

9th July 2018

## Further Cadoux drilling results demonstrate suitability of feedstock for HPA refining

FYI Resources Limited (the “**Company**” or “**FYI**”) is pleased to provide the balance of the analytical results from the recent reverse circulation (RC) drilling program at the Company’s 100% owned Cadoux kaolin project (EL/4673) in Western Australia.

The analysis results confirm the high-grade nature of the Cadoux resource and supports FYI’s view on the qualities and characteristics of the kaolin as suitable feedstock for high purity alumina (HPA) (99.99% purity alumina) production utilizing an innovative process flowsheet being refined by the Company.

Whilst some minor delays in the metallurgical testwork was experienced due to the delay in receiving the analytical results, the overall flowsheet development continues to progress well with technical achievements exceeding the prefeasibility study managers’ expectations.

A total of 75 RC drill holes for 1,613m were completed. All holes were vertical and drilled to depths of 12m to 36m. Most drill holes intersected over 4m thickness of kaolin with several intersections of >27m thickness of kaolin. The drilling comprised:

- 46 holes were completed to infill a portion of the existing Mineral Resource to a 50m x 50m drill spacing.
- 20 fence holes were drilled around the existing resource beyond the previously tested area.
- Six twin holes were completed to check the results of the previous phase of aircore drilling.
- 3 holes were drilled over the remainder of the Mineral Resource at 100m x 100m.

With the all assays now received, two immediate courses of action will be undertaken:

- the metallurgical high level variability test work and trade-off studies will be finalised; and
- the results of the assays will be compiled and incorporated into a revised resource model for the Cadoux kaolin project by FYI’s independent geological consultant, CSA Global. The revised Mineral Resource will be released to the market once it is completed.

The drilling program was designed as a crucial component to augment FYI’s metallurgical study program and development of a robust HPA production strategy. FYI will continue refining of the HPA process flowsheet and progress the HPA production strategy.

The results for the final batch of drill samples are set out in Table 1 below.

### **CCRC -028 – Typical soil and kaolin profile at Cadoux project**



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**Mr Roland Hill, FYI's Managing Director, commenting on the additional results said** "The balance of the analysis for the RC drilling is consistent with the previous campaign results and continues to support our opinion on the very favourable characteristics of the Cadoux deposit as a source of feedstock for the innovative HPA flowsheet we are developing. Understanding the geology and mineralogy of the project is fundamental to the success of the HPA refining and we are very pleased with the quality of the results for our development strategy."



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#### **About FYI Resources Limited**

FYI's is positioning itself to be a significant producer of high purity alumina (4N or HPA) in a rapidly developing LED, electric vehicle, smartphone and television screen as well as other associated high-tech product markets.

The foundation of the HPA strategy is the superior quality aluminous clay (kaolin) deposit at Cadoux and positive response that the feedstock has to the Company's moderate temperature, atmospheric pressure HCl flowsheet. The strategy's superior quality attributes combine resulting in world class HPA project potential.

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### Competent person statement

The information in this release that relates to the Cadoux Mineral Resource is based upon information from the Company's announcement dated 8 May and 26 July 2017 and is available to view on the Company's website at [www.fyiresources.com.au](http://www.fyiresources.com.au). The information that relates to Mineral Resources is based on information compiled by Mr Andrew Kohler, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Kohler is an employee of Strategic Resource Management, and consultant to the Company. The Mineral Resource estimate complies with recommendations in the Australian Code for Reporting of Mineral Resources and Ore Reserves (2012) by the Joint Ore Reserves Committee (JORC). Mr Kohler consents to the inclusion of the report in the form and context in which it appears. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The information in this announcement that relates to Exploration Results is based on information compiled by Mr Andrew Kohler. Mr Kohler has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity that he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. The exploration results comply with recommendations in the Australian Code for Reporting of Mineral Resources and Ore Reserves (2012) by the Joint Ore Reserves Committee (JORC). Mr Kohler consents to the inclusion of the report in the form and context in which it appears.

TABLE 1

FYI RC drilling results – 2 metre composites (balance from May 2018 program refer to announcement 25 June 2018 for initial results)

ELEMENTS	Al2O3	Fe2O3	K2O	LOI	MgO	MnO	P2O5	SiO2	TiO2
UNITS	%	%	%	%	%	%	%	%	%
DETECTION	0.01	0.01	0.01	0.01	0.01	0.01	0.002	0.01	0.01
METHOD	FB1/XRF	FB1/XRF	FB1/XRF	/TGA	FB1/XRF	FB1/XRF	FB1/XRF	FB1/XRF	FB1/XRF
SAMPLE NUMBERS									
<b>Hole# CXRC050 (from 4m- 22m)</b>									
10596	21.26	7.11	0.1	8.66	0.12	X	0.005	61.68	0.86
10597	12.44	1.24	0.05	4.75	0.07	X	0.002	80.26	0.74
10598	25.45	0.78	0.09	9.35	0.06	X	0.06	63.2	0.68
10599	9.68	0.7	0.03	3.63	0.04	X	0.006	84.77	0.95
10600	30.17	0.76	0.14	11.2	0.09	X	0.19	55.52	1.48
10565	26.55	0.74	0.15	9.88	0.15	X	0.089	62.01	0.4
10566	22.25	0.85	0.16	8.33	0.07	X	0.073	67.65	0.41
10567	20.31	1.22	2.24	6.59	0.07	0.01	0.076	68.43	0.52
10568	18.01	1.16	4.97	4.23	0.08	0.01	0.079	69.84	0.58
<b>Hole# CXRC053 (from 4m – 30)</b>									
10608	8.79	0.89	0.07	3.28	0.08	X	0.004	86.29	0.66
10609	6.9	0.5	0.02	2.52	0.04	X	0.004	89.29	0.67
10610	28.33	1.1	3.57	8.16	0.91	X	0.051	55.77	1.51
10611	5.81	0.41	0.01	2.2	0.04	X	0.006	90.21	0.9
10612	15.8	0.77	0.1	5.67	0.05	X	0.018	76.58	1
10613	25.32	0.79	0.11	9	0.06	X	0.023	64.06	0.48
10615	28.14	0.93	0.1	10.01	0.07	0.01	0.023	60.15	0.55
10614	26.39	0.4	0.29	9.47	0.05	X	0.018	63.18	0.15
10616	27.62	0.66	0.75	9.63	0.05	0.01	0.037	60.33	0.5
10617	18.56	0.73	3.41	5.22	0.04	0.02	0.03	70.51	0.83
10618	20.16	0.67	3.63	5.7	0.05	0.01	0.025	68.6	0.61
10619	19.22	0.97	4.75	4.88	0.04	0.01	0.035	69.23	0.53
10620	17.77	0.75	4.95	4.28	0.04	0.01	0.035	71.3	0.36
10621	18.63	0.77	4.75	4.04	0.17	0.01	0.054	69.8	0.32
<b>Hole# CXRC046 (from 4m – 32m)</b>									
10512	10.32	0.54	0.05	3.87	0.05	X	0.014	83.27	1.69
10513	28.47	0.89	0.04	10.16	0.05	0.01	0.073	58.78	1.29
10514	28.69	0.68	0.07	10.35	0.06	0.01	0.101	58.36	1.4
10515	26.98	0.96	0.08	9.63	0.05	0.02	0.071	60.96	1.28
10516	26.79	0.56	0.08	9.8	0.05	0.02	0.076	61.2	1.25
10517	23.45	1.22	0.38	8.45	0.07	0.01	0.076	65.32	0.57
10518	20.35	0.65	1.54	6.78	0.05	X	0.079	69.91	0.27
10519	23.89	0.78	1	8.31	0.05	0.02	0.141	64.16	1.11
10520	22.54	0.75	1.91	7.5	0.05	0.01	0.148	65.8	0.93
10521	19.87	1.72	2.7	6.09	0.04	0.02	0.096	68.5	0.76
10522	21.46	1.07	1.62	7.26	0.04	0.02	0.075	67.05	1.03
10523	19.76	1.68	2.6	6.06	0.04	0.02	0.05	68.04	0.96
10524	18.62	0.6	3.74	5.21	0.03	0.02	0.045	70.04	0.91

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10525	21.48	2.5	1.38	6.85	0.26	0.03	0.116	64.74	1.42
<b>Hole# CXRC047 (from 4m – 26m)</b>									
10530	28.4	1.11	3.56	8.16	0.92	X	0.052	55.65	1.51
10531	12.04	1.94	0.16	4.61	0.12	X	0.01	79.84	0.76
10532	6.59	0.68	0.07	2.46	0.05	X	0.006	89.13	0.78
10533	6.24	0.52	0.02	2.29	0.04	X	0.006	89.36	1.16
10534	32.95	0.58	0.08	11.82	0.07	X	0.024	53.61	0.78
10535	33.58	0.54	0.1	11.94	0.09	X	0.039	52.38	0.97
10536	27.89	0.65	0.74	9.73	0.2	X	0.035	59.39	1.02
10537	26.77	0.84	1.02	9.22	0.17	0.01	0.05	60.16	1.11
10538	29.48	0.46	0.64	10.41	0.08	X	0.054	57	1.01
10539	27.09	0.77	1.2	9.3	0.06	0.02	0.039	59.96	1.16
10540	27.12	0.56	1.85	9.14	0.06	0.01	0.073	59.65	1.19
10541	22.63	1.53	2.57	6.92	0.2	0.02	0.251	63.47	1.38
<b>Hole# CXRC048 (from 4m-24m)</b>									
10545	13.98	7.81	0.12	6.56	0.16	X	0.006	70.08	0.79
10546	10.23	0.97	0.03	3.97	0.06	X	0.002	82.9	0.99
10547	7.29	0.68	0.03	2.79	0.05	X	0.003	87.99	0.64
10548	9.89	0.5	0.02	3.8	0.04	X	0.007	84.3	0.96
10549	25.81	1.08	0.09	9.23	0.06	0.01	0.013	62.43	0.68
10551	26.75	0.83	0.45	9.41	0.06	X	0.015	61.32	0.71
10552	21.93	0.76	2.31	6.88	0.07	0.01	0.023	67.51	0.59
10553	20.12	0.89	2.83	6.19	0.06	0.01	0.047	68.91	0.69
10554	18.37	0.78	4.46	4.72	0.05	0.01	0.088	70.49	0.44
10555	15.33	2.33	4.82	1.33	0.5	0.02	0.042	71.44	0.37
<b>Hole# CXRC049 (from 4m – 16m)</b>									
10559	8.5	2.93	0.04	3.48	0.04	X	0.003	84.7	0.56
10560	23.62	3.48	0.11	9.09	0.08	X	0.002	62.93	0.59
10561	23.09	2.13	1.6	8.09	0.06	X	0.003	64.06	0.51
10562	18.8	2.35	3.99	5.15	0.14	0.01	0.016	68.18	0.45
10563	15.93	3.07	4.77	2.77	0.51	0.02	0.035	70.18	0.35
<b>Hole# CXRC051 (from 6m- 30m)</b>									
10574	10.52	1.31	0.04	4.07	0.07	X	0.003	82.74	0.92
10575	6.57	0.75	0.04	2.48	0.04	X	0.004	88.38	1.05
10576	24.81	0.95	0.09	8.96	0.06	X	0.036	63.33	1.14
10577	28.08	1.04	0.16	10.02	0.08	0.01	0.053	58.82	1.16
10578	25.38	0.94	0.09	8.99	0.06	0.01	0.048	62.82	1.06
10579	26.02	1.1	0.12	9.26	0.06	0.01	0.055	61.43	1.39
10580	29.2	0.99	0.09	10.44	0.07	0.01	0.057	57.94	0.85
10581	25.94	0.67	2.04	8.42	0.05	0.01	0.141	60.9	1.14
10582	25.79	0.6	2.76	8.1	0.05	0.02	0.172	60.01	1.46
10583	21.96	1.04	0.89	7.54	0.07	0.01	0.22	66.35	1.26
10584	23.87	1.68	3.21	6.46	0.72	0.02	0.207	60.87	1.21
10585	18.94	0.97	4.56	3.67	0.19	0.01	0.162	68.4	0.68
<b>Hole# CXRC052 (from 4m – 24m)</b>									
10588	16.42	6.39	0.15	6.81	0.15	X	0.005	68.86	0.75
10589	11.15	0.88	0.03	4.14	0.07	X	0.004	82.14	1.26
10591	6.59	0.63	0.01	2.38	0.04	X	0.003	89.3	0.8

10592	9.22	0.58	0.02	3.37	0.04	X	0.015	84.64	1.87
10593	26.88	0.86	0.06	9.82	0.08	0.01	0.076	60.28	1.5
10601	23.63	1.2	0.15	8.59	0.07	0.01	0.093	64.27	1.2
10602	25.69	1.27	0.29	9.33	0.07	0.02	0.156	60.84	1.68
10603	23.52	1.15	1.07	8.23	0.07	0.02	0.116	63.65	1.4
10604	23.59	2.55	1.78	7.21	0.79	0.03	0.128	60.18	1.51
10605	16.75	4.85	2.78	2.54	1.89	0.04	0.067	64.92	1.03
<b>Hole# CXRC054 (from 4m – 13m)</b>									
10624	13.43	1.36	0.09	5.13	0.12	X	0.005	79.12	0.7
10625	6.2	0.47	0.02	2.36	0.04	X	0.008	88.88	1.92
10626	11.32	1.01	0.11	4.36	0.08	X	0.013	81.36	1.63
10627	32.13	0.58	0.18	11.57	0.08	X	0.036	53.79	1.58
10628	18.18	1.6	0.16	6.82	0.1	X	0.017	71.74	1.49
<b>Hole# CXRC055 (from 4m – 26m)</b>									
10632	11.99	1.13	0.07	4.54	0.14	X	0.006	81.14	0.76
10633	6.47	0.55	0.02	2.44	0.05	X	0.007	88.95	1.42
10634	10.59	0.67	0.03	3.94	0.05	X	0.011	82.54	1.66
10635	19.33	1.14	0.09	7.17	0.07	X	0.019	70.34	1.68
10636	20.89	1.18	1.12	6.94	0.06	0.01	0.049	68.74	0.74
10637	23.57	0.79	0.52	8.24	0.06	0.01	0.08	64.84	1.11
10638	25.33	0.76	0.97	8.54	0.07	0.01	0.089	62.51	1.08
10639	26.51	0.63	0.74	9.27	0.08	0.01	0.069	61.24	1.08
10640	28.54	0.68	1.79	9.53	0.06	X	0.063	58.27	0.74
10641	21.65	0.85	3.43	6.38	0.07	X	0.081	66.15	1.12
10642	22.45	1.55	2.99	6.82	0.11	X	0.08	64.62	0.83
<b>Hole# CXRC056 (4m – 20m)</b>									
10645	5.69	0.69	0.03	2.07	0.04	X	0.005	90.64	0.55
10646	4.82	0.63	0.02	1.69	0.03	X	0.009	91.2	1.44
10647	28.74	0.59	0.08	10.3	0.06	X	0.027	59.32	1.02
10648	27.52	0.56	0.11	9.74	0.05	0.01	0.025	60.79	0.6
10649	24.55	0.91	0.15	8.52	0.04	0.02	0.038	64.72	0.6
10650	28.44	1.11	3.59	8.08	0.93	X	0.053	55.71	1.52
10651	24.36	1.02	1.66	7.78	0.11	0.01	0.063	64.64	0.3
10652	21.1	1.36	2.26	6.5	0.06	0.01	0.071	67.94	0.4
10653	22.19	1.06	2.62	6.76	0.06	0.01	0.062	66.53	0.35
<b>Hole# CXRC057 (4m – 22m)</b>									
10656	8.07	1.63	0.06	3.36	0.11	X	0.007	85.31	1.13
10657	27.73	3.59	0.06	10.51	0.15	X	0.025	56.79	0.67
10658	27.71	1.64	0.09	10.2	0.11	X	0.033	59.1	0.56
10659	29.93	1.2	0.13	10.86	0.08	X	0.034	56.76	0.58
10660	26.98	1.1	0.33	9.7	0.08	X	0.049	60.84	0.71
10661	26.22	1.18	0.15	9.47	0.09	0.01	0.053	62.12	0.92
10662	25.06	1.78	0.9	8.8	0.12	0.02	0.046	61.95	0.87
10663	23.44	1.76	1.2	8.14	0.13	0.02	0.053	64.08	0.94
10664	21.76	2.18	1.47	7.42	0.11	0.07	0.087	65.31	1.32
<b>Hole# CXRC058 (from 4m – 12m)</b>									
10668	7.46	0.89	0.03	2.81	0.08	X	0.005	87.45	1.25
10669	12.98	8.55	0.06	5.82	0.42	X	0.02	71.4	0.66

10671	24.63	2.78	0.08	9.25	0.15	X	0.092	61.2	1.29
10672	22.7	3.75	1.21	8.23	0.2	X	0.237	61.53	1.55
<b>Hole# CXRC059 (from 10m – 21m)</b>									
10678	22.94	2.6	0.13	9.37	0.12	X	0.035	63.91	0.79
10679	29.48	1.89	0.08	11.14	0.07	0.02	0.093	55.42	1.45
10680	20.86	1.21	0.54	7.48	0.06	X	0.098	68.71	0.52
10681	18.36	0.93	3.24	5.43	0.05	X	0.053	70.81	0.51
10682	19.73	1.06	3.32	5.65	0.12	0.01	0.07	68.4	0.42
10683	15.37	1.91	5.1	1.75	0.51	0.02	0.025	71.33	0.39
<b>Hole# CXRC060 (from 8m – 30m)</b>									
10688	22.7	3.16	0.1	9.16	0.15	X	0.005	63.48	0.89
10689	14.16	2.46	0.09	5.55	0.07	X	0.026	75.85	1.39
10690	28.41	1.11	3.57	8.22	0.92	X	0.053	55.68	1.51
10691	28.61	2.57	0.12	10.86	0.09	X	0.063	56.61	0.7
10692	25.35	1.13	0.17	9.25	0.06	X	0.059	62.92	0.83
10693	26.92	1.22	0.13	9.86	0.06	0.01	0.163	60	1.18
10694	33.8	1.45	0.17	12.59	0.09	0.01	0.314	49.38	1.55
10695	21.69	1.09	1.82	7.15	0.05	0.01	0.185	66.24	0.93
10696	22.39	1.2	2.98	6.79	0.06	0.01	0.118	64.85	0.7
10697	17.04	0.58	5.43	3.29	0.06	0.01	0.102	71.66	0.48
10698	18.45	0.87	6.01	4.07	0.06	0.01	0.113	68.64	0.69
10699	18.2	1.85	7.74	2.76	0.44	0.02	0.135	65.39	0.96
<b>Hole# CXRC061 (from 8m – 26m)</b>									
10704	11.71	0.77	0.04	4.33	0.05	X	0.007	81.92	0.67
10705	16.49	1.04	0.07	5.98	0.04	X	0.092	74.96	0.81
10706	22.26	1.1	0.1	7.99	0.04	X	0.184	67.02	0.63
10707	21.57	1.14	0.13	7.67	0.04	0.01	0.326	67.64	0.67
10708	24.6	2.48	0.59	8.82	0.14	X	0.101	61.49	0.92
10709	20.44	1.16	0.45	7.05	0.05	0.01	0.067	69.39	0.7
10711	20.67	1.14	3.06	6.13	0.05	0.01	0.104	68.17	0.59
10712	17.75	0.75	4.45	4.57	0.05	X	0.095	71.52	0.4
10713	19.08	2.05	3.1	3.22	0.75	0.03	0.139	66.47	0.86
<b>Hole# CXRC062 (from 6m – 29m)</b>									
10717	8.53	0.77	0.02	3.17	0.05	X	0.005	86.68	0.86
10718	8	0.42	X	2.97	0.03	X	0.004	87.77	0.62
10719	18.95	1.05	0.05	6.74	0.05	0.01	0.015	72	0.98
10720	20.45	1.4	0.11	7.2	0.05	0.01	0.013	69.95	0.64
10721	23.42	1.24	0.12	8.35	0.05	0.01	0.022	65.57	0.96
10722	22.29	1.2	0.12	7.88	0.05	0.01	0.042	67.83	0.8
10723	23.75	1.05	0.23	8.61	0.04	X	0.054	64.66	0.97
10724	23.67	0.94	0.75	8.42	0.05	X	0.068	64.45	1.19
10725	20.43	1.03	2.26	6.65	0.05	X	0.054	68.26	0.75
10726	14.14	1.98	5.62	1.23	0.13	0.01	0.057	72.83	0.32
10727	21.53	1.06	2	7.15	0.04	0.01	0.061	66.93	0.77
10728	18.74	1	4.51	4.56	0.08	0.01	0.073	69.28	0.58
<b>Hole# CXRC063 (from 6m – 34m)</b>									
10730	28.38	1.06	3.55	8.22	0.93	X	0.054	55.51	1.52
10733	8.81	0.7	0.03	3.37	0.05	X	0.003	86.42	0.65

10734	8.47	0.53	0.04	3.14	0.04	X	0.011	86.71	0.92
10735	29.78	0.92	0.08	10.63	0.05	0.01	0.019	57.87	0.69
10736	28.05	0.52	0.52	10.05	0.06	X	0.046	59.67	0.55
10737	28.26	0.51	0.9	10.03	0.05	X	0.095	58.9	0.49
10738	22.51	0.61	2.8	6.93	0.05	0.01	0.041	65.87	0.56
10739	19.31	0.56	3.76	5.47	0.04	0.01	0.031	69.74	0.57
10740	21.07	0.59	3.78	5.98	0.03	0.01	0.054	67.45	0.57
10741	19.62	0.51	4.38	5.15	0.04	0.01	0.071	68.63	0.64
10742	20.04	0.65	4.09	5.63	0.04	0.01	0.063	67.51	0.88
10743	21.07	1.11	2.97	6.57	0.04	0.04	0.155	64.8	2.16
10744	17.42	0.78	4.91	4.43	0.04	0.01	0.116	70.68	0.6
10745	16.7	0.62	5	4	0.04	0.01	0.102	72	0.6
10746	19.04	0.81	4.58	5.08	0.06	0.01	0.092	69.04	0.96

**Hole# CXRC064 (from 6m – 36m)**

10752	6.62	0.4	0.02	2.51	0.04	X	0.006	89.49	0.93
10753	8.07	0.57	0.02	3.02	0.03	X	0.008	87.71	0.79
10754	26.8	1.1	0.08	9.63	0.05	0.01	0.016	61.63	0.65
10755	29.39	0.67	0.2	10.79	0.04	X	0.032	58.11	0.55
10756	23.13	0.67	1.56	7.79	0.05	0.01	0.035	65.54	0.63
10757	18.76	0.72	3.25	5.45	0.03	0.01	0.031	70.65	0.6
10758	16.84	0.8	3.93	4.47	0.04	0.01	0.037	72.92	0.57
10759	23.71	0.5	3.05	7.29	0.04	0.01	0.04	64.65	0.42
10760	20.55	0.99	3.67	5.71	0.04	0.02	0.043	67.92	0.43
10761	18.9	0.51	4.24	5.09	0.04	0.01	0.06	69.82	0.5
10762	19.04	0.65	4.35	5.06	0.04	0.01	0.06	69.99	0.54
10763	17.97	0.91	4.66	4.46	0.04	0.01	0.13	70.15	0.51
10764	18.75	0.69	4.25	5.09	0.04	0.01	0.078	69.8	0.54
10765	18.87	0.86	4.33	5.05	0.04	0.01	0.064	69.52	0.49
10766	20.46	0.97	4.2	5.82	0.04	X	0.078	67.23	0.57

**Hole# CXRC065 (from 4m – 20m)**

10769	6.58	0.71	0.05	2.6	0.04	X	0.006	88.7	0.99
10770	6.06	0.6	0.08	2.34	0.04	X	0.009	89.45	1.44
10771	28.55	0.61	0.11	10.39	0.06	X	0.031	58.91	1.29
10772	29.59	0.62	0.15	10.78	0.06	X	0.064	56.76	1.82
10773	28.77	1.12	0.45	10.28	0.09	0.02	0.084	57.02	1.79
10774	23.29	0.78	2.29	7.7	0.07	0.03	0.087	63.8	1.42
10775	24.24	1.95	2.51	8.09	0.09	0.03	0.116	60.56	1.69
10776	18.41	1.62	4.44	5.03	0.08	0.03	0.067	69.26	0.55

**Hole# CXRC066 (from 4m – 18m)**

10779	7.64	0.66	0.07	2.85	0.05	X	0.006	87.68	1.13
10780	6.91	0.55	0.05	2.57	0.04	X	0.006	88.69	1.1
10781	21.59	0.79	0.43	7.67	0.08	X	0.033	68.22	0.72
10782	24.01	1.25	1.16	7.94	0.06	0.02	0.044	63.99	1.08
10783	24.57	0.93	1.82	8.17	0.05	0.01	0.075	62.86	1.04
10784	23.49	1.21	2.4	7.6	0.06	0.01	0.088	63.72	0.96
10785	20.06	1.79	3.31	6.04	0.06	0.03	0.162	66.9	0.85

**Hole# CXRC067 (from 4m – 15m)**

10788	18.28	0.92	0.06	6.79	0.08	X	0.019	73.39	0.67
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10789	28.7	1.18	0.16	10.55	0.06	X	0.024	58.04	0.94
10790	28.42	1.11	3.55	8.15	0.93	X	0.054	55.63	1.54
10791	28.39	2.3	0.15	10.54	0.09	X	0.075	57.44	1.07
10792	27.9	1.82	0.19	10.29	0.09	X	0.109	58.12	1.14
10793	24.3	1.53	0.41	8.75	0.07	X	0.088	64.3	0.64
10794	19.78	1.81	0.68	6.66	0.07	0.02	0.044	70.97	0.17
<b>Hole# CXRC068 (from 6m – 23m)</b>									
10798	8.59	0.71	0.07	3.26	0.06	X	0.004	86.19	0.96
10799	20.56	1.54	0.03	7.77	0.06	X	0.019	68.06	1.23
10800	28.27	1.31	0.08	10.34	0.09	X	0.162	58.79	1.08
10801	24.48	1.44	1.23	8.47	0.09	X	0.161	62.17	1.34
10802	23.32	0.71	2.51	7.6	0.07	X	0.282	63.43	1.44
10803	25.2	0.88	1.94	8.37	0.07	0.01	0.239	60.98	1.49
10804	21.02	1.04	3.36	6.11	0.06	0.01	0.096	67.18	0.84
10805	19.51	1.72	3.18	5.8	0.09	0.02	0.165	67.15	1.57
10806	17.37	2.48	3.35	3.88	0.34	0.03	0.141	68.49	1.41
<b>Hole# CXRC069 (from 6m – 28m)</b>									
10811	15.1	2.06	0.07	5.66	0.12	X	0.007	75.93	1.18
10812	22.32	2.02	0.05	8.41	0.1	X	0.026	66.43	0.75
10813	23.72	1.63	0.05	8.75	0.06	X	0.054	65.16	0.54
10814	22.91	0.95	0.08	8.28	0.06	X	0.091	66.75	0.58
10815	22.34	0.93	0.08	8.04	0.05	0.01	0.108	67.58	0.57
10816	20.86	0.71	0.08	7.61	0.06	0.01	0.083	70.08	0.46
10817	20.94	0.7	0.28	7.65	0.06	0.01	0.232	68.69	0.65
10818	19.76	0.72	2.15	6.49	0.05	0.01	0.118	69.72	0.56
10819	19.47	1.09	3.68	5.41	0.05	0.01	0.147	68.62	0.76
10820	18.2	1.02	5.07	4.44	0.05	0.01	0.105	69.56	0.81
10821	17.24	1.54	4.62	3.17	0.18	0.02	0.134	70.94	0.48
<b>Hole# CXRC070 (from 4m – 18m)</b>									
10824	19.61	19.05	0.07	9.61	0.12	X	0.01	50.71	0.81
10825	15.2	8.61	0.19	6.79	0.17	X	0.011	68.12	0.9
10826	19.07	3.54	0.18	8.44	0.34	X	0.009	67.17	0.74
10827	17.09	5.52	0.18	8.09	0.32	X	0.012	67.83	0.56
10828	23.83	4.28	0.16	9.57	0.28	X	0.032	60.81	0.91
10829	20.17	16.32	0.73	9.31	0.24	0.01	0.132	51.83	1.12
10830	28.33	1.12	3.59	8.29	0.92	X	0.053	55.52	1.51
<b>Hole# CXRC072 (from 2m – 10m)</b>									
10839	25.3	4.96	0.08	9.6	0.12	X	0.006	58.7	0.77
10840	24.07	3.24	0.05	9.06	0.06	X	0.004	63.02	0.78
10841	20.63	2.16	0.08	7.44	0.04	X	0.004	69.55	0.45
10842	22.42	2.04	0.28	8.22	0.07	X	0.006	66.9	0.33
<b>Hole# CXRC073 (4m – 16m)</b>									
10846	12.91	3.31	0.09	5.1	0.14	X	0.006	77.86	0.81
10847	12.69	2.8	0.16	4.85	0.1	X	0.007	79.13	0.48
10848	17.85	0.99	1.86	5.59	0.05	X	0.006	73.28	0.31
10849	18.93	1.09	2.45	5.82	0.06	X	0.007	71.44	0.25
10851	16.21	2.04	4.62	3.2	0.1	X	0.01	73.03	0.22
10852	17.28	2.04	4.35	3.82	0.31	0.01	0.01	70.33	0.4

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Hole# CXRC074 (from 4m – 18m)									
10856	10.64	2.05	0.07	4.4	0.1	X	0.005	79.49	0.73
10857	22.02	2.05	0.11	8.5	0.08	X	0.019	65.8	1.02
10858	23.69	2.05	0.14	8.62	0.07	X	0.023	65.06	1.17
10859	27.81	2.06	0.14	9.8	0.06	X	0.038	59.96	1.25
10860	26.59	2.06	0.17	9.49	0.05	X	0.035	61.44	1.3
10861	23.77	2.07	1.99	7.68	0.05	0.01	0.071	64.27	1.04
10862	24.48	2.07	1.16	8.62	0.17	0.01	0.197	61.52	1.46
Hole# CXRC075 (from 4m – 15m)									
10866	12.95	2.08	0.08	5.25	0.15	X	0.005	76.87	0.71
10867	13.81	2.08	0.1	5.58	0.17	X	0.006	75.85	0.82
10868	23.24	2.09	0.13	8.28	0.07	X	0.013	66.45	0.67
10869	31.04	2.09	0.31	11.21	0.08	X	0.03	55.06	0.82
10870	28.39	2.09	3.59	8.21	0.92	X	0.053	55.5	1.51
10871	24.65	2.10	1.56	8.37	0.23	0.02	0.034	61.75	1
10872	19.77	2.10	2.66	6.57	1.22	0.06	0.032	61.59	0.86

## Appendix 1

### JORC Code 2012 Edition – Table 1

#### Section 1 Sampling Techniques and Data

Criteria	Commentary
<b>Sampling techniques</b>	Reverse Circulation (RC) chip samples were collected at 1m intervals from a cone splitter mounted on the side of the RC rig. 75% of the sample volume from each drilled metre was collected in a 900x600mm green plastic bag, and the remaining 25% of volume is used to generate a split sample which is collected in a 200x150mm calico bag and then placed into a green plastic bag and sealed to retain sample moisture. The split samples were collected directly from the cyclone / splitter because the samples for assay are also measured for insitu moisture. The samples were composited into 2m samples (generated from the drill rig cone splitter) and sent to Intertek for sampling analysis + moisture testing.
<b>Drilling techniques</b>	RC was employed on the drilling program using a 450 Schramm drill rig with KL rod handler, auto maker/breaker slips table, rig-mounted cone sampling system and with hammer and blade bit capabilities. Both hammer and blade drilling was employed on various selected holes to gauge variability and quality of sample return as well as to compare with repeat holes from previous drilling.
<b>Drill sample recovery</b>	Sample recoveries from the RC drilling were weighed and measured and sizes recorded demonstrating that sample recovery from all holes was of an acceptable standard. Photos of separate chip (cuttings) trays were also taken to demonstrate the lithology profile of the hole. Selected samples were also tested for moisture content – allowing a greater confidence in sample return quality and for specific gravity testing.
<b>Logging</b>	Chip tray samples were taken along with normal logging procedures and protocols. 2 sets of logging and sample correlation was conducted on site during the drilling and sampling program. The chip tray samples were non-sieved and dry and photographed on a whole hole basis. All holes were field logged by 1m intervals by a qualified geologist for a variety of geological qualities, characteristics and definition.
<b>Sub-sampling techniques and sample preparation</b>	All sampling procedures for the RC drilling have been reviewed by a qualified geologist and is considered to be of a high standard. The RC drilling sampling procedure was 1m samples split using a rig mounted cone splitter and collected in marked plastic bags. A 2m composite sample was generated from 1-2kg collected in small calico bags which were then placed in small green plastic bags. These were marked with corresponding sample numbers. At regular and adhoc intervals, repeat samples were taken and noted as well as interspersed standard samples of quartz (blank) and kaolin (standard) were also included at a 1in 9 interval as sample checks for QA/QC.

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Criteria	Commentary
	<p>All samples were sent to Perth to Intertek for laboratory sampling interspersed with the RC drilling program samples.</p> <p>Larger (5-10kg) samples were collected in large green plastic bags on a 1m sample basis and sent to Independent Metallurgical Operations (IMO) for further metallurgical testwork purposes. All samples were dry. 715 1-2kg samples (including repeats and standards) totalling 1613 metres of drilling were brought back to Perth for testing.</p> <p>Total sample returns were measured by weighing and estimating return volume percentages. All samples were "dry" other than the occasional sample that may have been affected by water introduced by the driller to remove pipe blockages.</p> <p>The 2 m composite samples were generated from the rig mounted cone splitter ensuring equal amounts were collected from each metre, thus giving a homogeneous volume for each metre in the composites. Samples were submitted to Intertek laboratories in Perth, Western Australia for XRF analysis methods on a range of elements and kaolin parameters as well as testing for insitu moisture (LOM/DR).</p> <p>Mr Kohler has reviewed the QAQC data and has found it to be of high standard.</p>
<b>Quality of assay data and laboratory tests</b>	Analysis for Sizing, SiO <sub>2</sub> , Al <sub>2</sub> O <sub>3</sub> , Fe <sub>2</sub> O <sub>3</sub> , TiO <sub>2</sub> , CaO, MgO, K <sub>2</sub> O, Na <sub>2</sub> O, P <sub>2</sub> O <sub>5</sub> , Mn <sub>3</sub> O <sub>4</sub> , Cr <sub>2</sub> O <sub>3</sub> and LOI, was completed using XRF methods in a globally recognised analysis laboratory. All of the inserted repeat samples, duplicates, blanks and standards are within tolerance of the original assay and without bias. Mr Kohler reviewed internal QAQC reports and analysis and confirms that all assay data used is of high industry standard for quality assurance/quality control procedures.
<b>Verification of sampling and assaying</b>	The drilling program designed by CSA Global also included verification drilling and sampling of the previous Air Core drilling program that was completed in May 2017. The verification included 6 repeat RC holes against the previous Air Core holes.
<b>Location of data points</b>	All drill holes used in the resource estimate have been accurately surveyed by a licenced contract surveyor (+/-10cm accuracy). The collar locations were also checked by the site geologist using a Garmin GPS at site. The vertically drilled holes (-90) were drilled to a maximum of -34m and were followed up with down hole surveying by Surtech Geophysical Services.
<b>Data spacing and distribution</b>	75 holes were drilled in approximately 1km square at approximately 50m spacings or 100m spacing between the previous Air Core drilling. This resulted in a generally 50 x50m coverage of the deposit area. The drill spacing was considered suitable to establish both geological and grade continuity for definition of Inferred Mineral Resource. Samples were composited to 2m for analysis.
<b>Orientation of data in relation to geological structure</b>	The orientation of the drilling is approximately perpendicular to the strike and dip of the mineralisation and the risk of sample bias is considered to be low.
<b>Sample security</b>	All samples were under supervision from the rig to the laboratory. All residual sample material is stored securely in sealed bags.
<b>Audits or reviews</b>	Mr Kohler has reviewed QAQC results and found the sampling and the sample handling techniques to be of a high standard for the project QA/QC.

## Section 2 Reporting of Exploration Results

Criteria	Commentary
<b>Mineral tenement and land tenure status</b>	The granted Exploration Licence 70/4673 in Western Australia, covering an area of 59km <sup>2</sup>
<b>Exploration done by other parties</b>	White Gold Kaolin (WGK) carried out all the previous prospecting and drilling work that is on the tenement EL 70/4673. The previous aircore drilling was comprised of 47 drill holes for 824m. The exploration work was carried out from 2011 to 2014.

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Criteria	Commentary
<b>Geology</b>	The project area is underlain by weathered granitoid Archaean rock of the Yilgarn Granites is the likely parent material for the kaolin. Here, deep weathering of the feldspathic and ferromagnesian minerals within the metamorphosed granitic has resulted in the formation of kaolinite. There is no outcrop but recognizable granitoid fragmental rocks are sometimes present just below surface. The crust of the overburden comprises gravel and sands over reddish to off white clay. White kaolin underlies the overburden followed by weathered, partial oxidised and then fresh ganitoids at depth. The recent drilling at the property has revealed a weathering profile which is very common in Western Australia with the granitoid rocks, deeply weathered forming a leached, kaolinized zone under a lateritic crust. Analysis at the Laboratory shows particle size distributions are typical of "primary style" kaolins produced from weathered granites. The crust of overburden comprises gravel and sands over reddish to off-white clay to an average depth of 5m. White kaolin then averages approximately 16 m before orange to yellow sandy and mottled clays are intersected which are followed by recognizable rounded granitoid material. The thickness of the kaolin profile varies from less than 1m to a maximum of 28m. Fresh granitoids are found at depths of between 10 and 30m. All kaolin resources are within 4 to 11 metres of the surface. 47 Air Core drillholes with a total of 824m drilled in May 2017 with a further Reverse Circulation drilling program conducted in April 2018 consisting of 75 RC drill holes totalling 1613 metres resulting in 715 2m composite samples. All holes were drilled vertically. Intersected kaolin thickness ranged from 1-28m.
<b>Drill hole Information</b>	75 Reverse Circulation drill holes were drilled on an approximate 50m x 50m pattern at -90 dip and 0 degrees azimuth. The deepest hole was approximately 35m deep with the average being approximately 21.5m deep.
<b>Data aggregation methods</b>	Cadoux's geological model required a minimum thickness intercept of 2m of kaolinite with the requirement of having to be visually bright white to be included in the estimate. Samples within the wireframe were composited to 2m intervals based on visually contiguous down-hole intervals. The sample intervals were selected by the site project Geologist. No high-grade cuts were applied. Industry standard for Kaolinite cutoffs are a maximum value of 0.7% Fe <sub>2</sub> O <sub>3</sub> , 0.5% TiO <sub>2</sub> and 2% K <sub>2</sub> O. Assay results from drilling were all lower than the cutoff values.
<b>Relationship between mineralisation widths and intercept lengths</b>	All drill holes are vertical (-90). The orientation of the drilling is approximately perpendicular to the strike and dip of the mineralisation.
<b>Diagrams</b>	Refer to figure 1
<b>Balanced reporting</b>	The reporting is considered to be balanced.
<b>Other substantive exploration data</b>	The normal high levels of QA/QC for the retrieving and recording of the field data and sampling techniques were observed by the attending field geologist (CSA).  The collar locations were planned by CSA prior to the program and surveyed in by a qualified surveyor. The drill rig was positioned on site by the supervising senior geologist. The drill collars were surveyed and RL's measured of the actual collar post drilling.
<b>Further work</b>	There is little further geological definition work to do on the project – other than to expand the resource with further step-out drilling.  At the appropriate time – conversion of the resource to a higher category will be required. There has been sufficient work conducted at a high degree of quality to allow for this calculation to be done without further site activity (ie drilling).

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