

20th February 2020

Exploration Licence Applications

EL7237 “Kirwans North (1)” and EL7238 “Kirwans North (2)”

1. APPLICATION LOCATION AND AREA

The “Kirwans North(1)” and “Kirwans North(2)” Exploration Licence Applications of 20 and 9 graticular sections respectively are situated between Nagambie and Rushworth in central Victoria.

2. PROPOSED EXPLORATION WORK PROGRAM

The application areas are within the Waranga Domain of the Melbourne Structural Zone and have potential for hosting disseminated gold style mineralisation associated with arsenic and antimony sulphides. Previous 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 Waranga Domain, forming the basis of the current exploration strategy of Nagambie Resources Ltd.

A review of geophysics imagery and published geology has identified areas pointing to some prospectivity within the application area.

The topography of the “Kirwans North(1)” and “Kirwans North(2)” Exploration Licence Application areas consists of flat lying plains of Shepparton Formation clays and sands covering Waranga Formation sediments - the prime host rock for gold mineralisation in this domain.

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

The proposed exploration program is the same for both applications:

Year	Activity	Milestones
Year 1	Review of existing geochemistry data	Anomalous geochemistry noted
	Approaches to individual landholders.	Access granted, compensation agreements signed and registered
	Surface geochemical program initiated	Anomalous geochemistry fitting structures interpreted from existing geophysics imagery
Year 2	Geophysics - Induced Polarisation survey	Identification of anomalous chargeability/resistivity responses indicating potential sulphide mineralisation
	Drilling program- Aircore drilling over targets generated by IP to sample basement geochemistry and lithology.	Identification of anomalous geochemistry in basement.
Year 3	Infill and step-out Aircore drilling	Establish strike and depth extent of basement mineralisation.

Year	Activity	Milestones
Year 4	Community Engagement: Liaison with local stakeholders	All local stakeholders appraised of exploration progress and company's intentions
Year 5	RC or diamond drilling to determine target grades and extents	Target resource size and quality defined
	Community Engagement: Community meeting, and continuing engagement with individual landholders	Community updated on progress of exploration, and likely future developments

3. PROPOSED EXPENDITURE

Year	Activity	Expenditure	Expenditure
		"Kirwans North(1)" 20 Grats	"Kirwans North(2)" 9 Grats
Year 1	Data review, Landholder approaches, Geochemistry	\$20,000	\$18,000
Year 2	Geophysics, Aircore program	\$20,000	\$18,000
Year 3	Infill and step-out drilling	\$35,000	\$20,000
Year 4	Community Engagement meetings, advertising, planning	\$25,000	\$20,000
Year 5	RC/Diamond drilling, Community Engagement	\$35,000	\$25,000
Total		\$135,000	\$101,000