Mineral Resource for the Spargos Reward Gold Deposit

- **2012 JORC Code compliant Indicated and Inferred Resource of 1.01Mt @ 3.9g/t gold (126Koz gold)**
- **Spargos Reward lies on a granted Mining Lease held by Corona Minerals (65%) and Mithril (35%)**

Mithril Resources Ltd ("Mithril" - **ASX: MTH**) advises that a maiden 2012 JORC Code compliant Indicated and Inferred Mineral Resource of 1.01Mt @ 3.9g/t gold (126Koz contained gold – *see Table 1*) has been estimated for the Spargos Reward Gold Deposit by independent mining consultants Al Maynard and Associates Pty Ltd (AM&A) on behalf of Corona Minerals Limited ("Corona"), Mithril's exploration partner at Spargos Reward.

Spargos Reward is located 30 kilometres west of Kambalda, WA (*Figure 1*) and lies within M15/1828 which is held in a Joint Venture between Corona (65%) and Mithril (35%).

Gold mineralisation at Spargos Reward occurs within a sub-vertical zone of strong shearing and alteration (quartz – pyrite – arsenopyrite) at the contact between felsic volcaniclastics and quartz biotite schists and has been historically mined to a vertical depth of 120 metres (via underground and open pit) with total production of approximately 29,260 ounces @ 8g/t gold.

The new *mining depleted* Mineral Resource estimate was prepared using a mixture of validated historical drilling data and recent Corona drilling data (85 drill holes for 13,176 metres of combined Reverse Circulation and Diamond drilling) over a strike length of 300 metres and from surface (420m RL) to an approximate depth of 500 metres (-50mRL).

Table 1: Mineral Resource Estimate (*Figures presented are rounded and rounding errors may have occurred)*

JORC Category	Domain	Cut-off grade	Tonnes (000's)	Grade gold (g/t)	Contained Ounces gold
Indicated	Above 300m RL	1g/t	219	4.1	29,000
Indicated	Below 300mRL	2g/t	406	4.2	55,000
Total Indicated			**625**	**4.2**	**84,000**
Inferred	Above 300m RL	1g/t	24	4.0	3,000
Inferred	Below 300m RL	2g/t	361	3.0	39,000
Total Inferred			**385**	**3.4**	**42,000**
Total Inferred + Indicated Mineral Resource			**1,010**	**3.9**	**126,000**

A summary report prepared by Al Maynard and Associates Pty Ltd forms part of this ASX release (refer Appendix), including all required JORC Information.

About the Spargos Reward Project and Joint Venture

Corona is exploring the Project under the terms of the Spargos Reward Tenement Sale and Joint Venture Agreements, whereby:

- Corona purchased an initial 50% equity interest in the Project tenements for A$100,000 cash, and earnt a further 15% equity (for a total of 65%) by spending A$150,000 on exploration by 11 May 2016.
- Corona can elect to earn a further 20% equity (for a total of 85%) by sole funding exploration through to the completion of a positive scoping study on a 2012 JORC Code Compliant Mineral Resource.

The Spargos Reward Project comprises M15/1828, P15/5791, and E15/1423. Minotaur Exploration Ltd (**ASX: MEP**) holds the nickel rights to M15/1828 which are excluded from the joint venture agreement.

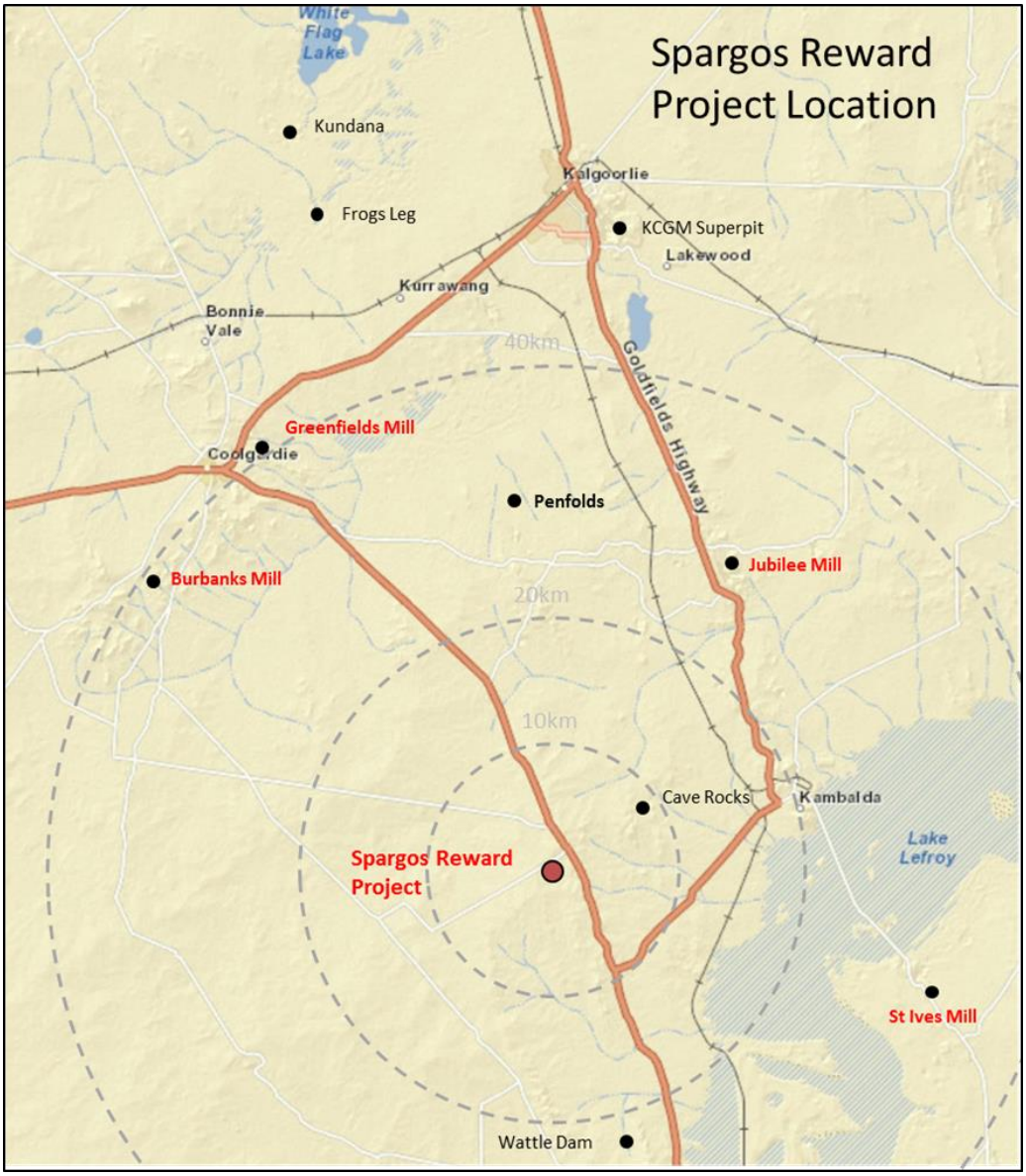

Figure 1: Spargos Reward Project Location Plan showing proximity to existing gold operations

ENDS

For Further Information Contact:

Mithril Resources Ltd

David Hutton, Managing Director

admin@mithrilresources.com.au

22B Beulah Road Norwood,

South Australia 5067

ABN: 30 099 883 922

T: (61 8) 8132 8800

F: (61 8) 8132 8899

www.mithrilresources.com.au

Competent Persons Statement:

The information in this report that relates to Mineral Resources is based on information compiled by Phillip Jones and Allen Maynard, both Competent Persons who are Members or Fellows of The Australasian Institute of Geology. Mr Jones and Maynard have 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 Jones and Maynard consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Mithril Resources Ltd:

Mithril Resources is an Australian resources company whose objective is the creation of shareholder wealth through the discovery and development of mineral deposits.

The Company is actively exploring throughout two highly prospective areas of the Western Australian Goldfields, namely the Kalgoorlie District for gold and nickel deposits and the Meekatharra District for copper deposits.

The Company is also exploring South Australia's Coompana Province for magmatic nickel – copper deposits with OZ Minerals Limited.

AL MAYNARD & ASSOCIATES Pty Ltd

Consulting Geologists

www.geological.com.au ABN 75 120 492 435

9/280 Hay Street, Tel: (+618) 9388 1000 Mob: 04 0304 9449

SUBIACO, WA, 6008 Australia Fax: (+618) 9388 1768

al@geological.com.au

Australian & International Exploration & Evaluation of Mineral Properties

RESOURCE ESTIMATE FOR SPARGOS REWARD PROJECT
EASTERN GOLDFIELDS
WESTERN AUSTRALIA

Prepared for

Qualified Persons: Allen J. Maynard, MAusIMM, MAIG
Phil Jones, MAusIMM, MAIG

Company: Al Maynard and Associates Pty Ltd

Effective Date: 8tbMay, 2017

1. EXECUTIVE SUMMARY

The Spargos Reward Project is located in Archean rocks of the Eastern Goldfields that are particularly well endowed with gold and nickel mineralisation with many world class ore bodies in close proximity to the Spargos Reward Project e.g. the Golden Mile in Kalgoorlie and the Nickel deposits of Kambalda.

The Spargos Reward Project covers approximately 56 km^2 20 km west of Kambalda and approximately 15 km along strike to the north of the Wattle Dam high grade gold mine which has produced 220,000 ounces of gold at 11 g/t and is 25 km along strike to the south of the Ghost Crab deposit reported to contain an estimated resource of 1.2 million ounces of gold. Spargos Reward includes 9 licences, 3 of which are subject to a Farm-in agreement with Mithril Resources Ltd ("Mithril"). Corona has already earned a 65% interest in the Mithril Farm-in tenements by paying Mithril $100,000 cash, and completing exploration expenditure of A$150,000 by 11 May 2016. Corona has also elected to earn a further 20% equity (for a total of 85% interest) by sole funding exploration through to the completion of a positive scoping study on a 2012 JORC Code Compliant Mineral Resource. Corona has recently applied for a Mining Lease by converting the currently owned Prospecting Licences (PL) over the Spargos Reward gold mine and environs.

The Spargos Reward Project area is topographically flat with sparse bush and covers mostly Crown Land with no environmental liabilities and no native title claims.

The Spargos Reward Project covers 5 km strike of folded Archean aged felsic volcaniclastics sediments, metagreywackes, felsic intrusives, mafic rocks and ultramafic rocks.

There are a number of historic workings within the Spargos Reward Project, chief of which is the Spargos Reward Gold Mine located at the contact between highly altered felsic volcaniclastics and meta greywacke and was mined in the late 1930s and early 1940s producing 105,397 t @ 8.56g/t Au. The historic mine at Spargos Reward closed down in the 1940s principally due to labour shortages and has received only limited attention since. Small scale tribute mining took place in the late 1980s early 1990s with only intermittent gold exploration by various companies, including Newmont, at the mine since the 1970s. This limited exploration however has resulted in the discovery of significant extensions to the historic mineralisation. Drilling at the Spargos Reward Gold Mine has now consistently intersected mineralisation over an area of 250 m long by 500 m deep and remains open at depth.

AM&A have used the drilling data completed to date to model the gold resources in the lodes at Spargos Reward using an Inverse Distance Cubed algorithm within wireframes of the lodes with MineMap © software. The AM&A resource estimates at a lower cut-off grade of 1.0 g/t Au for potential open cut mining above 300 m RL and 2.0 g/t Au for potential underground mining below 300 m RL are summarised in Table 1. A Lerch-Grossmann algorithm was used to produce an open pit shell to define the potential open pit resource using realistic mining and processing costs and a gold price of A$1550/ounce, approximately $150 under the current spot gold price.

ABOVE 300m RL	Thousand Tonnes	Au (g/t)	Contained Ounces Au
Indicated	219.1	4.1	29,000
Inferred	24	4	3,000
	Lower cut-off	1.0 g/t Au	

BELOW 300m RL	Thousand Tonnes	Au (g/t)	Contained Ounces Au
Indicated	405.8	4.2	55,000
Inferred	361	3	39,000
	Lower cut-off	2.0 g/t Au	

TOTAL	Thousand Tonnes	Au (g/t)	Contained Ounces Au
Indicated	624.9	4.2	84,000
Inferred	385	3	42,000

Table 1 Summary of estimated Spargos Reward Resources (1 May 2017).

AM&A believe that the mineralisation in the Main Lode is open along strike and at depth, however drilling along strike of the Main Lode indicates that the greater potential for extensions to this lode is at depth. The other lodes have only been drilled intermittently along their strike and down dip so there is potential for additional resources both along strike and at depth.

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FIGURES

TABLES

2. INTRODUCTION

Charles Hughes of Corona Minerals Limited ("Corona") commissioned Al Maynard & Associates Pty Ltd ("AM&A") prepare a Mineral Resource estimate and Competent Person Report on the Spargos Reward Gold Project.

AM&A used data supplied by Corona for its resource estimate. This data included digital copies of drill hole logs and a topographic surface.

Al Maynard visited the Spargos Reward deposit several years ago for another client.

Qualifications and Experience

This report was prepared in accordance with the Joint Ore Reserves Committee (JORC) "Australian Code for reporting of exploration results, mineral resources and ore reserves", 2012 edition, by Allen J. Maynard.

Al Maynard, B.App.Sc., MAusIMM, MAIG, Principal of Al Maynard & Associates Pty Ltd (AM&A), is a "Competent Person" as defined by the JORC Code (2012). He is a professional geologist with over 40 years' experience in exploration, mineral resource and ore reserve estimation, feasibility studies and mine geology in Australia, Europe, North and South America, China, Asia and Africa, including more than 5 years' relevant experience in the style of mineralisation and type of deposits described in this report.

Phil Jones, B.App.Sc., MAusIMM, MAIG, Consultant Geologist of AM&A, is a "Competent Person" as defined by the JORC Code (2012). He is a professional geologist with over 40 years' experience in exploration, mineral resource and ore reserve estimation, feasibility studies and mine geology in Australia, Europe, South America, China, Asia and Africa, including more than 5 years' relevant experience in the style of mineralisation and type of deposits described in this report.

3. RELIANCE ON OTHER EXPERTS

No part of this technical report relies on opinions or information provided by other experts on subjects on which the author is not qualified to report upon.

4. PROPERTY DESCRIPTION AND LOCATION

The Spargos Reward Project includes 9 tenements covering 56 km^2 and is located in the Eastern Goldfields of Western Australia, approximately 50 km south of Coolgardie and 20 km West of Kambalda. The tenement package is comprised of 100% owned tenements and Farm-in tenements as per the tenement schedule below in Table 2and Figure 1. The reported resource lies entirely within M 15/1828 which covers sufficient area to accommodate any mining and plant infrastructure necessary for mining the resource.

TEN ID	TYPE	STATUS	HOLDER 1	HOLDER 2	GRANT DATE	TERM YEARS	LEGAL AREA	UNIT
E 15/1423	EL	LIVE	CORONA	MINEX (AUST) PTY LTD	30-12-2014	5 + 2 x 2	8	Blocks
M 15/1806	ML	LIVE	CORONA		24-12-2012	21	342.0	Ha
M 15/1828	ML	LIVE	CORONA	MINEX (AUST) PTY LTD	13-12-2016	21	1013.0	Ha
P 15/5216	PL	LIVE	CORONA		14-12-2009	4 x 2	195.0	Ha
P 15/5236	PL	LIVE	CORONA		31-12-2009	4 x 2	193.0	Ha
P 15/5264	PL	LIVE	CORONA		17-06-2010	4 x 2	60.0	Ha
P 15/5547	PL	LIVE	CORONA		16-03-2011	4 x 2	3.0	Ha
P 15/5772	PL	LIVE	CORONA		03-09-2013	4 x 2	65.0	Ha
P 15/5791	PL	LIVE	CORONA	MINEX (AUST) PTY LTD	26-11-2013	4 x 2	23.6	Ha

Table 2 Corona tenement schedule at Spargos Reward.

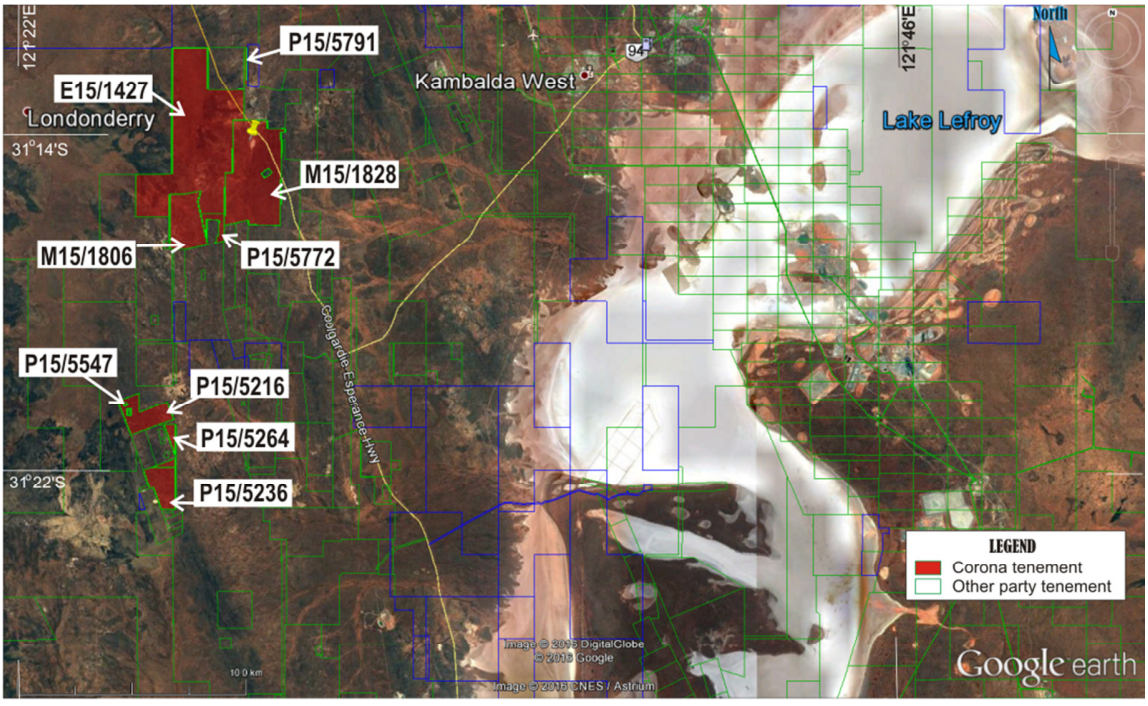

Figure 1 Location of Corona tenements at Spargos Reward.

Corona has already earned a 65% interest in the **three** Mithril Farm-in tenements by paying Mithril $100,000 cash, and completing exploration expenditure of A$150,000 by 11 May 2016.

Corona has elected to earn a further 20% equity (for a total of 85%) by sole funding exploration through to the completion of a positive scoping study on a 2012 JORC Code Compliant Mineral Resource. Minotaur Exploration Ltd (ASX: MEP) holds the nickel rights to M15/1828

Corona owns 100% of **six** other Prospecting Licences ("PLs") that are partly contiguous with the Mithril Farm-in tenements. The Spargos reward tenements are highly prospective for Archean lode gold deposits and include the Spargos Reward Gold Mine and the Lady Allison gold deposits.

5. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The tenements are located on vacant crown land within the Yilmia District within the Eastern Goldfields Region of Western Australia and can be easily accessed via the sealed Coolgardie Esperance Highway and various existing haul roads and station tracks.

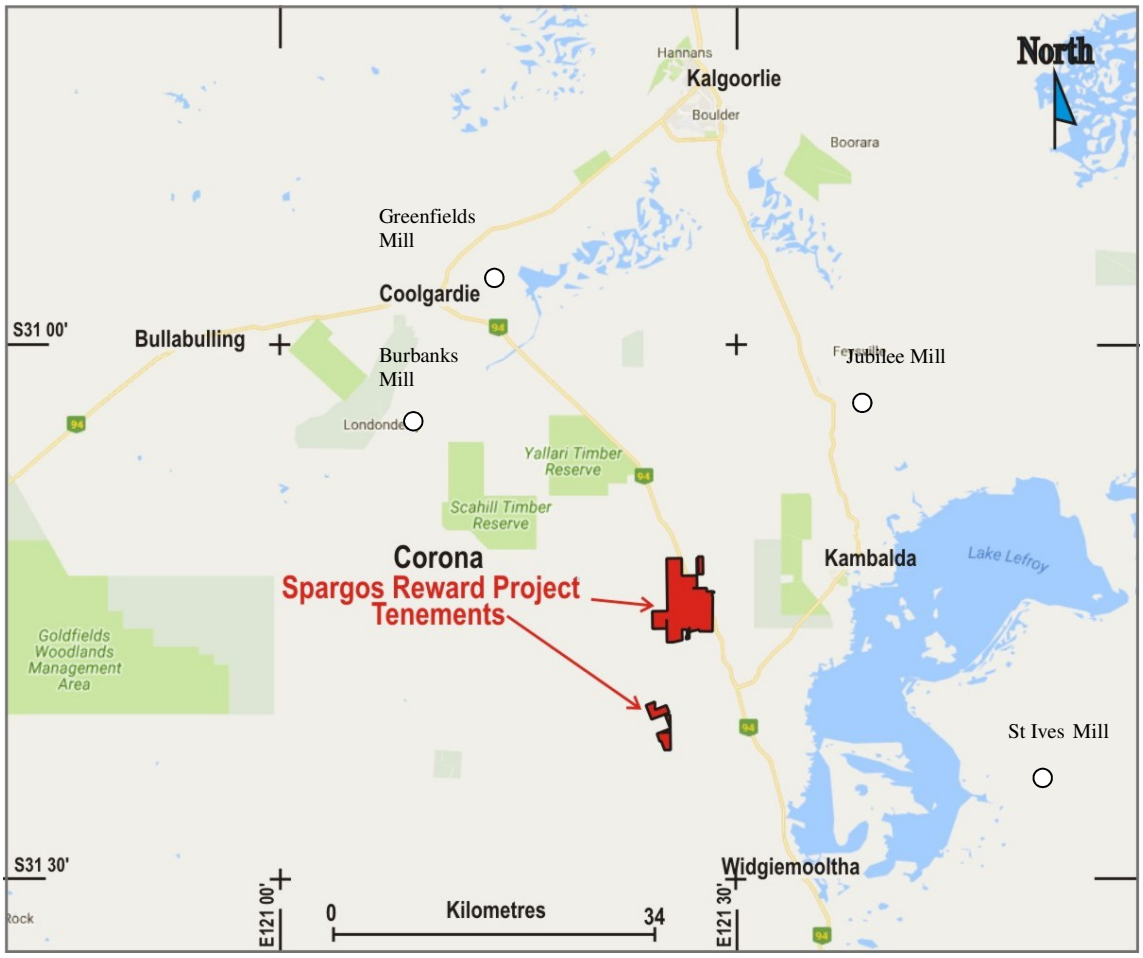

Figure 2: Access to Spargos Reward Project tenements.

The Yilmia region is a weakly dissected upland development on granitoid rock and comprises undulating sandplain up to 500 m in altitude and valleys down to 380 m ASL. Small, low-lying

granitoid outcrops are scattered throughout the area but are most common under laterite scarps to the west of major trunk drainages.

The Spargos area is dominated by north-northwest trending ranges of hills, with rocky summits and broad talus flanks composed of mafic and ultramafic volcanic and felsic volcaniclastic rocks with relief up to about 100 m, with the complex drainage mainly fault controlled. The west of the project area is covered by yellow sandplains with limonitic pisoliths after weathered granitic basement.

The climate of the region is semi-arid with hot summers and cool to mild winters. Average diurnal temperature ranges measured at Kalgoorlie are greatest in January to February (34-18^{0}C) and least in July (I6-5^{0}C). Rainfall averages 250 mm per annum with the wettest period being May to August. Evaporation greatly exceeds precipitation for most of the year, averaging approximately 2,200 mm per annum.

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Record high °C	46.5	44.9	44.5	38.9	33.4	27.6	28.7	32	36.8	40.9	42.9	45	46.5
Average high °C	33.6	32.1	29.5	25.2	20.6	17.5	16.7	18.6	22.3	25.8	28.9	31.9	25.2
Average low °C	18.2	17.8	16	12.6	8.7	6.2	5	5.5	8	11	14	16.5	11.6
Record low °C	8.8	8.5	5.7	1.7	−1.8	−3.0	−3.4	−2.4	−0.6	−1.0	3.1	5.5	−3.4
Average precipitation mm	23.6	31.2	24	21.3	26.5	28.9	24.9	21.4	14	14.8	17.8	16.4	264.8
Average precipitation days (≥ 0.2mm)	3.9	4.5	4.3	5.3	7.1	8.7	9.2	7.5	5.6	4.3	4.1	3.8	68.3

Table 3: Climate data for Kalgoorlie (Wikipedia, 2016).

'Scrub Heath' and 'Broombush Thicket', popularly called sand heath and tamma scrub, form on leached sands, shallow lateritic soils, and degraded granitic outcrops to the west of the tenements. Mixed, stratified, partly open shrub assemblages of Protaceae and Myrtaceae grade to less diverse, single layered, very dense shrub assemblages of Casuarina, Acacia, and Melaleuca grow towards the hillier east. 'Rock Pavement Vegetation' consisting of lichen and moss grow on outcrops of granitoid rock with shrubs in crevices and the occasional soil patches. 'Mallee and Sclerophyll Woodland' form open to closed eucalypt shrub or woodland with a variable, low shrub ground layer over most of the region. Communities of salt-tolerant halophytes (e.g. saltbush - Atriplex, and samphire - Arthrocnemum) border playa lakes.

6. GEOLOGICAL SETTING AND MINERALISATION

Regional Geology

Spargos Reward lies within the eastern part of the Yilgarn Craton, on the western margin of the north-northwest trending Norseman-Wiluna belt, lying near the eastern margin of the Yilmia 1:100 000 Geological Series Map.

The greenstones have undergone several stages of pervasive deformation and metamorphism, punctuated by granitoid intrusion. Regional metamorphism reached upper greenschist to lower amphibolite facies but primary textures are widely preserved and enable many protoliths to be identified.

The Coolgardie Domain western boundary is marked by the Ida Fault, a crustal-scale suture that separates the eastern goldfields from older terranes to the west. Its eastern margin is marked by the Zuleika Fault. At Spargos the geological setting comprises tightly-folded north-south striking ultramafic and mafic volcanic rocks at the northern closure of the Widgiemooltha Dome.

The volcanic sequence contains interbedded black shale horizons and is overlain by felsic volcanoclastic rocks, arenites and siltstones. The entire sequence has been intruded by granite and pegmatites, and cut by Proterozoic dolerite dykes.

Structurally the area is complex with early thrust faulting and recumbent folding followed by tight isoclinal folding and strike slip faulting resulting in multiple repetitions of individual units. Locally the anticlinal positions are occupied by granite bodies with the Archean stratigraphy wrapping around the domal structures. The Spargos Reward Project occurs along the general trend of the Kunanalling Shear, a regional shear zone that hosts significant mineralisation to the north at the Ghost Crab deposit (Mt Marion), the Penfolds group and Kunanalling. The Zuleika Shear trend, a major 130km long, 1km wide crustal shear zone lies to the east of the project.

The tenements are prospective for vein and shear hosted gold deposits as demonstrated by Spargos Reward and numerous other gold workings and occurrences. The Wattle Dam mine, discovered by Ramelius Resources in 2005, just to the south of the tenement group has highlighted the potential for significant tonnage high-grade gold shoots in the belt.

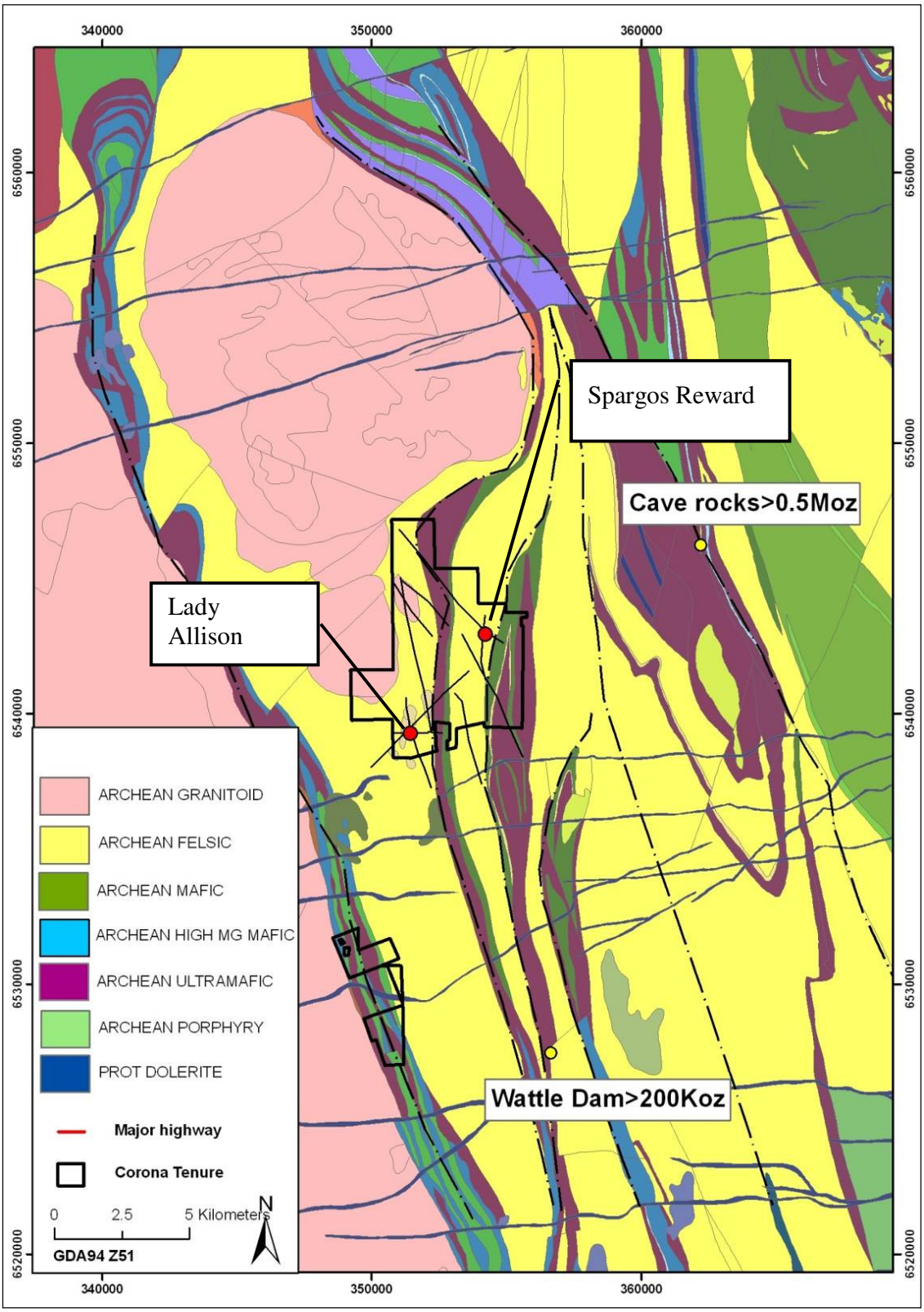

Figure 3: Regional basement geology of Spargos Reward district.

Local Geology and Mineralisation

Local Archean geology is comprised of felsic-intermediate volcanics and epiclastics, metasedimentary sequences including greywacke and quartz arenites, mafic extrusive and intrusives, ultramafic extrusives and intrusives and granitoids including pegmatites. The entire sequence generally strikes north north-westerly, swinging around to north-easterly in the northern portion of the project area. Stratigraphy generally dips steeply to the east. Shear zones are manifested by quartz-sericite ± fuchsite schists within the felsic and epiclastic units, along the margins of ultramafic units and are even seen within granitoids.

Gold mineralisation at the Spargos Reward Gold Mine is hosted in a number of positions with the bulk of the identified mineralisation occurring as disseminations and stringer zones of quartz-biotite-amphibole-pyrite-arsenopyrite alteration hosted at the faulted contact of a package of strongly silica-sericite-pyrite altered sodic felsic-intermediate volcaniclastics (footwall volcanics) and a biotite-amphibole-garnet metagreywacke. At Lady Allison gold mineralisation is developed at the same contact with the addition of granodiorites intruded at the contact and a more complex structural setting, with gold hosted both within the granodiorite and structurally dismembered biotite schists.

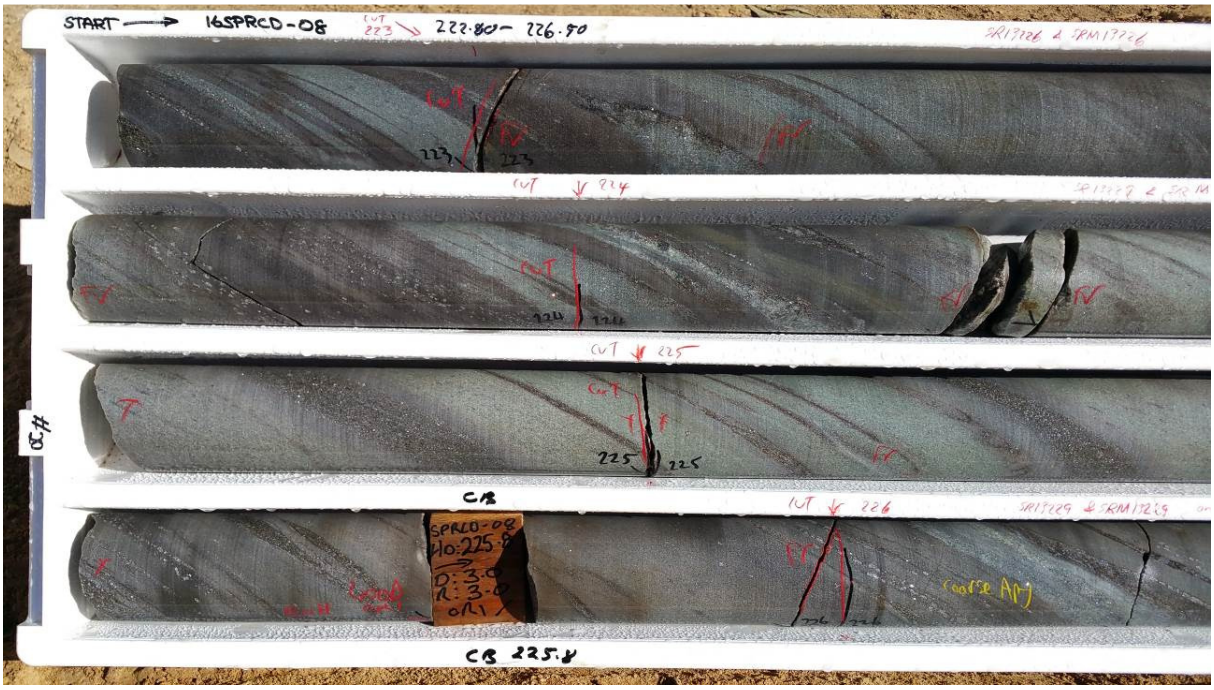

Figure 4 Photo of typical main lode mineralisation in 16SPRCD008 222.8m-226.8m.

7. EXPLORATION

Gold exploration in the Spargos Reward area commenced in the early 1930s with the Spargos Reward Gold deposit, within the Company's tenements, being discovered in 1934 and was mined between 1936 and 1942 by Spargos Reward Gold Mine NL producing 26,318 oz of gold from 105,397 t of ore at an average grade of 8.56 g/t Au (Sullivan, 1947).

The ore has been intruded by a substantial pegmatite dyke at the 122 m level. No production took place below this level, although a winze below this pegmatite contained good values over economic widths. Drilling by both Corona and other previous explorers has confirmed that the high grade gold continues well below the existing workings and that there are multiple gold horizons open at depth.

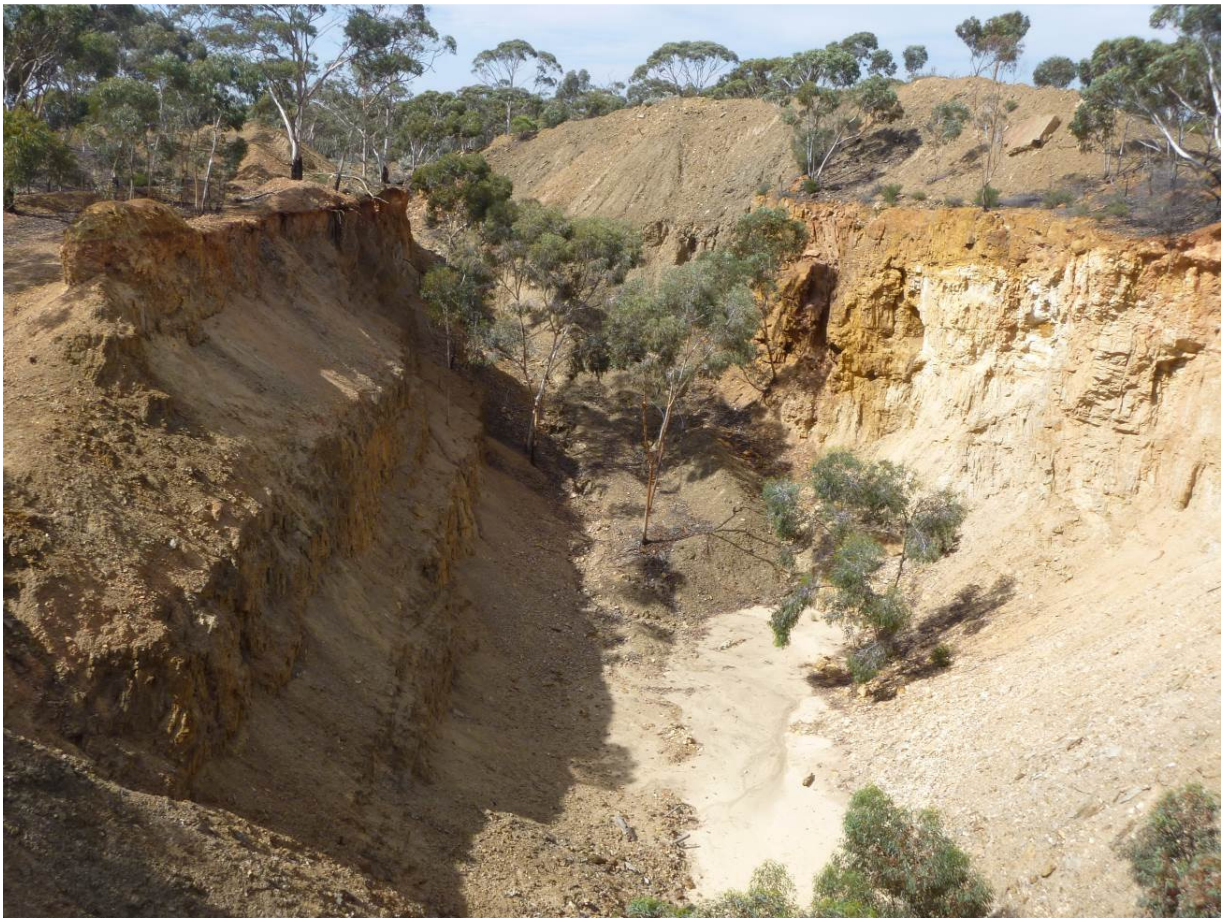

Figure 5 Photo showing the AMALG open cut at Spargos Reward.

Note: The historical workings lie directly below this pit, the position of the original main shaft is considered to be at the bottom of the pit towards the bottom right hand side of the photo.

Since the closure of the mine a number of exploration companies have investigated the area. The most comprehensive study was by Newmont Holdings Pty Limited ("Newmont") during the 1980s. This work was on behalf of their Joint Venture partners, Queen Margaret Gold Mines NL and Spargos Mining NL ("Spargos Mining"). Newmont conducted regional aerial photography, airborne magnetic, ground magnetic and regional IP surveys, soil sampling programs and exploration drilling.

Between 1984 and 1988 Newmont completed a diamond-drilling program at the Spargos Reward mine that was designed to test both down plunge and along strike of the known ore position. Two down-plunge holes intersected 12.4 m @ 3.80 g/t Au from 338 m depth (including 4.8 m @ 6.26 g/t Au) in SRD005 and 7.0 m @ 4.93 g/t Au from 476 m in SRD002.

Newmont withdrew from the joint venture on 30 September 1988 and tenement management reverted back to Spargos Mining who proceeded to review and follow up some of the Newmont exploration data. At the same time Spargos Mining entered into a mining tribute agreement with Amalg Limited ("Amalg") where Amalg could mine gold from the existing Spargos Reward mine on behalf of Spargos Mining. Amalg mined 12,000 t @ 6 g/t Au from underground in 1989, presumably from the Main Lode at depth, and 8,500 t @ 3.4 g/t Au from an open pit sunk on the shaft pillar in 1991. Drilling by both Corona and previous explorers has confirmed that the high grade gold continues well below the existing workings and that there are multiple gold horizons open at depth.

The Spargos Reward leases were acquired outright by the private Amalg Syndicate in 1992, but with a royalty payable on any gold production from the Spargos Reward mine, with the intention of exploring for additional mineralisation along strike. **Table 4** displays the work completed by Amalg between 1992 and 1999.

Period	Work Completed
1992	Field mapping, rock chip sampling, ground magnetic survey
1992-93	RAB and RC drilling of Amalg mapping targets and Newmont BLEG/soil anomalies
1994-95	TEM surveys to test for conductors related to gold mineralisation
1998	Geological mapping, rock chip sampling and RC drilling to test Anomaly E and along strike of the Spargos Reward gold mine (identified by 1992 RC drilling) 50 m x 100 m spaced bulk soil sampling
1999	RAB drilling to test beneath several gold geochemical anomalies identified in 1989 and 1998 Air core drilling and metallurgical work to test Spargos Reward tailings dump

Table 4: Work completed by Amalg during 1992 to 1999.

In 2000 Amalg entered into a joint venture agreement with Delta Gold NL in which Delta could earn equity in the Spargos Reward Project by expenditure on exploration activities. Delta completed three RC and 17 RAB drill holes to test the along strike potential of the Spargos Reward gold mine then withdrew from the joint venture as their targeting objectives were not met.

During 2002 the Spargos Reward Project was the subject of a purchase/sale agreement between Amalg and Ramelius Resources Limited ("RMS") who were to include the project in their IPO. No exploration work was conducted within the project area during this period and RMS failed to list on the Australian Stock Exchange so the agreement lapsed on 31 December 2002. Amalg changed their name to Breakaway Resources Limited in January 2003.

Figure 6 and Figure 7 show the drill hole locations in plan and in long section through the main lodes at the Spargos Reward Mine.

Between August 2008 to January 2009 Barra Resources managed the ("gold rights") joint venture with Breakaway Resources Limited, exploring throughout the whole of their Kambalda West Project. Work undertaken by Barra during this period included RC and Diamond drilling. This joint venture was terminated in January 2009.

An 11 hole RC drilling program for 840 m was completed at Spargos Reward during July 2009 by Breakaway to test the potential for gold in the oxide weathering zone immediately north and south of the historical workings. This drilling program focused on testing potential near-surface positions immediately adjacent to the existing workings over a total strike length of 500 m and to

a vertical depth of approximately 50 m. All holes intersected the targeted positions and returned the significant intercepts summarised in Table 5.

The success of this drilling program confirmed Breakaway's geological model for the Spargos Reward Gold Deposit as a broad, structurally controlled system of gold mineralisation that is continuous over the approximately 500 m strike length tested. Within the workings, gold mineralisation occurs within two parallel West and Main lodes.

Mithril acquired the project from Breakaway Resources in 2012. In December 2012 Mithril completed another eight RC holes for 1,200 m at the Spargos Reward Gold Mine, intersecting significant high-grade gold mineralisation immediately along strike and below the historic workings, including intersections in 12SPRC02 and 12SPRC08 summarised in Table 5. Significantly the high grade results from holes 12SPRC02 and 12SPRC08 (which lie 75 m below and 50 m south of the workings respectively), when considered along with the previous drill results by Newmont drilling down to 400 m, suggest that a of high-grade "shoot" extends sub-vertically beneath the workings to a depth of at least 400 m. The Company believes that this "shoot", which has only been tested by broad spaced drilling and remains open in all directions, has good potential to host further high-grade gold mineralisation.

Mithril completed another 12 RC drill hole program for 2,482 m in March 2013 intersecting more high-grade gold mineralisation in a sub-vertical zone beneath the Spargos Reward Gold Mine suggesting that the width and grade of the main lode are increasing with depth.

A further three holes totalling 342 m were targeted on a regional gold in soil anomaly 700 m long located approximately 4 km south of the Spargos Reward Gold Mine where a historical shallow RAB drill hole SRB0171 ended in 7.7 g/t Au from 44 m. Each of these drill holes intersected >1 g/t/m Au indicating the potential of the area given the sparse drilling and that there is no outcrop as the area is extensively covered by Quaternary eluvial and alluvial sand.

Corona completed a 10 hole RC/DD drilling program for 2,488.6 m in January-March 2016 at Spargos Reward targeting extensions to the main lode mineralisation at depth. This program successfully intersected extensions to mineralisation at depth and discovered a new gold lode in the footwall of main lode.

Significant drill intersections are summarised in Table 5 and a location plan showing the density of the drilling and a long section showing the drill intercepts in the Main Lode at Spargos Reward are provided below, Figure 6 and Figure 7. These selected drill results do not constitute a mineral resource in accordance with the 2012 JORC Code but indicate targets for further exploration. Some lower grade drill intersections are excluded from the table, but have been included in the plan and long section, as they do not warrant further consideration for future exploration.

Hole ID	Drill Type	Easting	Northing	RL	Depth	Dip	Azimuth	From metres	Thickness*	Intersection g/t Au	Lode
09BKWC001	RC	354174	6543022	422.7	75	-60	270	35.0	1.00	2.00	Main
09BKWC002	RC	354178	6543041	422.94	75	-60	270	50.0	1.00	1.70	Main
09BKWC003	RC	354185	6543058	423.08	80	-65	270	64.0	2.00	1.53	Main
09BKWC004	RC	354192	6543249	430.75	80	-65	270	59.0	1.00	1.33	West
09BKWC005	RC	354196	6543263	431.33	80	-65	270	61.0	2.00	1.06	West
09BKWC006	RC	354179	6543288	431.15	50	-65	270	26.0	1.00	5.29	West
09BKWC007	RC	354164	6543255	429.48	60	-65	270	21.0	8.00	3.11	West
							Including		2.00	10.14	
09BKWC008	RC	354212	6543384	431.76	90	-65	270	69.0	2.00	2.49	West
09BKWC009	RC	354201	6543447	435.09	65	-65	270	8.0	1.00	1.13	West
09BKWC010	RC	354208	6543093	423.01	105	-65	270	86.0	8.00	2.89	Main
							Including		2.00	6.65	
09BKWC010	RC	354208	6543093	423.01	105	-65	270	97.0	3.00	1.68	West
09BKWC011	RC	354160	6542963	421.18	80	-65	270	61.0	2.00	2.27	West
12SPRC08	RC	354253	6543130	425	244	-57	290	130	14.00	6.75	Main
							Including		6.00	12.67	
12SPRC02	RC	354136	6543215	429	219	-73	105	187	11.00	3.54	Main
							Including		2.00	13.67	
13SPRC001	RC	354292	6543251	427	222	-60	270	168.0	4.00	3.33	Main
13SPRC002	RC	354299	6543300	427	216	-60	270	184.0	2.00	2.25	Main
13SPRC004	RC	354283	6543146	425	252	-60	270	207.0	3.00	4.33	Main
13SPRC004	RC	354283	6543146	425	252	-60	270	220.0	5.00	3.01	Footwall
13SPRC005	RC	354273	6543199	425	210	-60	270	161.0	9.00	3.97	Main
13SPRC005	RC	354273	6543199	425	210	-60	270	182.0	2.00	1.83	Footwall
13SPRC006	RC	354259	6543112	420	222	-65	270	190.0	8.00	2.78	Main
							Including		2.00	6.30	
13SPRC007	RC	354326	6543259	423	292	-60	270	243.0	8.00	10.66	Main
13SPRC008	RC	354312	6543195	426	306	-60	270	252.0	13.00	3.16	Main
							Including		2.00	8.15	
13SPRC008	RC	354312	6543195	426	306	-60	270	285.0	1.00	16.68	Footwall
13SPRC009	RC	354319	6543237	423	300	-60	265	257.0	10.00	5.37	Main
							Including		4.00	11.88	
13SPRC009	RC	354319	6543237	423	300	-60	265	289.0	1.00	1.24	Footwall
16SPRC001	RC	354270	6543058	421	216	-60	270	183.0	1.00	0.84	Main
16SPRCD003	RCD	354304	6543053	421	378.9	-60	267	300.0	3.30	1.01	Main
16SPRCD003	RCD	354304	6543053	421	378.9	-60	267	354.0	8.00	0.70	Footwall
							Including	356.0	1.00	2.79	
16SPRCD005	RCD	354376	6543279	422	315.9	-65	265	302.9	3.33	5.37	Main
							Including	302.9	1.85	9.04	
16SPRCD006	RCD	354278	6543140	419	202	-60	265	175.2	3.00	1.15	Main

16SPRCD007	RCD	354292	6543140	423	418	-70	265	362.0	8.00	2.61	Main
							Including	368.0	1.00	13.60	
16SPRCD007	RCD	354292	6543140	423	418	-70	265	392.8	10.25	2.73	Footwall
							Including	394.7	4.82	4.26	
16SPRCD008	RCD	354300	6543220	419	249.8	-64	267	219.0	13.00	3.69	Main
							Including	221.4	3.60	8.96	

Table 5: Significant drill intersections at Spargos Reward.

Note* Thickness shown is drill intersection thickness which, due to the geometry of the penetration angle and orientation of the lodes, will be significantly longer than the true lode width.

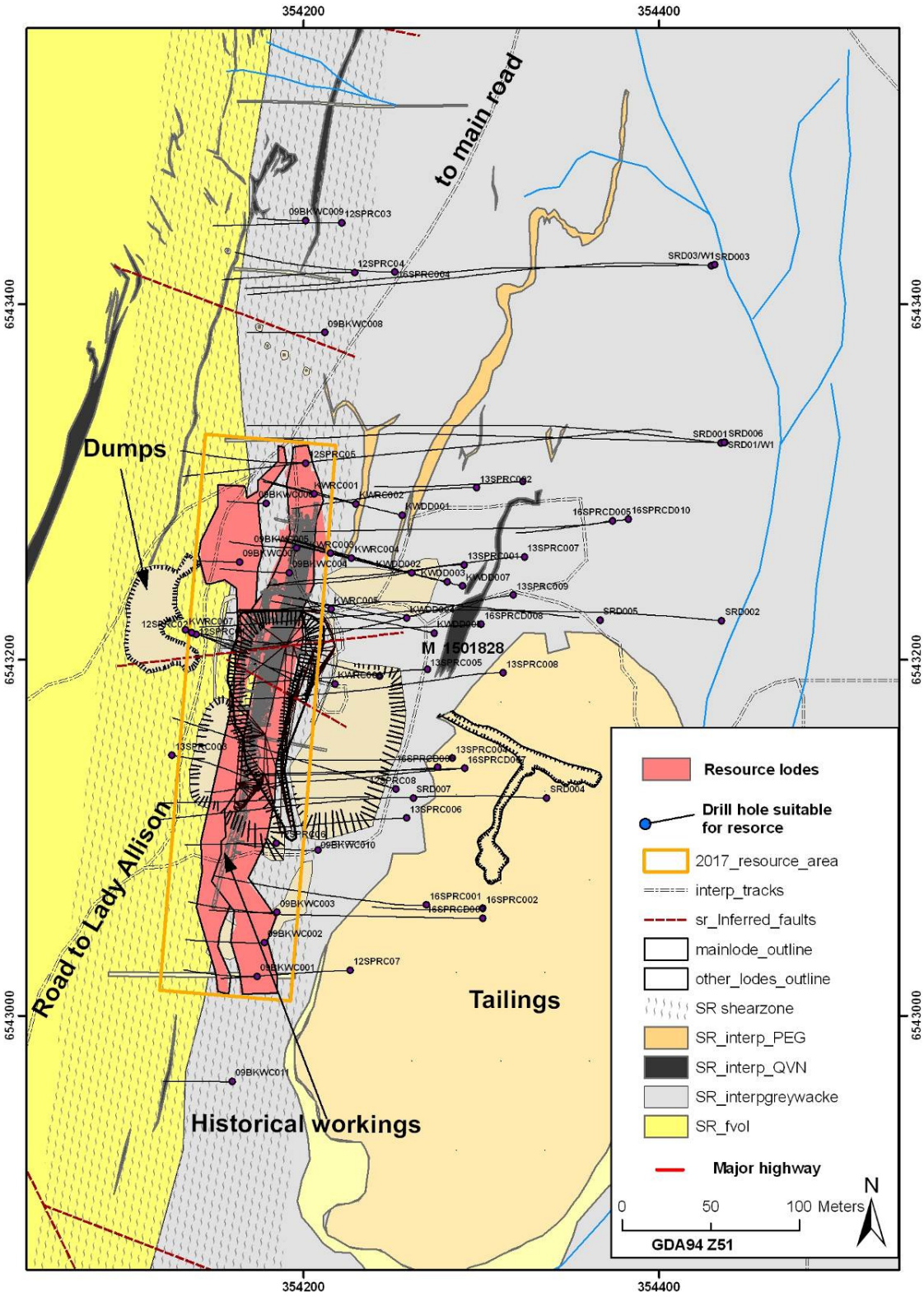

Figure 6: Location plan showing density of drilling and lodes (red) at Spargos Reward.

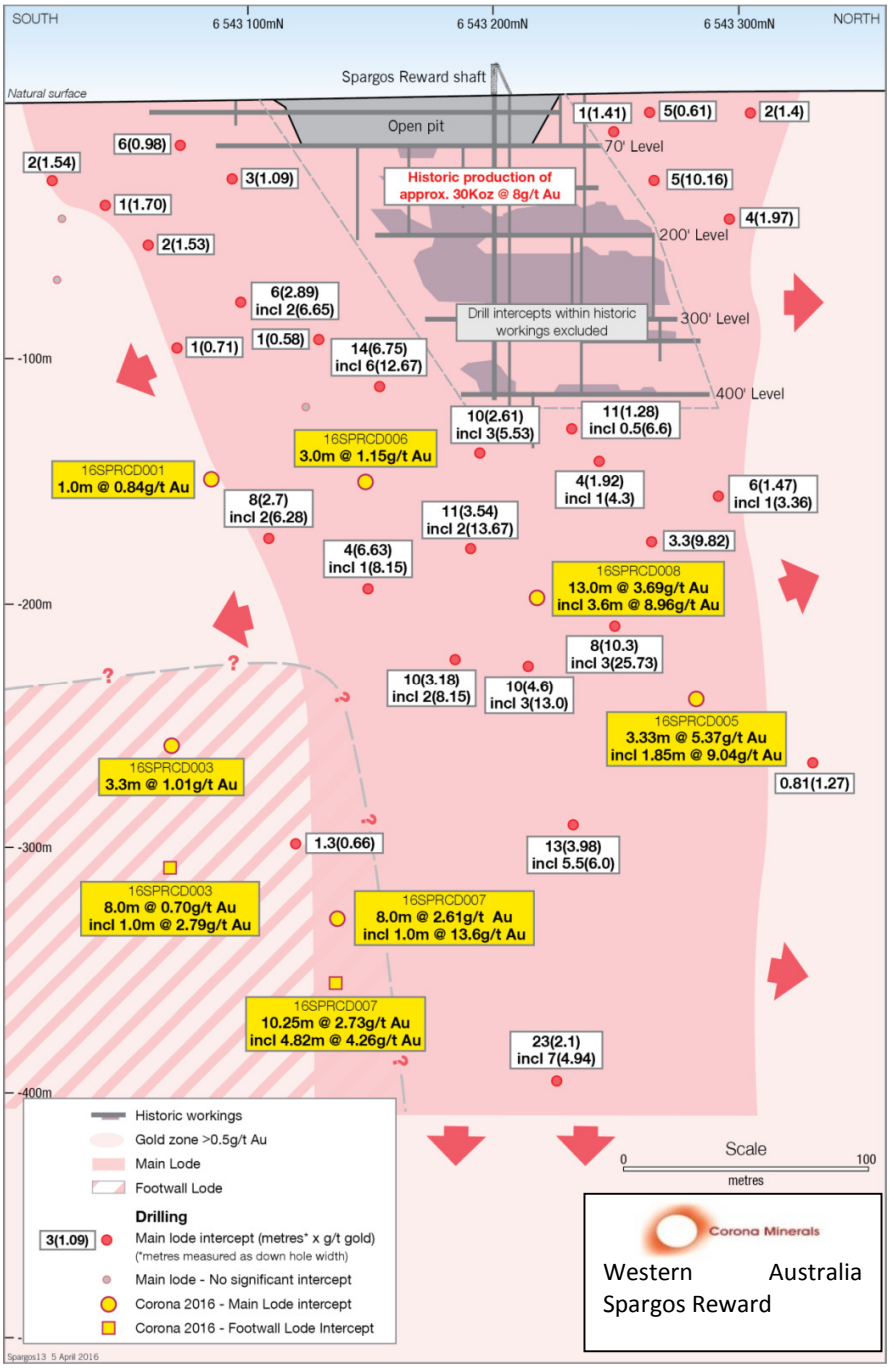

Figure 7: Long section through Spargos Reward Main Lode showing drilling intersections.

Note all thicknesses shown are intersection widths that may be substantially longer than true widths due to the penetration angle of the drill hole with the lode.

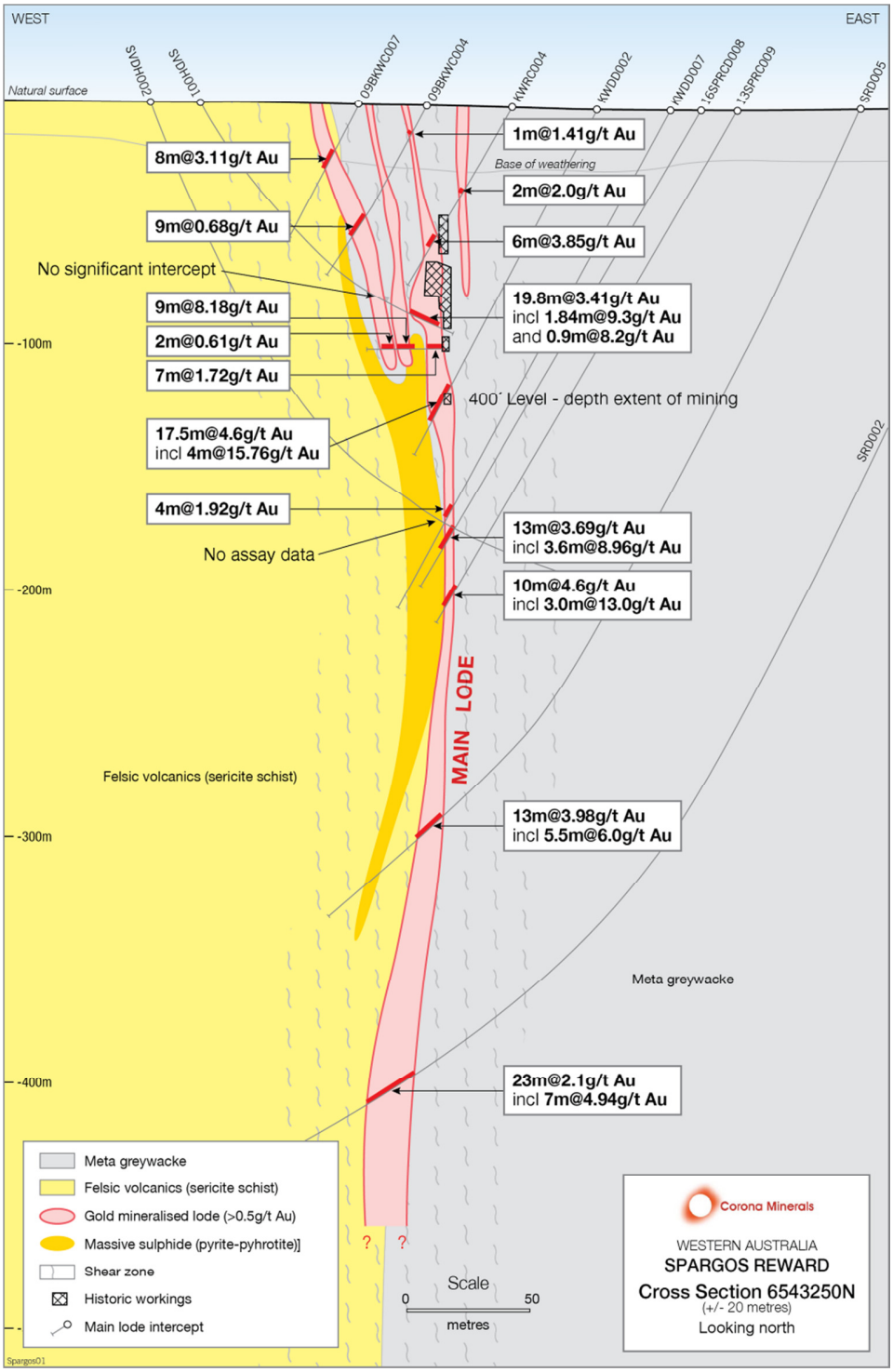

Figure 8: Cross section 6543250N at Spargos Reward.

Note all thicknesses shown are intersection widths that may be substantially longer than true widths due to the penetration angle of the drill hole with the lode.

8. DRILLING

The drilling at Spargos Reward has been carried out by several explorers since the 1980s using both Reverse Circulation (RC) and diamond drilling techniques.

Drilling by Mithril Resources Ltd and Corona Minerals Ltd since 2012 have followed similar procedures as follows:

RC Drilling

RC drilling was generally only used to drill pre-collars in the overburden for the diamond drilling that sampled the mineralised lodes.

Corona Minerals Ltd in 2016 used a Schramm 465 rig with booster compressor and auxiliary air for the RC drilling and diamond pre-collars, nominally using a 146mm drill bit.

RC samples were either collected as 1 m splits riffled directly from the rig mounted cyclone, or collected with a scoop as composites (up to 5m) from the drill spoils laid out on the ground in plastic bags. Sample sizes were ~2-3kg.

Each drill hole location (easting and northing) was collected by a handheld GPS. Collar location, drilling data, down-hole surveys, lithology, sample numbers, and magnetic susceptibility were recorded in digital logs. The lithology logs included lithology, colour, texture, weathering, minerals, alteration, sulphide percentage and type with comments included as necessary.

RC sample recoveries were visually estimated and noted in the drill logs where the sample size looked smaller than expected.

RC chip samples were collected from either a riffle splitter at the cyclone as a representative 1 m split or as 5 m composites using a scoop from the drill spoils. Approximately 2 – 3kg samples were submitted for geochemical analysis at either Intertek Genalysis Laboratories at Kalgoorlie or SGS Analytical in Perth, WA.

Corona took photos of the chip trays for the entire hole.

Figure 9 Photo showing 2012 Mithril Resources Ltd RC drilling in progress.

Diamond Drilling

A Sandvik UDR1200 drill rig was used to complete the diamond tails 50-200 m long utilising HQ and NQ drilling equipment. A triple tube core barrel was not used as core recovery was not a problem using a conventional core barrel. NAVI drilling equipment was used to control the drill path in some holes where steering was required to hit a precise target. The diamond core was oriented using a REFLEX tool.

Core recoveries were measured driller's block to block. Core recoveries in the mineralised zones were consistently logged as 100%.

The core sample logs included lithology, colour, texture, weathering, structures, minerals, alteration, sulphide percentage and type with additional comments included as necessary.

The core trays, approximately 5 m per tray, were all photographed.

The diamond core was sampled as 5 m diamond saw cut, quarter core composites for visually un-mineralised core, or sampled between logged lithological boundaries at nominal one metre intervals over visually mineralised intervals

Figure 10 Photo showing Corona Minerals Ltd diamond drilling 16SPRCD006 in progress.

Figure 11 Photo showing Corona Minerals Ltd core processing area on site with orientation rack in the foreground and logging rack in the background.

Collar Locations and Down-hole Surveys

All the drill hole locations (easting, northings and elevations) were collected with TRKGPS with an accuracy of 100mm Down hole surveys in the deeper holes were recorded by Corona using a REFLEX surveying tool, and a gyroscope. The gyroscope was regularly calibrated to ensure it was reading correctly.

Data points have been quoted in this Report using the MGA Zone 51 (GDA94) coordinate datum.

Bulk Densities

A total of 320 core intervals were measured for Specific Gravity ("SG") using the water displacement method. Of these samples, 71 were mineralised. Table 6 summarises the SGs of the mineralised intervals. The SGs generally ranged between 2.6 to 3.5 with one massive sulphide interval measured as 7.44. The measurements averaged 2.89. A conservative 2.8 was used as the average bulk density in the mineralisation to account for moisture and fractures.

Hole ID	From	To	Number	Maximum SG	Minimum SG	Average SG
KWDD001	117.00	132.00	19	2.98	2.62	2.77
KWDD002	122.50	130.45	7	2.90	2.75	2.84
KWDD003	145.00	151.00	10	3.17	2.79	2.89
KWDD004	126.00	134.00	11	7.44	2.75	3.25
KWDD005	148.00	152.40	7	3.48	2.65	2.88
KWDD006	117.00	123.25	9	2.86	2.76	2.80
KWDD007	197.20	201.00	8	3.07	2.75	2.86
			71	7.44	2.62	2.89

Table 6 Summary of SG measurements in mineralised core.

9. SAMPLE PREPARATION, ANALYSES AND SECURITY

The RC chips and diamond core samples were submitted for geochemical analysis at either Intertek Genalysis Laboratories Kalgoorlie or SGS Analytical in Perth, where the samples were crushed (~10mm) and pulverised. A representative 50g sub-sample was riffle split for analysis using fire assay with ICP-MS finish for Au, and four acid digest with ICP-AES finish for As (Lab Code: ME-ICP61).

There was a significant number of wet RC drill samples associated with a major water bearing structure. These samples were air dried before being dispatched to the laboratories. These wet samples were identified in the geological logs.

The sample preparation for all samples collected since 2012 are recorded as following industry best practice.

All the samples were oven dried at 110°C then crushed and pulverised (~90% less than 75µm).

QA/QC

Standards, blanks and duplicates were typically inserted by the companies at a rate of one per thirty samples. The standards were Certified Reference Material purchased from Geostats Pty Ltd and the blanks were coarse white quartz sand. The laboratory regularly did their own repeat analyses at random intervals and included their own calibration standards.

The field and laboratory sample sizes and analytical methods are considered by AM&A to be appropriate for the exploration method and to indicate the degree and extent of mineralisation.

Standards

A total of 88 standards (which were inserted at the rate of approximately 6 per hole) were analysed from the 12SPRC and 13SPRC series drill holes. Due to the lack of documentation the certified grades of these samples is unknown. It would seem that there are probably seven

different standards. The grades obtained of the standards vary but without the proper documentation it is impossible to determine the significance of these analyses.

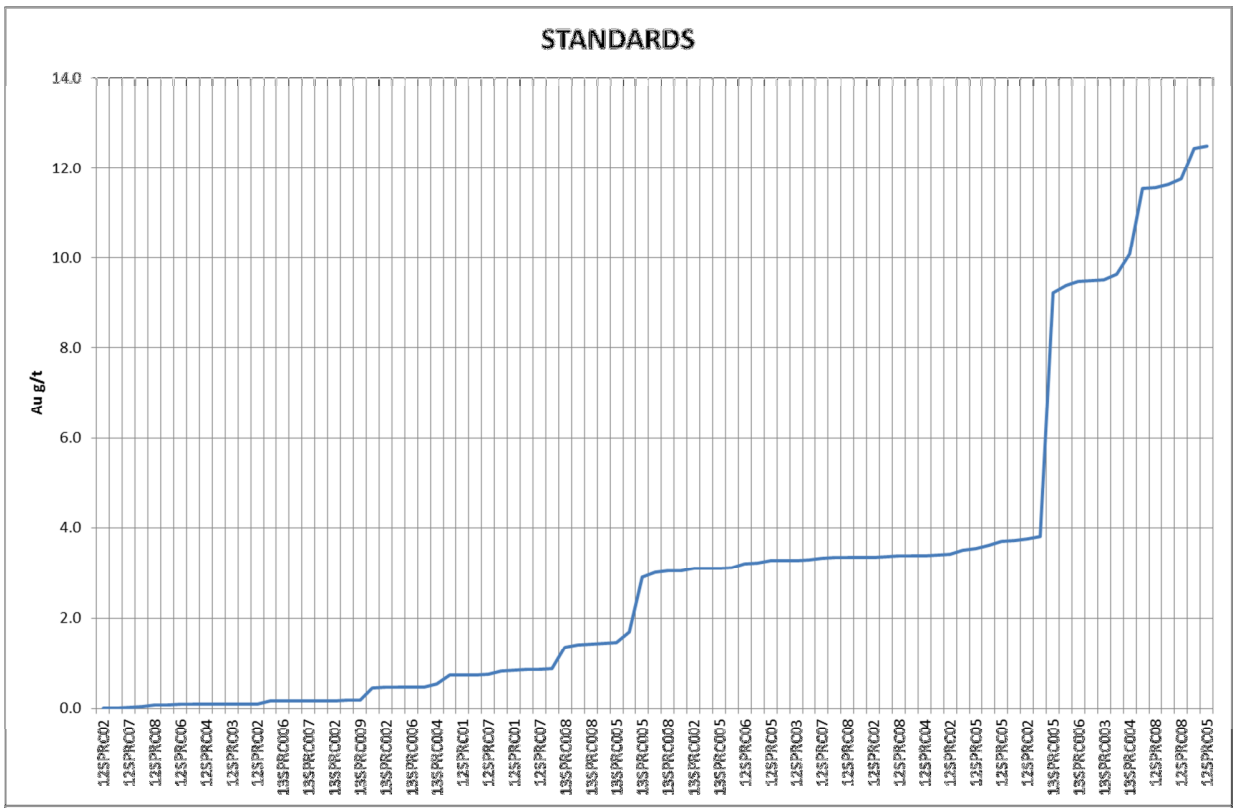

Figure 12 Standards assays.

Blanks

Blank samples composed of white quartz sand were inserted into each batch of samples submitted for assay at the rate of approximately 4 blanks per hole. These blank samples, when returning significant assays above background, indicate either contamination of the samples during processing in the lab or problems with sample numbering. Three of the samples show anomalous results, two of which may indicate significant contamination. The sample batches containing these high values should be checked for why the high assays occurred, the problem(s) rectified, and the sample batches containing these samples should then be re-assayed.

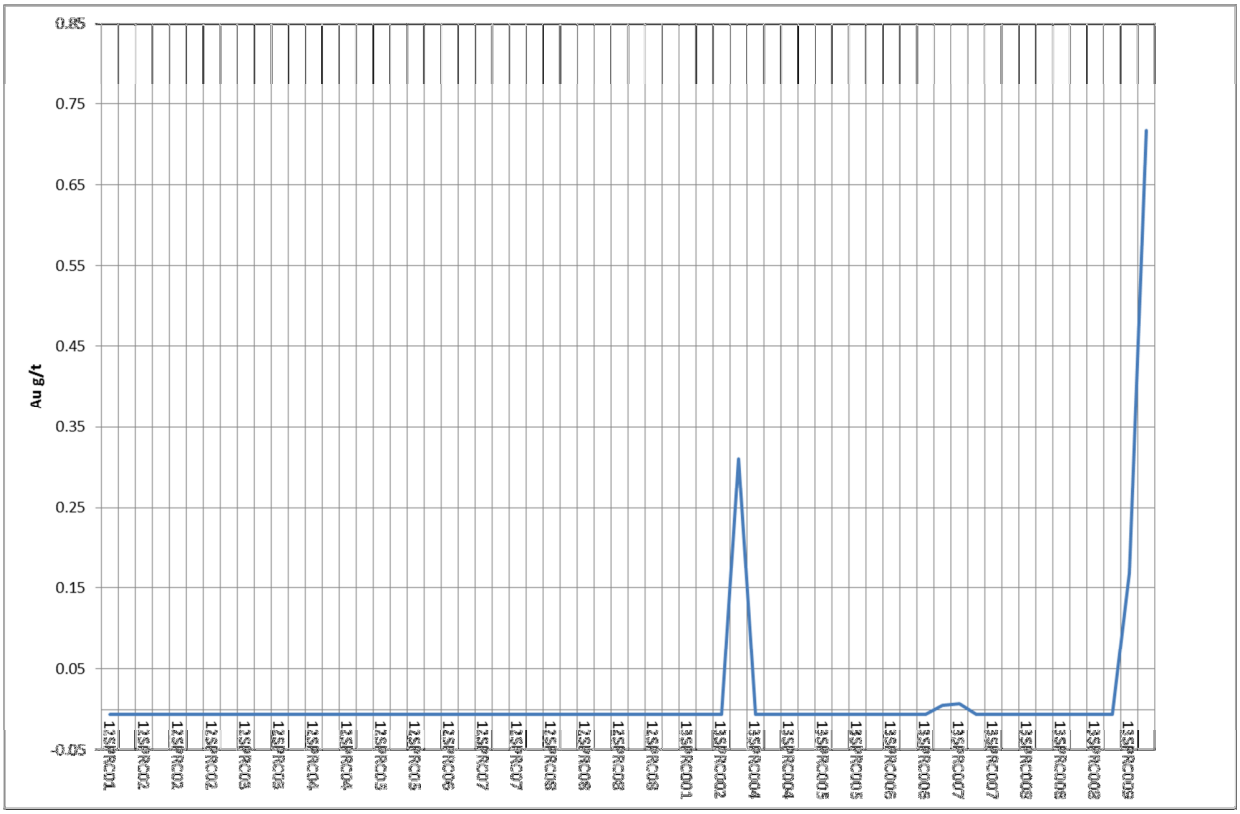

Figure 13 Blanks assays.

Duplicates

Duplicate field samples were inserted into the batches of samples submitted for assay at the rate of approximately 1 duplicate per 50 samples to check the repeatability of the sampling and assays. There was generally fair correlation between the two assays in each pair however three samples had a near zero assay matched with a much high assay indicating that either the sampling or assaying was unsatisfactory or there is extreme nuggetty gold. The sample batches containing these duplicates should be checked for why the assay variations occurred, the problem(s) rectified, and the sample batches containing these samples should then be re-assayed.

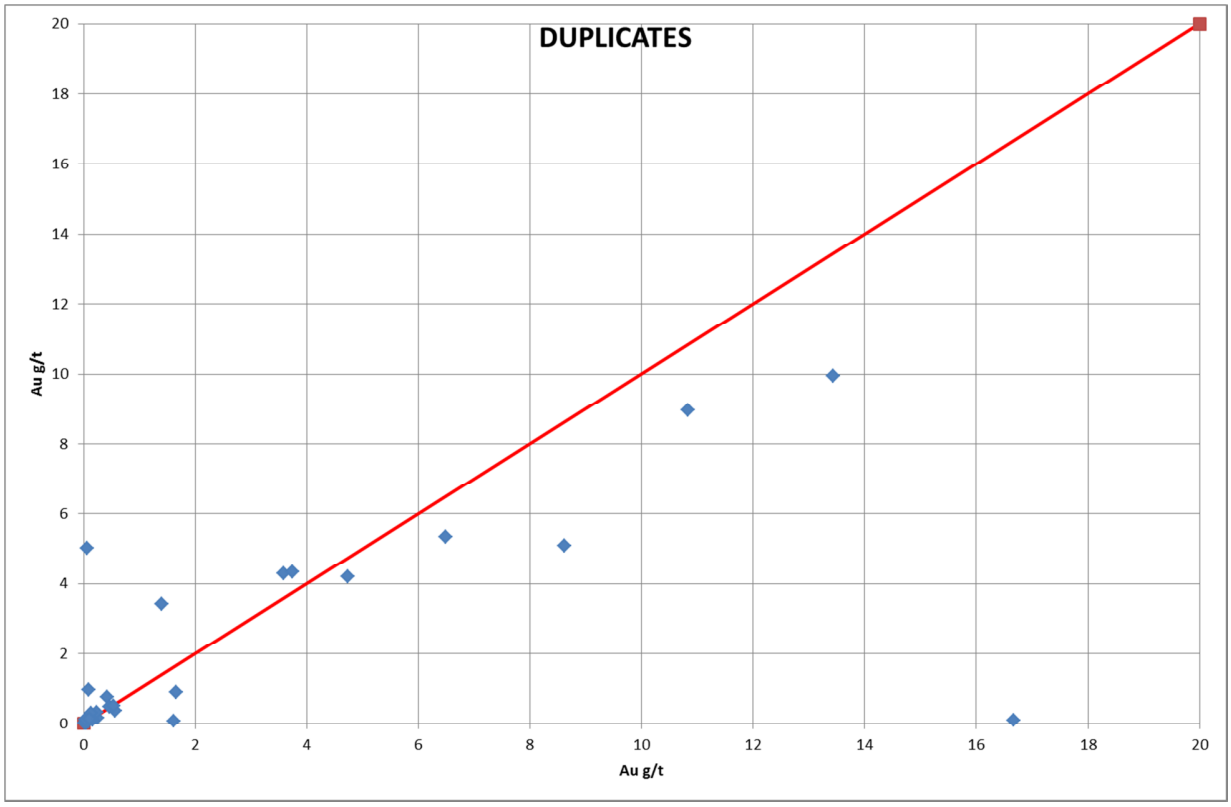

Figure 14 Duplicates assays.

It is AM&A's opinion that the QA/QC data provided is satisfactory as it shows that the sampling and assaying is generally of suitable standard. However there have been a few problems with either the sampling, sample preparation or assaying that need to be resolved as shown by the outliers in Figure 14.

10. DATA VERIFICATION

No twin holes have been drilled to verify earlier drilling results.

AM&A have not taken any duplicate drill samples to independently verify the accuracy of the assays in the database.

11. MINERAL PROCESSING AND METALLURGICAL TESTING

Ore from the historical Spargos Reward mine was treated on site during operations in the late 1930's early 1940's. Taking into account the historical head grade of 8.56 g/t Au and the presence of 0.8-1 g/t Au in tailings and mill slimes present at the site, historical recovery can be estimated at 90 - 88%. No standard metallurgical tests have been undertaken on any Spargos Reward samples to date. Geological logging of the drill samples however indicates that there are no unusual mineral assemblages that may unduly affect metallurgical recoveries. Due to the relatively small size of the deposit as defined it is most likely the ore will be toll treated at a

nearby mine in a standard CIP plant. Arsenopyrite is a significant mineral phase associated with gold mineralisation and arsenic values >1% are not uncommon in the mineralisation.

12. MINING METHODS

A portion of the resource represented by material above the 300mRL has the potential to be mined by extending the existing open cut with the remainder of the resource likely to be mined using a selective underground mining method such as cut and fill, shrinkage stoping, or sub level open stoping, depending on the outcomes of engineering studies.

13. PROJECT INFRASTRUCTURE

The project is conveniently located near existing sealed roads allowing easy haulage of ore all year round to a nearby processing plant for toll treating and easy access for mining supplies and staff.

Salinity tests haven't been undertaken on the ground water but it is assumed the ground water is salty. The Coolgardie to Norseman freshwater pipeline passes through the project area 500m to the north of the resource.

Electricity for mining and staff facilities would need to be generated on site.

14. MINERAL RESOURCE ESTIMATES

The gold resources at Spargos Reward were modelled using IMS (MineMap ©) software by Mr Phil Jones of AM&A. The data used for the resource modelling is summarised in Table 7.

Description	File Name	Comments
Drill hole collars	Spargos Reward Resource_2017_Good Data.mdb	
Drill hole surveys	Spargos Reward Resource_2017_Good Data.mdb	
Drill hole assays	Spargos Reward Resource_2017_Good Data.mdb	
Drill hole lithologies	Spargos Reward Resource_2017_Good Data.mdb	
Topography	Spargos workings.DXF	Combined drill hole collar RLs with open pit included in dxf file

Table 7: Summary of data used in resource modelling.

The drilling data is a compilation of drilling data from several sources including from the Western Australian Mines Department WAMEX website. Since the reliability of some of the assay data could not be properly verified, only the assays from the generally more recent, reliable drill holes were modelled while the generally older unreliable holes were only used to confirm the lode interpretations on cross sections. AM&A checked the drill hole assay data used for modelling for errors using the MineMap import function and no errors were found in the data.

Series From	Series To	Drill Type	Modelled	Count	Depth (m)	Year Drilled
05KWRC004	05KWRC010	RC	Yes	7	902.00	2005
09BKWC001	09BKWC011	RC	Yes	11	840.00	2009
12SPRC01	12SPRC08	RC	Yes	8	1,196.00	2012
13SPRC001	13SPRC009	RC	Yes	9	2,140.00	2013
16SPRC001	16SPRCD010	RC	Yes	10	2,488.60	2016
KWDD001	KWDD007	DDH	Yes	7	1,147.30	2008
KWRC001	KWRC007	RC	Yes	7	494.00	2008
SRD001	SRD007	DDH	Yes	7	3,107.10	1984
SRD01/W1	SRD03/W1	DDH	Yes	2	821.50	1984
SRT001	SRT017	AUG	Yes	17	40.10	2000
SUBTOTAL				85	13,176.60	
13EVRC001	13EVRC003	RC	No	3	342.00	2013
2/0800XC	5/0950XC	RAB	No	20	220.39	?
GC001	GC004	RAB	No	4	13.00	1980
KWEST_SRRC010	KWEST_SRRC012	RAB	No	3	143.00	?
SJVC001	SJVC003	RC	No	3	450.00	2000
SJVR001	SJVR017	RAB	No	17	636.00	2000
SNR001B	SNR009	RC	No	9	405.00	1986
SPD001	SPD004	DDH	No	4	781.08	1982
SPRC001	SPRC002	RAB	No	2	74.00	?
SR0373	SR1702	RAB	No	634	1,996.40	?
SRB001	SRB236	RAB	No	222	3,324.50	1992

SRC010	SRC061	RC	No	21	1,202.50	1992
SRD050	SRD051	DDH	No	2	330.50	1995
SRTR001	SRTR007	COST	No	5	245.00	?
SUD001	SUD026	DDU	No	26	713.30	1981
SVDH001	SVDH004	DDH	No	4	833.85	1974
SUBTOTAL				979	11,710.52	
TOTAL				1,064	24,887.12	

Table 8 Summary of drill hole data at Spargos Reward.

The lodes were interpreted on cross sections using the gold assays and logged lithologies by snapping to the drill holes. 3D Wireframes were then created of the lodes by linking the cross sections. The wireframes were extended by 10 m to the north and south of the end cross sections of the lodes.

The drill hole intercept grades were then averaged over the whole intersection within the wireframe.

Only the resource model blocks within each of the wireframes were populated with interpolated grades using an Inverse Distance Cubed algorithm. Only the drill intercepts within each lode separately were interpolated for each of the lodes.

Statistics on the assays within the Main Lode wireframe, composited over the whole lode intersection within the wireframe, are summarised in Table 9 and Figure 15.

Description	Interval (m)	Au (g/t)	Au Cut (g/t)
Count	41	41	41
Total	234.98		
Average	5.73	3.49	3.32
Minimum	1.00	0.07	0.07
Maximum	16.00	12.57	9.50
Standard Deviation	3.87	2.98	2.52
Mean + 2 Standard deviations		9.46	

Table 9 Simple statistics for Main Lode Assays.

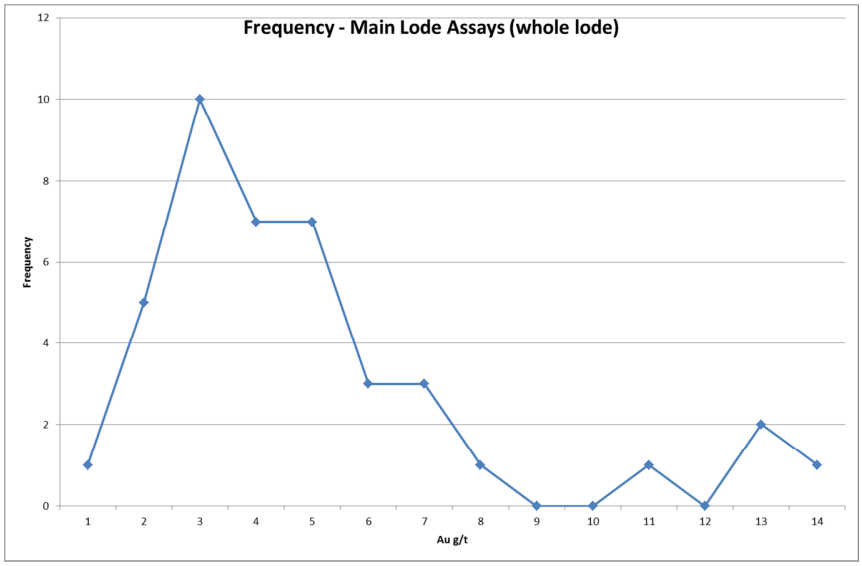

Figure 15 Frequency plot of Main Lode assays.

If the population is cut at the Mean + 2 Standard Deviations the cut is 9.5 g/t Au. The average grade of the full population is 3.49 g/t Au while with the high grade outliers cut at 9.5 g/t Au the average is reduced by 5% to 3.32 g/t Au.

A vertical variogram of the drill hole assays, Figure 16, shows that the sill is at approximately 40 m. This distance was chosen as the limit of the Indicated Resources.

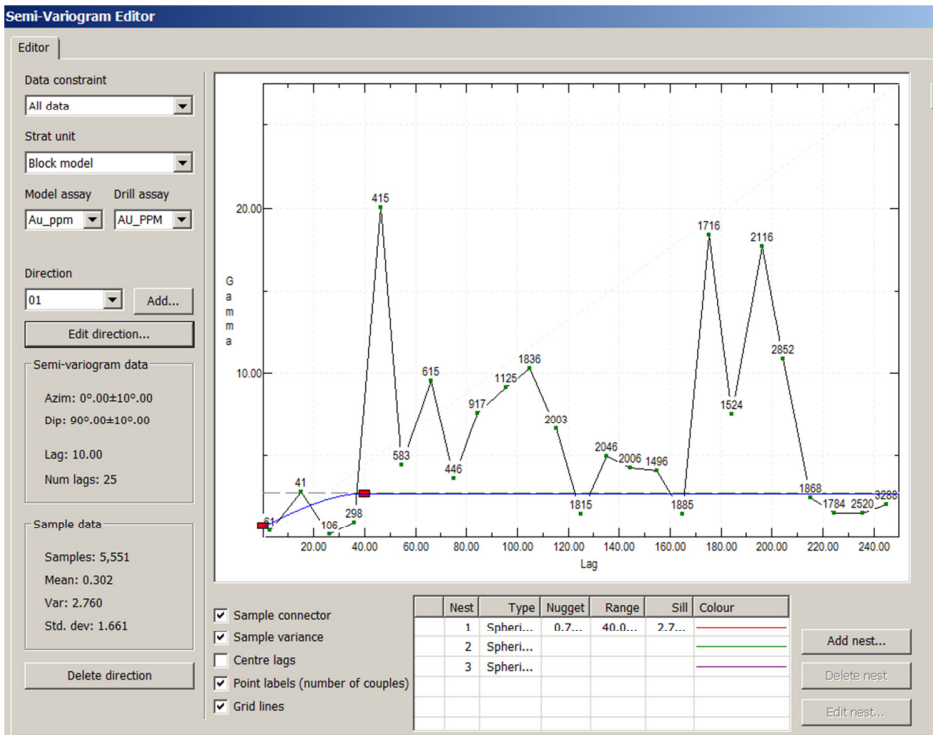

Figure 16 Variogram of drilling assays for Main Lode. Sill=40 m.

The model cells were populated in a single pass. The model cells were each populated with a search radius of 200 m (EW) x 200 m (NS) x 200 m (RL). The cells within the Main Lode within 20 m of a drill hole were classified as an Indicated Resource with the remaining populated cells in the Main Lode classified as an Inferred Resource. Within the remaining lodes, the continuity of the lodes along strike and at depth are less certain, so the cells within 20 m of a drill intersection were classified as Inferred and the remaining cell as Exploration Target.

The resource modelling parameters used are summarised in Table 10.

	East	North	RL
Maximum	354300	6543500	450
Minimum	354000	6542900	50
	Metres	**Metres**	**Metres**
Dimension	2	2	2
Number	150	300	200
Algorithm	Inverse Distance Cubed		
Search Radius			
First Pass	200	200	200
Second Pass	200	20	40

Table 10: Resource modelling parameters.

Figure 18 shows the resource model in long section colour coded by gold grade.

Since there has been no Scoping Study or Feasibility Study to determine modifying factors such as mining losses and dilution or metallurgical recoveries, no Ore Reserves have been estimated for Spargos Reward.

The AM&A resource estimates at a lower cut-off grade of 1.0 g/t Au for material above 300m RL (120 meters below surface) and 2.0 g/t Au for material below 300m RL are summarised in Table 11.

ABOVE 300m RL	Thousand	Au	Contained

	Tonnes	(g/t)	Ounces Au
Indicated	219.1	4.1	29,000
Inferred	24	4	3,000
	Lower cut-off	**1.0 g/t Au**	
BELOW 300m RL	**Thousand Tonnes**	**Au (g/t)**	**Contained Ounces Au**
Indicated	405.8	4.2	55,000
Inferred	361	3	39,000
	Lower cut-off	**2.0 g/t Au**	
TOTAL	**Thousand Tonnes**	**Au (g/t)**	**Contained Ounces Au**
Indicated	624.9	4.2	84,000
Inferred	385	3.4	42,000

Table 11 Summary of estimated Spargos Reward Resources (1 May 2017).

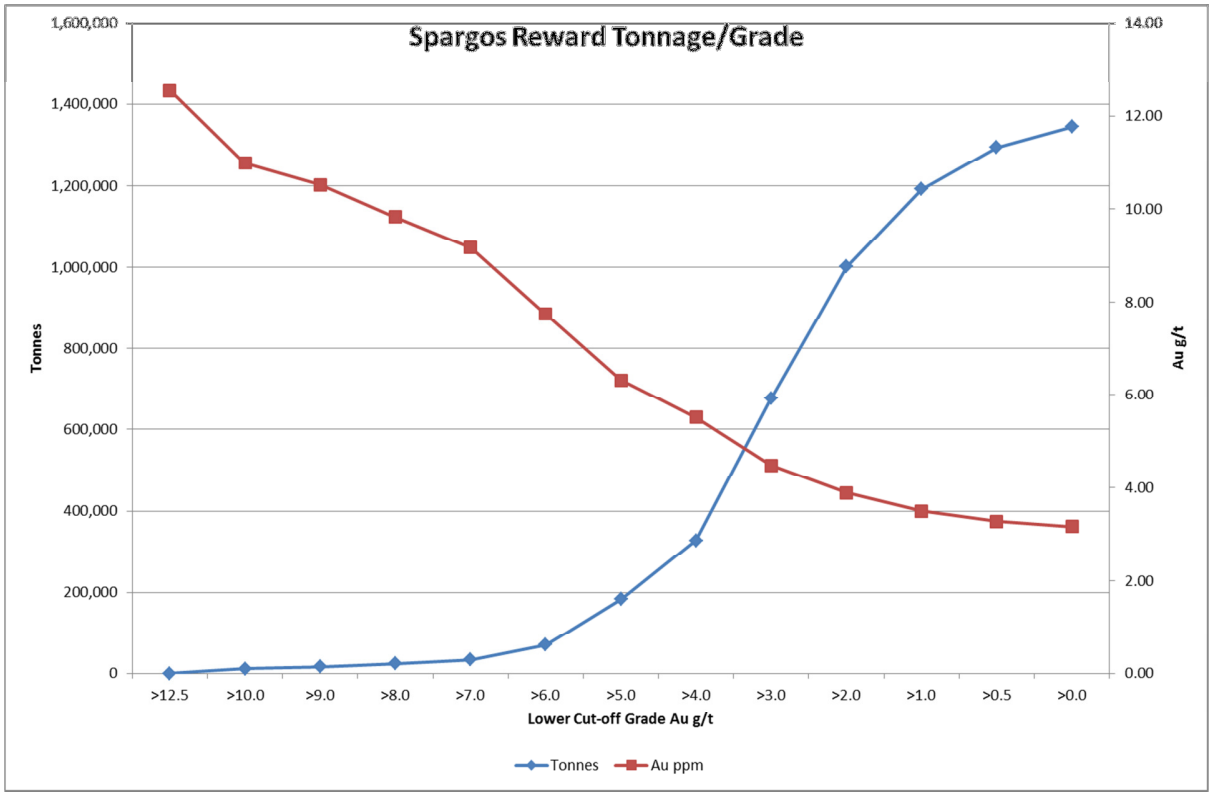

Figure 17 Spargos Reward Resource Tonnage Grade Curve.

There are no known environmental, permitting, legal, socio-economic or other relevant factors that would affect Corona from mining of all the reported Resources.

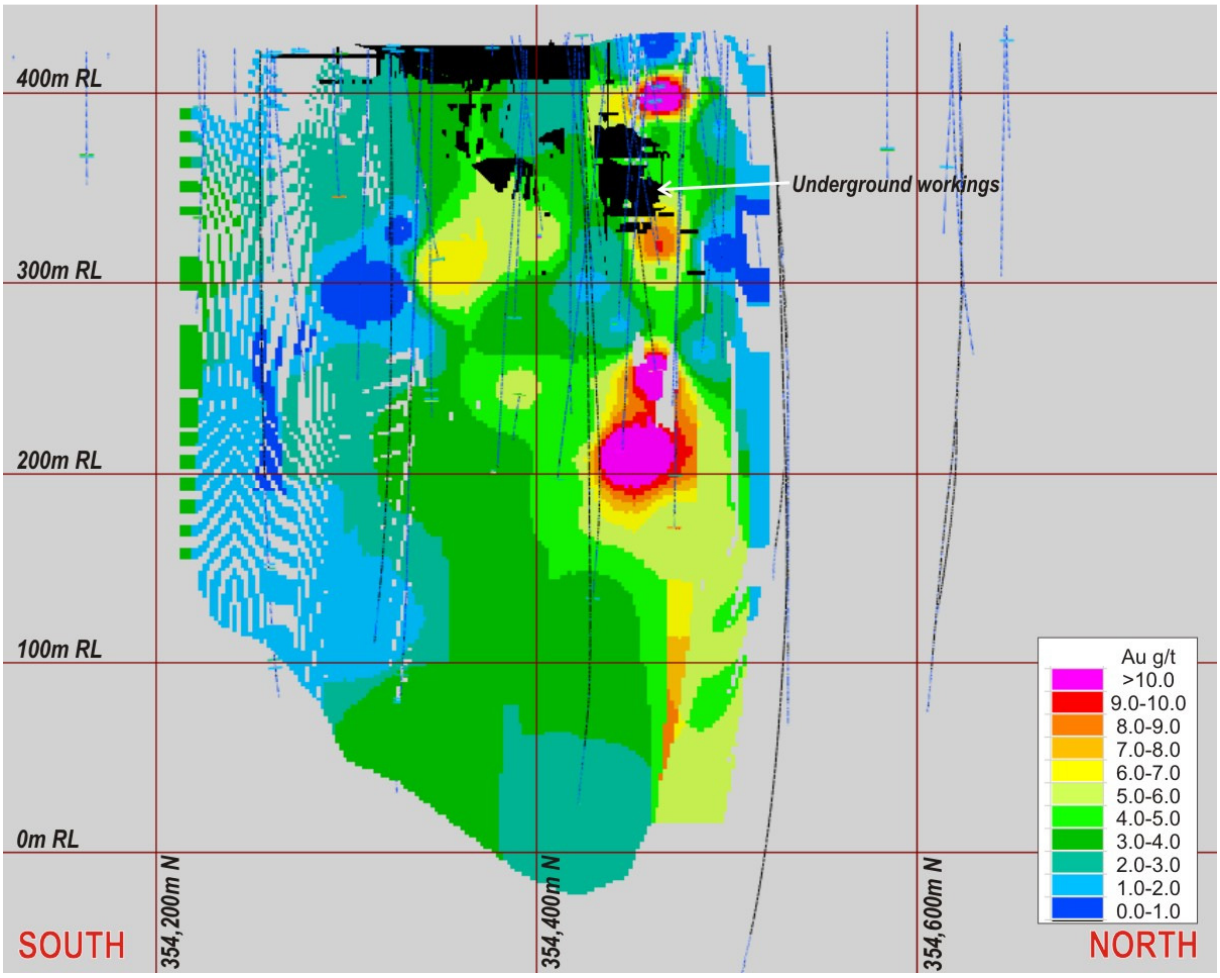

Figure 18 Long section showing resource model of Main Lode colour coded by Au g/t.

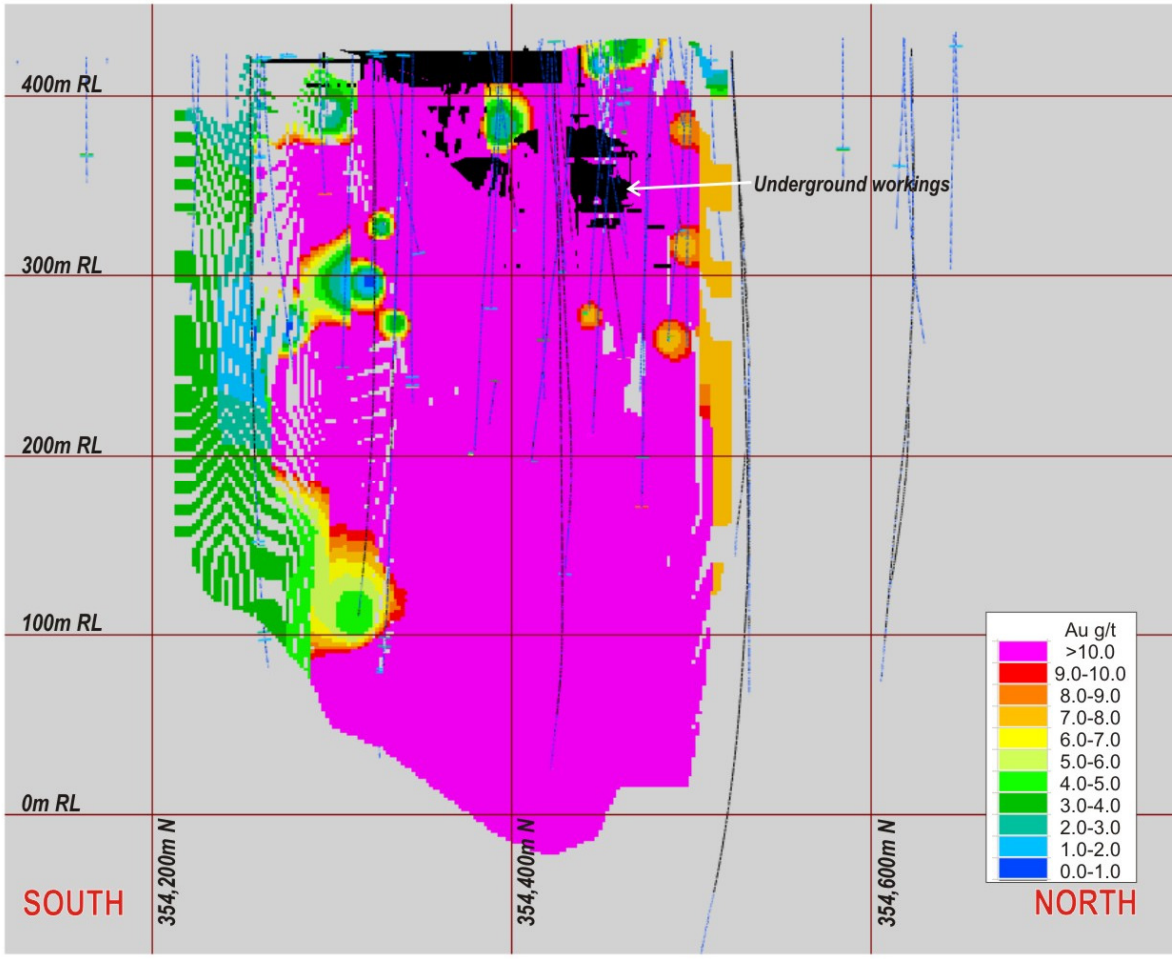

Figure 19 Long section of Main Lode showing Au g/t x metres (intersection width).

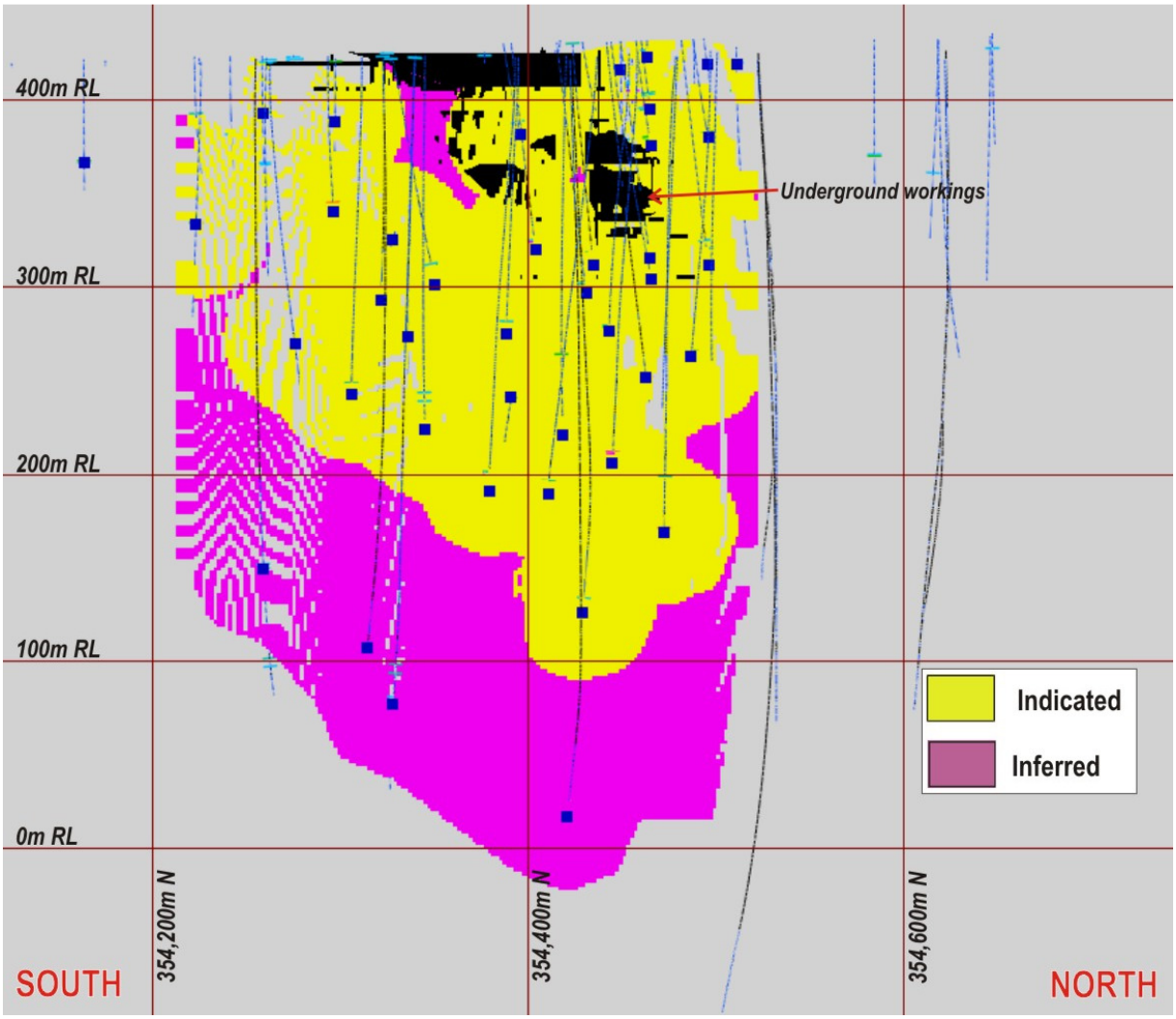

Figure 20 Long section of Main Lode showing resource categories.

These modelled resources of all the lodes are open along strike and at depth, however drilling along strike of the Main Lode indicates that the greater potential for extensions to this lode is at depth. The other lodes have only been drilled intermittently along their strike and down dip so there is potential for additional resources both along strike and at depth.

JORC Code (2012) Compliance

This report on the Resource estimates at the Spargos Reward Project complies with the JORC Code (2012) guidelines.

The quoted resource estimates are based on data believed by the authors to be reliable.

15. INTERPRETATION AND CONCLUSIONS

AM&A have used the drilling data completed to date to model the gold resources in the lodes at Spargos Reward using an Inverse Distance Cubed algorithm within wireframes of the lodes with MineMap © software. The AM&A resource estimates are summarised in Table 12.

ABOVE 300m RL	Thousand Tonnes	Au (g/t)	Contained Ounces Au
Indicated	219.1	4.1	29,000
Inferred	24	4	3,000
	Lower cut-off	1.0 g/t Au	
BELOW 300m RL	**Thousand Tonnes**	**Au (g/t)**	**Contained Ounces Au**
Indicated	405.8	4.2	55,000
Inferred	361	3	39,000
	Lower cut-off	2.0 g/t Au	
TOTAL	**Thousand Tonnes**	**Au (g/t)**	**Contained Ounces Au**
Indicated	624.9	4.2	84,000
Inferred	385	3.4	42,000

Table 12 Summary of estimated Resources at Spargos Reward (1 May 2017).

AM&A believe that the mineralisation in the Main Lode is open along strike and at depth, however drilling along strike of the Main Lode indicates that the greater potential for extensions to this lode is at depth. The other lodes have only been drilled intermittently along their strike and down dip so there is potential for additional resources both along strike and at depth.

Risks

The following risk analysis has been adopted by the authors in assigning risk factors to various aspects. Risk has been classified from major to minor as follows:

Major Risk: the factor poses an immediate danger of a failure which, if uncorrected, will have a material effect and could potentially lead to project failure.

Moderate Risk: the factor, if uncorrected, could have a significant effect on the project cash flow and performance unless mitigated by some corrective action.

Minor Risk: the factor, if uncorrected, will have little or no effect on project cash flow and performance.

Overall Risks

The likelihood of a risk event occurring within a nominal 7 year time frame has been considered as:

Likely: will probably occur
Possible: may occur
Unlikely: unlikely to occur

The degree or consequence of a risk and its likelihood are combined into an overall risk assessment, Table 13.

Likelihood of Risk (within 7 years)	Consequence of Risk		
	Minor	Moderate	Major
Likely	Medium	High	High
Possible	Low	Medium	High
Unlikely	Low	Low	Medium

Table 13: Risk Assessment Guidelines.

Project Risks

This Section identifies the areas that the Competent Persons regard as the major risks associated with an investment in the development of the Spargos Reward Gold Project.

The main risks pertaining to this project are as follows:

- Resource risk due to changes in geological interpretation, assumed mining and processing parameters and new geological information and or sampling data;
- Commodity prices and exchange rates are constantly changing;
- Risks inherent in exploration and mining include, among other things, successful exploration and identification of ore reserves, satisfactory performance of mining operations if a mineable deposit is discovered and competent management;
- Risks associated with obtaining approval of mining lease applications or renewal of tenements upon expiry of their current term, including the grant of subsequent titles where applied for over the same ground. The grant or refusal of tenements is subject to ministerial discretion and there is no certainty that the renewal of tenements will be granted.
- The risk of material adverse changes in the government policies or legislation of Western Australia that may affect the level and practicality of mining activities;
- Environmental management issues with which the Company may be required to comply from time to time. There are very substantive legislative and regulatory regimes with which the Company needs to comply for land access and mining which can lead to significant delays.
- Native Title is believed to be extinguished over the mining leases. The status of Native Title over the other Exploration Licence that makes up the Company's tenement package

has not been determined by the Author as it does not cover the reported resources and planned mining areas.

- Poor weather conditions over a prolonged period which might adversely affect mining and exploration activities and the timing of earning revenues;
- Unforeseen major failures, breakdowns or repairs required to key items of mining and processing equipment, mining plant and equipment or mine structure resulting in significant delays, notwithstanding regular programs of repair, maintenance and upkeep;

This is not an exhaustive list. Further clarification of the major risks follow:-

Resource/Reserves

Estimates of Mineral Resources may change when new information becomes available or new modifying factors arise. Interpretations and assumptions on the geology and controls on the mineralisation on which Resource estimates based on may be found to be inaccurate after further mapping, drilling, sampling or through future production. Any adjustment could affect the development and mining plans, which could materially and adversely affect the potential revenue from the Project. If the Resources are over estimated in either quantity or quality of ore, the profitability of the project will be adversely affected. If however the quantity or quality is underestimated the profitability of the project will be enhanced. The Spargos Reward Gold Project is in the pre-mining and mineral processing production stage. Mineral value fluctuations, dilution, grade and mining losses all could potentially change the value of the Resource estimates.

Mining Risk

Mining risks include the uncertainties associated with projected continuity of an ore deposit, fluctuations in grades and values of the product being mined, and unforeseen operational and technical problems.

Mining may be adversely affected or hampered by a variety of non-technical issues such as limitations on activities due to seasonal changes, industrial disputes, land claims, legal challenges associated with land ownership, environmental matters, mining legislation and many other factors beyond the control of the Company, including many that are partly or wholly unforeseeable.

The cost of maintaining mining properties which depends on the Company having access to sufficient development capital, poses another form of risk.

Changes in the Western Australia mining law and regulations may affect the feasibility and profitability of any mining operations.

Commodity Price and Demand, and Exchange Rates

The Company's project is prospective for gold. Therefore it would be reasonable to expect that the Company's market appeal, and in the event it commences mining, its revenue, will be affected by the price of such product. Mineral prices may fluctuate widely and are affected by numerous industry factors beyond the Company's control.

General Economic Factors and Investment Risks

General economic conditions may affect inflation and interest rates, which in turn may impact upon the Company's operating costs and financing. Other factors that may adversely affect the Company's activities in Western Australia include changes in government policies, natural disasters, industrial disputes, and social unrest.

Unforeseeable Risks

There are likely to be risks that AM&A are unaware of or do not fully appreciate at any point in time. Over time or with the benefit of hindsight these sometimes become apparent. Such risks may be related to legislation, regulation, business conditions, land access, conflicts and disputes at a local or international level, data issues and a variety of other unforeseen eventualities.

A summary of the main Project risks are included, summarized and ranked by their importance as follows in Table 14.

Risk Issue Likelihood Consequence	Likelihood	Consequence Rating	Risk
Geological			
Resource tonnes and grades significantly not achieved beyond the limits implied by the JORC resource classifications	Possible	Major	Medium
Legal			
Mining Lease applications approvals	Possible	Major	Low
Mining Proposal approval	Possible	Major	Low
Economic Conditions			
Commodity Price	Possible	Moderate	Low
Loss of Demand	Unlikely	Major	Low
Inflation Increase	Possible	Moderate	Medium
Change in Interest Rate	Possible	Moderate	Medium
Sovereign Risk	Possible	Moderate	Low
Environmental			
Unexpected Unauthorised Ecological Damage	Unlikely	Moderate	Low
Extra costs in environment restoration	Possible	Minor	Low
Contamination of Local Water System	Possible	Minor	Low
Capital and Operating Costs			
Capital Costs	N/A	N/A	N/A
Operational Risk			
Operating Costs	N/A	N/A	N/A

Table 14: Summary of Main Project Risks.

16. RECOMMENDATIONS

AM&A recommend the following:

- Further in-fill drilling along strike and at depth is required to confirm and extend this resource
- Introduce more rigorous QA/QC procedures, especially introduce improved reporting, for the drilling, sampling and assays.
- Drill the next phase of drilling from the west of the lodes instead of the east as previously. Since the lodes are very steep, drilling from the east offers no significant advantage, however drilling from the west will test the rocks to the west of the lodes that have not been properly drilled to date with the very real potential of intersecting new lodes missed by the earlier drilling. Drilling from the west will certainly better delimit the known lodes to the west of the Main Lode.

17. REFERENCES

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Hole name	Easting	Northing	RL	Total Depth	Dip	Azimuth	From	To	Interval	Au g/t	Lode
09BKWC003	354185.00	6543058.00	423.08	80.00	-65.00	270.00	32.00	34.00	2.00	1.47	main
09BKWC004	354192.00	6543249.00	430.75	80.00	-57.70	274.20	16.00	17.00	1.00	1.41	main
09BKWC005	354196.00	6543263.00	431.33	80.00	-57.70	274.20	5.00	10.00	5.00	0.61	main
09BKWC010	354208.00	6543093.00	423.01	105.00	-65.00	270.00	86.00	92.00	6.00	2.89	main
09BKWC011	354160.00	6542963.00	421.18	80.00	-55.00	276.50	61.00	63.00	2.00	2.73	main
12SPRC02	354137.09	6543215.10	426.31	219.00	-65.00	270.00	187.00	194.00	7.00	5.23	main
12SPRC05	354201.30	6543310.65	427.80	139.00	-57.20	280.60	9.00	10.00	1.00	1.69	main
12SPRC06	354184.55	6543096.93	421.67	94.00	-65.00	270.00	38.00	39.00	1.00	2.51	main
12SPRC07	354226.26	6543025.38	419.83	154.00	-62.70	280.10	97.00	98.00	1.00	3.27	main
12SPRC08	354251.90	6543127.25	422.19	244.00	-65.00	270.00	130.00	144.00	14.00	6.75	main
13SPRC001	354290.40	6543253.40	424.38	222.00	-55.30	270.70	168.00	172.00	4.00	1.92	main
13SPRC002	354297.37	6543296.80	425.70	216.00	-73.00	105.00	184.00	188.00	4.00	1.89	main
13SPRC003	354126.04	6543146.30	423.65	120.00	-73.20	116.00	112.00	116.00	4.00	0.62	main
13SPRC004	354283.86	6543144.71	423.35	252.00	-72.30	113.50	220.00	224.00	4.00	3.63	main
13SPRC005	354269.68	6543194.52	422.19	210.00	-71.80	118.40	161.00	169.00	8.00	3.11	main
13SPRC006	354258.11	6543111.08	422.43	222.00	-72.00	117.30	190.00	197.00	7.00	2.94	main
13SPRC007	354324.25	6543257.87	423.57	292.00	-72.00	117.30	243.00	250.00	7.00	11.65	main
13SPRC008	354312.26	6543192.68	422.36	306.00	-60.00	270.00	252.00	264.00	12.00	3.03	main
13SPRC009	354318.06	6543236.40	422.75	300.00	-58.40	279.60	256.00	266.00	10.00	4.59	main
16SPRC001	354269.16	6543062.07	421.73	216.00	-58.40	279.60	183.00	184.00	1.00	0.84	main
16SPRCD003	354300.71	6543054.59	421.74	378.90	-60.00	270.00	300.00	303.30	3.30	1.01	main
16SPRCD005	354374.00	6543278.25	422.82	315.90	-53.20	268.20	302.85	306.18	3.33	5.37	main
16SPRCD006	354275.44	6543139.67	423.43	202.00	-53.20	268.20	175.15	177.65	2.50	1.25	main
16SPRCD007	354290.64	6543139.16	422.89	418.00	-60.00	270.00	364.00	369.00	5.00	3.72	main
16SPRCD008	354299.94	6543219.90	423.19	249.80	-61.80	266.00	219.00	230.05	11.05	4.22	main
KWDD001	354255.53	6543281.36	431.40	140.05	-61.80	266.00	122.00	132.00	10.00	0.76	main
KWDD002	354260.90	6543248.90	430.90	159.90	-57.00	290.00	122.50	130.45	7.95	9.05	main
KWDD003	354280.95	6543243.92	430.70	166.05	-57.20	285.00	145.00	151.00	6.00	4.93	main
KWDD004	354258.04	6543223.35	430.40	156.80	-57.70	287.00	124.00	134.00	10.00	2.45	main
KWDD005	354273.44	6543214.97	430.20	186.95	-57.00	289.90	148.00	155.40	7.40	1.73	main
KWDD006	354242.82	6543190.68	429.90	123.25	-56.40	287.40	117.00	123.25	6.25	5.48	main
KWDD007	354289.57	6543241.51	430.40	214.30	-56.50	289.00	197.20	200.00	2.80	11.45	main
KWRC001	354205.85	6543293.23	432.40	60.00	-56.50	289.00	15.00	16.00	1.00	0.54	main
KWRC002	354229.43	6543287.63	432.20	100.00	-60.00	270.00	58.00	62.00	4.00	1.97	main
KWRC003	354215.05	6543259.97	431.20	65.00	-60.00	260.00	38.00	42.00	4.00	12.57	main
KWRC004	354226.91	6543257.15	431.20	85.00	-59.00	257.00	58.00	64.00	6.00	3.85	main
KWRC006	354217.58	6543186.49	429.70	61.00	-59.00	263.00	60.00	61.00	1.00	2.32	main

SRD002	354435.27	6543221.92	421.08	528.40	-59.50	262.00	476.00	492.00	16.00	2.75	main
SRD004	354336.77	6543122.23	423.47	419.00	-59.00	263.00	364.00	368.00	4.00	1.07	main
SRD005	354366.77	6543222.23	424.39	397.00	-59.00	265.00	338.00	350.40	12.40	3.86	main
SRD007	354261.77	6543122.23	425.04	244.80	-60.50	268.00	148.00	158.00	10.00	0.07	main
09BKWC001	354174.00	6543022.00	422.70	75.00	-60.00	270.00	35.00	37.00	2.00	1.21	footwall
09BKWC002	354178.00	6543041.00	422.94	75.00	-60.00	270.00	50.00	51.00	1.00	1.70	footwall
09BKWC003	354185.00	6543058.00	423.08	80.00	-65.00	270.00	64.00	66.00	2.00	1.53	footwall
09BKWC004	354192.00	6543249.00	430.75	80.00	-65.00	270.00	52.00	55.00	3.00	0.80	footwall
09BKWC004	354192.00	6543249.00	430.75	80.00	-65.00	270.00	58.00	60.00	2.00	1.04	footwall
09BKWC005	354196.00	6543263.00	431.33	80.00	-65.00	270.00	14.00	15.00	1.00	0.54	footwall
09BKWC005	354196.00	6543263.00	431.33	80.00	-65.00	270.00	61.00	63.00	2.00	1.06	footwall
09BKWC005	354196.00	6543263.00	431.33	80.00	-65.00	270.00	79.00	80.00	1.00	0.68	footwall
09BKWC006	354179.00	6543288.00	431.15	50.00	-65.00	270.00	26.00	28.00	2.00	2.93	footwall
09BKWC006	354179.00	6543288.00	431.15	50.00	-65.00	270.00	42.00	43.00	1.00	1.13	footwall
09BKWC007	354164.00	6543255.00	429.48	60.00	-65.00	270.00	22.00	29.00	7.00	3.44	footwall
09BKWC007	354164.00	6543255.00	429.48	60.00	-65.00	270.00	97.00	100.00	3.00	1.68	footwall
12SPRC01	354139.00	6543212.00	428.00	67.00	-63.00	105.00	58.00	67.00	9.00	1.16	footwall
12SPRC02	354136.00	6543215.00	429.00	219.00	-73.00	105.00	133.00	134.00	1.00	1.43	footwall
12SPRC05	354203.00	6543305.00	434.00	139.00	-60.00	270.00	26.00	27.00	1.00	2.18	footwall
12SPRC05	354203.00	6543305.00	434.00	139.00	-60.00	270.00	54.00	55.00	1.00	0.59	footwall
12SPRC06	354185.00	6543093.00	416.00	94.00	-60.00	270.00	52.00	53.00	1.00	0.56	footwall
12SPRC08	354253.00	6543130.00	425.00	244.00	-57.00	290.00	161.00	163.00	2.00	4.21	footwall
13SPRC003	354127.00	6543147.00	425.00	120.00	-60.00	97.00	67.00	72.00	5.00	0.02	footwall
13SPRC005	354273.00	6543199.00	425.00	210.00	-60.00	270.00	182.00	184.00	2.00	1.84	footwall
16SPRCD003	354304.00	6543053.00	421.00	378.90	-60.00	267.00	356.00	362.00	6.00	0.82	footwall
16SPRCD006	354278.00	6543140.00	419.00	202.00	-60.51	265	197.00	199.00	2.00	0.10	footwall
16SPRCD007	354292.00	6543140.00	423.00	418.00	-70.63	265	394.65	404.00	9.35	2.87	footwall
KWDD002	354260.90	6543248.90	430.90	159.90	-62	283.5	137.00	140.00	3.00	1.85	footwall
KWRC002	354229.43	6543287.63	432.20	100.00	-62	283.5	98.00	99.00	1.00	2.83	footwall
KWRC003	354215.05	6543259.97	431.20	65.00	-62	283.5	51.00	52.00	1.00	0.51	footwall
KWRC004	354226.91	6543257.15	431.20	85.00	-62	283.5	70.00	71.00	1.00	1.24	footwall
KWRC007	354133.59	6543216.71	431.50	80.00	-65	103.5	71.00	80.00	9.00	8.52	footwall
SRD002	354436.77	6543222.23	422.34	528.40	-68	275	494.00	498.00	4.00	0.78	footwall
SRD004	354336.77	6543122.23	423.47	419.00	-68	273.5	384.00	385.00	1.00	0.56	footwall
SRD007	354261.77	6543122.23	425.04	244.80	-62	272.5	171.00	172.00	1.00	0.31	footwall

Table 15 Drilling used in mineral resource estimate

18. JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data at Spargos Reward. Commentary relates to Corona's work only unless otherwise indicated.

(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 (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.*	• Drilling carried out by a several previous explorers since 1980s following different sampling, assaying and QA/QC procedures of varying quality. • Drilling by Mithril Resources Ltd and Corona Minerals Ltd since 2012 have followed similar procedures as follows: • Reverse Circulation (RC) and Diamond drilling was completed at the Spargos Reward Gold Deposit. RC samples were either collected as 1 m splits directly from the rig cyclone, or as composites (up to 5m) from the drill spoils laid out on the ground in plastic bags. Sample sizes were ~2-3kg. Diamond core was sampled as 5 m quarter core composites for visually un-mineralised core, and sampled to lithology, nominally every one meter for visually mineralised samples • Each drill hole location (easting and northing) was collected by a handheld GPS. Detailed logging of Collar, Drilling, Survey, Lithology, structure, Sample, and Magnetic Susceptibility information was completed for every metre, or as necessary, for each drill hole. • All logging and sampling protocols remained constant throughout the program. • RC chip samples were collected from either the cyclone as a representative 1 m split or from the drill spoils as a 5 m composite. Around 2 – 3kg sample was collected for geochemical analysis by Intertek Genalysis Laboratories and by SGS analytical in Kalgoorlie and Perth, WA. In the laboratory, samples were crushed (~10mm)

Criteria	JORC Code explanation	Commentary
		and pulverised to produce a representative 50g sub-sample for analysis using fire assay with ICP-MS finish for Au, and four acid digest with ICP-AES finish for As (ME-ICP61 – Lab Code).
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).*	• Drilling carried out by a several previous explorers since 1980s drilled using both RC and diamond drilling techniques. • Corona Minerals Ltd in 2016 used a Schramm 465 rig with booster compressor and auxiliary air was used to complete the RC drilling and collars, nominally using a 146mm drill bit. A UDR1200 was used to complete the diamond tails utilising HQ and NQ drilling diameters. Triple tube was not needed as recovery wasn't a problem, NAVI drilling was utilised in some instances where a hole needed steering. Diamond tails were 50-200 m long Core was oriented using a REFLEX tool.
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.*	• Drilling carried out by a several previous explorers since 1980s drilled using both RC and diamond drilling techniques and company reports indicate that the sample recoveries were good. • Corona in 2016 report that recovery was measured block to block for core drilling, RC chip recovery was visually estimated on sample size and was noted where the sample size looked smaller than usual. • Recovery wasn't an issue for this drilling program and no undue measures had to be taken to ensure maximum sample recovery • No relationship has been identified, most mineralised intercepts were cored.
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.*	• Detailed logging of Collar, Drilling, Survey, Lithology, structure, Sample, and Magnetic Susceptibility information was completed in each hole by Corona. Logs of drill samples, generally of at least "acceptable quality", are also available for all previous drilling. • Logging of rock chip samples is of a qualitative nature.

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	• RC chip samples are always logged for lithology, colour, texture, weathering, minerals, alteration, and sulphide percentage and type, with comments included as necessary. • Corona took photos of the chip trays (include 5m/per photo) are taken for the entire hole. Core samples are logged as above with the addition of logging structure and photographing boxes of core and detailed individual shots. • Every hole was logged (Lithology and Magnetic Susceptibility) for every metre (entire length of hole).
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.*	• Corona's core was cut in quarters for composite samples and duplicates, and cut in half using an Almonte core saw for standard intervals. • Corona's RC samples were collected either as a 1 m split directly from the rig cyclone or as a composite sample (2-4m) from the drill spoils (scoop used) laid out on the ground. • There was a significant amount of wet sample associated with a major water bearing structure; these samples were dried before being dispatched to the laboratories. Wet samples were logged as wet. • The sample preparation for all samples collected since 2012 are recorded as following industry best practice, involving oven drying (110°C) where necessary, crushing and pulverising (~90% less than 75µm). • Along with RC chip samples taken at the rig, and core samples taken in the core yard, standards, blanks and duplicates were inserted at a rate of one each every thirty meters and were included in the laboratory analysis process. • Standards were Certified Reference Material (from Geostats Pty Ltd) of a fixed amount of gold, and blanks were coarse white sand. • The laboratory completed repeat analysis at random, and ran

Criteria	JORC Code explanation	Commentary
		their own standards. • Sampling was supervised by the field geologist following geological logging to ensure that sampling was representative of the in situ material collected. Duplicate data will be processed to assess the representative nature of sampling. • Sample sizes are considered appropriate for the exploration method and produce results to indicate degree and extent of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Corona used Fire Assay and a four acid digest which is considered near total digest and appropriate for the type of exploration undertaken. • No geophysical tools were used by Corona. • The laboratories completed repeat analysis on random samples and inserted CRM standards into the assay stream.
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.*	• The significant intersections were verified by Corona Mineral's Exploration Manager. • No twin holes were drilled to verify earlier drilling results. • Collar locations were predetermined in the office and modified in the field as necessary (dependent on access etc.). All data collection (lithology logging, sampling, etc.) was completed either at each drill hole location as hole was being drilled, or in the core yard. Data was entered directly into a computer or initially written on paper log sheets. • A complete data set (excel spreadsheet) was created by Corona on completion of the program, based on all information

Criteria	JORC Code explanation	Commentary
		collected.
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.*	• All the drill hole locations (easting and northing) were collected by a handheld GPS. Down hole surveys in the deeper holes were recorded by Corona using a REFLEX surveying tool, and a gyroscope which is supported by quality checks that quantify anomalies allowing drillers to record survey data accurately without errors. • Data points have been quoted in this Report using the MGA Zone 51 (GDA94) coordinate system. • Level of topographic control offered by the handheld GPS was considered sufficient for the work undertaken.
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 drilling at Spargos Reward spans over 30 years and progressively tested the mineralised lode deeper and further along strike from the underground workings. There was no pre-determined grid space for the programs, drill holes were targeted based upon previous results. • The data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for this report. No resource estimates are included in this report. • Sample compositing was employed throughout the drillholes – typically up to 5 metre intervals depending on the geology and visual observations for intervals logged by the geologist as being unlikely to be mineralised. One metre samples were taken in RC holes over logged mineralised intervals and between logged contacts in diamond core.
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*	• Mineralisation is considered to be sub vertical, Drill holes were inclined. Some un-mineralised structures ran parallel to the drilling direction. • No orientation based sampling bias has been identified.

Criteria	JORC Code explanation	Commentary
	material.	
Sample security	• *The measures taken to ensure sample security.*	• Drill samples were dispatched continuously throughout the programs so as to maintain sample security and integrity.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No Audits or Reviews have yet been completed.

Section 2 Reporting of Exploration Results <u>at Spargos Reward.</u> Commentary relates to Corona's work only unless otherwise indicated.

(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 described in this Report was undertaken on tenements which are variously held 100% by Corona or subject to a joint venture between Mithril Resources Ltd and Corona and subject to a 3% royalty. Details of tenure included in Table 2 in the main report. • There are no known existing impediments to the tenements.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The historical Spargos Reward Gold mine was operated between 1936 and 1942 and produced 26,318 oz. of gold from 105,397 t of ore at an average grade of 8.56 g/t Au subsequent drilling (RAB, RC, Diamond) by various parties including Newmont Minerals Ltd, AMALG Ltd, Breakaway Resources Ltd and Mithril Resources Ltd has delineated extensions to gold mineralisation mined historically.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Spargos Reward mineralisation is a typical Archean lode gold deposit associated with a major shear zone with lodes hosted at the contact of a meta greywacke and a felsic-intermediate volcanic pile, and also a new lode which is hosted within an Archaen dolerite.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole*	• Table 5 in the main report give details of the significant intercepts obtained from the various drill programs at the Company's exploration prospects. • Some lower grade drill intersections are excluded from the drill intercept summary tables as they do not warrant further consideration for future exploration. • No information has been excluded that would materially

Criteria	JORC Code explanation	Commentary
	• *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.*	detract from the understanding of the Company's projects.
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.*	• Length weighted averaging of drill results was applied where an intercept of greater than 1 metre contained internal intervals of varying lengths. • A lower cut-off grade of 0.5 g/t Au was applied for reporting general intercepts. • No metal equivalents reported.
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').*	• Widths of mineralisation have not been postulated. • The geometry of the mineralisation is thought to be sub vertical。 • The drilling exploration results in this report are reported as down hole widths only as the true widths are not known. The reported down-hole lengths may be significantly longer than the true widths due to the geometry of the penetration angle and dip of the mineralisation intersected.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• All the appropriate maps and cross sections showing geology and drilling are included in the main report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high*	• This report represents a fair description of the Company's projects and the data in the text and illustrations provided are

Criteria	JORC Code explanation	Commentary
	grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	representative of the overall mineralisation being described.
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.*	• All relevant data has been included within this Report。
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.*	• Detailed review of all drilling and geophysical data for the prospect to be followed by further drilling.

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
Database integrity	• *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.* • *Data validation procedures used.*	• The drilling data was thoroughly checked by AM&A for repetitions, and hole depth errors using MineMap and Excel software and original laboratory certificates, where available, were visually checked against the database.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Al Maynard visited the Spargos Reward deposit several years ago for another client. • Since the geology of the mineralisation is well understood and similar to other deposits visited by the authors in the district, a site visit was not

Criteria	JORC Code explanation	Commentary
		considered necessary.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The geology and style of mineralisation at Spargos Reward is relatively simple and well understood. • The geology modelling is based on surface mapping and geological logs and assays of the drilling samples. • The resources were modelled within wireframes based on the drilling geological logs and assays. • The continuity of the modelled mineralisation is limited by the drilling assays and known extent of the mapped lodes at the surface and in the underground workings.
Dimensions	• *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.*	• The known Spargos Reward lodes extend some 300 m along strike to a vertical depth of 420 m. • AM&A are of the opinion that the mineralisation is open in all directions and warrants further drilling to delimit the mineralisation.
Estimation and modelling techniques	• *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.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.*	• The resource modelling was carried out with MineMap software. • The resources were confined by wireframes of the lodes as logged in the drill holes. The grades were interpolated into the resource model cells using an Inverse Distance cubed algorithm in two passes. The first pass used a search ellipse 200 m (NS) x 200 m (EW) x 200 m (vertical) to model the Inferred resources. The second pass used a search ellipse 40 m (NS) x 200 m (EW) x 20 m (vertical) to model the Indicated resources. • There are no analogous previous resource estimates. • No by-product recoveries were assumed in the resource modelling. • There are no known deleterious minerals that could affect the recovery or value of the modelled resources • The digital resource model blocks were 2 m cubes. These cell dimensions allowed a visually “clean” looking model but there is no inference by

Criteria	JORC Code explanation	Commentary
	• *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	their dimensions of any reliability beyond the JORC resource categories applied. The cell dimensions are considered to be appropriate for the drill sampling intervals. • There were no assumptions of selective mining units in the resource model although a 1.0 g/t Au lower cut-off grade was used for the open pittable resource and a 2.0 g/t Au lower cut was used for the underground resources to reflect their different mining costs. • The wireframes used in the resource modelling to confine the grades were based on the interpreted geology and lode locations. • No upper grade cuts were used in the resource modelling. • The completed digital resource model was validated by comparing the colour coded block model against similarly colour coded drilling intercepts on cross sections.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnes are based on a dry bulk density.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The modelled resource within the Lerch-Grossmann pit shell above 1.0 g/t Au was the reported above 300m RL resource, the remaining resource above 2.0 g/t Au was reported as the below 300mRL resource. These grades reflect current revenues and costs associated with mining these resources
Mining factors or assumptions	• *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*	• A Lerch-Grossmann pit was created using current gold price and current operating costs to determine the open pittable resource. The modelled resource within the pit shell above 1.0 g/t Au was the reported open pittable resource; the remaining resource above 2.0 g/t Au was reported as the underground resource. No other mining factors or assumptions were used.

Criteria	JORC Code explanation	Commentary
	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.	
Metallurgical factors or assumptions	• *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.*	• No metallurgical test work has been carried out Spargos Reward ore. • The ore at Spargos Reward has a mineralogy and metallurgical characteristics very similar to the other mines in the region, so it is expected that the gold recoveries will be similar to these other mines. • Ore from the historical Spargos Reward mine was treated on site during operations in the late 1930's early 1940's. Taking into account the historical head grade of 8.56 g/t Au and the presence of 0.8-1 g/t Au in tailings and mill slimes present at the site, historical recovery can be estimated at 88 - 90%. • Arsenopyrite is a significant mineral phase associated with gold mineralisation. As values >1% are not uncommon within gold lodes.
Environmen-tal factors or assumptions	• *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.*	• The Spargos Reward region including the local mine area has been extensively explored and mined in the past. • There have not been any Environmental Impact Studies carried out on the Spargos Reward project area, however it has been assumed that any future, properly managed mining and ore processing at Spargos Reward is unlikely to significantly impact the local environment adversely.
Bulk density	• *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*	• A total of 320 core intervals were measured for Specific Gravity ("SG") using the water displacement method. Of these samples, 71 were mineralised. The SGs generally ranged between 2.6 to 3.5 with one massive sulphide interval measured as 7.44. The measurements averaged 2.89. A conservative 2.8 was

Criteria	JORC Code explanation	Commentary
	representativeness of the samples. • *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.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	used as the average bulk density in the mineralisation to account for moisture and fractures.. • The estimated tonnes are based on a dry bulk density.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *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).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• After considering all the relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and gold grades, quality, quantity and distribution of the data, the resources were classified as Indicated and Inferred according to the JORC Code (2012). • There is only limited QA/QC reporting of the historic drilling to allow the test results to be independently verified as accurate and unbiased. The quoted resources however are based on data generated by operators and believed by the authors to be reliable. The reported resource classifications appropriately reflect the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• There have been no independent audits or reviews of the modelled resources.
Discussion of relative accuracy/ confidence	• *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.* • *The statement should specify whether it*	• The reported resource categories accurately reflect the relative accuracy and confidence level in the Mineral Resource estimates. • Due to the wide spacing of the drill holes and lack of reported QA/QC data and procedures followed with the historic drilling, the reported Indicated Resources are at the lower end of the Indicated category. Further in-fill as well as along strike and at depth drilling is recommended to improve the reliability of the reported resource. • A full suite of lithologies found at Spargos Reward should be also be sampled and the dry bulk density measured for these samples. These bulk densities should then be used in all future Resource/Reserve estimates.

Criteria	JORC Code explanation	Commentary
	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. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The resource estimates are global for the areas reported on. • There has been previous gold mine production at Spargos Reward and this production has been accounted for in the resource modelling .

Section 4 Estimation and Reporting of Ore Reserves

No Ore Reserves are reported for the Spargos Reward project.