

ASX & Media Release

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ASX Symbol

ARL

Ardea Resources Limited

Suite 2 / 45 Ord St
West Perth WA 6005

PO Box 1433
West Perth WA 6872

Telephone

+61 8 6244 5136

Email

ardea@ardearesources.com.au

Website

www.ardearesources.com.au

Directors

Katina Law
Executive Chair

Ian Buchhorn
Technical Executive Director

Wayne Bramwell
Non-Executive Director

Issued Capital

Fully Paid Ordinary Shares
106,145,424

*Unlisted options
exercisable at \$0.25*
11,155,011

*Directors/Employee
Performance Rights*
3,390,000

ABN 30 614 289 342

WA gold projects yield high-grade rock chip results

- Ardea's outcropping, historic gold prospects in the Eastern Goldfields of Western Australia are being assessed for potential near-term, small scale gold production.
- Workings and exposed gold mineralisation at and around Taurus, Windanya and Mulga Plum are being assessed.
- Confirmation of locally high-grade gold mineralisation by new, targeted sampling of altered and mineralised rocks, including:
 - Up to **20.50 g/t gold** at Windanya in quartz veins at historic workings.
 - Up to **4.27 g/t gold** in pyrite-sericite altered rocks at Taurus.
 - Up to **2.00 g/t gold** in altered spoil at historic workings at Mulga Plum amongst historic results of up to 50.1 g/t gold.
- Strike extensions to these targets are also under assessment.
- Potential for retreatment of tailings sands from historic gold stamp batteries at Windanya and Taurus.
- Follow-up field work to include geological mapping, systematic sampling and shallow drilling.

Ardea has a three-pronged value creation strategy which is:

- development of the Goongarrie Nickel Cobalt Project, which is part of the Kalgoorlie Nickel Project, a globally significant series of nickel-cobalt-scandium deposits which host the largest nickel-cobalt resource in the developed world;
- advanced-stage exploration at WA gold and nickel sulphide targets; and
- the demerger of the NSW gold and base metal assets into new listing, Godolphin Resources, with in-specie share distribution.

Work proceeds apace on each of these streams. This announcement details recent results from a series of rock chip sampling programmes at outcropping, historic gold mining centres within the Ardea land package.

Ardea CEO Andrew Penkethman noted:

"The Ardea exploration team have been assessing the gold potential of Ardea's WA tenements and continue to define compelling targets from first phase reconnaissance work. I am looking forward to seeing the results from follow-up work to build upon this promising start."

Assessment of outcropping, historic gold workings

In addition to ongoing work at the Goongarrie Nickel Cobalt Project (GNCP) and other gold projects, Ardea recently commenced assessment of gold grades and distributions at a series of outcropping, historic mine sites (Figure 1). Rock chips were taken at and around historic workings at Mulga Plum, Windanya, and Taurus to confirm gold style and mineral associations, returning significant gold grades as high as **20.5 g/t** gold at Windanya (Table 1).

Such selective samples are by no means representative of the overall grade of the prospects, which in each case is better determined by drilling. Rather, they were taken to provide confirmation of significant gold mineralisation and to define mineral associations at each site. These relationships are pivotal to defining the most appropriate and efficient exploration programs for each prospect.

Table 1 – Selected results from rock chip sampling at several of Ardea’s outcropping historic gold operations that are being assessed. Gold values in excess of 1 g/t (1ppm) are highlighted. Samples were selected from mineralised rocks to confirm gold grades and mineral associations and should not be considered indicative of overall deposit grade or size. There is presently insufficient data to define resources or reserves at each project. A full listing of all assay results from samples taken is presented in Appendix 1.

| Project | Sample number | Northing (mN) | Easting (mE) | Gold (g/t) | Ag (g/t) | As (ppm) | Sb (ppm) | Sample description |
|-------------------|---------------|---------------|--------------|--------------|----------|----------|----------|--|
| Mulga Plum | S301426 | 6744782 | 335245 | 2.00 | 0.3 | bd | 0.1 | Altered spoil around minor shaft |
| | S301429 | 6744712 | 335232 | 0.92 | 0.4 | bd | 0.3 | Quartz vein |
| | S301440 | 6744773 | 335222 | 1.34 | 0.2 | bd | 0.1 | Potassic-iron alteration, amphibolite facies |
| Taurus | S301288 | 6603639 | 390493 | 1.99 | bd | 70 | 0.7 | Quartz veining in bleached host rock |
| | S301289 | 6603639 | 390494 | 1.07 | bd | 110 | 1 | Minor quartz vein on shear |
| | S301290 | 6603639 | 390498 | 4.27 | bd | 40 | 1 | Weathered pyritic altered rock |
| | S301291 | 6603639 | 390500 | 0.74 | bd | 40 | 1.1 | Iron-stained altered rock |
| | S301293 | 6603540 | 390544 | 1.33 | 0.1 | 10 | 0.8 | Tailings from historic battery sands |
| Windanya | S301409 | 6638107 | 332019 | 5.31 | 0.8 | 10 | 0.3 | Vein quartz, alteration |
| | S301411 | 6638104 | 332004 | 0.75 | 2.7 | 10 | 0.3 | Vein quartz, pyritic alteration |
| | S301414 | 6637897 | 332082 | 1.38 | bd | 10 | bd | Quartz vein from shaft |
| | S301416 | 6637810 | 332215 | 20.50 | 0.3 | 10 | 0.3 | Bucky vein quartz, pyritic alteration |



Figure 1 – Examination and selective sampling of particular alteration styles at historic workings at Mulga Plum, near Niagara in the Eastern Goldfields of Western Australia.

These initial field trips and sampling are expected to be the first step in the assessment of potential short-term, low volume, shallow-level mining opportunities at each site. Such operations are common in Western Australia and, for Ardea, would be expected to provide several benefits, including:

- short-term revenue;
- establishment of mining relationships with processors and contractors in preparation for forecast mining at the GNCP and other projects; and
- exposure and better understanding of gold mineralisation controls, grades, and distributions at each site that will aid subsequent, deeper exploration efforts that would attempt to define more substantive mineralisation below the initial operations.

Western Australian gold exploration programs

Ardea holds one of the world's largest nickel-cobalt laterite resources in the series of deposits known as the Kalgoorlie Nickel Project (KNP). The most advanced of these, the GNCP, is the main focus of the Company's work programs, with environmental surveys and other long lead time items progressing. Also, discussions regarding a Strategic Partner are advancing within the battery industry.

Outside of the GNCP, work continues throughout Ardea's substantial Western Australian tenement package centred on high-quality ground in the Eastern Goldfields area around Kalgoorlie. There are four distinct work streams to Ardea's exploration efforts:

- 1. Bardoc Tectonic Zone (BTZ) at Goongarrie and Big Four:** gold mineralisation within the BTZ at Goongarrie and Big Four must be defined in order to maximise value for shareholders. Despite the bulk of the value of the area presently tied to the overlying GNCP laterites, there is very significant potential beneath the laterite cover for primary gold mineralisation in bedrock along the regionally important, gold-fertile Bardoc Tectonic Zone fault system. Besides the obvious economic benefits to discovery of significant gold deposits beneath the nickel-cobalt laterites, definition of the distribution of any such mineralisation is imperative as it will determine whether nickel-cobalt pits can be backfilled with mine waste and tailings. Gold exploration on the GNCP tenure thus has important ramifications for GNCP mine planning.
- 2. Outcropping historic gold projects:** a series of historic workings are being assessed for short-term gold production potential. These include Taurus, Mulga Plum, Windanya (on the BTZ) and others. At each project, primary gold mineralisation has been worked historically at and immediately below surface. At some projects, historic gold stamp batteries produced waste tailings sands which carry gold grades that may be economic at current gold prices. These are also being assessed.
- 3. Regional gold projects:** longer-term regional assessments with the potential to define significant greenfields discoveries. These include regional WA gold projects such as Mt Zephyr, Darlot East, and Bedonia, as well as the lateral extensions of the BTZ at Ghost Rocks. Such projects, being unrelated to the KNP, can be considered for farm-out.
- 4. Nickel sulphide targets** (associated with gold exploration): The recent granting of the Perrinvale tenement (E29/1006) east of and immediately along strike from St George's Cathedral's project. Geophysical methods will be used to focus on nickel sulphide targets in forthcoming programs.

Work is continuing on all exploration streams. This announcement has focused on initial work on the outcropping historic gold projects (work stream 2)

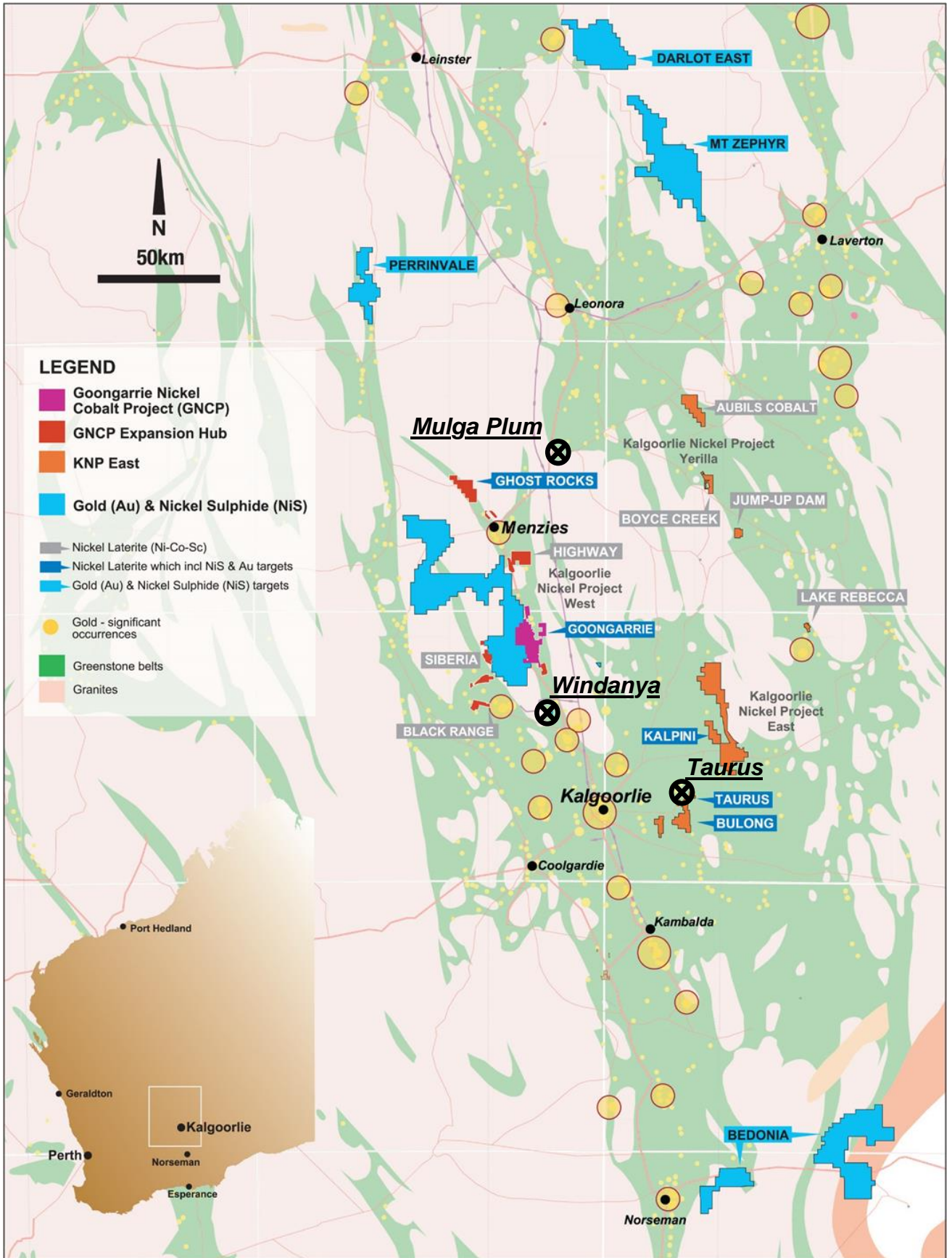
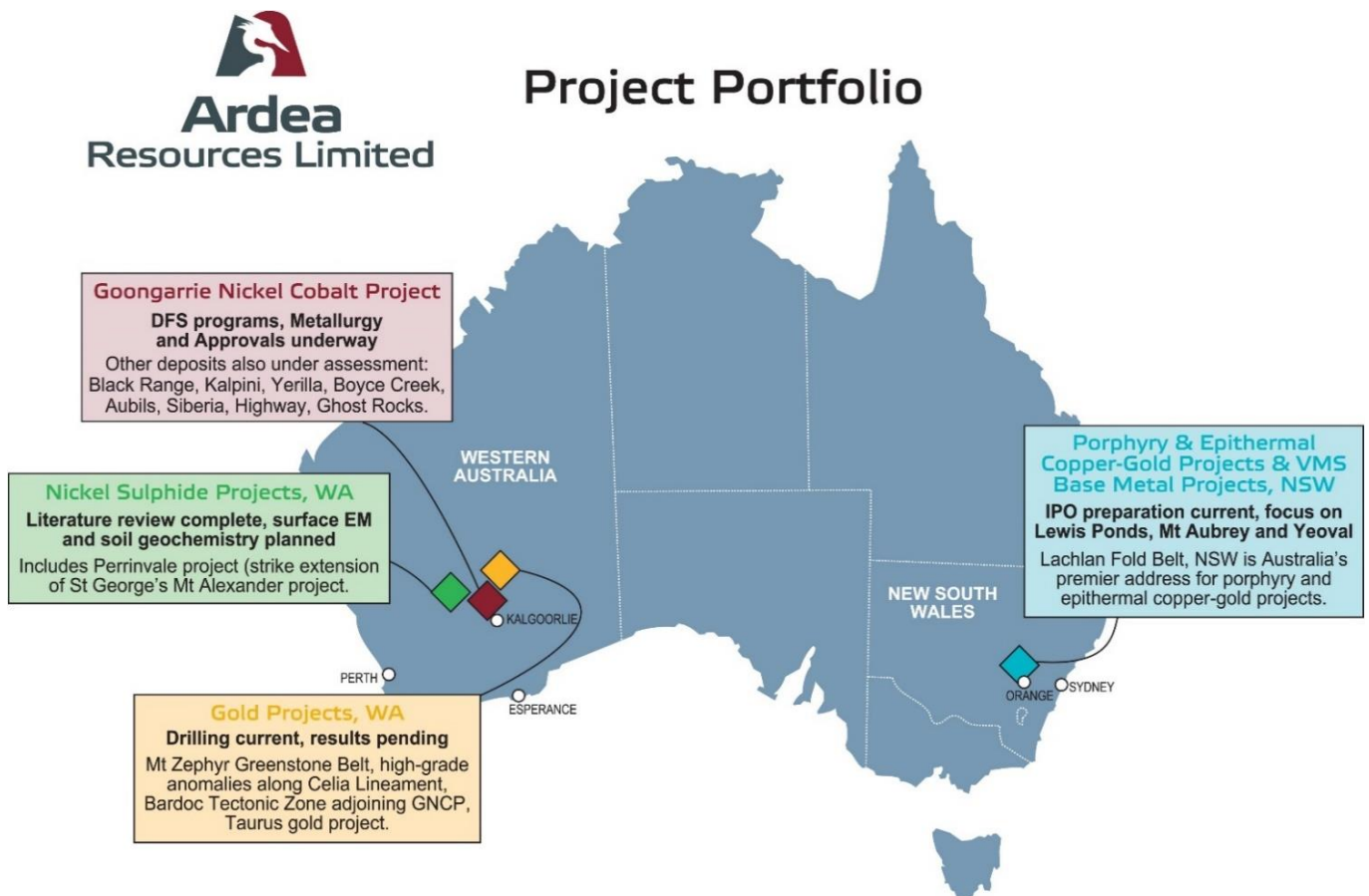


Figure 2 – Locations of Ardea's outcropping gold projects described in this announcement.

About Ardea Resources

Ardea Resources (“Ardea” – ASX:ARL) is an ASX listed resources company, with 100% controlled Australian-based projects, prioritising a three-pronged value creation strategy which is:

- development of the Goongarrie Nickel Cobalt Project, which is part of the Kalgoorlie Nickel Project, a globally significant series of nickel-cobalt-scandium deposits which host the largest nickel-cobalt resource in the developed world, coincidentally located as a cover sequence overlying fertile orogenic gold targets;
- advanced-stage exploration at WA gold and nickel sulphide targets within the Eastern Goldfields world-class nickel-gold province; and
- the Godolphin Resources Limited demerger of the NSW gold and base metal assets with planned in-specie share distribution, with all projects located within the Lachlan Fold Belt world-class gold-copper province, specifically within the Lachlan Transverse Zone (hosts McPhillamy’s Gold and Cadia and Northparkes copper-gold) and splay fault of the Gilmore Suture (hosts Cowal gold).



For further information regarding Ardea, please visit www.ardearesources.com.au or contact:

Ardea Resources:

Andrew Penkethman

Chief Executive Officer, Ardea Resources Limited

Tel +61 8 6244 5136

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this news release.

This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and ability to complete the Ardea spin-out, the timing and amount of funding required to execute the Company's exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expect", "intend", "may" and similar expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, the ability to complete the Ardea spin-out on the basis of the proposed terms and timing or at all, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms or at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information.

Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

No stock exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.

Competent Person Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Matthew Painter, a Competent Person who is a Member of the Australian Institute of Geoscientists. Dr Painter is a full-time employee of Ardea Resources Limited and 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. Dr Painter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Assay results

Ardea's recent rock chip assay results from Windanya, Taurus, and Mulga Plum gold projects.

Abbreviations used: Au – gold, As – arsenic, Sb – antimony, S – sulphur, m – metre, g/t – grams per tonne, ppm – parts per million, bd – below detection.

Detection limits: Au – 0.001 g/t, As – 10 ppm, Sb – 0.1 ppm, S – 0.001 %

| Project | Tenement | Sample number | Northing (mN) | Easting (mE) | Gold (g/t) | Ag (g/t) | As (ppm) | Sb (ppm) | Sample description |
|------------|----------|---------------|---------------|--------------|------------|----------|----------|----------|--|
| Mulga Plum | E40/350 | S301426 | 6744782 | 335245 | 2.00 | 0.3 | bd | 0.1 | Altered spoil around minor shaft |
| | | S301427 | 6744721 | 335217 | 0.33 | 0.2 | bd | 0.1 | Banded quartz vein outcrop, minor breccia |
| | | S301428 | 6744725 | 335214 | 0.01 | 0.1 | bd | 0.2 | Mineralised quartz vein |
| | | S301429 | 6744712 | 335232 | 0.92 | 0.4 | bd | 0.3 | Quartz vein |
| | | S301430 | 6747562 | 338133 | bd | 0.1 | bd | bd | Gossan |
| | | S301432 | 6744773 | 335222 | 0.02 | 1 | bd | 0.2 | Potassic alteration adjacent to small shaft |
| | E40/357 | S301434 | 6744844 | 334981 | 0.49 | 0.3 | bd | bd | Potassic-iron alteration, amphibolite facies |
| | | S301435 | 6744844 | 334981 | 0.13 | 0.2 | bd | 0.3 | Potassic-iron alteration, amphibolite facies |
| | | S301436 | 6744844 | 334981 | 0.13 | 0.1 | bd | bd | Potassic-iron alteration, amphibolite facies |
| | | S301438 | 6744844 | 334981 | 0.22 | 0.6 | bd | bd | Potassic-iron alteration, amphibolite facies |
| | | S301439 | 6744409 | 334754 | 0.08 | 0.5 | bd | 0.1 | Vein quartz |
| | | S301440 | 6744773 | 335222 | 1.34 | 0.2 | bd | 0.1 | Potassic-iron alteration, amphibolite facies |
| | | S301441 | 6744844 | 334981 | 0.04 | 0.2 | bd | 0.1 | Potassic-iron alteration, amphibolite facies |
| Taurus | M25/151 | S301288 | 6603639 | 390493 | 1.99 | bd | 70 | 0.7 | Quartz veining in bleached host rock |
| | | S301289 | 6603639 | 390494 | 1.07 | bd | 110 | 1 | Minor quartz vein on shear |
| | | S301290 | 6603639 | 390498 | 4.27 | bd | 40 | 1 | Weathered pyritic altered rock |
| | | S301291 | 6603639 | 390500 | 0.74 | bd | 40 | 1.1 | Iron-stained altered rock |
| | | S301292 | 6603543 | 390526 | 0.54 | bd | 20 | 0.7 | Mullock from historic battery sands |
| | | S301293 | 6603540 | 390544 | 1.33 | 0.1 | 10 | 0.8 | Mullock from historic battery sands |
| | | S301294 | 6603377 | 391238 | 0.01 | 0.1 | 30 | 0.7 | Iron-stained altered rock |
| | | S301295 | 6603292 | 391409 | 0.01 | bd | 70 | 3.6 | Iron-stained altered rock |
| | | S301296 | 6603323 | 391631 | 0.00 | 0.1 | bd | 0.3 | Iron-stained altered rock, brecciated |
| Windanya | P24/5169 | S301409 | 6638107 | 332019 | 5.31 | 0.8 | 10 | 0.3 | Vein quartz, alteration |
| | | S301410 | 6638108 | 332019 | 0.01 | bd | 40 | 0.1 | Talc-chlorite schist |
| | | S301411 | 6638104 | 332004 | 0.75 | 2.7 | 10 | 0.3 | Vein quartz, pyritic alteration |
| | | S301412 | 6638096 | 331983 | 0.01 | bd | 30 | bd | Mafic rock with quartz vein |
| | | S301413 | 6637920 | 332073 | 0.42 | 0.2 | 10 | 0.1 | Quartz vein from shaft |
| | | S301414 | 6637897 | 332082 | 1.38 | bd | 10 | bd | Quartz vein from shaft |
| | | S301415 | 6637897 | 332101 | 0.43 | bd | 230 | 0.4 | Laminated quartz vein in mafic |
| | | S301416 | 6637810 | 332215 | 20.50 | 0.3 | 10 | 0.3 | Bucky vein quartz, pyritic alteration |
| | | S301418 | 6637818 | 332497 | 0.34 | bd | bd | bd | Bucky vein quartz |
| | | S301419 | 6637819 | 332498 | 0.01 | bd | 10 | 0.5 | Laterite cap adjacent to shaft |

Appendix 2 – JORC Code, 2012 Edition, Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section applies to all succeeding sections)

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Sampling techniques | <ul style="list-style-type: none"> 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information. | <ul style="list-style-type: none"> Rocks were selectively sampled to ensure high-level representivity of various rock and alteration types observed at each site. Samples collected were first-pass reconnaissance samples to develop familiarity with each of the prospects studied. Many were collected from historic dumps and around old workings, so were not strictly <i>in situ</i>, but were clearly sourced from the historic workings. Sample type, style, condition, and size were recorded for all samples collected by ARL. All results of each field program have been reported. Industry standard practice was used in the processing of samples for assay, with 2m intervals of RC chips collected in green plastic bags. A definitive interpretation of the mineralisation awaits further drilling. |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <ul style="list-style-type: none"> Not applicable. |
| Drill sample recovery | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Not applicable. |
| Logging | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> Not applicable |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> 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 <i>in situ</i> material collected, including for instance results for field duplicate/second-half sampling. | <ul style="list-style-type: none"> Not applicable |

| Criteria | JORC Code explanation | Commentary |
|--|---|--|
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • Whether sample sizes are appropriate to the grain size of the material being sampled. • 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | <ul style="list-style-type: none"> • All Ardea samples were submitted to Kalgoorlie Bureau Veritas (BV) laboratories and transported to BV Perth, where they were pulverised. • The samples were sorted, wet weighed, dried then weighed again. Primary preparation has been by crushing and splitting the sample with a riffle splitter where necessary to obtain a sub-fraction which has then been pulverised in a vibrating pulveriser. All coarse residues have been retained. • The samples have been cast using a 66:34 flux with 4% lithium nitrate added to form a glass bead. Al, As, Ba, Ca, Cl, Co, Cr, Cu, Fe, Ga, K, Mg, Mn, Na, Ni, P, Pb, S, Sc, Si, Sr, Ti, V, Zn, Zr have been determined by X-Ray Fluorescence (XRF) Spectrometry on oven dry (105°C) sample unless otherwise stated. • A fused bead for Laser Ablation MS was created to define Ag_LA, Be_LA, Bi_LA, Cd_LA, Ce_LA, Co_LA, Cs_LA, Dy_LA, Er_LA, Eu_LA, Gd_LA, Ge_LA, Hf_LA, Ho_LA, In_LA, La_LA, Lu_LA, Mo_LA, Nb_LA, Nd_LA, Ni_LA, Pr_LA, Rb_LA, Re_LA, Sb_LA, Sc_LA, Se_LA, Sm_LA, Sn_LA, Ta_LA, Tb_LA, Te_LA, Th_LA, Tl_LA, Tm_LA, U_LA, V_LA, W_LA, Y_LA, Yb_LA, which have been determined by Laser Ablation Inductively Coupled Plasma Mass Spectrometry (LAICP-MS). • The samples have been analysed by Firing a 40 g (approx) portion of the sample. Lower sample weights may be employed for samples with very high sulphide and metal contents. This is the classical fire assay process and will give total separation of Gold, Platinum and Palladium in the sample. Au1, Pd, Pt have been determined by Inductively Coupled Plasma (ICP) Optical Emission Spectrometry. • Loss on Ignition results have been determined using a robotic TGA system. Furnaces in the system were set to 110 and 1000 degrees Celsius. LOI1000 have been determined by Robotic TGA. • Dry weight and wet weight have been determined gravimetrically. • BV routinely inserts analytical blanks, standards and duplicates into the client sample batches for laboratory QA/QC performance monitoring. • Ardea also inserted QA/QC samples into the sample stream at a 1 in 10 frequency, alternating between blanks (industrial sands) and standard reference materials. Additionally, a review was conducted for geochemical consistency between historically expected data, recent data, and geochemical values that would be expected in a nickel laterite profile. • All of the QA/QC data has been statistically assessed. There were rare but explainable inconsistencies in the returning results from standards submitted, and it has been determined that levels of accuracy and precision relating to the samples are acceptable. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • BV routinely inserts analytical blanks, standards and duplicates into the client sample batches for laboratory QA/QC performance monitoring. • Ardea also inserted QA/QC samples into the sample stream at a 1 in 20 frequency, alternating between duplicates splits, blanks (industrial sands) and standard reference materials. • All of the QA/QC data has been statistically assessed. Ardea has undertaken its own further in-house review of QA/QC results of the BV routine standards, 100% of which returned within acceptable QA/QC limits. This fact combined with the fact that the data is demonstrably consistent has meant that the results are considered to be acceptable and suitable for reporting. |
| Location of data points | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • All samples were located using a handheld GPS system. The coordinates are stored in the exploration database referenced to the MGA Zone 51 Datum GDA94. • The grid system for all models is GDA94. Where historic data or mine grid data has been used it has been transformed into GDA94 from its original source grid via the appropriate transformation. Both original and transformed data is stored in the digital database. |
| Data spacing and distribution | <ul style="list-style-type: none"> • 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. | <ul style="list-style-type: none"> • Not applicable |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Not applicable |

| Criteria | JORC Code explanation | Commentary |
|--------------------------|--|---|
| | <i>assessed and reported if material.</i> | |
| Sample security | <ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> | <ul style="list-style-type: none"> All samples were collected and accounted for by ARL employees/consultants during collection. All samples were bagged into calico bags and tied. Samples were transported to Kalgoorlie from logging site by ARL employees/ consultants and submitted directly to BV Kalgoorlie. The appropriate manifest of sample numbers and a sample submission form containing laboratory instructions were submitted to the laboratory. Any discrepancies between sample submissions and samples received were routinely followed up and accounted for. |
| Audits or reviews | <ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> | <ul style="list-style-type: none"> No audit or review beyond normal operating procedures has yet been undertaken on the Mulga Plum, Windanya, or Taurus datasets. ARL has periodically conducted internal reviews of sampling techniques relating to resultant exploration datasets, and larger scale reviews capturing the data from multiple drilling programs. Internal reviews of the exploration data included the following: <ul style="list-style-type: none"> Unsurveyed drill hole collars (less than 1% of collars). Drill Holes with overlapping intervals (0%). Drill Holes with no logging data (less than 2% of holes). Sample logging intervals beyond end of hole depths (0%). Samples with no assay data (from 0 to <5% for any given project, usually related to issues with sample recovery from difficult ground conditions, mechanical issues with drill rig, damage to sample in transport or sample preparation). <ul style="list-style-type: none"> Assay grade ranges. Collar coordinate ranges Valid hole orientation data. The BV Laboratory was visited by ARL staff in 2017, and the laboratory processes and procedures were reviewed at this time and determined to be robust. |

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 | <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> The tenements on which the rock chip sampling was undertaken are <ul style="list-style-type: none"> Mulga Plum: E40/350 and E40/357. Taurus: M25/151. Windanya: P24/5169. Heritage surveys have not been carried out at each site. |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> Each of the areas studied has undergone historic mining activities, presumably during the latest 1800s and early 1900s. A systematic review of historic exploration has not yet been undertaken at each of the prospects, however, disparate parties have undertaken limited, near-surface exploration activities over the past few decades. None have been explored to depth. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <ul style="list-style-type: none"> Work performed to date is preliminary. As such, the present geological understanding of each is not considered to be comprehensive. Orogenic style gold mineralisation appears in different manifestations at each prospect, with each represented by greenschist- to amphibolite-facies veining and alteration. Gold mineralisation appears, at first pass, to be present with the veins and with the alteration selvages at each prospect. The characteristics of each prospect adheres to generally accepted features of orogenic gold mineralisation of the Eastern Goldfields of Western Australia. |
| Drill hole information | <ul style="list-style-type: none"> 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"> 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 Competent Person should clearly explain why this is the case. | <ul style="list-style-type: none"> Not applicable |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. 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. | <ul style="list-style-type: none"> Not applicable |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> 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 (e.g. 'down hole length, true width not known'). | <ul style="list-style-type: none"> Not applicable |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being | <ul style="list-style-type: none"> Not applicable. |

| Criteria | JORC Code explanation | Commentary |
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| | <p><i>reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p> | |
| Balanced reporting | <ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> | <ul style="list-style-type: none"> • Not applicable to this report. All results are reported either in the text or in the associated appendices. Examples of high-grade mineralisation are labelled as such. |
| Other substantive exploration data | <ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> | <ul style="list-style-type: none"> • No other data are, at this stage, known to be either beneficial or deleterious to recovery of the metals reported. |
| Further work | <ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | <ul style="list-style-type: none"> • Further work is presently being assessed at each of the prospects discussed. Controls on mineralisation will need to be determined in conjunction with defining areal and down-dip extent at each prospect. drilling is required at Gale but has not yet been defined. |