ASX ANNOUNCEMENT

22 January 2019

Canegrass Project Exploration Update

Flinders Mines Limited (**ASX:FMS**) (**Flinders** or **Company**) is pleased to provide the following update on exploration activities at the Company's Canegrass Project.

Exploration Highlights

- Vanadium mineralisation intersected north of the Kinks Mineral Resource in two RC drill holes:
  - 9 m @ 0.44% V_2O_5 from 51 m downhole (RC236-01)
  - 12m @ 0.54% V_2O_5 from 105 m downhole (RC282-03)
- No significant gold mineralisation intersected

Overview of Exploration Programme

Flinders commissioned mining industry consultants CSA Global Pty Ltd (CSA Global) to design and execute an exploration work Programme at the Canegrass Project and prepare documentation in accordance with the JORC Code (2012 Edition)[1].

Activities during 2018 targeted both extensions to the Vanadium Inferred Mineral Resource (ASX announcement 30 January 2018) and potential gold mineralisation at the Honeypot prospect. Anomalous gold was previously reported by Flinders over the Honeypot prospect (ASX announcement 22 May 2015). The Vanadium Mineral Resource outline and the Honeypot anomalous zones are illustrated in Figure 2.

The Canegrass Project covers an area of approximately 700 km^2 and hosts laterally extensive iron-vanadium-titanium-(Fe-V-Ti) bearing horizons within the Windimurra Igneous Complex.

Exploration Update

Flinders is pleased to update the market with the results of an exploration programme that was completed at the Canegrass Project in September 2018. While the drilling was completed in September 2018, the results have now been received and verified. The Programme is summarised:

<u>Gold - Honeypot</u>

Three reverse circulation (RC) drill holes for 320m targeted the potential depth extension of an outcropping quartz vein mapped at surface on E58/236.

In addition, six air-core (AC) holes for 198m were drilled in an attempt to confirm previous drill results from the 2014 / 2015 AC Programme undertaken by Flinders. This included testing an extension of a significant intercept of 8m @ 2g/t Au from 12m (Drill hole HAC022, ASX announcement 22 May 2015) along north-south oriented shear zones.

The 2018 Honeypot prospect drill Programme did not intersect any anomalous gold values greater than 0.1g/t Au. The significant results relating to the 2014 /2015 Programme (ASX announcement: 22 May 2015) were unable to be replicated.

1 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Despite the results, residual prospectivity (targeting mineralisation interpreted to be associated with the north south orientated shear zones) at Honeypot remains and further closer spaced drilling is warranted.

Vanadium- Kinks and Fold Nose

Five RC drill holes targeted the lateral extents of the Vanadium Inferred Mineral Resource; Kinks and Fold Nose. The drill holes and their relationship to the Kinks and Fold Nose areas are illustrated in Figure 2.

Drilling along strike from the VTM Mineral Resource confirmed the lateral extent of the vanadium mineralisation within the Project, albeit not always continuous in grades comparable to the Mineral Resource.

Only two (RC236_01 and RC282_03) of the five holes, located north of Kinks, returned individual 3m drill interval values greater than 0.5% V_2O_5 which are slightly lower than previously announced Mineral Resource estimate grade of 0.64% V_2O_5 (0.5% V_2O_5 cut-off).

A tabulation of the drilling by mineralisation target is included below. .

Tenement	Target	Drill Type	Number	Meters
E58/232	VTM	RC	2	294
E58/236	VTM	RC	1	150
E58/282	VTM	RC	2	300
		Total	**5**	**744**
E58/236	Gold	RC	3	320
E58/282	Gold	AC	6	198
		Total	**9**	**518**

The regional location plan and drill hole location plan overlying magnetic imagery is presented in Figure 1 and Figure 2 respectively. The Mineral Resource extent overlying prospective interpreted vanadium geology is shown in Figure 4.

The location of the RC and AC holes that were completed at the Canegrass Project are included in Table 1.

Table 1: Summary of Drill Hole Locations (Coordinates MGA 1994 50S)

Drill Hole ID	Tenement	Prospect	Hole Type	Easting	Northing	Elevation	Dip	Azimuth	Depth
AC_282_10	E 58/282-I	Honeypot	AC	639285	6867950	500	-90	0	30
AC_282_11	E 58/282-I	Honeypot	AC	639398	6867947	500	-90	0	36
AC_282_12	E 58/282-I	Honeypot	AC	639330	6868037	500	-90	0	33
AC_282_13	E 58/282-I	Honeypot	AC	639442	6868043	500	-90	0	36
AC_282_14	E 58/282-I	Honeypot	AC	639504	6867953	500	-90	0	33
AC_282_15	E 58/282-I	Honeypot	AC	639493	6868130	500	-90	0	30
RC_236_02	E 58/236-I	Honeypot	RC	638873	6867138	500	-65	135	120
RC_236_03	E 58/236-I	Honeypot	RC	638802	6867021	500	-65	135	100
RC_236_04	E 58/236-I	Honeypot	RC	638751	6866904	500	-65	135	100
RC_232_02	E 58/232-I	VTM	RC	636402	6861976	500	-65	180	144
RC_232_03	E 58/232-I	VTM	RC	636101	6862319	500	-65	180	150
RC_236_01	E 58/236-I	VTM	RC	642125	6868897	500	-65	90	150
RC_282_02	E 58/282-I	VTM	RC	640960	6866146	500	-65	120	150
RC_282_03	E 58/282-I	VTM	RC	641997	6867698	500	-65	120	150

Significance of Intersections

Significant vanadium intersections in hole RC282-03 and RC236-01 shown in Table 2.

Table 2: Significant Intersections

Drill Hole ID	From	To	Fe (%)	V2O5 (%)	TiO2 (%)
RC282-03	105	117	28.04	0.54	5.23
RC236-01	51	60	23.76	0.44	5.41

The five vanadium holes drilled in 2018 do not give Flinders sufficient geological confidence to make any adjustment to the previously announced (ASX announcement 30 January 2018) Mineral Resource estimate. The volume of drilling completed is too small to draw any meaningful conclusions. Irrespective, the logged lithology and vanadium grades continues to demonstrate residual prospectivity for vanadium throughout the Project and warrants ongoing exploration.

Flinders also plans to continue to target along the north-south oriented shear zones which remain prospective for gold mineralisation.

A summary of sampling techniques and data, and estimation and reporting methodologies is contained in JORC Table 1 which is included as an attachment to this ASX release.

Canegrass history since 2017

Flinders first engaged CSA Global as consultants to support the Canegrass Project in June 2017. The work activities, the rationale behind the programs, and the results are summarised:

June 2017: A geochemical soil and rock chip sampling Programme comprising 576 soil samples and 19 rock chip samples for the purposes of identifying potential sulphide mineralisation was completed.

October 2017: CSA Global completed a “Technical Review of Historic Data of the Canegrass Project”, which concluded that vanadium and gold were the two commodities offering the greatest exploration potential. Prospectivity for cobalt, copper and other sulphide mineralisation, including nickel, was assessed and considered very low but not inconceivable.

November 2017: CSA Global reviewed the previous vanadium Mineral Resource estimate prepared in 2011 by Flinders and Optiro Pty Ltd., and reported in accordance with the 2004 edition of the JORC Code. CSA Global has re-reported the Mineral Resource estimate in accordance with the 2012 JORC Code, and is the current Competent Person for the estimate (ASX announcement 30 January 2018).

- CSA Global also managed a small drilling Programme within the Canegrass Project. The Programme comprised:
  - RC drilling (161 m, two holes). The drilling targeted a small portion of an extensive cobalt-copper-nickel (Co-Ni-Cu) soil anomaly, supported by rock sample geochemistry.
  - AC drilling (611 m, 29 holes). The objective was to test anomalous Co-Ni-Cu trends and to obtain bedrock geochemical and geological data in areas not amenable to soil sampling.
- Key results include:
  - No Co-Ni-Cu sulphide mineralisation of economic interest was intersected.
  - No anomalous gold or Platinum Group Elements (PGE) were intersected.
  - The key highlight was the intersection of vanadiferous titaniferous magnetite (VTM) mineralisation within drill hole RC282-01. The vanadium graded 0.71% V_2O_5 over a 51 m interval from 21 m downhole and compared favourably to the November 2017 updated (JORC 2012) Canegrass Vanadium Mineral Resource which averaged 0.64% V_2O_5 (0.5% V_2O_5 cut-off) for the Inferred Resource of 79 million tonnes.
  - CSA Global was of the opinion that the VTM mineralisation and gold remain the principal commodities of interest within the Canegrass project area.

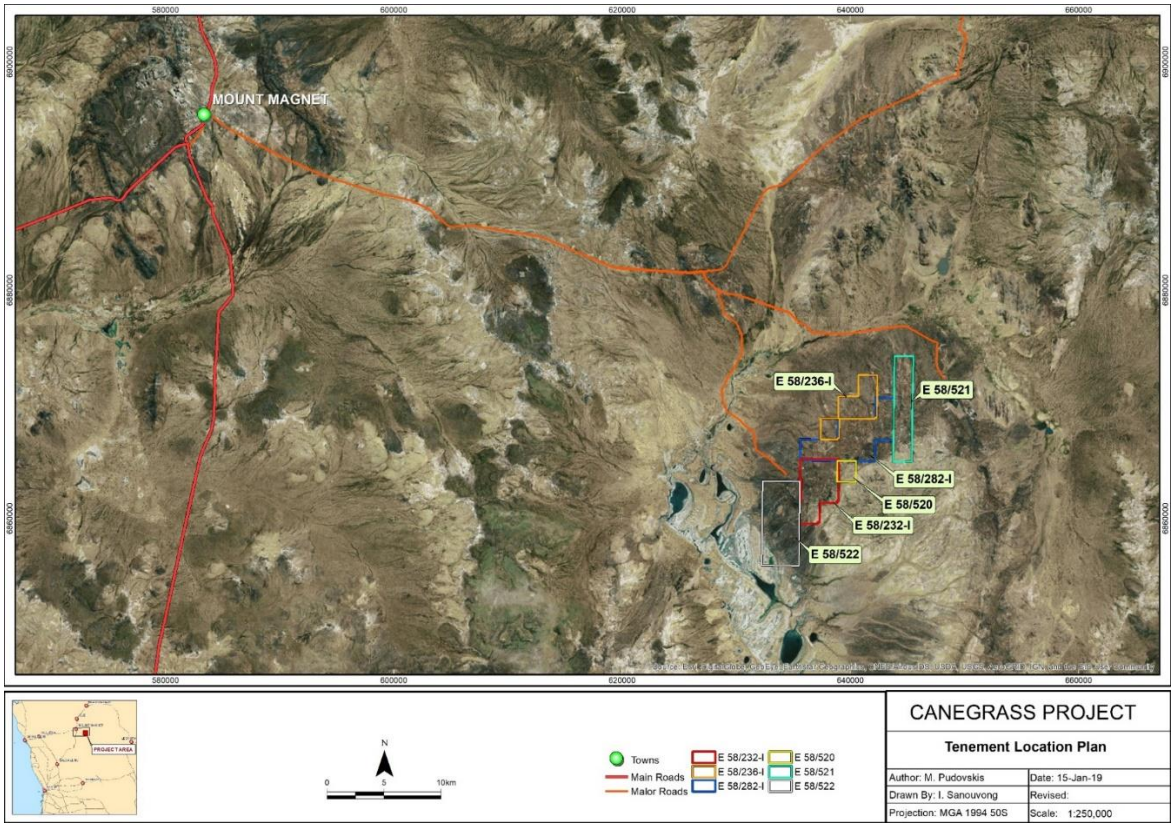

Figure 1: Canegrass Project Regional Location Plan

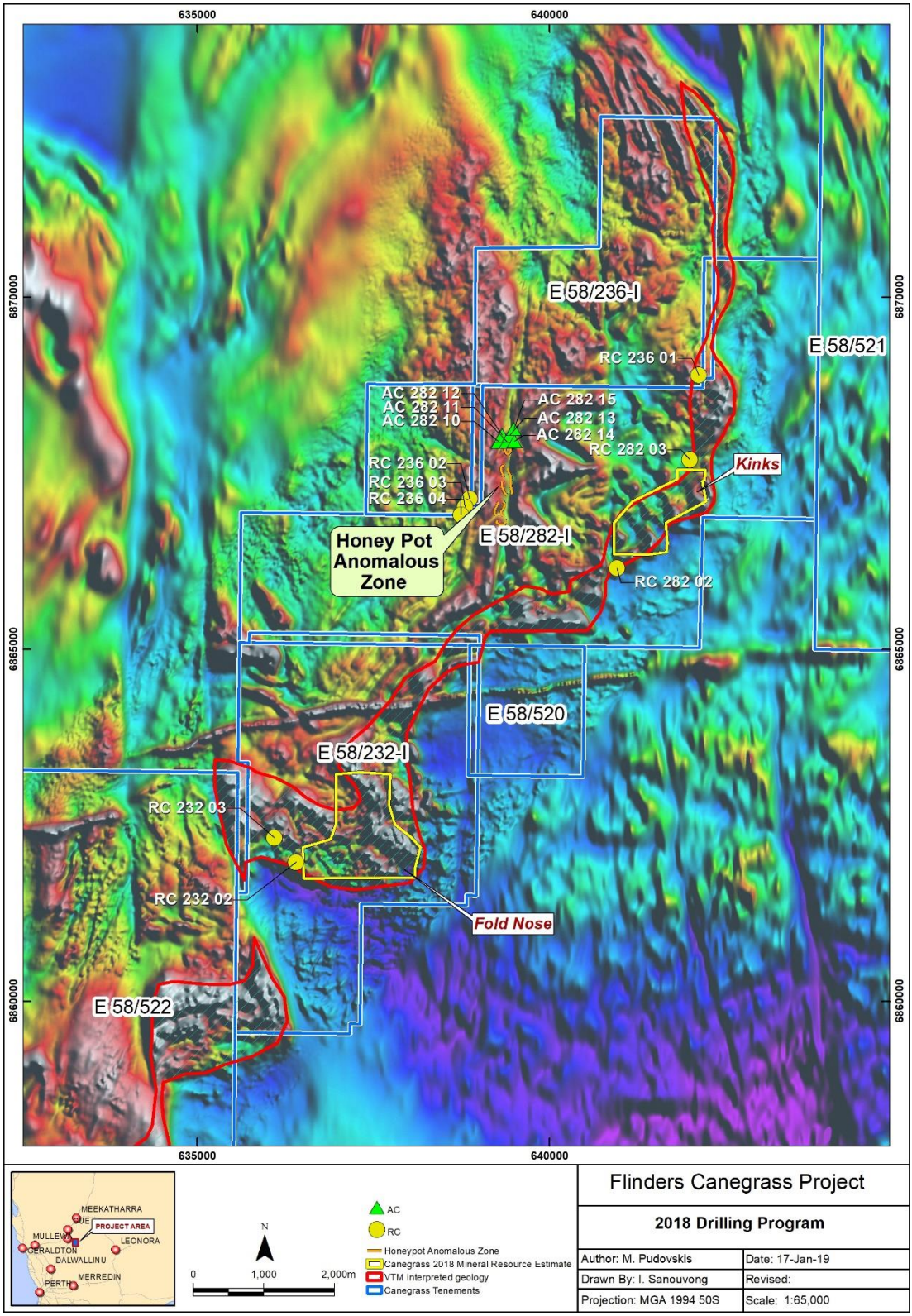

Figure 2: Canegrass 2018 drill hole location plan over Total Magnetic Intensity (TMI) imagery

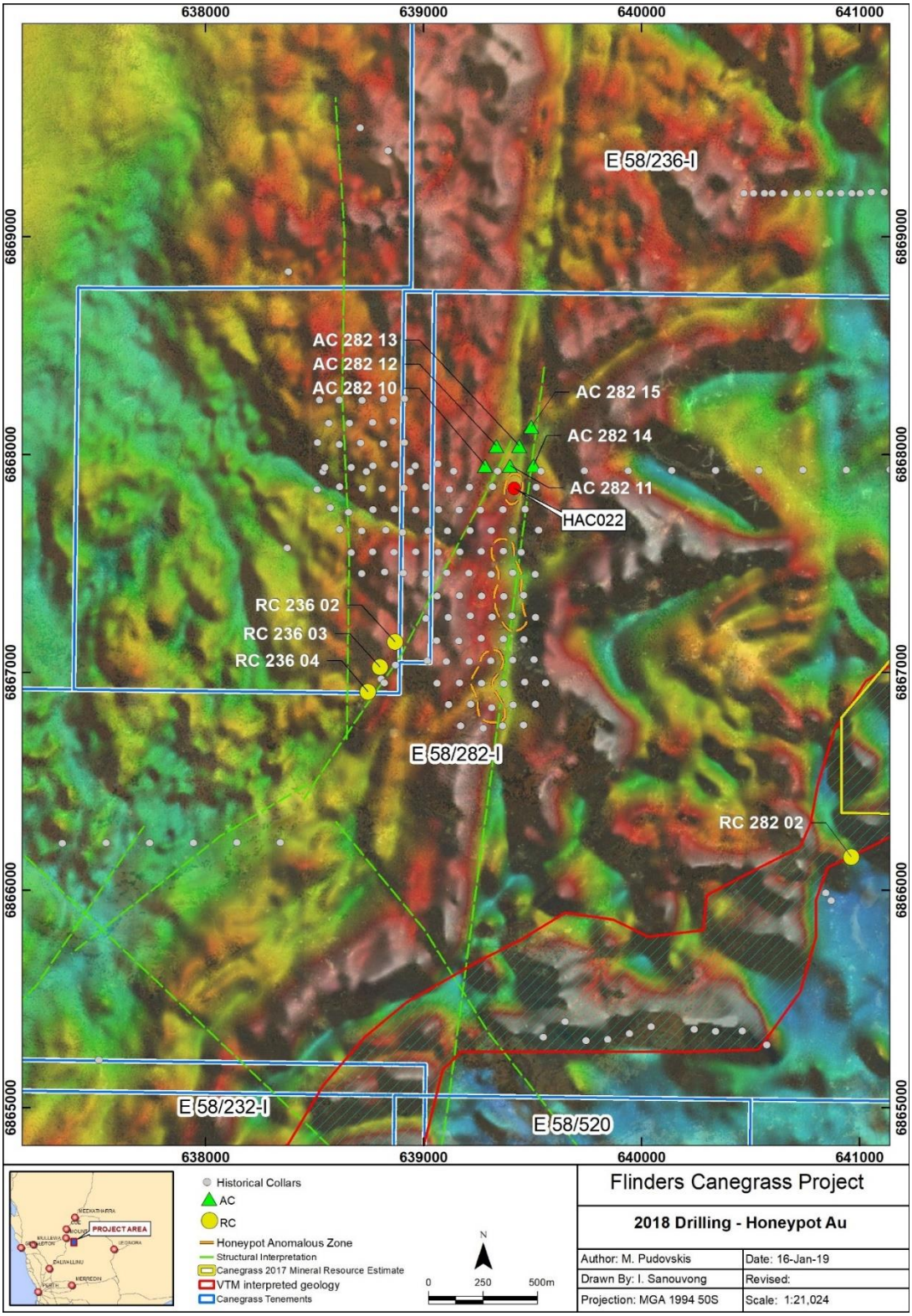

Figure 3: Canegrass 2018 Honeypot drill hole plan.

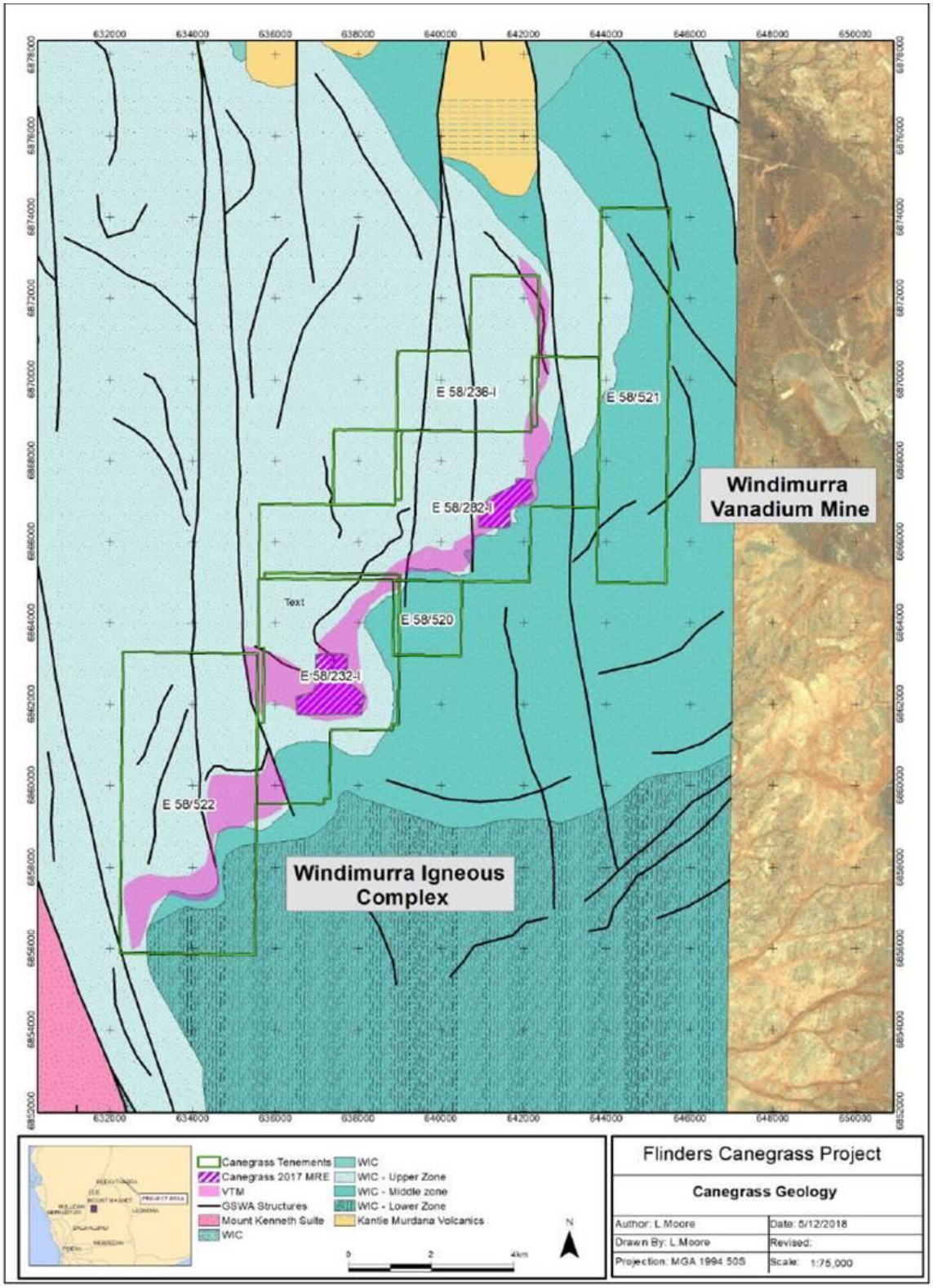

Figure 4: Canegrass geology plan illustrating vanadium Mineral Resource and prospective interpreted geology

Competent Persons Statements

The information in this report that relates to Exploration Results (other than gold results previously reported on 22 May 2015) is based on information compiled by Mr Mark Pudovskis. Mr Pudovskis is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Pudovskis has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Mr Pudovskis consents to the disclosure of the information in this report in the form and context in which it appears.

The information in this announcement that relates to gold Exploration Results previously reported on 22 May 2015 is based on and fairly reflects, information compiled by Dr Graeme McDonald, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy who was a full-time employee of Flinders. Dr McDonald has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.

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Canegrass 2018 Drill Programme JORC 2012 Table 1 Section 1 – Key Classification Criteria

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. "RC drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*
		• Samples used in reporting the Exploration Result were obtained through reverse circulation percussion (RCP) and air core (AC) drilling methods.
		• Samples were split through a cone splitter with a 12.5% chute attached to a calico bag. Vanadium samples were taken at 3 m intervals and the gold samples on 2m intervals.
		• Samples were sent to ALS Minerals and Geochemistry in Wangara Perth for preparation and analysis. Samples were riffle split to 250g, then pulverised to a nominal 85% passing 75 microns. Analysis was via two methods:
		  ○ The vanadium and gold samples both underwent analyses by ME-GRA05 (H2O LOI) and ME-XRF21u (Iron Ore by XRF Fusion).
		  ○ The gold samples were also analysed by ICP-AES and Ultratrace Aqua Regia ICP-MS analysis (61 elements), ME-MS41 method
		• The Competent Person (CP) considers that the sample techniques adopted by Flinders Mines were appropriate for the style of mineralisation and for reporting and Exploration Result.

Drilling techniques	• *Drill type (e.g. core, RC, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• RCP and AC drilling was completed to support the preparation of the Exploration Result. A total of 8 RCP drill holes for 1,064m and 6 AC drill holes for 198m were completed in September 2018 by Kennedy Drilling. • There was no diamond drilling completed. • The CP considers that the drilling techniques adopted by Flinders Mines were appropriate for the style of mineralisation and for reporting an Exploration Result.

Criteria	JORC Code explanation	Commentary
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.*	• The measurement of the RC and AC chip recoveries was subjective in nature, described visually as poor, fair or good by the field geologist viewing the sample spoils on the ground. The recoveries were generally reported as good. • Face sampling hammers and an external booster were used to maximise sample recovery. • No relationship between grade and recovery has been identified. • There was evidence in the field from the presentation of the sample spoils to suggest there was no sample bias due to loss / gain of fines. • The CP considers that the drill sample recovery was appropriate for reporting an Exploration Result.
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.*	• Drill chips were logged using the rock chips sieved and washed from the one-meter spoil piles and collected in chip trays for future validation. Data was captured initially on paper then entered into a field laptop. Details recorded include colour, oxidation, lithology, minerals, alteration, sulphides, quartz veining and structures. • Logging is generally qualitative in nature. All RCP and AC sample intervals were collected in chip trays and are stored in the Flinders Balcatta storage facility. • All drill holes were logged. • The CP considers that the geological logging was appropriate for reporting an Exploration Result.

Criteria	JORC Code explanation	Commentary
Subsampling 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 subsampling 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.*	• No diamond core was collected. • Samples were split through a cone splitter with a 12.5% chute attached to a calico bag. Sampling was dry. • The chute on the cone splitter was set at 12.5% to ensure that the RCP and AC samples collected weighed between 2 kg and 4 kg. • Seventeen coarse blanks were submitted at a rate of 1:20 samples and twenty-nine field duplicates were inserted at a rate of 1:20. • There were no fails for any of the elements, indicating a reasonable to good control over the laboratory cleaning methods used whilst processing the samples and the sampling practices. • The CP considers that the sub sampling techniques and sample preparation was appropriate for reporting an Exploration Result.

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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*
		• Samples were sent to ALS Minerals and Geochemistry in Wangara Perth for preparation and analysis. Samples were riffle split to 250g, then pulverised to a nominal 85% passing 75 microns. Analysis was via two methods:
		  ○ The vanadium and gold samples both underwent analyses by ME-GRA05 (H2O LOI) and ME-XRF21u (Iron Ore by XRF Fusion).
		  ○ The gold samples were also analysed by ICP-AES and Ultratrace Aqua Regia ICP-MS analysis (61 elements), ME-MS41 method
		• The analysis methods chosen are considered appropriate for the style of mineralisation.
		• No geophysical tools have been used in the preparation of the Exploration Result.
		• A total of 81 laboratory duplicates were analysed for V and Fe, and 31 for Ti. The results displayed reasonable correlation against the original samples with approximately half of the values being outside the +/-10% control limits for V. Ti displayed excellent correlation with all samples

Criteria	JORC Code explanation	Commentary
		plotting within the 10% control limit. Au duplicates returned such low values that the duplicate test is not applicable. • The ALS laboratory used 20 blanks during the sample preparation and assaying process. There were no fails for any of the elements, indicating good control over the cleaning methods used whilst processing the samples. • Four different Certified Reference Material (CRM)'s were selected and used. They were: G307-2, G307-3, G913-2, GLG912-2 (pulp blank). The CRM's were inserted 1 in every 20 samples, for a total of 45 standards. The results returned a reasonable to good correlation adding confidence to the laboratory tests. • The CP considers that a reasonable level of confidence can be placed in the accuracy and precision of the assay data used in the preparation of this Exploration Result.
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.*	• CSA Global managed the drilling Programme on behalf of Flinders and verified the intersections reported. • Logging was carried out using templates developed for the project. All primary data collected was verified and loaded into an Access database where it is stored securely on the CSA Global server. The drill database is free from any obvious validation errors. • No adjustment was made to the assay data. • The CP considers that the verification of sampling and assaying was appropriate for reporting an Exploration Result.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill collar coordinates were measured using a handheld Garmin GPS unit in coordinate system MGA 94 50S. Camera surveys were taken every 30m down hole (for RC only) and recorded. Due to the magnetic intensity of some of the layers within the lithology, the tool displayed significant variation. Where this occurred at the 30m collar shot, a compass and GPS were used to confirm the orientation of the drill hole. In the case of RC 236 02, there is significant azimuth variation from magnetics throughout the drill hole. The surveys beyond 30m depth were given a lower priority in the database to avoid future confusion and incorrect de-surveying. • There was no topographic control established. Given the terrain is relatively flat the Competent Person does not consider this a material risk. • The CP considers that the verification of sampling and assaying was appropriate for reporting an Exploration Result.
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.*	• The AC drill spacing across the Honeypot prospect was approximately 100 m by 100 m. The vanadium RCP drill spacing was variable. • There was no sample compositing. • The drill spacings are not considered relevant or a material risk by the CP for the reporting on an Exploration Result
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.*	• All the Honeypot AC drill holes were vertical. • All RCP drill holes were angled -65 degrees with a variably azimuth designed to intersect the mineralisation perpendicular to strike and at a high-angle • The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• A geologist or field assistant was present at the drill rig while samples were being drilled and collected.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques and data have been carried out.

Canegrass 2018 Drill Programme JORC 2012 Table 1 Section 2 – Key Classification Criteria

<table>
<tr>
<td>Mineral tenement and land tenure status</td>
<td>

- *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.*

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- The Canegrass Project is located some 60 km east-southeast of Mount Magnet in Western Australia. The tenements are situated in both the Mount Magnet and Sandstone Shires and cover the Challa, Meeline and Windimurra pastoral leases.
- The Canegrass Project exploration licences covered 101 km2 and include (E58/232, E58/236, E58/282, E58/522, E58/520 and E58/521). The tenements are held by Flinders Canegrass Pty Ltd, a wholly owned subsidiary of Flinders Mines Limited. Details of each licence are tabulated below.

Canegrass Project tenement information

<table>
<tr><th>Tenement</th><th>Grant date</th><th>Expiry date</th><th>Area (km2)</th><th>Area (blocks)</th></tr>
<tr><td>E58/232</td><td>29/07/2002</td><td>28/07/2018</td><td>14</td><td>5</td></tr>
<tr><td>E58/236</td><td>22/03/2002</td><td>21/03/2018</td><td>14</td><td>5</td></tr>
<tr><td>E58/282</td><td>03/05/2007</td><td>02/05/2018</td><td>25.2</td><td>9</td></tr>
<tr><td>E58/520</td><td>14/09/2017</td><td>13/09/2022</td><td>2.8</td><td>1</td></tr>
<tr><td>E58/521</td><td>14/09/2017</td><td>13/09/2022</td><td>15</td><td>5</td></tr>
<tr><td>E58/522</td><td>14/09/2017</td><td>13/09/2022</td><td>24.3</td><td>8</td></tr>
</table>

- There are no fatal flaws or impediments preventing the operation of the exploration licences.

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<tr>
<td>Exploration done by other parties</td>
<td>

- *Acknowledgment and appraisal of exploration by other parties.*

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- The previous exploration across the Canegrass Project conducted by Flinders, and previous companies previously associated with the tenements such as Apex Minerals, Falconbridge Limited and Maximus

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		Resources is significant, dating back to at least 2003. Activities primarily concentrated on four key commodity groupings: o Nickel-Cobalt-Copper massive sulphide in marginal facies of the Windimurra Igneous Complex (WIC) proper, or in cross-cutting later intrusive bodies that postdate and penetrate across the WIC; o PGE bearing internal layers within the WIC; o Fe-Ti-V bearing internal layers within the WIC; o Au hosted in later fault structures that cross cut the WIC and offset the WIC internal geology. • A complete detail work history of the Canegrass Project is not considered relevant for the reporting of the Exploration Results.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The deposit represents part of a large layered intrusion. Mineralisation comprises magnetite-titanium-vanadium horizons within the Windimurra Complex — a large differentiated layered ultramafic to mafic intrusion within the Murchison Province of the Yilgarn Craton. • Given the mode of formation, mineralisation displays excellent geological and grade continuity.
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:* o *Easting and northing of the drill hole collar* o *Elevation or RL (Reduced Level – Elevation above sea level in metres) of the drill hole collar* o *Dip and azimuth of the hole* o *Downhole length and interception depth* o *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.*	• Details of the drill holes completed in 2018 which underpin this Exploration Result are included in Table 1 of this document.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	• No grade cuts were applied the reported Exploration Results. Reporting grades were averaged on metre intercept length with a minimum weighted average of 0.4% V2O5. • Metal equivalents are not being reported.
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 (e.g. "downhole length, true width not known").*	• The true width of the reported down hole intercepts lengths for the reported Exploration Result are not known. • Previous exploration work underpinning the Mineral Resource (Canegrass Project Vanadium Mineral Resource Estimate, ASX Press Release, 30 January 2018) indicates the drill holes generally intersect the mineralisation at high angles.
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 drillhole collar locations and appropriate sectional views.*	• A significant discovery is not being reported. • A drill hole location plan is included as Figure 2 is this document.
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.*	• Only drill intersects which average a minimum of 0.4% V_2O_5 over a 9m length were reported. All other drill results did not meet this criteria.
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 substantial exploration data is considered meaningful or material in making this announcement.

	characteristics; potential deleterious or contaminating substances.	
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Results of historical exploration has identified numerous high priority targets across the Canegrass Project for iron-titanium-vanadium (Fe-Ti-V) bearing horizons within the Windimura Igneous Complex. • Ongoing geophysics, drilling and geo-metallurgical work will be considered to examine the lateral and depth extents of any vanadium mineralisation and investigate further the metallurgical properties. • Diagrams have been included in the body of this document showing the locations of the drill holes with respect to the Mineral Resource.