



Adelaide Resources Limited
ABN: 75 061 503 375

Corporate details:

ASX Code: ADN
Cash: ~\$0.68 million
(at 30 September 2016)
Issued Capital:
405,767,063 ordinary shares

Directors:

Colin G Jackson
Non-Executive Chairman

Chris Drown
Managing Director

Nick Harding
Executive Director and
Company Secretary

Jonathan Buckley
Non-Executive Director

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Fact:

Gold ounces per vertical metre is an important metric in mining economics. A tabular mineralised body dipping at 20 degrees, like Baggy Green, will have almost 3 times the gold ounces per vertical metre compared with the same sized body dipping vertically.



ASX announcement

28 November 2016

Eyre Peninsula gold project (100% owned), South Australia

Baggy Green set to increase local gold resources

Summary

Preliminary interpretation of the Baggy Green drill data, incorporating results from the recent RC programme, confirms the prospect can materially add to the existing 107,000 ounce gold resource at the nearby Barns deposit.

- Assays from the remaining Baggy Green holes include gold intersections in three adjacent, 50 metre spaced holes on the southern-most drill traverse.
- Results from the three holes include 11 metres at 1.00g/t gold from 36 metres downhole; 8 metres at 1.53g/t gold from 44 metres, including 2 metres at 4.74g/t gold; and 4 metres at 1.44g/t gold from 82 metres downhole.
- A hole drilled west of BGRC-1223 (11 metres at 9.32g/t gold), and BGRC-1222 (16 metres at 5.72g/t gold), intersected low grade gold in the target position.
- Baggy Green is a gently dipping structurally controlled deposit. In common with other deposits, it exhibits variations in gold grade in the plane of the structure including high grade shoots and areas that are weakly mineralised.
- Better grade gold zones remain open to the north and south of a 500 metre long area tested in detail, while very few historical RC holes have tested elsewhere along the entire 3,000 metre long target.

Chris Drown
Managing Director

Direct enquiries to Chris Drown. Ph (08) 8271 0600 or 0427 770 653.

Introduction

The wholly owned Baggy Green gold prospect is located less than six kilometres from the Barns gold deposit on the Eyre Peninsula gold project which comprises eight tenements covering 2,807 km² in the Gawler Craton (Figures 1 and 2).

On 4 November 2016, the Company announced the results from the first ten Reverse Circulation (RC) holes from a drill programme which totalled 23 holes for 2,515 metres at Baggy Green.

These results included the two best intersections recorded to date from the prospect. Adjacent 50 metre spaced holes BGRC-1222 and BGRC-1223 respectively recorded 16 metres at 5.72g/t gold and 11 metres at 9.32g/t gold.

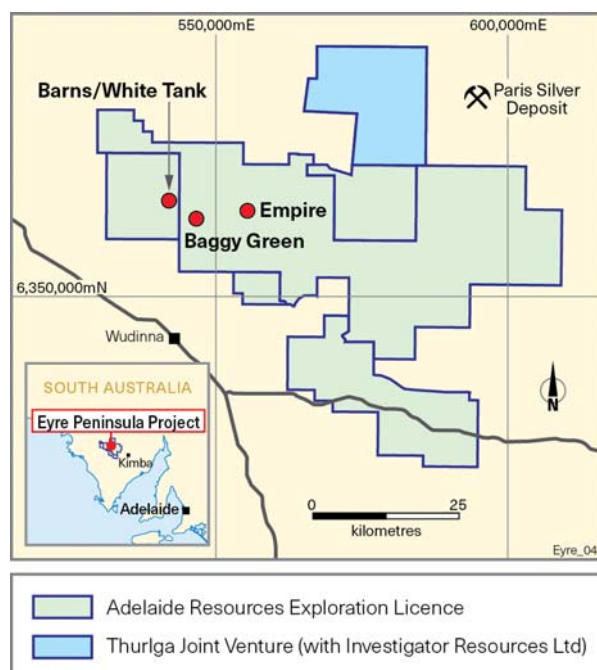


Figure 1: Eyre Peninsula project location plan.

Final Baggy Green assay results

Assaying of drill samples from the last 13 holes has been completed, with further gold intersections returned.

Table 1 (page 7) includes a listing of the gold intersections in all 2016 programme holes, along with drill hole collar location and set-up information.

Section 6362820mN

Three adjacent 50 metre spaced holes on the southern-most section drilled during the programme returned gold intersections from the targeted shallow westerly dipping mineralised structure (Figure 3).

Hole BGRC-1238 recorded 11 metres at 1.00g/t gold from a downhole depth of 36 metres (vertical depth of 32.6m).

BGRC-1239, drilled 50 metres west, intersected 8 metres at 1.53g/t gold from 44 metres downhole, including 2 metres at 4.74g/t.

BGRC-1240, drilled 50 metres further west, recorded 4 metres at 1.44g/t gold from 82 metres downhole, and a second zone of 8 metres at 0.65g/t gold from 95 metres downhole.

The intersections quoted in each of these holes are internal to two sub-parallel zones of mineralisation which appear to be thickening in the down-dip direction. Mineralisation remains open down-dip and to the south presenting future drill targets.

Section 6363140mN

Early programme holes BGRC-1222 and BGRC-1223, which recorded intersections of 16 metres at 5.72g/t gold and 11 metres at 9.32g/t gold, fall on section 6363140mN.

The high grade mineralisation in BGRC-1222 and BGRC-1223 remained open down-dip, and BGRC-1241 was drilled to test this target.

BGRC-1241 encountered low grade mineralisation in the target position including an upper zone of 19 metres at 0.19g/t gold from 81 metres downhole, and a lower zone of 5 metres at 0.31g/t gold from 126 metres downhole (Figure 6).

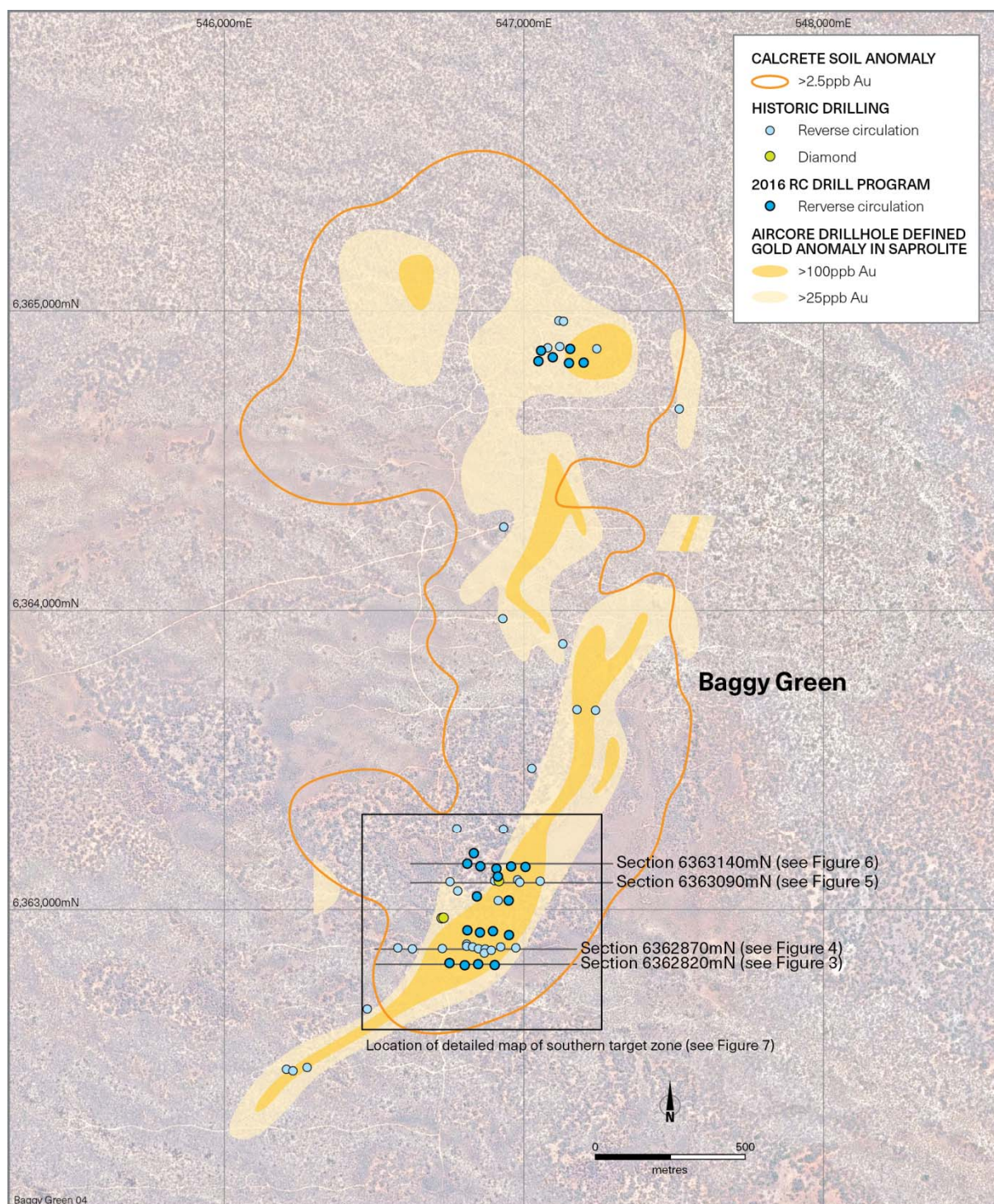


Figure 2: Baggy Green gold prospect summary plan.

The results on section 6363140mN confirm the down-dip dimension of the high grade shoot intersected in BGRC-1222 and BGRC-1223 is approximately 100 metres.

The high grade shoot on 6363140mN remains open to the north presenting a future target area warranting further drill testing.

Baggy Green interpretation

Figure 2 shows the locations of four drill traverses through the southern mineralised zone at Baggy Green, with the traverse cross sections shown in Figures 3 to 6. The sections are located in a 500 metre long area that has now been drilled in some detail.

The mineralised zone in all four sections is interpreted to be associated with a gently west-northwest dipping shear zone exhibiting between one and three sub-parallel lodes of variable gold grade. The continuity of the mineralised zone both on and between cross sections is robust.

Grade variation in the plane of mineralisation is a common feature in structurally controlled gold deposits, and the results at Baggy Green confirm areas of both good grade and weak grade are present.

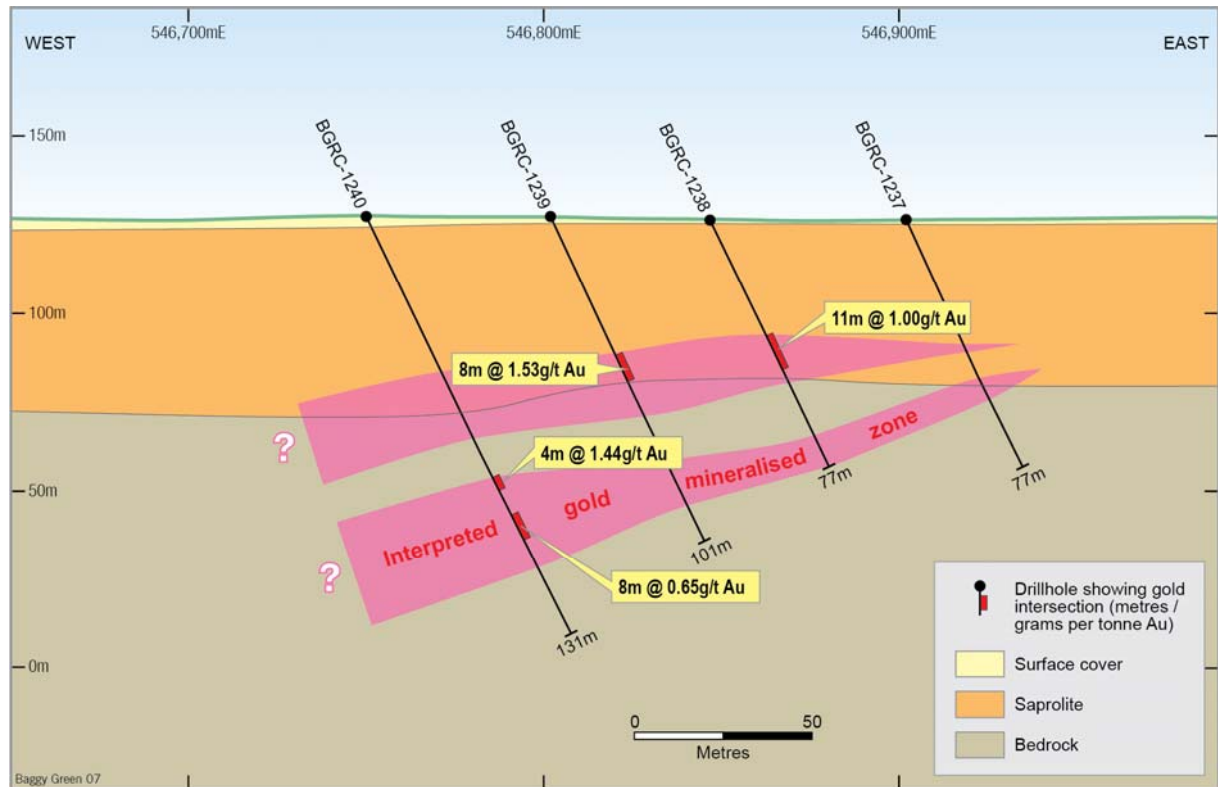


Figure 3: Baggy Green Prospect, Section 6362820mN looking north.

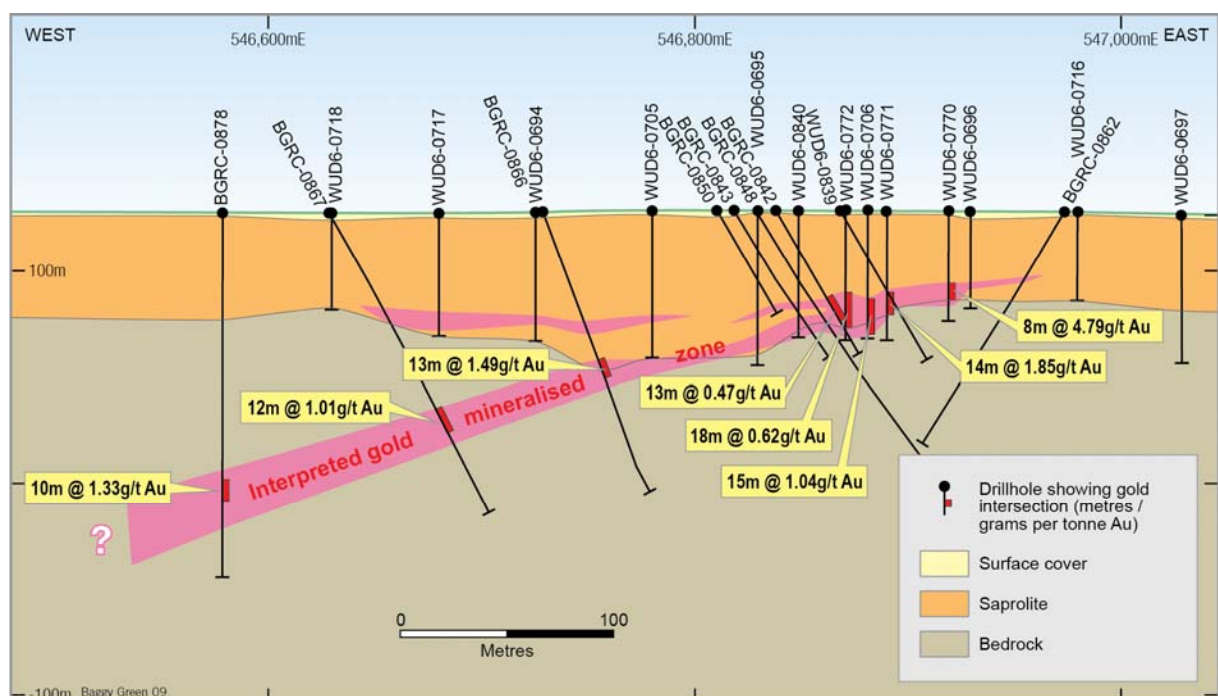


Figure 4: Baggy Green Prospect, Section 6362870mN looking north.

The gold endowment of the Baggy Green structure in the area of more detailed drilling is illustrated in Figure 7 with the drill hole intersection points colour coded for true width gram metre product.

Two unclosed regions of better gold grade have emerged so far at Baggy Green, one at each of the northern and southern limits of recent drilling, presenting future exploration targets.

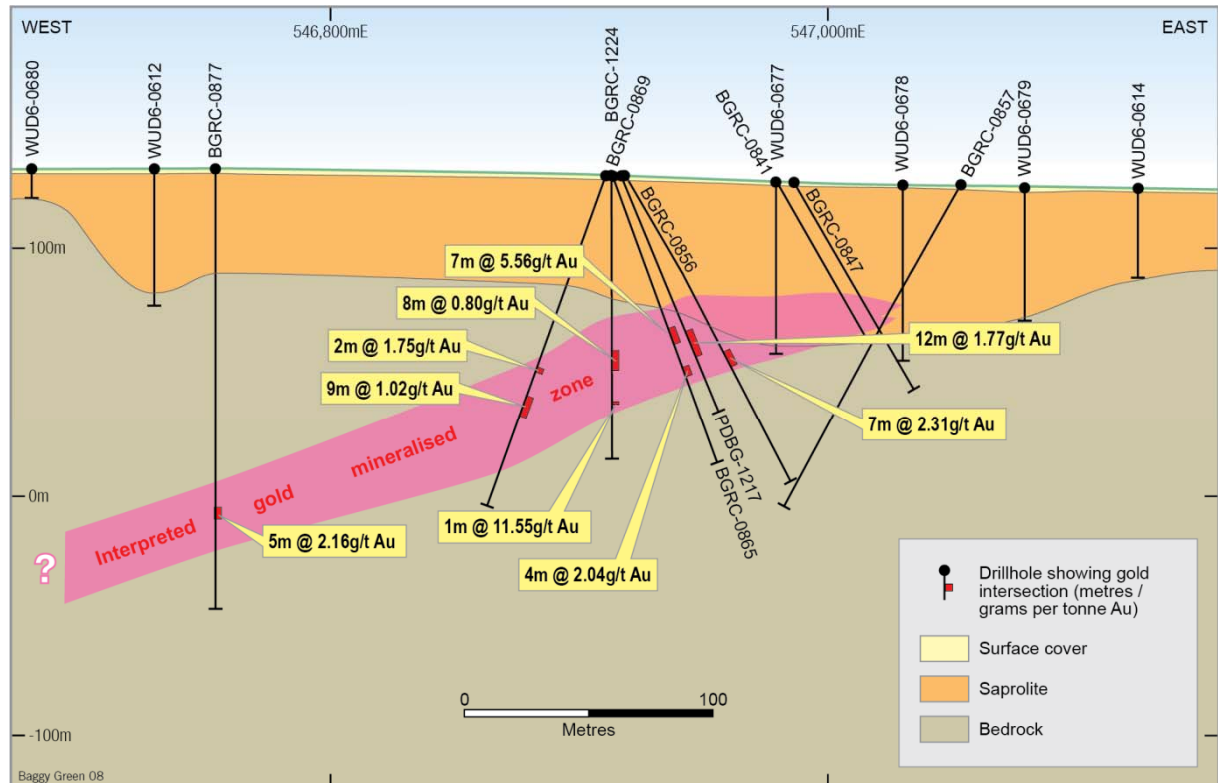


Figure 5: Baggy Green Prospect, Section 6363090mN looking north.

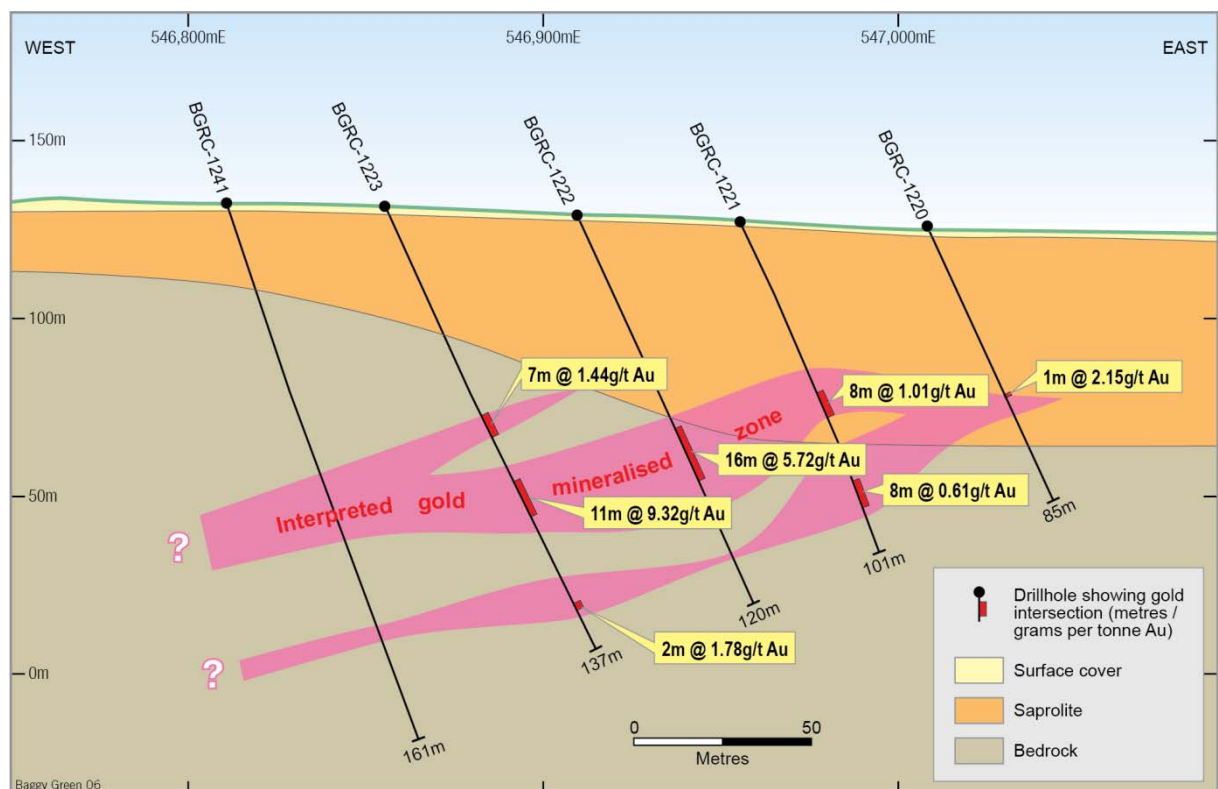


Figure 6: Baggy Green Prospect, Section 6363140mN looking north.

Baggy Green North target

Six holes were drilled at Baggy Green North to follow-up broad gold intersections recorded in historical drill holes, and to determine the mineralised zone's dip and strike.

On section 6364880mN, BGRC-1231 returned 20 metres at 0.31g/t gold from 66 metres, and BGRC-1236 hit 24 metres at 0.14g/t gold. On section 6364830mN, BGRC-1232 intersected 17 metres at 0.18g/t gold, and BGRC-1235 recorded 1 metre at 1.07g/t gold from 19 metres.

The intensity and dimension of the associated hydrothermal alteration system at Baggy Green North is notable, potentially indicating the presence of a large system. Furthermore, the results are consistent with a mineralised zone striking east-west and dipping to the north, requiring a re-oriented drill pattern for future evaluation.

Next Steps

The 2016 RC programme data has been incorporated with historical data and 3-D remodelling is underway.

Preliminary interpretation confirms that the 500 metre long part of the Baggy Green prospect now drilled in some detail shows excellent potential to deliver shallow resources that can materially build on the maiden 107,000 ounce gold Mineral Resource at the nearby Barns deposit.

The next work at Baggy Green will comprise additional drilling to test the higher grade gold zones which remain open to the north and south of the 500 metre zone of detailed drilling, and the estimation of a maiden resource.

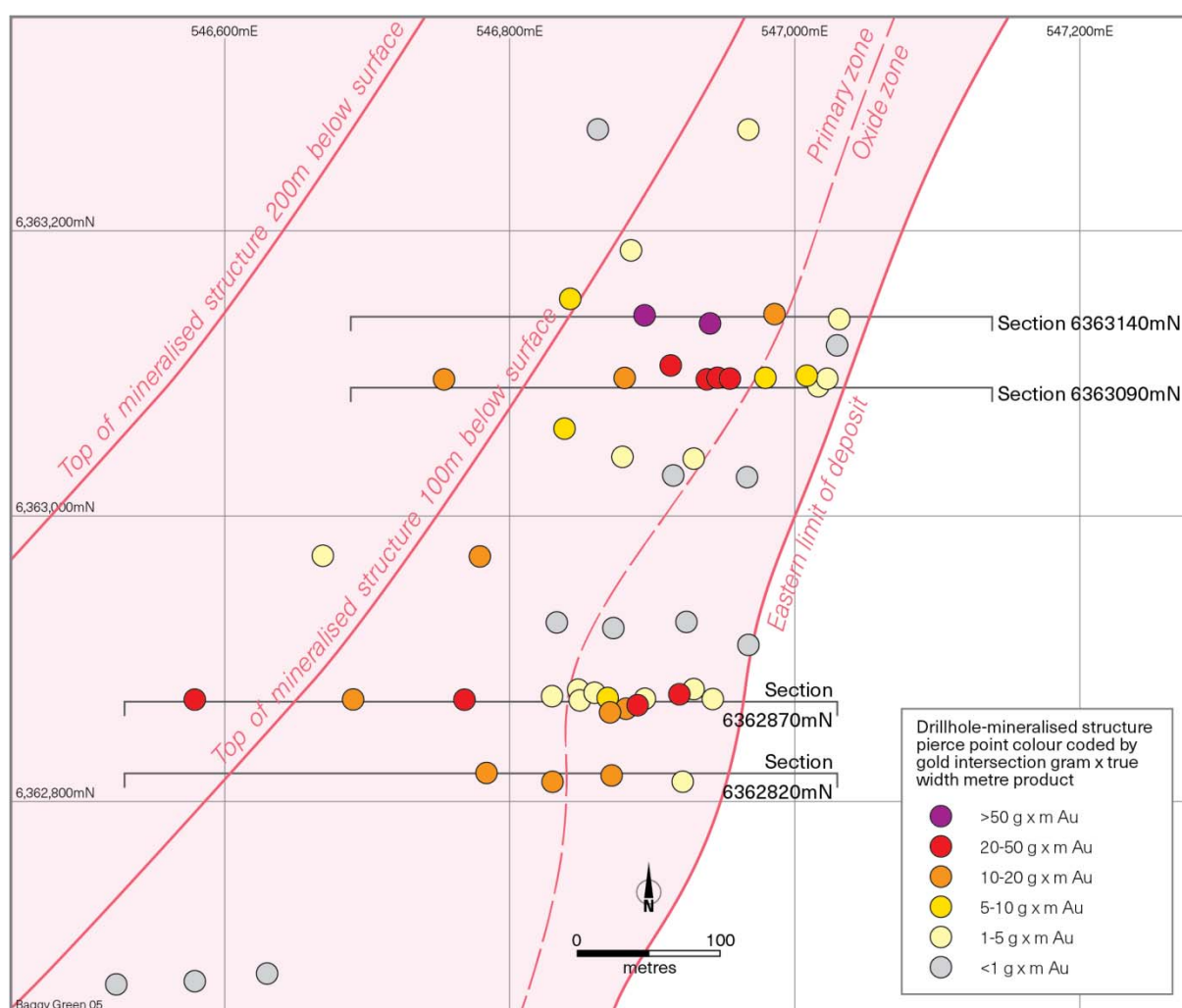


Figure 7: Plan projection of southern target showing shallow target zone.

Mineralised drill sample from the recent programme has also been retained for metallurgical testwork.

The collar locations of all deeper RC and diamond holes at Baggy Green are shown in Figure 2. Very few deeper holes have been

drilled beyond the 500 metre long area of detailed testing, presenting worthy exploration targets where success could significantly increase the resource potential of the prospect over and above that already established in the area of detailed testing.

Table 1: Baggy Green Prospect 2016 Reverse Circulation drill programme gold intersections.

Hole Name	From (m)	Interval (m)	Est.TrueWidth (m)	Au (g/t)	Easting (MGA94)	Northing (MGA94)	RL (m)	Hole Dip (°)	Azimuth (MGA94)	Final Depth (m)
BGRC-1220	52	1		2.15	547008	6363138	125	-65	090	85
BGRC-1221 incl.	52	8	7.8	1.01	546956	6363142	127	-65	090	101
	58	1		3.28						
	79	8	7.8	0.61						
BGRC-1222 incl.	66	16	15.5	5.72	546909	6363135	129	-65	090	120
	79	2		39.90						
BGRC-1223 incl. incl.	64	7	6.7	1.44	546855	6363142	131	-65	090	137
	64	1		7.60						
	85	11	10.6	9.32						
	85	1		97.30						
	123	2		1.78						
BGRC-1224	70	8	7.4	0.80	546913	6363107	129	-90	360	114
	91	1		11.55						
BGRC-1225	No significant result				546950	6363027	128	-65	090	77
BGRC-1226	No significant result				546845	6363042	130	-65	090	119
BGRC-1227	No significant result				546950	6362909	128	-65	090	65
BGRC-1228	No significant result				546896	6362926	129	-65	090	77
BGRC-1229	No significant result				546850	6362921	129	-65	090	83
BGRC-1230	No significant result				546807	6362925	130	-65	090	101
BGRC-1231	74	2		0.55	547155	6364872	106	-60	090	101
	83	3		0.95						
BGRC-1232	No significant result				547153	6364824	106	-65	090	113
BGRC-1233	No significant result				547101	6364843	105	-65	094	113
BGRC-1234	No significant result				547051	6364831	105	-65	092	113
BGRC-1235	19	1		1.07	547199	6364827	105	-65	089	113
BGRC-1236	No significant result				547055	6364867	105	-65	091	161
BGRC-1237	No significant result				546902	6362813	126	-65	090	77
BGRC-1238	36	11	10.7	1.00	546847	6362818	126	-65	090	77
BGRC-1239 incl.	44	8	7.8	1.53	546802	6362813	127	-65	090	101
	48	2		4.74						
BGRC-1240	82	4	3.9	1.44	546750	6362820	127	-65	090	131
	95	8	7.8	0.65						
BGRC-1241	No significant result				546810	6363153	132	-72	090	161
BGRC-1242	No significant result				546830	6363186	131	-65	090	175

Intersections calculated by averaging gold grade of 1m samples collected by cone splitter under sample cyclone.

Gold determined by fire assay fusion with AAS on nominal 50gm sample. Cut-off grade of 0.5g/t gold applied with up to 6m of lower grade internal dilution. Company and laboratory introduced blanks, standards and duplicates indicate acceptable analytical quality. Intersections quoted are downhole lengths.

Estimated true width calculated trigonometrically using lode dip and dip azimuth, downhole width, hole inclination and dip.

Competent Person Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Chris Drown, a Competent Person, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Drown is employed by Drown Geological Services Pty Ltd and consults to the Company on a full time basis. Mr Drown 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 Drown consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This ASX release may include forward-looking statements concerning Adelaide Resources Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward- looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Adelaide Resources' beliefs, opinions and estimates of Adelaide Resources as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development

1 JORC CODE, 2012 EDITION – TABLE 1

1.1 Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none">• 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 hand held 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 (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.	<ul style="list-style-type: none">• RC and diamond drilling was used to obtain 1m samples from which approximately 3kg was pulverised to produce a 50gm charge for gold fire assay with AAS finish.• RC samples were collected using a cone splitter mounted below the sample return cyclone. The vast majority of samples were dry. Sample weights ranged from 0.43kg to 6.84kg and averaged 2.6kg.• Assaying commenced at a depth above that which previous holes indicate is depleted in gold, and continued to the end of hole.• Company QAQC samples were introduced at a rate of three samples (duplicate, blank and standard) to 22 field samples.

<i>Drilling Techniques</i>	<ul style="list-style-type: none"> • <i>Drill type (air 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 orientated and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Drill method is reverse circulation using 4 ½ inch face sampling bits.
<i>Drill Sample Recovery</i>	<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 sample.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of coarse/fine material.</i> 	<ul style="list-style-type: none"> • Qualitative assessment of sample recovery and moisture content of all aircore and RC drill samples was recorded. • Sample system cyclone cleaned at end of each hole and as required minimising down-hole and cross-hole contamination. • Qualitative assessment of sample recovery with no issues identified. • No relationship is known to exist between sample recovery and grade and there is no suspicion of sample bias due to loss/gain of coarse/fine material.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All holes were geologically logged by on-site geologist, with lithological, mineralogical, weathering, alteration, mineralisation and veining information recorded. • Composite samples of various intervals for panned and where gold grains were observed their presence was recorded. • Geological logging is qualitative. • Chip trays containing 1m geological sub-samples of RC holes were collected during the drilling of each hole. The trays will be photographed at the end of the programme. • 100% of the reported intersections (and of all metres drilled) have been geologically logged.
<i>Sub-sampling techniques and sample preparation</i>	<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 representativity 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"> • RC samples were collected as 1-metre samples by cone splitting under the sample return cyclone. • Laboratory sample preparation included drying, splitting of samples over 3.3kg, and pulverising of submitted sample to target of P85 at 75µm. • Pulverised samples were routinely checked for size after pulverising. No checked sample failed to achieve the targeted grind size. • Blank, duplicate and standard samples were introduced into sample stream by the Company, while the laboratory completed double assays on many samples and introduced its own standards and

		<p>blanks.</p> <ul style="list-style-type: none"> Both Company and laboratory introduced QA/QC samples indicated acceptable analytical accuracy. One blank of 83 submitted by the Company contained detectible gold. Laboratory analytical charge sizes were standard sizes and considered adequate for the material being assayed.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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 mode, reading times, calibration factors applied and their derivation, etc. Nature and 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. 	<ul style="list-style-type: none"> Standard laboratory analyses completed for gold (fire assay). The laboratory analytical methods used are considered to be total. For laboratory samples the Company introduced QA/QC samples (standards, blanks, duplicates) at a ratio of three QA/QC sample for every 22 drill samples. The laboratory additionally introduced QA/QC samples (blanks, standards, checks). Both the Company introduced and laboratory introduced QA/QC samples indicate acceptable levels of accuracy and precision have been established.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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 or electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> A Company geologist has checked the calculation of the quoted intersections in addition to the Competent Person. No twinned holes have been completed at Baggy Green. No adjustments have been made to the laboratory assay data.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Drill hole collars were surveyed after completion of drilling using GPS with an accuracy of +/- 5 metres. Downhole surveys were completed for 21 of the 23 programme holes. The survey camera was not on site when the first hole was drilled, while a vertical hole was also not surveyed. The co-ordinate system used is MGA94(Z53). The plans presented in the report use MGA94(Z53) co-ordinates. Collar RLs were assigned using a DTM generated from an historical high resolution airborne magnetic survey.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results Whether the data spacing and distribution is sufficient to establish the degree of geological 	<ul style="list-style-type: none"> The holes reported herein were drilled at a nominal spacing along line of 50 metres. Hole spacings are considered

	<p><i>and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classification applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<p>adequate to allow confident interpretation of lithological and grade boundaries on section.</p> <ul style="list-style-type: none"> • No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • The drill traverses are oriented east-west across a gently dipping NNE-SSW trending mineralised zone. • It is not currently suspected that drill orientation has introduced a sampling bias.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Company staff collected or supervised the collection of all laboratory samples. • Samples submitted to the laboratory were transported by a trusted local freight contractor. • There exists no suspicion that the samples were tampered with at any stage.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data</i> 	<ul style="list-style-type: none"> • No sampling technique audits have been completed.

1.2 Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements of material issues with third parties such as joint ventures, overriding royalties, native titles interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i> 	<ul style="list-style-type: none"> • The Baggy Green prospect falls in EL 5120 which is owned 100% by Peninsula Resources limited, a wholly owned subsidiary of Adelaide Resources Limited. • Newcrest Mining Limited retains a 1.5%NSR royalty over future mineral production from EL 5120. • The Baggy Green prospect is located within Pinkawillinnie Conservation Park, a dual proclamation park where exploration and mining activities are allowed subject to meeting environmental conditions imposed by the SA Govt. • Native Title may exist over the Baggy Green prospect. A Native Title Agreement has been negotiated with the NT Claimant and has been registered with the SA Govt. • Aboriginal heritage surveys have been completed over Baggy Green with no sites located in the immediate vicinity. • EL 5120 is in good standing.

<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgement and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Prior to Adelaide Resources' exploration there was no recorded or known mineral exploration at Baggy Green.
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Baggy Green prospect is considered to be either a lode gold or intrusion related gold deposit related to the 1590Ma Hiltaba/GRV tectonothermal event. Gold mineralisation is structurally controlled and associated with significant alteration of host rocks.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>Easting and northing of the drill collar</i> ○ <i>Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill collar.</i> ○ <i>Dip and azimuth of the hole.</i> ○ <i>Down hole length and interception depth.</i> ○ <i>Hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Table 1 in the report lists drill intersections, and includes information on Easting, Northing, elevation, dip, azimuth, intersection length and position down hole, and total hole depth. • The collar locations and positions of drill holes is shown on Figures 2 to 6, with the plans drafted using the MGA94 co-ordinate system.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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 some detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Intersections are calculated by averaging of individual 1-metre assays. • No cutting of assays has been employed. • Sub-intervals of higher grade are contained in Table 1 of the report. • No metal equivalents are reported.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Figures 2 to 7 of the report illustrate the orientation of drilling with respect to interpreted mineralisation orientation, while the interpreted orientation of the mineralisation is also discussed in the report.
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Appropriate plans and sections with scales appear as Figures 1 to 7 in the report. A tabulation of intersections appears as Table 1.
<i>Balanced Reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable,</i> 	<ul style="list-style-type: none"> • The listing of intersection in Table 1 includes results for all programme

	<i>representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	holes, including those that failed to intersect significant mineralisation.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, ground water, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Very limited historical metallurgical testwork gave overall recoveries for gold from 94.4% to 97.2%. Potentially deleterious elements are low. Anomalous copper, generally at concentrations in the hundreds of ppm but occasionally over 0.1%, is present in the gold mineralisation at Baggy Green. • The results of historical geophysical surveys (magnetics and IP) are not reported as they are not considered to be material to the report.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests of lateral extensions or depth extensions or large scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • The report advises that the results from the current programme will be incorporated with historical data and remodelled in 3-D, with this work now underway.