

5<sup>th</sup> December, 2016

## Exploration Licence Application

### ELA006421 - “Pranjip”

#### 1. PROPOSED EXPLORATION WORK PROGRAM

The application area is within the Melbourne Structural Zone which has potential for hosting disseminated gold style mineralisation associated with arsenic and antimony sulphides. Recent gravity and aeromagnetic interpretation has led to the identification of a number of targets that fit the model of gold mineralisation that is applicable to the northern part of the Melbourne Zone recently developed by Nagambie Resources Ltd.

While much of the Pranjip Exploration Licence Application area is covered by relatively thick sequences of Murray Basin sediments, in the south east some outcrop is recognised as low hills, and a number of road cuttings and existing or abandoned stone quarries can provide good geological background knowledge.

The principal exploration target is gold, with subordinate antimony and base metals.

Year	Activity	Milestones
Year 1	Historical Research, including Previous exploration	Mineralisation model supported
	Regional geological mapping and rock chip sampling	Identification of lithological & structural controls on gold mineralisation
	Regional soil sampling along roadside reserves	Identification of near-surface geochemical anomalies for further investigation
	Community Engagement: Community meeting, and approaches to individual landholders	Community aware of exploration methods and impacts
Year 2	Detailed investigations on selected targets, including: Detailed geological mapping on a prospect scale Infill soil sampling following up roadside reserve sampling. Preliminary Geophysics (IP) investigation	Identification of targets suitable for AirCore or RC drilling
	AirCore/RC drilling at prospect scale	Gold-arsenic-antimony mineralisation located, leading to follow-up drilling
	Regional soil sampling (roadside reserves)	Identification of near-surface geochemical anomalies for further investigation
	Community Engagement: Liaison with individual landholders	Land access agreements negotiated

<b>Year</b>	<b>Activity</b>	<b>Milestones</b>
<b>Year 3</b>	Infill IP for better target definition RC drilling on selected prospects Detailed geological mapping and sampling (trenching/costeaning?)	RC drill targets defined Economic gold grades intersected. Drill targets advanced to Prospect stage
	Community Engagement: Community meeting, and continuing engagement with individual landholders	Community updated on progress of exploration, and likely future developments
<b>Year 4</b>	Mineralisation assessment and modelling RC infill drilling	Mineralisation modelled successfully Infill drilling supports model and grades
<b>Year 5</b>	Mineralisation assessment and model refinement RC infill drilling	Infill drilling supports model and grades Preliminary resource assessment
	Community Engagement: Community meeting, and continuing engagement with individual landholders	Community updated on progress of exploration, and likely future developments

## 2. PROPOSED EXPENDITURE

<b>Year</b>	<b>Activity</b>	<b>Expenditure</b>
Year 1	Desktop studies, reconnaissance mapping, soil sampling	\$40,000
Year 2	Soil sampling, mapping Trial geophysics Drilling	\$50,000
Year 3	Infill geophysics Mapping Drilling & costeaning	\$55,000
Year 4	Regional soil sampling RC drilling	\$65,000
Year 5	RC drilling	\$65,000
<b>Total</b>		<b>\$275,000</b>

## 3. FIELD EXPERIENCE

The exploration program will be undertaken by the Company's Project Geologist, under supervision by the Director - Exploration, Geoff Turner.

Geoff Turner is a Registered Professional Geologist and Fellow Member of the Australian Institute of Geoscientists. His academic qualifications include a BSc(Hons) from Adelaide University and a MSc (Exploration & Mining Geology) from James Cook University.

He has over 30 years' experience in mineral exploration during which time he held senior exploration management positions in West Australia and Victoria, principally in gold exploration, and operates through his exploration management company, Exploration Management Services Pty Ltd.

Geoff's experience includes regional assessment to identify potential mineralisation models, the development and management of exploration programs, and mineral resource estimations in a wide variety of gold deposit styles. Recent exploration program successes under Geoff's direction include the discovery of gold + base metal mineralisation in the Jamieson district of eastern Victoria, gold mineralisation under Murray Basin cover at Lockington and Mitiamo, and most recently, the discovery of gold mineralisation at Wandean, north of Nagambie.

Nagambie Resources Ltd is an active explorer in central Victoria, with a focus on antimony-arsenic associated gold deposits in the northern half of the Melbourne Structural Zone.

#### **4. CROWN LANDS**

All Crown Land to be excluded from the Exploration Licence Application, apart from roadside reserves.

#### **5. REPORTING DATE**

The preferred reporting date is September 30

***Geoff Turner***

Director – Exploration

Nagambie Resources Ltd

Email: [geoff@nagambieresources.com.au](mailto:geoff@nagambieresources.com.au)