

30 October 2015

ASX RELEASE

## 30 September 2015 Quarterly Report

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### Highlights for the Quarter

#### Halls Creek Project

- First gold pour at Nicolsons Gold Mine occurred during the first week of September.
- 502 Oz Au and 137 Oz Ag produced at Nicolsons in September.
- Plant refurbishment completed with the processing plant commissioned and operating effectively.
- Ramp up to full production continues with 1,200 Oz Au delivered mid-October and an additional gold pour expected before the end of the month.
- Decline ground conditions now improving allowing further ore development and very high-grade ore continues to be encountered underground.

#### Corporate

- Cash and liquid investments now totalling \$2.02M at the end of the quarter.

#### Chairman

Paul Poli

#### Non- Executive Directors

Frank Sibbel

Robert Martin

#### Company Secretary

Andrew Chapman

#### Shares on Issue

174.04 million shares

5.25 million options

#### Top Shareholders

Matsa Resources Ltd: 25.5%

Goldfire Enterprises: 19.9%

#### Market Capitalisation

\$5.23 million @ 3.0 cents

The Board of Bulletin Resources (ASX: BNR, Bulletin) provides the following Quarterly Report for the period ending 30 September 2015.

## Overview

### Operations

The Company continues to focus on the Halls Creek Gold Project and the advancement of that project towards positive cash flow. The project is estimated to provide positive cash flow to the Company of \$11M after tax over 4.5 years at a gold price of A\$1,400 Oz.

The September 2015 quarter saw Bulletin Resources and its JV partner Pacific Niugini Limited (PNR) become Australia's newest gold producer. The Nicolson's mine (BNR 20%, PNR 80%) is now producing consistently, with ramp up to full production to be completed during the December quarter.

The joint venture operator, Halls Creek Mining Pty Ltd (HCM) poured first gold from the Nicolson's mine in the first week of September with 502 Oz gold and 137 Oz Silver produced.

Processing ramp-up has continued with in excess of 1,000 Oz to be produced in October 2015.

Very high-grade ore continues to be encountered underground with ore development completed to date overcalling the reserve model by 100%. Significantly, 15% of the gold mined to date was taken outside of the current JORC reserve outline (beyond the southern boundary of the resource). This is a significant upside for the project. Both active levels are currently outside of the reserve in the southern drive and are still in ore. Development to date has averaged:

- 2220 Level – 42m averaging 2.1m wide at 21.5g/t (uncut)
- 2210 North – 50m averaging 2.8m wide at 16.6g/t (uncut)
- 2210 South – 48m averaging 2.7m wide at 25.4g/t (uncut)

Both the 2220 and 2210 levels continue to be developed with the third development heading at 2200 level access commenced subsequent to the end of the quarter.

The processing plant has been refurbished and decline issues associated with partially oxidized rock have been remediated.

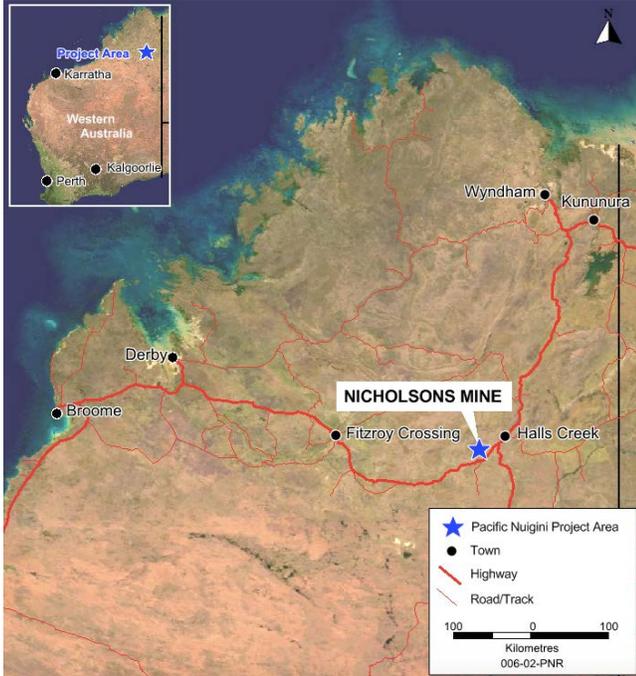
Planning is underway for the first underground drilling program focused on expanding the current known resource.

While Bulletin's immediate focus will be on the commencement of full production and positive cash flow from the mine, it will continue to search for new projects it believes will have the potential to add value for shareholders.

## Activities for the Quarter

### Halls Creek Project

**Bulletin 20%, PNR 80% (PNR – Project Manager)**



The Halls Creek Project includes the Nicolsons Mine, (35 km south west of Halls Creek) and a pipeline of exploration and development prospects located east of Halls Creek in the Kimberley Region of Western Australia.

First production was achieved at Nicolsons in the September 2015 quarter.

The project currently has an indicated and inferred resource of 260,000 ounces of gold. Recent drilling has also demonstrated that substantial silver grades can be present, although a silver resource is yet to be estimated. The project region has been sporadically explored over a number of years.

Prospecting has shown significant potential in the immediate area, which remains sparsely explored with minimal drill testing of targets outside of the existing resources (beneath and immediately adjacent to the existing open pits).

### Halls Creek Project Location

With the Nicolsons mine now in production, the exploration objective is to increase the near mine resources at Nicolsons by developing and extending the current resource base immediately beneath and down plunge of the existing open pit, as well as expanding the existing Rowdies and Wagtail resources.

The September 2015 quarter provided a major step forward for the mine, with first gold produced early in September. The processing plant has operated consistently since, and gold production is continuing in accordance with the mine plan.

In addition to the commencement of production, a number of project milestones were achieved:

- Extensive rehabilitation works were completed within the decline and the first ore level. The first level was re-accessed subsequent to the end of the quarter, and planned shotcreting operations were completed in October;
- Decline development continued to advance in fresh rock, with the third level accessed subsequent to the end of the quarter. The mine will have three active ore levels from late October 2015 with stoping to commence late in the ensuing quarter;
- Water return from the tailings storage facility was achieved, substantially reducing the reliance on water from the bore-field.

## Underground Development

Ore was accessed on the first and second levels during the quarter, with outstanding grades encountered on both levels. Plans below illustrate all ore development completed to date, with uncut ore grades shown. The 2210 Level is the most advanced with outstanding grades in both the North and South ore headings. To date, development on the level has returned (Figure 1):

North Drive: **50m averaging 2.8m width at 16.6 g/t**  
 South Drive: **48m averaging 2.7m wide at 25.4 g/t**

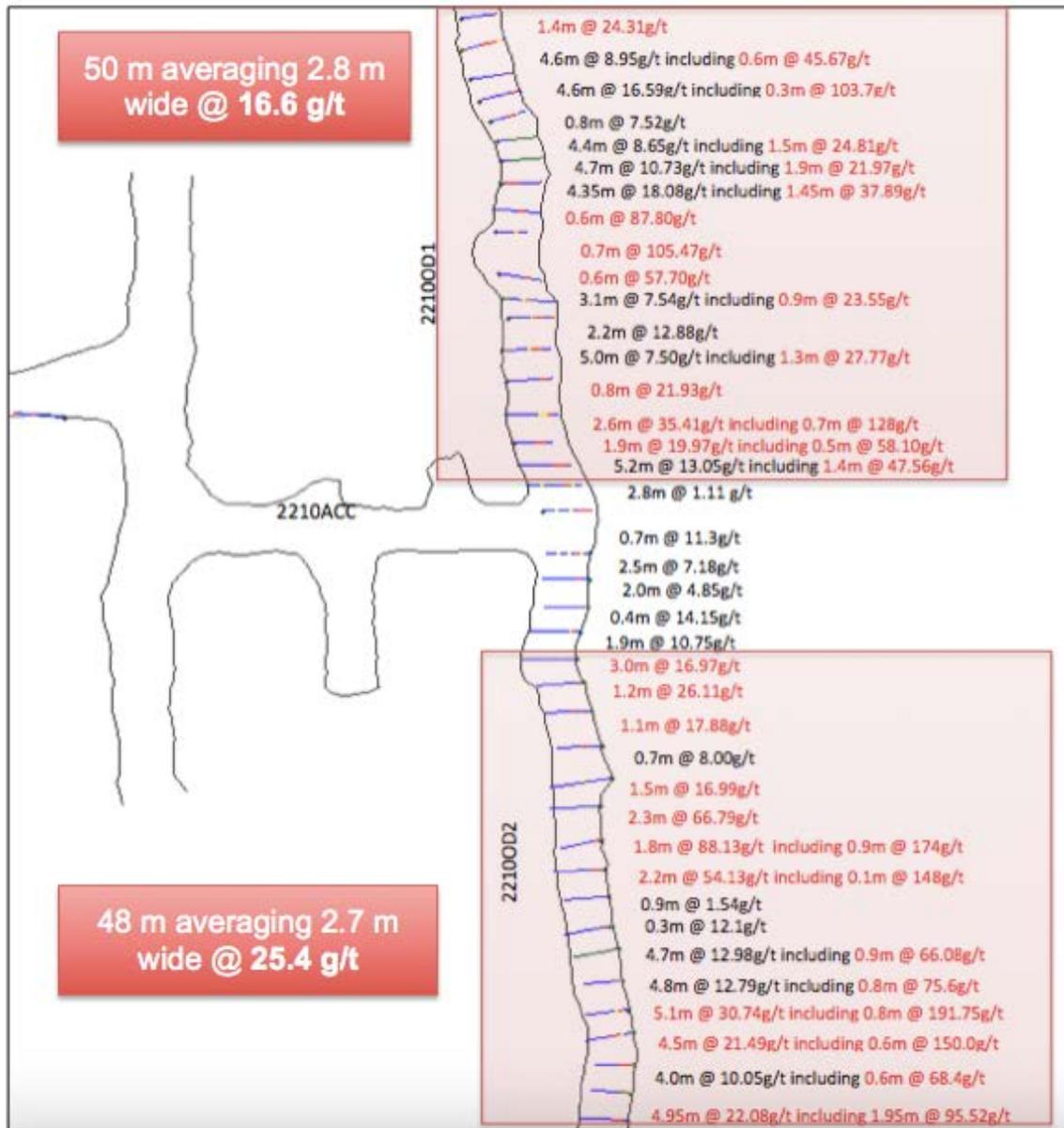


Figure 1: Development on 2210 Level to 14 October 2015 with uncut face grade shown.

Development on the 2220 Level to date has returned (Figure 2):

**42m averaging 2.1m wide at 21.5 g/t**

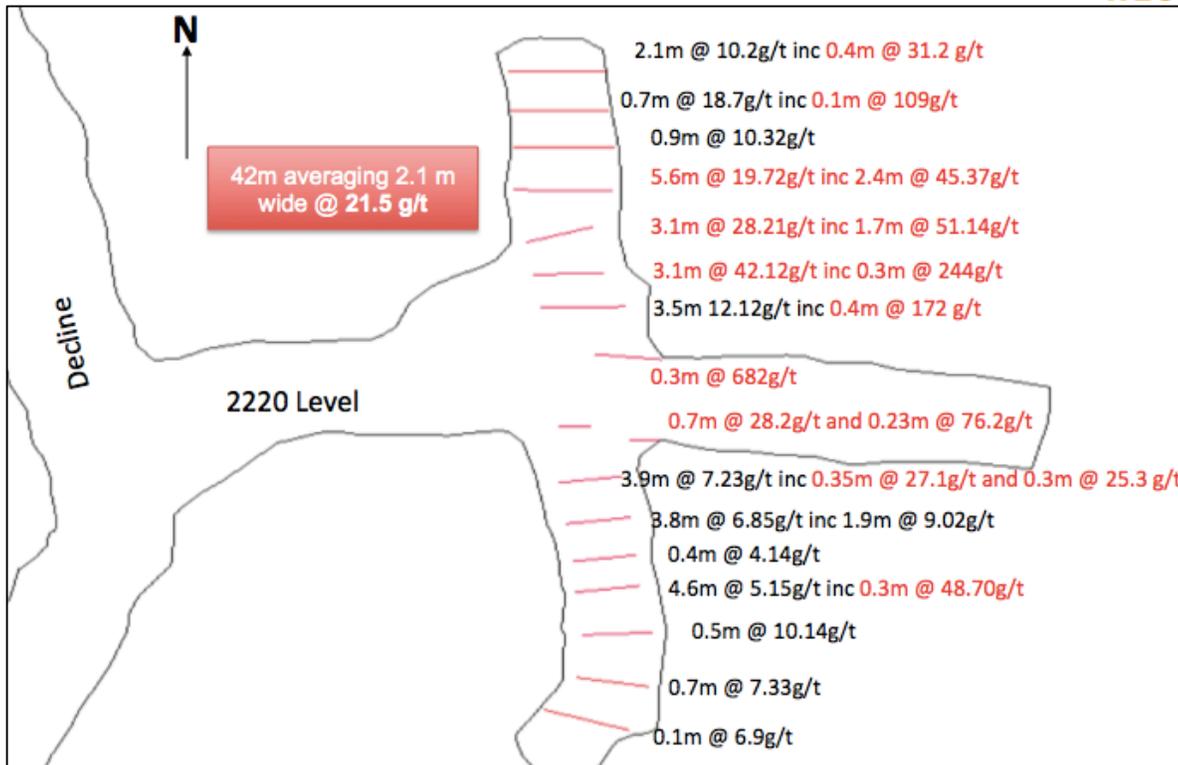


Figure 2: Development on 2220 Level to 14th October 2015 with uncut face grade shown

HCM report reconciliation with the current JORC reserve model has been outstanding, with an approximate 100% overcall recorded to date (Table 1). Reconciliation with the reserve model includes a 45 g/t top cut for very high grade material. The top cut is based on block modelling statistical analysis, but may be conservative given the large number of samples returning grades in excess of 45 g/t. Gold recoveries through the processing plant over the ensuing months and quarters will allow the top cut to be revisited when sufficient data is available.

Table 1: Mine reconciliations

Level	Development Reserve			Mined within Reserve			Mined Outside of Reserve		
	Tonnes	Grade (g/t)	Oz	Tonnes	Grade (g/t)	Oz	Tonnes	Grade (g/t)	Oz
2220	1,794	4.75	274	3,465	5.13	572	1,260	3.96	160
2210	5,455	5.94	1,041	6,755	7.74	1,680	405	18.73	244
<b>Total</b>	<b>7,249</b>	<b>5.64</b>	<b>1,315</b>	<b>10,220</b>	<b>6.86</b>	<b>2,252</b>	<b>1,665</b>	<b>7.55</b>	<b>404</b>

\* Based on face grade assay data (with a 45g/t top cut) up to 16.10.15.

A significant positive outcome has been the high-grade development achieved on both levels south of the current JORC reserve. Of the estimated 2,656 ounces mined to date, 15% of the gold is not included in the current reserve, and represents significant upside to the overall mine plan.

With ore width and style now better understood, HCM has procured a smaller twin boom jumbo which will allow ore development size to be substantially reduced where appropriate to maximise grade delivered to the mill. The new jumbo will be on site early in November 2015.

The ensuing quarter will see continued underground development, both in ore drives and the access decline. Development has reached the third level access, which will result in three active ore levels by the middle of the ensuing quarter. This should see the processing plant receiving reliable ore feed from the same time.

With the substantial over-call being achieved from the mine, HCM report production in excess of 1,000 Oz is expected in October, with ramp up to full production to be completed by the end of the quarter.

## **Processing Plant**

The processing plant refurbishment was sufficiently completed to commence production in September. Minor works are ongoing in parallel with plant operation, and will be completed during the ensuing quarter.

Processing since commencement has been a blend of high-grade underground ore and low-grade stocks that were left on site by previous operators. Processing of blended ore will continue during the ensuing quarter with approximately 6,000t at 1g/t still available.

Ore recovery during the quarter was good at 94%. Recovery is expected to improve during the ensuing months as plant operations settle, and less low grade material is fed in the ore blend.



**Refurbished and operational processing plant**



**First gold pour**



**Former director, Mick Fitzgerald, holding the first dore bars produced in September 2015**

For further information, please refer PNR's September 2015 Quarterly Report.

## **Financial**

Following an update from the operator, HCM, that the decline development has traversed random and un-anticipated zones of poor quality, partially oxidized ground which has resulted in slow progress and additional cost to support Bulletin reviewed its funding requirements.

In order to pre-empt any temporary shortfall in immediate cash flow prior to commencement of production and gold sales revenue, Bulletin entered into an agreement for additional funding via a loan agreement with an independent party for an additional \$600,000. The facility will secure Bulletin's share of joint venture funding of the Nicolson's Gold Project as it enters the production phase.

As a measure of commitment the entire board of Bulletin will not draw down any remuneration until such time as the loan has been repaid. Furthermore, major shareholder Matsa Resources Limited has also entered into a Deed of Guarantee and Indemnity with the lender to guarantee repayment of the loan to a maximum of \$350,000.

It is the view of the Bulletin board that this loan funding is preferable to raising additional capital from shareholders and that once full production is achieved Bulletin will seek to repay the loan as early as possible.

In addition the Company's financiers, the Commonwealth Bank of Australia, amended the terms of the gold prepayment facility and hedge facility so that repayment would be deferred to January 2016 from its original November 2015 date in recognition of the delays to the commencement of production.

As of the 30 September 2015, Bulletin's cash position was \$1.1M (inclusive of cash held in the joint venture) and also holds 13.15M PNR shares (\$0.92M).

## **Corporate**

The Company lodged its annual report at the end of the quarter and subsequent to the end of the quarter sent out is Notice of Annual General Meeting to all shareholders.

## ***Tenement Holdings and Movements for the Quarter***

Refer to Appendix A.

For further information, please contact:

Paul Poli, Chairman  
**Phone:** +61 8 9230 3585

## **Competent Persons Statements and JORC table**

The information in this report that relates to exploration and mineral resources is based on information compiled by Mr. Ben Pollard (B.Sc. Mineral Exploration and Mining Geology) MAusIMM who is a consultant to Pacific Niugini Limited. Mr. Pollard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Pollard consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Reserves is based on information compiled by Mr. Paul Cmrlec (B. Eng (Mining) (Hons)), MAusIMM who is the Managing Director of Pacific Niugini Limited. Mr. Cmrlec has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Cmrlec consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

## Appendix A: INTERESTS IN MINING TENEMENTS

As at 30 September 2015

Tenement	Holder	Bulletin Holding %	Granted	Expiry	Status	Area (Ha)	Area (Blocks)	Annual Expenditure
<b>Lamboo Project</b>								
E80/2601	Bulletin	20	29/07/2002	28/07/2015	Granted		8	\$70,000
E80/3861	Bulletin	20	30/01/2008	29/01/2018	Granted		7	\$50,000
E80/4458	Bulletin	20	26/03/2012	25/03/2017	Granted		1	\$10,000
E80/4459	Bulletin	20	26/03/2012	25/03/2017	Granted		1	\$10,000
L80/0070	Bulletin	20	30/08/2012	29/08/2017	Granted	14.7		
L80/0071	Bulletin	20	30/08/2012	29/08/2017	Granted	51.3		
M80/0343	Bulletin	20	24/06/1992	23/06/2034	Granted	197.4		\$19,800
M80/0355	Bulletin	20	25/01/1993	24/01/2035	Granted	125.4		\$12,600
M80/0359	Bulletin	20	7/07/1993	6/07/2035	Granted	199.95		\$20,000
M80/0362	Bulletin	20	31/08/1993	30/08/2035	Granted	79.3		\$10,000
M80/0471	Bulletin	20	2/04/1998	1/04/2019	Granted	121.5		\$12,200
M80/0503	Bulletin	20	17/11/2000	16/11/2021	Granted	451.95		\$45,200
<b>Biscay Project</b>								
E80/2394	Bulletin	20	15/07/2002	14/07/2015	Granted		6	\$70,000

**JORC 2012 Table 1 declaration – Halls Creek**

**Section 1: Sampling Techniques and Data**

Criteria	JORC Code explanation	Commentary
<p><i>Sampling techniques</i></p>	<p><i>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.</i></p>	<p>The Nicolson’s deposit has been sampled predominantly by RC and minor historical RAB about the Nicolson’s open pit area. The Wagtails and Rowdies deposits were sampled mainly by RC with follow-up aircore. Holes were sampled on 1 m increments, or 3 m increments above the known mineralisation. Anomalous intercepts from the 3 m increments were re-split into 3 1 m increments.</p> <p>Samples from the current drill program are RC collars with diamond drill tails. All assays in this release are from diamond drill core. Core was sampled in 1m intervals, or in accordance with observed geology for shorter runs.</p>
	<p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>For RC drilling, measures taken to ensure sample representivity include the presence of a geologist at the rig whilst drilling, cleaning of the splitter at the end of every 3 m drill string, confirmation that drill depths match the accompanying sample interval with the drilling crew and the use of duplicate and lab/blank standards in the drilling programme.</p> <p>For diamond drilling, measures taken include regular survey of drill holes, cutting of core along the orientation line where possible, and half core is submitted to an accredited laboratory. Industry standard blanks and standards are also submitted and reported by the laboratory. Drilling is completed in HQ3.</p>
	<p><i>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.</i></p>	<p>Historical holes - RC and aircore drilling was used to obtain 1 m samples from which 2 - 3 kg was crushed and sub-split to yield 250 for pulverisation and then a 40 g aliquot for fire assay. Upper portions of deeper holes were composited to 3m sample intervals and sub-split to 1 m intervals for further assay if an anomalous composite assay result was returned. For later drilling programs all intervals were assayed.</p>

Criteria	JORC Code explanation	Commentary
	<i>Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	2014 Program – HQ3 core is logged and sampled according to geology, with only selected samples assayed. Core is halved, with one side assayed, and the other half retained in core trays on site for further analysis. Samples are a maximum of 1m, with shorter intervals utilised according to geology.
<i>Drilling techniques</i>	<i>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.</i>	RC drilling was completed with several rigs. All RC rigs used face sampling hammers with bit size of 140 – 146mm. Historical holes used a 130 mm bit size). Aircore drilling was completed by the RC rig with an aircore bit assembly. RAB drilling (20 holes only in the Nicolson’s pit area) is historical and details are unknown.  HQ 3 Diamond drilling was conducted for geotechnical and assay data. Holes from the current program do not form part of the current resource estimate. Diamond holes were oriented using a Reflex orientation tool. Diamond holes were geologically and geotechnically logged.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	All holes were logged at site by an experienced geologist. Recovery and sample quality were visually observed and recorded. Recovery for older (pre 2011) holes is unknown.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	All drilling was completed within rig capabilities. Rigs used auxiliary air boosters when appropriate to maintain sample quality and representivity. Where aircore drilling could not provide sufficient penetration an RC drilling set-up was used.
	<i>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.</i>	There is no known relationship between recovery and grade. Diamond drilling of oxide and transitional material in previous campaigns noted high core loss in mineralised zones. No core loss was noted in fresh material. Good core recovery has generally been achieved in all sample types in the current drilling program.
<i>Logging</i>	<i>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.</i>	Geological logging parameters include: depth from, depth to, condition, weathering, oxidation, lithology, texture, colour, alteration style, alteration intensity, alteration mineralogy, sulphide content and composition, quartz content, veining, and general comments.

Criteria	JORC Code explanation	Commentary
		Geotechnical logging of diamond holes included the recording of recovery, RQD, structure type, dip, dip direction, alpha and beta angles, shape, roughness and fill material of fractures
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	All drill chips were logged on 1 m increments, the minimum sample size. A subset of all chip samples is kept on site for reference. Diamond drilling was logged to geological boundaries and is considered quantitative. Core was photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drilling has been logged apart from diamond drill pre-collars.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core samples were saw in half with one half used for assaying and the other half retained in core trays on site for future analysis.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	RC drill chip samples were collected with either a three-tier, rotary or stationary cone splitter depending on the drill rig used. Aircore drill samples were subset using a 3 tier riffle splitter. Most (> 95%) of samples are recorded as being dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	All RC and aircore sample splitting was to 12.5 % of original sample size or 2 – 3 kg, typical of standard industry practice. Samples greater than 3 kg were split on site before submission to the laboratory. For core samples, core was separated into sample intervals and separately bagged for analysis at the certified laboratory.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	The cyclone and splitter were cleaned every rod string and more frequently when requested by the geologist. In the case of spear sampling for re-splitting purposes, several spears through the entirety of the drill spoil bag were taken in a systematic manner to minimise bias. Core was cut under the supervision of an experienced geologist, was routinely cut on the orientation line.
	<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>	Duplicate samples were taken every 20 m from a second cut of the splitter in the case of a cone splitter, or from a reject split in the case of a riffle splitter. Certified standards were inserted into the sample batch at a rate of 1 in 20 throughout all drilling programs.

Criteria	JORC Code explanation	Commentary
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Gold at Hall's Creek is fine- to medium-grained and a sample size of 2 – 3 kg is considered appropriate. Half core is considered appropriate for diamond drill samples.
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The Bureau Veritas lab in Perth has ISO-9001 and ISO14001 certification. Gold assays are determined using fire assay with 40g charge and AAS finish. Other elements were assayed using acid digest with ICP-MS finish. The methods used approach total mineral consumption and are typical of industry standard practice.
	<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>	No geophysical logging of drilling was performed. This is not relevant to the style of mineralisation under exploration.
	<i>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</i>	Lab standards, blanks and repeats are included as part of the QAQC system. In addition the laboratory had its own internal QAQC comprising standards, blanks and duplicates. Sample preparation checks of pulverising at the laboratory include tests to check that the standards of 90% passing 75 micron is being achieved. Follow-up re-assaying is performed by the laboratory upon company request following review of assay data. Acceptable bias and precision is noted in results given the nature of the deposit and the level of classification. Early drilling shows a pronounced negative bias with several of the external certified standards.
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections are noted in logging and checked with assay results by company personnel. Some significant intersections have been resampled and assayed to validate results. Diamond drilling confirms the width of the mineralised intersections.
	<i>The use of twinned holes.</i>	The current drill program includes holes testing the current resource and twinning existing RC holes as shown on announcement sections.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All primary data is logged on paper and later entered into the database. Data is visually checked for errors before being sent to an external database manager for further validation and uploaded into an offsite database. Hard copies of original drill logs are kept both onsite and in the Perth office.

Criteria	JORC Code explanation	Commentary
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to assay data.
<i>Location of data points</i>	<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>	Drilling is surveyed using DGPS with accuracy of $\pm 0.3\text{m}$ . Downhole surveys are conducted during drilling using single shot cameras at 10 m then every 30 m thereafter. Later drilling was downhole surveyed using a Reflex survey tool. Mine workings (open pits) were surveyed by external surveyors using RTK survey equipment. A subset of historical holes was surveyed to validate collar coordinates.
	<i>Specification of the grid system used.</i>	The project lies in MGA 94, zone 52. Local coordinates are derived by conversion: $\text{GDA94\_EAST} = \text{NIC\_EAST} * 0.9983364 + \text{NIC\_NORTH} * 0.05607807 + 315269.176$ $\text{GDA94\_NORTH} = \text{NIC\_EAST} * (-0.05607807) + \text{NIC\_NORTH} * 0.9983364 + 7944798.421$ $\text{GDA94\_RL} = \text{NIC-RL} + 101.799$
	<i>Quality and adequacy of topographic control.</i>	Topographic control uses DGPS collar pickups and external survey RTK data and is considered adequate for use.
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i>	Drill hole spacing at Nicolson's is generally between 10 m by 10 m and 30 m x 30 m in the upper areas of the deposits and extends to 50 m x 50 m at depths greater than 200 m. The drill spacing at Wagtail and Rowdies is generally 20 m x 20 m with some areas of 10 m x 20 m infill.
	<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>	The Competent Person is of the view that the drill spacing, geological interpretation and grade continuity of the data supports the resource categories assigned.
	<i>Whether sample compositing has been applied.</i>	Sample compositing to 3m occurred in holes above predicted mineralized zones. Composite samples were re-assayed in their 1 m increments if initial assay results were anomalous.
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is</i>	Drilling is predominantly at $270^\circ$ to local grid at a dip of $-60^\circ$ . Local structures strike north-south on the local grid and dip at $60^\circ\text{E}$ . No bias of sampling is believed to exist through the drilling orientation.

Criteria	JORC Code explanation	Commentary
	<i>considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	
<i>Sample security</i>	<i>The measures taken to ensure sample security</i>	The chain of custody is managed by Pacific Niugini employees and consultants. Samples are stored on site and delivered in bulk bags to the lab in Perth. Samples are tracked during shipping.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data</i>	A review of the resource was carried out by an independent consultancy firm when the project was acquired from Bulletin. No significant issues were noted.

## Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>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.</i>	Tenements containing Resources and Reserves are 80% held by Pacific Niugini subsidiary company Halls Creek Mining. They are: M80/343, M80/355, M80/359, M80/503 and M80/471. M80/362 Tenement transfers to HCM are yet to occur as stamp duty assessments have not been completed by the office of state revenue. The tenements lie on a pastoral lease with access and mining agreements and predate native title claims.
	<i>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</i>	The tenements are in good standing and no known impediments exist.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The deposits were discovered by prospectors in the early 1990s. After an 8,500 m RC program, Precious Metals Australia mined 23 koz at an estimated 7.7g/t Au from Nicolson's Pit in 1995/96 before ceasing the operation. Rewah mined the Wagtail and Rowdy pits (5 koz at 2.7g/t Au) in 2002/3 before Terra Gold Mines (TGM) acquired the project, carried out 12,000 m of RC drilling and produced a 100 koz resource estimate. GBS Gold acquired TGM and drilled 4,000 m before being placed in administration. Review of available reports show work to follow acceptable to standard industry practices.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation</i>	Gold mineralisation in the Nicolson's Find area is structurally controlled within the 400 m wide NNE trending dextral strike slip

Criteria	JORC Code explanation	Commentary
		<p>Nicolson’s Find Shear Zone (NFSZ) and is hosted within folded and metamorphosed turbiditic greywackes, felsic volcanoclastics, mafic volcanics and laminated siltstones and mudstones. This zone forms part of a regional NE-trending strike slip fault system developed across the Halls Creek Orogen (HCO).</p> <p>The NFSZ comprises a NNE-trending anastomosing system of brittle-ductile shears, characterised by a predominantly dextral sense of movement. The principal shear structures trend NNE to N-S and are linked by NW, and to a lesser extent, by NE shears. Individual shears extend up to 500m along strike and overprint the earlier folding and penetrative cleavage of the HCO.</p> <p>The overall geometry of the system is characterized by right step-overs and bends/jogs in the shear traces, reflecting refraction of the shears about the granite contact. Within this system, the NW-striking shears are interpreted as compressional structures and the NE-striking shears formed within extensional windows.</p> <p>Mineralization is primarily focused along NNE trending anastomosing systems of NNE-SSW, NW-SE and NE-SW oriented shears and splays. The NNE shears dip moderately to the east, while the NW set dips moderately to steeply to the NE. Both sets display variations in dip, with flattening and steepening which result in a complex pattern of shear intersections.</p> <p>Mineralisation is strongly correlated with discontinuous quartz veining and with Fe-Si-K alteration halos developed in the wall rocks to the veins. The NE shears are associated with broad zones of silicification and thicker quartz veining (typically white, massive quartz with less fracturing and brecciation); however, these are typically poorly mineralized. The NW-trending shears are mineralized, with the lodes most likely related to high fluid pressures with over-pressuring and failure leading to vein formation. Although the NE structures formed within the same shear system, the quartz veining is of a different generation to the mineralized veins.</p>

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		<p>Individual shears within the system display an increase in strain towards their centres and comprise an anastomosing shear fabric reminiscent of the pattern on a larger scale. (Adapted from Robertson(2003))</p>
<p><i>Drill hole Information</i></p>	<p><i>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:</i></p> <ul style="list-style-type: none"> <li><i>o easting and northing of the drill hole collar</i></li> <li><i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>o dip and azimuth of the hole</i></li> <li><i>o down hole length and interception depth</i></li> <li><i>o hole length</i></li> </ul> <p><i>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.</i></p>	<p>Drillholes used in the Nicolson’s Resource estimate included 242 RC and 20 RAB holes for a total of 1,338m within the resource wireframes. Rowdies drilling included 36 RC and 2 aircore holes (AC) for a total of 241 m of intersection within the resource wireframes. Wagtail North comprised 84 RC and 6 AC holes for 553 m of intersection with the resource wireframes. Wagtail South comprised 23 RC and 20 AC holes for 203 m of intersection within the resource wireframes.</p>
<p><i>Data aggregation methods</i></p>	<p><i>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.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should</i></p>	<p>Drill results as reported are composited intersections within the interpreted mineralisation wireframes which form the basis of the resource. Intercepts are composited from 1 m sample increments and no weighting other than length is applied. The Lower cut-off grade is a nominal 0.5g/t Au with a minimum 2m downhole length above 200 mRL and a nominal 1.0g/t Au with a 1 m minimum downhole length below 200 mRL. Top cuts for Nicolson’s lodes were 40 g/t and 45g/t Au for different domains dependent upon the lode grade distribution. Rowdies, Wagtail North and Wagtail South had top cuts of 20g/t, 45g/t and 50g/t Au respectively.</p> <p>All sample intervals within the interpreted wireframe shells were used in the grade estimation.</p>

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	<i>be stated and some typical examples of such aggregations should be shown in detail.</i>	
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used.
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><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></p>	<p>Drilling is predominantly at 270° to local grid at a dip of -60°. Local structures strike 0° to the local grid and dip at 60°E (i.e. having a 60° intersection angle to lode structures). Deeper holes have some drillhole deviation which decreases or increases the intersection angle, but not to a significant extent.</p> <p>Downhole lengths are reported and true widths are approximately 60 – 90% of down-hole length.</p>
<i>Diagrams</i>	<i>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.</i>	Refer figures and table in this release.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	<p>All drillhole intercepts currently available from the current program are included in the release.</p> <p>Historical intercepts are included in previous resource reports released to the ASX.</p>
<i>Other substantive exploration data</i>	<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>	Groundwater is largely confined to fault structures, typical of fracture rock systems with low yields and able to be controlled with air pressure while drilling. Metallurgical and geotechnical work studies have been completed as part of feasibility studies in support of ore reserves with no significant issues noted. No significant deleterious substances have been noted.
<i>Further work</i>	<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>	Underground mining has commenced and milling of this ore has produced gold at levels in line with local grade estimates.

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	<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>	