Deep Yellow Limited

ASX Announcement **ASX & NSX: DYL / OTCQX: DYLLF**

05 November 2018

TUMAS 1 EAST - DRILLING IDENTIFIES NEW REGION OF HIGH URANIUM INTEREST

HIGHLIGHTS

- **Completion of current phase of first pass delineation drilling has opened a multiple mineralised channel system ready for detailed resource drilling follow-up**

- **Highly significant uranium mineralisation confirmed in previously unknown Tumas 1 East tributary channels 1, 2, 4 and 5**
  - **16km of mineralised channel identified for follow-up resource drilling**

- **With 35 holes for 419m completed since last release, 50% of the holes returned >100ppm eU_3O_8 over 1m - best intersections**
  - **TA145 3m at 306ppm eU_3O_8 from 5m**
  - **TA154 5m at 430ppm eU_3O_8 from surface**
  - **TA170 9m at 221ppm eU_3O_8 from 7m**

- **Resource upgrade drilling commenced 2 November on Tributary 1 and will commence on 5 November on Tumas 3 West**

- **Mineralisation is calcrete-associated hosted within palaeochannels, similar to the Langer Heinrich uranium mine located 30km to the north**

Deep Yellow Limited (**Deep Yellow**) is pleased to announce that the current phase of broad delineation drilling in the Tumas 1 East area on EPL3497 has now been completed. Extensive uranium mineralisation has been identified in the Tumas 1 East palaeochannel area within a system of newly defined Tributaries 1, 2, 4 and 5. Resource infill drilling will now start in Tributary 1. EPL3497 is held by Reptile Uranium Namibia (Pty) Ltd (**RUN**), part of the group of companies wholly owned by Deep Yellow.

Since the last drilling update (as reported 17 October 2018) 35 holes have been drilled for 419m between 12 October to 1 November, completing the current phase of the target delineation work in this area. In total 180 RC holes have been drilled in the Tumas 1 East area for 2,173m to broadly test the tributary channels for mineralisation with positive results being returned.

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Further work will now shift to resource drilling in this area until the end of 2018. A second RC drill rig has also been contracted to begin resource drilling on 5 November over the highly prospective western extension of the Tumas 3 discovery. Figure 1 shows the prospective paleochannel system outline and prospect locations.

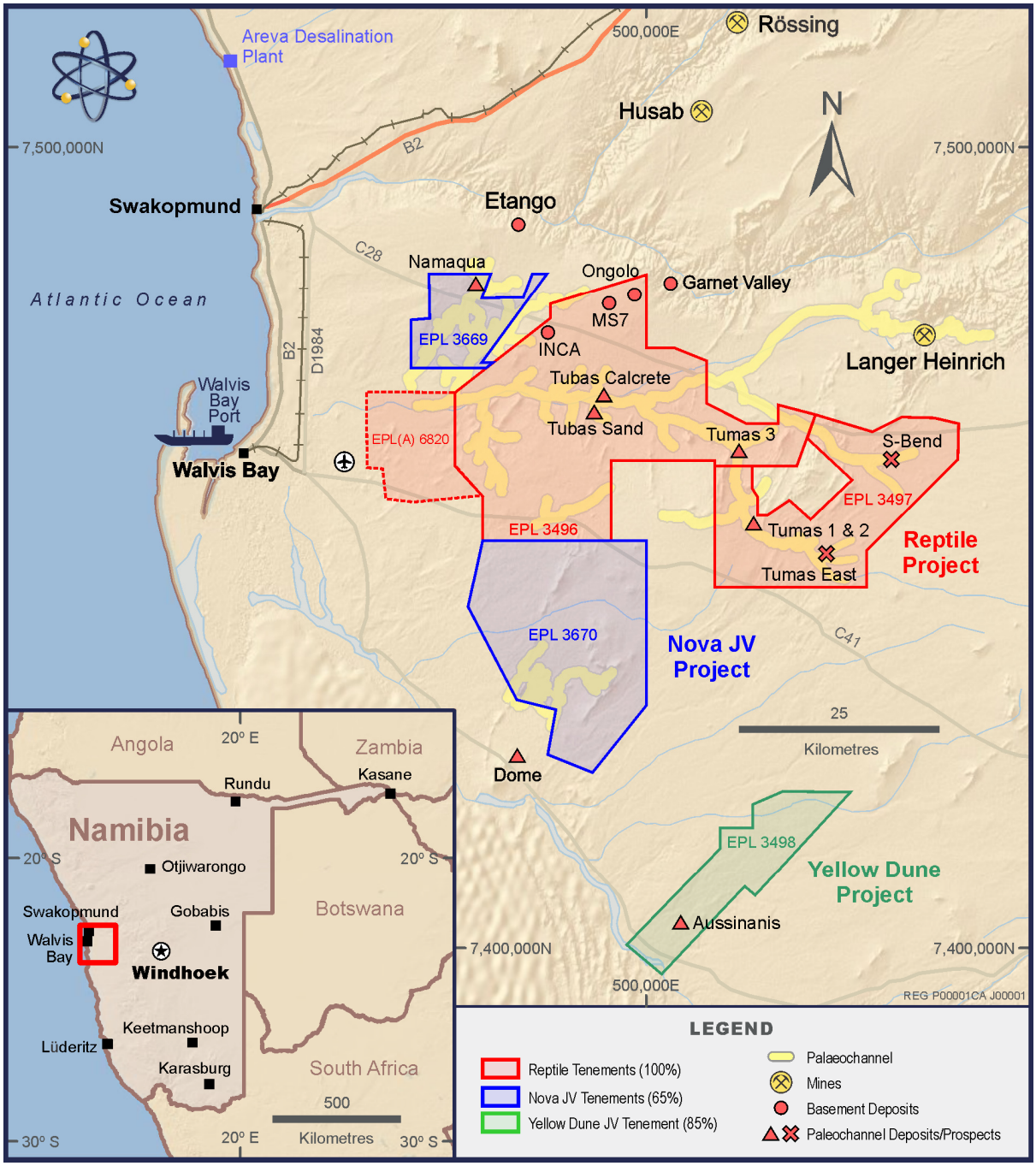

Figure 1: *EPLs 3496, 3497 showing Tumas Deposits and main prospect locations over palaeochannels*

Tumas 1 East Drilling

Broad exploration delineation drilling testing the headwaters east of the Tumas 1 deposit has identified a multipronged channel system comprising, at this stage, 7 tributaries draining into the main Tumas palaeochannel as shown in Figure 2.

The 35 holes drilled since 12 October have continued to indicate promising mineralisation, this time in the eastern portion of Tributary 2 (see Figure 3) and in the previously untested Tributary 5 area where a wide mineralised channel has been identified (see Figure 4). This work has

considerably expanded the area of high significance for uranium mineralisation. With this work, the drilling has identified a total of 15-16km highly prospective channels available for resource upgrade work. Large portions of Tributary 4 and 5 still remain to be tested to the west of where currently drilled. The interpreted Tributary 6 remains untested.

These new results produced intersections in the range of 143ppm U_3O_8 over 10m (TA165) to 430ppm U_3O_8 over 5m (TA154). The average thickness of the mineralisation is close to 5m. Drill hole and channel locations are shown in Figure 2. Figures 3 and 4 show drill cross-sections through Tributaries 2 and 5 respectively, highlighting the continuity and thickness of mineralisation.

Mineralised intersections from the current reporting period that are above the 100ppm U_3O_8 over 1m cut-off are tabulated in Table 1, Appendix 1. Table 2 in Appendix 1 lists all drill holes from this reporting period. The equivalent uranium values are based on down-hole radiometric gamma logging carried out by a fully calibrated Aus-Log gamma logging system.

In summary, with completion of the current phase of the target delineation work carried out in September and October, the following can now be stated:

- The main Tributary 1 target shows continuous calcrete-type uranium mineralisation along 4.6km length. This channel ranges from 100m to 900m in width. The mineralisation is located at shallow depth from surface to 12m below surface. Except for localised hot spots, large parts of this mineralisation do not show any surface radiometric expression.

- Tributaries 2 and 3 are less mineralised except for the eastern headwaters of Tributary 2 showing encouraging results along 2km of channel way.

- Both Tributaries 4 and 5 north of Tributary 1 show encouraging results indicating possible uranium mineralisation along a further 10km of channel length.

- Tributary 6 is currently defined from air photo interpretation and geological mapping only and remains to be tested.

Analysis/Conclusion

To date a total of 180 holes for 2,173m were drilled in the area. Drill spacings have varied from 50m to 100m along lines 200m to 1,600m apart. 103 of these holes returned positive results of more than 100ppm eU_3O_8 over 1m. This reflects an almost 60% success rate. The average grade of the 1m intersections >100ppm U_3O_8 is 295ppm and >200ppm U_3O_8 is 433ppm which is the cut-off used in the previous resource estimates.

The results of the ongoing exploration are regarded as very encouraging. This drilling in what was a previously unknown headwater system of the Tumas palaeochannel system has identified a new continuous calcrete type uranium mineralisation at shallow depth. Importantly, new uranium mineralisation in the tributary paleochannel system in the Tumas East area has opened up the potential for further mineralisation in Tributaries 2, 4, 5 and possibly 6, along an extensive strike length.

The ongoing work continues to show that the uranium mineralisation is not confined to one simple, single channel but rather is associated with a complex palaeodrainage system containing several channels and tributaries.

This fourth (ongoing) drilling campaign is continuing to produce positive results. This is not only expected to add to the current uranium resource base of this project but, just as significantly, continues to emphasise the strong exploration potential of the extensive,

uranium-fertile palaeochannel system within which the new Tumas palaeochannel discoveries occur.

The drill program emphasis will now change to resource drilling at Tumas 1 East and Tumas 3 West. A second RC drilling rig has been contracted to start the resource drilling at Tumas 3 West. These drilling programs will continue into December.

An updated Inferred Resource estimation for the Tumas 1 East Zone, in conjunction with Tumas 1 & 2 and Tumas 3 West is expected to be delivered in early 2019.

CEO Comment

John Borshoff commented: "Our work on the Reptile Project is again confirming the very high prospectivity of the Tumas palaeochannel system that has been identified. The new zone of mineralisation that has been discovered to the east adds significantly to the potential of these channels, which are showing all the hallmarks of being able to substantially increase the currently identified resource base associated with this regionally extensive target."

Yours faithfully

JOHN BORSHOFF
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Competent Person's Statement

Exploration Competent Person's Statement
The information in this announcement as it relates to exploration results was compiled by Mr Martin Hirsch, a Competent Person who is a Member of the Institute of Materials, Mining and Metallurgy (IMMM) in the UK. Mr Hirsch, who is currently the Exploration Manager for Reptile Mineral Resources and Exploration (Pty) Ltd (RMR), has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to 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, Mineral Resources and Ore Reserves'. Mr Hirsch consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears. Mr Hirsch holds shares in the Company.

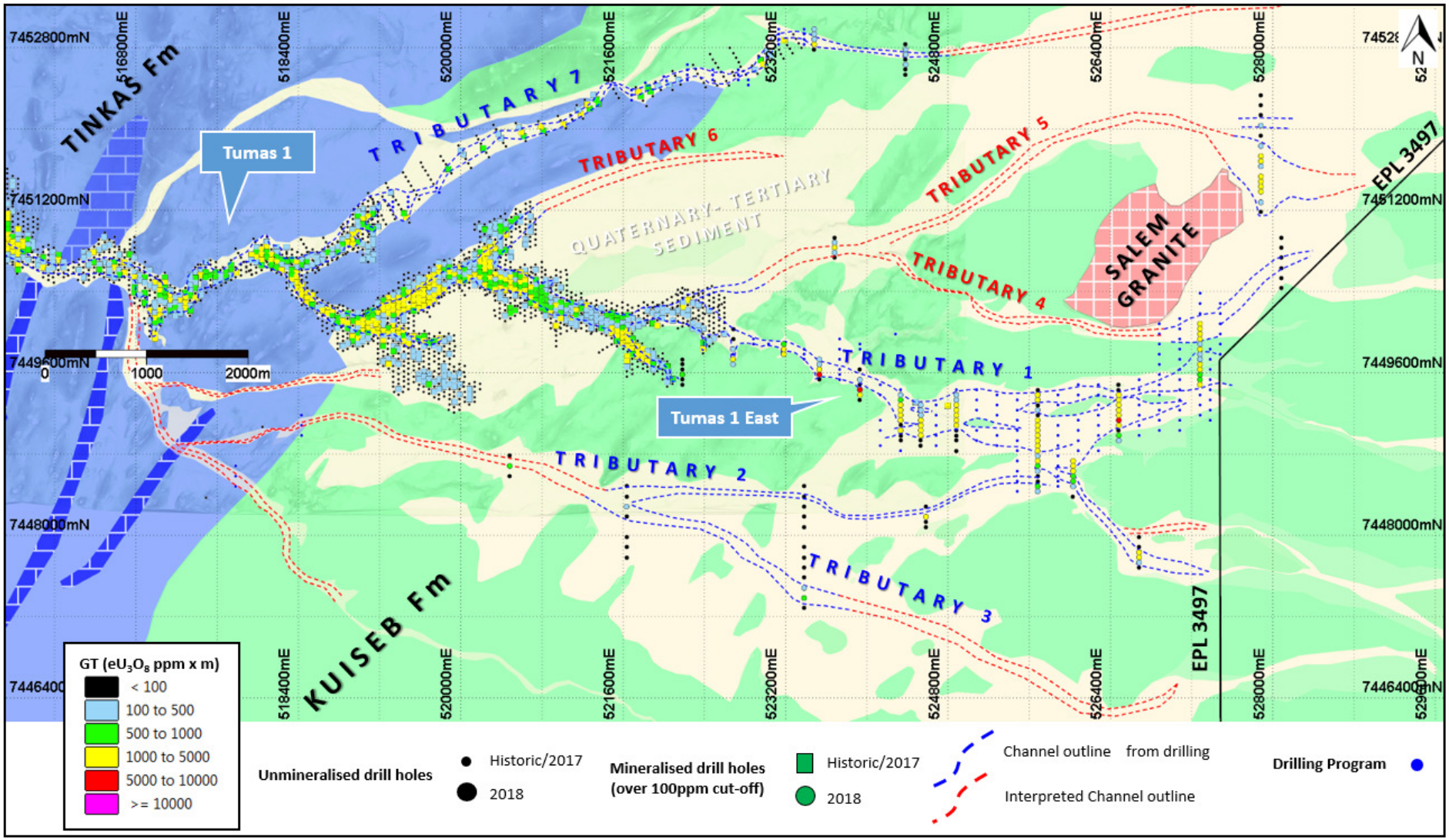

***Figure 2**: Drill hole locations showing the recent drilling program at Tumas East and Tumas 1. Drill hole collars are coloured in eU_3O_8 grade thickness values (GT: eU_3O_8pmm x m)*

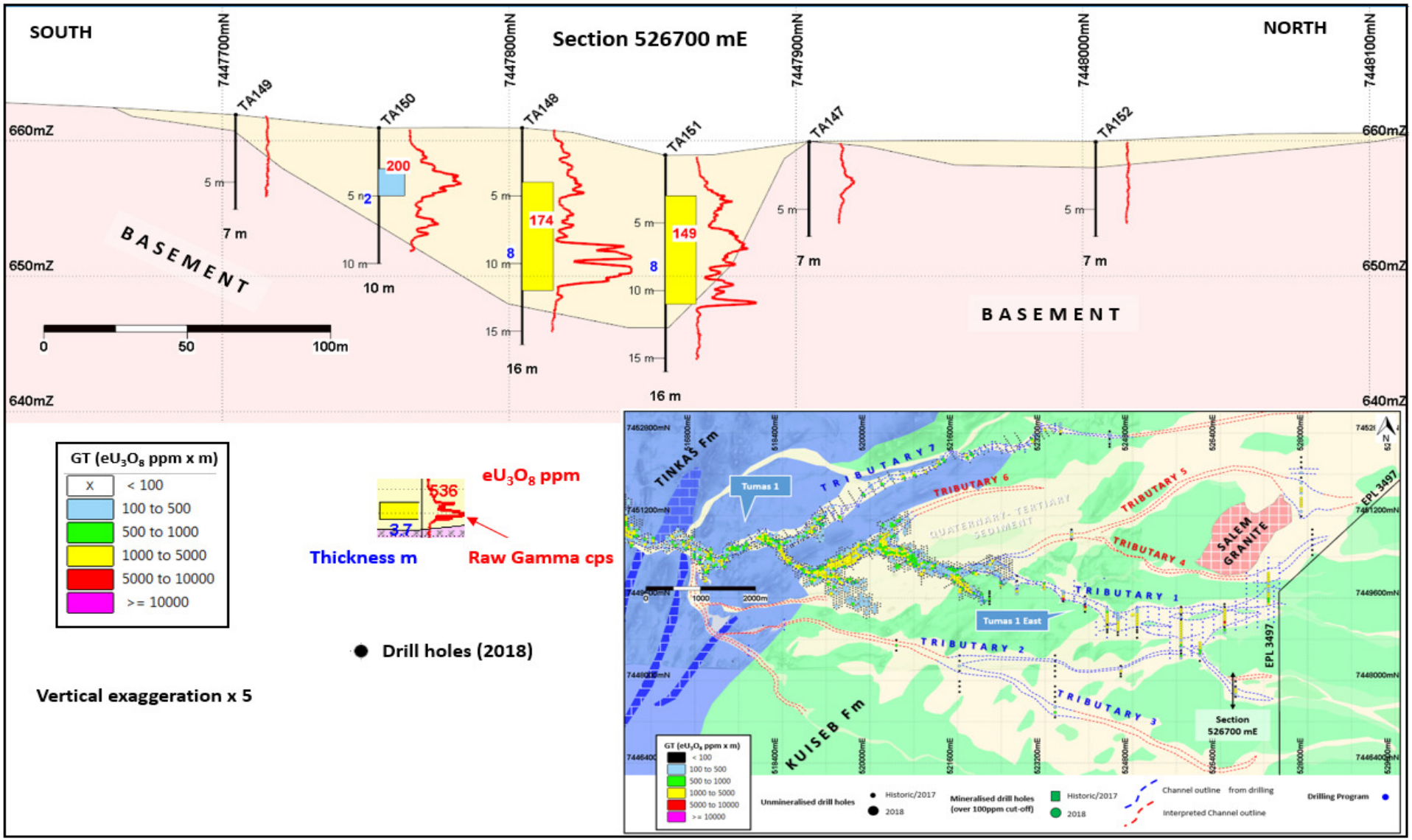

Figure 3: *Tumas East, Tributary 2 – Cross Section 526700E*

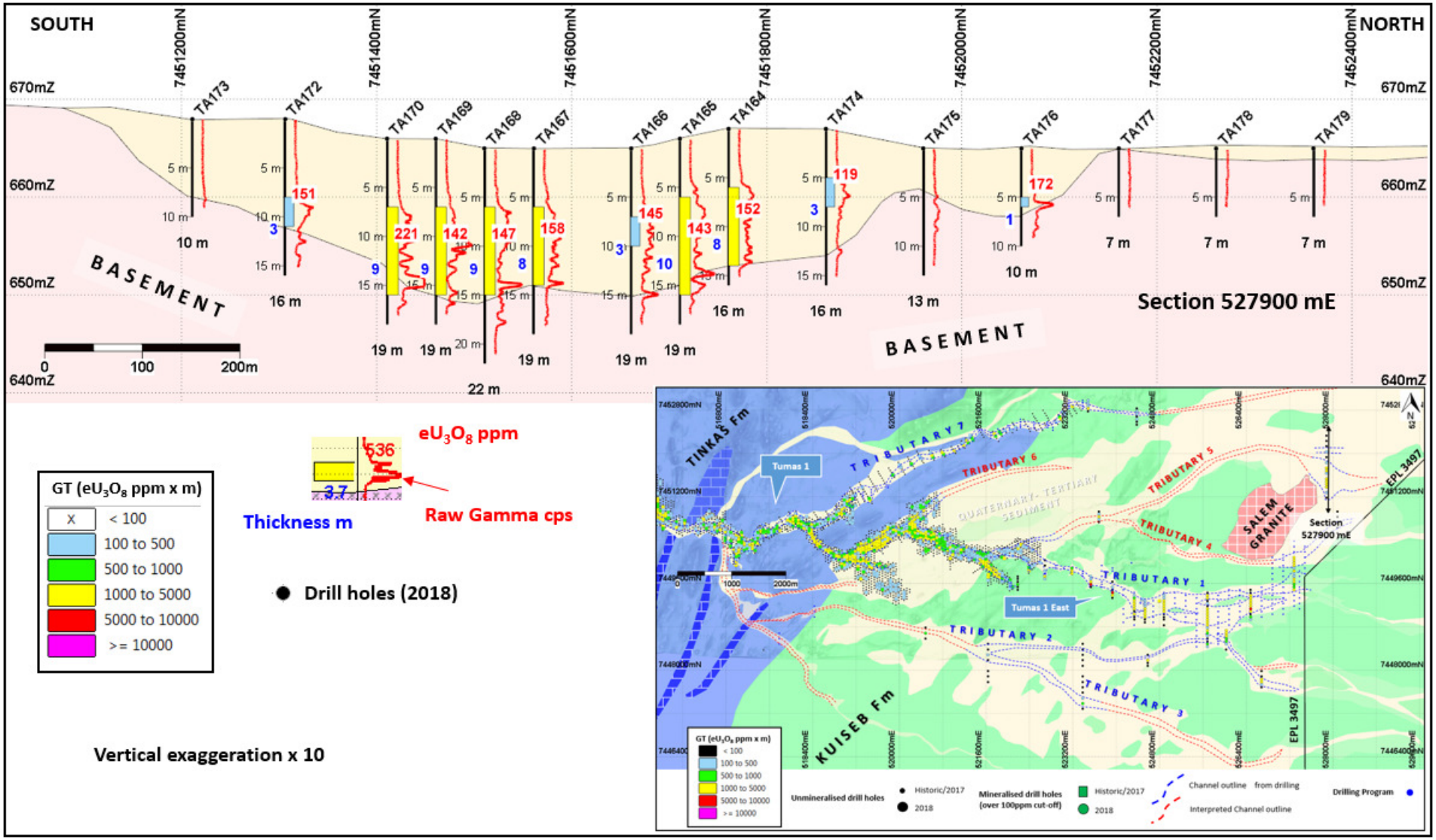

Figure 4: *Tumas East, Tributary 5 – Cross Section 527900E*

APPENDIX 1

TABLE 1 – Drill Hole Status - Intersections>100ppm eU_3O_8 over 1m
(17 holes drilled 13 October to 1 November 2018)

TUMAS EAST - EXPLORATION DRILLING (from 13 October to 1 November 2018)									
Table 1 - Drill Hole Status with eU_3O_8 determination									
Hole ID	**From (m)**	**Thickness (m)**	**eU_3O_8 (ppm)**	**From (m)**	**eU_3O_8 max (over 1m)**	**Easting**	**Northing**	**RL**	**TD (m)**
TA145	5.0	3.0	306	5.0	683	520500	7448700	587	10
TA148	4.0	8.0	174	10.0	412	526700	7447800	661	16
TA150	3.0	2.0	200	3.0	217	526700	7447750	661	10
TA151	3.0	8.0	149	6.0	242	526700	7447850	659	16
TA154	0.0	5.0	430	1.0	919	523700	7450850	620	10
TA155	4.0	2.0	210	5.0	305	523700	7450900	619	10
TA156	6.0	1.0	154	6.0	154	523700	7450800	621	10
TA164	6.0	8.0	152	6.0	197	527900	7451750	667	16
TA165	6.0	10.0	143	13.0	244	527900	7451700	666	19
TA166	7.0	3.0	145	8.0	154	527900	7451650	665	19
TA167	6.0	8.0	158	9.0	194	527900	7451550	665	19
TA168	6.0	9.0	147	8.0	208	527900	7451500	665	22
TA169	7.0	9.0	142	10.0	336	527900	7451450	666	19
TA170	7.0	9.0	221	14.0	832	527900	7451400	666	19
TA172	8.0	3.0	151	9.0	204	527900	7451295	668	16
TA174	5.0	3.0	119	6.0	154	527900	7451850	667	16
TA176	5.0	1.0	172	5.0	172	527900	7452050	665	10

APPENDIX 1

TABLE 2 – Drill Hole Locations – 35 drill holes drilled 13 October to 1 November 2018

Tumas East (EPL3497)				
(33 holes completed from 13 to 01 November 2018)				
Hole ID	**Easting**	**Northing**	**RL**	**TD (m)**
TA145	520500	7448700	587	10
TA146	520500	7448600	587	7
TA147	526700	7447900	660	7
TA148	526700	7447800	661	16
TA149	526700	7447700	662	7
TA150	526700	7447750	661	10
TA151	526700	7447850	659	16
TA152	526700	7448000	660	7
TA153	523700	7450950	619	7
TA154	523700	7450850	620	10
TA155	523700	7450900	619	10
TA156	523700	7450800	621	10
TA157	523700	7450750	621	10
TA158	528100	7450650	675	10
TA159	528100	7450550	675	10
TA160	528100	7450450	673	7
TA161	528100	7450750	675	13
TA162	528100	7450850	675	10
TA163	528100	7450950	673	10
TA164	527900	7451750	667	16
TA165	527900	7451700	666	19
TA166	527900	7451650	665	19
TA167	527900	7451550	665	19
TA168	527900	7451500	665	22
TA169	527900	7451450	666	19
TA170	527900	7451400	666	19
TA171	527900	7451300	668	13
TA172	527900	7451295	668	16
TA173	527900	7451200	668	10
TA174	527900	7451850	667	16
TA175	527900	7451950	665	13
TA176	527900	7452050	665	10
TA177	527900	7452150	665	7
TA178	527900	7452250	665	7
TA179	527900	7452350	665	7

APPENDIX 2: Table 1 Report (JORC Code 2012 addition)

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	• Commentary
Sampling techniques	• *Nature and quality of sampling (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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 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.*	• The current drilling relies on down hole gamma data from calibrated probes which were converted into equivalent uranium values (eU_3O_8) by experienced DYL personnel and will be confirmed by a competent person (geophysicist) at a later date. First geochemical assay data are expected in early 2019. Previous drill data used in this report includes both geochemical assay data (U_3O_8) and down hole gamma equivalent uranium derived values (eU_3O_8). • Appropriate factors were applied to all downhole gamma counting results to make allowance for drill rod thickness, gamma probe dead times and incorporating all other applicable calibration factors. **Total gamma eU_3O_8** • 33 mm Auslog total gamma probes were used and operated by company personnel. • Gamma probes were calibrated at Pelindaba, South Africa, in May 2007 and in December 2007. • Between 2008 and 2013 sensitivity checks were conducted by periodic re-logging of a test hole (**Hole-ALAD1480**) to confirm operation. • Auslog probes were again re-calibrated at the calibration pit located at Langer Heinrich Mine site in December 2014, May 2015, August 2017 and July 2018. • Probe T165 was used as only probe throughout the current program, which was calibrated at the Langer Heinrich calibration last in July 2018. • During the drilling, the probe was checked daily against a standard source. • Gamma measurements were taken at 5 cm intervals at a logging speed of approximately 2 m per minute.

Criteria	JORC Code explanation	• Commentary
		• Probing was done immediately after drilling mainly through the drill rods and in some cases in the open holes. Rod factors have been established once sufficient in rod and open hole data were available to compensate for the reduced gamma counts when logging was done through the drill rods. No correction for water was done. The drill holes were dry. • All gamma measurements were corrected for dead time which is unique to the probe. • All corrected (dead time and rod factor) gamma values were converted to equivalent eU_3O_8 values over the same intervals using the probe-specific K-factor. • Disequilibrium studies on 22 samples by ANSTO Minerals in 2008 confirmed that the U^{238} decay chains of the wider Tumas deposit are within an analytical error of ± 10%, in secular equilibrium. **Chemical assay data** • Geochemical samples were derived from Reverse Circulation (RC) drilling at intervals of 1 m. Samples were spilt at the drill site using either a riffle or cone splitter to obtain a 1 to 4 kg sample from which 90 g will be pulverized to produce a subset for XRF-analysis. • It is planned that 10 to 20% of the mineralisation from the Tumas East drilling will be assayed for U_3O_8 by loose powder XRF or ICP-MS. • In the 2017 resource drilling program 932 samples were taken for confirmatory assay and submitted to ALS in South Africa for U_3O_8 XRF analysis following the procedure above. • These previous assay results confirm equivalent uranium grades correctly correlated to the assay results and remain within a statistically acceptable margin of error.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC drilling is being used for the Tumas 3 drilling program. • All holes are being drilled vertically and intersections measured present true thicknesses.

Criteria	JORC Code explanation	• Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill chip recoveries are good at around 90%. • Drill chip recoveries were assessed by weighing 1 m drill chip samples at the drill site. Weights were recorded in sample tag books. • Sample loss was minimised by placing the sample bags directly underneath cyclone/splitter
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill holes are being geologically logged. • The logging is qualitative in nature. The lithology type is being determined for all samples. • Other parameters routinely logged include colour, colour intensity, weathering, oxidation, grain size, carbonate ($CaCO_3$) content, sample condition (wet, dry) and total gamma count (by hand held Rad-Eye scintillometer). • Lithology codes were used to generate wireframes for the paleotography of the palaeochannel. • This information was used in planning drill hole locations.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• A portable 2-tier (75%/25%) splitter was used to treat a full 1m sample from the cyclone into an appropriate size assay sample. All sampling was dry. • The above sub-sampling techniques are common industry practice and appropriate. • Sample sizes are considered appropriate to the grain size of the material being sampled. • Duplicates will be inserted into the assay batch at an approximate rate of one for every 10 samples which is compatible with industry norm.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the*	• The analytical method employed will be XRF. The technique is industry standard and considered appropriate. • The analytical method employed for an earlier drill program in 2017 was ICP-MS which is also considered industry standard and appropriate as well.

Criteria	JORC Code explanation	• Commentary
	analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Downhole gamma tools were used as explained under 'Sampling techniques'. This is the principal evaluating technique.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Geology was directly recorded into a tablet in the field and sample tag books filed in at the drill site. • The drill data of those logs and tag books (lithology, sample specifications etc.) were transferred by designated personnel into a geological database. • Equivalent eU_3O_8 values have previously been and were for the current program calculated from raw gamma files by applying calibration factors and casing factors where applicable. • The adjustment factors were stored in the database. • Equivalent U_3O_8 data were composited to 1m intervals. • The ratio of eU_3O_8 vs assayed U_3O_8 for matching composites will be used to quantify the statistical error.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The collars are being surveyed by in-house operators using a differential GPS. • All drill holes are vertical and shallow; therefore, no down-hole surveying was required. • The grid system is World Geodetic System (WGS) 1984, Zone 33.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The data spacing and distribution is optimized along channel direction. The drilling program was exploratory in nature and drill hole spacing varied at 50 to 200m along 400 to 1600m spaced lines. A closer drill spacing will be required for future resource estimation work. • The resource drill grid at Tumas 3 is close to 100m by 100m in EW and NS rectangular directions following the main target channel. • The 100m by 100m drill hole spacing is considered sufficient to define an inferred resource in the future. • The total gamma count data, which is recorded at 5 cm intervals, was used to calculate equivalent uranium values (eU_3O_8) which were composited to 1 m

Criteria	JORC Code explanation	• Commentary
		composites down hole.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Uranium mineralisation is strata bound and distributed in fairly continuous horizontal layers. Holes are being drilled vertically and mineralised intercepts represent the true width. • All holes were sampled down-hole from surface. Geochemical samples are being collected at 1 m intervals. Total gamma count data is being collected at 5 cm intervals.
Sample security	• *The measures taken to ensure sample security.*	• 1m RC drill chip samples were prepared at the drill site. The assay samples were stored in plastic bags. Sample tags were placed inside the bags. The samples were placed into plastic crates and transported from the drill site to RMR's site premises in Swakopmund by company personnel, prior to analyses and from there to the external laboratories when used. • Upon completion of the assay work the remainder of the drill chip sample bags for each hole will be packed back into crates and then stored in designated containers in chronological order, locked up and kept safe at RMR's dedicated sample storage yard at Rocky Point located outside Swakopmund.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• D. M. Barrett (PhD MAIG) conducted an audit of gross count gamma logging procedures and log reduction methods used by Deep Yellow Limited. • He concludes his audit commenting: "In summary, it is my belief that the equivalent uranium grades reported by Reptile from their gamma logging program are reliable and are probably within a few percent to the true grade".

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The work to which the Exploration Results relate was undertaken on exclusive prospecting grant EPL3497. • The EPL was originally granted to Reptile Uranium Namibia (Pty) Ltd (RUN) in 2006. The EPL is in good standing and is valid until 05 June 2019. • The EPL is located within the Namib Naukluft-National Park in Namibia. • The EPL is subject to an agreement with a Namibian partner whereby the partner has the right to acquire 5% of the project for historical costs. • There are no known impediments to the project beyond Namibia's standard permitting procedures.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Prior to RUN's ownership of this EPL, extensive work was conducted by Anglo American Prospecting Services (AAPS), General Mining and Falconbridge in the 1970s. • Assay results from the historical drilling are available to RUN on paper logs. They were not captured digitally and were and will not be used for resource estimation.
	•	•
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Tumas East mineralisation occurs as secondary carnotite enrichment of variably calcretised palaeochannel and sheet wash sediments and adjacent weathered bedrock. • Uranium mineralisation at Tumas is surficial, stratabound and hosted by Cenozoic and possibly Tertiary sediments, which include from top to bottom scree sand, gypcrete, calcareous sand and calcrete. • The majority of the mineralisation is hosted in calcrete. Locally, the underlying weathered Proterozoic bedrock is occasionally also mineralized.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a*	• 326 holes for a total of 4420m have been drilled in the current program on Tumus 1 East and the S-Bend areas from August 2018 up to 1 November 2018.

Criteria	JORC Code explanation	Commentary
	tabulation of the following information for all Material drill holes: ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• All holes were drilled vertically and intersections measured present true thicknesses. • The Table 2 in Appendix 1 lists all the drill hole locations for this reporting period. Table 1 list the results of intersections greater than 100ppm eU_3O_8 over 1m.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• 5 cm intervals of down hole gamma counts per second (cps) logged inside the drill rods were composited into 1m down hole intervals showing greater than 100cps values over 1m. • No grade truncations were applied.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The mineralisation is sub-horizontal and all drilling vertical, therefore, mineralised intercepts are considered to represent true widths.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole*	• Appendix 1 (Table 2) show all drill hole locations. Table 1 lists the anomalous intervals. • Maps and sections are included in the text.

Criteria	JORC Code explanation	Commentary
	collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Comprehensive reporting of all Exploration Results was practised on the completion of the drilling program.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The wider area and Tumas deposit were subject to extensive drilling in the 1970's and 1980's by Anglo American Prospecting Services, Falconbridge and General Mining. • An airborne EM survey conducted in 2009 better defined the broad palaeochannel system. • Downhole gamma-gamma density logging for bulk density was conducted by Terratec on the Tumas 1 and 2 resources.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further drilling work is planned in the Tumas East area and west of the currently defined Tumas 3 Zone and its extensions. • Further extension drilling is expected as mineralisation is open along strike to the west and east. • Infill drilling for resource estimation work is planned as well.