

**ASX RELEASE**

14 September 2016

**Drilling to start next week to target resource extensions and repetitions at key projects in WA's Mt Ida gold belt**

***Areas being targeted sit immediately adjacent to Eastern Goldfields' high-grade Mt Ida underground mine***

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**Highlights**

- **Program of Works (POW) lodged for drilling at four prospects within Latitude's Quinn Hills and Mt Ida South projects**
  - **Drilling to start next week with 2,500m -3,000m planned; Strike Drilling awarded the contract**
  - **Drilling will target strike extensions of known mineralisation at both projects and repetitions to the east and west**
  - **Program expected to take ~three weeks with assays to follow shortly after**
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Latitude Consolidated (ASX:LCD) is pleased to announce that it is set to start drilling within a week at its Quinn Hills and Mt Ida South projects in WA's rapidly emerging Mt Ida gold belt.

The Program of Works (POW) application for exploration programs at these neighbouring projects within WA's North Eastern Goldfields have been lodged with the Department of Mines and Petroleum and Strike Drilling has been awarded the contract to undertake the RC drilling.

The drilling program comprises 25-30 holes for a total of 2,500m - 3,000m. It will target strike extensions and repetitions of known mineralisation on four prospects on the Quinn Hills Project and Mt Ida South Project areas.

A recent review of the existing surface geo-chemistry, geo-physics and drilling databases has identified numerous opportunities to extend the known zones of mineralisation and to build on the current Mineral Resource of **1.24mt @ 2.5g/t for 97,300 Oz** (Measured, Indicated and Inferred) across the Quinn Hills and Mt Ida South project areas (see Table 1). The Mineral Resource statement is presented in Table 1 and has been classified in accordance with the JORC Code (2012).

Upon completion of its recently-announced acquisition of the Mt Ida South gold project (see ASX release dated September 8, 2016), Latitude will hold 250sqkm in the Mt Ida belt.

The Company's tenements host extensive known mineralisation, prospects which have not been followed up and numerous walk-up drill targets.

They also surround the high-grade underground mine owned by Eastern Goldfields (ASX: EGS). Eastern Goldfields has announced that it aims to develop a processing hub at Mt Ida.

A summary of Latitude's impending drilling programs is provided below.

## **Quinn Hills Projects**

### **Matisse (5,300 Oz @ 1.63g/t Au)**

Eight RC holes totalling 750m are planned for the Matisse prospect. A resource covers the Matisse area. Mineralisation wireframes for this resource have been generated along a strike of approximately 200m. A review of the existing drilling shows that anomalous zones have been intersected in drilling 200m north and 100m south along strike from the resource wireframes. Sampling of these holes was predominantly undertaken using 4m or 5m composites which has effectively diluted the grade of the typically narrow (2-3m) high grade zones. Planned drilling will target the north and south extensions with one-metre sampling being undertaken to accurately assess the presence of narrow mineralised zones.

### **Quinn Hills (3,900 Oz @ 5.74g/t Au)**

Seven RC holes totalling 770m are planned for the Quinns prospect. A resource covers the Quinn Hills area. Mineralisation wireframes for this resource have been generated along a strike of approximately 200m. A review of the existing drilling shows potential extension to the south and at depth of the main mineralisation. A parallel zone to the west of the main zone has been identified in historical drilling and planned drilling will test the continuity of this zone. Two lines of deep widely spaced holes exists to the south west of the main zone of mineralisation. These holes have intersected multiple narrow high-grade zones with apparent continuity. The planned drilling will reduce the spacing on section to confirm the continuity of these zones.

### **Quinn Hills South**

The Quinn Hills South area is an early stage exploration prospect. Existing auger sampling has identified an anomalous zone approximately 600m long and 100m wide. Geologically the anomaly is situated in favourable host rocks (mafic and ultramafic lithology's) adjacent to a major north-south structure (Ballard Shear). The most prospective area for gold mineralisation on the eastern side of the project area occurs along the western edge of this structure. Two RC holes for a total of 240m have been planned to test the anomaly at its widest point in the north and where some surface indication of mineralisation has previously been intersected in shallow RAB drilling.

## **Mt Ida South Projects**

### **Spotted Dog North and South (15,200 @ 1.87g/t Au, 5,100 @ 2.20g/t Au) and Tim's Find (30,900 Oz @ 2.54 g/t Au)**

Six holes for a total of 610m are planned to cover the Spotted Dog and Tim's find deposits. Resources cover both of these zones of mineralisation which run parallel to each other but are hosted in different lithologies. Drilling on the Spotted Dog trend is aimed at testing the approximately 1km gap which exists between the north and south zones. Should this drilling and subsequent drilling prove continuity, there is the potential to close this gap adding an additional 1km to the existing strike of this zone. Step out drilling to the north and south of Tim's Find is planned to extend the strike of this mineralisation.

It is expected that the drilling will be completed by mid-late October and the first assay results should follow soon after that.

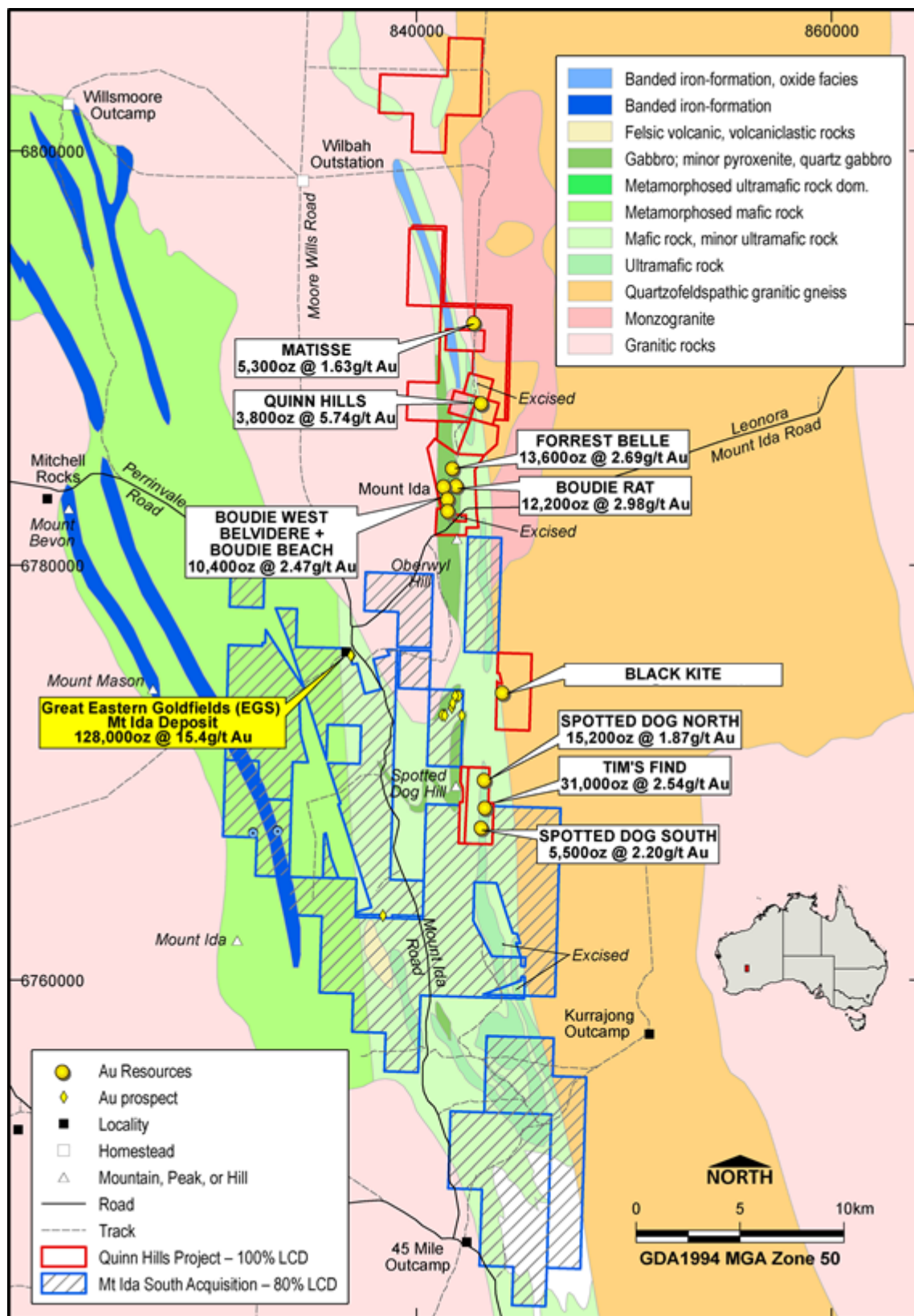


Figure 1. Quinn Hills and Mt Ida South Project Location

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
		(Au g/t)			(Au g/t)			(Au g/t)			(Au g/t)	
Boudie Rat			-	130,000	3.0	12,200			-	130,000	3.0	12,200
Forrest Belle	130,000	2.5	10,300			-	30,000	3.6	3,500	160,000	2.7	13,600
Boudie West			-			-	100,000	2.1	6,700	100,000	2.1	6,500
Belvidere			-	30,000	3.8	3,300			-	30,000	3.8	3,300
Boudie Beach			-	10,000	2.5	600			-	10,000	2.5	600
Quinn Hills			-	20,000	5.7	3,900			-	20,000	5.7	3,900
Matisse East			-			-	40,000	1.8	2,100	40,000	1.8	2,100
Matisse West			-			-	70,000	1.5	3,200	70,000	1.5	3,200
Tims Find			-	360,000	2.6	30,900			-	360,000	2.6	30,900
Spotted Dog North			-			-	250,000	1.9	15,200	250,000	1.9	15,200
Spotted Dog South			-			-	70,000	2.2	5,100	70,000	2.2	5,100
			-			-			-			-
<b>Total</b>	<b>130,000</b>	<b>2.5</b>	<b>10,300</b>	<b>550,000</b>	<b>2.9</b>	<b>50,900</b>	<b>560,000</b>	<b>2.0</b>	<b>36,100</b>	<b>1,240,000</b>	<b>2.5</b>	<b>97,300</b>

**Table 1. Mineral Resource at Au>1g/t. Tonnes grade and ounces have been rounded**

### **Notes on Mineral Resource**

The deposits and nearby prospects are located in the Archaean Yilgarn Greenstone Belt of WA, more specifically within the northern portion of the Mount Ida Greenstone Belt forming the eastern limb of the regional south plunging Copperfield Anticline. The geology comprises Archaean mafic to ultramafic lithologies bounded by granitic intrusions, and the region has been metamorphosed to lower amphibolite facies. A major shear zone, interpreted to be the Zuleika Shear, intersects the eastern part of the project area. Much of the project area is covered by colluvial and alluvial deposits, with thickness ranging from <1m to tens of metres. Gold mineralisation in the area is associated with quartz veining +/- sulphides within sheared ultramafic and mafic units; along the Zuleika Shear gold is often found in quartz/pyrite lodes which are typically enveloped by tremolite schist, within intensely sheared amphibolites.

The Mineral Resources are located in an historical mining area, with open cut mines, costeans and underground workings prevalent. Geological exposure in these were used to guide the geological interpretation, with drill holes used to support the interpretation below the depths of mining. Reverse circulation (RC) and diamond drilling (DD) were used estimate grades into the Mineral Resource estimate. Aircore drilling was also used to assist with the geological interpretations for the mineralisation and weathering domains. No alternative interpretations were considered. Geological intercepts guided the geological interpretation, with the grade domains constrained by a grade envelope, based upon assayed Au (g/t) grades. Geological continuity was observed in the open cut geological exposure and influenced the interpretation of the mineralisation models.

Reverse Circulation and Aircore drilling were carried out by WildAcre (a previous holder of the leases) over several drilling campaigns from 2010-2012. Drillhole locations were picked up by DGPS. Downhole surveys were carried out with a single-shot camera in the RC holes to obtain the dip of the hole; azimuth was calculated from the set up of the hole. Aircore and Reverse Circulation drilling carried out to collect 1m riffle split or scoop samples, or 4m composite scoop samples which were then resampled on 1m intervals where anomalous gold values were returned. Samples were pulverised to produce a 40g charge for fire assay with AAS finish. Aircore drilling was used for the results quoted at the Matisse prospect and Reverse Circulation drilling used for all other areas. Aircore drilling was carried out by Goldfire Drilling, and RC drilling carried out mainly by Ausdrill, with 3 of the holes quoted drillholes (WARC035, 037 and 039 drilled between the Forrest Belle and Boudie Rat pits) being drilled by K and J Drilling. No other details have been found regarding the drill bit sizes and other drilling information.

Drill lines are variably spaced, depending on the prospect area and how far advanced the prospect was. Drill spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimates.

Samples were analysed by KalAssay Laboratories in Kalgoorlie except for the samples from drill holes WAAC002 (KalAssay Perth) and WARC030 (KalAssay Leonora). The analytical method used was a 40g Fire Assay with AAS finish for gold only, which is considered to be appropriate for both the material and the mineralisation.

The Mineral Resource estimate was divided into 11 block models for the purpose of grade estimation. The Au domain wireframes were constructed in MicroMine by Wild Acre Metals Ltd (the previous owner of the property). Micromine software was used for all processes, including drill hole database, geological interpretation, wireframing, block model construction, grade interpolation, Mineral Resource classification and reporting of the Mineral Resource estimate. The interpretation of the mineralisation domains was carried out at a nominal 0.5 g/t cut off. Sections normal to the trend of the mineralisation were generated and outlines interpreted. The individual outlines were connected with tie lines and wireframe solids of the individual mineralised zones were produced with a total of 15 solids produced. The solids contain up to 4 metres of internal dilution (downhole) so as to establish shapes which allow continuity between sections. Solids were validated using Micromine validation tools. Depth extent was carefully considered and the volumes did not extend down dip beyond a limit considered reasonable by the Competent Person. A weathering surface representing top of fresh rock was modelled based upon drill logs of weathering event, and built into the block models. The weathering domains were used to assign density values. A total of 1,012 RC holes (48,240 m) and 30 DD holes (3,189 m) support the Mineral Resource estimate.

These figures include 57 RC holes (6,397 m) drilled by Wild Acre to verify historical drill hole locations and tenor of mineralisation. 225 aircore holes support the geological interpretation. Quality assurance and quality control (QA/QC) programs were used for the Wild Acre drilling, with certified standards, laboratory standards, field duplicates, laboratory duplicates, repeats, blanks and grind size analysis monitored. QA/QC results from the historical drilling are currently being sought, however the recent drilling has verified the historical sample grades, such that the Competent Person was satisfied they could be used to support the Mineral Resource estimate. Drill samples were flagged by the mineralisation and weathering domains they are located in. Drill samples were statistically analysed by geological domains and top cuts were applied where necessary. A top cut of 20 g/t was applied to all the drill samples constrained within the mineralisation envelopes prior to grade interpolation. This top cut was determined by statistical analyses of the sample assays.

11 block models with parent cell sizes 2 m x 5 m x 2.5 m (Easting, Northing, RL) were constructed for each deposit, compared to typical drill spacing ranging from 10 m (E) x 10 m (Y) to 40 m (E) x 12.5 m (Y) within the Measured and Indicated volumes. The block sizes were chosen to best fit the Measured volume drill spacing. Subcelling was used to ensure the wireframe domains were adequately filled with blocks. Grade was interpolated using inverse distance to the power of 3 (ID3). A variety of search ellipse orientations were used for the grade interpolation parallel to the strike and dip of the mineralisation all with a standard search radius. Grade interpolation was run within the individual mineralisation domains acting as hard boundaries. A density of 2.0 t/m<sup>3</sup> was assumed for the oxide and a density of 2.6 t/m<sup>3</sup> assumed for the fresh material.

These are considered reasonable by the Competent Person, for the host rock units and style of mineralisation. The block models were depleted in volume according to the mining voids present. The block models were validated by comparing the block model grades with adjacent drill hole grades, in cross section. Records of historical and recent mining were compared against the Mineral Resource estimate, however the mining records lacked detail to allow for a meaningful reconciliation. No deleterious by products were modelled.

A reporting cut-off grade of 1.0 g/t Au was used to report the Mineral Resource, and is considered a reasonable value for an open pit Au deposit in the Eastern Goldfields, close to infrastructure. The geological domains extend to a maximum depth of 150 m below surface. The geological interpretations allowed for up to 4 m of downhole dilution. No other mining assumptions were made. The Competent Person believes the Mineral Resource as reported has a reasonable chance of eventual economic extraction due to its proximity to infrastructure (near Leonora, W.A.).

No metallurgical studies have been completed at this stage. It is intended to undertake a full metallurgical study when further resource work is undertaken and a decision to mine is made.

**Competent Person's Statement:**

*The information included in this report that relates to Historical Exploration Results is based on information compiled by Michael Edwards, B.Sc, B.Bus, Grad dip OEN, a competent person who is a member of the Australian Institute of Geoscientists. Mr. Edwards is currently acting CEO for the Company and holds a direct interest in Latitude Consolidated. Mr. Edwards has worked as a geologist in regional exploration, mine evaluation roles for over 10 years in precious and base metal deposits. Mr. Edwards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Edwards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this announcement that relates to Mineral Resources is based on, and fairly represents, information and supporting documentation compiled by or under the supervision of Mr Michael Edwards, a Competent Person who is a member of the Australian Institute of Geoscientists a "Recognized Professional Organization" (RPO) included in a list that is posted on the ASX website from time to time. Mr Edwards has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 editions of the Australian Code for Reporting Exploration Results Mineral Resources and Ore Reserves. Latitude Consolidated confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the initial announcement continue to apply and have not materially changed. Latitude Consolidated confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

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**About the Company**

Latitude Consolidated (ASX:LCD) is an ASX listed Perth based Resources company with a focus on acquiring and developing near term gold production assets as well advanced greenfields and brownfields gold projects predominantly in Western Australia. On 1<sup>st</sup> of September 2016 the Company announced that it had completed the acquisition of 100% of the issued capital of MGK Resources Pty Ltd which holds the Quinn Hills and Mt Ida South projects which are located approximately 110km west of Leonora in the Eastern Goldfields of Western Australia. On the 8<sup>th</sup> of September 2016 the company announced that it had acquired 80% of the Mt Ida South project from private vendors. The Company is putting together an experienced team that is actively seeking new projects in the region.

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# JORC Code, 2012 Edition – Table 1 report

## 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"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Reverse Circulation and Aircore drilling carried out by WildAcre (a previous holder of the leases) over several drilling campaigns from 2010-2012</li> <li>Drillhole locations were picked up by DGPS. Downhole surveys were carried out with a single-shot camera in the RC holes to obtain the dip of the hole; azimuth was calculated from the set up of the hole.</li> <li>Aircore and Reverse Circulation drilling carried out to collect 1m riffle split or scoop samples, or 4m composite scoop samples which were then resampled on 1m intervals where anomalous gold values were returned. Samples were pulverised to produce a 40g charge for fire assay with AAS finish.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>Aircore drilling was used for the results quoted at the Matisse prospect and Reverse Circulation drilling used for all other areas. Aircore drilling was carried out by Goldfire Drilling, and RC drilling carried out mainly by Ausdrill, with 3 of the holes quoted drillholes (WARC035, 037 and 039 drilled between the Forrest Belle and Boudie Rat pits) being drilled by K and J Drilling. No other details have been found regarding the drill bit sizes and other drilling information</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Sample recovery and quality (dry, moist, wet) was recorded within the geological logging.</li> <li>No information has been located to date by Latitude, however efforts are being made to obtain the data</li> <li>Unable to comment due to lack of information gathered. Historical drill data will continue to be sought, possibly from historical records and / or reports</li> </ul>

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All holes were logged geologically by WildAcre geologists using the WildAcre geological logging codes. Latitude Consolidated believe the WildAcre geological records are of sufficient quality to support a Mineral Resource.</li> <li>Logging of the RC and AC chips included lithology, weathering, colour, quartz veining, shearing and other pertinent features of the samples. It also included sample recovery and quality as mentioned above.</li> <li>All holes were logged in full.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No historical drill core, or drilling and sampling records have been located by Latitude.</li> <li>Information has not been recorded other than whether the samples were scooped with an aluminium scoop (all AC and some RC samples) or whether they were riffle split (most of the RC samples). Sample quality recorded in the geological logging.</li> <li>Certified standard samples, blank samples and field duplicate samples were used by WildAcre during their drilling programs, but no QA/QC procedures have been found.</li> <li>Database information on field duplicates indicates that the results correlated well.</li> <li>No information is available regarding the appropriateness of sample sizes to the grain size. It is assumed the primary samples from RC drilling were over 3kg in weight which is considered appropriate for Au mineralisation exhibiting a moderate to high nugget effect.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were analysed by KalAssay Laboratories in Kalgoorlie except for the samples from drill holes WAAC002 (KalAssay Perth) and WARC030 (KalAssay Leonora). The analytical method used was a 40g Fire Assay with AAS finish for gold only, which is considered to be appropriate for both the material and the mineralisation.</li> <li>No geophysical programs were carried out.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Standard samples, blank samples and field duplicate samples were used by WildAcre during their drilling programs, but no QA/QC reports have been found that summarise the comparative results. The Mineral Resource report (2013) makes no mention of adverse results.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No information was recorded by previous operators regarding these points.</li> <li>Wild Acre drilled 57 RC holes to verify the historical drilling, in terms of downhole location of mineralisation intervals and the tenor of Au grades.</li> <li>Wild Acre stored all drill data in a validated relational database. This database was imported into Micromine as a separate database to support the Mineral Resource. This database was also validated.</li> <li>No adjustments are known to have been made to any data.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Grid Projection is GDA94, Zone 51</li> <li>Hole locations were picked up by WildAcre using a DGPS.</li> <li>No information has been found on any other topographic control.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><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></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill lines are variably spaced, depending on the prospect area and how far advanced the prospect is.</li> <li>Drill spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimates.</li> <li>Drill spacing varies per deposit as per the following: <ul style="list-style-type: none"> <li>Boudie Rat 10m x 10m to 40m x 20m</li> <li>Forrest Belle 10m x 10m to 40m x 40m</li> <li>Boudie West 100 m x 15 m</li> <li>Belvidere 25m x 12.5m</li> <li>Boudie beach 12.52m x 12.5m</li> <li>Quinns 40m x 12.5m</li> <li>Matisse East 50m x 15m</li> <li>Matisse West 50m x 15m</li> <li>Tims Find 40m x 20m</li> <li>Spotted Dog N 200m x 20m</li> <li>Spotted Dog S 80m x 20 m</li> </ul> </li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>It is unknown if samples were composited at time of collection.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The orientation of the drilling is approximately perpendicular to the strike of the regional geology. Drilling is a mixture of vertical holes and angled holes drilled either grid west (270) or grid east (90), depending on the individual prospect area.</li> <li>The orientation of the drilling appears to be perpendicular to the strike of the mineralisation in the various prospects drilled.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>No information was recorded by the historical operators</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No information was recorded by the historical operators.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>There appears to be no Native Title Agreements over any of the current tenements and that No valid registered or determined claims that effect the tenements. However, the area comes under the Goldfields Land &amp; Sea Council who may express an interest in the future.</li> <li>The tenure listed herein is in the process of being brought up to date and will be in good standing with the West Australian Department of Mines and Petroleum ("DMP") within the coming weeks.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>The project area has an extensive exploration history dating back to the late 1800's when Forrest Belle and Boudie Rat were mined (predominantly underground) intermittently from 1898-1941. During the 1980's key exploration work for gold was carried out by Spargos Exploration NL and Austamax Resources (later to become Australian Consolidated Minerals). In 1996 Consolidated Gold Mines purchased the Quinn's project and subsequently went onto receivership;</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>management passed to Arrow Resource Management (on behalf of Rothschild Australia), and through Australian Gold Mines NL, Arrow mined the open pits at Forrest Belle and Boudie Rat to a maximum 25m vertical depth between January and March 1997. Reported production was 28,234t @ 3.4g/t for 3,086oz at Forrest Belle, and 42,681t @ 4.16g/t for 5,709oz at Boudie Rat. In 2000 Barra Resources purchased the project from Arrow and carried out extensive data compilation, some minor drilling and a low-level aeromagnetic survey. Sipa Resources managed the project between 2004 and 2006 when Barra resumed management. The project was sold to Wild Acre Metals in 2009, who carried out a further 456 RAB, Aircore and RC holes across the project as a whole. Prior to the data compilation carried out by Barra Resources, comprehensive collection of drilling and sampling metadata was not practiced. The drillholes quoted in this release primarily comprise holes drilled prior to the comprehensive data collection around the known resources.</p> <ul style="list-style-type: none"> <li>• MGK Resources Pty Ltd acquired the project from Wild Acre (now Nuheara) on 2<sup>nd</sup> March 2016</li> <li>• Latitude Consolidated (LCD) exercised an option to acquire 100% of the issued capital of MGK Resources as announced to the ASX on the 26<sup>th</sup> of July 2016. Once historical data review is completed, LCD will undertake further exploration work.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The deposits and nearby prospects are located in the Archaean Yilgarn Greenstone Belt of WA, more specifically within the northern portion of the Mount Ida Greenstone Belt forming the eastern limb of the regional south plunging Copperfield Anticline. The geology comprises Archaean mafic to ultramafic lithologies bounded by granitic intrusions, and the region has been metamorphosed to lower amphibolite facies. A major shear zone, interpreted to be the Zuleika Shear, intersects the eastern part of the project area. Much of the project area is covered by colluvial and alluvial deposits, with thickness ranging from &lt;1m to tens of metres. Gold mineralisation in the area is associated with quartz veining +/- sulphides within sheared ultramafic and mafic units; along the Zuleika Shear gold is often found in quartz/pyrite lodes which are typically enveloped by tremolite schist, within intensely sheared amphibolites.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information</i></li> </ul>	<ul style="list-style-type: none"> <li>• All RC and diamond core, validated drill hole results were used to support the Mineral Resource model, and the model and resource</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>for all Material drill holes:</p> <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> <p>• 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.</p>	classification reflects this data.
Data aggregation methods	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Grades are reported as down-hole length weighted averages, with no top cut applied on the reporting of the assay grades.</li> <li>• Only those intercepts deemed to be significant are given in this report.</li> <li>• No metal equivalent values are used.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• 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').</li> </ul>	<ul style="list-style-type: none"> <li>• The results reported are downhole lengths only; true width of the mineralisation has yet to be determined.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figures in the body of the text from previous LCD announcements (ASX releases dated 26<sup>th</sup> July 2016, 29<sup>th</sup> July 2016) for relevant plans and sectional views.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• A more comprehensive table of results will be provided later when it has been compiled and verified.</li> </ul>
Other substantive	<ul style="list-style-type: none"> <li>• 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</li> </ul>	<ul style="list-style-type: none"> <li>• Drill hole data is reported on aerial photographs and interpreted geology showing the extent of previous open-cut mining, interpreted mineralised shears and interpreted anomalous end-of-hole historic</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>exploration data</i>	<i>method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	RAB gold results.
<i>Further work</i>	<ul style="list-style-type: none"><li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li><li>• <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></li></ul>	<ul style="list-style-type: none"><li>• Confirmation and interpretation of historic work continues to be carried out by Latitude Consolidated.</li><li>• Ongoing exploration work, which will include further drilling to confirm and extend existing targets where appropriate is planned for late September 2016.</li></ul>



## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Database integrity</i>	<ul style="list-style-type: none"> <li>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</li> <li>Data validation procedures used.</li> </ul>	<ul style="list-style-type: none"> <li>Wildacres completed a systematic compilation of all previous data into a relational database in 2012. This database was subsequently imported into Micromine where a database was produced, used to support the Mineral Resource estimate.</li> <li>Micromine's in-built suite of database validation tools tested for overlapping intervals, excessive drillhole flexure, length of drillhole exceeding the recorded total depth, and others.</li> </ul>
<i>Site visits</i>	<ul style="list-style-type: none"> <li>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>A representative of the Competent Person has visited site in 2016, inspecting project geology, drill sites, infrastructure and mining voids. Randomly selected drill collars were surveyed with a handheld GPS and compared to the drill hole database, with no significant deviation noted. The geological exposure as observed in the open pits conforms to the interpreted geological models used to support the Mineral Resource estimate.</li> </ul>
<i>Geological interpretation</i>	<ul style="list-style-type: none"> <li>Confidence in (or conversely, the uncertainty of ) the geological interpretation of the mineral deposit.</li> <li>Nature of the data used and of any assumptions made.</li> <li>The effect, if any, of alternative interpretations on Mineral Resource estimation.</li> <li>The use of geology in guiding and controlling Mineral Resource estimation.</li> <li>The factors affecting continuity both of grade and geology.</li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resources are located in an historical mining area, with open cut mines, costeans and underground workings prevalent. Geological exposure in these were used to guide the geological interpretation, with drill holes used to support the interpretation below the depths of mining.</li> <li>Reverse circulation (RC) and diamond drilling (DD) were used estimate grades into the Mineral Resource estimate. Aircore drilling was also used to assist with the geological interpretations for the mineralisation and weathering domains.</li> <li>No alternative interpretations were considered.</li> <li>Geological intercepts guided the geological interpretation, with the grade domains constrained by a grade envelope, based upon assayed Au (g/t) grades.</li> <li>Geological continuity was observed in the open cut geological exposure and influenced the interpretation of the mineralisation models.</li> </ul>
<i>Dimensions</i>	<ul style="list-style-type: none"> <li>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</li> </ul>	<ul style="list-style-type: none"> <li>Eleven block models were constructed, one for each deposit reported. Strike lengths vary from 100 m to 600 m (Forrest Belle), plan widths between 10 m and 60 m, and depth below surface ranging from 65 m to 200 m.</li> </ul>

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	<ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></li> <li><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></li> <li><i>The assumptions made regarding recovery of by-products.</i></li> <li><i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i></li> <li><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></li> <li><i>Any assumptions behind modelling of selective mining units.</i></li> <li><i>Any assumptions about correlation between variables.</i></li> <li><i>Description of how the geological interpretation was used to control the resource estimates.</i></li> <li><i>Discussion of basis for using or not using grade cutting or capping.</i></li> <li><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource estimate was divided into 11 block models for the purpose of grade estimation. The Au domain wireframes were constructed in MicroMine by Wild Acre Metals Ltd (the previous owner of the property).</li> <li>Micromine software was used for all processes, including drill hole database, geological interpretation, wireframing, block model construction, grade interpolation, Mineral Resource classification and reporting of the Mineral Resource estimate.</li> <li>The interpretation of the mineralisation domains was carried out at a nominal 0.5 g/t cut off. Sections normal to the trend of the mineralisation were generated and outlines interpreted. The individual outlines were connected with tie lines and wireframe solids of the individual mineralised zones were produced with a total of 15 solids produced. The solids contain up to 4 metres of internal dilution (downhole) so as to establish shapes which allow continuity between sections. Solids were validated using Micromine validation tools.</li> <li>Depth extent was carefully considered and the volumes did not extend down dip beyond a limit considered reasonable by the Competent Person.</li> <li>A weathering surface representing top of fresh rock was modelled based upon drill logs of weathering event, and built into the block models. The weathering domains were used to assign density values.</li> <li>A total of 1,012 RC holes (48,240 m) and 30 DD holes (3,189 m) support the Mineral Resource estimate. These figures include 57 RC holes (6,397 m) drilled by Wild Acre to verify historical drill hole locations and tenor of mineralisation. 225 aircore holes support the geological interpretation.</li> <li>Quality assurance and quality control (QA/QC) programs were used for the Wild Acre drilling, with certified standards, laboratory standards, field duplicates, laboratory duplicates, repeats, blanks and grind size analysis monitored. QA/QC results from the historical drilling are currently being sought, however the recent drilling has verified the historical sample grades, such that the Competent Person was satisfied they could be used to support the Mineral Resource estimate.</li> <li>Drill samples were flagged by the mineralisation and weathering domains they are located in.</li> <li>Drill samples were statistically analysed by geological domains and top cuts were applied where necessary. A top cut of 20 g/t was</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>applied to all the drill samples constrained within the mineralisation envelopes prior to grade interpolation. This top cut was determined by statistical analyses of the sample assays.</p> <ul style="list-style-type: none"> <li>• 11 block models with parent cell sizes 2 m x 5 m x 2.5 m (Easting, Northing, RL) were constructed for each deposit, compared to typical drill spacing ranging from 10 m (E) x 10 m (Y) to 40 m (E) x 12.5 m (Y) within the Measured and Indicated volumes. The block sizes were chosen to best fit the Measured volume drill spacing. Subcelling was used to ensure the wireframe domains were adequately filled with blocks.</li> <li>• Grade was interpolated using inverse distance to the power of 3 (ID3). A variety of search ellipse orientations were used for the grade interpolation parallel to the strike and dip of the mineralisation all with a standard search radius. Grade interpolation was run within the individual mineralisation domains acting as hard boundaries.</li> <li>• A density of 2.0 t/m<sup>3</sup> was assumed for the oxide and a density of 2.6 t/m<sup>3</sup> assumed for the fresh material. These are considered reasonable by the Competent Person, for the host rock units and style of mineralisation.</li> <li>• The block models were depleted in volume according to the mining voids present.</li> <li>• The block models were validated by comparing the block model grades with adjacent drill hole grades, in cross section.</li> <li>• Records of historical and recent mining were compared against the Mineral Resource estimate, however the mining records lacked detail to allow for a meaningful reconciliation.</li> <li>• No deleterious by products were modelled.</li> </ul>
Moisture	<ul style="list-style-type: none"> <li>• <i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Tonnages are estimated on a dry basis.</li> </ul>
Cut-off parameters	<ul style="list-style-type: none"> <li>• <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• A reporting cut-off grade of 1.0 g/t Au was used to report the Mineral Resource, and is considered a reasonable value for an open pit Au deposit in the Eastern Goldfields, close to infrastructure. The geological domains extend to a maximum depth of 150 m below surface.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>The geological interpretations allowed for up to 4 m of downhole dilution. No other mining assumptions were made.</li> <li>The Competent Person believes the Mineral Resource as reported has a reasonable chance of eventual economic extraction due to its proximity to infrastructure (near Leonora, W.A.).</li> </ul>
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> <li>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>No metallurgical studies have been completed at this stage. It is intended to undertake a full metallurgical study when further resource work is undertaken and a decision to mine is made.</li> </ul>
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> <li>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>No environmental studies have been completed at this stage. It is intended to undertake a full environmental study when further resource work is undertaken and a decision to mine is made.</li> </ul>
<i>Bulk density</i>	<ul style="list-style-type: none"> <li>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>Bulk densities are assumed based upon the Competent Person's knowledge of Eastern Goldfields rock types. A density of 2.0 t/m<sup>3</sup> was assumed for the oxide and a density of 2.6 t/m<sup>3</sup> assumed for the fresh material.</li> </ul>
<i>Classification</i>	<ul style="list-style-type: none"> <li>The basis for the classification of the Mineral Resources into varying confidence categories.</li> </ul>	<ul style="list-style-type: none"> <li>Classification of the Mineral Resource estimate was based upon drill hole spacing, confidence in the geological interpretations, open cut</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></li> <li><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></li> </ul>	<ul style="list-style-type: none"> <li>exposure of geology to support the interpretations, QA/QC of Wild Acre drilling and confidence in the bulk density values assigned to the block models.</li> <li>The results appropriately reflect the Competent Person's view of the deposits.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of Mineral Resource estimates.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource estimates were reviewed by Wild Acre technical staff when they were prepared. No other audits or reviews have been documented.</li> </ul>
Discussion of relative accuracy/confidence	<ul style="list-style-type: none"> <li><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></li> <li><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></li> <li><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Mineral Resource is considered to be a global resource for both the Measured, Indicated and Inferred Mineral Resource estimations.</li> <li>The relative accuracy and confidence of the Mineral Resource estimate is high in the Measured volumes, ranging to lower confidence in the Inferred volumes. The host geological units may pinch and swell along strike or down dip, which will impact upon estimated tonnages. High or low grade shoots are likely to be present within the mineralisation domains and may fall within the non-drilled regions. Close spaced grade control drilling at time of mining will better delineate these variables.</li> <li>The production data provided for review lacks sufficient detail to allow a reconciliation of the resource model with mining.</li> </ul>