28th May 2019
Market Announcements Platform
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

AUROCH TO ACQUIRE HIGH-GRADE WESTERN AUSTRALIAN NICKEL PROJECTS

Highlights

- Binding agreement with Minotaur Exploration Ltd (**ASX: MEP**) to acquire the Saints and Leinster Nickel Projects located in Western Australia for a total consideration of $1.5M
- The Saints and Leinster Projects are advanced, high-quality nickel sulphide projects with the following Inferred Resources:
    - Saints – **1.05Mt @ 2.00% Ni, 0.20% Cu, 0.06% Co for 29.5kt Ni, 1.6kt Cu, 0.6kt Co** [1]
    - Leinster (The Horn) – **0.60Mt @ 1.39% Ni, 0.30% Cu for 8.3kt Ni, 1.8kt Cu**[2]

  Both projects remain open down-plunge and along strike, with significant proximal exploration potential through untested or partially-tested electromagnetic (EM) conductors
- The 121.5km^2 tenement package is considered both highly prospective and underexplored, hosting extensive ultramafic rock packages and a number of drill-ready nickel sulphide targets within one of the highest-producing nickel belts in Australia

Auroch Minerals Limited (**ASX:AOU**) ("**Auroch"** or the "**Company"**) is pleased to announce that it has entered into a binding agreement with Minotaur Exploration Pty Ltd (**ASX:MEP**, **Minotaur**) to acquire 100% of the tenements known as the Saints Nickel Project (**Saints**) and the Leinster Nickel Project (**Leinster**).

Auroch Chief Executive Officer Aidan Platel commented: "*The Saints and Leinster nickel projects are located in one of Western Australia's most nickel-endowed greenstone belts, presenting great potential for significant nickel sulphide resources in a region supported by excellent existing infrastructure. This acquisition provides Auroch with existing nickel resources as well as multiple drill-ready targets that the Company will begin systematically testing immediately. The Company is bullish on nickel and will utilise its excellent in-house nickel exploration technical expertise to continue its strategy of aggressively exploring for base-metals in Australia.*"

Acquisition Summary

Auroch's acquisition of the Saints and Leinster projects aims to unlock the latent value of high-grade nickel sulphide assets. Auroch will provide a dedicated management team to aggressively explore the projects, which have historically seen limited nickel exploration. The combined portfolio of high-grade nickel

[1] JORC (2012) Inferred Resources, above a 1.0% Ni cut-off grade. Refer to Appendices A to C for further details.

[2] JORC (2004) Inferred Resources, above a 0.5% Ni cut-off grade. Refer to Appendices A to C for further details.

sulphide assets provides a solid base for Auroch to systematically explore high-priority targets and emerge as the next significant nickel developer on the ASX.

The Saints high-grade deposit of 1.05Mt @ 2.00% Ni, 0.20% Cu, 0.06% Co[3] remains open down-plunge and along strike with noteworthy proximal exploration potential through untested or partially tested electromagnetic (EM) conductors. Significant high-grade intercepts at the Saints Nickel Project include 2.0m @ 3.17% Ni from 171m depth[4]. Auroch has identified high priority exploration targets for immediate drill testing that have the potential to extend the currently defined resource.

Leinster is prospective for both nickel and gold and is strategically located in a historic nickel region around Leinster-Waterloo, proximal to existing infrastructure. Significant historic intercepts include 14.66m @ 1.95% Ni and 0.35% Cu from 132.6m depth[5]. The Horn deposit of 0.60Mt @ 1.39% Ni and 0.30% Cu[6] remains open down-plunge and along strike and Auroch will systematically explore extensional targets with the aim of extending the currently JORC 2004 Code defined resource and converting to it to the JORC 2012 Code.

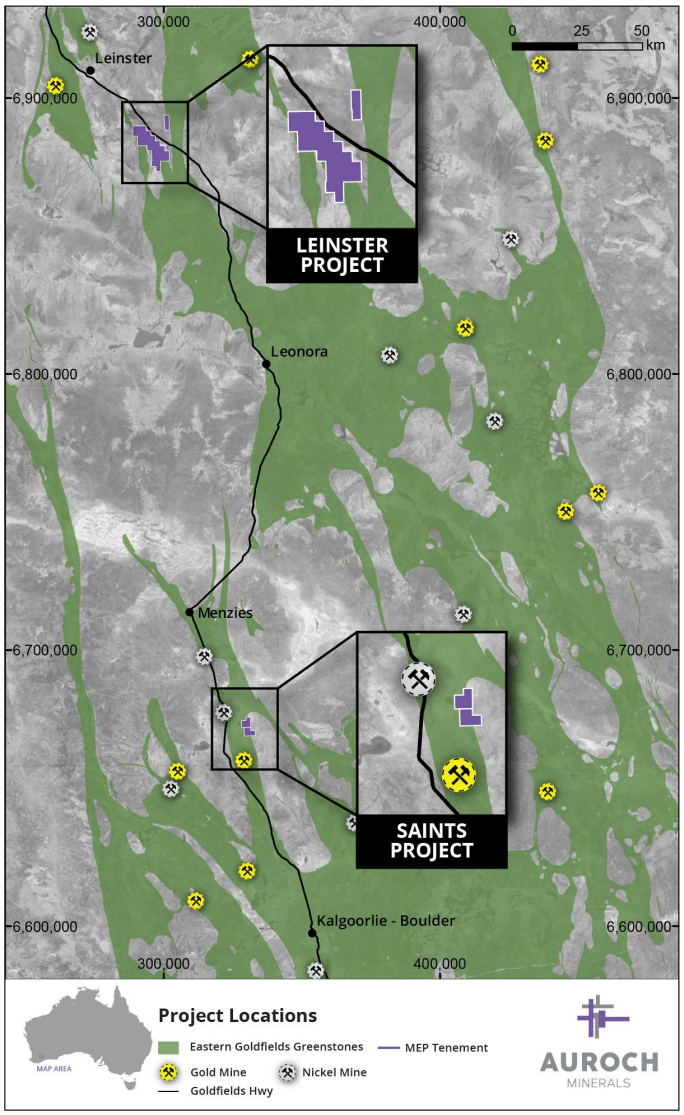

Figure 1 – Location of the Leinster and the Saints Nickel Projects

[3] JORC (2012) Inferred Resources, above a 1.0% Ni cut-off grade. Refer to Appendices A to C for further details.

[4] See Breakaway Resources ASX Announcement 16 March 2007

[5] Refer Breakaway Resources ASX Announcement 27 March 2008

[6] JORC (2004) Inferred Resources, above a 0.5% Ni cut-off grade. Refer to Appendices A to C for further details.

Saints Nickel Project

TENURE & LOCATION

The Saints Nickel Project is located approximately 65km northwest of Kalgoorlie and 7km east of the Goldfields Highway (Figure 1). The tenement package comprises two mining leases covering an area of approximately 20km^2 of prospective Archaean greenstone belt geology within the Eastern Goldfields province of the Yilgarn Craton. The Saints Nickel Project sits in the same sequence of rocks that host the defunct Scotia nickel mine, 15km to the south. Scotia produced 30,800 tonnes of contained nickel at 2.2% nickel grade to 360m depth until collapse of an upper level of the mine hanging wall in July 1977 terminated mine operations.

GEOLOGY

The Saints Nickel Project's tenements encompass a portion of the Archaean Norseman-Wiluna Greenstone Belt of the Kalgoorlie Terrane – Boorara Domain within the Eastern Yilgarn Craton of Western Australia. The tenements are located on the western limb of the Scotia-Kanowna Anticline within the Bardoc Tectonic Zone which occurs along the western margin of the Scotia-Kanowna Batholith. The stratigraphy is upright and dips steeply to the west, consisting of mafic, ultramafic and metasedimentary/ metavolcaniclastic/ felsic volcanic units (Trofirmovs et al, 2006, Morey et al, 2007).

Mineralisation at the Saints Nickel Project occurs in the same host sequence as the Scotia Mine, situated at the base of a lens of a coarse-grained, serpentinised olivine cumulate that is considered typical of the channelised portion of a flow or sill within the lowermost flows of the Highway Ultramafic (Wyche, 1998).

THE SAINTS NICKEL PROJECT MINERAL RESOURCES

Mining consultant RPM Global developed a maiden JORC 2012 Mineral Resources estimate for the Saints Nickel Project of **1.05Mt @ 2.0% Ni, 0.2% Cu and 0.06% Co for 21,400 tonnes of contained nickel, 1,600 tonnes of contained copper and 600 tonnes of contained cobalt** (Table 1). Minotaur reported the resource estimate to the ASX on the 4th May 2017.

Table 1 – Saints (May 2017) Inferred Mineral Resources Estimate (1.0% Ni Cut-Off)

	Tonnage	Ni	Cu	Co	Ni	Cu	Co
Type	kt	%	%	%	t	t	t
Oxide	2.0	1.00%	0.02%	0.02%			
Transitional	22.0	1.70%	0.10%	0.05%	400.0		
Fresh	1,020.0	2.00%	0.20%	0.06%	21,000.0	1,600.0	600.0
Total	**1,050.0**	**2.00%**	**0.20%**	**0.06%**	**21,400.0**	**1,600.0**	**600.0**

Refer to Appendices A to C for further details regards the Saints Nickel Project Mineral Resource.

The Saints Nickel Project is regarded as an Archaean Kambalda-style, komatiite-hosted, massive nickel sulphide deposit. The deposit occurs within the Menzies-Bardoc tectonic zone in ultramafic units, equivalent to the Highway Ultramafic. The Saints Nickel Project contains three main zones of nickel sulphide mineralisation: St Andrews, St Patricks and the Western Contact.

The main sulphide species recognised in all three prospects are pyrrhotite, pentlandite, chalcopyrite and pyrite, with violarite in the transitional weathered zone. Ore grade nickel mineralisation occurs as massive or matrix sulphides in the main ore zones with disseminated or cloud sulphides occurring in the hanging wall position proximal to mineralisation. Mineralisation widths range from 1-2m up to 6m (true width).

Drilling at the deposit extends to a vertical depth of approximately 530m, with mineralisation modelled from surface to a depth of approximately 480m below surface. The estimate was based on good quality air core (AC), reverse circulation (RC) and diamond core (DD) drilling data. Drill-hole spacing is predominantly 40m

by 30m in the well-drilled portions of the deposit and broadens to approximately 100m by 80m over the remaining areas.

Mineralisation was constrained by mineralisation envelopes prepared using a nominal 0.5% Ni cut-off grade for disseminated sulphide and a 1.0% Ni cut-off grade for matrix and massive sulphide mineralisation. A minimum down-hole length of 1m was adopted for interpretation.

Notably, at least 97.5% of the resource is fresh primary sulphide mineralisation, to 480m below surface. There appears to be significant geological upside potential evident that would result in the defined resource being enlarged through near-resource exploration and testing of postulated extensions of known stratigraphic sequences, such as the Western Contact 'depth fold', which have never been drill-tested.

EXPLORATION UPSIDE

Mineralisation at the Saints Nickel Project consists as a series of sub-parallel high-grade sulphide zones developed along eastern and western ultramafic/basalt contacts. Significant potential for resource extensions remains at depth in and around the nose of the postulated fold closure, which is yet to be drill tested and is a priority for Auroch.

The long-section through the Saints Nickel Project shows that St Patricks remains open at depth and St Andrews deposit is open to the south and at depth (Figure 2). There has been limited drilling between St Andrews and St Patricks since the acquisition of the Saints Nickel Project by Minotaur in 2013, with around 500m strike not tested and remaining a high exploration priority for Auroch to follow up.

In late 2014 and 2018 Minotaur undertook new ground EM surveys aimed at characterising EM responses over the known nickel mineralisation and to identify extensions and/or new lodes. The main lodes at St Andrews and the Western Contact were mapped as moderate-strength bedrock conductors; in particular, strong EM conductors were identified at St Patricks where it extended along strike north to a new zone named St Julian. Given the encouraging results of EM surveys performed in 2018 and the lack of drill testing since 2013, Auroch perceives there to be significant potential for high grade nickel sulphide mineralisation extending beyond the current estimates.

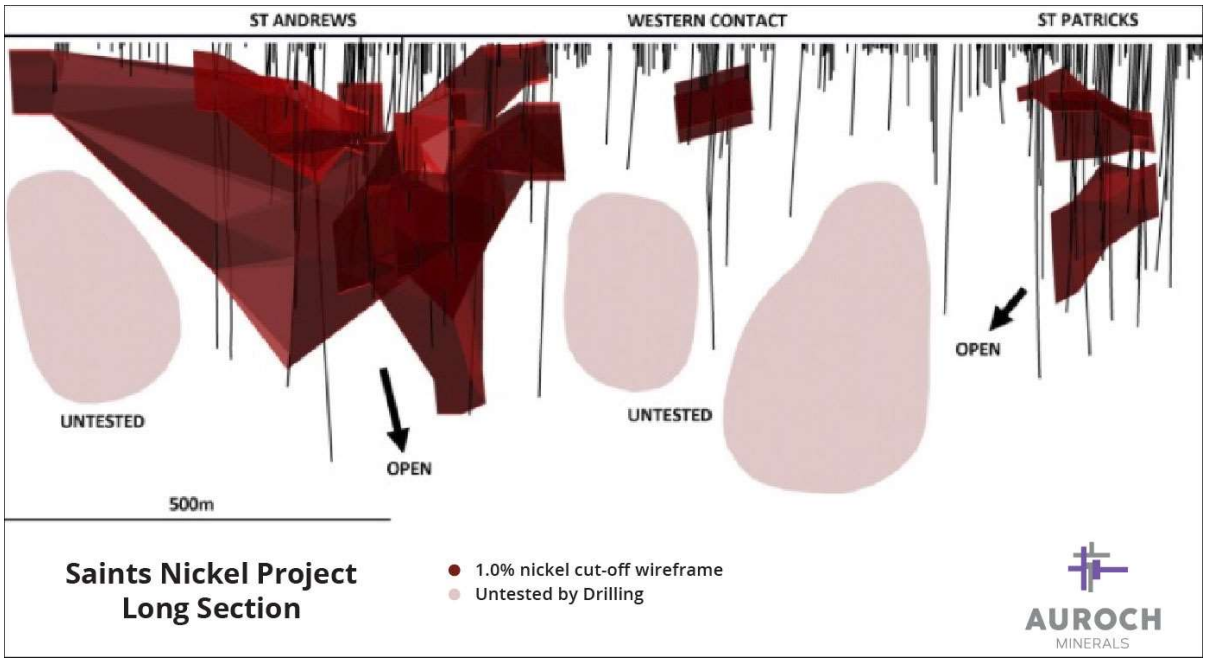

Figure 2 – Long-section of the Saints Nickel Project (dark red) displaying 1.0% nickel cut-off wireframe (looking west). Exploration targets are outlined in pink.

St Patricks

New 2018 EM data around St Patricks refined the two known conductive (EM) plates representing sulphide mineralisation. Of particular note is the revised scale of the modelled conductors relative to the drilled resource (Figure 3). The undrilled area immediately south of the St Patricks resource clearly presents a significant drill-ready target with potential to significantly extend the current resource. Additionally, the gap in drilling on the northern side of the resource is also evident.

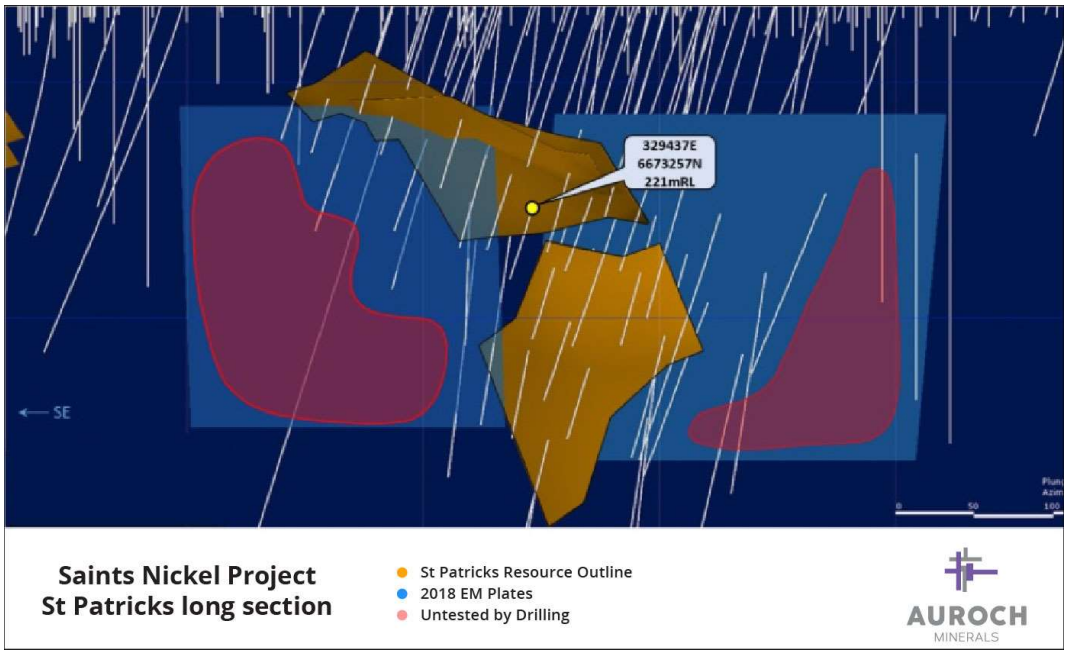

Figure 3 – Saints Nickel Project - St Patricks long section looking southwest, showing the resource outline (orange) and the modelled EM conductor plates (blue) with drill holes. Areas in red offer potential resource expansion.

The data also revealed a new 600m long conductor along strike immediately north of St Patricks (Figure 4); an area sparsely drilled and only to shallow depths. The position of this conductive zone correlates well with the interpreted basal contact of the ultramafic unit hosting high grade nickel sulphide mineralisation at St Patricks. Extensions along strike have the potential to materially increase the current resource estimate.

St Julian

A previously unknown zone of high conductivity, St Julian, has been identified through the 2018 EM survey. The high conductivity zone is approximately 800m long, lies parallel to and 150m west of the St Patricks conductor (Figure 3). There has been limited drilling over the conductive zone, comprising of 7 AC/RAB holes to an average depth of 14m, with one hole returning 0.13% Ni. The conductor has not yet been followed up.

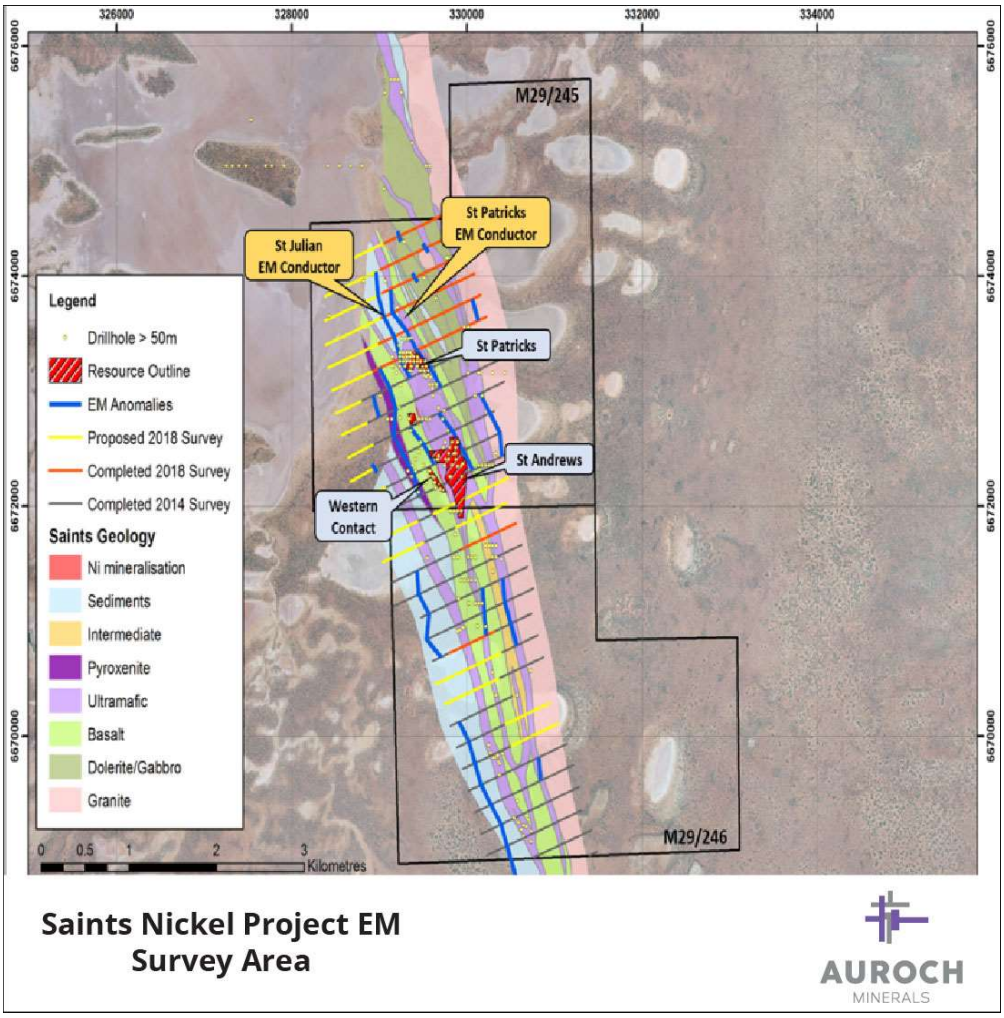

Figure 4 – Saints Nickel Project EM survey area with modelled conductors, drill holes >50m deep and the Saints Ni-Cu-Co mineral resources.

Leinster Nickel Project

TENURE & LOCATION

The Leinster Nickel Project is located approximately 40km southeast of the township of Leinster and approximately 60km north-northwest of Leonora in the East Murchison Mineral Field of Western Australia. The project area is situated between the Goldfields Highway and the Leonora-Agnew Road and is close to the Eastern Goldfields Gas Pipeline (Figure 1). The project area covers approximately 112km^2 of prospective Archaean greenstone belt geology within the eastern goldfields of the Yilgarn Craton. Leinster's nickel sulphide deposit resides in a world-class mining domain proximal to established mining and processing infrastructure.

GEOLOGY

The project area straddles the Weebo – Mt. Clifford greenstone belt and the Agnew-Wiluna greenstone belt, within the Kalgoorlie Terrane to west and the Kurnalpi Terrane to the East, which are Archaean granite-greenstone terranes that make up part of the Eastern Goldfields province of the Yilgarn Craton. This north-northwest trending belt consists of a folded and thrust stacked sequence of basalts, ultramafics, felsic volcanics and pelitic sediments, intruded by several granitoid plutons. The area is also transected by a splay of the north-northwest trending Perseverance Fault (part of the Keith-Kilkenny lineament) in the centre, and the north striking Mt. McClure shear zone in the east (Blewett and Hitchman, 2006a).

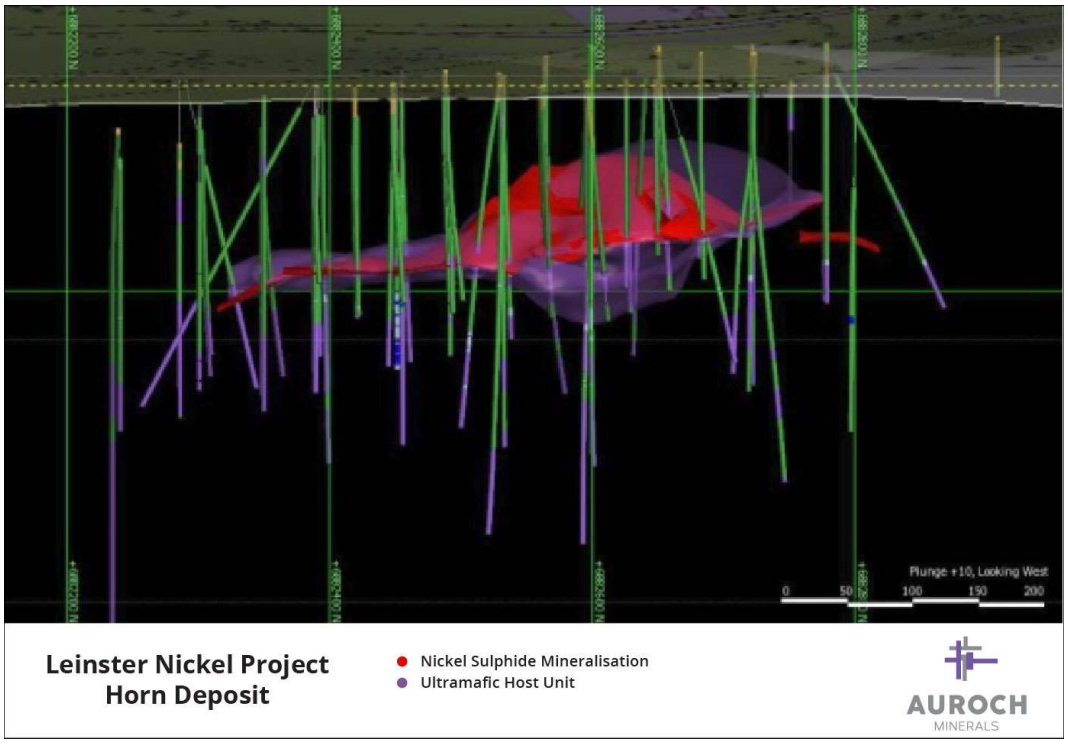

Figure 5 – Leinster Nickel Project - The Horn deposit looking west.

THE HORN MINERAL RESOURCES

In 2008 Breakaway Resources Ltd (Breakaway), which was acquired by Minotaur in 2013, calculated a JORC 2004 -compliant Inferred Mineral Resources estimate for the Horn deposit of **0.6Mt @ 1.4% Ni and 0.3% Cu for 8,300 tonnes of contained nickel and 1,800 tonnes of contained copper** (Table 2). No further material work has been undertaken at the Horn since 2008.

Table 2 – The Horn 2008 Inferred Mineral Resources (0.5% Ni Cut-off)

	Tonnage	Ni	Cu	Ni	Cu
Type	kt	%	%	t	t
Fresh	600.0	1.40%	0.30%	8,300.0	1,800.0
Total	**600.0**	**1.40%**	**0.30%**	**8,300.0**	**1,800.0**

Refer to Appendices A to C for further details regards the Horn Mineral Resource.

Nickel sulphide mineralisation at the Horn deposit occurs within high MgO ultramafic rocks present under basalt footwall stratigraphy in an overturned structural position. Mineralisation plunges gently to southeast and is relatively flat-lying. Massive nickel sulphide consists predominantly of the minerals pyrrhotite-pentlandite-pyrite-violarite. Massive and matrix nickel sulphide mineralisation at the Horn Deposit was drilled by Breakaway over a 500m strike length and remains open along strike to the north and south and is up to 15m thick. The nickel mineralisation is coincident with a prominent magnetic ultramafic succession and is located on the southern extremity of the ultramafic unit.

The resource estimate is based on 11 diamond and 1 reverse-circulation (RC) drill-holes carried out on a nominal 50m by 50m spacing. The deposit boundary was defined by a 0.5% Ni cut-off grade, which coincides with the geological boundary of disseminated/matrix sulphides.

EXPLORATION UPSIDE

The Horn deposit has significant proximal and regional exploration potential with numerous untested or partially tested bedrock EM conductors. Auroch will systematically advance exploration, initially targeting resource extensions and high-grade ore plunges prior to examining regional opportunities.

Early nickel exploration at Leinster was undertaken during the 1960's and 1970's, most notably by WMC, Seltrust, Amax and BP Minerals. Some grassroots gold and nickel exploration were undertaken during and since the 1980's primarily by Outokumpu, Dominion, Forrestania Resources, Dalrymple Resources, Miralga Mining and Lionore. A large, comprehensive database of exploration data from this period has been reviewed and highlighted numerous untested to partially tested nickel prospects within the Leinster project area. After conducting an extensive review, Auroch has identified the Valdez Prospect as a high priority near-term regional exploration target.

Valdez Target

The Valdez target is located northeast of the project area on tenement M36/475 and lies along strike from the Waterloo nickel sulphide deposit owned by Saracen Minerals Limited (ASX: SAR). Historic drilling in the area is only shallow, however a drill-hole over the top of the southern edge of the of the anomaly intersected up to 0.5% nickel. The target remains under-tested having only one drill-hole in a 1200m by 450m modelled EM plate, and warrants further work (Figure 6).

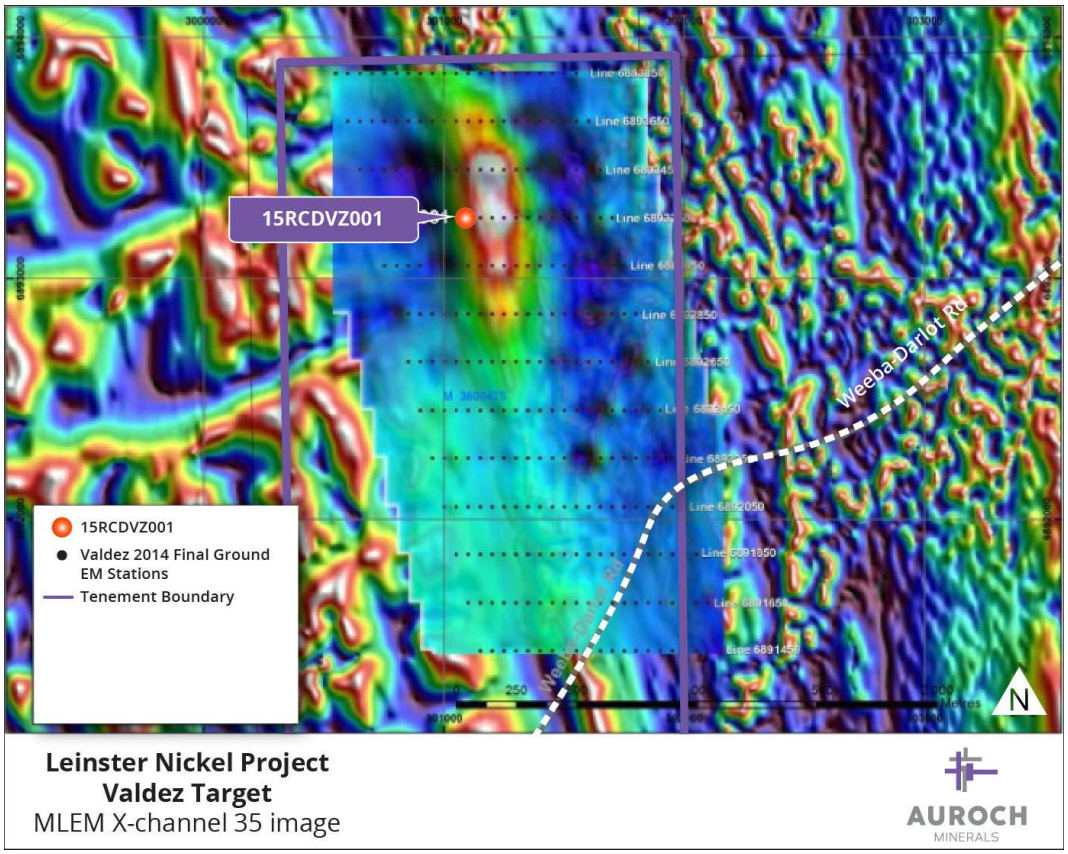

Figure 6 – MLEM X-channel 35 image for the Valdez Target

Work Programme

The Company plans to thoroughly review all of the extensive historical data over the Leinster and Saints Nickel Project tenure, and in particular reprocess and remodel some of the EM data to use for direct drill-targeting. The Company will then undertake phased drilling campaigns over the next 12 months to systematically test the priority drill targets, beginning with the possible extensional zones to the existing nickel sulphide resources.

Key Commercial Terms

The key commercial terms of the acquisition are summarised below:

- Auroch will acquire 100% of the Saints Nickel Project and 100% of the Leinster Project via the acquisition of certain wholly owned subsidiaries of Minotaur who hold the projects.
- Completion of the acquisitions is conditional on the satisfaction or waiver of various conditions precedent including completion of legal due diligence, obtaining the necessary Auroch shareholder approvals and obtaining any regulatory or other third party approvals required to complete the acquisitions.
- The consideration for acquisition is 23,333,333 Auroch shares to be issued on completion (which will result in Minotaur having a 18.8% undiluted ownership in Auroch) and $100,000 payable in cash on the completion of Auroch's next capital raise.
- The above consideration shares are subject to a voluntary escrow period of 12 months.
- At completion, Minotaur may appoint one director to Auroch's board. This right will lapse if Minotaur's shareholding in Auroch is less than 4.9%.
- A notice of meeting containing further details in relation to the acquisitions will be dispatched to shareholders shortly.

-END-

For further information contact:
Aidan Platel
Chief Executive Officer
E: aplatel@aurochminerals.com

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Aidan Platel and represents an accurate representation of the available data. Mr Platel (Member of the Australian Institute of Mining and Metallurgy) is the Company's Chief Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code 2012"). Mr Platel consents to the disclosure of this information in this report in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Saints Project was reported by Minotaur Exploration Ltd (ASX:MEP) to the ASX on 4th May 2017 under JORC Code 2012 (refer https://www.asx.com.au/asxpdf/20170504/pdf/43j0r0dt0ytq74.pdf). The information in this report in relation to Mineral Resources for the Saints Project is based on, and fairly represents, the available data and studies for the project which have been compiled by Mr Aidan Platel. Mr Platel (Member of the Australian Institute of Mining and Metallurgy) is the Company's Chief Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code 2012. Mr Platel consents to the disclosure of this information in this report in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Leinster Project was reported by Breakaway Resources Ltd to the ASX on 14th April 2008 under JORC Code 2004 (refer https://www.asx.com.au/asxpdf/20081024/pdf/31d3x55rpn6dxy.pdf). A Competent Person (as defined in the JORC Code 2012) has not done sufficient work to classify this Mineral Resource in accordance with JORC Code 2012. The information in this report in relation to Mineral Resources for the Leinster Project is an accurate representation of the available data and studies for the project which have been compiled by Mr Aidan Platel. Mr Platel (Member of the Australian Institute of Mining and Metallurgy) is the Company's Chief Geological Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code 2012. Mr Platel consents to the disclosure of this information in this report in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Auroch Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Auroch Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix A – Mineral Resources Estimates

Saints Nickel Deposit – JORC 2012 Inferred Mineral Resources Estimate at a 1.0% Ni cut-off

	Tonnage	Ni	Cu	Co	Ni	Cu	Co
Type	kt	%	%	%	t	t	t
Oxide	2.0	1.00%	0.02%	0.02%			
Transitional	22.0	1.70%	0.10%	0.05%	400.0		
Fresh	1,020.0	2.00%	0.20%	0.06%	21,000.0	1,600.0	600.0
Total	**1,050.0**	**2.00%**	**0.20%**	**0.06%**	**21,400.0**	**1,600.0**	**600.0**

Minotaur Exploration ASX Announcement 4 May 2017:
https://www.asx.com.au/asxpdf/20170504/pdf/43j0r0dt0ytq74.pdf

Leinster (Horn) Nickel Deposit – JORC 2004 Inferred Mineral Resources Estimate at a 0.5% Ni cut-off

	Tonnage	Ni	Cu	Ni	Cu
Type	kt	%	%	t	t
Fresh	600.0	1.40%	0.30%	8,300.0	1,800.0
Total	**600.0**	**1.40%**	**0.30%**	**8,300.0**	**1,800.0**

Breakaway Resources ASX Announcement 14 April 2008 – see Breakaway Annual Report (2008):
https://www.asx.com.au/asxpdf/20081024/pdf/31d3x55rpn6dxy.pdf

Appendix B – Exploration Results

Saints Nickel Deposit

Exploration results (drill intersections in Figure 3 & 4) were previously reported by the current owner Minotaur Exploration Ltd (Minotaur ASX Announcement 4 May 2017, https://www.asx.com.au/asxpdf/20170504/pdf/43j0r0dt0ytq74.pdf**)**

- The results were reported under the JORC Code 2012.
- Auroch consider the results reliable. The drill intersections are derived from historical drill intersections which were reviewed and assessed by current owners Minotaur as being representative.
- The drill intersections were part of drilling programs carried out by previous owners between 2002-2008.
- Auroch intends to undertake detailed reviews and reassessments of all aspects of the project in the next 6 to 18 months including further drilling.

Leinster (Horn) Nickel Deposit

Exploration results (drill intersections in Figure 3 & 4) were previously reported by the former owner *Breakaway Resources ASX Announcement 14 April 2008 – (see Breakaway Annual Report (2008),* https://www.asx.com.au/asxpdf/20081024/pdf/31d3x55rpn6dxy.pdf**)**

- The results were reported under the JORC Code 2004.
- Auroch consider the results reliable. The drill intersections in figures 6 are derived from historical drill intersections which were reviewed and assessed by current owners Minotaur as being representative.
- The drill intersections were part of drilling programs carried out by previous owners between 2006-2008.
- Drill intersections require verification by Auroch before reporting the results in accordance with the JORC Code 2012.
- Auroch intends to undertake detailed reviews and reassessments of all aspects of the project in the next 6 to 18 months including further drilling.

Appendix C – Mineral Resources Statements

Leinster (Horn) Nickel Deposit

The resource reported in an announcement by Breakaway Resources Ltd, (*Breakaway Annual Report 2008,* https://www.asx.com.au/asxpdf/20081024/pdf/31d3x55rpn6dxy.pdf)

- Breakaway Resources was the former owner of Leinster.
- The Mineral Inferred Resource was reported under the JORC Code 2004 and these estimates may not conform to the requirements of the JORC 2012 Code.
- A Competent Person has not done sufficient work to classify the estimates of the Inferred Mineral Resource in accordance with the JORC Code 2012.
- It is possible that following evaluation and/or further exploration work the currently reported estimates may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012.
- The resource estimate is based on 11 diamond and 1 RC drill holes carried out on a nominal 50m by 50m spacing, cross sectional interpretations of geology and systematic assaying by an experienced, reputable commercial laboratory.
- The deposit boundary was defined by a 0.5% Ni cut-off grade which coincides with the geological boundary of disseminated/matrix sulphides.
- The estimate adopted a conventional, cross-sectional, polygonal technique. Individual blocks were defined around drill hole intersections with block boundaries on and between cross sections defined by midpoints with adjacent holes and geological constraints.
- Block volumes were estimated by digesting the cross-sectional areas of the blocks multiplied by their lengths. The tonnage for each block was estimated using the volume and average length weighted density measurements for individual drill hole samples forming the selected intersections. Block grades were estimated from averaged length and density weighted assays for each block intersections.
- Auroch is satisfied as to the reliability of the information presented. The JORC 2004 Code Inferred Mineral Resource is reported above a 0.5% Ni cut-off. Nothing has come to the attention of Auroch that causes it to question the accuracy or reliability of the former owner's estimates, however Auroch has not independently validated the former owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates.
- There are no more recent Resource estimates subsequent to the Minotaur announcement of 14 April 2008 (see above).
- In order to bring the resource to be in accordance with JORC 2012 Code, Auroch intends to verify the data sources for the historical data and may undertake further logging and sampling work on the available historical core. Additional reverse circulation and diamond drilling may be required to verify historical drilling and increase the drill hole density.

Auroch intends to undertake detailed reviews of the project in the next 6 to 18 months.

Saints Nickel Deposit

The resource reported in an announcement by Minotaur Exploration Ltd, (*Minotaur ASX Announcement 4 May 2017*, https://www.asx.com.au/asxpdf/20170504/pdf/43j0r0dt0ytq74.pdf)

- Minotaur is the current owner of the Saints Nickel Project.
- The Mineral Inferred Resource was reported under the JORC Code 2012.
- The parent block dimensions used were 20m NS by 5m EW by 5m vertical (1.25m by 0.625m by 0.625m sub-cells). The parent block size dimensions were selected to provide sufficient resolution in the across strike and down-dip direction whilst adequately reflecting the drill hole spacing in the along-strike direction.
- Auroch is satisfied as to the reliability of the information presented. The Inferred Mineral Resource is reported above 1.0g/t Ni cut-off. The reporting cut-off grade was selected based on an RPM internal cut-off calculator, utilising cost estimates based on similar deposits in the region, assuming a nickel price of AUD$13,000 per tonne and underground mining methods.
- Nothing has come to the attention of Auroch that causes it to question the accuracy or reliability of the current owner's estimates, however Auroch has not independently validated the current owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates.
- There are no more recent Resource estimates subsequent to the Minotaur announcement of 4 May 2017 (see above).
- Auroch intends to undertake detailed reviews of the project in the next 6 to 18 months.

JORC Code, 2012 Edition, Table 1 (Saints)
Section 1: Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Nickel mineralisation at Saints has been sampled by drilling from surface to 420m vertical depth. Drilling methods employed from 1996-2011 include aircore, percussion/ reverse circulation (RC) and diamond cored drilling. • Aircore, percussion and RC drilling returns a sample of broken rock collected in a bag at site at the time of drilling. Drill core from diamond drilling technique is later split by a core saw. • Documentation of measures taken by previous operators (WMC, Scotia Nickel, and Breakaway Resources) 1996-2011 to ensure sample representivity is not available. • Historical drill core has been geologically logged by experienced geologists with core orientation determined where possible, allowing accurate 3- dimensional location of the Saints mineralisation. RC drill chips were geologically logged every 1m by experienced geologists. • Historic drill hole assays, in conjunction with historic geological logging data, have been used by MEP to gain an understanding of the mineralisation at Saints. • 1996-1998 (WMC): RC samples, 1 - 2m composites and 0.19 – 1m composite diamond core samples, Analysis at ACTLABS by mixed hydrofluoric acid digestion followed by ICP-OES analysis. • 2002 - 2005 (Scotia Nickel): 2 - 4m composite samples for RC precollar; 0.2 – 1.3m ½ and ¼ core HQ3 and NQ2 diamond core samples; Genalysis AT/OES and NiS/MS (Modified Nickel sulphide – Fire Assay – ICP-MS); Flame Atomic MS for Pt/Pd assays. • 2006-2011 (Breakaway): 4m AC composite samples, Genalysis ATOES, 1m RC samples, Genalysis ATOES, 1m RC sample, Ultratrace XRF202, 0.15 – 1.6m ½ core HQ/NQ sample, Genalysis ATOES and nickel mineralisation zones Ultratrace, XRF202 – Silicate Fusion.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).	• 1996-1997 (WMC): 8 RC-percussion holes for 984m diameter unspecified, no downhole surveys; 7 diamond core drill holes for 1561m - diameter unspecified, 20m downhole surveys by method unspecified. • 1997-1998 (WMC): 8 diamond core drill holes for 1785m – diameter unspecified, 20-30m downhole surveys by method unspecified. • 2002-2003 (Scotia Nickel): 2 diamond core drill hole for 716m, NQ diameter, 30m downhole surveys with Eastman single shot camera. • 2003-2004 (Scotia Nickel): 2 diamond core holes for 655m, 5m downhole surveys by north seeking gyro downhole survey tool. • 2004-2005 (Scotia Nickel): 1 diamond core drill

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		hole for 370m, HQ3 and NQ2, 30m downhole surveys by Eastman single shot camera. • 2006-2007 (Breakaway): 2 AC holes for149m (no downhole surveys); 6 RC holes for 1082m, diameter unspecified, 30m Eastman single shot camera or Reflex tool surveys followed up with north-seeking gyro survey (5m intervals) in 4 of six RC drill holes; 13 diamond core drill holes for 4632m, HQ and NQ, 30m Eastman single shot camera or Reflex tool surveys followed up with north-seeking gyro survey (5m intervals) in 10 of thirteen diamond drill holes, core structurally orientated by method unspecified. • 2007-2008 (Breakaway): 5 diamond core drill holes for 1214m, HQ and NQ, 30m Eastman single shot downhole surveys followed up with north-seeking gyro survey (5m intervals) in four of five drill holes, core structurally orientated by method unspecified.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Sample recovery assessment details not documented by previous operators WMC and Scotia Nickel. • 2006-2007 (Breakaway): AC samples approximately 80 – 90% dry sample and 70 – 80% recovery recorded in Breakaway Access drill hole database. • 2006-2008 (Breakaway): Diamond core 100% core recovery recorded in Breakaway Access drill hole database. • Measures taken by previous operators 1996-2008 to maximize sample recovery and representivity have not been documented. • Any bias or relationship between sample loss and nickel grade realized by previous operators 1996- 2008 has not been documented.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Geological logging of historic drill holes was reviewed by MEP using historic statutory reports and databases compiled by previous operators. • Geological logging data collected to date is sufficiently detailed to support an Inferred Ni Resource at Saints. At this stage detailed geotechnical logging is not required. • Geological logging is intrinsically qualitative. • 2006 – 2008 (Breakaway): Diamond core have been photographed in the core trays. • No core photos are available for historic drilling by WMC and Scotia Nickel (1996-2005). • Historic drill holes were geologically logged by previous operators and these data are available to MEP.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• 1996 – 1998 (WMC): Core samples are documented as 'split' in statutory annual reporting; it is assumed that half core was sampled for analysis and may have been hand-split with a chisel or similar tool rather than sawn. • 2002 – 2005 (Scotia Nickel): Core was sampled as sawn half or quarter core, generally in continuous lengths with sampling consistently on the same side of the core. • 2006 – 2008 (Breakaway): Core was sampled predominantly as sawn half core with some quarter core, generally in continuous lengths with sampling consistently on the same side of the core. • Measures taken by WMC, Scotia Nickel and Breakaway 1996 - 2008 to ensure RC, percussion or AC sample representivity have not been documented. • 1m and 2m RC, percussion or AC samples and maximum1m length core samples, or as close as reasonable within geological boundaries, are considered appropriate for the style of mineralisation being targeted. • Historic drill holes were logged at level of detail to ensure sufficient geological understanding to allow representative selection of sample intervals. • Sampling QAQC measures taken by WMC, Scotia Nickel and Breakaway 1996 – 2008 have not been documented. • It is assumed that WMC, Scotia Nickel and Breakaway sample sizes were appropriate for the type, style and thickness of mineralisation tested.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• 1996 – 1998 (WMC): Core samples are documented as 'split' in statutory annual reporting; it is assumed that half core was sampled for analysis and may have been hand-split with a chisel or similar tool rather than sawn. • 2002 – 2005 (Scotia Nickel): Core was sampled as sawn half or quarter core, generally in continuous lengths with sampling consistently on the same side of the core. • 2006 – 2008 (Breakaway): Core was sampled predominantly as sawn half core with some quarter core, generally in continuous lengths with sampling consistently on the same side of the core. • Measures taken by WMC, Scotia Nickel and Breakaway 1996 - 2008 to ensure RC, percussion or AC sample representivity have not been documented. • 1m and 2m RC, percussion or AC samples and maximum1m length core samples, or as close as reasonable within geological boundaries, are considered appropriate for the style of mineralisation being targeted. • Historic drill holes were logged at level of detail to ensure sufficient geological understanding to allow representative selection of sample intervals. • Sampling QAQC measures taken by WMC, Scotia Nickel and Breakaway 1996 – 2008 have not been documented. • It is assumed that WMC, Scotia Nickel and Breakaway sample sizes were appropriate for the type, style and thickness of mineralisation tested.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• 1996-1998 (WMC): ACTLABS analysis with mixed hydrofluoric acid digestion followed by ICP-OES analysis. • 2002 - 2005 (Scotia Nickel): Genalysis modified nickel sulphide collection fire assay NIS-MS and AT/OES. • 2006 - 2008 (Breakaway): Genalysis or Ultratrace mixed four acid digest followed by AT/OES analysis. Matrix and massive sulphides subjected were cast using a 12:22 flux (sodium nitrate) to form a glass bead (silicate fusion) followed by XRF analysis. Disseminated sulphides were subjected to four acid digested followed by AT/OES analysis. Pd, Pt and Au analysed by Pb collect fire assay. • Nickel sulphide collection fire assay NIS-MS, AT/OES and Silicate Fusion XRF are considered the most appropriate methods for Ni determination. • No other instruments outside of the ACTLABS/ Genalysis/ Ultratrace laboratories were used for analyses of 1996 - 2008 samples. • It is assumed that industry standard commercial laboratory instruments were used by ACTLABS (WMC samples 1996-1998) and Genalysis/Ultratrace (Scotia Nickel samples 2002 – 2005 and Breakaway samples 2006-2008) to analyse historical drill samples from the Saints deposits. • It is assumed that industry best practice was used by previous operators WMC and Scotia Nickel to ensure acceptable assay data accuracy and precision. Historical QAQC procedures are not recorded in available documents. • 2006 – 2008 (Breakaway): QAQC procedures are not recorded in available documents, however approximately 1:20 commercially available base metal standards were inserted in the sampling schedule for diamond core samples which is documented in Breakaway drilling data files.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• All historic drilling data including collar coordinates, hole orientation surveys, total depth, sampling intervals and lithological logging were collated from statutory annual reports and historic digital data files and verified by MEP's database manager. • No indication of drill holes being twinned by previous workers has been observed or documented. • It is assumed that industry best practice was used for collection, verification and storage of historic data. • Historical drilling data from WMC, Scotia Nickel and Breakaway were compiled in a Microsoft Access database. • No adjustments to assay data were undertaken.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Historical drill collars were surveyed in AGD84 datum by WMC, Scotia Nickel and Breakaway Resources and converted to GDA94/MGA Zone 51 by Breakaway Resources in their Access drill hole database. 1996-1998 (WMC) drill collar data reliability and survey methodology are unspecified in the available annual reporting. Downhole surveying method unspecified. • 2002-2005 (Scotia Nickel) drill collars were located by differential GPS relative to AGD84 datum. Downhole surveying by Eastman single- or north seeking gyro tool. • 2006-2008 (Breakaway) drill collars were located using a handheld GPS relative to the AGD84 datum achieving ± 4 metre accuracy. Downhole surveying by Eastman single shot camera, Reflex tool and north-seeking gyro tool. • All location data for the Mineral Resource were collected in AGD84 datum and transformed to GDA94 datum, MGA Zone 51. • An approximate topographical surface covering the Saints area was created using collar data from Breakaway drill hole database that were accurately surveyed using a handheld GPS and/or differential GPS.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• 1996-1998 (WMC): Typically sampled in 1-2 metre intervals, skipping intervals of no interest and increasing the frequency of sampling depending on the geology observed in diamond drill core (smallest sample length 0.19m). • 2002-2005 (Scotia Nickel): Typically sampled in 1-4 metre intervals, skipping intervals of no interest and increasing the frequency of sampling depending on the geology observed in diamond drill core (smallest sample length 0.2m). • 2006-2008 (Breakaway Resources): Drilling typically sampled in 4 metre intervals from start of hole, increasing the sampling rate to every metre or to more detail depending on the geology observed in diamond drill core (smallest sample length 0.15m). • Historically, data spacing of samples through the mineralised zone of 1m was typical, however when necessary smaller intervals were sampled where constrained by lithological boundaries or required in zones of interest. • Drill data spacing of historic drill data (1996-2008) is sufficient to establish the degree of geological and grade continuity appropriate for estimating an Inferred Ni Resource. • Samples were composited to 1 m lengths prior to Mineral Resource estimation. • Drill hole spacing is predominantly 40m by 30m in the well-drilled portions of the deposit and is adequate to establish the degree of geological and grade continuity.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• Historical drill holes were oriented, as far as reasonably practical, to intersect the centre of the targeted mineralised zone perpendicular to the interpreted strike orientation of the mineralised zone. • The geometry of drill holes relative to the mineralised zones achieves unbiased sampling of this deposit type. • No orientation-based sampling bias has been identified.
Sample security	• The measures taken to ensure sample security.	• It is assumed that due care was taken historically with security of samples during field collection, transport and laboratory analysis. • 1996 – 1998 (WMC): No location of drill samples or core is documented in historical annual reports. • 2002 – 2005 (Scotia Nickel): Core drilled by Scotia Nickel is securely stored at Black Swan core storage facility. • 2006 – 2008 (Breakaway): Drill samples and core are stored at MEP's Kalgoorlie -Boulder secure exploration yard. Remnant drill core, laboratory pulps and residues from both the core and RC samples have been permanently retained in secure storage containers.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No independent audit or review has been undertaken.

Section 2: Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Saints Ni deposit is within M29/245, is held by Minotaur Gold Solutions Ltd (MinAuSol), a wholly owned subsidiary of Minotaur Exploration Ltd (ASX:MEP). • Sandstorm Gold retains a 2.5% NSR on M29/245 in relation to all ores, mineral concentrates and other products containing nickel, copper and platinum group elements. • There are no material issues with regard to access. • The tenement is in good standing and no known impediments exist.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Significant exploration drilling has been conducted previously by Western Mining Corporation (WMC), Scotia Nickel/LionOre and Breakaway Resources at the Saints Ni deposit, including AC, percussion/RC and diamond core drilling. • Data collected by these entities has been reviewed in detail by MEP and AOU, and has been used to support the Inferred Mineral Resource reported here.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Saints Ni deposit is regarded as an Archaean Kambalda-style komatiite-hosted

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
		massive nickel sulphide deposit. The deposit occurs within the Menzies-Bardoc tectonic zone in ultramafic units equivalent to the Highway Ultramafics.

Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
	  • easting and northing of the drill hole collar
	  • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
	  • dip and azimuth of the hole
	  • down hole length and interception depth
	  • hole length.
	• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.
		• No new exploration results are being reported.
		• All drill hole information relevant to this resource report/statement has been previously reported. No relevant drill hole information has been excluded.

Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• Most drill holes were angled to the east so that intersections are orthogonal to the orientation of mineralisation.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Relevant diagrams have been included within the Mineral Resource report (previously reported by the current owner Minotaur Exploration Ltd (Minotaur ASX Announcement 4 May 2017, https://www.asx.com.au/asxpdf/20170504/pdf/43j0r0dt0ytq74.pdf)).
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Exploration results are not being reported, refer to Section 3.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock	• No other substantive data exists.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	characteristics; potential deleterious or contaminating substances.	
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• AOU is currently reviewing the Saints Inferred Resource and the supporting drill data to determine if further drilling is warranted. If it is determined that additional drilling is required AOU will announce such plans in due course. • Refer to diagrams in the body of text.

Section 3: Estimation and Reporting of Mineral Resources

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• Drill hole data used to estimate the Saints Inferred Resource have been captured in an Access database. Drill hole information within the Access database was validated against relevant historical annual reporting datasets submitted by WMC, Scotia Nickel and Breakaway to WAMEX. • It is assumed that due care was taken historically with the process of transcribing data from field notes into digital format for statutory annual reporting. • All assays were reported by laboratories in digital format reducing the likelihood of transcription errors. • Vulcan software was used to create a surface topography wireframe from collar data which was used to support the Mineral Resource. • Historic data has been verified by checking historical reports on the Saints nickel project. Validation was carried out during data import and by onscreen visual validation.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• A site visit was not conducted by the Competent Person for Mineral Resources as the deposit has been estimated to an Inferred Mineral Resource confidence level. If the project advances to higher confidence levels, a site visit will be conducted at the time. • Site has been visited by Glen Little, MEP's Exploration Manager and Competent Person for Exploration Results. Aidan Platel, AOU's CEO and Competent Person, has also visited the site.
Geologicial interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The confidence in the geological interpretation is considered to be good and is based on historical drilling, including diamond core. • Historical geochemistry and geological logging has been used to assist identification of lithology and mineralisation. • The deposit consists of WSW dipping lodes in three main zones i.e. Saint Patricks, Saint Andrews and Western Contact. The current interpretation is considered robust.

		• Structural observations on diamond core confirm the geometry of the mineralisation. • Historical drilling by WMC, Scotia Nickel and Breakaway has confirmed the geological and grade continuity.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The Saints Mineral Resource area extends over a NNW strike length of 1,540m (from 6,671,900mN – 6,673,340mN) and includes the 480m vertical interval from 360mRL to -120mRL.
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drillhole data, and the use of reconciliation data if available.	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Saints Mineral Resource due to the geological control on mineralisation. Maximum extrapolation of wireframes from drilling was 50m down-dip beyond the last drill holes on section (equivalent to approximately one drill hole spacing in that portion of the deposit). Extrapolation was generally half drill hole spacing between drill holes. • No check estimates are available as this is a Maiden Mineral Resource estimate for the Saints deposit. • No recovery of by-products is anticipated. • Nickel, copper, cobalt, iron, platinum, palladium and magnesium were interpolated into the block model. It is possible that MgO could be deleterious during processing, but further metallurgical testing is required. There are no other known deleterious elements within the deposit. • The parent block dimensions used were 20m • NS by 5m EW by 5m vertical with sub-cells of 1.25m by 0.625m by 0.625m. The parent block size dimensions were selected to provide sufficient resolution to the block model in the across-strike and down-dip direction. The along-strike block size was selected to adequately reflect approximately 50% of the drill hole spacing. • An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography. Three passes were used. The first pass had a range of 60m, with a minimum of 4 samples. For the second pass, the range was 120m, with a minimum of 2 samples. For the third pass, the range was extended to 200m, with a minimum of 1 sample. A maximum of 20 samples was used for all three passes. • No assumptions were made on selective mining units. • Strong positive correlations exist between Ni and all the remaining elements apart from MgO. Nickel and MgO have a moderate negative correlation. The correlations are

		typical of komatiite hosted nickel sulphide deposits in WA. • The deposit mineralisation was constrained by a cut-off grade of 0.5% Ni for low grade or disseminated sulphides and 1% Ni for higher grade or matrix/massive sulphides. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from 13 lodes. The low coefficient of variation of Ni grades observed in the basic statistics for all domains suggested that no top cuts were necessary. • Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed reasonable correlation between the composite grades and the block model grades.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the determination of the moisture contents.	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• The Statement of Mineral Resources has been constrained by the mineralisation solids and reported above a Ni cut-off grade of 1%. The cut-off grade was calculated based on the following parameters which are based on RPM internal cost pricing: • Ni price of AUD$13,000/t • Mining cost of AUD$75/t ore • Processing costs of AUD$35/t ore milled, and • Processing recovery of 85% for a Ni concentrate.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• RPM has assumed that the deposit could potentially be mined using underground mining techniques with toll treatment of the ore at a third party concentrator. No assumptions have been made for mining dilution or mining widths.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• No metallurgical testing has been conducted on the Saints deposit. RPM assumes that the Saints material would be processed into a Ni concentrate, with processing recoveries of approximately 50% for oxide and 85% for transitional and fresh material.
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. • It is always necessary as part of the process of determining reasonable prospects for eventual	• AOU will work to mitigate environmental impacts as a result of any future mining or mineral processing.

	economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. • The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• A total of 1,605 density measurements, analysed using the water immersion technique, were taken from diamond drill core at the Saints deposit. • It is assumed there are minimal void spaces • in the rocks within the Saints deposit. • Values applied in the Saints block model are similar to other known bulk densities from similar geological terrains. A regression equation between density and Fe was used to calculate bulk density in the block model for fresh mineralisation. • The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC The Mineral Resource was classified based on data quality, sample spacing, and lode continuity. The Saints deposit has been classified as Inferred Mineral Resource based on the predominant drill spacing of 40m by 30m. It is assumed that higher confidence levels could be obtained with future infill RC and diamond drilling, increased density measurements and preliminary metallurgical testing. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. • The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. Validation of the block model shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• Internal audits have been completed by RPM which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could	• The lode geometry and continuity has been adequately interpreted to reflect the applied level of Inferred Mineral Resource. The data quality is good and the drill holes have detailed geological logs. A recognised laboratory was used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • No check estimates or production data was available.

Auroch Minerals Ltd ABN 91 148 966 545
1A/1Alvan St, Subiaco WA 6008 Phone: +61 8 6555 2950 Fax: +61 8 6166 0261
Email: admin@aurochminerals.com.au www.aurochminerals.com.au

	affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	