



6 December 2021

## **MAIDEN INFERRED RESOURCE BLUE HEAVEN PROSPECT PRIMROSE GOLD PROJECT**

### **Highlights**

- **Total Inferred Mineral Resource of approximately 1.035 Mt @ 3.2g/t Au for 105,000oz Au (1.0g/t cut off) at the Blue Heaven Prospect**
- **Includes a higher-grade component of approximately 0.582 Mt @ 4.7g/t Au for 87,000oz Au (1.5g/t cut off)**
- **Primrose Gold Project comprises the Company's Blue Heaven and Pansy Pit Prospects. Inferred Mineral Resource based solely on Blue Heaven**
- **Significant potential upside exists via further drilling at the Pansy Pit Prospect**
- **Mineral Resource restricted to 100m depth below surface due to insufficient detailed drilling at depth of the nuggetty natured mineralization**
- **Preliminary desktop optimisation studies indicate strong potential for economic extraction of the majority of the mineral resource - approximately 784,000 tonnes at 3.6g/t Au for 92,000 ounces**
- **Company can now pursue the monetisation of the Blue Heaven Resource**
- **Further drilling required to further evaluate targets located down dip and along strike of untested historical workings (Exploration Target) and high-grade mineralisation down dip and plunge of the Mineral Resource below a depth of 100m below surface.**

**Reach Resources Limited** (ASX: RR1) ("**Reach**" or "**the Company**") is pleased to announce its Maiden Mineral Resource estimate reported in compliance with JORC (2012), for the Blue Heaven Prospect within the Primrose Gold Project, located approximately 420 km northeast of Perth, Western Australia ("**Project**").



## Resource Estimation

A Mineral Resource estimate has been developed at the Blue Heaven Prospect within the Company's Primrose Gold Project. The estimation was completed by Philip A. Jones as a Competent Person based on data provided by the Company.

A total Inferred Resource of approximately **1.035 Mt @ 3.2g/t Au for 105,000oz** has been estimated for the Blue Heaven Prospect, within the Company's Primrose Gold Project above a nominal 1.0g/t Au cut-off grade. Using a cut-off of 1.5g/t this Inferred Resource is approximately **0.582 Mt @ 4.7g/t Au for 87,000oz Au**.

Encouraging exploration upside remains at the Blue Heaven Prospect in the form of an Exploration Target estimated within a range of approximately **0.963 to 1.925 Mt @ 2.0 to 3.2 g/t Au**. *For any Exploration Target Estimate the potential quantity and grade is conceptual in nature as there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.* This Exploration Target estimate takes into consideration all the wireframed lodes below and along strike of historic shafts and stopes exposed at the surface but not intersected by drilling and not included in the Mineral Resource.

Additionally, the Inferred Mineral Resource and exploration target is isolated to drilling completed at the Company's Blue Heaven Prospect alone. Drilling at the Pansy Pit could potentially increase the Company's Resource, providing additional value to shareholders.

Reach Resources Chairman, Robert Downey said: *"We are delighted to provide the maiden gold resource to the market for the Blue Heaven Prospect, at our flagship Primrose Gold Project in Western Australia. Converting the Company's previously announced exploration target of approximately 170,000 to 520,000 tonnes @ a grade range of 2.2 to 4.5 g/t Au into an Inferred Mineral Resource of approximately 1.035 Mt @ 3.2g/t Au for 105,000oz is a fantastic result for all of our shareholders. This Resource allows the Company to push ahead and fast track the potential monetisation of Blue Heaven. Additionally, it provides confidence to commence additional drilling at the Company's Pansy Prospect, which lies South of the Blue Heaven Prospect, and together form the Company's Primrose Gold Project. It is certainly an exciting time for the Company and we look forward to 2022"*.

**Table 1 – Paynes Find November 2021 Mineral Resource Estimate**

Cut Off (Au g/t)	Tonnage (Kt)	Au (g/t)	Au (Koz)
5.0	62	24.1	48
4.0	86	18.6	52
3.0	164	11.4	60
2.0	340	6.8	74
1.5	582	4.7	87
1.0	1,035	3.2	105
0.5	1,755	2.2	123
0.0	2,347	1.7	127

NB- Differences in sum totals of tonnages and grades may occur due to rounding



Figure 1 – Paynes Find Project Location Plan

## Technical Summary

### Geology and Geological Interpretation

The Paynes Find district within which the Primrose Gold Project is located, is composed of a small greenstone and gneissic belt surrounded by granite traversed by many small pegmatites and porphyritic dykes, Figure 2.



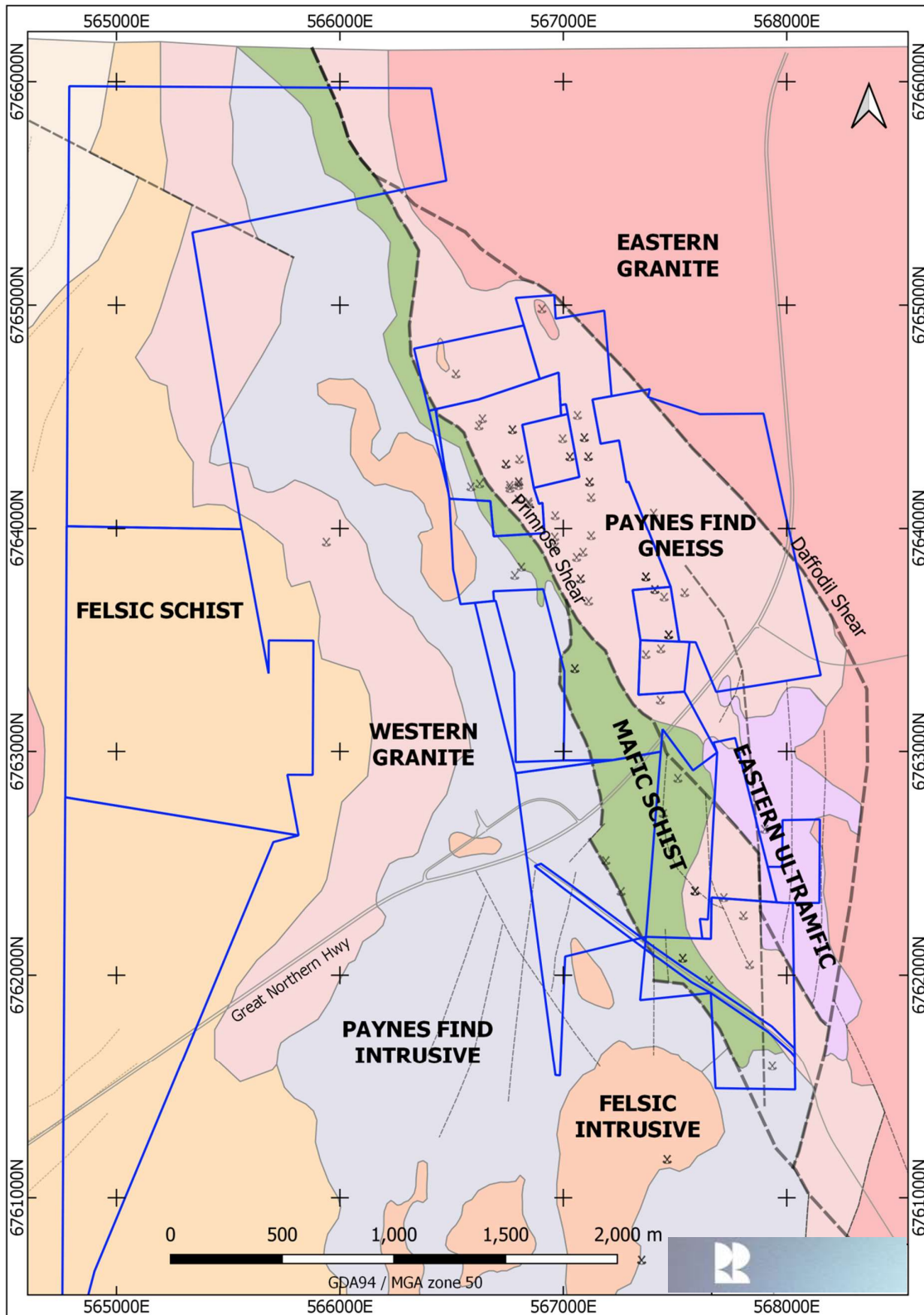


Figure 2 - Local geology.



The majority of the historic gold production came from quartz veins splayed off to the northeast from the main north-south striking Primrose Shear within a hornblende-biotite gneiss known as the Paynes Find Gneiss. The Daffodil Shear limits the gneiss to the east. To the west of this gneiss, separated by the Primrose Shear, are mafic rocks that recent drilling by Reach has shown to also carry gold mineralisation.

The hornblende-biotite-quartz gneiss hosting most gold bearing quartz lodes extends a distance of at least 3,000 m. The foliation is very regular and has a strike direction of 330° to 360° (along the principal axis of the unit) and a dip of 60° W to vertical.

The field is traversed by a large number of narrow pegmatites trending north-west. These also occur elsewhere in the greenstone belt but not as plentiful. Some of the pegmatites are wide and long and cut the gold bearing quartz veins.

Some of the gold bearing quartz veins strike for a considerable distance, with the Carnation-Bluebell vein being some 400 m long, while ranging from mere threads up to 3 m wide. The gold is formed in lenticular or elliptical masses of quartz down to depths of up to 100 m, dipping steeply to the west south-west and pitching south as elongated steeply plunging pipes. Quartz is the dominant gangue, with pyrite, some galena and sphalerite with rare siderite and chalcopyrite.

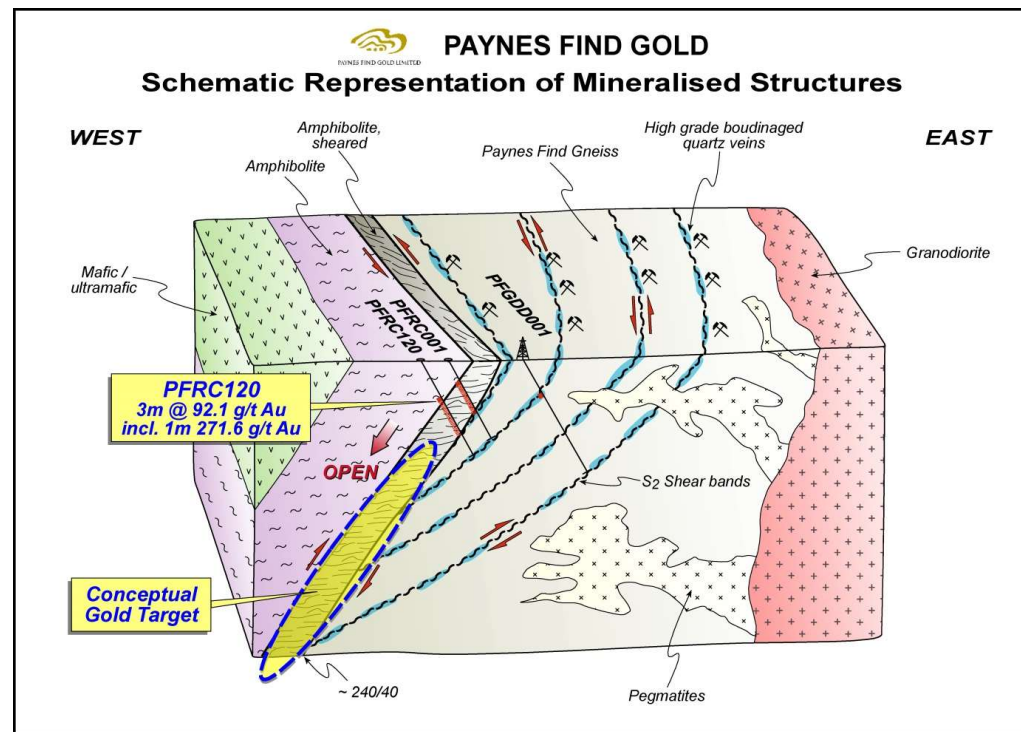


Figure 3 - Schematic representation of mineralised structures.

### Drilling Techniques

The area modelled was drilled by successive owners using a variety of methods including RAB, Aircore, Reverse Circulation (RC) and diamond drilling. Many of the underground workings were also surveyed and sampled by Falcon Australia Limited in 1987. All the drilling and mine sampling, along with mapped lode lines, were used to create the wireframes of the lodes, Figure 4, however since sampling of underground mine workings, Aircore and RAB drilling can be unreliable, only the RC and diamond drilling were used to model the grades, totalling 219 holes for 18,820.4 metres.



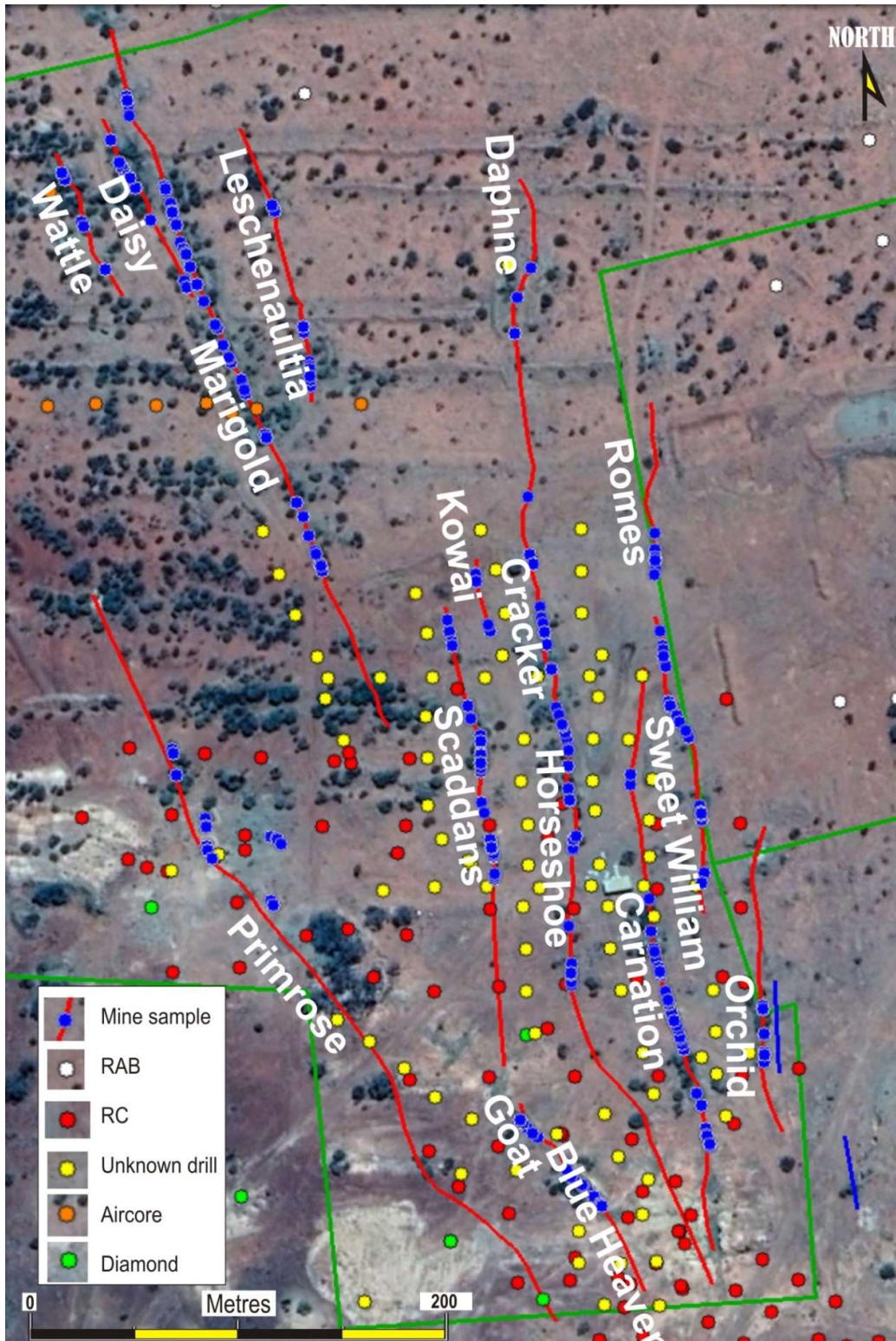


Figure 4: Mineralised Lodes (red lines) and drill collar locations



## **Sampling and Sub-sampling Techniques**

### **RC Sampling**

The historic RC drill cuttings were all sampled over 1 metre intervals and passed through the rig mounted sample riffle splitters to produce bagged samples, a large plastic bag for future reference and a smaller calico bag for analysis.

A second calico bag split was taken approximately one sample in every twenty for use as a duplicate sample. These duplicate samples along with the blank and standard samples were slotted into the routine sample sequence.

Reach in 2021 followed a similar sampling procedure to the previous drilling programs except that all the 1 m samples were collected as duplicates.

### **Core Sampling**

The diamond drill core was split with a diamond saw along the long axis over up to 1m intervals between geological boundaries marked by the field geologist.

Each sample was placed in a uniquely labelled calico bag before being dispatched to the laboratory for chemical analysis.

Duplicate, blank and standard samples were prepared to accompany the submission of core samples at the same ratio as for the RC samples.

### **Sample Analysis Method**

All historic RC and drill core samples were recorded as being sent to an independent laboratory, ALS in Perth, for chemical analysis.

Samples from the 2021 Reach drilling were sent to Intertek Genalysis in Perth for chemical analysis. All the Reach holes not twinning historic holes were originally sampled and assayed as 3m composites with the lab compositing the 1m samples collected at the rig after they were crushed and pulverised. Subsequently all the 3 m composites with assays >0.3 g/t Au were re-assayed as 1 m samples.

### **Estimation Methodology**

All drilling and underground sampling data was loaded into IMS 2020MineVision© software and after checked and corrected the lodes were wireframed. Where the interpretation seemed reasonable, the wireframes of the lodes were digitised to be linked up with the workings previously digitised from the high-resolution photogrammetry. Minor lode wireframes were digitised parallel to these main lodes where drill intersections did not link with workings. Drill intersections down to 0.3 g/t Au were used if there were no higher grades to link when wireframing lodes. The wireframed lodes extended to the limit of the line of workings or a maximum of 5 m if there are no limiting workings. All the lines of digitised workings were wireframed as lodes, even if not drilled.

Grades were assigned to the block model using only the drill grades inside each wireframe separately. The grades were interpolated into the model cells using an Inverse distance squared algorithm. For model parameters see Table .

The upper surface of the model is the Digital Elevation Model (DEM) derived from the photogrammetry survey by Arvista Pty Ltd in August 2020 over Blue Heaven.





**Table 2: Block model parameters.**

Parameter	North	East	RL
Maximum	6764870	567585	370
Minimum	6763370	566525	220
Cell dimension	5	1	2
Number	300	1060	76
Algorithm	Inverse distance squared		
Search Ellipse	50	20	50
Strike	0	degrees	
Dip	0	degrees	
Plunge	0	degrees	

The bulk density used for the resource modelling was 2.65 for the ore, slightly less than the calculated 75% quartz (based on average quartz vein width of 0.75 m from Falcon underground sampling) mix for gneiss hosted ore of 2.69 and slightly more than 75% quartz mix for fresh mafic hosted ore of 2.59 as measured by Intertek/Genalysis.

#### **Mineral Resource Classification Criteria**

Due to the highly nuggetty narrow ore at the Blue Heaven Prospect, drilling at a spacing considered “normal” at most other gold deposits for an Indicated Mineral Resource does not provide sufficient data for a resource model at Blue Heaven that could be considered to meet this resource classification. The Competent Person has classified the Mineral resource estimate at Paynes Find as Inferred according to the JORC Code (2012).

#### **Cut-off Grades**

The Mineral Resource estimate has been reported at a 1.0g/t Au cut-off which approximates the economic grade for open pit mining with toll treating while maintaining continuity of ore.

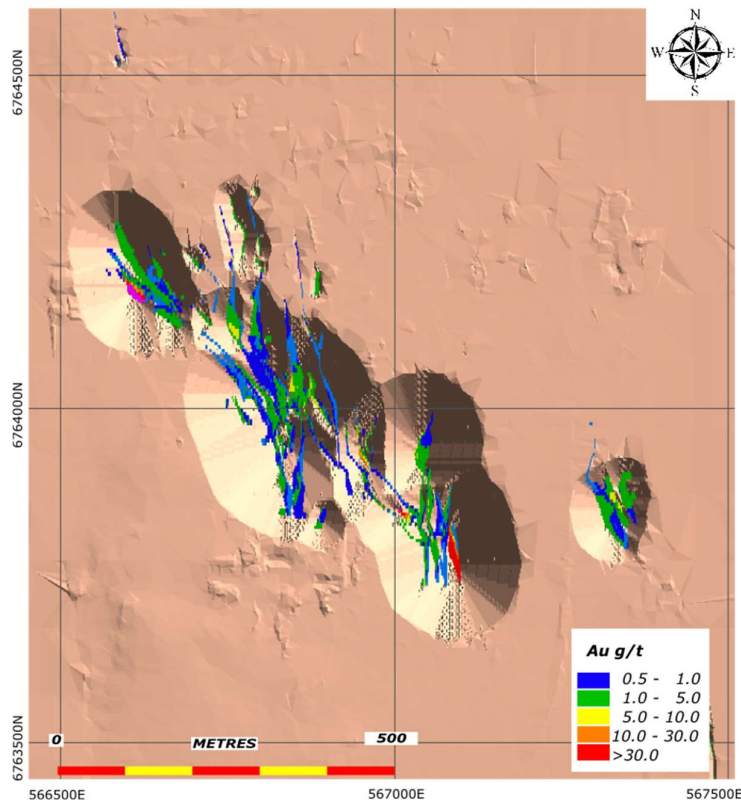
#### **Mining and Metallurgical Methods and Parameters**

A Lerch-Grossmann shell was generated over the block model using current reasonable costs and revenues, Table 3.

**Table 3: Lerch-Grossmann parameters.**

Parameter	Value
Value/gm	\$ 80.00
Recovery	92%
Cost/tonne Processing	\$ 22.00
Cost/tonne Admin	\$ 5.00
Cost/tonne Haulage	\$ 6.00
Cost/tonne Grade control	\$ 2.00
Cost/tonne mining ore	\$ 3.50
Cost/tonne mining waste	\$ 2.70
Pit wall slope - including road	45 degrees

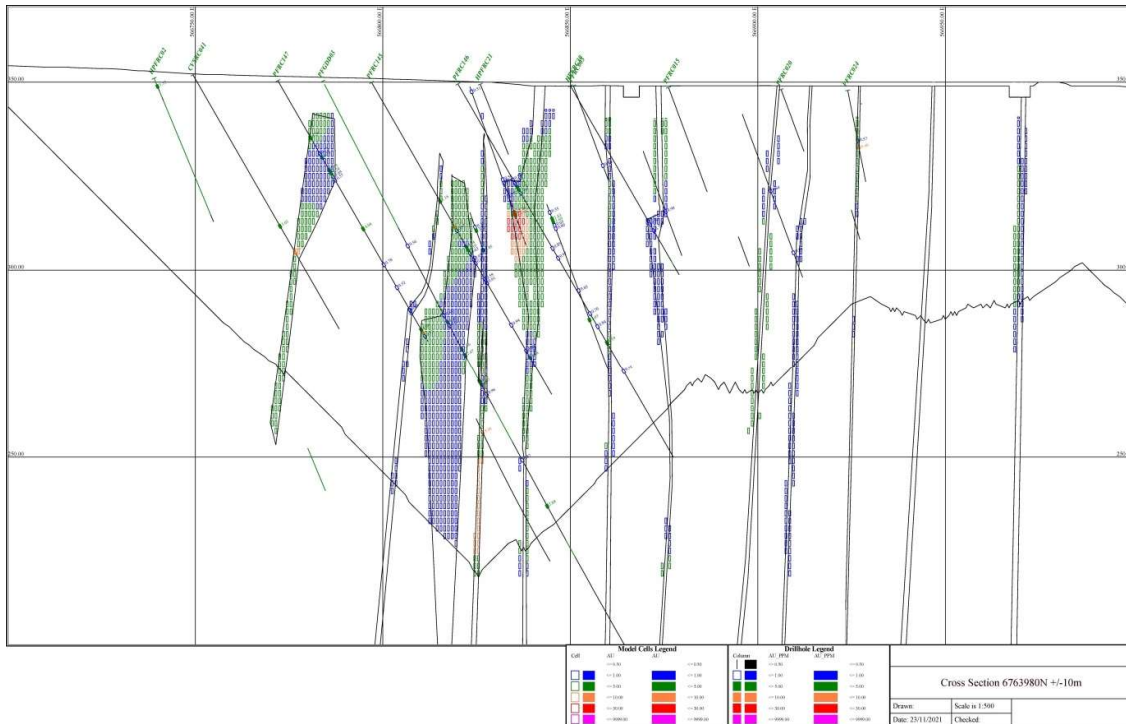




**Figure 5: Modelled lodes colour coded by Au grade within Lerch-Grossmann shells.**

The deeper shells below the Mineral Resource, as deep as 220 mRL, are driven by very high-grade model cells that are intersected by the wide spaced, deeper drilling. Although these very high grades are known to exist, as indicated by the reported historic mine production and the underground sampling and deeper drilling results, drill spacing at these levels and the nuggetty nature of the ore makes it extremely difficult to reliably model this mineralisation. Hence the Lerch-Grossmann shell is considered as indicating the general open pit mining potential rather than a fixed limit on the resource estimate. Further drilling in the vicinity of the high-grade drill intercepts, and below some of the lower intersections to explore for more high grade shoots, is required to confirm their geometry and grade.

It is estimated that, at a lower cut-off grade of 1.0 g/t Au, approximately 784,000 tonnes of mineralisation at 3.6 g/t Au (uncut) falls within the Lerch-Grossmann shells.



**Figure 6 - Typical cross section 6763980N through the conceptual pit showing colour coded model and drilling**

### Further Activities

It is recommended that small trial mining pits should be excavated in several high-grade areas to test whether the narrow gneiss and mafic hosted quartz veins can be selectively mined to achieve an ore that is of sufficient grade to warrant transporting to a nearby mill for toll treating and/or heap leaching on site. Further infill and drilling along strike and at depth is recommended to improve the reliability of future resource modelling and to increase the quantity of the resources.

*This announcement has been authorised by the Board of Reach Resources Limited.*

For and on behalf of the Board.

**Robert Downey**  
Chairman

-ENDS-





#### **About Reach Resources Limited**

*Reach Resources is an emerging gold explorer and aspiring gold miner. It has built up a portfolio of gold properties in a well-known and historically producing gold district with a strategy to apply novel exploration and development thinking. The company is committed to maximising shareholder value through the development of those opportunities.*

#### **Competent Person's Statement**

*The details contained in this report that pertain to exploration results are based upon information compiled by Mr Philip A. Jones, geological consultant. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Jones consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.*

#### **No New Information**

*Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.*

#### **Forward Looking Statement**

*This report contains forward looking statements concerning the projects owned by Reach Resources Limited. If applicable, statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.*



JORC Code, 2012 Edition, Table 1

Section 1 Sampling Techniques and Data – Historic Drilling

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<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. 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>A variety of sample types are described in this report including open hole and RC percussion drilling, diamond drilling and channel sampling of underground workings. Only the sampling that could be verified as being reliable by the author, i.e. RC and diamond drilling, were used in the resource modelling.</li><li>All the sampling was reported in the relevant historic reports as being reliably collected and assayed and meeting current industry standards.</li></ul>
<b>Drilling techniques</b>	<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>Drilling types include open hole and RC percussion drilling and diamond drilling.</li></ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"><li>Method of recording and assessing core and chip sample recoveries and results assessed.</li><li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li><li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li></ul>	<ul style="list-style-type: none"><li>All the drilling was carried out by earlier owners of the project and contemporary reports indicate that the sample recoveries were good.</li><li>Since the gold is found in quartz veins and some of the gold is coarse nuggets grades could be influenced by sample recoveries with potential for the loss of fines upgrading the sample.</li></ul>
<b>Logging</b>	<ul style="list-style-type: none"><li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li><li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li><li>The total length and percentage of the relevant intersections logged.</li></ul>	<ul style="list-style-type: none"><li>Contemporary reports indicate that the drilling was all logged by site geologists.</li><li>The logging was generally quantitative.</li><li>All the drill samples were logged.</li></ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"><li>If core, whether cut or sawn and whether quarter, half or all core taken.</li><li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li><li>For all sample types, the nature, quality and</li></ul>	<ul style="list-style-type: none"><li>All the percussion chips were sub-sampled using riffles.</li><li>The diamond drill core was split along the long core axis, between marks by site geologist, by diamond saw.</li><li>The sampling techniques and sample sizes</li></ul>





Criteria	JORC Code explanation	Commentary
	<p><i>appropriateness of the sample preparation technique.</i></p> <ul style="list-style-type: none"><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>	<p>are appropriate for the style of mineralisation and would provide representative samples.</p> <ul style="list-style-type: none"><li>• It is recommended that a study is carried out to determine if the presence of coarse gold has affected the assays</li></ul>
<b>Quality of assay data and laboratory tests</b>	<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>• A variety of labs, all independent and internationally accredited, were used to analyse the drilling samples.</li><li>• No geophysical tools were used to analyse samples.</li><li>• QAQC included the inclusion of an appropriate number of certified reference materials, field duplicates and blanks in the batches of samples submitted for analysis.</li><li>• Contemporary reports on the QAQC results indicate that there were no observed problems with sampling and assay precision and bias.</li></ul>
<b>Verification of sampling and assaying</b>	<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>• Since the drilling was completed several years ago there have been no samples collected by the author to independently verify any samples and assays.</li><li>• No twinned holes have been drilled by the current owner or at the request of the author to verify earlier drilling results.</li><li>• Since the drilling was completed several years ago there has been no checking of the digital data received by the author against original sources.</li></ul>
<b>Location of data points</b>	<ul style="list-style-type: none"><li>• <i>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.</i></li><li>• <i>Specification of the grid system used.</i></li><li>• <i>Quality and adequacy of topographic control.</i></li></ul>	<ul style="list-style-type: none"><li>• The drill hole collars were reported as being surveyed using a hand-held GPS by field staff and are considered to have +/- 5 m accuracy in the horizontal plane. The collar elevations were adjusted to match the DEM topography, demh1sv1 30m x 30m DEM grid, downloaded from the Geoscience Australia web site.</li><li>• All coordinates are in the GDA94 grid datum.</li><li>• The topography used is a DEM file, demh1sv1 30m x 30m DEM grid, downloaded from the Geoscience Australia web site. Since the project area is almost flat the topographic accuracy is sufficient for the modelling of an Inferred Resource.</li></ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"><li>• <i>Data spacing for reporting of Exploration Results.</i></li><li>• <i>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.</i></li><li>• <i>Whether sample compositing has been</i></li></ul>	<ul style="list-style-type: none"><li>• The drill hole spacing is irregular, based on two dominant orientations, but is sufficient, along with surface mapping of the lodes, for an Inferred resource estimate.</li><li>• No sample compositing was applied to the data.</li></ul>



Criteria	JORC Code explanation	Commentary
	<i>applied.</i>	
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"><li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li><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 strike and dip of the lodes varies but generally strikes about 20o west of north and dips approximately 70o to the west. The drilling also varies in dip and azimuth but most holes dip approximately 60o to the east roughly orthogonal to the lodes, therefore the drill intersections of the lodes is generally slightly longer than the true width of the lodes.</li><li>• The orientation of the drilling relative to the lodes has not introduced any sampling bias.</li></ul>
<b>Sample security</b>	<ul style="list-style-type: none"><li>• The measures taken to ensure sample security.</li></ul>	<ul style="list-style-type: none"><li>• All the samples were collected, stored and transported to the laboratories by trusted personnel.</li></ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"><li>• The results of any audits or reviews of sampling techniques and data.</li></ul>	<ul style="list-style-type: none"><li>• There have been no independent audits or reviews of the sampling techniques and data used in this report. The author has relied on contemporary reports on the QAQC practices and results by past owners.</li></ul>





## Section 1 Sampling Techniques and Data – Reach Resources Drilling

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<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. 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>• Reverse circulation (RC) drilling samples were collected through a rig-mounted cyclone with integrated splitter that collected over one metre intervals. One metre sample splits were collected and submitted for assay. Three metre compositing was done by the lab after crushing and pulverising.</li><li>• RC drill chips (from each metre interval) were examined visually and logged by the geologist. Any visual observation of alteration or of mineralisation was noted on the drill logs. The prospect is quartz related gold mineralisation; care was taken to log quartz content of the chips.</li><li>• Duplicate samples comprise approximately 4% of total samples taken (ie one duplicate submitted for every 25 samples).</li><li>• A company contract geologist supervised the drilling and sampling to ensure representativeness. Drilling was done by industry standard techniques.</li><li>• Duplicates, were submitted to ensure assaying reliability and accuracy. Laboratory standards and blanks were used to monitor lab contamination and accuracy.</li><li>• Hole locations were surveyed by hand held GPS and subsequently by DGPS to better than 1cm accuracy.</li><li>• Downhole surveys were undertaken using a gyroscope.</li></ul>
<b>Drilling techniques</b>	<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>• Drilling was by Reverse Circulation (RC) with NQ sized bit and rods.</li></ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"><li>• Method of recording and assessing core and chip sample recoveries and results assessed.</li><li>• Measures taken to maximise sample recovery and ensure representative nature of the samples.</li><li>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li></ul>	<ul style="list-style-type: none"><li>• RC sample recovery and sample quality was recorded via visual estimation of sample volume and condition of the drill spoils.</li><li>• RC sample recovery was deemed as good with no loss of circulation reported.</li><li>• RC sample recovery was not problematic as almost all the samples were dry.</li><li>• Since the gold is found in quartz veins and some of the gold is coarse nuggets, grades could be influenced by sample recoveries with potential for the loss of fines upgrading the sample.</li><li>• The sample grades are expected to be representative given the generally excellent and consistently high sample recovery.</li></ul>
<b>Logging</b>	<ul style="list-style-type: none"><li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li><li>• Whether logging is qualitative or quantitative</li></ul>	<ul style="list-style-type: none"><li>• RC chips were geologically logged at one metre intervals into a digital database that was kept with sample numbers.</li><li>• Logging is qualitative.</li><li>• All the drill samples were logged.</li></ul>



Criteria	JORC Code explanation	Commentary
	<p><i>in nature. Core (or costean, channel, etc) photography.</i></p> <ul style="list-style-type: none"><li>• <i>The total length and percentage of the relevant intersections logged.</i></li></ul>	
<b>Sub-sampling techniques and sample preparation</b>	<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>• All the percussion chips were sub-sampled on the drill rig using cyclone splitters over 1 m intervals.</li><li>• The lab composited the 1 m samples into 3 m composites after crushing and pulverising.</li><li>• The sampling techniques and sample sizes are appropriate for the style of mineralisation and would provide representative samples.</li></ul>
<b>Quality of assay data and laboratory tests</b>	<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>• The lab used to analyse the drilling samples, Intertek Genalysis, is independent and internationally accredited.</li><li>• Fire assay is a total digest technique and is considered appropriate for gold.</li><li>• No geophysical tools were used to analyse samples.</li><li>• QAQC included the inclusion of an appropriate number of certified reference materials, field duplicates and blanks in the batches of samples submitted for analysis.</li><li>• There were no observed problems with sampling and assay precision and bias.</li></ul>
<b>Verification of sampling and assaying</b>	<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>• Analysis was by fire assay using Intertek's FA50/OE procedure: samples were pulverised to minus 75 µm before a split of 50g was taken and analysed using standard Fire Assay procedures. Assay accuracy is 0.005g/t gold.</li><li>• Samples with high assay values were repeated at the discretion of the lab.</li><li>• The method is an accepted industry analytical process appropriate for the nature and style of mineralisation under investigation.</li><li>• Eight RC holes are twinned on historic holes.</li><li>• No adjustments were made to assay data.</li></ul>
<b>Location of data points</b>	<ul style="list-style-type: none"><li>• <i>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.</i></li><li>• <i>Specification of the grid system used.</i></li><li>• <i>Quality and adequacy of topographic control.</i></li></ul>	<ul style="list-style-type: none"><li>• Drill sites have been located in 3D using a DGPS unit with an accuracy of +/-0.01m.</li><li>• The drilling co-ordinates are all in GDA94 MGA Zone 50 datum.</li><li>• Azimuth was set prior to drilling by hand held compass.</li><li>• Drill hole inclination is set by the driller using a clinometer on the drill mast and checked by the geologist prior to commencement of drilling.</li></ul>





Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"><li>Hole trajectory was measured by a gyroscopic downhole unit recording every 10cm downhole.</li></ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"><li><i>Data spacing for reporting of Exploration Results.</i></li><li><i>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.</i></li><li><i>Whether sample compositing has been applied.</i></li></ul>	<ul style="list-style-type: none"><li>The RR1 RC holes were not placed on a grid.</li><li>The drill hole spacing is irregular, based on two dominant orientations, but is sufficient, along with surface mapping of the lodes, for an Inferred resource estimate.</li><li>No sample compositing was applied to the data.</li></ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"><li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li><li><i>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.</i></li></ul>	<ul style="list-style-type: none"><li>The strike and dip of the lodes varies but generally strikes about 20o west of north and dips approximately 70o to the west. The drilling also varies in dip and azimuth but most holes dip approximately 60o to the east roughly orthogonal to the lodes, therefore the drill intersections of the lodes is generally slightly longer than the true width of the lodes.</li><li>The orientation of the drilling relative to the lodes has not introduced any sampling bias.</li></ul>
<b>Sample security</b>	<ul style="list-style-type: none"><li><i>The measures taken to ensure sample security.</i></li></ul>	<ul style="list-style-type: none"><li>All the samples were collected, stored and transported to the laboratories by trusted personnel.</li></ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"><li><i>The results of any audits or reviews of sampling techniques and data.</i></li></ul>	<ul style="list-style-type: none"><li>Standards, blanks, repeats, and check assays are undertaken to ensure data robustness.</li><li>There have been no independent audits or reviews of the sampling techniques and data used in this report. The author has relied on contemporary reports on the QAQC practices and results by past owners.</li></ul>



## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"><li>• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li><li>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li></ul>	<ul style="list-style-type: none"><li>• The Paynes Find tenement holdings comprise seven Mining Leases (MLs) and eleven Prospecting Licences (PLs) with an aggregate area of 784.96 hectares.</li><li>• All the tenements are held 100% by Cervantes Gold Pty Ltd.</li><li>• All tenements and leases are currently in good standing with DMP with no known impediments to further exploration or development</li></ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"><li>• Acknowledgment and appraisal of exploration by other parties.</li></ul>	<ul style="list-style-type: none"><li>• The work carried out by earlier workers has been acknowledged in the main report and in the list of references.</li></ul>
<b>Geology</b>	<ul style="list-style-type: none"><li>• Deposit type, geological setting and style of mineralisation.</li></ul>	<ul style="list-style-type: none"><li>• The majority of the gold mineralisation is hosted by a number of structurally controlled quartz veins within granite gneiss. Some of the gold occurs in quartz veins along and near the contact between the granite gneiss and mafic amphibolites.</li><li>• The gold ore occurs as south plunging shoots within the quartz lodes which tend to steepen towards the shear. The Primrose Shear marks the contact of the Paynes Find Gneiss to its east with ultramafics, predominantly amphibolites, to the west. The role of small felsic intrusives is speculated to have remobilised primary gold mineralisation within the shear into, or causing, the quartz lode system.</li></ul>
<b>Drill hole information</b>	<ul style="list-style-type: none"><li>• A summary of all information material to the under-standing 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>	<ul style="list-style-type: none"><li>• The location and significant assay results are clearly shown in maps included in the body of the report.</li></ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"><li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li><li>• Where aggregate intercepts incorporate short</li></ul>	<ul style="list-style-type: none"><li>• All composited assays are length weighted.</li><li>• An assay cut of 17.5 g/t Au was used to determine the effect of the high grade nuggetty ore.</li></ul>



Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p> <ul style="list-style-type: none"><li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li></ul>	<ul style="list-style-type: none"><li>• No metal equivalents were calculated</li></ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"><li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li><li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li><li>• <i>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').</i></li></ul>	<ul style="list-style-type: none"><li>• The strike and dip of the lodes varies but generally strikes about 20o west of north and dips approximately 70o to the west. The drilling also varies in dip and azimuth but most holes dip approximately 60o to the east roughly orthogonal to the lodes, therefore the drill intersections of the lodes is generally slightly longer than the true width of the lodes.</li></ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"><li>• <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></li></ul>	<ul style="list-style-type: none"><li>• All the relevant exploration data known to the author has been included in the report.</li></ul>
<b>Further work</b>	<ul style="list-style-type: none"><li>• <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></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>• Limited trial mining along with further in-fill and drilling along strike and at depth is recommended to improve the reliability of future resource modelling and to increase the quantity of the resources.</li></ul>





### Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
<b>Database integrity</b>	<ul style="list-style-type: none"><li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li><li>Data validation procedures used.</li></ul>	<ul style="list-style-type: none"><li>The drill hole data was loaded into 2020MineVision software and overlapping and negative intervals were rejected. Once all the intervals were successfully loaded the plots were checked visually for errors and mis-plots.</li></ul>
<b>Site visits</b>	<ul style="list-style-type: none"><li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li><li>If no site visits have been undertaken indicate why this is the case.</li></ul>	<ul style="list-style-type: none"><li>Phil Jones, has made several site visits including supervising the RR1 2021 RC drilling program.</li></ul>
<b>Geological interpretation</b>	<ul style="list-style-type: none"><li>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</li><li>Nature of the data used and of any assumptions made.</li><li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li><li>The use of geology in guiding and controlling Mineral Resource estimation.</li><li>The factors affecting continuity both of grade and geology.</li></ul>	<ul style="list-style-type: none"><li>The overall interpretation of the deposit is well understood, i.e. structurally controlled quartz veins, however because of the large number of veins it is difficult at times to reliably correlate drill intercepts between drill holes.</li><li>The geological interpretation relied on surface mapping of the main lodes and drill hole assays and logs. This data is considered to be sufficiently reliable for an Inferred Resource estimate.</li><li>Although the correlations of some veins/lodes are not definitive, it is not considered that any other plausible alternative interpretation would affect the resource estimate significantly.</li><li>The continuity and grade of the mineralisation is controlled by the regional shearing and local faults.</li></ul>
<b>Dimensions</b>	<ul style="list-style-type: none"><li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li></ul>	<ul style="list-style-type: none"><li>The Mineral Resource includes a number of veins within an area of 600 m x 300 m.</li></ul>
<b>Estimation and modelling techniques</b>	<ul style="list-style-type: none"><li>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</li><li>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li><li>The assumptions made regarding recovery of by-products.</li><li>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li><li>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li><li>Any assumptions behind modelling of</li></ul>	<ul style="list-style-type: none"><li>The resource was modelled using 2020MineVision© software using an Inverse distance squared algorithm individually within wireframed veins.</li><li>The colour coded model was visually checked against the drilling to confirm that the model matched the drilling data.</li><li>Wireframes were produced of the individual lodes using the drill hole intersection grades of each of the lodes based on the surface and underground geology mapping. Some additional lodes were interpreted between the mapped lode lines. The lower grade limit of the drill intersections varied but were generally 0.5 g/t Au, however some internal waste intervals and lode intercepts were less than 0.5 g/t Au to maintain lode continuity. A minimum 1 m intersection in the drill holes was used for the wireframed lodes.</li><li>No by-products or deleterious elements etc were considered in the resource modelling.</li><li>The dimensions of the resource model blocks, i.e. 1m EW x 5m NS x 2m V, is</li></ul>



Criteria	JORC Code explanation	Commentary
	<i>selective mining units.</i> <ul style="list-style-type: none"><li>Any assumptions about correlation between variables.</li><li>Description of how the geological interpretation was used to control the resource estimates.</li><li>Discussion of basis for using or not using grade cutting or capping.</li><li>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li></ul>	<p>considered appropriate for the style of mineralisation modelled.</p> <ul style="list-style-type: none"><li>No selective mining units were assumed.</li><li>The model is confined by wireframes that were based on drill hole assays and lodes mapped on the surface and in underground workings.</li><li>It was not considered necessary to apply an upper grade cap to the grades for an Inferred resource model with the main purpose of determining targets for further drilling and the overall feasibility of mining by open cut.</li><li>The colour coded model was visually checked against the drilling to confirm that the model matched the drilling data.</li></ul>
<b>Moisture</b>	<ul style="list-style-type: none"><li>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li></ul>	<ul style="list-style-type: none"><li>All grades and bulk densities are measured on a dry basis.</li></ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"><li>The basis of the adopted cut-off grade(s) or quality parameters applied.</li></ul>	<ul style="list-style-type: none"><li>The resource is reported at a 1.0g/t Au lower cut-off which approximates the economic grade for open pit mining with toll treating while maintaining continuity of ore.</li></ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"><li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li></ul>	<ul style="list-style-type: none"><li>It has been assumed that the resource is mineable using open cut mining methods with selective mining of the lodes to minimise mining dilution.</li></ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"><li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li></ul>	<ul style="list-style-type: none"><li>No metallurgical tests have been carried out on representative ore samples. It can be reasonably assumed that the metallurgy will be similar to other deposits in the region. There are no known metallurgical problems.</li></ul>
<b>Environmental factors or assumptions</b>	<ul style="list-style-type: none"><li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well</li></ul>	<ul style="list-style-type: none"><li>Environmental factors were not considered although the site has been extensively disrupted by prospectors and small scale mining of underground and surficial alluvials.</li><li>Before mining can commence an environmental impact study will be required and approved by the WA Mines Dept.</li></ul>



Criteria	JORC Code explanation	Commentary
	<i>advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	
<b>Bulk density</b>	<ul style="list-style-type: none"><li>• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li><li>• The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li><li>• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li></ul>	<ul style="list-style-type: none"><li>• The bulk density used for the resource modelling was 2.65 for the ore, slightly less than the calculated 75% quartz (based on average quartz vein width of 0.75 m from Falcon underground sampling) mix for gneiss hosted ore of 2.69 and slightly more than 75% quartz mix for fresh mafic hosted ore of 2.59 as measured on 12 core samples by Intertek/Genalysis.</li></ul>
<b>Classification</b>	<ul style="list-style-type: none"><li>• The basis for the classification of the Mineral Resources into varying confidence categories.</li><li>• Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li><li>• Whether the result appropriately reflects the Competent Person's view of the deposit.</li></ul>	<ul style="list-style-type: none"><li>• After considering the spacing of the drilling, reliability of the sampling, the nuggetty ore and confidence in the geological interpretation the resource has been classified as Inferred. The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by drilling and observations in outcrop, which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades.</li><li>• The Mineral Resource estimate appropriately reflects the view of the Competent Person.</li></ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"><li>• The results of any audits or reviews of Mineral Resource estimates.</li></ul>	<ul style="list-style-type: none"><li>• There have been no independent reviews of the reported Mineral Resource estimate.</li></ul>
<b>Discussion of relative accuracy/ confidence</b>	<ul style="list-style-type: none"><li>• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li><li>• The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li><li>• These statements of relative accuracy and confidence of the estimate should be</li></ul>	<ul style="list-style-type: none"><li>• The density of drill data and quality of mapping is good for an Inferred resource model. Limited trial mining along with further in-fill drilling meeting current JORC standards and bulk density tests are recommended before an Indicated Mineral Resource can be modelled.</li><li>• The resource model, being Inferred, is a global estimate.</li><li>• There is no reliable production data available to reconcile with the resource model.</li></ul>





Criteria	JORC Code explanation	Commentary
	<i>compared with production data, where available.</i>	