07 September 2018

Sinclair Exploration Update: RC drilling identifies new mineralised position

Highlights

- Massive and disseminated nickel sulphides intersected in RC drilling at the Skye East Prospect with significant results including:
    - **4m @ 1.28% Ni from 16m downhole**
    - **7m @ 3.54% Ni from 51m downhole *inc. 2m @ 7.47% Ni from 55m downhole***
- Assessment underway for potential deeper RC and diamond drilling and DHEM surveys to test this newly identified mineralised basal contact position.
- Results were part of a 17-hole shallow RC drill program at the Skye East Prospect and a 6-hole RC drill program at the Delphi Prospect.

Talisman Mining Ltd (ASX: **TLM, Talisman**) is pleased to announce the completion of a shallow reverse circulation (**RC**) drilling program at its 100% owned Sinclair Nickel Project. The program included seventeen holes drilled for 1,010 metres to test a new conceptual target at Skye East (*Figure 2*) and six holes drilled for 318 metres at the Delphi Prospect to test strike extensions to the south of previous encouraging results.

Figure 1: Skye East Prospect: SNRC048 drill cuttings showing significant intersection 51-58m 7m @3.54% Ni.

Skye East Prospect

The Skye-East Prospect is a conceptual basal-ultramafic contact position identified as a north eastern hinge extension of the Skye Prospect. The Skye Prospect together with the Stirling Prospect are two mineralised ultramafic channels identified in drilling to the south and directly beneath the main Sinclair ore body, in close proximity to the existing Sinclair underground mine development (*Figure 2 and Figure 3*).

Seventeen RC holes for 1,010 metres (*Table 1*) were completed along five traverses at the eastern extent of previous drilling. The program was designed to test an untested zone to the east of Skye and interpreted potential dip extensions from limited historic drilling.

Drilling intersected massive sulphides in a number of holes (*Figure 2*), with significant results including;

- **SNRC045 4m @ 1.28% Ni from 16m down hole, and**
- **SNRC048 7m @ 3.54% Ni from 51m down hole**
  including 2m @ 7.47% Ni from 55m down hole

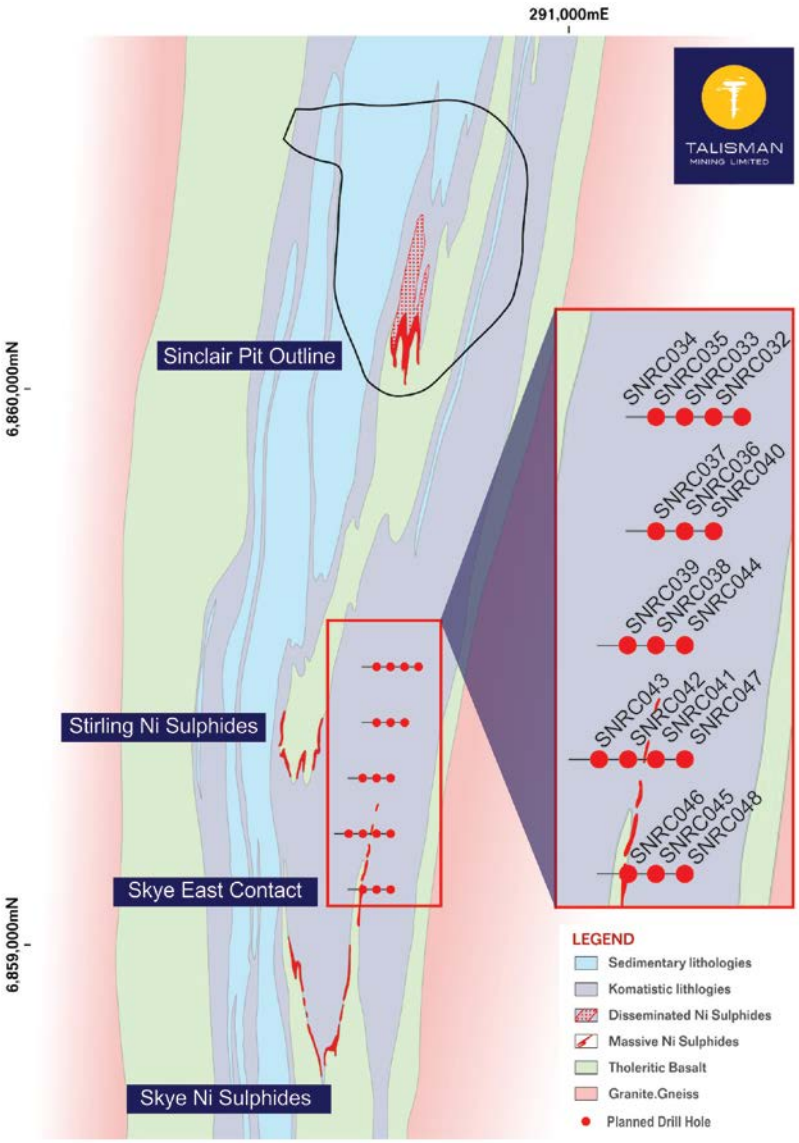

Figure 2: Sinclair Nickel Project – Skye East contact position showing RC drilling

Further elevated results were returned from SNRC038, with anomalous silver, copper and zinc results associated with a zone of disseminated and stringer sulphides from 49 metres downhole.

The significant intersection in SNRC048 occurs down dip, below the shallow intersection in SNRC045 on 6859100mN, the southernmost line drilled. Importantly, mineralisation remains open to the south and east. A full listing of results returned from drilling is provided in *Table 2*.

Talisman is highly encouraged by these new results returned from a work program designed to test a conceptual ultramafic contact position identified by Talisman in an area that is relatively untested by previous work. RC drilling completed by Xstrata to the south of the recent drill program had returned narrow low-grade nickel intersections including:

- CWD105 – 0.57m @ 1.82% Ni
- CWD005 – 2.00m @ 1.49% Ni
- CWD011 – 0.45m @ 0.98% Ni

An assessment of potential deeper RC and diamond drilling and downhole electromagnetic (**DHEM**) surveys to further test this newly identified mineralised basal contact position at Skye East is underway.

Skye-East is one of many basal-ultramafic contact positions identified by Talisman's project wide geological review. Many of these target areas remain either lightly or completely untested by previous drilling, as a result of a Talisman decision (in the second half of calendar 2015) to rationalise exploration activities at Sinclair. This decision was made in light of subdued nickel prices and a desire to focus available resources on the Monty copper-gold discovery and wider Springfield Joint Venture, which at the time, presented as the opportunities most likely to enhance shareholder value in the short term.

Recent results at Skye East highlight the potential for these targets to return significant nickel sulphide mineralisation close to surface. Furthermore, they confirm the highly prospective nature of the wider Sinclair Nickel Project which can be tested using shallow, cost-effective and targeted campaign style drilling.

Skye and Stirling Prospects

The Skye and Stirling Prospects show strong similarities to the Sinclair ore body, with massive nickel sulphides associated with at least two positions at the base of a complexly folded high-MgO ultramafic body. Both channels show good down-plunge continuity and 3D geological modelling indicates that massive to heavily-disseminated nickel sulphide mineralisation is clearly developed along at least two well-constrained northerly-plunging basal ultramafic positions beneath, and immediately to the south of, the Sinclair mine infrastructure *(Figure 3 and Figure 4*).

Both prospects contain drilling on a 50m x 20m pattern at their near-surface positions but are largely untested down-plunge and to the north beneath Sinclair. Prior to testing the Skye East conceptual target, Talisman had undertaken one drill hole at Skye and Stirling to test a fold hinge structure at Stirling.

Several strong, late-time DHEM conductors identified along the down-plunge basal extensions of the prospective Skye and Stirling mineralised ultramafic units remain to be tested and present as potential future drill targets (*Figure 4*).

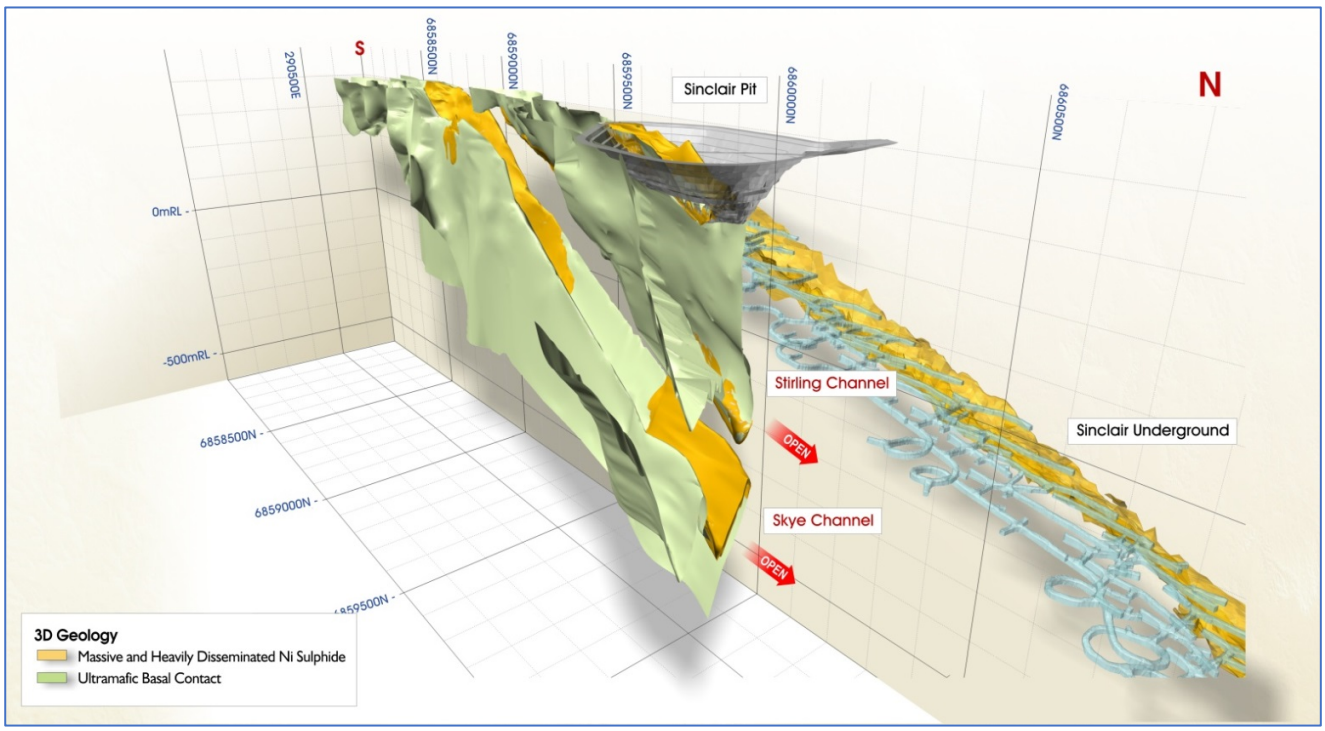

Figure 3: Perspective view of Skye-Stirling 3D geology (looking southwest) with north-plunging basal ultramafic contact (green) and associated nickel sulphide mineralised envelope (yellow).

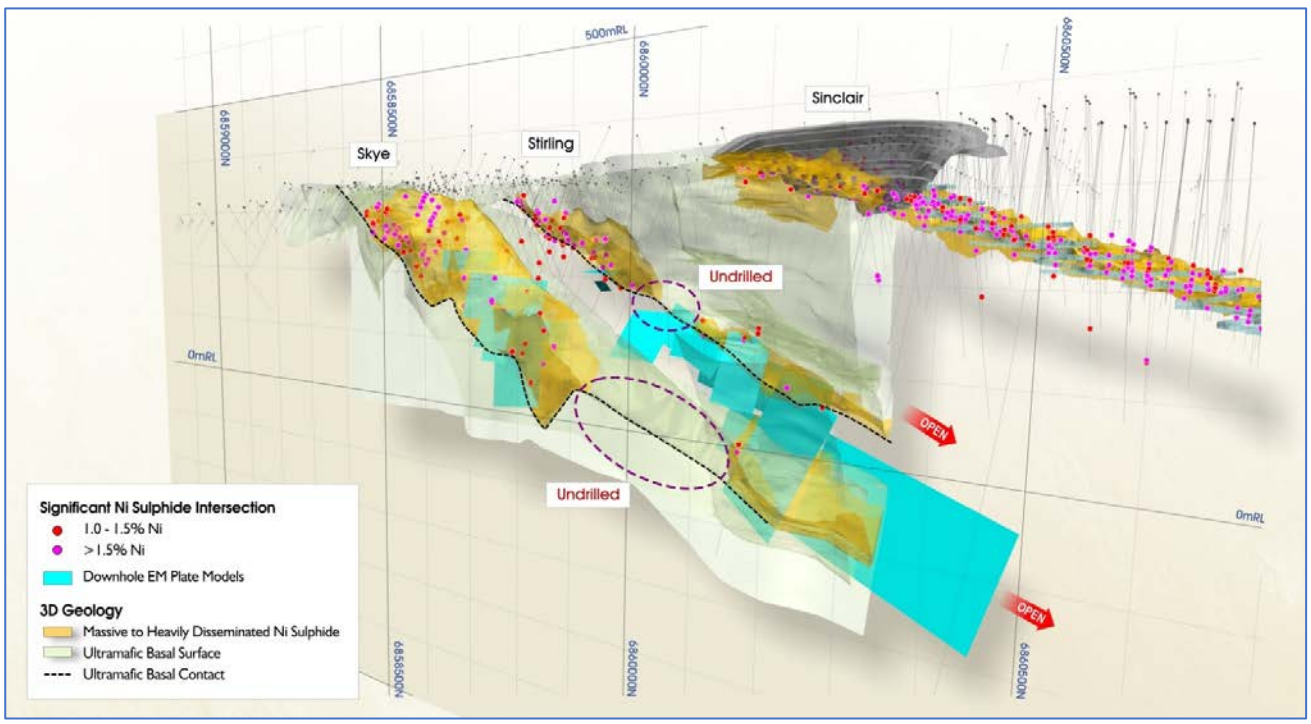

Figure 4: Perspective view of 3D geology (looking west-southwest) showing untested late time DHEM plate models for Skye and Stirling (blue) and nickel mineralised drill hole intersections.

Delphi

Talisman recently completed a six hole RC program at 50 metre centres for a total of 318 metres (*Table 1*) along a single traverse to the south of the Delphi Prospect located between 4 and 6kms south of the Sinclair mine (Appendix 1). The drilling was undertaken to test the southern extension of north-south trending structures identified in regional geophysical data and associated with encouraging results in previous RC and aircore drilling along strike to the north.

Drilling intersected ultramafic and mafic rocks, confirming the continuation of the host package however did not intersect any sulphide mineralisation. Further assessment is required.

Future work will include assessment of potential follow up of an historic DHEM survey on hole SND007 which was drilled to target untested stratigraphic and moving loop electromagnetic conductors offset from the main ultramafic Delphi trend. The DHEM was unable to reach the end of hole due to poor ground conditions however the survey identified a growing EM anomaly towards the end of the surveyed interval proximal to the matrix and stringer nickel sulphides and deeper pyrite rich sediments previously logged.

Ends

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About Talisman Mining

Talisman Mining Limited (ASX:TLM) is an Australian mineral development and exploration company. The Company's aim is to maximise shareholder value through exploration, discovery and development of complementary opportunities in base and precious metals.

Talisman holds a 30% interest in the Springfield Joint Venture with Sandfire Resources NL (70% and JV manager). Springfield is located in a proven VMS province in Western Australia's Bryah Basin and contains multiple prospective corridors and active exploration activities. Springfield hosts the high-grade Monty copper-gold deposit which is located 10 kilometres from Sandfire's DeGrussa operations. The Monty deposit is currently under development and Talisman has secured project debt financing for 100% of its share of pre-production capital costs. Talisman recently announced the proposed sale of its 30% interest in the Springfield Joint Venture to Sandfire for A$72.3 million cash and a 1% Net Smelter Return Royalty.

Talisman also holds 100% of the Sinclair Nickel Project located in the world-class Agnew-Wiluna greenstone belt in WA's north-eastern Goldfields. The Sinclair nickel deposit, developed and commissioned in 2008 and operated successfully before being placed on care and maintenance in August 2013, produced approximately 38,500 tonnes of nickel at an average life-of-mine head grade of 2.44% nickel. Sinclair has extensive infrastructure and includes a substantial 290km^2 tenement package covering more than 80km of strike in prospective ultramafic contact within a 35km radius of existing processing plant and infrastructure.

Talisman has also secured tenements in the Cobar/Mineral Hill region in Central NSW through the grant of its own Exploration Licenses and through separate farm-in agreements. The Cobar/Mineral Hill region is a richly mineralised district that hosts several base and precious metal mines including the CSA, Tritton, and Hera/ Nymagee mines. This region contains highly prospective geology that has produced many long-life, high-grade mineral discoveries. Talisman has identified a number of areas within its Lachlan Cu-Au Project tenements that show evidence of base and precious metals endowment which have had very little modern systematic exploration completed to date. Talisman believes there is significant potential for the discovery of substantial base metals and gold mineralisation within this land package.

Competent Person's Statement

Information in this announcement that relates to Exploration Results and Exploration Targets is based on, and fairly represents information and supporting documentation complied by Mr Anthony Greenaway, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Greenaway is a full-time employee of Talisman Mining Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Greenaway has reviewed the contents of this announcement and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which they appear.

Forward-Looking Statements

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Talisman Mining Ltd.'s current expectations, estimates and assumptions about the industry in which Talisman Mining Ltd operates, and beliefs and assumptions regarding Talisman Mining Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Talisman Mining Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Talisman Mining Ltd does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Table 1: Drill-hole information summary, Sinclair Nickel Project

Details and co-ordinates of drill-hole collars for RC drilling completed in July 2018:

Hole ID	Grid ID	Dip	Azimuth	East (m)	North (m)	RL (m)	Hole Type	Max Depth	Comment
SNRC032	MGA94_51	-60°	270°	290,730	6,859,500	421	RC	54	Skye East
SNRC033	MGA94_51	-60°	270°	290, 705	6,859,500	421	RC	54	Skye East
SNRC034	MGA94_51	-60°	270°	290,680	6,859,500	421	RC	54	Skye East
SNRC035	MGA94_51	-60°	270°	290,655	6,859,500	421	RC	54	Skye East
SNRC036	MGA94_51	-60°	270°	290,680	6,859,400	421	RC	54	Skye East
SNRC037	MGA94_51	-60°	270°	290,655	6,859,400	421	RC	54	Skye East
SNRC038	MGA94_51	-60°	270°	290,655	6,859,300	421	RC	54	Skye East
SNRC039	MGA94_51	-60°	270°	290,630	6,859,350	421	RC	54	Skye East
SNRC040	MGA94_51	-60°	270°	290, 705	6,859,400	421	RC	96	Skye East
SNRC041	MGA94_51	-60°	270°	290, 655	6,859,400	421	RC	54	Skye East
SNRC042	MGA94_51	-60°	270°	290,630	6,859,400	421	RC	54	Skye East
SNRC043	MGA94_51	-60°	270°	290,605	6,859,400	421	RC	54	Skye East
SNRC044	MGA94_51	-60°	270°	290,680	6,859,300	421	RC	78	Skye East
SNRC045	MGA94_51	-60°	270°	290,655	6,859,100	421	RC	52	Skye East
SNRC046	MGA94_51	-60°	270°	290,630	6,859,100	421	RC	54	Skye East
SNRC047	MGA94_51	-60°	270°	290,680	6,859,200	421	RC	72	Skye East
SNRC048	MGA94_51	-60°	270°	290,680	6,859,100	421	RC	64	Skye East
SNRC049	MGA94_51	-60°	270°	289,400	6,849,425	412	RC	54	Delphi
SNRC050	MGA94_51	-60°	270°	289,350	6,849,425	412	RC	54	Delphi
SNRC051	MGA94_51	-60°	270°	289,300	6,849,425	412	RC	54	Delphi
SNRC052	MGA94_51	-60°	270°	289,250	6,849,425	412	RC	54	Delphi
SNRC053	MGA94_51	-60°	270°	289,200	6,849,425	412	RC	54	Delphi
SNRC054	MGA94_51	-60°	270°	289,150	6,849,425	412	RC	48	Delphi

Table 2: RC drill-hole assay intersections for the Sinclair Nickel Project

Details of Sinclair RC drilling intersections received by Talisman are provided below.

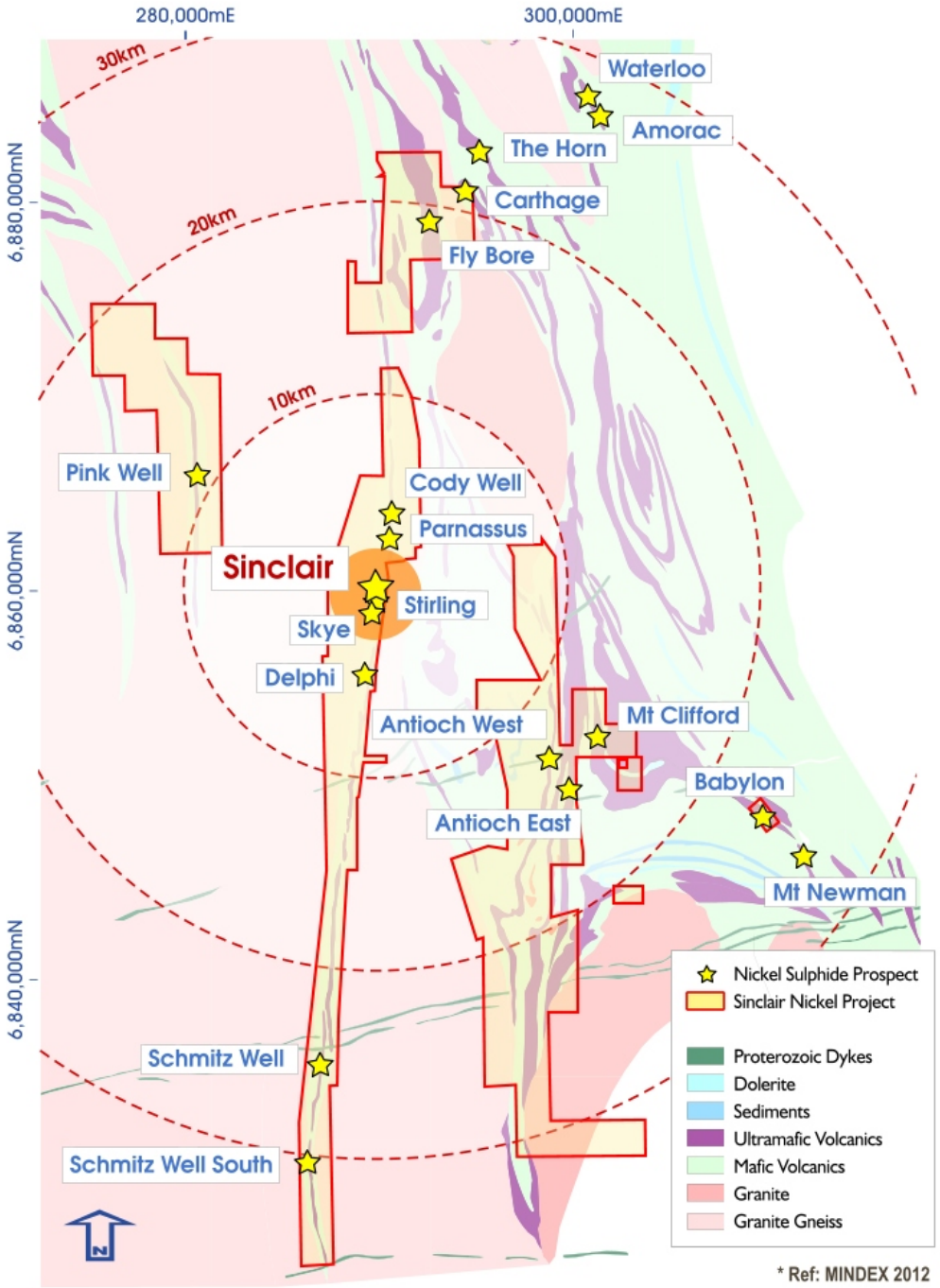
Calculation of intersections for inclusion into this table are based a nominal 0.5% Ni cut-off, no more than 1m of internal dilution and a minimum composite grade of 1% Ni.

The listed intersections relating to the Sinclair Nickel Project are reported as downhole intersections. True widths of the reported mineralisation are not known at this time.

Hole ID	Depth From	Depth To	Interval (down-hole)	Ni	Cu	Co
	(m)	(m)	(m)	(%)	(%)	(%)
SNRC032	No Significant Intercepts					
SNRC033	No Significant Intercepts					
SNRC034	No Significant Intercepts					
SNRC035	No Significant Intercepts					
SNRC036	No Significant Intercepts					
SNRC037	No Significant Intercepts					
SNRC038	No Significant Intercepts					
SNRC039	No Significant Intercepts					
SNRC040	No Significant Intercepts					
SNRC041	No Significant Intercepts					
SNRC042	No Significant Intercepts					
SNRC043	No Significant Intercepts					
SNRC044	No Significant Intercepts					
SNRC045	16	20	4	1.28	0.17	0.04
SNRC046	No Significant Intercepts					
SNRC047	No Significant Intercepts					
SNRC048	51	58	7	3.54	0.47	0.09
including	*55*	*57*	*2*	*7.47*	*0.67*	*0.21*
SNRC049	No Significant Intercepts					
SNRC050	No Significant Intercepts					
SNRC051	No Significant Intercepts					
SNRC052	No Significant Intercepts					
SNRC053	No Significant Intercepts					
SNRC054	No Significant Intercepts					

Appendix 1

Sinclair Nickel Project tenure



Appendix 2
JORC Tables Section 1 & 2

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down-hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *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 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 3kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Drilling cited in this report by both Talisman Mining Ltd and historically by Xstrata Nickel Australasia Operations Pty Ltd (XNAO) between 2007 and 2012. • Sampling techniques employed at the Sinclair Nickel Project include saw cut diamond drill core (DD) samples in NQ2 size sampled on geological intervals (0.2 m to 2 m), cut into half (NQ2) core to give sample weights under 3 kg. Reverse Circulation (RC) drilling samples collected by a cone splitter for single metre samples or sampling spear for composite samples, • Samples were crushed, dried and pulverised (total prep) to produce a 1g sub sample for analysis by four acid digest with an ICP/OES or AAS finish.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Surface diamond drill-holes at the Sinclair Nickel Project were completed using wedge drilling techniques with up to 4 daughter holes drilled from a single parent drill hole. Both HQ and NQ2 diameter core was collected for logging and sampling purposes. RC drilling is completed with a face sampling hammer of nominal 140mm size. • All drill holes were routinely surveyed using downhole NSG Gyroscope survey tools. • All drill core was routinely orientated where possible at nominal 6m intervals using an EzyMark-OriBlock core orientation system.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Sinclair diamond core recoveries were logged and recorded in the Sinclair Datashed database. Historic core recoveries exceed 95%. Surface • RC sampling is good with almost no wet sampling in the project area. • Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths were checked against the depth given on the core blocks and rod counts were routinely carried out by the drillers. • No known relationship exists between sample recovery and grade and no sample bias is known.

Criteria	JORC Code explanation	Commentary
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Logging records lithology, mineralogy, mineralisation, alteration, structure, weathering, colour and other primary features of the rock samples and is considered to be representative across the intercepted geological units. • Logging is both qualitative and quantitative depending on the field being logged. • All drill-holes are logged in full to end of hole. • DD core is routinely photographed digitally.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sinclair diamond core is HQ and NQ2 size, sampled on geological intervals (0.2 m to 1.2 m), cut into half (NQ2) or quarter (HQ) core to give sample weights under 3kg Samples were selected to weigh less than 3kg to ensure total preparation at the pulverization stage. • RC samples are split using a cone or riffle splitter. A majority of RC samples are dry. On occasions that wet samples are encountered they are dried prior to splitting with a riffle splitter. • Samples were submitted to ALS Chemex Laboratories for preparation. The sample preparation follows industry best practice where all drill samples are crushed and split to 1kg then dried, pulverized and (>85%) sieved through 75 microns to produce a 1g charge for 4-acid digest with an ICP-MS or AAS finish. • QAQC protocols for all diamond drill sampling involved the use of Certified Reference Material (CRM) as assay standards. The insertion ratio of CRM standards was 1 in 25 with a minimum of 2 per batch. OREAS and Geostats standards were selected on their grade range and mineralogical properties. • All QAQC controls and measures were routinely reviewed and reported on a monthly, quarterly and annual basis by XNAO. • Duplicate samples were inserted at a frequency of 1 in 25, with placement determined by Ni grade and homogeneity. • Sample size is considered appropriate for nickel sulphide mineralisation
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.* • *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.* • *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.*	• Sinclair drill samples were submitted to ALS Chemex Laboratories in Perth for multi-element analysis using a 1g charge with a multi-acid digest and ICP-MS or AAS finish (OG62). Analytes include Al, Fe, Mg, Mn, S, Ti, Ag, As, Co, Cr, Cu, Ni, Pb, V, Zn, Zr. • QAQC protocols for all drill sampling involved the use of Certified Reference Material (CRM) as assay standards. The insertion ratio of CRM standards was 1 in 33 with a minimum of two per batch. OREAS and Geostats standards are selected on their grade range and mineralogical properties. • All drill assays are required to conform to the procedural QAQC guidelines as well as routine laboratory QAQC guidelines.

Criteria	JORC Code explanation	Commentary
		• All QAQC controls and measures were routinely reviewed and reported on a monthly, quarterly and annual basis. Historic results for all standards and duplicates indicate most performing well within the two standard deviation limit. • Lab checks (repeats) occurred at a frequency of 1 in 25. These alternate between both the pulp and crush stages. • Portable XRF instruments are used only for qualitative field analysis. No portable XRF results are reported.
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.*	• Significant intercepts have been verified by alternate company personnel • No twinned holes are being drilled as part of this program. • Logging and sampling data is captured and imported using OCRIS software. • All drill-hole, sampling and assay data is stored in a SQL server (Datashed) database. Assay data is reviewed via DataShed, QAQCR and other customised software and databases. Datashed software has numerous validation checks which are completed at regular time intervals. • Primary assay data is always kept and is not replaced by any adjusted or interpreted data.
Location of data points	• *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.*	• Historic drill collars locations were picked up by Sinclair Mine Surveyors. • Talisman drill collar locations are pegged using a hand held GPS, and picked up by an independent survey contractor after completion of the drill hole. • All drill holes were routinely surveyed using downhole NSG Gyroscope survey tools. • The coordinate system used is the Geocentric Datum of Australia (GDA) 1994. Coordinates are in the Map Grid of Australia zone 51 (MGA).
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill spacing at Sinclair was nominally 200m x 25m. • No mineral resource is being reported for the Sinclair Nickel Project. • No sample compositing has been applied.
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.* • *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 designed to intersect either geophysical targets or geological targets at high angle in order to best represent stratigraphy. • No significant orientation based sampling bias at Sinclair is known at this time. Drill-holes may not necessarily be oriented perpendicular to intersected stratigraphy or mineralisation. All reported intervals are down-hole intervals, not true widths.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Samples were stored at the Sinclair Nickel Mine Site prior to submission under the supervision of the Senior Project Geologist. Samples were transported to ALS Chemex Laboratories Perth by an accredited courier service.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external audits or reviews of the sampling techniques and data have been completed.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Sinclair Nickel Project is held 100% by Talisman Nickel Pty Ltd, a wholly owned subsidiary of Talisman Mining Ltd. • There are no known Native Title Claims over the Sinclair Nickel Project. • All tenements are in good standing and there are no existing known impediments to exploration or mining.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Sinclair Nickel Deposit was discovered in 2005 by Jubilee Mines NL drill testing a ground EM anomaly. • M37/1275 hosts the Sinclair Nickel Mine which was operated by XNAO from 2007-2013 and produced approximately 38,500 tonnes of contained nickel metal. • Exploration work on has included diamond, RC and Air Core drilling, ground and down-hole EM surveys, soil sampling, geological interpretation and other geophysics (magnetics, gravity).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Sinclair Nickel Project lies within the Archean aged Norseman-Wiluna Greenstone Belt. • The Sinclair Nickel Deposit is an example of an Archaean-aged komatiite-hosted nickel deposit, with massive nickel-iron sulphides hosted at or near the basal contact of high-MgO ultramafic lava channels with footwall basaltic volcanic and sedimentary rocks.

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:*
	  • *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.*
		• Drill hole information relating to the Sinclair Nickel Project is included in Table 1 Drill-hole Information Summary, Sinclair Nickel Project.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* • *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.*	• Significant intersections reported from the Sinclair Nickel Project are based on greater than 0.5% Ni and may include up to 1m of internal dilution, with a minimum composite grade of 1% Ni. • Ni grades used for calculating significant intersections are uncut. • A minimum diamond core sample interval of 0.15m and a maximum interval of 1m is used for intersection calculations subject to the location of geological boundaries. • Length weighted intercepts are reported for mineralised intersections. • No metal equivalents are used in the intersection calculations.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill-hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Drill-holes relating to the Sinclair Nickel project are reported as down hole intersections. True widths of reported mineralisation are not known at this time.
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.*	• Appropriate maps with scale are included within the body of the accompanying document.
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.*	• The accompanying document is considered to represent a balanced report.
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 treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• This report includes results from both historic and recent Geophysical Surveys. Results from these surveys are included in the body of this report. • Parameters for the Delphi Prospect surface electromagnetic survey include: o Configuration: Moving Loop EM (MLEM) o Line and station spacing: 200m x150m, infill 75m o TX Loop size: 300x300m double turn o Receiver: SMARTem o Sensor: High Temp SQUID

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned future work at the Sinclair Nickel Project includes geophysical surveys, re-logging of historic diamond drill core and RC and Diamond Drilling.