



ASX and Media Release

M1 delivers further gold intersections in Challenger Deeps drilling

WPG Resources Ltd (ASX:WPG) has received further significant gold assays from the latest four holes in its Challenger Deeps drilling program. Results for the previous Challenger Deeps drilling were announced on 11 April, 17 May, 29 May and 22 June 2017. The four holes were drilled in a vertical fan covering the 135-50mRL horizon and represent the furthest position away down plunge from the previous mining fronts. The highlights are summarised below.

These holes were designed mainly to target the M1 lode, as well as a portion of the Aminus lodes down to 50mRL, which is 85m or four production levels below deepest mine workings. The previous fans drilled and announced were horizontal, targeting the 115mRL, 95mRL, 75mRL and 60mRL (Figure 1).

The assay results received for these holes range from <0.01 to 34.20 g/t gold. Intercepts on the target structures are:

M1:

- ❖ 0.36m (true width) @ 13.22 g/t Au from 74.36m in drill hole 17CUD2089,
- ❖ 0.34m (true width) @ 34.20 g/t Au from 58.35m in drill hole 17CUD2090,
- ❖ 0.94m (true width) @ 19.89 g/t Au from 79.00m in drill hole 17CUD2090,
- ❖ 0.23m (true width) @ 15.15 g/t Au from 58.35m in drill hole 17CUD2091, and
- ❖ 1.00m (true width) @ 8.31 g/t Au from 69.69m in drill hole 17CUD2091

Importantly, three zones of visible gold were also observed as shown in Figure 2.

The drilling results are summarised in more detail in Appendix 1.

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WPG’s Executive Chairman Bob Duffin said “The results announced on 11 April, 17 May, 29 May, 22 June and again today clearly show the main Challenger lodes extend at depth at least 75 metres below the limit of current mine development, and that the structures are heavily mineralised.

“The Deeps drilling program will recommence in late August following development of a lower drilling cuddy as we recommence decline development below the 215 shear.

“We will continue this drilling program with the objective of testing the lodes to even deeper levels. The results to date are highly encouraging and give us further encouragement that the M1, M2, Aminus and Challenger West structures below the 215 shear will form part of our future mining activities at Challenger”.

None of the data reported on herein has been used for resource or reserve estimation.

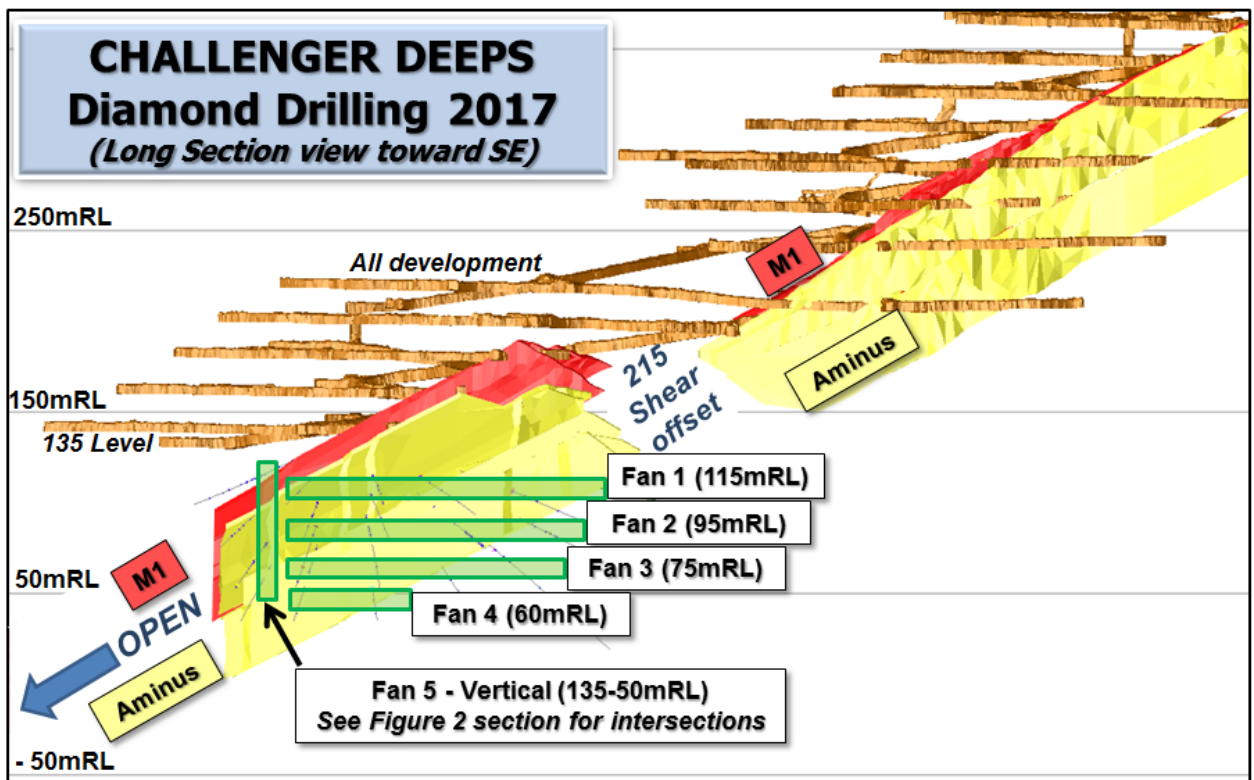


Figure 1: Phase 1 drilling fans – Long Section view showing all Challenger development and M1-Aminus lodes

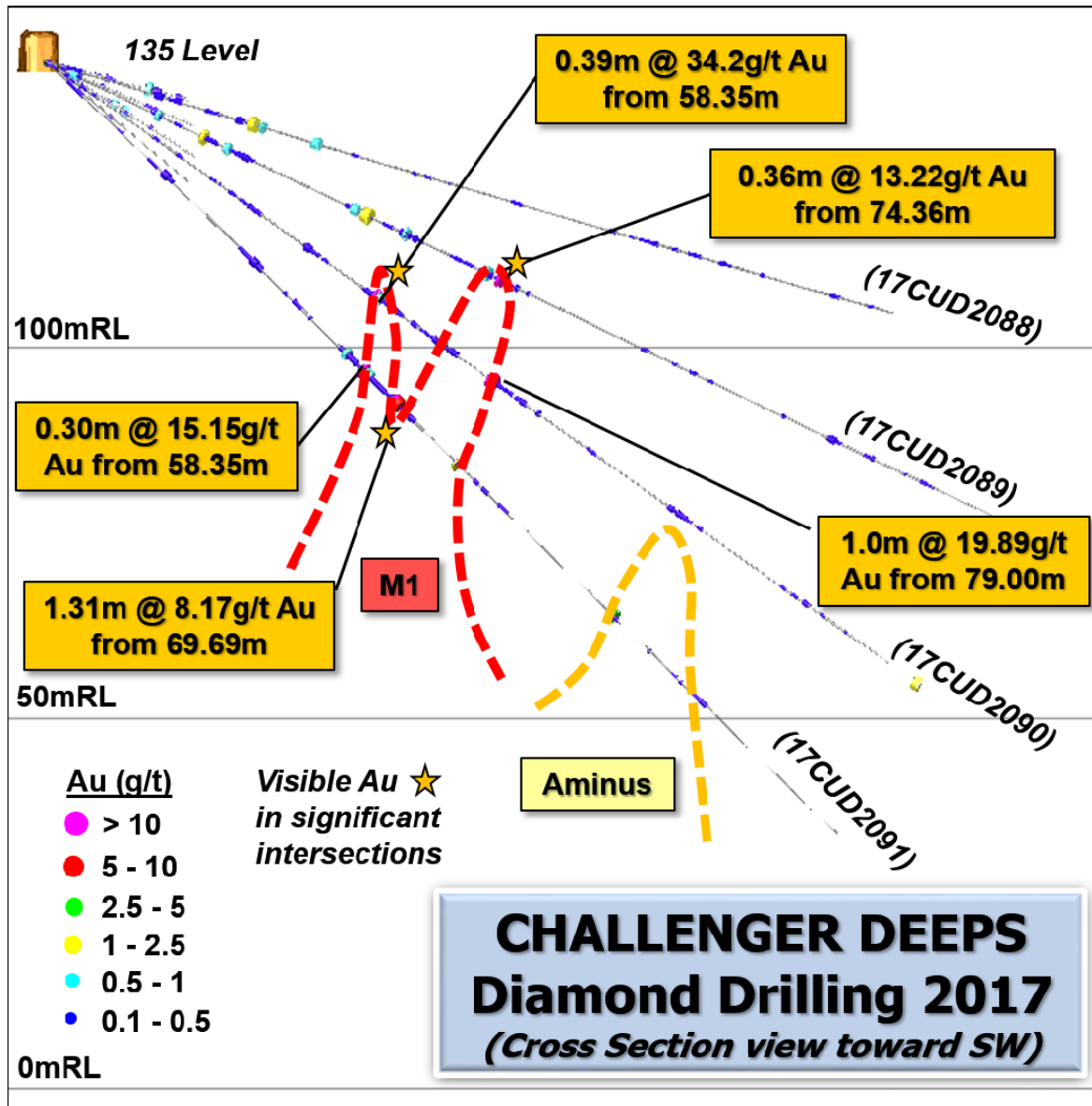


Figure 2: Phase 1 drilling (fifth fan) – Section view of intersections and interpreted M1-Aminus lode structures.

During the next two months, mining of the decline will be restarted and Challenger Deeps will be mined down to the next production level at 115mRL, and additional diamond drill sites will be created.

Further Information

For further information please contact WPG's Executive Chairman, Bob Duffin or CEO Wayne Rossiter on (02) 9251 1044.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning WPG's planned activities, including but not limited to mining and exploration programs, and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward looking statements. Although WPG believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Statement

The Challenger exploration activities and results contained in this report are based on information compiled by Mr Kurt Crameri and Mr Paul Wittwer.

Kurt Crameri is a Member of the Australasian Institute of Mining and Metallurgy. He is a Senior Project Geologist and Mining Engineer and a full time employee of WPG Resources Ltd. He has sufficient experience that 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 defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code & Guidelines). Kurt Crameri has consented in writing to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Paul Wittwer is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He is a Senior Project Geologist and a full time employee of WPG Resources Ltd. He has sufficient experience that 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 defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code & Guidelines). Paul Wittwer has consented in writing to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Drill hole information

Drill collar detail

Exploration Diamond Drill hole Details (Local Grid)						
Hole_ID	Collar mN	Collar mE	Collar RL (mAHD+1000)	Dip	Grid Azi	Hole Length (m)
17CUD2088	11425.579	21606.644	138.5	-15	357	161.31
17CUD2089	11425.579	21606.644	138.5	-23	357	160.32
17CUD2090	11425.579	21606.644	138.5	-32	357	159.67
17CUD2091	11425.579	21606.644	138.5	-40	357	159.22

Drill assay results

Drill Assay results						
Hole ID	From (m)	To (m)	Interval (m)	True Width (m)	Au (g/t)	Shoot
17CUD2089	74.36m	74.72m	0.36m @	0.36	13.22	M1 OD1
17CUD2090	58.35m	58.74m	0.39m @	0.34	34.20	M1 OD1
17CUD2090	79.00m	80.00m	1.00m @	0.94	19.89	M1 OD2
17CUD2091	63.52m	63.82m	0.30m @	0.23	15.15	M1 OD1
17CUD2091	69.69m	71.00m	1.31m @	1.00	8.17	M1 OD1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Underground BQ drill core is whole core sampled, ranging from 0.3m to 1.3m sample intervals. • Each sample is crushed to 4mm and pulverised to 75 microns through the PAL (pulverising aggressive leach) process. In the PAL process, each sample is pulverised in an aqueous solution with cyanide bearing assay tabs and a collection of assorted ball bearings. Each sample is processed in the PAL for one hour, resulting in an Au_CN complex bearing liquor and remnant pulverised sample.
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Underground diamond drilling is undertaken by Challenger Gold Operations. Challenger Gold operates two LM75 underground drill rigs with separate power pack running BQ wireline gear. • No diamond core was oriented.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to</i> 	<ul style="list-style-type: none"> • All drill core is presented as whole core in core trays by Challenger Gold drillers. Core blocks are inserted at the end of every run. Any core loss is noted by the diamond driller on an additional core block if required. • Any core loss is discussed with the drillers in a process of constant improvement to maximise returns. In the case of core loss, generally only fine material is lost through grinding. Any discrepancies between the measured length of the core and that of the core blocks are identified and recorded in

Criteria	JORC Code explanation	Commentary
	<p><i>preferential loss/gain of fine/coarse material.</i></p>	<p>logging as gaps in the lithology and also in the geotechnical logging.</p> <ul style="list-style-type: none"> Unless a mineralised leucosome is ground away, there is no sample bias due to fines loss.
Logging	<ul style="list-style-type: none"> <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> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> All drill core is geologically logged (lithology, mineralisation, structure) and geotechnically logged (Q value – rock quality) down to cm-scale. (Any leucosome greater than 0.20m in length is recorded as a separate lithology. The logging is quantitative in nature as lithology percentages and compositions are recorded and all geotechnical logging relies on measurements for the calculation of Q values. All core is digitally photographed, one core tray per photo, with photos stored on site server for reference.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <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> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Samples taken from BQ underground core are full core sampled. The sample is submitted to the site laboratory for analysis. All samples are dried at a maximum temperature of 90 degrees Celsius to drive off moisture that would interfere with splitting the sample. After drying, samples are crushed using a Boyd Crusher to approximately 4mm in size and then split through a rotary sample splitter to produce a sub-sample. The crusher is cleaned regularly, with barren material (bricks) crushed through it to ensure no smearing prior to the sample run being crushed. Each reject sample is retained for resampling if required. Each sample can be tracked by its sample number through the entire laboratory process and results for the original samples and all QAQC samples are presented in digital form to the site geologists.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <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> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Assaying at Challenger is completed using the PAL process (pulverising aggressive leach). This process effectively replicates the process in the Challenger mill. Each sample is pulverised in aqueous solution with cyanide bearing assay tabs and a collection of assorted ball bearings. Each sample is processed in the PAL for one hour, resulting in an Au_CN complex bearing liquor and remnant pulverised sample. The pulverised material is 95% passing 75 microns, the ideal liberation size for gold at Challenger. Every twentieth sample is duplicated for the original sample bag (re-split) to produce a duplicate. Every sample run (52 samples) will contain at least two duplicates, a blank and a standard (prepared by Gannet Holdings Pty Ltd). These are to ensure that the sub-sampling is representative, that the PAL is

Criteria	JORC Code explanation	Commentary
		<p>correctly cleaned between sample runs and that the PAL is pulverising the samples correctly for full gold extraction.</p> <ul style="list-style-type: none"> Following PAL processing, the samples are individually decanted, centrifuged and prepared for analysis in an AAS by solvent separation using DIBK (20 minutes). The sample is then aspirated through the AAS to produce a reading. The AAS is calibrated for each sample run using analytical reagent prepared standards (of 1.0, 5.0, 10.0 and 20.0 g/t Au) from Rowe Scientific. Each sample is adjusted for sample weight in Labman software to produce the gold grade in ppm. These grades are presented to site Geologists in MS Excel .csv spread sheets. For each sample job; blanks, standards and duplicates are examined to ensure that the blanks are below detection (0.01ppm), the standards are within 8% (experimental accuracy) and that the duplicates are 'reasonable' with respect to the nugget effect of the Challenger deposit. Any sample jobs that fail these checks will be re-analysed from re-splits of the original samples. In addition, all the blanks, standards and duplicates are examined quarterly to ensure that the laboratory is maintaining overall operating standards.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Significant intercepts were verified by Challenger Mine Geologists and the Senior Mine Geologist. Any significant intercepts in exploration drilling and selected significant intercepts from underground production diamond drilling are submitted to Genalysis at least annually for external analysis. This analysis is undertaken by SP-02 or SP-03 sample preparation followed by partial fire assay using a 50 gram charge (FA50). These results are compared to the original PAL results to ensure that the site analyses are repeatable. While the two analysis processes are different, a correlation 0.94 has been achieved for the last comparison, undertaken in June 2016, and 0.83 to 0.98 over the last two years. No twinned holes were drilled All core logging data is captured digitally on company laptop computers and stored on the site server, which is backed up daily. All sample information is recorded both in the relevant logs/face sheets and in sample submission forms that are submitted to the laboratory (on and off site). This allows checking that all samples are present and accounted for by laboratory staff. Assay results are generated as MS Excel .csv files that are stored on the site server and are manually merged with the primary logging/face sheet information. This merged data (logs, collar information and assays) are all imported to the site Diamond Drilling Database in MS Access for use in Surpac. All information imported to the database is checked by the importer in MS Access and Surpac to ensure

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		<p>the correct location/display of data. Ongoing checks are carried out by the entire technical team as the data is used.</p> <ul style="list-style-type: none"> The only modification of assay data, following creation by Labman software is altering of results below detection, <0.01g/t Au, to 0.001g/t Au, averaging of duplicate results to produce an 'au_plot' grade for plotting and application of c80, c140 and c180 cut-offs to the primary data. All of these modifications are undertaken using the merged data in MS Excel (using standard forms), prior to importing to MS Access 																																																
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> All surveys on site are carried out by qualified Surveyors using a Total Station Leica theodolite from known wall stations determined from surface stations located by GPS. Surveying in this manner provides three dimensional collar co-ordinates and development pickups to mm-scale accuracy. Drill hole collars are surveyed in the same way as the rest of the workings with collar dip and azimuth determined by surveying a rod that fits into the drill holes. The collar surveys are transmitted electronically to the site Geologists who merge this information into the MS Excel logs for each drill hole. Down hole surveying of underground diamond drill core is undertaken with a single-shot electric down hole compass/camera at a minimum of every 30m down hole. All survey data is stored as local Challenger Mine Grid. Challenger Mine Reduced Level (RL) = AHD + 1000m so AHD 193m level = 1193mRL. Transformations between AMG and local grids: origin, azimuth AMG origin and azimuth conversions are based on the following coinciding points. <table border="1"> <thead> <tr> <th colspan="4">AMG84 Co-ordinates</th> </tr> <tr> <th>Station Name</th> <th>mN</th> <th>mE</th> <th>mAHD</th> </tr> </thead> <tbody> <tr> <td>CH10</td> <td>6693784.890</td> <td>363338.265</td> <td>194.97</td> </tr> <tr> <td>CH20</td> <td>6693917.900</td> <td>363657.477</td> <td>50.069</td> </tr> <tr> <td>Origin</td> <td>6693379.301</td> <td>363699.494</td> <td>194.410</td> </tr> <tr> <td>Flat Battery</td> <td>6693411.735</td> <td>363510.463</td> <td>194.314</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="4">Challenger Mine Grid co-ordinates</th> </tr> <tr> <th>Station Name</th> <th>mN</th> <th>mE</th> <th>mAHD</th> </tr> </thead> <tbody> <tr> <td>CH10</td> <td>10524.890</td> <td>19860.005</td> <td>1194.977</td> </tr> <tr> <td>CH20</td> <td>10499.951</td> <td>20204.989</td> <td>1050.069</td> </tr> <tr> <td>Origin</td> <td>10000.000</td> <td>20000.000</td> <td>1194.410</td> </tr> <tr> <td>Flat Battery</td> <td>10114.083</td> <td>19845.777</td> <td>1194.314</td> </tr> </tbody> </table>	AMG84 Co-ordinates				Station Name	mN	mE	mAHD	CH10	6693784.890	363338.265	194.97	CH20	6693917.900	363657.477	50.069	Origin	6693379.301	363699.494	194.410	Flat Battery	6693411.735	363510.463	194.314	Challenger Mine Grid co-ordinates				Station Name	mN	mE	mAHD	CH10	10524.890	19860.005	1194.977	CH20	10499.951	20204.989	1050.069	Origin	10000.000	20000.000	1194.410	Flat Battery	10114.083	19845.777	1194.314
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		<p>Challenger Mine Grid North 0° = 329.0° MAGNETIC</p> <p>Challenger Mine Grid North 0° = 333° 14'41"AMG (grid bearing + 26°45'19" = AMG bearing)</p> <ul style="list-style-type: none"> Challenger Mine Grid 31° = Magnetic North 0° Topographic control is taken from the surface stations (above) and traversed to the operating areas through the use of wall stations.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <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> <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> Underground drilling for the current Challenger Deeps program is spaced 30m horizontally and 20m vertically. Underground drilling is adequate to broadly define the lodes for the purposes of level planning. No sample compositing of underground diamond drilling has been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> The orientation of underground drill holes are designed to be as perpendicular to the lode system as possible. The intersection angle of the drill hole to the lodes in drill holes 17CUD2089 and 17CUD2091 is estimated at 90 and 50 degrees respectively and in 17CUD2090 is 60 and 70 degrees for the associated significant intersections down hole respectively.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Samples are submitted to the site laboratory as soon as practical after sampling in individually numbered calico sample bags (labelled CUD for diamond drilling). Analysis is not undertaken until all descriptive paperwork is correctly submitted for the samples. From acceptance of the samples, each sample is tracked on site through Labman software to ensure that each assay is correctly matched with its sample. Any discrepancy between submitted samples and the paperwork is identified and may result in the entire sample job being resampled from original material prior to analysis. External laboratories utilise their own systems for sample tracking.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Data reviews are undertaken on an ongoing basis by site Geologists while using the data. Any errors identified (either by staff, MS Access or Surpac) is queried and corrected as a part of a program of continual improvement. Lab audits are done annually, showing that operating procedures for sample management, QAQC and result consistency are being adhered to.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> All exploration was undertaken within the current Challenger Mine Lease ML6103. The underlying Exploration Licence EL5661 comprises 687 square kilometres within the Woomera Prohibited Area, straddling the Mobella and Commonwealth Hill pastoral leases.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration and mining activities at Challenger Gold Mine have been conducted by Dominion Gold (1995-2010) and Kingsgate Consolidated (2010-2016).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Challenger occurs within the Mulgathing Complex of the Gawler Craton and the area is characterised by Archaean to mid-Proterozoic gneissic country rock. Original granulite facies metamorphism is overlaid by retrograde amphibolite facies recrystallization around 1650 - 1540 Ma (Tomkins, 2002). Saprolitic clays extended to 50 m depth within the ore zone, reflecting a deeper base of oxidation. High-grade gold mineralisation is associated with coarse-grained quartz veins with feldspar, cordierite and sulphides dominated by arsenopyrite, pyrrhotite and lesser telluride. These veins are interpreted as migmatites that have undergone partial melting, with this melting reflecting a precursor hydrothermal alteration event (McFarlane, Mavrogenes and Tomkins, 2007). Three main types of leucosome/vein styles have been defined: <ol style="list-style-type: none"> quartz dominant veins, which may be remnant pre-metamorphic mineralised veins polysilicate veins, which are dominant in the main ore zones and host the majority of the mineralisation Pegmatitic veins, which are unmineralised, late stage, with cross-cutting relationships. The gold mineralisation is structurally controlled through emplacement of the partial melt into relatively low-strain positions. McFarlane, Mavrogenes and Tomkins (2007), using Monazite geochronology proposed a 40 Ma period

Criteria	JORC Code explanation	Commentary
		<p>between 2460 and 2420 Ma of repeated high-temperature events.</p> <ul style="list-style-type: none"> The Challenger Structure can be defined as a laterally extensive shear zone with shoots that plunge 30° to 029° (AMG). These ore shoots are defined by leucosome veins, which are characteristically pygmatically folded. The small-scale folding is parasitic to the overall larger scale folding that can be interpreted from drill core. The folding is interpreted as pre peak metamorphism along with gold mineralisation. Post-folding, the Challenger shoots were subjected to extreme WNW-ESE shortening and extension directed shallowly to the NE. Reference: Androvic, P, Bamford, P, Curtis, J, Derwent, K, Giles, A, Gobert, R, Hampton, S, Heydari, M, Kopeap, P and Sperring, P, 2013. Challenger Gold Mine, Australasian Mining and Metallurgical Operating Practices, AusIMM. 1097-1112.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See Appendix 1 to this report.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> For all results at Challenger Gold Mine, a low cut-off of 0.01g/t Au is applied (limit of detection), these results are replaced with 0.001g/t Au in the drilling database to flag that they are below detection. The assay result is stored as au_plot in the database and variable top cuts of c80g/t, c140g/t and c180g/t are used where required. No upper grade truncation is used for significant intercepts. Reported mineralised intercepts are based on consistent zones of mineralisation greater than 5 g/t and intervals over 0.25 metres down hole. No metal equivalent values have been used.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • All mineralisation widths are reported as depths down hole as all underground drilling is designed to be as perpendicular to the lodes as possible. As this exploration is entirely for resource development, any significant intercepts used in lode modelling are constrained by the resulting model, producing a de-facto true width for further calculations.
Diagrams	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • Diagrams have been included in the main body of the report.
Balanced reporting	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • The assay results received for the drill holes listed in Appendix 1 (17CUD2088 to 17CUD2091) range from <0.01 to 34.2ppm gold.
Other substantive exploration data	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • High grade assay results received from the Challenger lab correspond to quartz vein packages observed in drill core. Visible gold was logged in drill holes 17CUD2089, 2090 and 2091 at 58.35m, 74.36 and 69.69m respectively.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> 	<ul style="list-style-type: none"> • Planned underground drilling for the current financial year focuses on infilling the lower levels of the Challenger West resource, further definition drilling of Challenger SSW, lateral conceptual exploration targets (Enterprise) and drilling of Challenger Deeps to extend the mine life.