



30 July 2019

ASX Announcement
Argentine Gold Update

Cachi Project Results Shows Continuity of Gold Mineralisation

Dark Horse Resources Limited (Dark Horse, ASX:DHR) is pleased to provide an update of the Cachi Gold Project. The Cachi Gold Project is located in the Deseado Massif in Santa Cruz Province, which is host to numerous operating gold mines, including Cerro Vanguardia owned by Anglo Gold and Cerro Negro owned by Goldcorp.

The latest assays results from rock chip sampling have identified another anomalous gold prospect, named El Camino, bringing the total number of prospects to fifteen (15) in the southern half of the Cachi tenement.

The main areas of quartz veining are located on structures close to a significant caldera margin. These are cut-back structures, interpreted to be deep seated and related to the late stages of caldera collapse. The structures act as channel pathways for mineralising fluids entering the system. Veining occurs over a significant area of 10km by 6km. The caldera margin is well mapped by ground magnetics (**Figure 1**).

The recently recognized El Camino prospect is another high potential mineralised structure close to the southeastern border of the caldera. Fourteen (14) rock chip samples were collected from over 900m of vein subcrop (**Table 1, Figure 1**) and have returned anomalous gold and arsenic values averaging 0.4 g/t Gold and 540 g/t Arsenic, with maximum values of 1.1g/t gold, and 982 g/t arsenic.

El Camino occurs in the vicinity of other mineralized structures at Vetas Cachi, Aurora, Cachi Sureste and Valiente, all of which have been reported on previously by the Company (refer ASX releases of 14 December 2018, 16 January 2019 and 5 March 2019). Aurora has maximum rock chip values of 9.7 g/t Gold and 2704 g/t Arsenic, Vetas Cachi 3.6 g/t Gold and 6,704 g/t As and Valiente 138 g/t Silver and 1,781 g/t Arsenic. Dark Horse has drilling targets confirmed for these earlier discovered targets, and will advance El Camino and several other prospects to drilling stage for the planned summer drill program (late 2019-early 2020).

This association of gold with high arsenic values appears to place EL Camino, along with Aurora, Vetas Cachi and Valiente, near the top of the mineralized epithermal system (see Genetic Model - **Figure 2**) opening potential for high grade gold discoveries with drilling.

On behalf of the Board
Mr Karl Schlobohm
Company Secretary

Competent Persons Statement

The information herein that relates to Exploration Targets and/or Exploration Results is based information compiled by Mr Jason Beckton, who is a member of The Australian Institute of Geoscientists. Mr Jason Beckton is a Director of Dark Horse Resources Ltd.

Mr Beckton has more than fifteen years experience which is relevant to the style of mineralisation and types of deposits being reported and the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves" (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

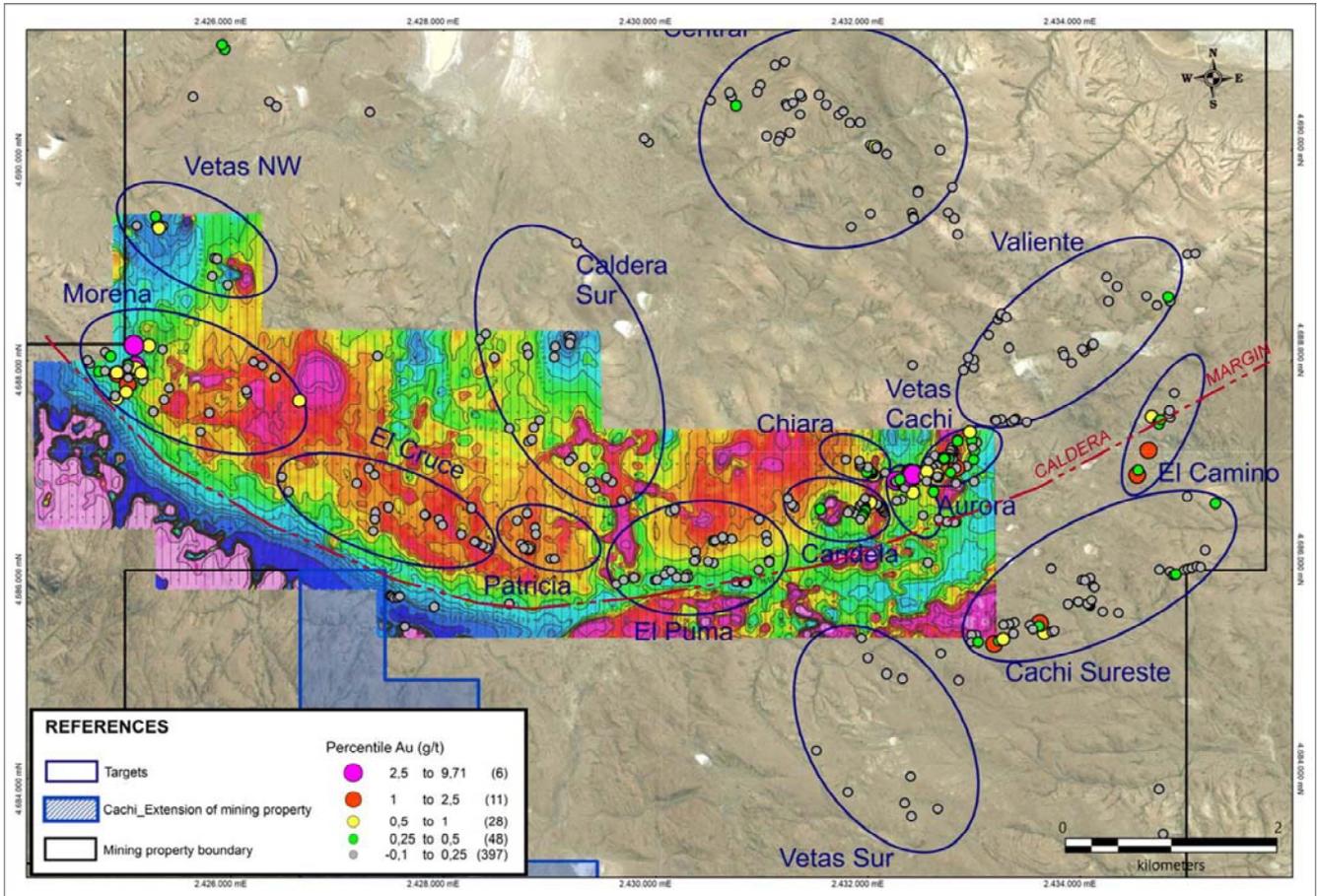


Figure 1. Detailed ground magnetics over the southern portion of the Cachi tenement showing the southern caldera boundary (the curved feature marked in red broken line) and DHR's numerous targets along the boundary (blue ellipsoids), including El Camino on the far right.

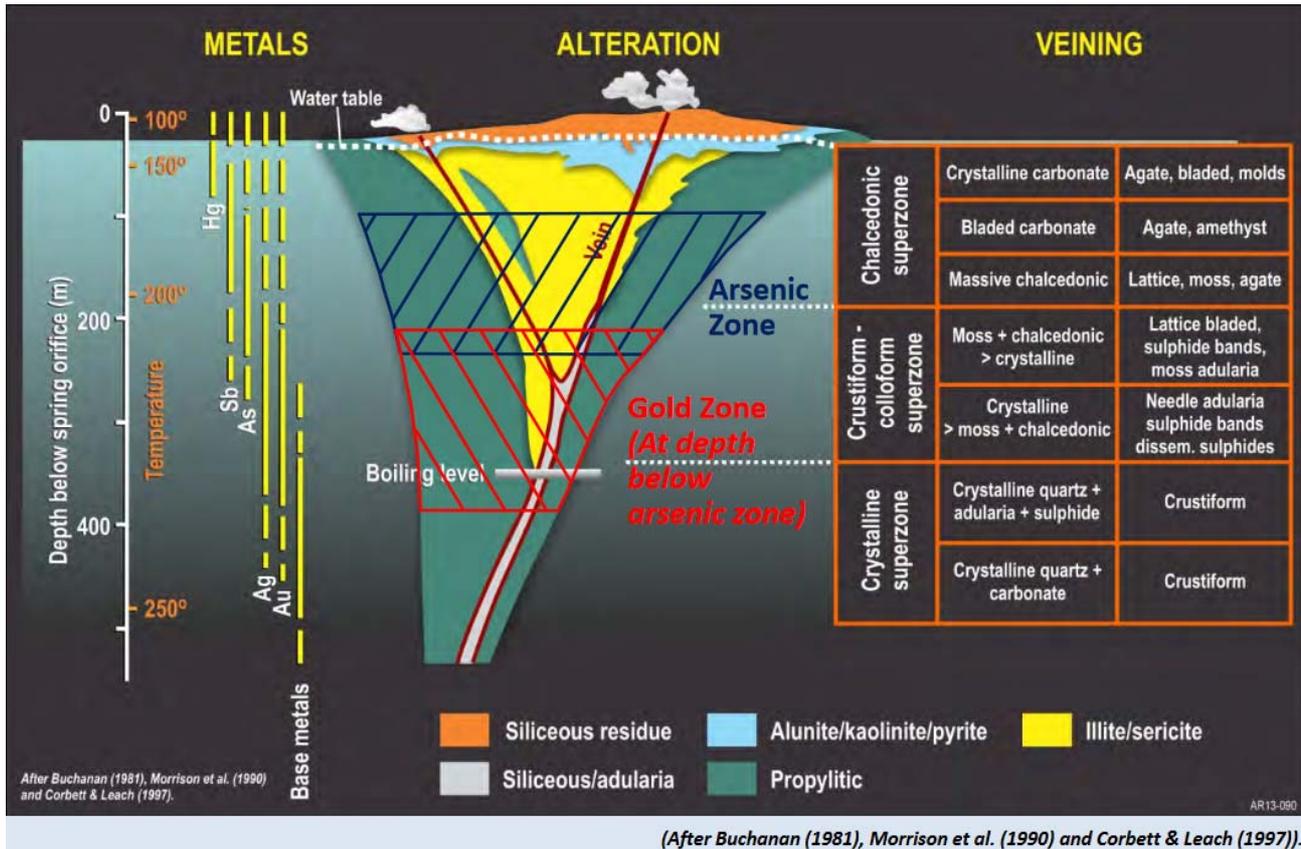


Figure 2. Generic Model of Epithermal systems showing the relationship of gold (red zone) with pathfinder metals including arsenic (blue zone). The association of gold with high arsenic values can be an indicator which locates prospects near the top of the mineralized epithermal system, opening potential for high grade gold discoveries at depth.

Table 1. El Camino Rock Chip Results

Sample ID	East	North	RL	Gold g/t	Arsenic g/t
A-04954	2434674	4687465	730	0.66	946
A-04955	2434727	4687417	732	0.19	615
A-04956	2434740	4687401	729	0.35	711
A-04957	2434751	4687437	733	0.19	480
A-04958	2434745	4687443	733	0.15	489
A-04959	2434755	4687440	733	0.48	612
A-04961	2434846	4687460	724	0.18	238
A-04962	2434831	4687494	724	0.10	394
A-04963	2434840	4687527	721	0.17	381
A-04964	2434884	4687695	715	0.14	982
A-04967	2434644	4687165	726	0.43	610
A-04968	2434642	4687145	725	1.00	364
A-04969	2434536	4686909	749	1.05	560
A-04970	2434544	4686953	743	0.32	192

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About Dark Horse Resources

Company website: <http://www.darkhorseresources.com.au>

Follow us on Twitter: [@ASX_DHR](https://twitter.com/ASX_DHR)

Dark Horse Resources Ltd is a publicly listed mineral resource company (ASX: DHR), with a particular focus on Argentina. It has invested in four gold and lithium projects, which include Cachi Gold Project, Las Opeñas Gold Project, San Jorge Lithium Brine Project and Central Argentina Lithium Spodumene Project.



Cachi Gold Project

A 46,892ha lease package in Santa Cruz Province. A prime geographical location e.g. Cerro Negro and Cerro Vanguardia with high value precious metal assays from surface exploration, and a detailed drilling program in planning for the summer of 2019/2020.

Las Opeñas Gold Project

Bordering the Indio Belt, where there are multi-million-ounce third-party gold deposits e.g. Veladero and Pascua Lama. DHR undertook first phase drilling in March-April 2019 confirming high grade mineralised zones. Recent surface sampling has further confirmed location of widespread high-grade zones.

San Jorge Lithium Brine Project

A group of 15 contiguous Exploration Licences totalling 36,600 hectares over the San Francisco salar and basin in Catamarca province. The nucleus of the salar is 7,000 hectares in an area with elevated lithium concentrations e.g. Hombre Muerto, Maricunga.

Central Argentina Lithium Spodumene Project

DHR discovered and on 5 March 2018 reported superior assay results of Li₂O from individual representative surface samples up to 2.3% Li₂O (commercially significant deposits are above 1%). A new potential world lithium spodumene province.

The primary objectives of these projects are to:

- Discover and define several multi-million ounce gold deposits.
- Define substantial lithium resources, mine spodumene and brine, and produce high grade lithium products for the domestic and international battery and electronic markets.



Dark Horse also has a power generation subsidiary, Dark Horse Energy working on a variety of power generation projects, and a substantial holding (30.5%) in Australian-based and ASX-listed oil and gas exploration company Lakes Oil NL (ASX:LKO).

The Board believes that it will be successful in the short to medium term in defining Company making projects for which it will add value through further exploration, discovery and resource definition, with commercialisation options to be reviewed on a case by case basis upon maiden resource definition.

JORC Code, 2012 Edition – Table 1 – RockChip Sampling

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"> • Stratified random chip sample across outcrop trend, collecting 3-4Kg of material
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"> • Not Applicable
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 preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Not Applicable
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</i> 	<ul style="list-style-type: none"> • Field description of outcrop with reference to lithology, alteration,

Criteria	JORC Code explanation	Commentary
	<p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <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> 	<p>mineralization and structure</p>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<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"> • Not Applicable
<p><i>Quality of assay data and laboratory tests</i></p>	<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"> • Samples are analyzed by Alex Stewart Laboratories • Sample preparation of fine crush, riffle split and ring pulverizing of 1kg to 85% < 75µm. • Pulps are analyzed using method codes Au4-30 & ICP-MA-39; a 30g fire assay with an AA finish and a 39 element determination using an aqua-regia digestion with ICP-AES determination. • OREAS® Standards are inserted in the sample sequence at the rate of 1 in 40.
<p><i>Verification of sampling and assaying</i></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</i> 	<ul style="list-style-type: none"> • Laboratory CSV files are merged with location data files using unique sample numbers as the key. • No adjustments made to assay data

Criteria	JORC Code explanation	Commentary
	<p><i>verification, data storage (physical and electronic) protocols.</i></p> <ul style="list-style-type: none"> • <i>Discuss any adjustment to assay data.</i> 	
<i>Location of data points</i>	<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"> • Samples are located using handheld GPS receivers. • UTM projection Gaus_Kruger_(CIZ2)
<i>Data spacing and distribution</i>	<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"> • Stage 1 Exploration Sampling only • No compositing has been applied.
<i>Orientation of data in relation to geological structure</i>	<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"> • Samples are collected transverse to the strike of the outcrop. • No bias is believed to be introduced by the sampling method.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples are hand delivered to the laboratory
<i>Audits or reviews</i>	<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"> • Internal review of methodology is undertaken regularly by senior company personnel.