FIELD ASSESSMENT REPORT

on

E09_2499

Wandagee Project,

Western Australia

4 October 2021

By

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HGS AUSTRALIA
EXPLORATION SERVICES

Contents

1. SUMMARY

HGS Australia Pty Ltd (HGS) conducted an extensive desktop study and three-day field assessment of E09_2499 in Western Australia. It is this author's view that further work is warranted on this tenement to establish the potential for lead-zinc mineralisation and to follow up on known diamond discoveries.

2. INTRODUCTION

HGS Australia Pty Ltd (HGS) was engaged to undertake a field assessment of (applied for) tenement E09_2499 near Minilya (the Project) in Western Australia. This report summarises field work completed by HGS on the Wandagee Project during the period 06 September 2021 to 12 September 2021. Samples have been collected however a hiatus has been placed on seeking analytical results pending advice from the client.

2.1 Location and Access

The Wandagee Project is located approximately 130 km northeast of Canarvon and 45 km east of the Minilya Bridge Roadhouse, in the Gascoyne Region of Western Australia. Access to the outskirts of the tenement is via sealed road from Canarvon to Minilya then unsealed road from the Minilya Bridge Roadhouse.

The Wandagee Property consists of one exploration licence (E54/5573) covering an area of approximately 93 km^2 located in the East Pilbara Shire.

While there are many historical tracks made by historical exploration efforts many of these have been overgrown. Current access relies on tracks to facilitate cattle farming. Some of these tracks are not suitable for 4WD vehicles designed to negotiate unsealed roads that are in good condition. Future exploration work will benefit from the use of all-terrain vehicles (quad bikes). Many parts of the tenement were simply inaccessible with the 4WD vehicle used to support the writing of this report.

Another feature of cattle farming is the extensive use of fencing. Care was taken to note the location of fence lines and water bores as this will facilitate more efficient exploration of the tenement going forward.

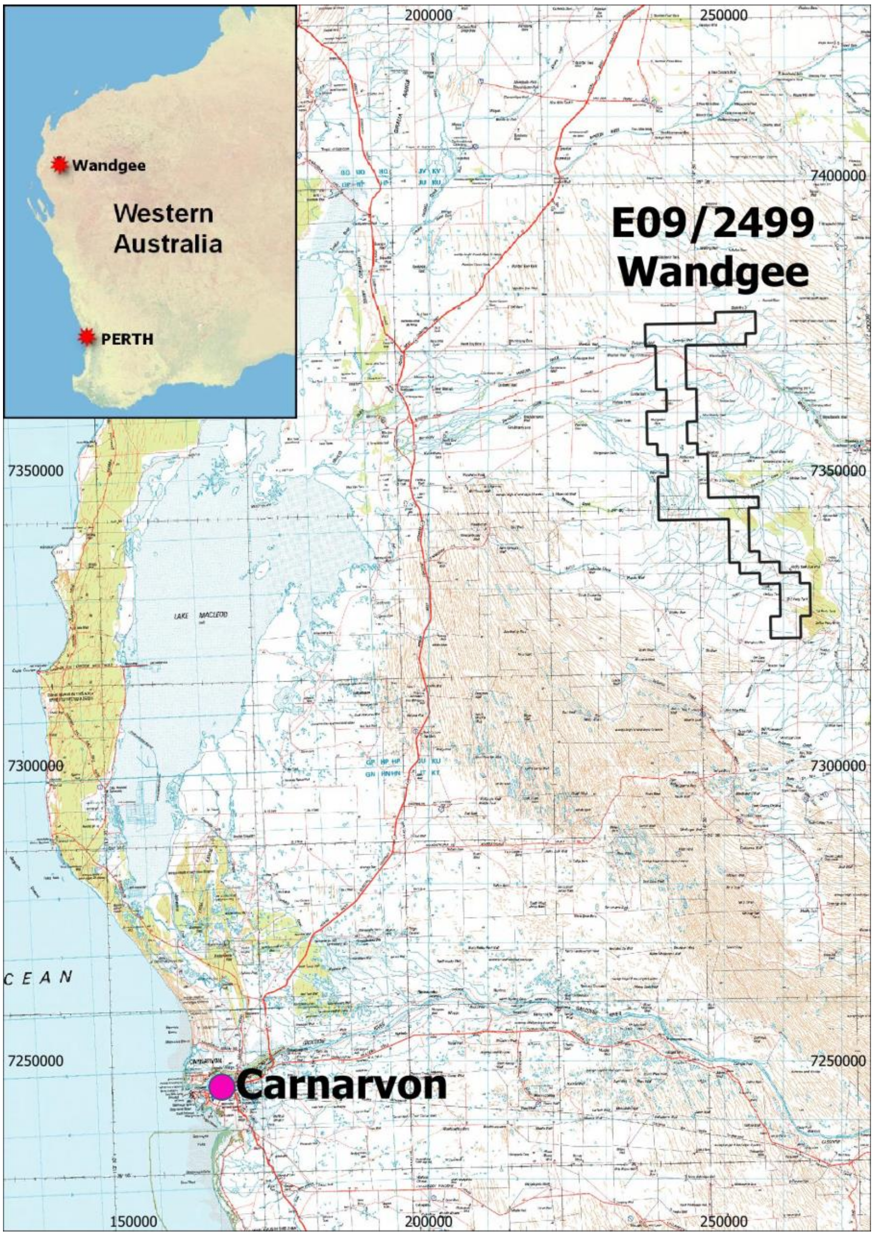


Figure 1. Tenement Location Map.

3. HISTORICAL EXPLORATION

CRA's work demonstrates some of the complex structural deformation, with graben structures running North-South forming in the middle of the tenement and a feature called the Wandagee Ridge to the west of the tenement that is broadly in line with a gravity high and may coincide with mafic igneous rocks that were observed to the north-west of the tenement, broadly trending southwards. (Gregory, March 1981)

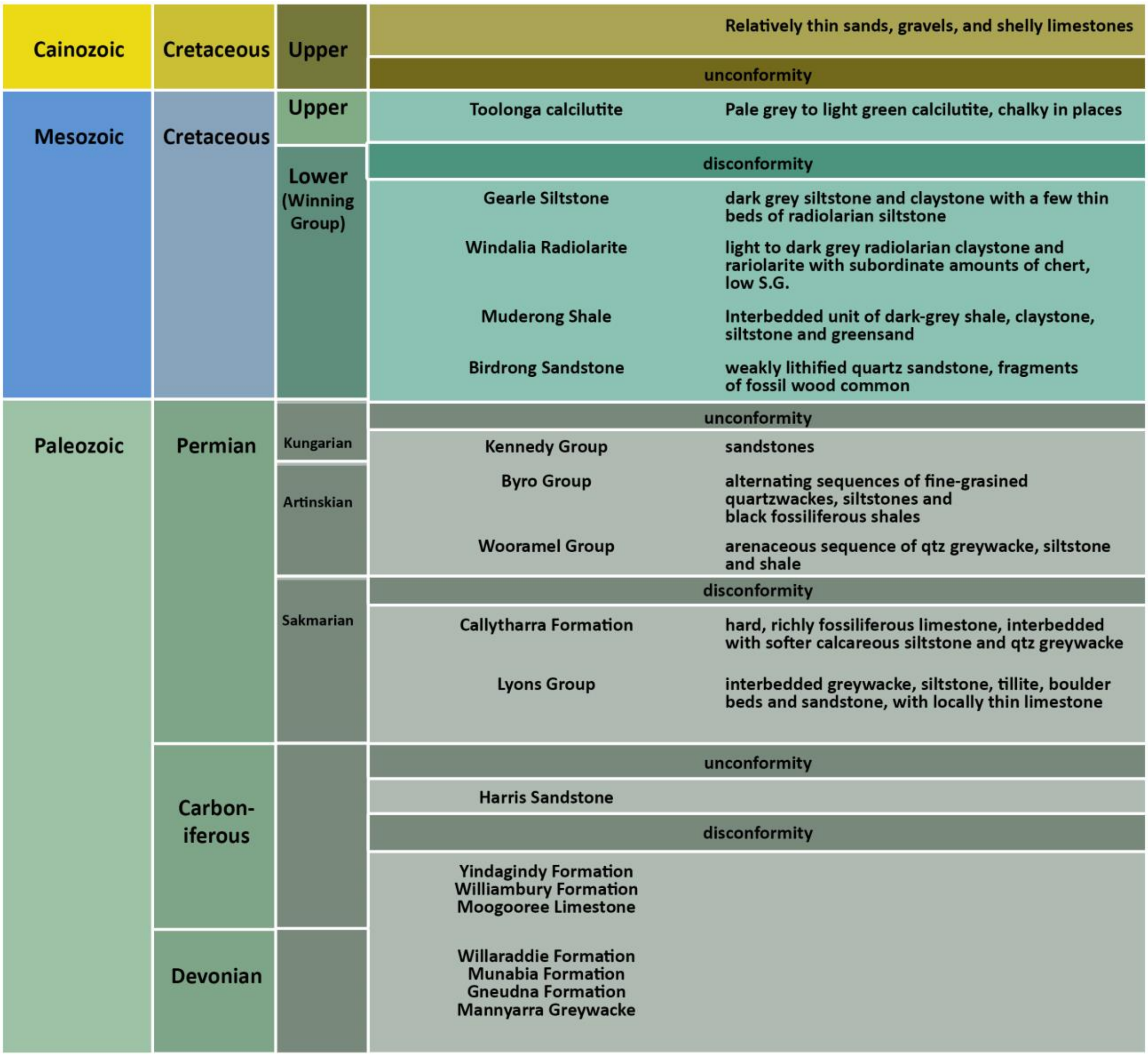


Figure 2: Stratigraphic column for the area based on historical reporting

In the Wandagee, Nalbia and Baker Formations halites appear to be a reasonably common feature, with bands of gypsum reaching 15cm in width.

The occurrence of barite reported by CRA Exploration is unsurprising given the abundance of gypsum seen in the north and central regions of the tenement.

Stockdale Prospecting Limited conducted a sampling programme at Winning Pool to locate kimberlite pipes. What is clear from this work is that the Winning Pool reserves, to the west and adjacent to the tenement comprise a kimberlite province. A magnetite-rich paleochannel overlying the Cretaceous sediments is evident. Evidence of kimberlite intrusions occur near to the shearing shed to the immediate west of the tenement, as shown below. (Stockdale Prospecting Ltd., Annual Report to December 20, 1980).

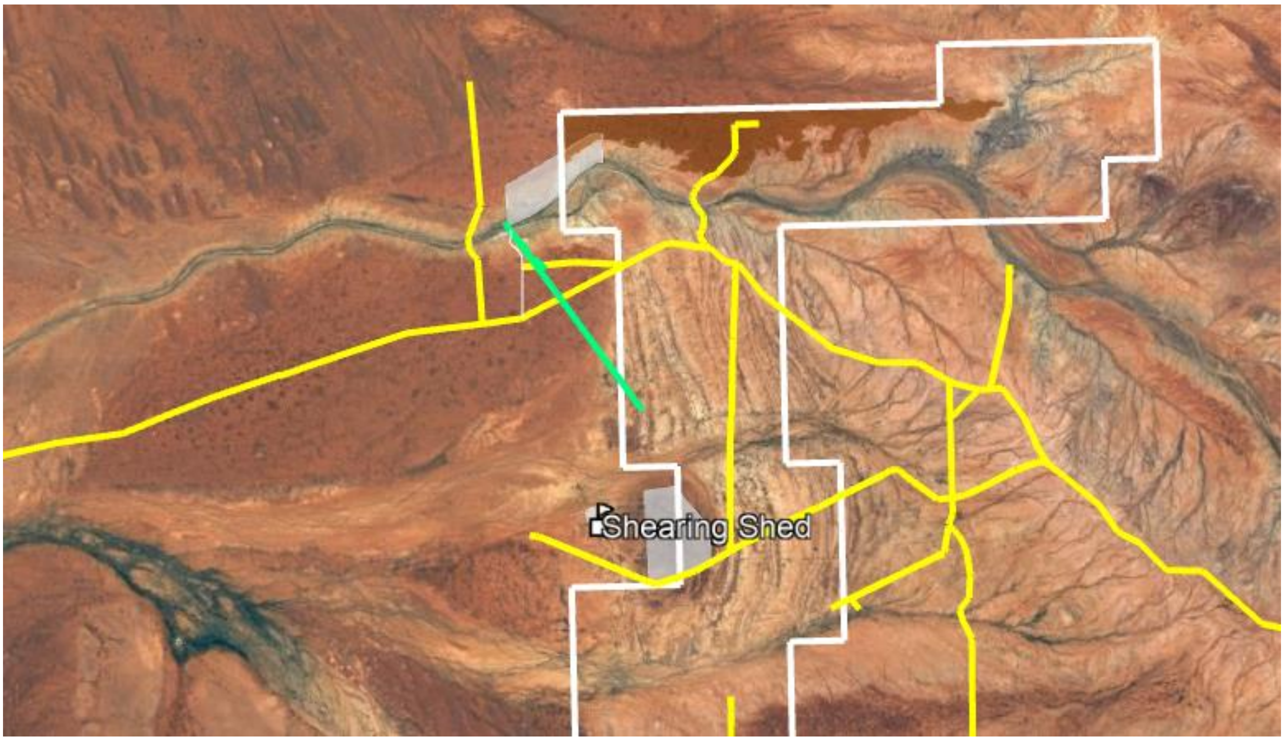


Figure 3: Location of the Shearing Shed domain generating significant interest in kimberlites

Within this Wandagee structural high kimberlites were discovered over a magnetic and gravity high anomaly. The tenement may provide extension/s of the kimberlite source at depth.

The assay reports, while useful as indicators to what is occurring in the vicinity, do not serve as particularly good indicators of what is occurring at depth.

Old report soil samples indicate what is occurring within a very large basin rather than what might be present at depth locally.

The Windalia Radiolarite contains heavy mineral content, namely kimberlitic garnet, ilmenite and chrome diopside.

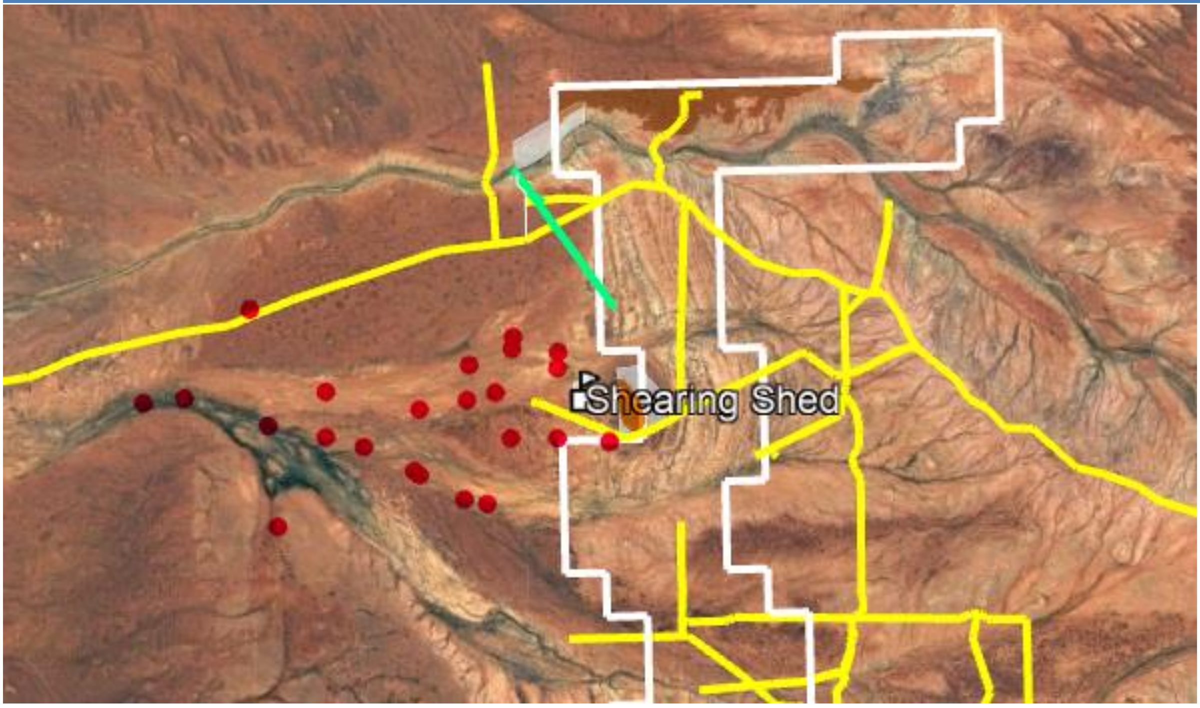


Figure 4: Second stage sediment sampling reveals many occurrences of kimberlite indicators, shown by red dots

Perhaps more significantly, however is a Department of Mines file available through the Minedex platform that reveals the following known locations of diamond interest:

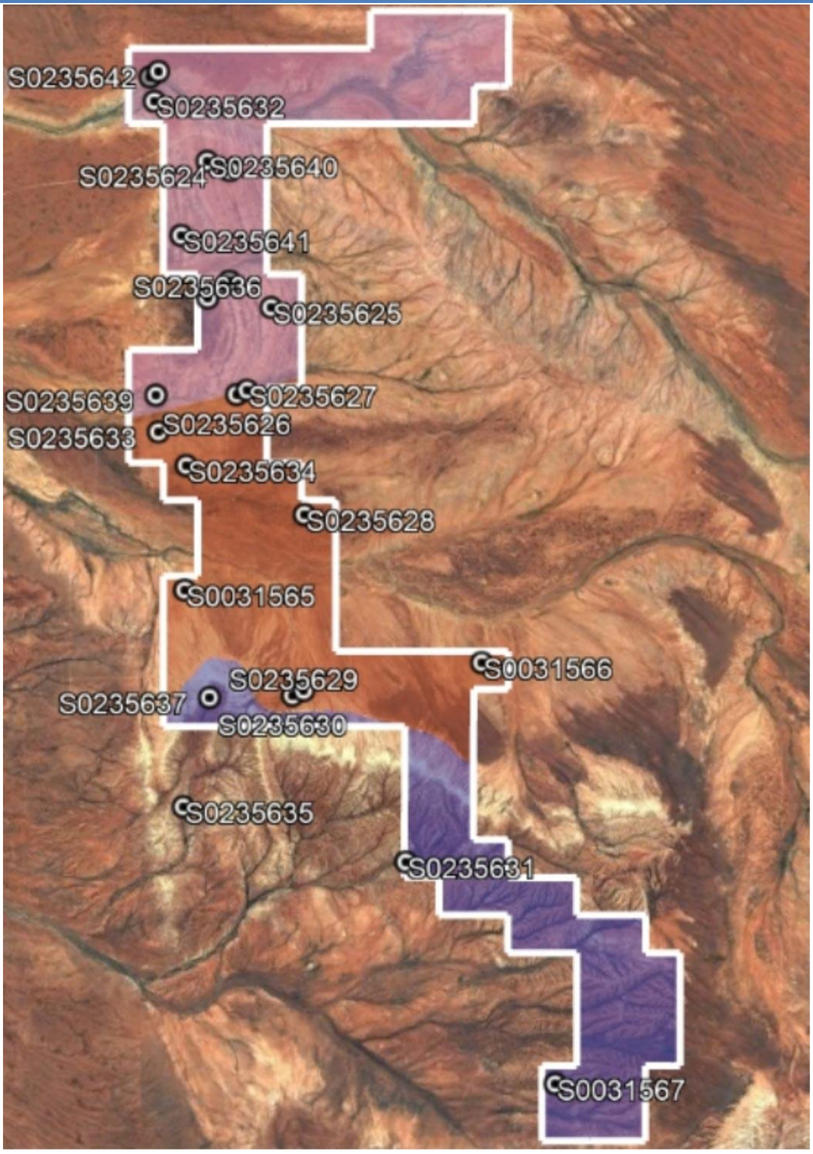


Figure 5: Map of diamond resource interest defined by the Department of Mines online archive in Western Australia (https://minedex.dmirs.wa.gov.au/Web/home)

This may strongly indicate that the kimberlite indicators are originating from a source to the east of the positive stream samples, namely within the tenement boundary.

CRA Exploration established that the kimberlites were buried underneath the Cretaceous sediments at a depth of 80 to 90m. It should be noted that it was CRAE's view that some of the kimberlites were barren, that is, they contained no diamonds. This is to be expected.

The Gascoyne Basin is the largest sub-basin of the Carnarvon Basin, containing up to 4500m of Silurian to Tertiary sediments. It has been uplifted 2500 to 3000m relative to the Merlinleigh Sub-Basin which lies to the east across the Wandagee Ridge. This ridge is an important positive feature forming the eastern margin of the Gascoyne Basin.

Permian coal measures are known to occur under a Cretaceous cover of varying depth. Coal has been observed in a drillhole at Quail 1, within the tenement boundary.

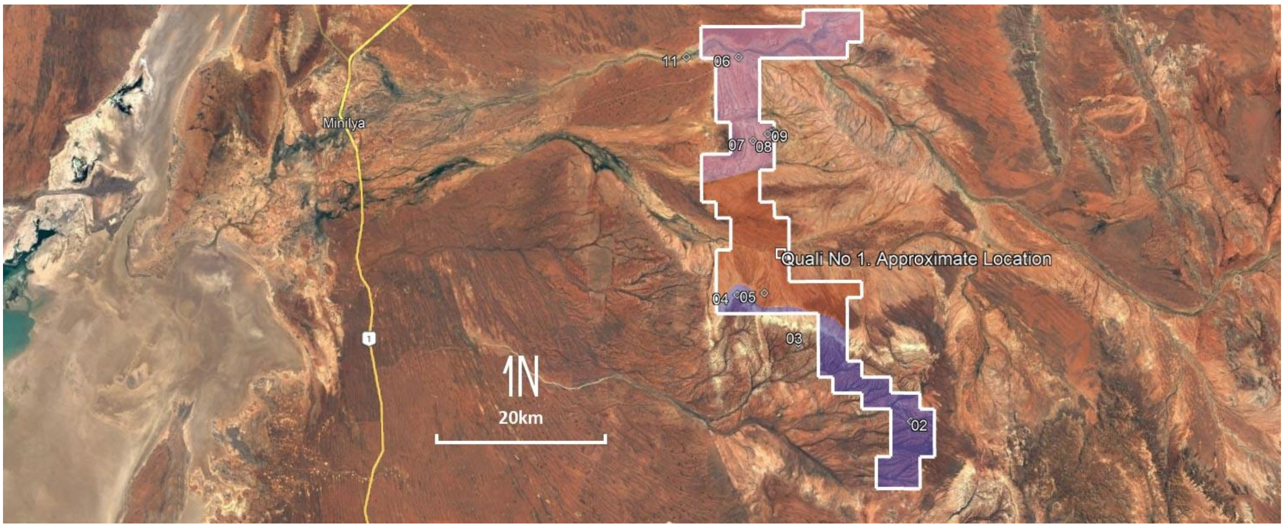


Figure 6: the location of the Quail No. 1 oil well, proximal to which are limited coal measures

Prospectivity for lead and zinc

The occurrence of diamonds is strongly suggestive of 'plumbing' at depth that might contribute to other minerals of economic note, particularly lead and zinc.

Supporting the suggestion that there might be a VMS lead-zinc deposit are some of the features required of such a feature, namely some key features of bimodal volcanism and perhaps even the prospect that some of the chert is not entirely biogenic, but rather it could be jasper and hematitic chert related to VMS activity. This VMS-related chert may have been reworked and contributed to the vast outcrop of what is described in this report as porcelainized radiolarite.

Cross structures found at the western margin of the tenement may provide for the concentration of mineralising solutions by focussing the flow of lead and zinc. To achieve an economic concentration of lead and zinc the following conditions must be met:

1. A good aquifer
2. A good host rock
3. Horst/graben structures where fluids are forced upwards

Adjacent to the tenement the Yanrey-Wandagee-Ajana Ridge system (YWA) offers favourable stratigraphy. The Merlinleigh-Byro Sub-basin within which the tenement sits is a suitable dewatering pathway towards the YWA.

The host rock, Paleozoic carbonates, are present either at outcrop or in subcrop within the tenement boundary.

4. REGIONAL GEOLOGY

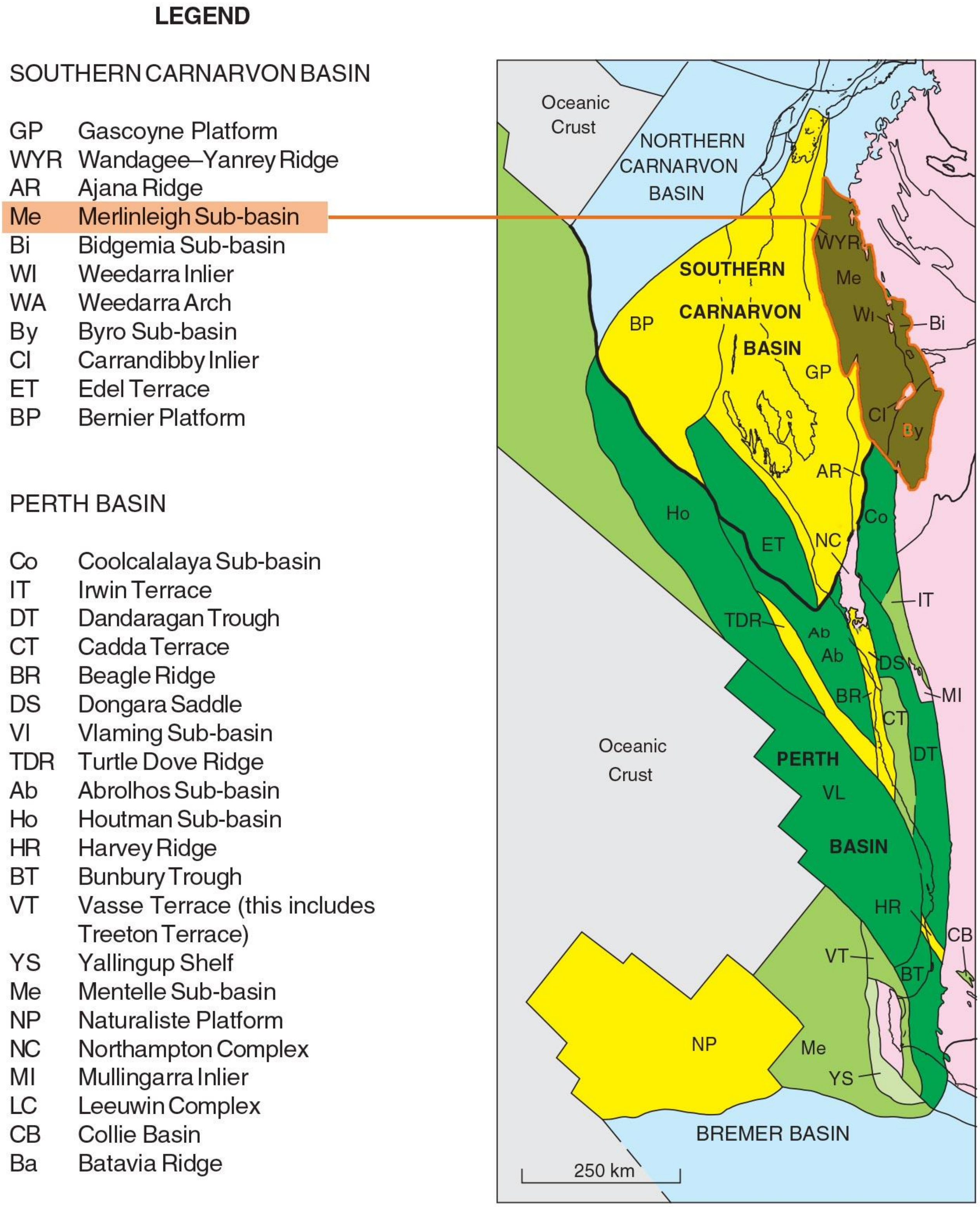


Figure 7: Boundaries and subdivisions of the Southern Carnarvon and Perth Basins stressing the location of the Merlinleigh Basin within this regional context.

Southern Carnarvon Basin

The Southern Carnarvon Basin is the southern, primarily onshore portion of the Carnarvon Basin (as defined by earlier workers) that was an active depocentre primarily in the Palaeozoic, and which contains Silurian, Devonian, Lower Carboniferous, and Upper Carboniferous – Permian sequences. It is equivalent to the 'Palaeozoic sub-basins' of authors such as Thomas and Smith (1974). A westward-thickening veneer of Cretaceous and Cainozoic rocks is present over the western half of the basin. This succession is (depositionally) a featheredge of the Northern Carnarvon Basin succession, and is only included in the Southern Carnarvon Basin for descriptive convenience. The primarily offshore Northern Carnarvon Basin, which contains a thick Mesozoic and Cainozoic succession, is here included in the Westralian Superbasin.

Gascoyne Platform

The Gascoyne Platform is a structurally elevated, fault-bounded, triangular platform which contains primarily Lower Carboniferous, Devonian, and Silurian sediments beneath Cretaceous and (in the west) Cainozoic cover. The easternmost part of the sub-basin is the Wandagee–Yanrey Ridge in the north and the Ajana Ridge in the south. These are bounded on the east by major down to the east fault systems: the Wandagee–Yanrey Fault System and the Ajana Fault System respectively. The two ridges and fault systems are absent west of Kennedy Range, and a faulted monocline bounds the sub-basin. The northwestern boundary, against the Exmouth Sub-basin, is the Rough Range Fault and associated faults. The southwestern boundary against the Edel Terrace is assumed to be a down to the west fault, although this has not been verified on seismic profiles. The western boundary is gradational, and both poorly defined and understood.

The Wandagee-Yanrey Ridge and Fault System is noted for its high uranium prospectivity.

5. LOCAL GEOLOGY

The local geology is predominantly comprised of sediments in the Merlinleigh Sub-basin.

The Merlinleigh Sub-basin is a westerly dipping half-graben complex, filled primarily by Upper Carboniferous and Permian rocks. A thick Devonian and Lower Carboniferous sequence occurs in the northern half of the sub-basin. Rocks in the sub-basin onlap Precambrian basement to the east and are bounded by the Ajana, Kennedy, and Wandagee–Yanrey Fault Systems to the west. The northern boundary of the sub-basin, with the Peedamullah Shelf, is taken at the northern margin of Permian rocks.

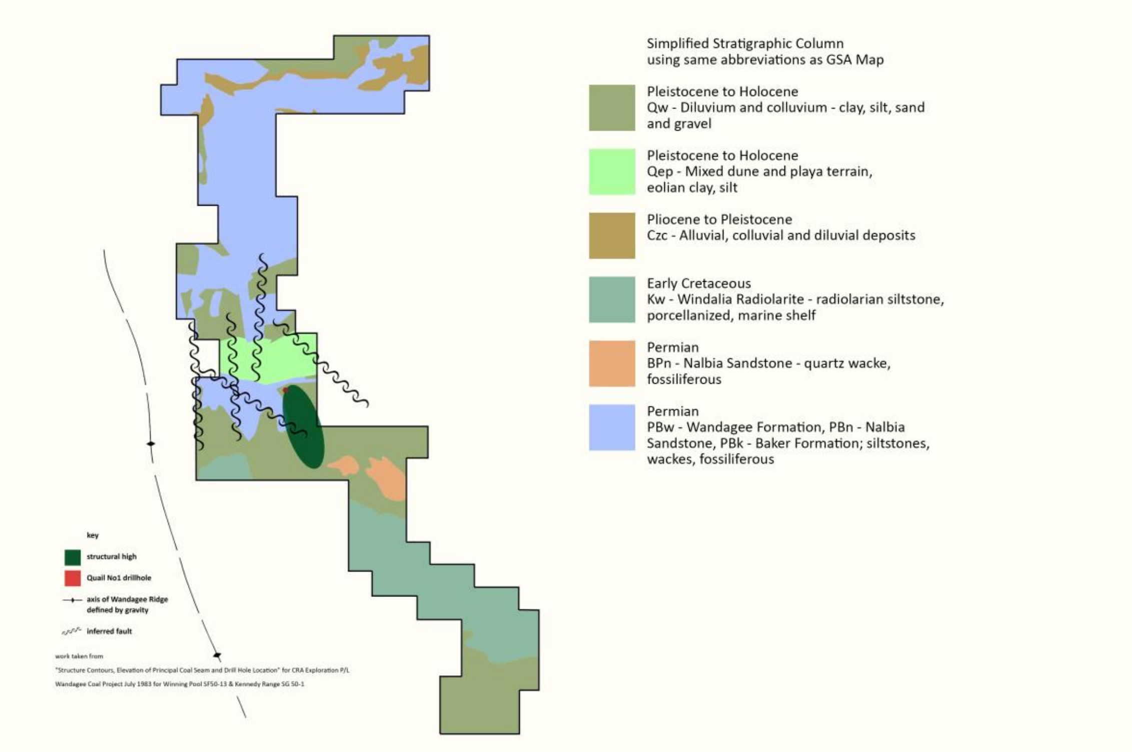


Figure 8: map summarising Geology Survey of Western Australia mapping together with a simplified view of the findings from CRA Exploration's activities in the early 80s.

The map above shows that the tenement is flanked by north-south trending structural features that have contributed significantly to the sequence of sediments and igneous intrusive bodies that are found on and adjacent to the tenement.

The Wandagee and Yanrey Fault cut through the tenement, running north to south. The Wandagee Ridge to the west of the tenement is broadly concordant with the mafic igneous rocks found to the north-west of the tenement. This ridge feature also appears to run through the evidence of kimberlite intrusive activity seen near the shearing shed (described in the section on historical work above).

The tenement is comprised predominantly of marine sediments that have been subsequently tilted so that the strike of their outcrop is broadly north-south trending. Overlying these sediments is abundant marine chert deposits. Some drilling conducted by Dampier Mining, ESSO and CRA Exploration yielded evidence of coal in the vicinity of the Quail No.1 oil well.

The chert, at first glance, appears to be composed of cryptocrystalline silica, however previous work has made it clear that it is in fact the altered silica-rich remains of microscopic animals with occasional inclusions of microscopic mineral fragments that indicate kimberlite intrusions.

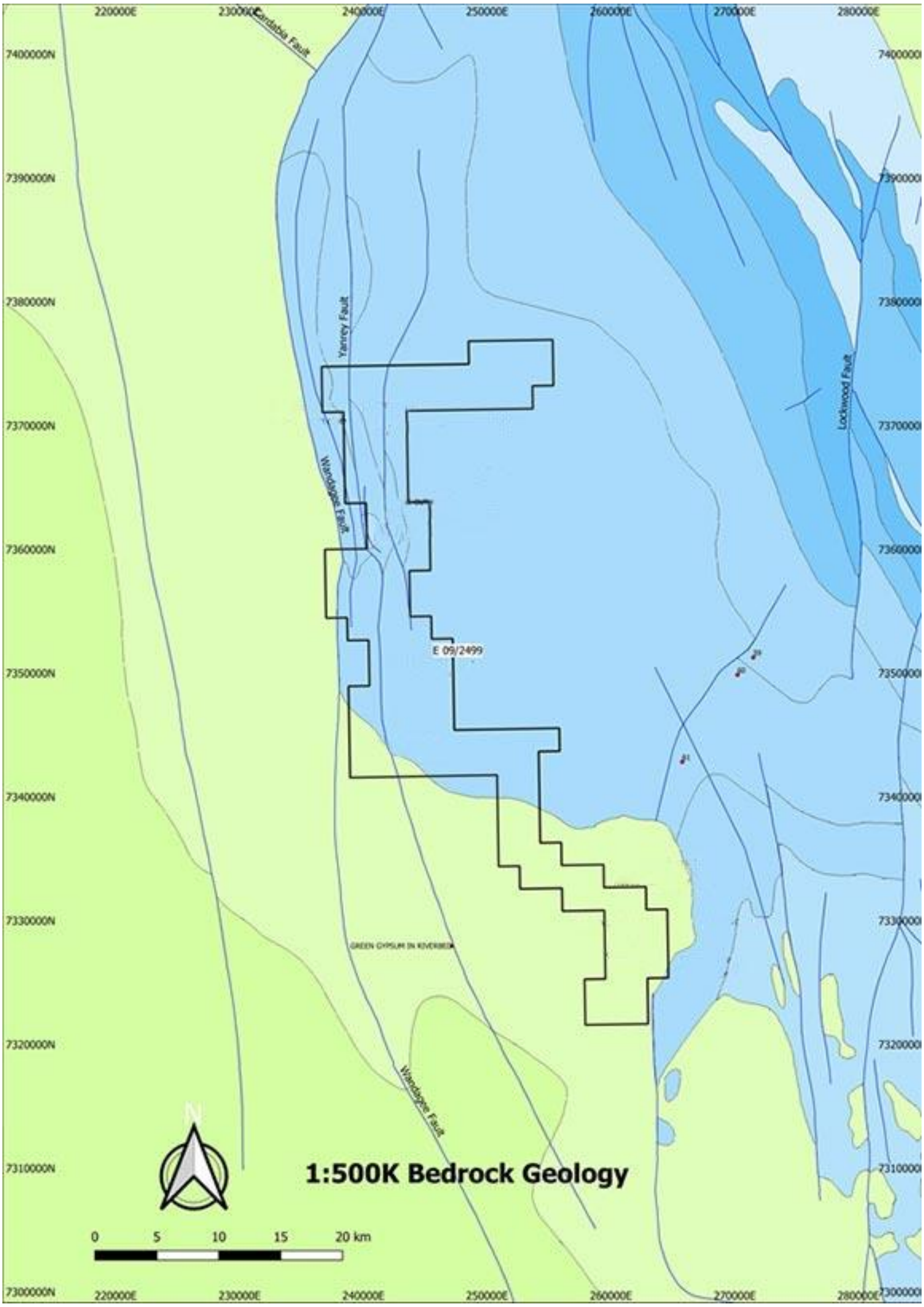


Figure 9: 1-500k Bedrock Geology for the tenement and surrounding region

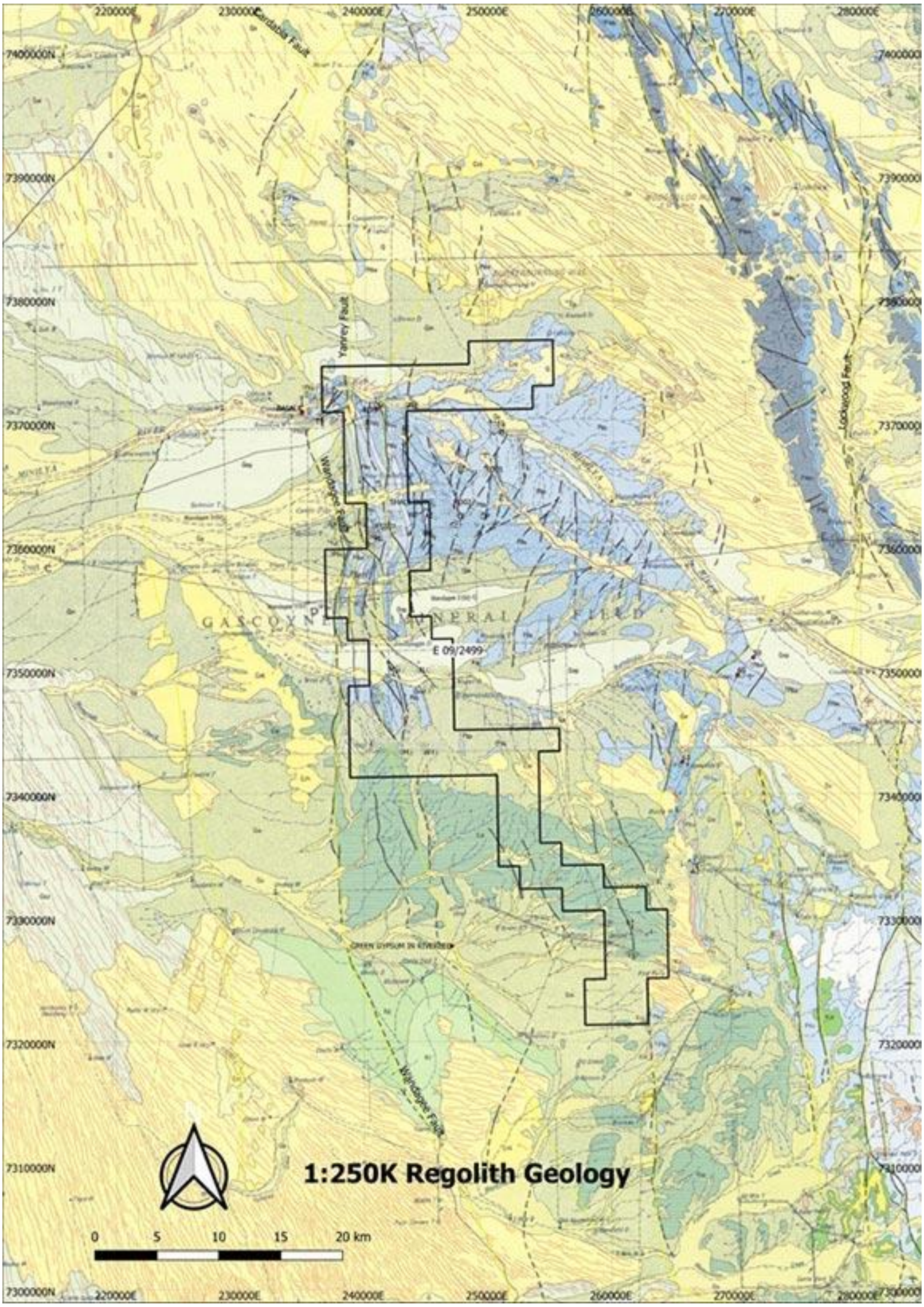


Figure 10: 1-250k Regolith Geology for the tenement and surrounding region

6. GRAVITY

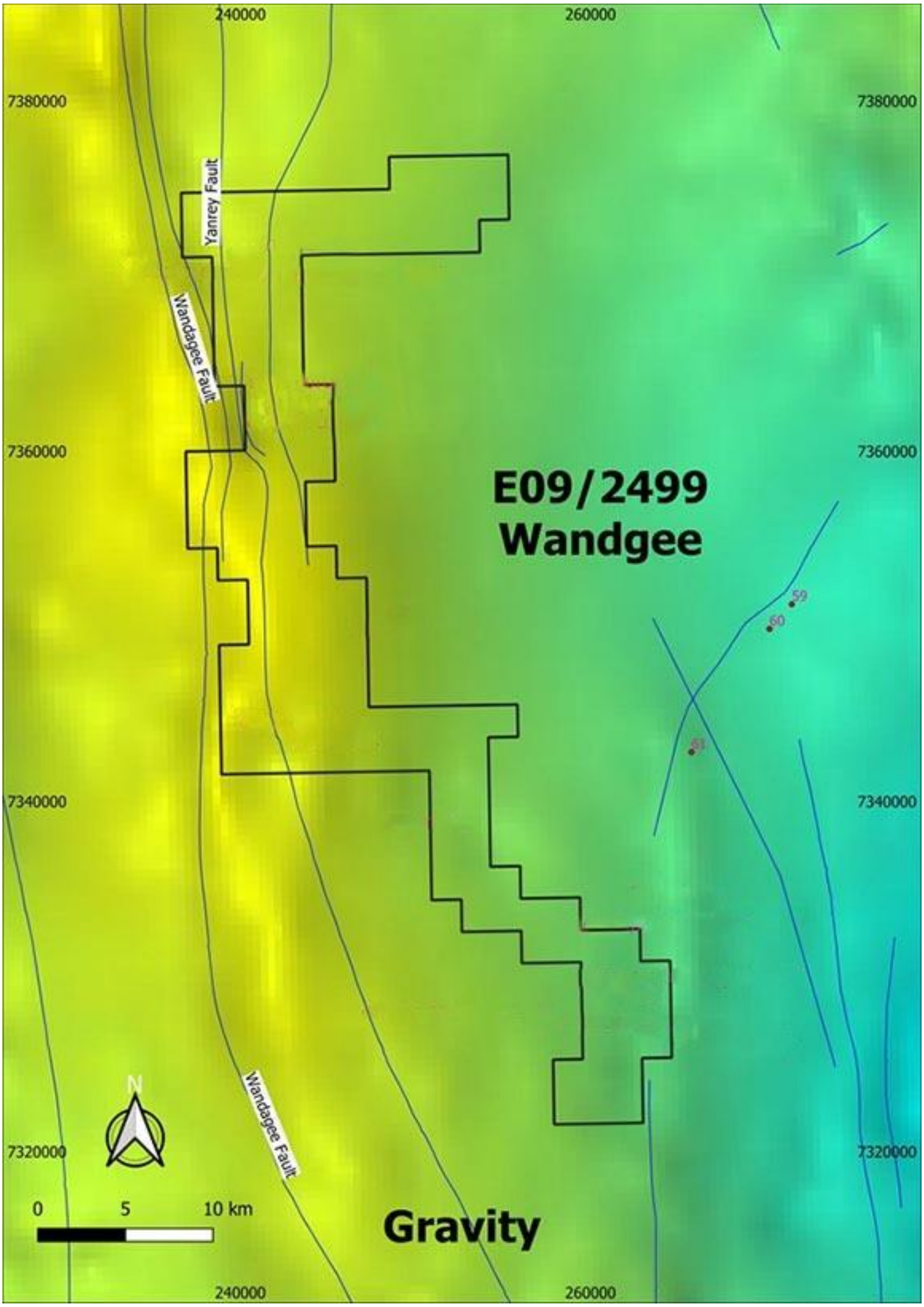


Figure 11: Gravity survey for the tenement and surrounding region

7. MAGNETICS

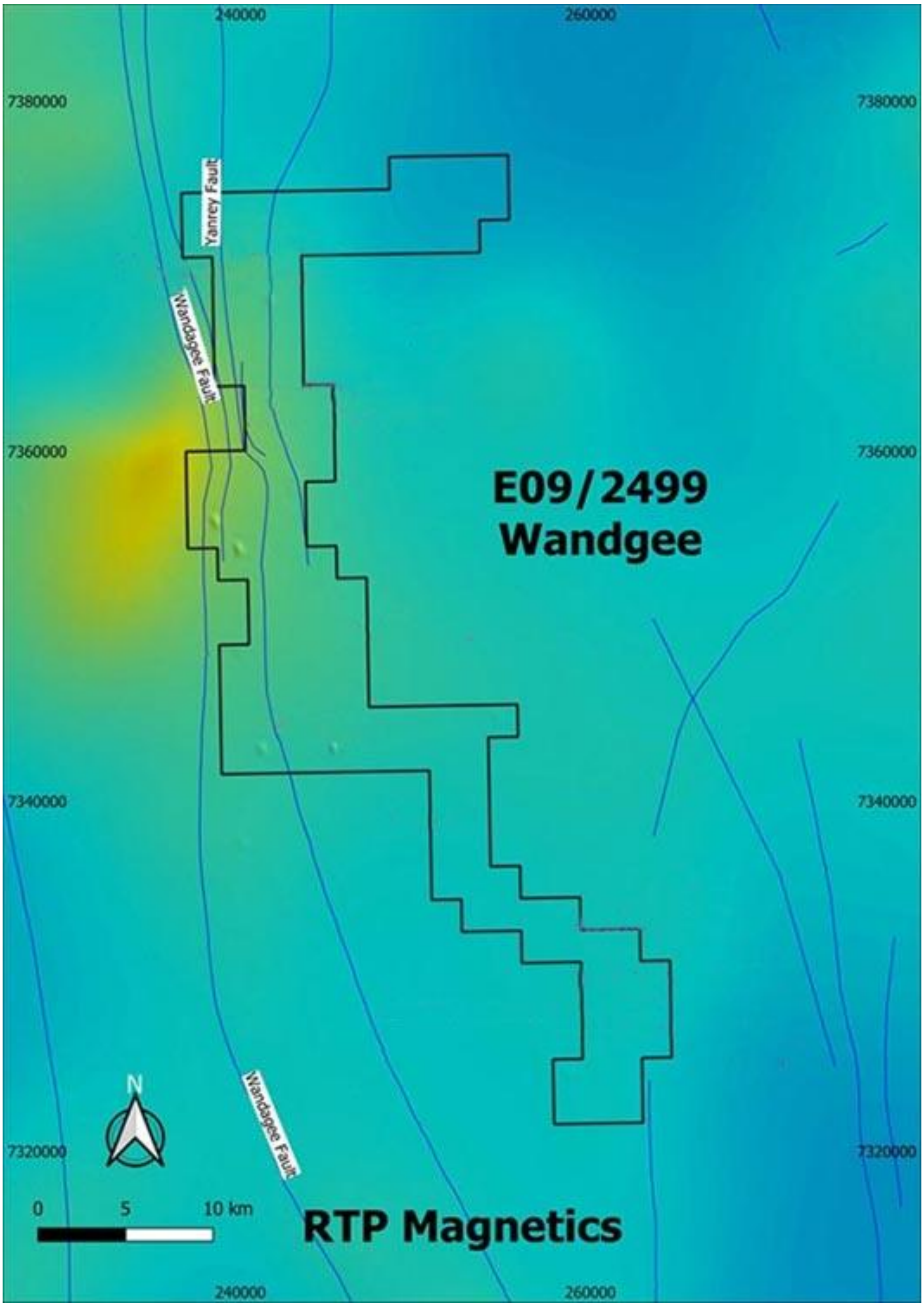


Figure 12: Reduction to the pole magnetics survey for the tenement and surrounding region

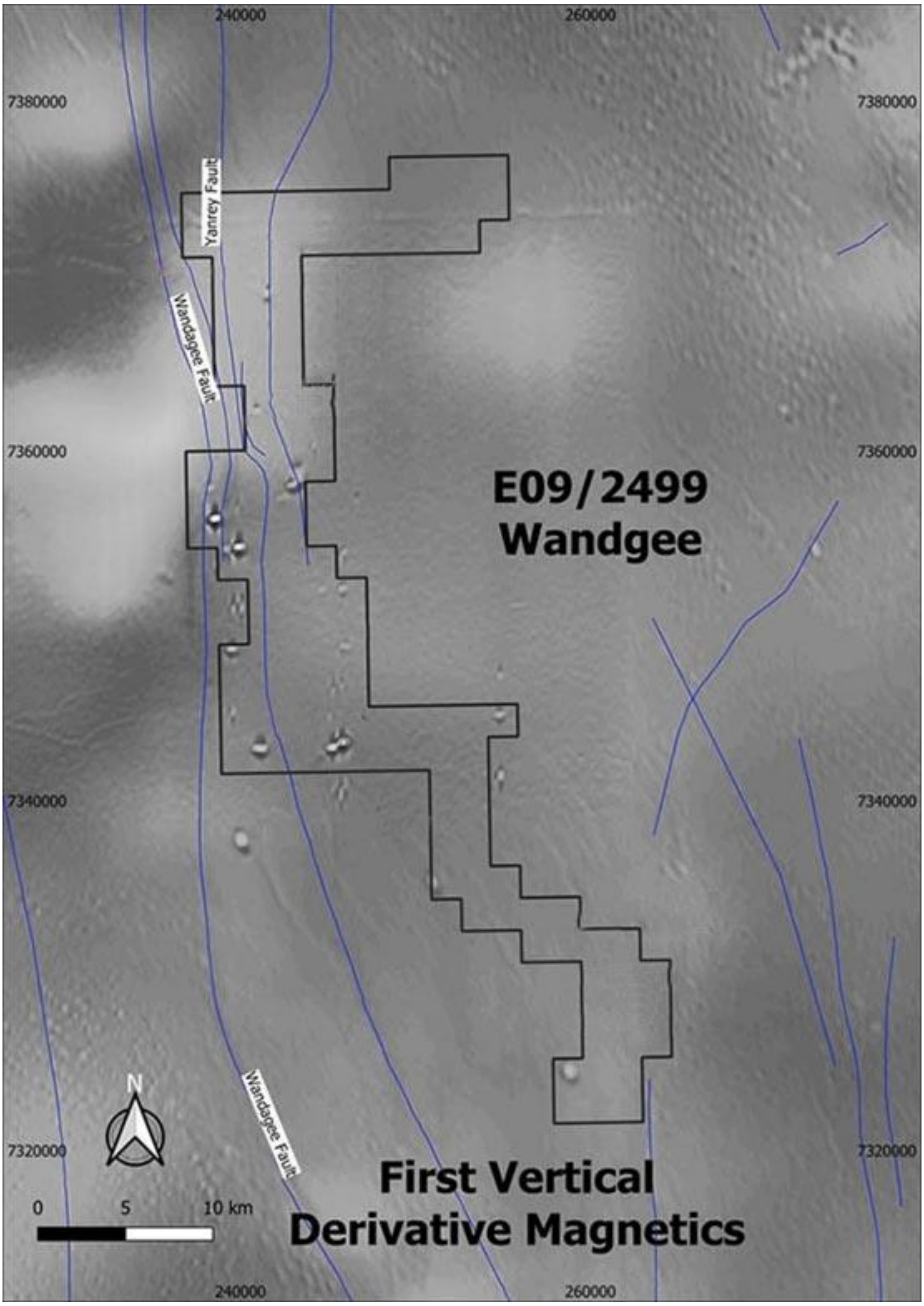


Figure 13: Reduction to the pole magnetics survey for the tenement and surrounding region, first vertical derivative. Note the conspicuous presence of bright spots in this image that map convincingly over the locations identified on minedex for diamonds.

8. FIELD INVESTIGATIONS

HGS geologist John Lamerand traversed the Tenement and its surrounds and collected the samples as per map location on the figure below:

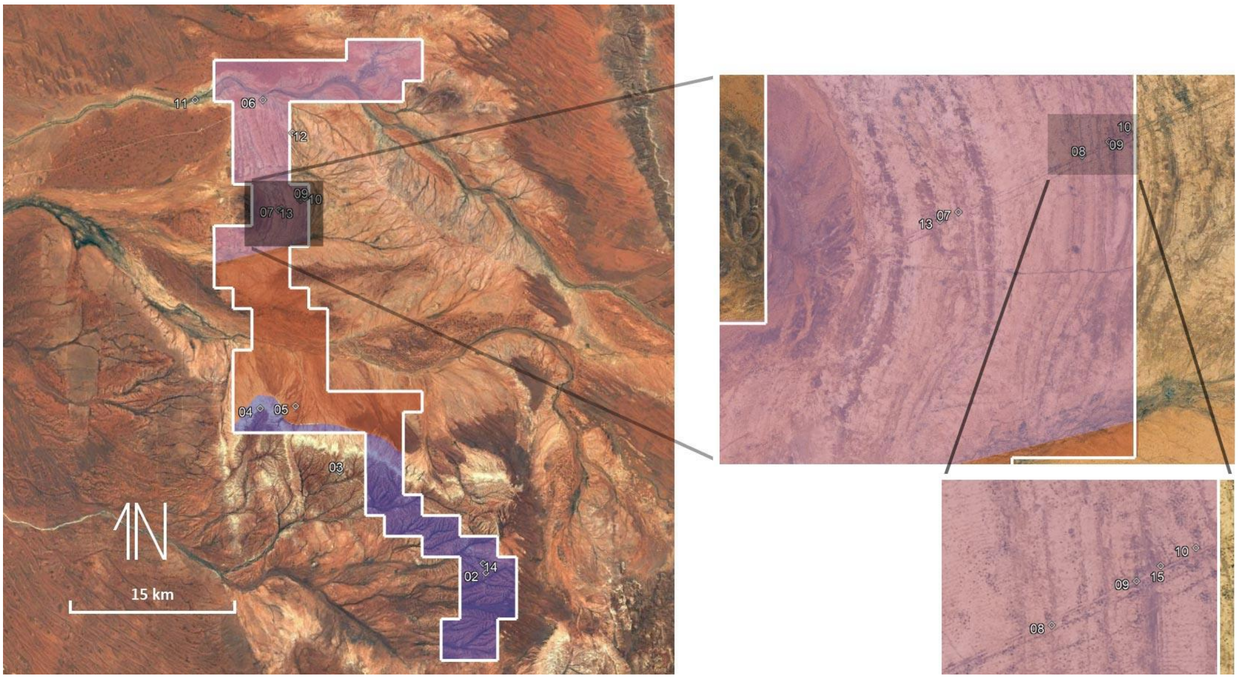


Figure 14. Sample Location Map as traversed by the HGS geologist

8.1 Areas Traversed

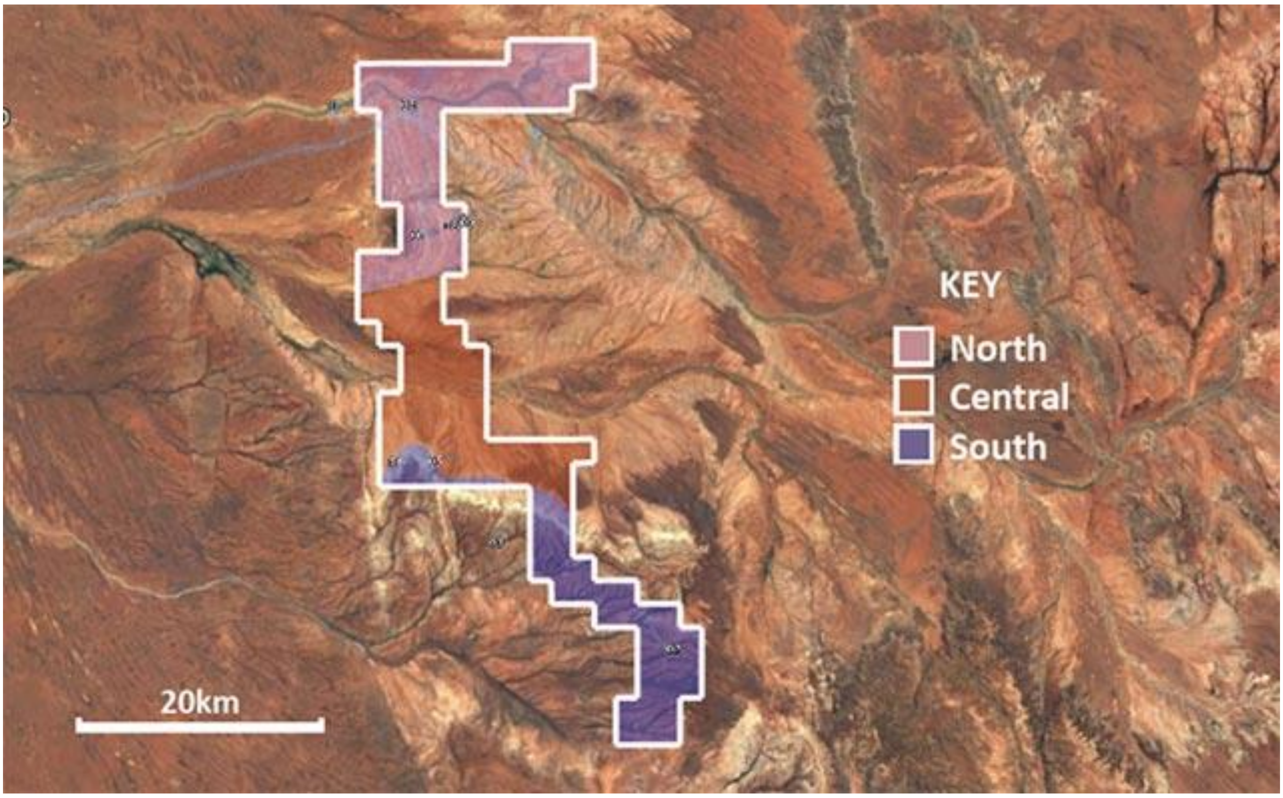


Figure 15: the tenement divided into three broad geological domains based on surface geology

Fundamentally, the tenement can be broken into three geological domains; a northern, central and southern domain. The north features a 20km-long series of steeply dipping outcrops of sedimentary rock, buried at the northern-most extent by geologically recent sand dunes. The overall trend of these outcrops could be loosely described as north-south trending.

The central region, by contrast, is characterised by wind-blown clays and silts and a cover of rubble, termed ‘colluvium’. While there are some outcrops of the same rocks seen in the northern domain these are much less clearly exposed in the central domain.

The southern domain is dominated by a material that looks like chert. While the chert appears to be reasonably uniform there is microscopic evidence of potentially diamond-bearing material in the vicinity.

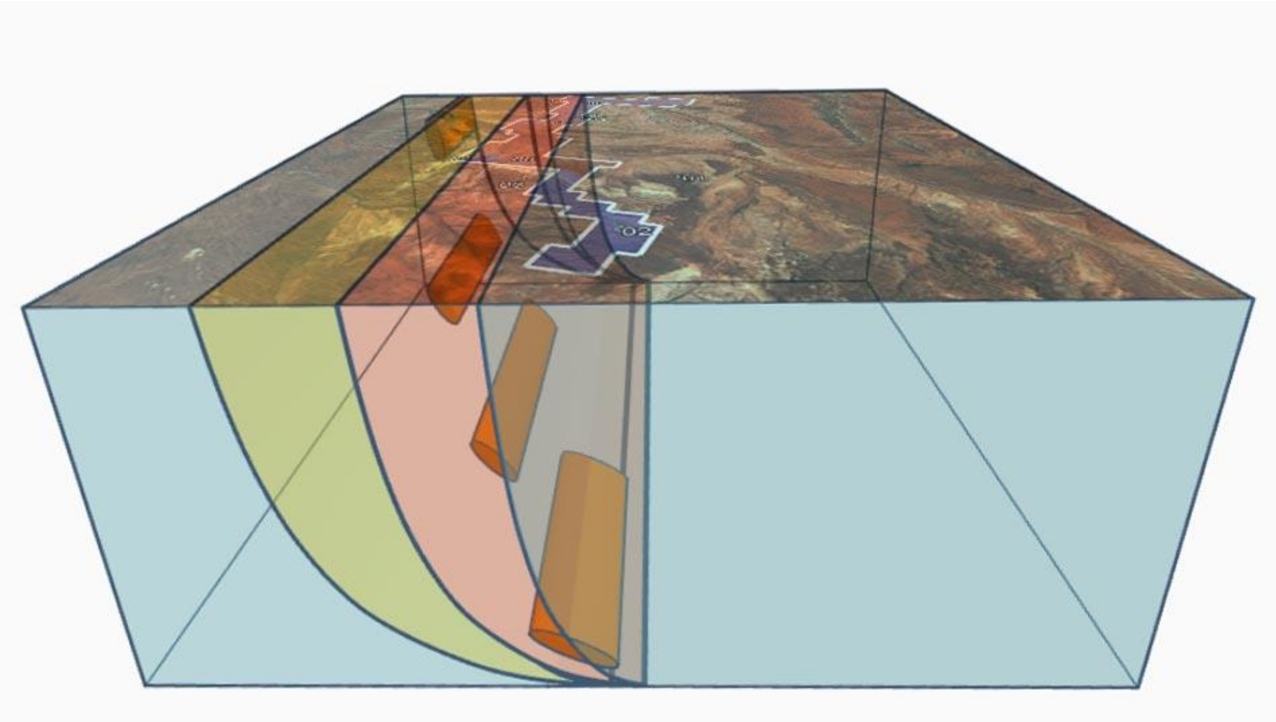


Figure 16: A possible model for kimberlite intrusions indicating possible pathways for base metal conduits. Of particular interest is the 'cartoon' representation of lystric faulting, giving rise to horst-graben structures in the Merlinleigh sub-basin. Note: this diagram is intended as an aid to understand a possible mechanism and is not based directly on field evidence. Existing drilling was in pursuit of coal seams so geology below the Permian was not pursued.

8.1.1 North Area

The majority of the sediments represented in the northern domain of the tenement were laid down when Australia was still connected to Antarctica during a time called 'The Permian'. Earlier, half a billion years ago, Australia had become very close to the landmass that became India. Indeed, India, Antarctica and Australia were pushed up against each other. The north-south faulting that is such a prominent feature running north-south through the tenement and its margins was very prominent at this time. The structural basins that the Permian deposits formed in are extensive and have a history spanning hundreds of millions of years. In the tenement the outcropping Permian sediments contain some marine fossils however for the most part the sediments are non-fossil bearing mudstones, siltstones and sandstones. Some of these sediments appear to have been cooked through metamorphism to form low-grade shales.

8.1.2 Central Area

As we described in the introductory paragraph, the central domain is characterized by a tremendous amount of colluvium, soil, wind-blown clays and silts. Compared with the 150-million-year-old rocks that dominate the northern domain the material covering much of the central domain ranges in age between recent and 70 million years old. Sand dunes are still moving across the terrain and in places they make travel into the central part of the tenement rather difficult by car. Some of the Permian material that is featured in the northern area can also be seen in the southern part of the central domain but the outcrop is less clear and for the most part the more recent material obscures it.

8.1.3 South Area

The southern domain is dominated by 100 to 140 million-year-old marine chert. This porcelain-like material is composed largely of the remains of microscopic animals called Radiolaria. The radiolarian material was deposited in an ocean environment however there is evidence of a peculiar kind of igneous activity that is preserved in this ocean sediment. At a location either on or close to the tenement a kimberlite intrusion formed at some time prior to the radiolarian chert being deposited. Many kimberlites are known sources of diamonds.

9. HERITAGE AREAS

Due care was made to ensure that sites of Indigenous heritage interest were not transgressed. Areas declared to be of Indigenous heritage interest were flagged in the GPS. Crucially, GPS records show that no site of Indigenous interest was driven over or visited.

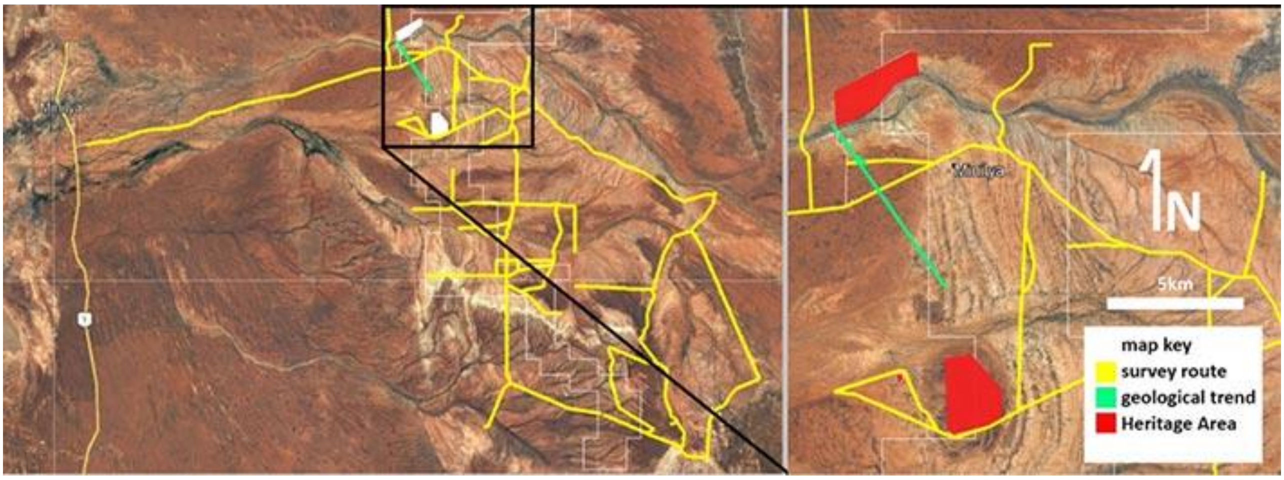


Figure 17: A map indicating routes taken and known sites of Indigenous heritage interest. It is important to note how the survey route does not intersect any heritage area.

10. SAMPLING

10.1 Sample Collection

The field samples collected during this site visit are recorded in this report in Appendix 1.

10.2 Analytical Results

No samples were taken to the laboratory at this stage.

11. CONCLUSIONS

This tenement may yield promising results should further investigation be undertaken. The field work conducted in 2021 confirmed many of the historical observations made about the local geology. With the benefit of advancements in exploration techniques the kimberlite and heavy metal potential of this terrain might be more clearly delineated.

12. RECOMMENDATIONS

Follow-up field work and deep hole drilling is warranted to basement structures for mineralisation.

Further literature reviews of existing drillholes and site investigation of drillhole spoil of same within the tenement may yield valuable insight.

As the surficial cover appears thick and not enough outcrops from basement rocks below the Permian Basin it is highly recommended to reprocessed existing ground magnetics and gravity data.

Drilling should aim to intersect targets below the Permian cover. The main targets are the structural faults and splay faults feathering off the main regional fault (Wandagee Fault).

13. REFERENCES

Annual Report to December 20, 1980. Stockdale Prospecting Limited Temporary Reserves 7353H to 73548 inclusive, Winning Pool (Rep. No. M2549/2 A 9588 I:1651). (n.d.). Western Australia.

Gregory, C. J. (March 1981). Annual Report on Exploration Completed within mineral claims 09/2199-2216 & 09/3082-3106 Wandagee, Winning Pool and Kennedy Range, Western Australia. CRA Exploration P/L.

Thomas, B. M., and Smith, D. N., 1974, A summary of the Petroleum Geology of the Carnarvon Basin: APEA Jour., V. 14, pt. I, p. 64-76.

APPENDIX 1 – SAMPLING

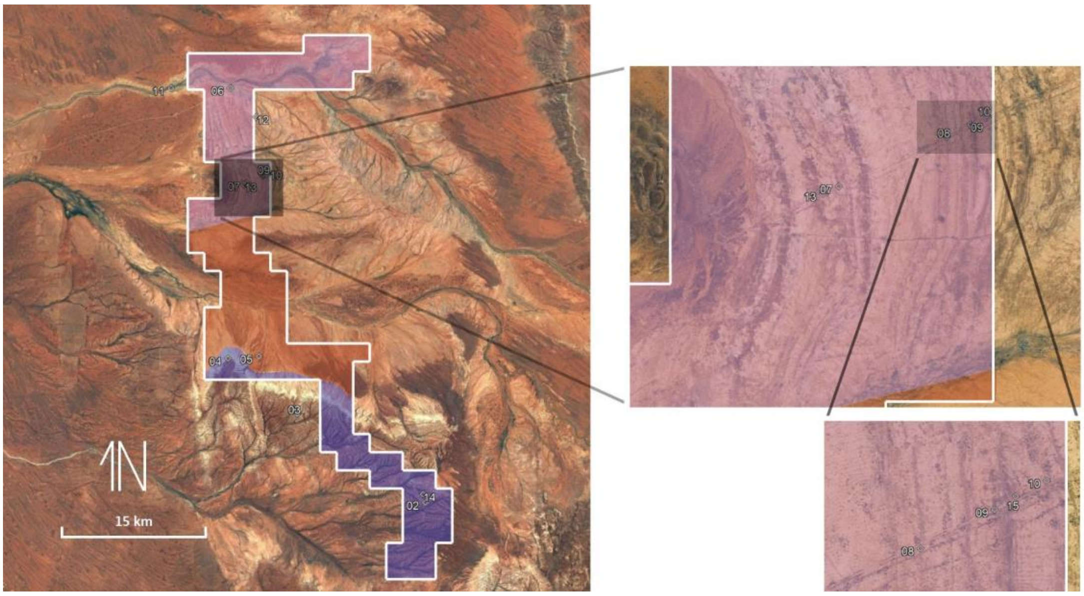


Figure 18. map of sample locations, per Figure 14, presented again here so that it can be compared with the table below.

location ID	location description	Easting	Northing	zone
1	sand dune	262801.24 m E	7342858.39 m S	50 J
2	chert in shear	261811.87 m E	7329441.40 m S	50 K
3	chert outcrop on hill	241320.67 m E	7343758.78 m S	50 K
4	chert scree	244491.12 m E	7344024.20 m S	50 K
5	sandstone	241076.74 m E	7371286.09 m S	50 K
6	siltstone	242913.21 m E	7361618.92 m S	50 K
7	gypsum	244606.06 m E	7362421.49 m S	50 K
8	sandstone	243785.77 m E	7368390.26 m S	50 K
9	marine fossil beds	242660.10 m E	7361498.49 m S	50 K
10	siltstone outcrop	245230.05 m E	7362768.52 m S	50 K
11	mafic outcrop	234999.42 m E	7371184.96 m S	50 K
12	sandstone outcrop	261811.00 m E	7329441.00 m S	50 J
13	green chert	263110.54 m E	7326880.24 m S	50 K
14	scree under plants	261549.00 m E	7330282.00 m S	50 J
15	siltstone outcrop	245077.52 m E	7362687.10 m S	50K

Figure 19. Location IDs and their corresponding grid locations

Figure 20. Location 1: Sand Dune

Zone	**50 J**
Easting	**262801.24 m E**
Northing	**7342858.39 m S**

Sand dunes obscure some of the geology on the tenement. This dune prevented access to an eastern portion of the tenement. Future work would benefit from the use of all-terrain vehicles ('quad bikes').

Figure 21. Location 2: Chert in shear

Zone	**50 K**
Easting	**261811.87 m E**
Northing	**7329441.40 m S**

A chert, identical to the sample described above, is represented here within a structure exposed due to road-making. There is clear evidence of shearing at this location.

Figure 22. Location 3: Radiolarian chert outcrop on hill

Zone	**50 K**
Easting	**241320.67 m E**
Northing	**7343758.78 m S**

At this location the radiolarian chert ranges in colour from a pale cream colour through to caramel and dark brown. This change in colour might indicate a change in the material held up within the chert on a microscopic scale.

Figure 23. Location 4: chert scree

Zone	**50 K**
Easting	**244491.12 m E**
Northing	**7344024.20 m S**

At this location the radiolarian chert ranges in colour from a pale cream colour through to caramel and dark brown. This change in colour might indicate a change in the material held up within the chert on a microscopic scale. There is no clear outcrop of chert at this location. Instead, it appears that the chert has been derived as tallus from the nearby hill.

Figure 24. Location 5: sandstone

Zone	**50 K**
Easting	**241076.74 m E**
Northing	**7371286.09 m S**

At this location there is a fine sand-sized siliciclastic rock with mm-scale bedding evident, some hummocky cross-stratification evident.

Figure 25. Location 6: siltstone

Zone	**50 K**
Easting	**242913.21 m E**
Northing	**7361618.92 m S**

At this location there is a fine silt-sized siliciclastic rock with mm-scale bedding evident, some hummocky cross-stratification evident. It might be worthwhile testing this sample for calcium carbonate content. The rock did not fizz when weak hydrochloric acid was applied.

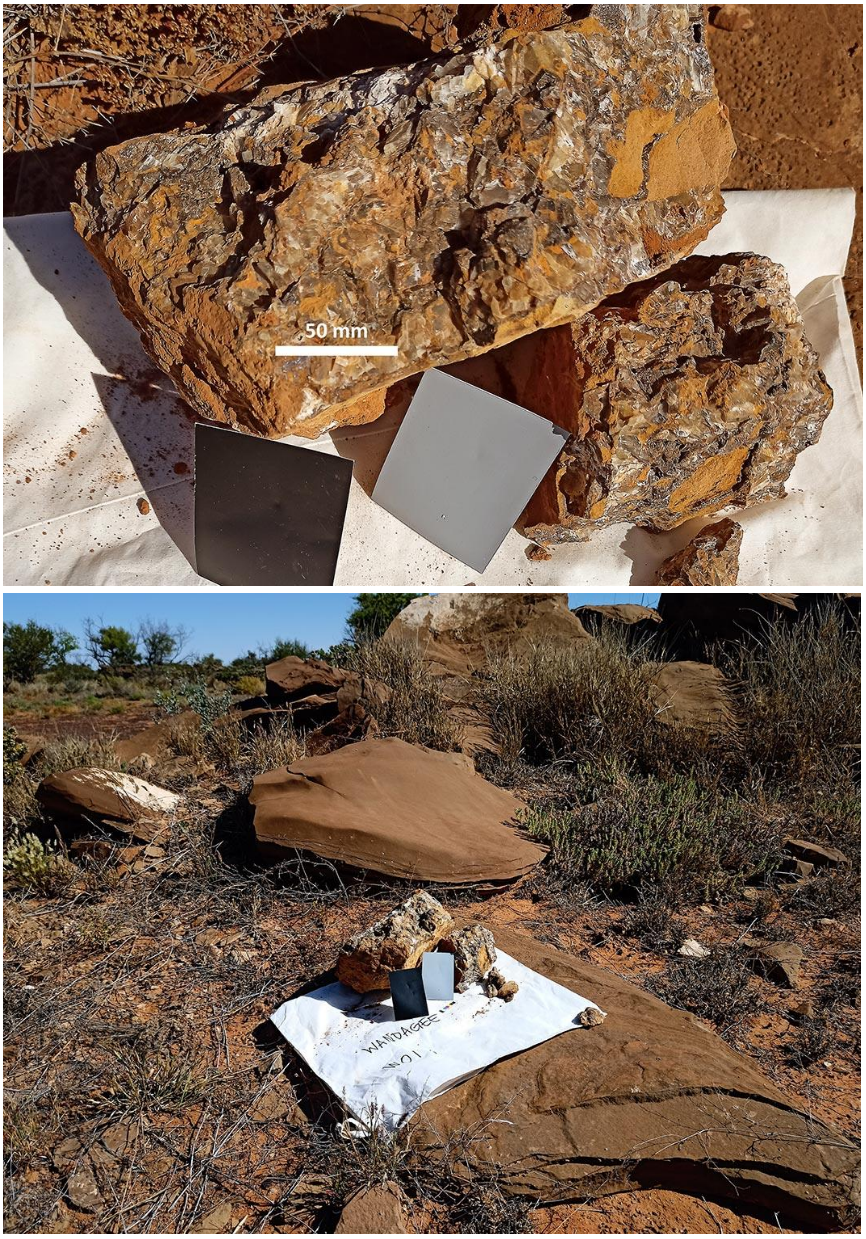


Figure 26. Location 7: gypsum/ halites

Zone	**50 K**
Easting	**244606.06 m E**
Northing	**7362421.49 m S**

At this location there are cm-scale gypsum crystals intergrown in 100mm thick bed occurring over wide extent based on view from the road.

Figure 27. Location 8: sandstone

Zone	**50 K**
Easting	**243785.77 m E**
Northing	**7368390.26 m S**

Sandstone: outcrop of fine sand-sized siliciclastic rock with mm-scale bedding evident, some hummocky cross-stratification evident.

Figure 28. Location 9: fossiliferous siltstone

Zone	**50 K**
Easting	**242660.10 m E**
Northing	**7361498.49 m S**

Abundant fossil-rich rocks in loose material on the surface. There are no obvious outcrops of this material – the site is reasonably flat, with loose hand-sized fragments lying on top of soil cover. Specimens collected contain crinoid stems, spriferid brachiopods, bryozoan fossil assemblage indicating a marine environment, dated earlier than the mid Jurassic.

Figure 29. Location 15: siltstone outcrop

Zone	**50 K**
Easting	**245077.52 m E**
Northing	**7362687.10 m S**

This location features an ultra-fine-grained sediment, outcropping over a wide extent (up to 20km along strike, trending roughly north-south).

Figure 30. Location 10: shale and siltstone outcrop

Zone	**50 K**
Easting	**245230.05 m E**
Northing	**7362768.52 m S**

This location features a reasonable amount of grading, with rocks ranging grain size from fine to moderately coarse. Parts of the outcrop appear to have a 'shaley' appearance. There is some hummocky cross-stratification evident, as illustrated in the photograph above.

Figure 31. Location 11: mafic igneous rock

Zone	**50 K**
Easting	**234999.42 m E**
Northing	**7371184.96 m S**

Figure 32. Location 12: sandstone

Zone	**50 K**
Easting	**261811.00 m E**
Northing	**7329441.00 m S**

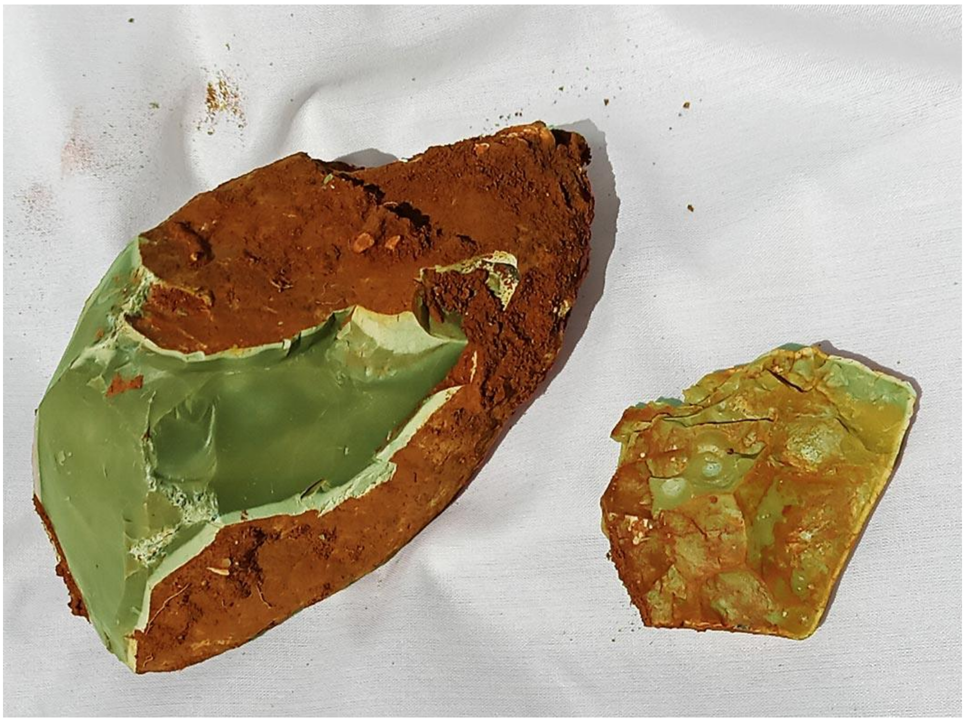
Sandstone outcrop, 10mm to 50mm thick layers standing parallel, extending for up to 20km along a roughly north-south trend.

Figure 33. Location 14: scree under heavy plant cover

Zone	**50 J**
Easting	**261549.00 m E**
Northing	**7330282.00 m S**

Heavy rains this year have led to a good part of the tenement being carpeted in vegetation. This cover made geological reconnaissance work more difficult. For much of the three days spent on, and adjacent to the tenement soil and outcrop was obscured by a thick carpet of shrubs, grasses and wildflowers.

Some chert scree evident on ‘road’ at this point



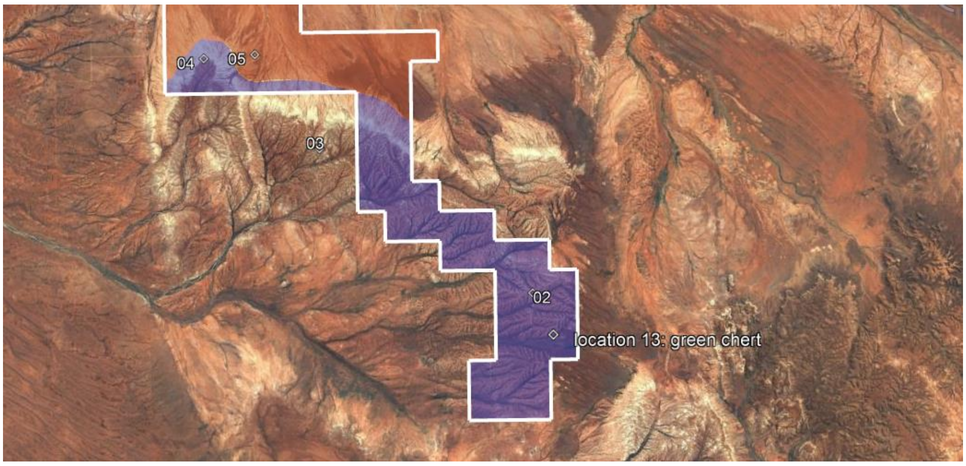


Figure 34. Location 13: green chert

Zone	**50 K**
Easting	**263110.54 m E**
Northing	**7326880.24 m S**

Abundant porcelainized radiolarite along track exemplified by sample collected at this location. The sample features an olive green colour, a pale clast margin, and provides evidence that much of the surrounding area features green chert talus derived from nearby outcrop. The radiolarite has a distinctive cherty appearance and according to previous test work, may contain kimberlite indicator minerals within what, on first inspection, looks like a cryptocrystalline rock mass.