6 March 2017

ASX Release

Investor update

Highlights

Mount Mackenzie

- **Drilling program for preliminary feasibility study (PFS) completed**
- **The PFS will investigate mining and processing options for the previously announced indicated and inferred resource of 100,000 ounces of gold and 634,000 ounces of silver**
- **Preliminary environmental assessment did not identify any Strategic Environmental Areas or Environmentally Sensitive Areas (ESA's) or protected flora survey triggers occurring on or within proximity to site**

Radio Gold

- **Radio Gold dewatering well advanced at 80m, plant and site preparation continues**

Mount Mackenzie Project

Resources & Energy Group Limited (REZ) is pleased to advise that site investigations required for the preliminary feasibility study (PFS) for Mt Mackenzie have been completed. The focus of recent site activity has been the completion of a series of strategically located drill holes to confirm resource extents and for mine planning purposes.

A total of 2,000 metres of drilling distributed over 23 drill holes were carried out as part of this program.

The drilling included 110 metres of HQ3 core size at the North Knoll prospect, which provided samples that contained a combination of oxide, as well as transitional and primary ore types. An additional 236 metres of pulverised reverse circulation drill samples were collected and prepared for acid rock drainage (ARD) analysis.

A mobile metal ion (MMI) survey over the Clive Creek prospect was also carried out with results expected shortly.

The drilling sites were designed to test the following elements:

- Check for gold in soil geochemical anomalies identified outside of the existing modelled resource extents in the north-west and eastern parts of drill tested mineralisation.

- Validate results from earlier exploration campaigns, and check opportunity for additional tonnage in a low grade ore zone that separates the North Knoll and South West Slopes deposits.

- Recover core samples from the North Knoll prospect for geotechnical evaluation and metallurgical test work required to develop an understanding of ore recovery rates, optimum grind size and processing options. Core sample representative of Oxide, Transitional and Primary mineralisation were obtained as part of the process.

- Close out shallow mineralisation in the north, east, and southern parts of the resource to enable pit limits to be finalised and commencement of mine planning and prefeasibility studies.

- Recover samples of representative mine and waste material for ARD characterisation.

A preliminary environmental and planning assessment (PEA) for the project was also carried out. The purpose of this work was to identify wether there are any pre-existing constraints to development proceeding at Mount Mackenzie, including the approvals regime requirements.

Collectively the results of the drilling, metallurgical and environmental investigations will be used to complete a PFS, which is scheduled for completion in April 2017.

Results

The drilling results have confirmed that the existing geological model is an accurate reflection of the mineralisation and its extents. A drilling schedule and a plan showing the location of drill holes and modelled resource area is presented in Table 2 and Figure 1 below.

A drilling checklist has been prepared in fulfilment of the requirements of the Joint Oil Reserves Committee (JORC (2012)) reporting of results, and is presented in Appendix 1.

Significant results were:

- **MMRC695** 1m @ 2.02gt/au and 10.9gt/ag from 11m down hole
- **MMRC698** 4m @ 1.35gt/au and 10.5gt/ag from 0m down hole
- **MMRC699** 23m @ 1.86gt/au and 38.5gt/ag from 0m down hole, including 12m @2.65gt/au and 58.1gt/ag from 0m downhole.
- **MMDDH702** 36.75m@ 2.54gt/au and 28.79gt/ag from 13.33m downhole including 28.58m @ 3.09gt/au and 32.98gt/ag from 13.33m downhole, and 10m @0.09gt/au and 16.15gt/ag from 50m downhole.
- **MMDDH703** 19.47m @ 1.46gt/au and 7.85gt/ag from 3.39m down hole, and 9.02m @ 1.23gt/au and 32.81gt/ag from 43.76m downhole.
- **MMRC704** 3m @ 1.56gt/au from 8m downhole

MMRC689, located on a MMI Geochem anomaly to the northwest of the current resource shell was prematurely completed at 107m due to excessive water, which compromised sample collection. This hole intersected 28 metres of variable to low grade gold mineralisation (0.24gt/au) from a 79 metre down hole, and was terminated in mineralisation.

MMDDH702 and MMDDH703 were completed as cored holes. The core has been split and is currently being prepared for transport to ALS Balcatta for metallurgical test work. Significantly both MMDDH702 and MMDDH703 appear to have completed in mineralisation dominated by silver.

Drilling in **MMRC701** to check low grade mineralisation which currently separates the North Knoll from South West Slopes deposits intersected a number of mineralised intervals from surface to 70m depth and ranging in thickness from 2 to 6m. The overall tenor of this zone is in the order 0.3 to 0.5gt/au and 4 to 8gt/ag. Further work in this area will be required to establish whether this zone has potential to contribute to current resource estimates. Presently the area is excluded from resource estimation.

In addition to metallurgical studies, 26 composite samples representing various ore and waste rock types and intervals within the North Knoll have been prepared for Acid Rock Drainage (ARD) studies. The composites were prepared from pulverised bulk reserve samples from the following holes RC holes- **MMRC 690, 693, 695, 696, 699, 701 and 704**. These composites have been forwarded to ALS Environmental for testwork including assessment of likely net and potential acid generation and buffering characteristics.

Field investigations included a program of MMI soil sampling over the Clive Creek prospect. The Clive Creek prospect is located approximately 6 kilometres north of Mt Mackenzie and includes two areas of historical Au in soil anomalies identified by the former operators from conventional 80# soil testing. These are known as Quinine Gully and Sphinx. A total of 419 samples were collected as part of this work, along 9 grid lines. Results from the first 208

samples are expected shortly. The location of samples and grid lines is presented in Figure 2 below.

A preliminary assessment did not identify any Strategic Environmental Areas or Environmentally Sensitive Areas (ESA's) or protected flora survey triggers occurring on or within proximity to site. The need for an Environmental Impact assessment under the Environmental Protection Act 1994 (QLD) (EP Act) is not considered likely. Rather an Environmental Authority (EA) will be required and assessed by the Department of Environment and Heritage (EHP) as a site specific resource activity under the EP Act.

2016 Drilling Schedule

Borehole Reference	MGA-94 East	MGA-94 North	Elevation (mAHD)	Depth (m)	Dip	Azimuth (Magnetic)
MMRC681	749695.18	7469778.27	153.70	80	-90	0
MMRC682	749681.34	7469769.50	153.18	86	-90	0
MMRC683	749662.67	7469758.51	153.85	92	-90	0
MMRC684	749645.87	7469749.05	154.66	100	-90	0
MMRC685	749634.48	7469736.66	156.51	104	-90	0
MMRC686	749619.16	7469724.82	156.64	113	-90	0
MMRC687	749601.99	7469710.60	158.35	113	-90	0
MMRC688	749572.36	7469684.43	160.48	125	-90	0
MMRC689	749558.93	7469670.02	161.60	107	-90	0
MMRC690	749704.80	7469723.23	159.23	80	-60	41
MMRC691	749672.69	7469696.13	162.92	131	-60	41
MMRC692	749835.04	7469509.32	177.96	59	-90	0
MMRC693	749807.91	7469532.80	182.60	100	-90	0
MMRC694	749873.56	7469462.86	181.67	100	-50	36
MMRC695	749864.07	7469540.52	167.97	60	-90	0
MMRC696	749769.34	7469636.20	166.69	40	-60	41
MMRC697	749743.64	7469644.67	168.17	110	-90	0
MMRC698	749745.76	7469545.14	192.56	80	-90	0
MMRC699	749757.16	7469548.02	192.63	65	-90	0
MMRC700	749849.20	7469434.11	194.35	100	-50	41
MMRC701	749852.75	7469325.04	232.45	124	-60	36
MMDD702	749674.09	7469586.04	178.54	48.6	-60	211
MMDD703	749690.78	7469551.19	183.37	52.79	-65	203
MMRC704	749650.84	7469529.02	182.66	120	-90	0

Figure 1
2016 Borehole Location Plan
(showing pit shells and mineralisation extents)

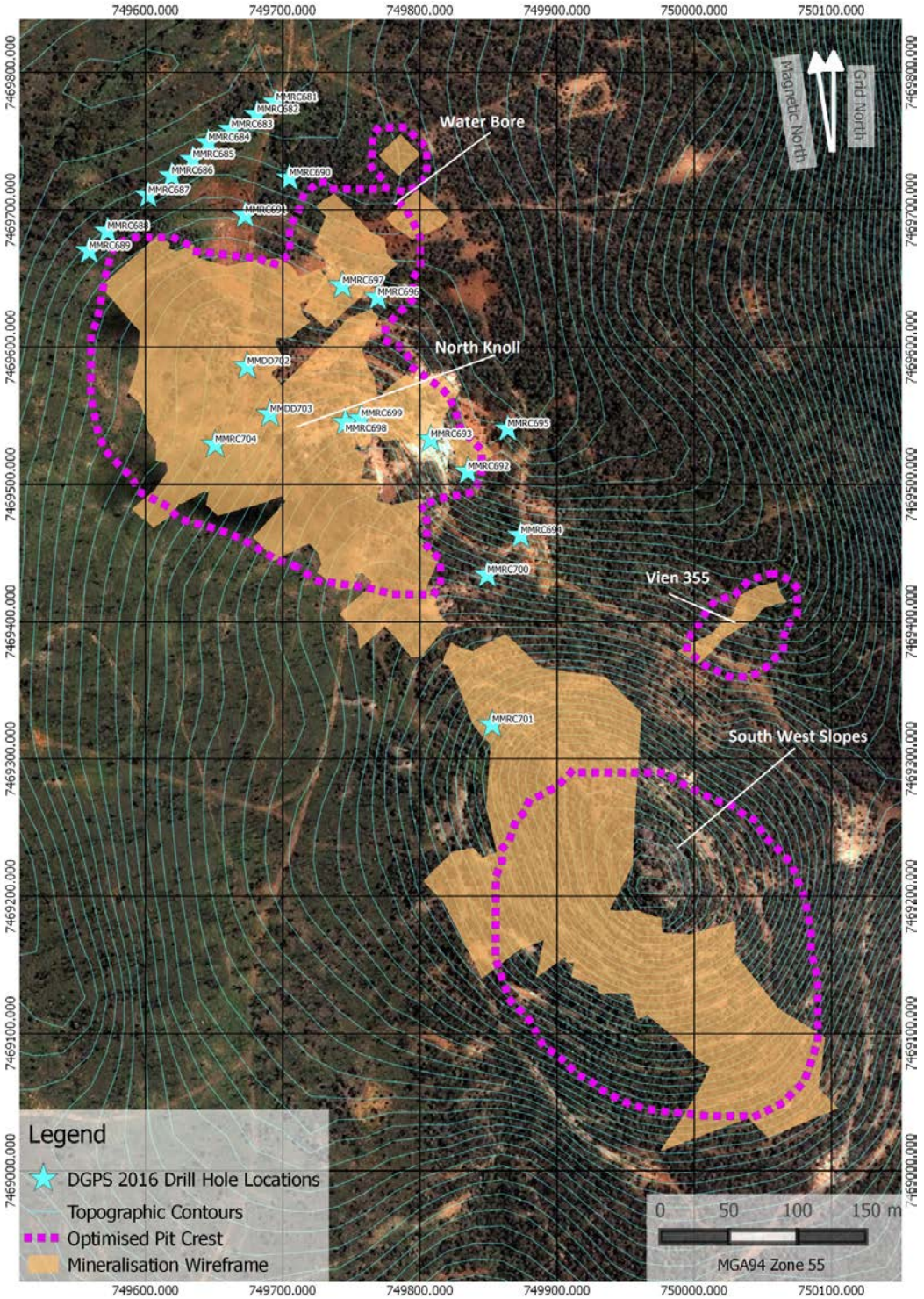
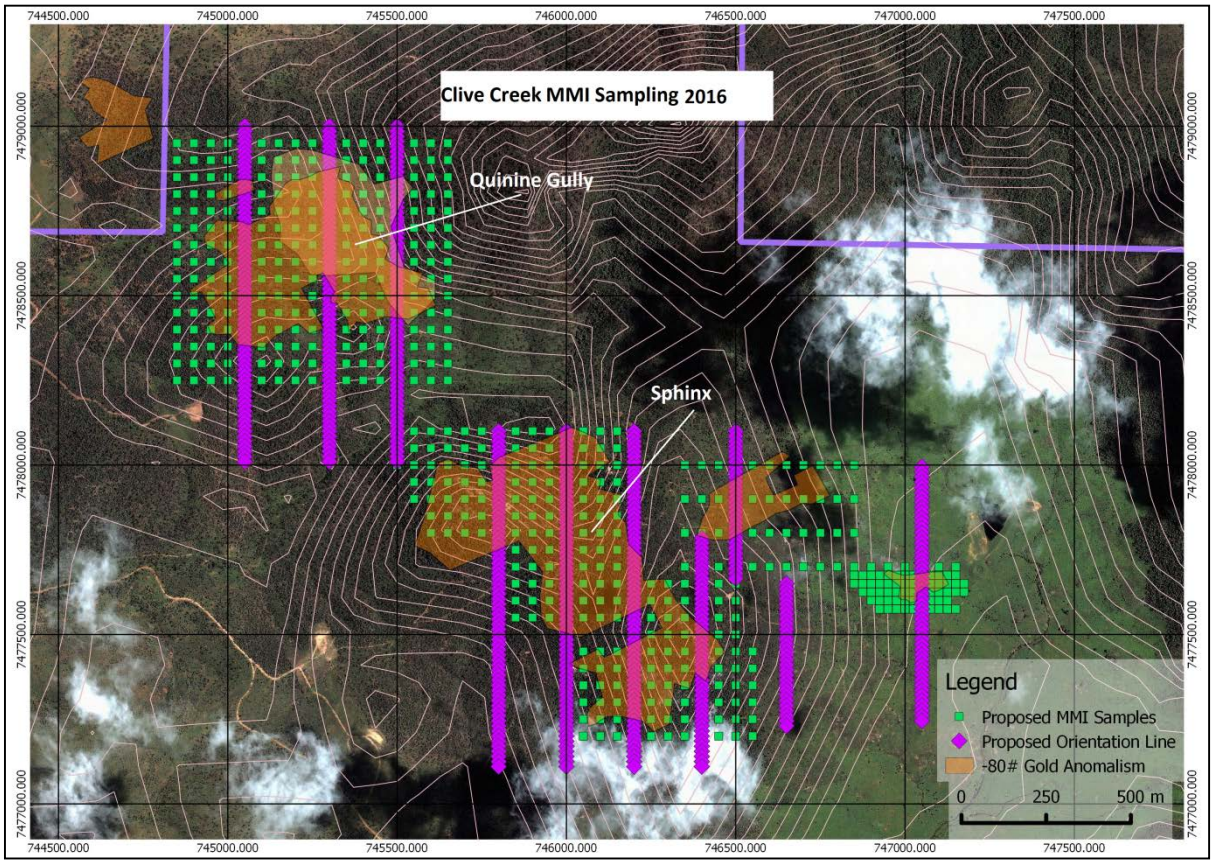


Figure 2
Clive Creek MMI Orientation Sampling Program



Competent Persons Statement and Consent

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr. Michael Johnstone who is a member of the Australasian Institute of Mining and Metallurgy, and Principal Consultant for Minerva Geological Services (MGS). MGS has been contracted by REZ to provide Exploration Management, technical advice and guidance to the company.

Mr Johnstone has sufficient experience that is relevant to the reporting of Exploration Results 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'. Mr Johnstone consents to the inclusion in this release of the matters based on their information in the form and context in which it appears.

Radio Project

Following receipt of the Department of Mines and Petroleum (DMP) approvals of the Mining Proposal and Mine Closure Plan, dewatering of the Radio Gold Mine is well underway.

To date 25,000kL has been dewatered from the vertical shaft, lowering the water level to 80 metres below surface. Approximately 20 metres of water remain to access the old workings via the 10 Level crosscut at the bottom of the shaft. It is anticipated that at current dewatering rates this point should be reached within the coming month.

Figure 3
Radio dewatering dam

Development Strategy

The setup of the shaft headframe and hoisting system is almost complete, with the skip refurbished and NDT testing successfully completed. Meetings with the DMP for the Haulage Winding System and Project Management Plan have been undertaken, with formal submissions made pending final approvals.

Upon approval and completion of the initial dewatering the second phase of the Radio Project will commence, namely the establishment of the 10 Level platform and safe access along the crosscut to encounter old mine workings on 10 Level.

From this point a systematic rehabilitation and exploration of the underground workings will be undertaken, with a view to determining the geotechnical status of the mine. Concurrently, a geological assessment and sampling program will occur, with particular attention to the validation of assays obtained from an extensive program done when the mine was last dewatered in 1991.

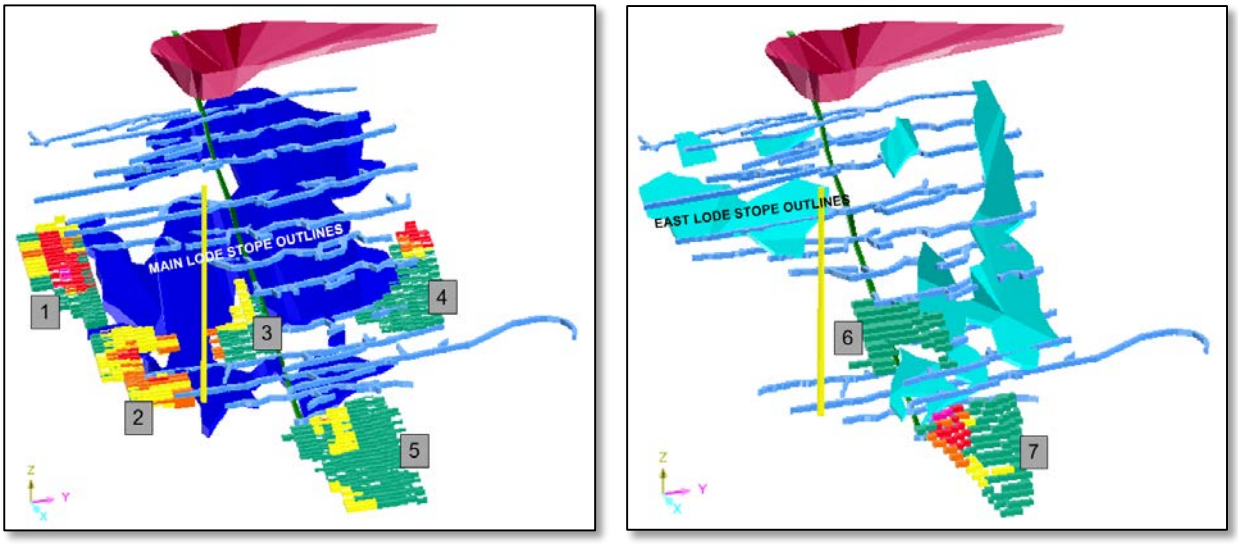
Underground Bulk Sample Locations

Following the geological and geotechnical assessment of the dewatered underground, the mining team will focus on the establishment of bulk sample

mining locations. The main aim of which will be to enable the removal of high grade ore material for gravity gold recovery in a pilot plant located at Radio.

Several potential ore blocks have been identified from available information as prospective, located proximal to the old mine workings and down-dip of the 12 Level at the base of the mine. Mining resources will focus on accessing and determining suitability of these potential blocks for production activities.

Figure 4
Isometric of potential mining block locations



Pilot Gravity Plant

Radio is described by previous operators as extremely nuggetty, with very high grade ore lying in narrow plunging shoots. The majority of the historical Radio production was won from gravity gold recovery, delivering an average grade of 39g/t from 1918 to 1974. Gravity Recoverable Gold (GRG) test work (Ammtec) in 2014 on a small sample of lode material suggested recoveries of 76% can be easily achieved.

As a part of the Radio acquisition in early 2016, REZ acquired most of the required components for a modest 10tph gravity gold plant. This plant will be refurbished and configured to accept bulk sample material from the Radio underground and determine the efficacy of site-based gravity gold processing.

Importantly, gravity processing involves simply the crushing, grinding and physical separation of minerals. It does not require any cyanide or dangerous chemicals. Tailings material from the gravity process will still contain a portion of the mined gold and will be stored onsite for subsequent further treatment.

Figure 5
Ball mill and jaw crusher plant

Burbank mine acquisition

REZ announced in December 2016 the conditional acquisition of the Burbanks Mine subject to due diligence. REZ is in continuing discussions with the vendor in relation to a variation of the terms and structure of the acquisition with a view to reaching a mutually acceptable outcome. However, the transaction is unlikely to proceed under the original terms and REZ will keep the market informed should the parties arrive at an alternative structure.

Tenement Schedule

REZ Tenement Schedule

State	Project	Number	Status	REZ beneficial ownership	Expiry
Queensland	Mt Mackenzie	EPM10006	Live	100%	28/03/2018
	Mt Mackenzie	EPM12546	Live	100%	28/01/2018
	Mt Mackenzie	EMP17515	Live	100%	Being renewed
Western Australia	Radio	ML77/633	Live	100%	24/08/2036
South Australia	Deep Energy	GEL486	Being relinquished	51.85%	

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About Resources and Energy

Resources and Energy Group Limited (ASX: REZ) is an independent, ASX-listed gold explorer, holding mining leases in Western Australia and Queensland. REZ aims to develop a portfolio of mining tenements through to production.

Appendix 1:
Mount Mackenize Project
JORC Code, 2012 Edition – Table 1 Checklist

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialized 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. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralization that are Material to the Public Report. • 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 mineralization types (eg submarine nodules) may warrant disclosure of detailed information.	• The majority of samples used for reporting results were obtained from 4.5 inch percussion drill holes, with lesser amounts obtained from HQ3 coring. For RC drilling the sample intervals were typically 1m over the drilled interval. Cored intervals were generally sampled at 1m or less if a change in lithology was observed or sample length terminated at run completion. • RC samples were collected for every meter drilled from a 70:30 two tier riffle splitter which was housed under the cyclone. Sample was in the main dry and free flowing. Dry sample from the cyclone was immediately released into the sample splitter to achieve a 7-9kg lab sample and a 28kg reference sample. In general the complete intervals drilled have been sampled and tested. • Reverse circulation and core drilling was used to obtain samples. • Prepared sample intervals, whether core or RC were pulverized to produce a 50g charge for fire assay with a AAS finish. In addition a 30g sample for multi element analysis by ICP, or Acid Digestion was prepared and analyzed. All testwork on Core and RC drilling has been carried out by Australian Laboratory Services (ALS) Townsville. The principal test methods being PM209 and AA26 for Au, and IC580 or ICP61 for multi-element analysis.
Drilling techniques	• 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).	• The exploration results are based on drilling programs comprising combination of Reverse Circulation (RC) and fully cored HQ3 drilling. A 4.5'' inch face sampling hammer bit was used for RC drilling. Pre-collars and surface casing for all drilling was in the main 6 inch and set 3m to 6m from surface. Bore core was not orientated, as it's orientation is not material to the testing work carried out.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed.	• Core recoveries for all DDH have been recorded and are based on linear and not mass measurement. RC samples recoveries were measured qualitatively, and comparatively based on the supervising geologists experience and assessment of bagged bulk sample volumes. Data recorded on a sample record log in the field as drilling progressed and sample masses checked on

Criteria	JORC Code explanation	Commentary
		scale, and reweighed at the lab.
	• Measures taken to maximize sample recovery and ensure representative nature of the samples.	• For RC drilling the drilled interval is continuously sampled every meter using a two way splitter slung directly under the cyclone. The splitter was checked every sample to ensure no residue remained from the previously drilled interval, and the cyclone checked regularly. Field procedures involved highlighting any variance in observed sample recovery to the driller immediately in order to ensure consistent recoveries. HQ triple tube was adopted to maximize DDH core recoveries.
	• 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.	• No relationship has been identified at this stage.
Logging	• 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.	• All bores are geologically logged to a level suitable for resource estimation and results reporting. Lithology, alteration, mineralisation and weathering condition has been noted on all logs. For cored holes anisotropies such as joint, fracture and veins have been logged as well.
	• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	• Logging is qualitative and descriptive. Photography of drill core was routinely carried. Chip trays for sieved samples from every RC hole, together with remnant core have been retained and stored for future reference.
	• The total length and percentage of the relevant intersections logged.	• In the main 100% of drilled intervals have been logged; intervals of no recovery are noted on logs and sample registers.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken.	• Core samples were half split lengthwise for assay.
	• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	• For RC samples, a two way riffle splitter was used to obtain 1m sub samples with a weight of approximately 7-9kg. In most cases the sample has been classed as wet or dry on the drilling log header, and a review of these indicates majority of samples were dry.
	• For all sample types, the nature, quality and appropriateness of the sample	• The field procedures adopted for RC and DDH sub sampling are Industry

Criteria	JORC Code explanation	Commentary
	preparation technique.	standard and appropriate. After initial collection in the field all subsequent sample preparation is carried out in a laboratory, under controlled conditions and specified by the relevant standards. MMM sample preparation and analysis was undertaken at ALS Laboratory Townsville, an ISO accredited laboratory. ALS utilises industry best practise for sample preparation for analysis involving drying of samples, crushing to <5mm and then pulverising so that +85% of the sample passes 75 microns prior to subdivision for analysis.
	• Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.	• For RC drilling, site QA/QC procedures involve the use of blanks and duplicates. The insertion rate of these averaged one QA/QC sample per 20 metres drilled. Duplicates were generated on-site from the original split sample via the cone and quarter method. Blanks consisted of crushed gravel sourced from off site and are characterised by a geochemical signature unique from the mineralisation at Mount Mackenzie.
	• 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.	• Field duplicates were collected at 1 meter intervals directly from the splitter and included in the sample stream. These have been tracked, analysed and checked by the principal consultant for Geko-Co. ALS also include certified reference samples and blanks in each sample batch, as part of that company's internal QA/QC protocols. No material issues were noted.
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	• Microscopy and metallurgical test work has indicated that gold is likely to be fine-grained. No coarse gold has been observed. The 4.5" hole diameter and collection of a 7-9kg (split on site) sample over an interval of between 1m is industry standard practice and is considered an appropriately sized sample for the style of mineralization observed at Mount Mackenzie.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	A 50g charge for fire assay was analysed using ICP-AES (AA26) which is an Industry standard for Gold ore grade determination. Broad 33-element analysis has been determined on 30g sub samples pulverised to pass 75um, using a 4 acid digest, followed by ICP-AES. Analyites which are over limit are retested using a more appropriate method.
	• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and	• Not applicable.

Criteria	JORC Code explanation	Commentary
	model, reading times, calibrations factors applied and their derivation, etc. • 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.	• Current ALS QA/QC involves the use of internal laboratory standards using certified reference material, blanks, splits and replicates as part of the in-house procedures. The QA protocol requires that for each batch of 40 samples a reagent blank, two replicate determinations, and two standards are included. The system also uses a bar coding and scanning technology that provides complete chain of custody records at every stage of the analytical process.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• All sampled intersections are verified by the site Geologist, who has been present on site during the complete drilling process. The sampled intersections are then checked by the supervising Geologist by reference to hole number, drilling depths sample numbers, blanks and standards introduced into the sampling stream. The final results are then reviewed by the exploration manager for MMM. The general tenor of early mineralised drill hole intercepts have been confirmed through additional infill and extensional drilling by several companies that joint ventured onto the project, and by the confirmatory drilling of MMM. • Not applicable. • The primary data was collected at the drill site as drilling progressed by the Site Geologist and Field Technician. The Site Geologist recorded all lithological logging data directly in digital format via a rugged computer. The sample data, including allocation of sample number to interval, sample quality/recovery data, and insertion of QA/QC samples was recorded on a field sheet by the Field Technician and reviewed by the Site Geologist in the field. This data was later digitised in the office and validated against assay files and checked by the Principal Geologist. Field sheets are kept on file and digital data backed up. The project data base is independently maintained in Explorer 3 data management software. This software has capability to identify data entry errors. • Analytical data is not adjusted.

Appendix 1:
Mount Mackenize Project
JORC Code, 2012 Edition – Table 1 Checklist

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• Data spacing for reporting of Exploration Results.	• Data spacing for reporting these Exploration Results is in the order of 20 to 200m.
	• 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.	• The data spacing and orientation provides significant coverage on section and plan to determine the degree of geological and grade continuity commensurate with the resource classifications applied.
	• Whether sample compositing has been applied.	• Drill hole samples for grade determination have not been composited prior to assaying. Geochemical samples for ARD investigations have been composited and homogenized prior to size reduction and testing.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	• An evaluation of drill data on section indicates that the holes have been mainly been drilled at a reasonable orientation to the principal resource areas and no significant bias would be expected. Mineralisation is generally dipping 60-80^0 west-south-west; in some instances steep dipping mineralisation has been tested with vertical holes. However, the density of drilling is quite high and resource and mineralised extents are reasonably well confined.
	• 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.	• The orientation of drilling is not considered to have introduced sampling bias.
Sample security	• The measures taken to ensure sample security.	• Chain of custody for MMM samples. Samples were checked against the sample record sheet in the field prior to collection into sequentially numbered plastic bags. The plastic bags were sealed with cable ties before being secured in bulker bags, along with sample submission sheets. The sample batches were loaded by the field team and freight forwarded to ALS Townsville by the transport contractor without any trans-shipment. The receiving laboratory verified sample numbers against the sample submission sheet/manifest, and confirmed receipt. After receipt the samples were bar coded and tracked through the entire analytical process.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• At this stage no audits or reviews of sampling techniques has been carried out.

Appendix 1:
Mount Mackenize Project
JORC Code, 2012 Edition – Table 1 Checklist

Section 2 Reporting of Exploration Results

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. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	• The area under assessment is located wholly within EPM10006. EPM 10006 is an exploration permit for minerals. A public interest enquiry confirms Mount Mackenzie Mines (MMM) as having 100% interest in the tenement. MMM is a wholly owned subsidiary of REZ (REZ) The land, from which the Exploration Results have been derived, is not subject to Native Title Interests, and does not encompass Strategic cropping lands, wilderness or protected landscapes. • At the time of reporting the tenement is in good standing. There are no known impediments which would prohibit operations in accordance with the license conditions, and the environmental authority.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• This tenement package was formerly held under joint venture between Smarttrans (formerly Coolgardie Gold) and Australian Reproductive Health Services (formerly Marlborough Gold Mines). Over many years several companies had joined with Marlborough Gold Mines to form joint ventures over the area of EPM10006, including Australian Consolidated Exploration (1975-76), Utah Development (1981-82), Peabody (1984-85), Freeport McMoran (1987-89), Dragon Mining (1995), Coolgardie Gold / SmartTrans Holdings (1997-2014), Jeteld (2002-06) and Newcrest Mining (2007-08).
Geology	• Deposit type, geological setting and style of mineralization.	• High Sulphidation epithermal gold deposit of Late Carboniferous age associated with the Conners Magmatic Arc in the Queensland part of the New England Fold Belt.
Drill hole Information	• 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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o 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.	• Co-ordinate location, elevation, hole length, dip and azimuth of all holes is provided in Table 1, of the accompanying documentation. Down hole length and interception depths for significant intersections have been furnished in the accompanying documentation. • The documentation provided in this release includes comprehensive reporting of all exploration results, no information has been excluded.

Appendix 1:
Mount Mackenize Project
JORC Code, 2012 Edition – Table 1 Checklist

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• 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.	• The interval grade is calculated by linear weighted average, with no cutting of grades. Intercept grades were calculated as linear weighted averages. In determining intercept lengths a lower cut-off grade of 0.3g/t Au was used. The intercept is calculated down hole and begins where the assay reaches 0.30 g/t Au or above and continues to the point where > 2 metres grading <0.30 g/t Au is reached (i.e. lengths of up to 2 metres of internal dilution are incorporated). For reporting Ag no cut off limit has been applied, the value reported is simply the linear weighted average over the corresponding Au interval. • The broad nature of the mineralisation interpretation means in some instances shorter intervals of higher grade may be present within an individual drill hole. • Not applicable, metal equivalents are not reported
Relationship between mineralization widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralization 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 (eg 'down hole length, true width not known').	• The mineralisation in the North Knoll is believed to have a north-westerly alignment, with westerly dip. Recent confirmatory drilling has been spatially arranged normal to this orientation. Mineralisation in the South West Slopes area is also north-westerly trending with a steeper to sub-vertical west dip. • Sample intervals have been described as down hole intervals and observation of data on section indicates the down hole intercepts are a reasonable indication of mineralisation widths in the North Knoll area.
Diagrams	• 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.	• Appropriately scaled plans have been provided in this announcement. A plan showing all drill hole collar locations accompanies this announcement as Figure 1.
Balanced reporting	• 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.	• Comprehensive reporting of all material data has been adopted.
Other substantive exploration data	• 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	• The company has previously released a valuation and assessment report on the group of tenements. This document provides details of geological observations, previous investigations, geochemistry and geophysical survey

Criteria	JORC Code explanation	Commentary
	treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	results. In June 2015, and September 2015 the company released results from confirmatory exploration drilling, and resource estimation over the North Knoll and South West slopes prospect. In February 2016 the company released results from geochemical investigations over the North Knoll, highlighting a proposed work program, the results of which are the subject of this release. In June 2016 the company released results of preliminary metallurgical test results on pulverised sample, which again highlighted proposed work which is the subject of this release.
Further work	• The nature and scale of planned further work (eg 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.	• Recommendations for further work are described in the accompanying release • Additional resource areas have been described in previously released documentation by the company.