



ASX Resource Companies

Recommendations/ Deals/ Listings/ Resource Updates/ Drilling Results; Drilling Underway/ Production/ Existing Projects/ Existing Projects in the Resources Sector

BREAKAWAY MINING RESEARCH

DAILY REPORT

Friday, 12th May 2017*

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RIU Conference Edition

There will be no overnight commentary of markets or commodities, or commodity prices in this edition due to the delay in receiving the data from AUSTEX as a result of the RIU Conference.

The daily report will continue as normal from Monday 15th May 2017.

**prepared based on announcements made by ASX Listed Resource Companies on the preceding day.*

MARKET REVIEW

New Deals (Including Deals in Progress or Terminated) & Tenure News

ASX Code	Company Name	Details
AOH	ALTONA MINING	FIRB have approved the investment by Sichuan Railway Group (CSII) in the Cloncurry Cu Project Qld. AOH expect the funding deal with CSII to be finalized by 31st July 17.

Production or Emergent Production News (From completed DFS/BFS onwards)

ASX Code	Company Name	Details
BDR	BEADELL RESOURCES	Have completed a Feasibility Study into the upgrade of the plant at the Tucano Au Project in Brazil. The Company is planning the addition of a 6MW ball mill, a high rate thickener, another leach tank and oxygen sparing system. The estimated cost is \$US27.6M and the upgrade is likely to be commissioned mid-2018.
WGX	WESTGOLD RESOURCES	Have commenced wet commissioning of the refurbished Fortnum Au Project WA 150kms NW of Meekatharra. Open pit mining has commenced. Dewatering of the proposed Starlight underground mine has rapidly advanced. And the first gold production is expected soon.

Feasibility Studies (Including Scoping Pilot and Appraisal Study Results)

ASX Code	Company Name	Details
GMN	GOLD MOUNTAIN	The Company is planning Phase 2 of a bulk sampling program at the Crown Ridge Au Project PNG, with the aim of determine a resource
TLG	TALGA RESOURCES	Have undertaken concrete strength test using graphene additives, derived from the Company's graphite project in Sweden. TLG report that the tests suggest a 26% increase in flexural strength over 28 day cure time and 14% increase in compressive strength.
MOY	MILLENNIUM MINERALS	Drilling has intersected 5 intervals noted by MOY including at 16m @ 5.9g/t Au from 115mdh below the Barton's Open Cut Mine (Nullagine Au Project WA). Metallurgical tests have shown that the fresh ore below the pit can be processed by the existing CIL plant. Underground mining is being assessed at Bartons. Fresh ore at another 30 deposits remains untested.

Drilling Results

ASX Code	Company Name	Details
LLO	LION ONE METALS	Mine engineering and underground development is progressing at the Tuvalu Au Project in Fiji. A total of 6493m of DD has been completed to date and 5 intersections are noted by LLO including 8.4m @ 71g/t Au from 96mdh.
ADN	ANDROMEDA METALS	Have reviewed old drilling at the Willamulka and Alford West Deposits (Moonta Cu Au Project SA). To assess cobalt grades. 3 intersections from Willamulka have been identified include 5m @ 0.2% Co from 45mdh. And 3 intersections including 4m @ 0.25% Co from 76mdh. ADN may now rethink the future of the project, previously only considered for it Cu potential.
OVR	OVERLAND RESOURCES	32 holes (2585m) drilling at the Trojan Au Project near Kalgoorlie WA has returned 5 assays noted by OVL including 7m @ 2.5g/t Au from 19mdh. Follow up drilling is planned.
BRK	BROOKSIDE ENERGY	The first well at the Stack Play in Oklahoma USA has flowed 1784BOE/day over 30 days meeting the Company's expectation and establishing proof of concept. BRK expect first sales can be achieved in 12 months.
ORR	ORECORP	Infill drilling at the Nyanzaga Au Project Lake Victoria Goldfields Tanzania has returned 11 intersections noted by ORR including 11m @ 2.85g/t Au from 144mdh. Some of the drilling was outside the resource area and hence will be included a resource update and DFS in progress. Current resources are 3.3Moz Au contained at 3.5g/t Au.
TKM	TREK METALS	The results of the maiden drilling program at the Dikaki and other prospects within the Kroussou Zn Pb Project Gabon include 2 intersections noted by TKM including 24.7m @ 0.9%Zn and 2.5%Pb.

Drilling Planned, Underway or Completed (with Assays Pending)

ASX Code	Company Name	Details
AOK	AUSTEX OIL	Since acquiring the 720 acre Snake River Oil Project USA with a producing well (15kbbbls/day) the Company have identified targets for new vertical wells. AOK are of the view that the cost of new wells is 350K each.
ICG	INCA MINERALS	ICG report 3 sulphide zones have been intersected in the first hole at Humaspunco Prospect (Riqueza Zn Ag Pb Project) Chile. However, the width of the intersections are not clear and the assays are pending.
CZL	CONSOLIDATE ZINC	CZL report the presence of high grade Zn Pb mineralization in the first 6 holes drilled at the Tres Amigos North Zone Mexico. Assays are pending.

Drilling Planned, Underway or Completed (with Assays Pending) Continued...

LIT	LITHIUM AUSTRALIA	Have announced earthworks have commence ahead of drilling and costeaning at the Horseshoe and Deep Purple Prospects (Ravensthorpe Li Project WA). 30 drill pads have been completed.
HLX	HELIX RESOURCES	The Company is planning a 30 hole RC program which will also test the Battery Tank, Good Friday, Sunrise and Boundary Prospects (Cobar Au Project NSW). Regional auger drilling has identified new gold in soil anomaly at the Republic Prospect located NW of the Battery Tank Prospect.

Other Announcements on Existing Projects

ASX Code	Company Name	Details
SEG	SEGUE RESOURCES	Selective sampling of 68 samples at the Reid Well LCT Prospect (Gascoyne Li Project WA) have returned peak values to 3.77% Li ₂ O.

Capital Raising and Financing News

ASX Code	Company Name	Details
IPT	IMPACT MINERALS	Have announced a SPP to raise \$4M at 4 cents per share to fund drilling at the Commonwealth Au Ag and Broken Hill Cu Ni PGM Projects NSW,

Corporate News

ASX Code	Company Name	Details
AVQ	AXIOM MINING	The Solomon Island Govt have renewed the tenure over the West Guadalcanel epithermal Au Ag and porphyry Cu Au mineralization.
GMR	GOLDEN RIM RESOURCES	The Company tenure over the Bagonga Au Project Burkina Faso has been renewed for 3 years.

Investor Presentations

ASX Code	Company Name	Details
MZN	MARINDI METALS	MZN holds the Newman Zn Project located within the Capricorn Orogen between the Pilbara and Yilgarn Cratons. The tenure covers 24kms of strike of the Prairie Downs Fault Zone which includes a resource at Prairie Downs of 3Mt @ 5%Zn 1.6%Pb 15g/t Ag and a priority target at the Wolff Prospect where drilling has intersected 9m @ 9.2%Zn, 8.8%Pb and 49g/t Au. Scoping Study is underway at Prairie Downs. MZN also holds the McArthur River Zn Project NT, which includes the Caranbirini Prospect where drilling includes 1m @ 17.3%Zn 1.1%Pb from 440mdh. MZN is currently working up additional drill targets. Teck is earning 80% at the Yalco JV also in the McArthur Basin. MZC holds 850 sq km of tenure at the Forresteronia Lithium Project covering 90km of strike of a greenstone belt plus an option to acquire 90% of the Gem Pegmatite Mining Lease with a 1.5kms strike of historic drilling and mining activity for Nickel. MZN's first pass drilling at Gem has returned 33m @ 3.2%Li ₂ O. The Company also has instigated legal action with ASX-KDR and ASX-RXM over tenure disputes.
BUX	BUXTON RESOURCES	BUX hold the Double Magic Ni Cu Project hosted within the Proterozoic King Leopold Orogen sequence, east of Derby. BUX are of the view that the geology is similar to Savannah & Sally Malay Nickel Project in East Kimberley. . Large IP anomaly. Drill intersection include 17m @ 1.78% Ni 1.1%Cu Mapping & sampling have defined the zone over 700m of strike. 10,000m of RC and DD planned.
IDA	INDIANA RESOURCES	Hold the Ntaka Hill Ni Co Cu Project (60%) and the Kishugu and Naujombo Au Projects located in close proximity in SE Tanzania. The Naujombo Project includes 9.5kms of prospective strike. Drilling is to commence in June 17 on soils anomaly targets. At the Ntaka Hills Project the Company plan to focus on a high grade open pit zone. The contained resources are 356kt Ni at 0.66% Ni. The resource also includes 0.02%Co and 0.14% Cu. Other regional Ni projects have been outlined. IDA recently raised \$1.26M from a new cornerstone investor (Investmet – Michael Fotois).
ABX	AUSTRALIAN BAUXITE	ABX currently mines bauxite at Campbell Town in Tas for which it has identified 3 markets after first separating the ore into 3 products. 35-50% is high grade gibbsite for alumina refining, 30-45% is suitable for cement manufacturing and 3-15% for fertilizer industry. ABX report that the conversion of cement plants to gas fired has increased the demand for bauxite for this purpose. The Company's Tasmanian resources are >12Mt. ABX also hold 10 other bauxite projects in Eastern Australia totaling 124Mt. A second mine is planned at the Fingal Rail Project also in Tas.

Investor Presentations Continued...

BSX	BLACKSTONE MINERALS	BSX hold 3 projects including the Silver Swan South Ni Au Project, Red Gate Au Project and Middle Creek Au Project. Drilling is to commence at the Silver Swan South Au Ni Project 40kms S of Kalgoorlie WA. The program will test targets associated with the interpreted extensions of the Fitzroy Shear and infill historical drilling with intersections to 3.5g/t Au and ultramafic Ni targets The Red Gate Project covers 146 sq km including 21kms untested Greenstone Belt, within trucking distance of 3 plants. Historic drill intersections include 12m @ 9.2g/t Au from 8mdh. The Middle Creek Project includes a 1300m long soils anomaly.
WPG	WPG RESOURCES	WPG hold the Challenger Au Mine and the Tarcoola and Tunkillia Au Projects SA with total resources of 918koz Au at 2g/t Au. Reserves are 160koz Au. Production guidance for the Challenger Mine is 50koz Au for FY 17 at AISC of \$1495/oz Au in Q1 17. Mill expansion plan is underway as process capacity is a bottleneck. The contained resource at Challenger is 255koz Au @ 9.8g/t Au and reserves of 89koz Au. The ventilation system at the Challenger Au Mine SA has been upgraded to allow mining into the Challenger Deeps. Underground drilling will now commence below the 215 shear. Drilling will also target Challenger West not previously drilled. Ore is being carted to Challenger from the Tarcoola Au Mine where the reserve is 71koz. A DFS is planned to be completed at the Tunkillia 223 Au Deposit located 70kms S of Tarcoola, by the end of 2017. WPG (28%) have a JV with ASX-TYX over exploration projects within the West Gawler JV around the Challenger Mine. Resources include the Jumbuck Project with 147koz Au.
VMS	VENTURE MINERALS	VMS holds the Caesar Ni Cu Project NE of Geraldton WA. Maiden drilling program is about to commence to test geochem and geophysical anomalies extending over 6kms. The Company holds a 1000 sq km tenure within the Greenbushes Area, which includes a VHS style target from several metres of massive Zn Pb Cu sulphide mineralization in historic core from the Company's Thor Prospect 240km south of Perth. The mineralization is hosted within a gneiss complex. Follow up surface sampling and geophysics will be used to define drill targets. VMS also hold the Riley DSO Hematite Iron Project and the Mt Lindsay Tin Project Tas. The Company holds the Thali Project located in the Loei Mineralized belt in Northern Thailand. Surface samples up to 1760g/t Ag and 27% Zn,

Investor Presentations Continued...

TRT	TODD RIVER RESOURCES	<p>TRT hold the base metal exploration portfolio previously held by TNG in the NT, including the Manbarrum Zn Project, Mt Hardy Cu Zn Project, the Stokes Yard Zn Project and the McArthur Cu Zn Project. Manbarrum is located 80kms NE from Kunanarra. 37,000m of RC and DD have been completed, along with IP and Gravity surveys. TRT are of the view that the deposit is a classic MVT Zn deposit. The Company hold 50kms of prospective strike with 4 known deposits. The resource is 22Mt @ 1.8% Zn 0.4%Pb 4.6g/t Ag at Sandy Creek Deposit. IP targets have been identified. A Scoping Study is proposed including metallurgical testwork. 17 EM targets have been identified at the Mt Hardy Cu Project where drilling is planned. Past intersections include 10m @ 1.35%Cu and 21m @ 4.3%Zn over EM Target 1, drilled previously. 4 drill ready targets occur at the Walabanba Base Metal and Lithium Project and drilling is planned for Q2 17. The McArthur River Zn Cu Ag Project is located within the Batten Fault Zone which also hosts the Teena Deposit held by Teck. 5 anomalous areas have been identified for geophysical studies and drilling. Geological mapping, soil sampling, geophysics are planned at the Stokes Yard Zn Pb Cu Project east of Alice Springs.</p>
RXL	ROX RESOURCES	<p>RXL hold the Fisher East Nickel Sulphide Project WA with a contained resource of 50kt Ni at 2.5%Ni. Development Study looked at up to 3 underground mines (Musket; Cannonball and Camelwood Deposits) and treatment options of either toll treatment at the Nickel West Plant at Leinster, or the construction of a stand-alone plant on site. A number of exploration targets occur, RC drilling is underway and the Company's objective is to double the resource. RXL has recently acquired the 123 sq km Collurabbie Ni Au Project 70kms East of Mt Fisher. The project includes the Olympia Deposit where historic drilling has encountered 5.8m @ 3%Ni 2%Cu & 5.3g/t PGE. The exploration potential covers 15kms of strike. RXL also have a JV with ASX-DRM who are spending \$10M over Au targets along the Mt Fisher Greenstone Belt. The current resource is 86koz Au. A 16,000m AC drill program is underway and 12000m have been completed to date.</p>
AQG	ALACER GOLD	<p>AQG is mining oxide gold ore at the Copley Open Pit Mine Turkey, where the contained Oxide reserves of 512koz @ 1.1g/t Au (M&I resources are 697 koz Au). Q1 17 production was 33koz at AISC of \$US 898/oz. The Mining Gross Profit is \$7.7M and the EBITDA \$12.3M. The Company is construction a new plant to process the underlying sulphide ore. Contained Sulphide Reserves are 3.5Mozs @ 2.77g/t Au 6g/t Ag (M&I Resource is 5.3Moz at 2.2g/t Au). Construction is underway and first gold pour expected Q3 18. The LOM is 20 years with the AISC estimate of \$US645/oz.</p>
AAJ	ARUMA RESOURCES	<p>AAJ hold 260 sq km of tenure at the Slate (Mulga Dam) Project east of Kalgoorlie. The main target is a 7 sq km anomaly, where past drill intersections include 113m @ 0.22g/t Au. A 5,000m RC drilling is due to state in June 17. Have recently been granted the Slate Dam Au tenement, located adjacent to the Glandore JV of ASX-SAU, 40kms E of Kalgoorlie WA</p>

Investor Presentations Continued...

RTR	RUMBLE RESOURCES	RTR is earning up to 70% in the historic high grade Braeside Zn Pb Ag Project WA. The mineralization is hosted by mafic to intermediate and felsic volcanics over 60kms of strike, along which only 10 holes have been drilled. The project includes the Ragged Hills Pb Ag Zn Deposit where past mining has left around 50kt tailings and selective sampling has outlined mineralization over 2.5kms of strike, including 27% Pb 111g/t Ag. A number of other prospects occur.
GCY	GASCOYNE RESOURCES	GCY hold the Dalgara Au Project WA where the first gold pour is expected Q1 18. Contained Resources are 1.12M oz Au, and Reserves 0.55Moz Au. 2 open pits (Golden Wings and Gilbeys) within 3.5kms of each other, with free dig to 100m. New 2.5Mtpa CIL Process Plant is to be constructed at Gilbeys Prospect. Plan to produce 105koz Au pa at AISC \$931/oz Au. Pre-production capex \$A86M. LOM 6 years. Long lead time items ordered and the camp has been acquired. \$55M equity raising has been completed and debt financing under discussion. 8 other regional exploration targets identified including Sly Fox where 1600m of RC drilling has returned 6 intersections noted by GCY including 40m @ 2g/t Au. Resource estimate underway. GCY also hold the Glenburgh Au Project which also has a 1Moz Au resource and will be developed after Dalgara. PFS suggest a LOM of 5 years producing 320koz. Capex \$75M. PFS currently being updated and regional targets being evaluated.

BREAKAWAY RESEARCH

Breakaway Research Pty Ltd

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The team at Breakaway Research comprise experienced analysts with more than 25 years experience in geology and investment banking.

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Austex Mining Principal Rob Murdoch is an Australian geologist who has specialised in the management of junior resource companies for 30 years. His experience enables Rob to provide a quick and valid assessment on the potential of impact of many announcements, for example those involving new discoveries, drill results or resource upgrades and tracks the progress of companies on their various exploration or development projects.

Austex maintains an extensive database on all ASX listed resource companies, their corporate situations and the status of their various projects. This database helps to identify industry and investment trends which may not be apparent otherwise. Breakaway Research is extremely pleased to be able to utilise Rob's extensive experience in both corporate and technical capacity to assist in identifying resource investments that will directly benefit our subscribers.



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