

STRONG INITIAL METALLURGICAL RESULTS BOOST ROTHSAY GOLD PROJECT AS DFS ADVANCES

Preliminary test work results demonstrate more upside at the Rothsay Gold Project

HIGHLIGHTS

- > **Core samples from 27 diamond drill-holes submitted for comprehensive metallurgical test work have delivered the following preliminary results:**
 - **Southern Zone: 96.4% Au recovery**
 - **Central Zone: 95.5% Au recovery**
 - **Northern Zone: 96.2% Au recovery**
 - **Upper Zone: 94.6% Au recovery**

This is above the metallurgical recovery assumed in the PFS announced on 16 May 2017
- > **The results of the most comprehensive metallurgical testing program undertaken at the Rothsay Project in the last 25 years have demonstrated outstanding gold recoveries.**
- > **The Rothsay Definitive Feasibility Study is also progressing well and remains on track for completion in the second half of this calendar year.**

Egan Street Resources Limited (ASX: EGA) (EganStreet or the Company) is pleased to announce that it has received preliminary results from the comprehensive metallurgical test work programme which was undertaken on representative diamond drill core from its 100%-owned **Rothsay Gold Project** in Western Australia.

27 diamond drill hole core samples comprising a total of 109kg of core and representing four zones within the "A" Shear Mineral Resource inventory have been metallurgically tested. The four zones were established geographically to ensure that the results would provide an accurate representation of the metallurgical performance of the production target outlined in the recently announced Pre-Feasibility Study (PFS).

The results are summarised below:

TABLE 1 – METALLURGICAL TEST RESULTS

Sample	Gold Recovery (%)	Head Grade (g/t Au)	Head Grade (ppm Cu)
Upper Zone	94.6	10.83	3,150
Southern Zone	96.4	11.16	156
Central Zone	95.5	14.04	492
Northern Zone	96.2	8.79	828
Overall Composite	96.4	10.40	438

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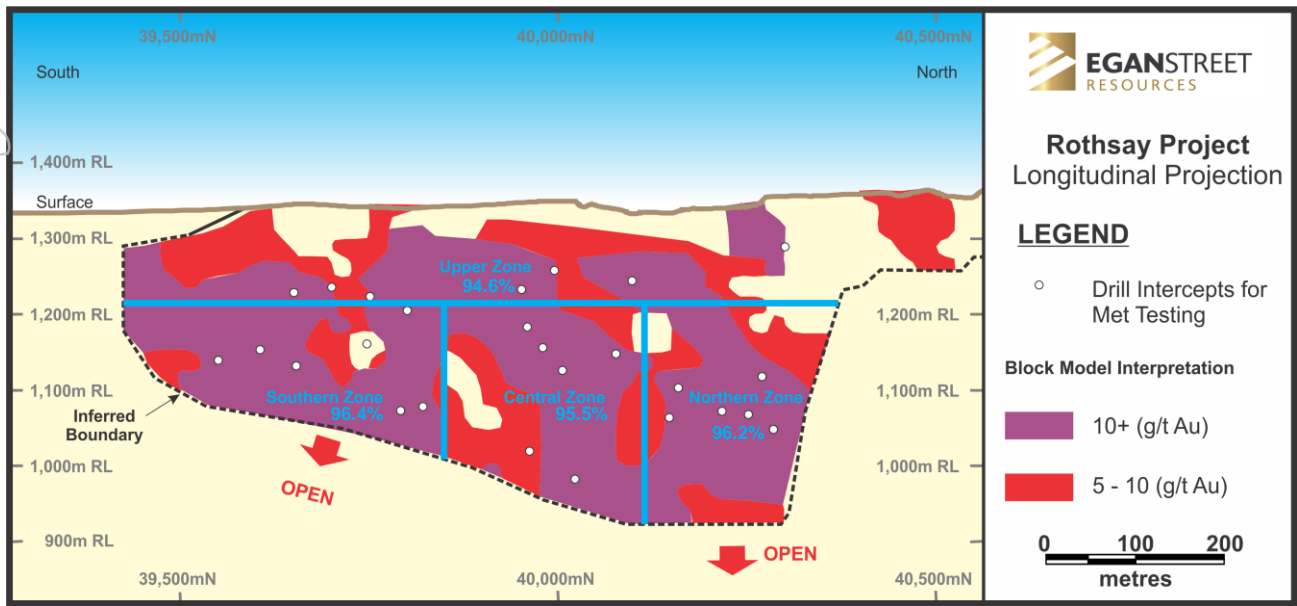


FIGURE 1 – LONG PROJECTION SHOWING PIERCE POINTS USED FOR METALLURGICAL TESTING AND PRELIMINARY RESULTS

EganStreet's Managing Director Marc Ducler said the results further reinforced the robust nature of the assumptions used to underpin the technical studies completed on the Rothsay Project to date and provided provide further confidence in the ability to deliver an even better result from the Definitive Feasibility Study due later this year.

"The results of the metallurgical test work programme mark another significant step towards further de-risking the Rothsay Project. Any myths about perceived metallurgical issues will be well and truly dispelled by the outstanding results delivered by what is the most comprehensive metallurgical test work programme undertaken at Rothsay for over 25 years," he said.

"The Upper Zone results of 94.6% so closely match the historical recoveries from Metana Minerals of 94.7% that it really does give us a significant amount of confidence that the Rothsay Project can exceed many of the key metrics outlined in our recently completed Pre-Feasibility Study,

"The results from beneath the old workings are even better – averaging 96% and – importantly, this makes up the majority of the production target and will potentially add even more free cash-flow to the project once we deliver the DFS."

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ABOUT EGANSTREET RESOURCES

EganStreet is an emerging West Australian gold company which is focused on the exploration and development of the 100%-owned Rothsay Gold Project, located 300km north-east of Perth in WA's Midwest region.

The Rothsay Project currently hosts high-grade Mineral Resources of 262koz at an average grade of 11.6 g/t Au (Indicated 399kt @ 11.9g/t Au and Inferred 303kt @ 11.3g/t Au) and a production target (Pre-Feasibility Study published 16 May 2017) of 936kt @ 7.0 g/t for 200koz of gold produced.

The Company is focused on increasing the geological confidence of the Mineral Resource, expanding the known mineralisation and carrying out the necessary evaluation, modelling and feasibility studies to progress a potential near-term, low capital intensity opportunity to commence mine development and gold production operations.

A Definitive Feasibility Study is targeted for completion towards the end of the 3rd quarter of 2017.

EganStreet has a strong Board and Management team which has the necessary range of technical and commercial skills to progress the Rothsay Gold Project to production.

The Company is funded to progress the Rothsay Gold Project to a decision to mine (technical and commercial studies completed, funding secured and key construction, mining and processing contracts in place).

EganStreet's longer term growth aspirations are based on a strategy of utilising the cash-flow generated by an initial mining operation at Rothsay to target extensions of the main deposit and explore the surrounding tenements, which include a 14km strike length of highly prospective and virtually unexplored stratigraphy.

Competent Person's Statement

The information in this release that relates to metallurgy and metallurgical test work has been reviewed by Mr D. Noble, MAusIMM, B. Met Eng.. Mr Noble is an employee of CPC Project Design Pty Ltd. Mr Noble is a Member of the Australasian Institute of Mining and Metallurgy, he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Noble consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this announcement that relates to the Rothsay Mineral Resource is extracted from the announcement titled "27% Increase in High-Grade Indicated Resource at Rothsay" lodged on 14 March 2017 which is available to view at www.eganstreetresources.com.au / www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Production Targets and Financial Information

Information in relation to the Rothsay Pre-Feasibility Study, including production targets and financial information, included in this report is extracted from an ASX Announcement dated 16 May 2017 (see ASX Announcement – 16 May 2017, "Rothsay PFS Confirms Potential New High-Grade Gold Project", www.eganstreetresources.com.au and www.asx.com.au). The Company confirms that all material assumptions underpinning the production target and financial information set out in the announcement released on 16 May 2017 continue to apply and have not materially changed.