

Gold Drilling Commences on Joint Venture Ground

HIGHLIGHTS

- 84 holes in program
- Immediately along strike from Regis Resources (ASX: RRL) Petra Resource (44,000oz gold)
- Drill holes are spaced between 20m and 40m along the line closest to the tenement boundary and to the Petra Resource
- Remainder of the holes spaced at 80m on lines 160m apart
- First line of drilling is planned to be 20m from the tenement boundary

Duketon Mining Limited (ASX: DKM) is pleased to announce that drilling has commenced on the tenements subject to the joint venture with Regis Resources (refer ASX announcement 13 October 2015). The initial drill program targeting gold mineralisation is designed to identify immediate extension to the north of the RRL owned Petra Resource that contains 44,000oz of gold in indicated and inferred categories (refer RRL Annual Report 2015).

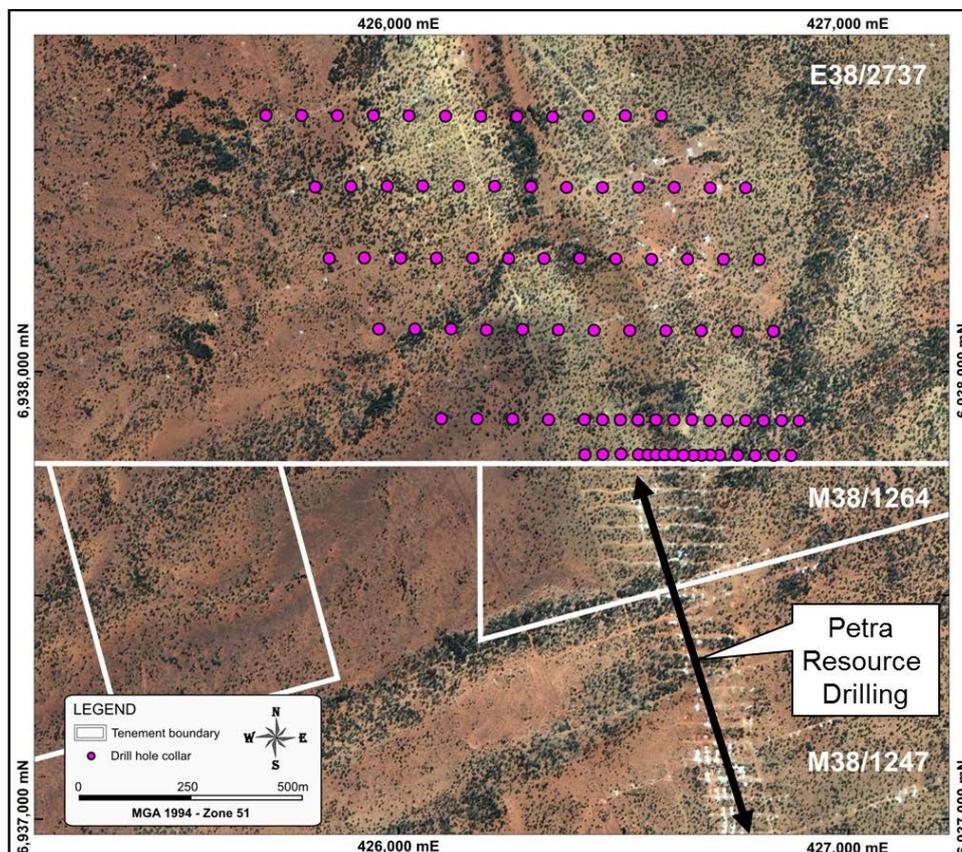


Figure 1 : Plan of the planned drill collars, showing tenements and location of the Petra resource.



There are approximately 84 air core holes planned in the initial program with the southernmost line of drilling starting within 20m of the tenement boundary and approximately 50m from the last line of drilling into the Petra Resource (refer to Figure 1).

Drill holes are spaced between 20m and 40m on the line immediately north of the tenement boundary and then extend to 80m spaced drillholes on lines spaced 160m apart.

About the Joint Venture

The farm-in period for the joint venture formally commenced on October 13 and has a 2 year term (refer to ASX announcement Oct 13 2015). The vesting point for RRL to achieve 75% is at the decision to mine and limited to the areas selected. To achieve the decision to mine RRL need to discover, delineate, study and achieve a positive mining outcome.

Upon a decision to mine DKM has three options that it may choose. DKM can contribute to the joint venture at 25%, sell to RRL or convert to a 2% NSR.

Where DKM elects to contribute, RRL will fund the first \$4M of capital costs and in addition fund 100% of the exploration expenditure up to the first gold production.

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