

# HITS OF UP TO 110g/t Au TO UNDERPIN A RESOURCE UPDATE IN EARLY 2018 AT THE ROTHSAY GOLD PROJECT IN WA

**Strong, regular news flow over the next quarter with more assays imminent, diamond drilling to test the highly prospective Clyde and Miners Shears underway and RC drilling to continue in the new year**

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## HIGHLIGHTS

- > Latest drilling at Rothsay returns outstanding high-grade results; These will form part of the next increase in the JORC Resource, which currently stands at 307,000oz at 10.9g/t Au
- > The results, which come from the first five holes of the current diamond drilling programme targeting the most southern portions of the Woodley's and Woodley's East Shear Resource, include:
  - 0.42m at 110g/t Au in hole RYDD041 from 418.7m down-hole on the Woodley's Shear, demonstrating that the Resource remains open to the south;
  - 1.97m at 20.4g/t Au in hole RYDD038 from 247.5m down-hole – a quartz-rich shear vein within the Woodley's East Shear;
  - 0.40m at 12.2g/t Au in hole RYDD039 from 239.7m down-hole – a quartz-rich shear vein within the Woodley's East Shear;
  - 0.55m at 96.97g/t Au in hole RYDD041 from 328.7m down-hole – a quartz shear vein within the Woodley's East Hanging wall mafics.
- > This diamond drilling programme is continuing, with further assays expected over coming weeks
- > An RC drilling programme targeting shallow positions of the Woodley's and Woodley's East Shear Resource is now well-advanced, with 21 holes completed; The completed and remaining planned holes have the potential to infill and extend regions of existing Resource on Woodley's East and extend Resources within the boundaries of the existing interpretation of Woodley's.
- > Diamond drilling to test the Clyde and Clyde East Shears targets has commenced

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Egan Street Resources (ASX: EGA) is pleased to announce extremely high-grade drilling results which continue to demonstrate the outstanding potential to grow Resources at its 100 per cent-owned Rothsay Gold Project located 300km north-east of Perth in WA.

RC drilling targeting the shallower mineralised positions, particularly of the Woodley's East Shear, including extensions to the north of the existing 307,000-ounce high-grade gold Resource, is ongoing. Logging to date is encouraging, showing the presence of quartz.

Diamond drilling targeting extensions of the Woodley's Shear, the structure which hosts the current Mineral Resource at Rothsay, has also intersected the lode position, with an intersection that confirms the continuation of mineralisation down-plunge to the south. Results are still awaited on one diamond hole in the south. The remaining holes are testing down plunge mineralisation and infilling areas of inferred material for targeted conversion to indicated classification.

Egan Street Managing Director Marc Ducler said the Company was on track for another Resource update at Rothsay as it progresses towards finalisation of the Definitive Feasibility Study.

*"These results, along with those from drilling now underway and the new programmes planned for early next year, will underpin our next Resource estimate," Mr Ducler said.*

*"We have more assays pending and samples from drilling now underway are going into the laboratory.*

*"In addition, first pass diamond drilling to test the highly promising Clyde and Miners Shears has started this week, generating more news flow for early in the new year."*

### RC DRILLING UPDATE

The latest RC drilling programme is designed to extend the Woodley's northern extension and to infill and extend the Woodley's East resource. Twenty-one RC holes were completed during November and December 2017.

The existing mineral Resource hosted by the Woodley's East lode is 125.5kt at 7.5g/t Au for 30.1koz, although mineralisation is interpreted to be more extensive based on logging records from pre-EganStreet drilling and intersections released by EganStreet. Nineteen holes have been drilled for 1,528m to infill and test regions proximal to the existing Resource in the Woodley's East Shear. Drilling has also provided further information on additional hanging wall lodes to the Woodley's East Resource.

A further two RC holes for 310m targeted down dip extensions of the Woodley's Shear northern extension Resource. Logging to date has indicated the presence of quartz on the Woodley's Shear position on both these holes.

1,838m of RC drilled metres or approximately 6 tonnes of samples have been delivered to the laboratory in Perth and results are pending.

A number of holes remain to be drilled on this programme and will be completed in the new year. The drill rig will then move to test targets on the Clyde and Miners lines of lode where the next phase of RC drilling has been planned.

### DIAMOND DRILLING UPDATE

Nine diamond drill holes for 3,430m was completed in the December quarter with drilling still currently ongoing. Assay results have now been received for Hole RYDD041 drilled in the south that successfully intersected the Woodley's Shear, returning **0.42 metres at 110.0g/t Au** from 418.7m, demonstrating that the Resource remains open at depth in the south.

RYDD038, RYDD039 and RYDD042 intersected the Woodley's East Shear with **1.97 metres at 20.4g/t Au** from 247.5m, **0.40 metres at 12.2g/t Au** from 239.7m and **0.40 metres at 7.1g/t Au** from 125.4m respectively. RYDD040 intersected both shear positions where expected, with weak gold mineralisation located within the hanging wall dolerite. RYDD043 is awaiting results.

Hole RYDD041 also returned an intersection of **0.55 metres at 96.97g/t Au** from 328.7m. This mineralised position is in the hanging wall of the existing Woodley's East Shear within the Woodley's mafic package. There have been a number of intercepts from within the dolerite and ultramafic of similar tenor to Woodley's and Woodley's East. So far however, there is insufficient data to link together potential new lodes. Mineralisation on the ultramafic footwall and hangingwall contacts (Woodley's and Woodley's East respectively) displays excellent continuity to date, and the intercepts from within the units whilst enigmatic serve to underline the excellent potential for mineralisation This mineralisation has not previously been specifically targeted and will require further follow up.

**TABLE 1 – SIGNIFICANT INTERSECTION & RESULTS FOR DIAMOND DRILL HOLES COMPLETED IN Q4 2017**

Hole ID	Location	From (m)	To (m)	Length (m)	Grade g/t Au
<b>RYDD041</b>	Woodley's Shear	418.72	419.14	0.42	110.00
<b>RYDD038</b>	Woodley's East Shear	247.52	249.49	1.97	20.43
<b>RYDD039</b>	Woodley's East Shear	239.70	240.1	0.40	12.21
<b>RYDD041</b>	Woodley's East HW	328.75	329.3	0.55	96.97

The remaining holes were drilled targeting the deeper portions of the Woodley's Shear Resource and to infill areas of inferred material. These holes, RYDD044, RYDD045, RYDD046 and RYDD047, intersected the shear positions with RYDD048 currently being drilled on the Clyde and Clyde East Shear. Results are expected early in the new year.

The initial drilling on the Clyde Shear is targeting an area in the south that closely resembles the British Queen area on the Woodley's Shear. The drill holes have been designed on the interpreted dip (based on the high resolution magnetic survey interpretation) and presence of the most intense historic workings on this shear. There has only ever been shallow drilling, drilled to intersect the mineralised structures just beneath historic workings, evident at surface. Planned drilling by EganStreet targets approximately 200m below surface, to test for mineralisation at depth that is sufficiently beneath historic workings and to be of economic interest (if successful) as well as providing information on the hanging wall stratigraphy. This will be the first regional exploration drilling at depth of any substance in the history of Rothsay.

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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 307koz at an average grade of 10.9g/t Au (Indicated 460kt @ 11.5g/t Au and Inferred 420kt @ 10.2g/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 now targeted for completion in the 2<sup>nd</sup> quarter of 2018.

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.

## APPENDIX 1 COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Ms. Julie Reid, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Ms. Reid is a full-time employee of the Company. Ms. Reid has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking 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'. Ms. Reid consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Various information in this announcement that relates to exploration results, other than the new exploration results released in this announcement is extracted from the following announcements:

- ***"More High-Grade Hits at Rothsay Gold Project"*** dated 24 October 2017, and
- ***"New High-Grade Discoveries Expand Scale and Potential"*** dated 8 August 2017, and
- ***"Near-mine Targets highlight the Growth Potential at Rothsay"*** dated 11 July 2017, and
- ***"Drilling Confirms More High-Grade Gold Intersections"*** dated 6 February 2017, and
- the **Prospectus** lodged on 28 July 2016.

All of above listed ASX announcements are available to view at [www.eganstreetresources.com.au](http://www.eganstreetresources.com.au) and [www.asx.com.au](http://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 announcements referred to above or the Prospectus. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the announcements referred to above or the Prospectus.

The information in this announcement that relates to the Rothsay Mineral Resource is extracted from the announcement titled "Rothsay Resources Grow to More Than 300,000ozs" lodged on 4 December 2017 which is available to view at [www.eganstreetresources.com.au](http://www.eganstreetresources.com.au) and [www.asx.com.au](http://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.

Information in relation to the Rothsay Project 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](http://www.eganstreetresources.com.au) and [www.asx.com.au](http://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.

## APPENDIX 2 - DRILL DATA TABLES

TABLE 2 – COLLAR CO-ORDINATE DETAILS

Hole ID	Type	End of Hole Depth (m)	GDA (North)	GDA (East)	mRL	Dip	MGA Azmith
RYDD038	Diamond	399.6	6,760,193	488,520	341	-67	214
RYDD039	Diamond	357.9	6,760,187	488,517	341	-63	196
RYDD040	Diamond	462.7	6,760,271	488570	341.5	-58	227
RDY0041	Diamond	469.0	6,760,249	488,586	340	-60	222
RYDD042	Diamond	274.0	6,760,099	488,452	341	-72	177

TABLE 3 – WOODLEY'S, WOODLEY'S EAST AND WOODLEY'S MAFIC/ULTRAMAFIC INTERSECTIONS

Hole ID	Location	From (m)	To (m)	Length (m)	Grade g/t Au
RYDD038	Woodley's East Shear	247.52	249.49	1.97	20.43
	Woodley's Shear	338.0	339.5	1.5	0.21
RYDD039	Quartz Vein	231.0	231.95	0.95	1.91
	Woodley's East Shear	239.7	240.1	0.4	12.21
	Woodley's East FW	245.65	246.25	0.6	7.3
	Woodley's Shear	321.13	323.0	1.87	0.27
RYDD040	FW Dolerite	331.2	332.2	1.0	0.35
	Woodley's East HW	239.8	240.13	0.33	4.32
	Dolerite/Basalt Contact	285.5	286.0	0.5	4.29
	Woodley's Shear	406.3	406.82	0.52	0.01
RYDD041	Basalt/Carb/qtz, sulphides	322.0	323.0	1.0	0.95
	Woodley's East HW	328.75	329.3	0.55	96.97
	FW to massive quartz vein	330.0	331.0	1.0	1.4
	Pyroxenite	351.78	352.42	0.64	1.29
	Woodley's East Shear	355.42	356.0	0.58	1.57
	Magnetite Vein	416.0	417.0	1.0	0.35
RYDD042	Woodley's Shear	418.72	419.14	0.42	110.0
	Woodley's East Shear	125.41	125.82	0.41	7.08
	Woodley's Shear	231.0	232.0	1.0	0.17

## APPENDIX 3 - JORC CODE, 2012 EDITION –TABLE 1 REPORT

### SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections.)

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	Nature and quality of sampling (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	All core was orientated, logged geologically and marked up for assay at a maximum sample interval of 1.2 metres constrained by geological boundaries. Drill core is cut in half by a diamond saw and half NQ core samples submitted for assay analysis. Samples taken in the HQ core were halved and the halved again, so a quarter core sample was taken where the sample length was over 0.5m. All diamond core is stored in industry standard core trays labelled with the drill hole ID and core interval.
	Include reference to measures taken to ensure sample representation and the appropriate calibration of any measurement tools or systems used.	Sampling was carried out under EganStreet's protocols and QAQC procedures as per industry best practice. See further details below. There is a lack of detailed information available pertaining to QAQC practices prior to 2012.
	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.	<p>The project has been sampled using industry standard diamond drilling techniques. Diamond (DDH) drilling at Rothsay used HQ and NQ2 sizes. Down hole surveying has been undertaken using single shot cameras whilst drilling and gyroscopic instrumentation once hole completed.</p> <p><u>Historical Drilling:</u>            Several generations of drilling have been undertaken and historic data gathered by a number of owners since the 1980s. There is a lack of detailed information available pertaining to the equipment used, sample techniques, sample sizes, sample preparation and assaying methods used to generate these data sets. Down hole surveying of the drilling where documented has been undertaken using Eastman single shot cameras (in some of the historic drilling) and magnetic multi-shot tools and gyroscopic instrumentation (ARL). RC samples were predominantly collected as 1m samples. The Rothsay data set contains diamond core samples that are selectively collected according to geological boundaries and sample lengths vary between 0.1-1.2m.</p>
Drilling techniques	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.).	<p>Diamond drilling was used to test the Rothsay deposit. DDH holes were cored from surface using either rock roll methods, PQ or HQ. This was changed to NQ2 when ground conditions were competent. The rock roll and PQ portions of the drill hole were not collected or sampled.</p> <p><u>Historical Drilling:</u>            Majority of this drilling is DD (194 holes) and RC (189 holes). A number of the historical DD holes have been used to produce multiple mineralised intersections using diamond wedge techniques. Diamond core is not orientated. The age of the RC drilling late 1980s to 2009 suggests that it would be face sampling hammer technique, however this is not documented in the database. Additionally, the database contains 314 percussion holes PER (MRP prefixed) presumed to be open hole hammer type drilled by Metana in the early 1990s and 181 rotary air blast RAB holes (RR, RRAB and RRB prefixed) drilled by Hunter Exploration in the late 1990s.</p>

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Method of recording and assessing core and chip sample recoveries and results assessed

Diamond core recoveries were recorded as a percentage of the measured core vs the drilling interval. Core loss locations were recorded on core blocks by the drilling crew. Diamond core was reconstructed into continuous runs where possible and metres checked against the depth as recorded on core blocks by the drilling crew.

Historical Drilling:

Harris, 2002 reports that excellent drilling conditions were encountered throughout the Thundelarra programme of 5 DD holes with 100% core recovery in hanging and foot wall rocks. RQD was calculated from the total length of all core pieces greater than 10cm per core run and expressed as a percentage of the core run length. Hanging wall ultramafic rocks demonstrated an RQD in the range 90-97%, footwall dolerite rocks in the range 60-86%. Drillers measure core recoveries for every drill run completed using three and six metre core barrels. The core recovered is physically measured by tape measure and the length recovered is recorded for every three metre "run". Core recovery can be calculated as a percentage recovery. Almost 100% recoveries were achieved. RC samples were collected to industry standards of the day.

Drill sample recovery

Measures taken to maximise sample recovery and ensure representative nature of the samples.

DDH drilling collects uncontaminated fresh core samples which are cleaned at the drill site to remove drilling fluids and cuttings to present clean core for logging and sampling. RC: RC face-sample bits and dust suppression were used to minimise sample loss. Drilling airlifted the water column above the bottom of the hole to ensure dry sampling. RC samples are collected through a cyclone and cone splitter, the rejects deposited in a plastic bag, and the samples for the lab collected to a total mass optimised to ensure full sample pulverisation (2.5 to 4 kg).

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.

There is no significant loss of material reported in any of the DDH core.

Historical Drilling:

No assessment has been made of the relationship between recovery and grade. DDH: Except for the top of the hole, while drilling through weathered material (35m maximum), there is no evidence of excessive loss of material and at this stage no information is available regarding possible bias due to sample loss. DDH: There is no significant loss of material reported in any of the pre-2016 DDH core.

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.

Diamond drill core was geologically logged for the total length of the hole using a graphic logging method. All core was photographed, and images are stored in the company database. Logging routinely recorded, RQD, weathering, lithology, mineralogy, mineralisation, structure, alteration and veining. Logs were coded using the company geological coding legend and entered into the company database.

Logging

Historical Drilling:

All chips and drill core were geologically logged by company or contracted geologists, using their current company logging scheme. The majority of holes (80%+) within the mineralised intervals have lithology information which has provided sufficient detail to enable reliable interpretation of wireframe. The logging is qualitative in nature, describing oxidation state, grain size, an assignment of lithology code and stratigraphy code by geological interval. The 2012 Auricup diamond drill holes were geologically logged in their entirety and photographed. Diamond drilling was logged for geotechnical purposes. Logging was at an appropriate detailed quantitative standard to support future geological, resource, reserve estimations and technical/economic studies. All drill core and chip trays are stored at the companies Perenjori yard.

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Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.

All core was photographed in the cores trays, with individual photographs taken of each tray both dry, and wet, and photos uploaded to the EganStreet Server.

Historical Drilling:

RC: Logging of RC chips records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. All samples are wet-sieved and stored in a chip tray. DDH: Logging of DDH core records lithology, mineralogy, mineralisation, weathering, colour and other features of the samples, and structural information from oriented drill core. Older pre-2016 core has been variously photographed and are copied onto the EganStreet server for reference.

The total length and percentage of the relevant intersections logged

All DDH holes were logged in full.

If core, whether cut or sawn and whether quarter, half or all core taken.

Recent core samples were cut in half using an Almonte diamond saw. Half core samples were collected for assay, and the remaining half core samples stored in the core trays. Some HQ samples were quarter cored.

- Very little, readily available documentation of the sampling procedures for historic drilling are available. Where reports have been reviewed (Turley, 2001 and Harris, 2002) it appears that NQ quarter core has been sawn for sampling.

If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.

Diamond holes only were drilled, however where the rock roll or PQ was used for pre-collars these were discarded and not sampled.

Historical Drilling:

No documentation of the sampling of RC chips is available for the Metana or Hunter Exploration drilling. 2012 RC drilling collected 1 metre RC drill samples that were channelled through a rotary cone-splitter, installed directly below a rig mounted cyclone, and an average 2-3 kg sample is collected in pre-numbered calico bags, and positioned on top of the plastic bag. All samples were dry.

For all sample types, the nature, quality and appropriateness of the sample preparation technique.

Samples were prepared at the MinAnalytical Laboratory in Perth. Samples were dried, and the whole sample pulverised to 80% passing 75um, and a sub-sample of approx. 200 g retained. A nominal 50 g was used for the gold analysis. The procedure is industry standard for this type of sample.

Historical Drilling:

Unable to comment with any certainty on the quality control procedures for sub-sampling for the pre-2012 drilling. The 2012 Auricup samples were prepared at the Genalysis Laboratory in Perth. Samples were dried, and the whole sample pulverised to 80% passing 75um, and a sub-sample of approx. 200 g retained. A nominal 50 g was used for the gold analysis.

Quality control procedures adopted for all sub-sampling stages to maximise representation of samples.

Diamond core was sawn with a diamond saw and half core samples taken for assay. At the laboratory, regular Repeats and Lab Check samples are assayed.

- Unable to comment with any certainty on the quality control procedures for sub-sampling for the pre-2016 drilling.

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.

The sampling techniques for collection of the sample to be submitted to the assay facility for diamond drilling are of consistent quality and appropriate. During drilling and sampling operations, EganStreet had on site, technically competent supervision and procedures in place to ensure sample preparation integrity and quality. No field duplicates were taken for diamond drilled samples.

Sub-sampling techniques and sample preparation

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	<p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>The sample sizes are considered appropriate for the diamond core sampling.</p> <ul style="list-style-type: none"> <li>Are unable to comment on the appropriateness of sample sizes to grain size on pre-2012 data as no petrographic studies have been undertaken. Sample sizes are considered appropriate to give an indication of mineralisation given the particle size and the preference to keep the sample weight below a targeted 3kg mass which is the optimal weight to ensure requisite grind size in the LM5 sample mills used by the relevant Laboratories in sample preparation</li> </ul>
	<p>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</p>	<p>Samples were analysed at the MinAnalytical Laboratory in Perth. The analytical method used was a 50 g Fire Assay for gold only and a Four Acid Digest Multi Element (34 element) assay on all "H" and "A" shear samples. This is considered to be appropriate for the material and mineralization</p> <ul style="list-style-type: none"> <li>A review of the QAQC data from the most recent ARL(Auricup) drilling programmes for the 2013 mineral resource update was conducted by Mining Plus Pty Ltd as documented in Sulaiman 2013. This involved assessment of internal standards and of external standards, blanks, laboratory replicates and check samples.</li> </ul>
<p>Quality of assay data and laboratory tests</p>	<p>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.</p> <p>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.</p> <p>The verification of significant intersections by either independent or alternative company personnel.</p>	<p>N/A</p> <p>Data quality for EganStreet diamond drill holes are good and conform to normal industry practices. Protocol for DDH programmes is for Field Standards (Certified Reference Materials) and Blanks inserted at a rate of 5 Standards and 5 Blanks per 100 samples. Results of the Field and Lab QAQC are checked on assay receipt using QAQCR software. All assays passed QAQC protocols, showing no levels of contamination or sample bias.</p> <ul style="list-style-type: none"> <li>The recent ARL and EganStreet data integrity is accepted with a high level of confidence, however the historical drilling data could not be validated as there is insufficient or non-existent QAQC data.</li> </ul> <p>Significant results were checked by the EganStreet Geology Manager and Executive Directors</p>
<p>Verification of sampling and assaying</p>	<p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Twin holes were not employed during this part of the programme.</p> <p>All field logging is carried out on Toughbooks using excel templates. Logging data is submitted electronically to a Database Geologist in the Perth office. Assay files are received electronically from the Laboratory. All data is now stored in a Datashed database system, and maintained by Maxwell Geoscience.</p> <ul style="list-style-type: none"> <li>Pre-2012 Data management and verification protocols are undocumented</li> </ul> <p>No assay data was adjusted. The lab's primary Au field is the one used for plotting and resource purposes. No averaging is employed.</p>

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Location of data points	<p>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.</p>	<p>For set-up, the rig is aligned by surveyed marker pegs and compass check, and the drill rig mast is set up using a clinometer. Drillers use an electronic single-shot camera to take dip and azimuth readings inside the stainless-steel rods, at 30m intervals and a 5- 10m interval Gyro survey is conducted once the hole is drilled to depth. Drill hole collar locations were picked up by a qualified surveyor using DGPS (differential).</p>
	<p>Specification of the grid system used.</p>	<p>Grid projection is GDA94, Zone 50.</p>
	<p>Quality and adequacy of topographic control.</p>	<p>Detailed surface control has been established by photogrammetry.</p>
Data spacing and distribution	<p>Data spacing for reporting of Exploration Results.</p>	<p>Primary: approximately 25m - 50 m on section by 25m - 50 m along strike.</p>
	<p>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.</p>	<p>Drill spacing is approximately 25m (along strike) by 20m (on section) at shallow depths and from 50m by 50m to 100m x 100m at depth. This is considered adequate to establish both geological and grade continuity. Existing mine extents provide increased confidence in the geological continuity of the main mineralised structures.</p>
Orientation of data in relation to geological structure	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p>	<p>The orientation of the drill holes is approximately perpendicular to the strike and dip of the targeted mineralisation and observed shearing.</p>
	<p>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.</p>	<p>The orientation of the drill holes is approximately perpendicular to the strike and dip of the targeted mineralisation and contacts. No significant sampling bias has been introduced.</p>
Sample security	<p>The measures taken to ensure sample security.</p>	<p>DDH drilling pre-numbered calico sample bags were collected in polywoven bags (four calico bags per single polywoven bag), sealed, and transported by company transport to the MinAnalytical Laboratory in Perth.</p>
Audits or reviews	<p>The results of any audits or reviews of sampling techniques and data.</p>	<p>Sampling and assaying techniques are industry-standard. No specific audits or reviews have been undertaken at this stage in the programme.</p>

## SECTION 2 REPORTING OF EXPLORATION RESULTS

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

CRITERIA	JORC CODE EXPLANATION	COMMENTARY																																																
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	<p>The drilling occurred within tenements M59/39 and M59/40, which are fully owned by Auricup (Rothsay) Pty Ltd which is a 100% owned subsidiary of Egan Street Resources Ltd. The Rothsay Townsite is located within the Mining tenements.</p> <table border="1"> <thead> <tr> <th>Tenement ID</th> <th>Area km<sup>2</sup></th> <th>Status</th> <th>Holder</th> <th>Grant Date</th> <th>Expiry Date</th> </tr> </thead> <tbody> <tr> <td>M59/39</td> <td>7.097666</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>4/12/1986</td> <td>3/12/2028</td> </tr> <tr> <td>M59/40</td> <td>3.805055</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>4/12/1986</td> <td>3/12/2028</td> </tr> <tr> <td>E59/2183</td> <td>40.751503</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>24/02/2017</td> <td>23/02/2022</td> </tr> <tr> <td>L59/24</td> <td>0.067596</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>22/08/1989</td> <td>21/08/2019</td> </tr> <tr> <td>E59/1234</td> <td>1.637013</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>29/01/2007</td> <td>28/01/2018</td> </tr> <tr> <td>E59/1262</td> <td>2.990164</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>10/08/2007</td> <td>9/08/2017</td> </tr> <tr> <td>E59/1263</td> <td>2.990645</td> <td>Live</td> <td>Auricup (Rothsay) Pty Ltd</td> <td>10/08/2007</td> <td>9/08/2017</td> </tr> </tbody> </table>	Tenement ID	Area km <sup>2</sup>	Status	Holder	Grant Date	Expiry Date	M59/39	7.097666	Live	Auricup (Rothsay) Pty Ltd	4/12/1986	3/12/2028	M59/40	3.805055	Live	Auricup (Rothsay) Pty Ltd	4/12/1986	3/12/2028	E59/2183	40.751503	Live	Auricup (Rothsay) Pty Ltd	24/02/2017	23/02/2022	L59/24	0.067596	Live	Auricup (Rothsay) Pty Ltd	22/08/1989	21/08/2019	E59/1234	1.637013	Live	Auricup (Rothsay) Pty Ltd	29/01/2007	28/01/2018	E59/1262	2.990164	Live	Auricup (Rothsay) Pty Ltd	10/08/2007	9/08/2017	E59/1263	2.990645	Live	Auricup (Rothsay) Pty Ltd	10/08/2007	9/08/2017
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	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.	The tenements are in good standing with the Western Australian Department of Mines and Petroleum.																																																
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>Numerous companies have previously explored the area. Gold was discovered by George Woodley in 1894 and a number of parties have explored and mined the area since then. In more recent times, Metana Minerals NL in joint venture with GENMIN mined and conducted drilling activities in the area from January 1989 until 1991. Hunter Exploration entered into a joint venture with Central West Gold in 1997 and completed a detailed geological mapping programme, rock chip sampling, lag sampling, RC and RAB drilling. The drilling successfully extended the strike length of the mineralisation along the "A" Shear by 250m to the south of the previously identified significant gold mineralisation (Tanner, 1997).</p> <p>In March 2000, Thundelarra entered into a joint venture agreement with the tenement holders, Central West Gold. In 2001-2002, Thundelarra and its joint venture partners Menzies Gold Ltd drilled 9 RC and 4 Diamond tails. In 2002-2003 United Gold (which subsequently became Royal Resources) acquired Thundelarra's 70% equity in the Project and completed further exploration activities and a mineral resource on the tenements. In November 2007 Silver Lake Resources listed on the Australian Stock Exchange and became the 100% owner of the Rothsay Gold Project. Silver Lake conducted an airborne EM programme targeting base metal sulphides. During 2008-2009 Silver Lake Resources completed site reconnaissance which included the re-establishment of the local grid, 4 Diamond holes and completion of an aerial topographical survey over the Project area.</p> <p>Auricup Resources Limited purchased the tenements and drilled nine diamond core holes (RYDD001 to RYDD009) during March 2012 targeting the Woodley ("A") Shear approximately 50 to 100m down dip and along strike from the existing mine workings. The most recent exploration undertaken by Auricup has included limited rock chip samples from the low-grade stockpiles and from the upper levels of the underground mine and a review of more recent Airbourne survey data collected by the Geological Survey of Western Australia ("GSWA"). In addition, work was completed compiling and digitising historical mine and exploration records.</p>																																																

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Deposit type, geological setting and style of mineralisation.

The Rothsay Gold Project is located 300 km N-NE of Perth and 70 km East of the wheat belt town of Perenjori. Gold was discovered at the Rothsay Gold Project in 1894 and has been partially exploited by shallow open-pits and underground mining techniques returning consistently high-grade ore (+10g/t Au). Historic gold production totals an estimated 50,000oz and the project was last mined by Metana Minerals NL who ceased production in May 1991 after the gold price fell below US\$360/oz. Extensive underground development infrastructure from historical workings is in reasonable condition. The Rothsay Gold Mine is located within the Warriedar Greenstone gold belt, an Archaean sequence of mafic, ultra-mafic, meta-volcanic and sedimentary rocks folded in an anticlinal structure which plunges and strikes to the north-northwest with steeply dipping limbs. The western limb contains smaller scale anticlinal and synclinal folds and hosts the Rothsay and Mt Mulgine mineralization. Fields Find occurs on the eastern limb of the structure, which is truncated by a major post-tectonic granitoid intrusion to the south. The truncated southern portion of the sequence forms the Ningham-Retaliation fold belt in the extreme south. The deposit is hosted in three discrete areas and within five individual shear zones. A Shear (renamed Woodley's Shear) and H Shear (renamed Woodley's HW Shear 2017) occur in one area, Shear B (renamed Orient Shear 2017) and Shear C (renamed Clyde and Clyde East 2017) occur in a second area and Shear D (renamed Miners Shear 2017) occurs as an isolated shear. The Woodley's Shear is located at the contact between serpentinitised peridotite and a porphyritic pyroxenite intrusive. The serpentinite forms the hanging wall unit. A sequence of mafic volcanic and sub-volcanic sills forms the hanging wall to the serpentinite. The Woodley's Shear is characterised by several generations of quartz veining with adjacent random tremolite alteration. The early quartz phase is typically blue-black due to the partial replacement of alumina by chromium oxide. The shear zone is typically two to five metres thick and mineralisation does not typically occur outside the shear zone. The main gold mineralization is associated with shear-hosted quartz veins which are parallel to bedding of the mafic and ultramafic sequence. The orebody is within veins of blue and white quartz of approximately 2.0m thickness and controlled by the basal contact of porphyritic metadolerites(poMD) and serpentinitised peridotite(SERP) that was subjected to intense tremolite alteration. The footwall poMD is relatively unaltered, while the hangingwall is strongly foliated SERP. Aeromagnetic surveys and geological mapping suggest that the ultramafic host rocks are truncated by granite that is mostly covered by lateritic duricrust.

### Geology

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:  
 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.

Refer to Tables in the body of text.

### Drill hole Information

### Data aggregation methods

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.

Grades are reported as down-hole length-weighted averages of grades selected using geological and grade continuity criteria. Considerations included continuity of thickness, dip and strike, association with lithology and geological logging (weathering, lithology, structure, alteration, sulphides, veining), internal dilution (~1 to 2 m) and an approximated 0.5 to 1.0 g/t Au cut-off. No top cuts have been applied to the reporting of the assay results

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	<p>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.</p>	<p>Higher grade intervals are included in the reported grade intervals, individual assays &gt; 5.0 g/t have been reported for each intersection.</p>
<p>Relationship between mineralisation widths and intercept lengths</p>	<p>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').</p>	<p>Mineralised shear zones are north-northwest striking and steep to moderate east dipping. The general drill direction of -600 to 270 (local Grid) is approximately perpendicular to the shear zones and a suitable drilling direction to avoid directional biases. As a result, reported intersections approximate, but are not, true width.</p>
<p>Diagrams</p>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>Refer to Figures in the body of text for relevant plans</p>
<p>Balanced reporting</p>	<p>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.</p>	<p>All intersections reporting to the geological interpretation of the "A" Shear have been reported.</p>
<p>Other substantive exploration data</p>	<p>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.</p>	<p>Drill hole location data are plotted on the Figures in the body of text.</p>
<p>Further work</p>	<p>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	<p>Further RC drilling is planned in the shallow weathered mineralisation to infill and test strike extents to the north and south of the prospect. Geological interpretation and modelling is ongoing and work on an updated resource for the Rothsay prospect.</p>

## APPENDIX 4 FORWARD LOOKING STATEMENTS & DISCLAIMERS

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