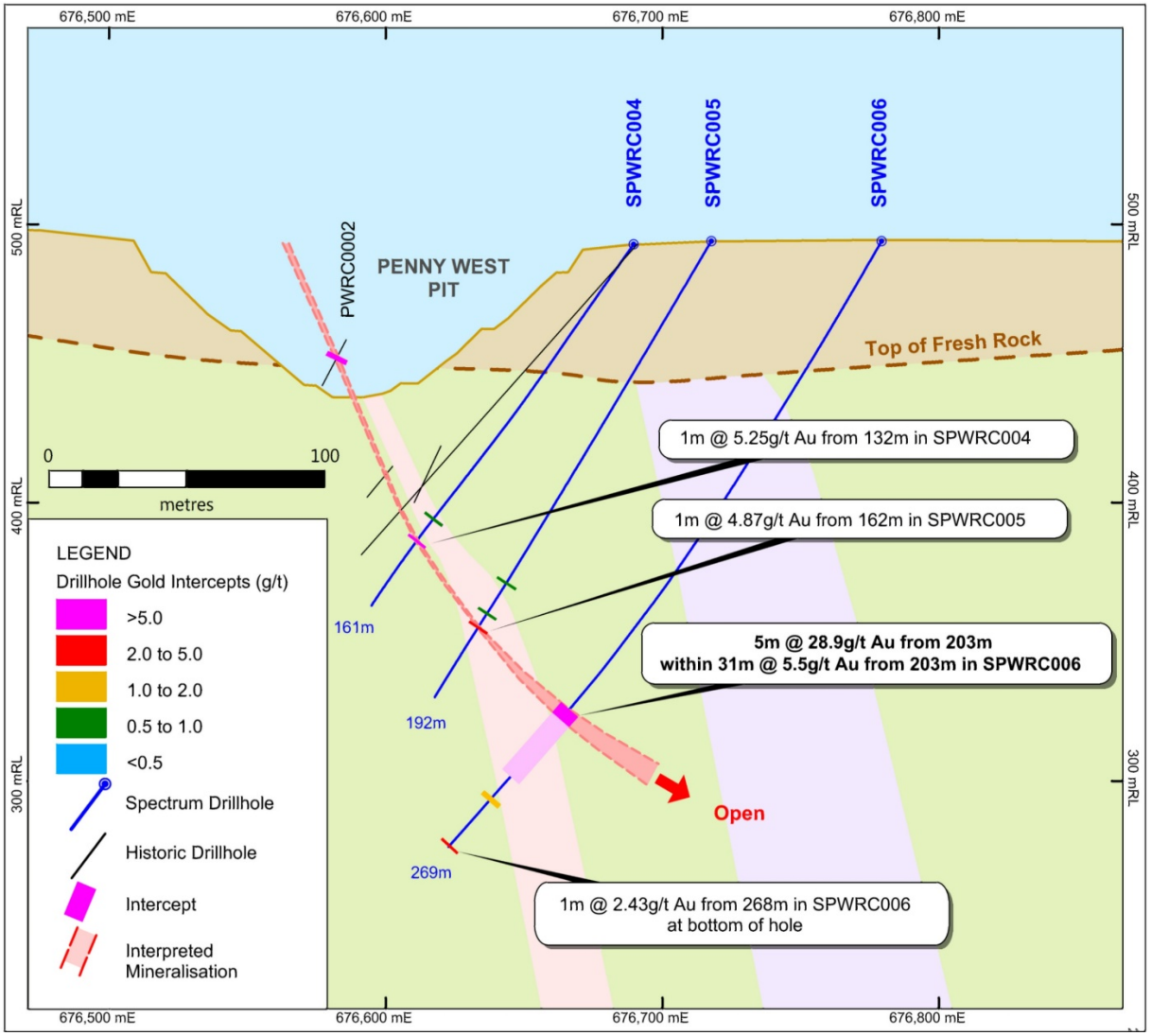

Figure 2. Cross Section through 6806740mE below the Penny West Pit

PROSPECT	COLLAR ID	DRILL TYPE	MAX DEPTH (m)	EAST (GDA94_Z50)	NORTH (GDA94_Z50)	RL	COLLAR DIP	COLLAR AZIMUTH (GDA)
Penny North	SPWRC001	RC	143	676558	6807170	503	-60	269
Penny North	SPWRC002	RC	167	676593	6807213	488	-60	269
Penny North	SPWRC003	RC	113	676533	6807248	487	-60	270
Penny West	SPWRC004	RC	161	676689	6806736	495	-55	270
Penny West	SPWRC005	RC	192	676718	6806736	507	-60	271
Penny West	SPWRC006	RC	269	676779	6806742	479	-60	270
Penny West	SPWRC007	RC	268	676774	6806775	490	-62	272
Magenta	SPWRC008	RC	113	676433	6808667	499	-60	242
Magenta	SPWRC009	RC	113	676425	6808753	489	-60	242
Magenta	SPWRC010	RC	83	676401	6808707	493	-60	242
Penny West	SPWRC011	RC	118	676698	6806765	491	-60	270
Penny West	SPWRC012	RC	238	676738	6806766	492	-62	270
Penny West	SPWRC013	RC	176	676701	6806781	505	-50	270
Penny West	SPWRC014	RC	209	676727	6806779	489	-60	270
Penny West	SPWRC015	RC	173	676702	6806810	493	-50	270
Penny North	SPWRC016	RC	179	676612	6807214	488	-61	272
Penny North	SPWRC017	RC	149	676590	6807236	488	-59	272
Penny North	SPWRC018	RC	167	676594	6807196	488	-61	273
Penny West	SPWRC019	RC	197	676716	6806808	493	-59	273
Penny West	SPWRC020	RC	215	676734	6806808	488	-59	271
Penny North	SPWRC021	RC	191	676632	6807212	488	-61	273
Penny North	SPWRC022	RC	175	676612	6807192	488	-61	272
Penny North	SPWRC023	RC	185	676612	6807232	488	-61	273
Penny North	SPWRC024	RC	209	676632	6807232	488	-61	274
Penny North	SPWRC025	RC	203	676632	6807192	488	-61	271
Penny North	SPWRC026	RC	167	676592	6807172	488	-59	272
Penny North	SPWRC027	RC	179	676612	6807172	488	-61	273
Penny North	SPWRC028	RC	191	676632	6807172	488	-61	274
Penny North	SPWRC029	RC	149	676582	6807212	492	-61	270
Penny North	SPWRC030	RC	203	676632	6807252	492	-61	272
Penny North	SPWRC031	RC	185	676612	6807252	492	-61	272
Penny North	SPWRC032	RC	233	676632	6807292	492	-61	272
Penny North	SPWRC033	RC	197	676632	6807132	496	-61	273
Penny North	SPWRC034	RC	203	676632	6807092	496	-61	273

Table 1. Drill hole collar table

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About Spectrum Metals Ltd

Spectrum Metals Limited (ASX: SPX) is a domestic West Australian focused gold exploration and development company. Concentrating on high-grade, brown fields assets, that can leverage off existing infrastructure and add value through exploration and development. Spectrum will continue to identify and explore under explored terrain and brown fields assets through the use of modern techniques and technology to maximise success.

Competent Person Statement

The information in this report that relates to Data and Exploration Results is based on information compiled and reviewed by Mr John Downing, a Competent Person who is a Member of the Australian Institute of Geoscientists (MAIG) and a consultant to Spectrum. Mr Downing has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. John Downing consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements regarding Spectrum's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Spectrum's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Spectrum will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Spectrum's mineral properties. The performance of Spectrum may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.

Table 2. Assay Table

Collar ID	From (m)	To (m)	Interval (m)	Incl	Au (ppm)	Ag (ppm)	Threshold (Au ppm)
SPWRC004	122	123	1		0.72	40.8	0.5
SPWRC004	132	134	2		3.06	0.15	0.5
SPWRC004	132	133	1	Incl	5.25	0.24	5
SPWRC005	143	144	1		0.73	0.17	0.5
SPWRC005	156	157	1		0.57	3.5	0.5
SPWRC005	162	163	1		4.87	3.98	0.5
SPWRC006	203	234	31		5.5	1.1	0.5
SPWRC006	203	208	5	Incl	28.9	2.80	5
SPWRC006	203	204	1	Incl	103	11.8	5
SPWRC006	207	208	1	and	31.6	1.16	5
SPWRC006	245	247	2		1.87	0.18	0.5
SPWRC006	268	269	1		2.43	0.08	0.5
SPWRC012	199	200	1		1.61	18.6	0.5
SPWRC013	142	143	1		1.07	6.96	0.5
SPWRC014	184	185	1		2.77	2.34	0.5
SPWRC015	148	149	1		2.57	5.68	0.5
SPWRC020	192	196	4		2.18	2.44	0.5

Appendix 1 - Table 1 Checklist of Assessment and Reporting Criteria

Table 1 – Checklist of Assessment and Reporting Criteria

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Reverse circulation (RC) drilling using standard drilling equipment and rig mounted sampling system. No electronic measurement tools used in this program.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Emphasis placed on sample mass (approximately 3kg) and quality from the RC drilling. A lot of effort was put into ensuring that the splitter was level and clean during the drilling, particularly on entering an anticipated mineralised zone
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*	• Logging identifies mineralisation in the RC drill chips
	• *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*	• Industry standard RC drilling with 1 m samples collected from a rig mounted sampling system. Sample intervals determined by anticipated intersection of lode. Four (4) meter composite samples taken from zones not expected to contain mineralisation. Geological logging used as the final determinant as to whether to under-take 1m splits on 4m composites. Standard 50 g sample for assay by fire assay

Criteria	JORC Code explanation	Commentary
	or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	method for gold after pulverisation at a Perth certified laboratory.
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).*	• RC drilling using downhole hammer and face sampling button bit • Stabiliser rods used above the hammer to provide directional control
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.*	• Sample recovery estimated by mass of sample in the calico sample bag and from the plastic residue bag under the rig mounted sample system • A lot of emphasis has been placed on correct levelling of the sample system to ensure optimal sample representivity. Differences in sample weight between original sample and duplicates can provide a quantitative estimate of representative sampling • It is unknown at this stage whether there is any relationship between sample recovery and grade in RC drilling
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.*	• All of the logging to a very high standard by an experienced and well qualified geologist and would be appropriate for later inclusion in a mineral resource estimate • Logging is qualitative • The whole of hole has been logged to the same standard

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	
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.*	• RC samples collected by on-board rotary cyclone. In some case composite samples collected by spear sampling in the case of 4m composites. However, if composite display elevated mineralisation, 1m splits are immediately available from existing 1m samples collected directly from the cyclone • The QA/QC program has been appropriate in terms of numbers of blanks, standards and duplicates. Two standard grades have been used in addition to blanks. • Field duplicate sampling has been conducted for the drilling program • Sample sizes and techniques were appropriate for homogenous distribution and for grain size. Mass estimates for the samples from the cyclone are appropriate for the diameter of the drill rods employed
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.*	• Assays have been conducted on a 50 g fire assay charge • No geophysical tools have yet been applied to the RC chips or downhole • Blanks, standards, duplicates and laboratory quality control have all been monitored and are acceptable.

Criteria	JORC Code explanation	Commentary
	• *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.*	
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.*	• All logging and sample preparation in the field has been conducted by independent consulting geologists and field personnel. • No twinned holes. • All drilling data is extremely well documented. Primary data for current exploration work is available electronically from the laboratory reports. • There has been no adjustment to the data.
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-hole collar, locations located by survey +/- 1m. Holes have down-hole surveys every 30m using a gyroscopic downhole tool • Location data is set out on GDA94 Zone 50 grid and location set out performed by DGPS • Topographic control adequate with an accuracy of around 1m vertical. Digital topographic data provided by DTM from Landgate supported by DGPS survey.
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.*	• Sampling on 1 m increments has been used above, within and below the high-grade intersections. Compositing has only been applied to the hanging wall part of the sequence • More drilling will be required around the intercept in order to generate a resource estimate in this area

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	
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.*	• Drill intercepts at Penny West have historically been orthogonal to the plane of the mineralisation. • There is no obvious sampling bias from the information gathered so far
Sample security	• *The measures taken to ensure sample security.*	• Samples collected from the rig and organised by independent geologists and field personnel. Samples collected from site and driven directly to accredited laboratory in Perth
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not for these holes as yet

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• Mining leases M57/180 and 196 originally held by Plateaux Resources Pty Ltd and Patina Resources Pty Ltd in a 30/70 Joint venture. Tenement acquisition agreement between Plateaux, Patina, and Spectrum Metals Limited provides 100% ownership to Spectrum through a 100% owned subsidiary Zebra Minerals Pty Ltd. Royalty provisions are 0.5% NSR after the first 7,500 ozs of production, which can be bought out at any time at SPX's election for $750,000. No native title or environmental issues. • Tenements are in good standing with no known impediments
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The project area has been explored and mined by previous parties. The results of this work including past production is described in Spectrum's ASX Announcement dated 16 October 2018. Appraisal of this previous exploration occurred during the due diligence period and continues
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Penny West deposit is typical structurally controlled gold-quartz vein in a brittle-ductile shear zone associated with a sulphide complex containing pyrite, pyrrhrotite, galena, sphalerite and chalcopyrite.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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 Competent Person should clearly explain why this is the case.*	• See Table 1 in ASX announcements dated 16 October 2018 and 5 March 2019 for a summary table of all the drilling conducted at Penny West o See Table 1.
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*	• A gold upper cut-off grade of 170 g/t has been used historically. These intersections calculated using a lower cut-off of 0.5 g/t • Internal high grade intercepts are based on grades above 5.0 g/t • No metal equivalent values used.

Criteria	JORC Code explanation	Commentary
	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.*	
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').*	• Down hole lengths have been used. True width not yet known • The Penny West lode dips to the east at 65º to 80°. The geometry of the new discovery is not yet established
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.*	• Maps and sections are contained within announcement, with an interpreted trace of the extensional mineralisation with respect to the known Penny West lode located below the historic Penny West Pit.
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*	• All data has been reported.

Criteria	JORC Code explanation	Commentary
	reporting of Exploration Results.	
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.*	• All available information has been reported
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.*	• Further drilling will be necessary to establish the importance of this intersection and the potential for this area to host additional high-grade mineralisation. Further drill holes are currently being planned • Droll hole planning is on-going and has not yet been finalised