

ASX Release

6 November 2018

Buxton Acquires Large Land Holding Adjacent to Merlin, Double Magic

- Buxton to acquire New World Cobalt's West Kimberley Project
- Highly prospective host rocks known to continue in newly acquired land holding
- Approximately 552 square kilometres contiguous to Merlin
- Buxton now holds the majority of the Ruins dolerite trend within West Kimberley belt
- Drilling at Merlin temporarily halted awaiting receipt of assays and downhole EM surveys

Buxton Resources Limited (ASX:BUX; "Buxton") advises that it has entered into an agreement with New World Cobalt Limited (ASX: NWC; "New World") to acquire its West Kimberley Project ("the WK Project"), which comprises New World's interest in three tenements adjacent and contiguous to Buxton's Merlin prospect.

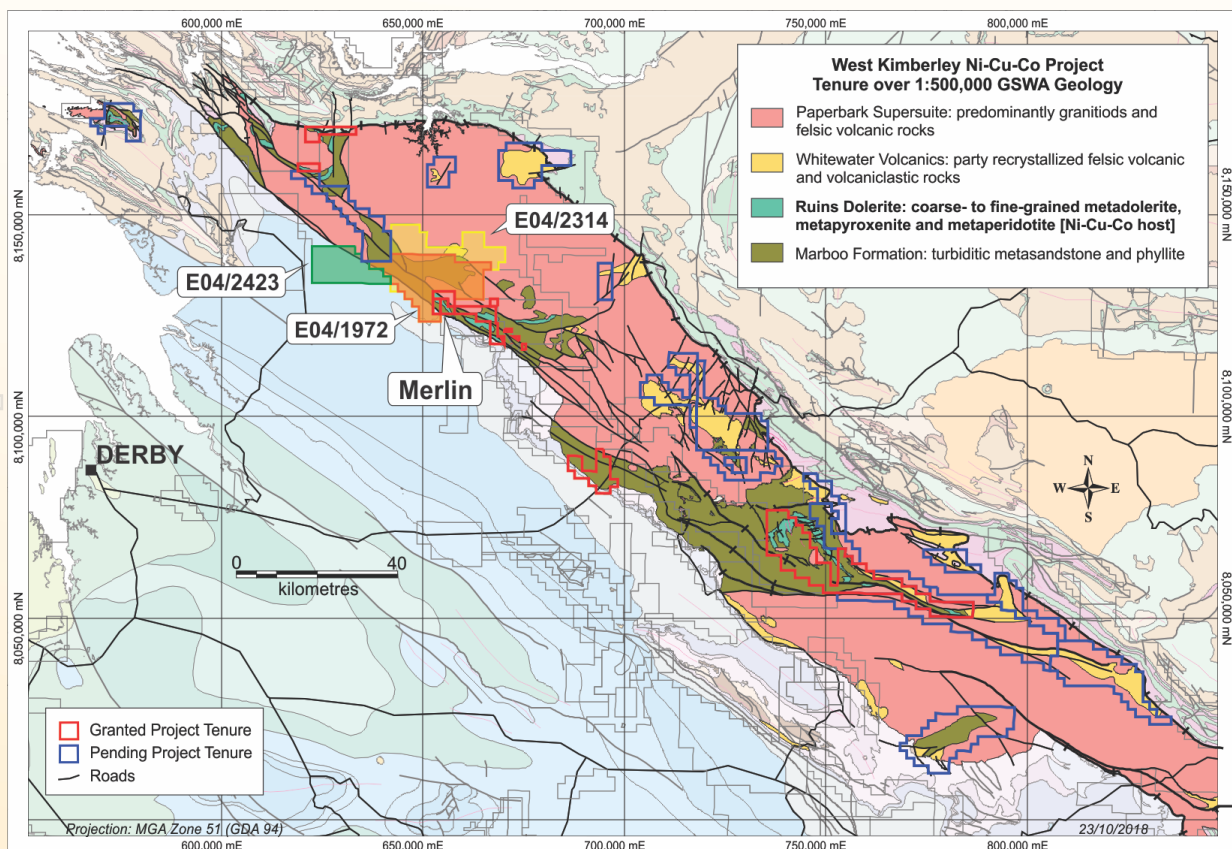


Figure 1. Buxton's West Kimberley Ni-Cu-Co Project granted and pending tenements over interpreted bedrock geology (GSWA 1:500,000) highlighting the Merlin Prospect location and the Exploration Licences New World holds interests in (E04/2423, E04/1972 & E04/2314).

Notably, New World's WK Project includes the north-western continuation of the geological sequence that hosts Buxton's Merlin (Double Magic) Prospect, so it is considered highly prospective for additional Ni-Cu-Co sulphide mineralisation within the Ruins Dolerite (Figure 1).

Key acquisition terms are:

1. Buxton to acquire the WK Project which comprises New World's:
 - 100% interest in E04/2423; and
 - right to acquire an 80% interest in E04/1972 and E04/2314.
2. Consideration payable to New World comprises:
 - the issue of 1,333,333 fully paid ordinary shares in the capital of the Buxton ("Shares") on completion;
 - within 5 days of Buxton announcing it has intersected in drilling on the WK Project, on a grade-thickness basis, $\geq 20\%$ Ni equivalent, providing the grade of the mineralisation intersected is $\geq 1.5\%$ Ni equivalent (e.g. $\geq 10\text{m}$ @ 2.0% Ni, or $\geq 13.33\text{m}$ @ 1.5% Ni), the issue of an additional number of Shares equal to \$250,000;
 - within 5 days of Buxton announcing that it has a JORC compliant resource (inferred, indicated and/or measured; of any size and/or grade; for any commodity) within the WK Project, the issue of an additional number of Shares equal to \$250,000; and
 - within 5 days of Buxton announcing that it has a JORC compliant resource that exceeds 15,000 tonnes of contained nickel equivalent within the WK Project, the issue of additional Shares equal to AUD\$500,000.

In each case the number of Shares to be issued to New World will be based on the 10-day VWAP prior to the date on which each relevant milestone is met.

3. Completion is subject to receipt of requisite consent from the owner of E04/1972 and E04/2314.

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