



ASX Announcement

25 August 2016

High Impact Gold Drilling Commences Across Duketon Belt

HIGHLIGHTS

- RC drilling targeting depth extensions to significant gold anomalies has commenced at DKM's 100% owned Davies Bore
- All exploration work to date by DKM has been shallow aircore drilling, defining a large portfolio of significant gold anomalies in the prospective Duketon Belt
- This is the first of many drilling programmes whereby DKM will be depth testing with RC drilling
- Davies Bore is the first of up to 7 high priority gold projects (100% owned) to be drilled, over the coming 6-12 months
- In addition, Joint venture drilling by Regis Resources (ASX: RRL) is ongoing and assay results are expected imminently
- DKM remains well-funded with a cash and liquids position of over \$9 million

Duketon Mining Limited (ASX: DKM) is pleased to announce that RC drilling campaigns at the 100% owned Davies Bore prospect have commenced. Drilling campaigns at Davies Bore will focus on depth extensions to a significant gold anomaly that is now over 1.2km long and identified across 5 aircore lines spaced between 200m and 500m apart (see Figure 1).

Intersections from recent shallow aircore holes include;

- 16m @ 1.5 g/t Au including 4m @ 5.2 g/t Au;
- 12m @ 0.9g/t Au, including 3m @ 2.7 g/t Au;
- 25m @ 0.7g/t Au, including 9m @ 1.6 g/t Au;
- 12m @ 0.6 g/t Au including 4m @ 1.4 g/t Au;
- 6m @ 0.7g/t Au, including 3m @ 1.1 g/t Au;
- 4m @ 1.8 g/t Au;
- 8m @ 1.2 g/t Au; and
- 1m @ 1.0 g/t Au. (see ASX announcement 7 April 2016 and 30 May 2016)

The shallowest intersection is approximately 59 meters vertical depth below surface. The gold anomaly remains open to the northwest and to the southeast. The Davies Bore Prospect is located 5km west of Regis Resources Ltd (ASX: RRL) owned Rosemont Mine (Figure 1) and approximately 5km north west of King John Resource (RRL).

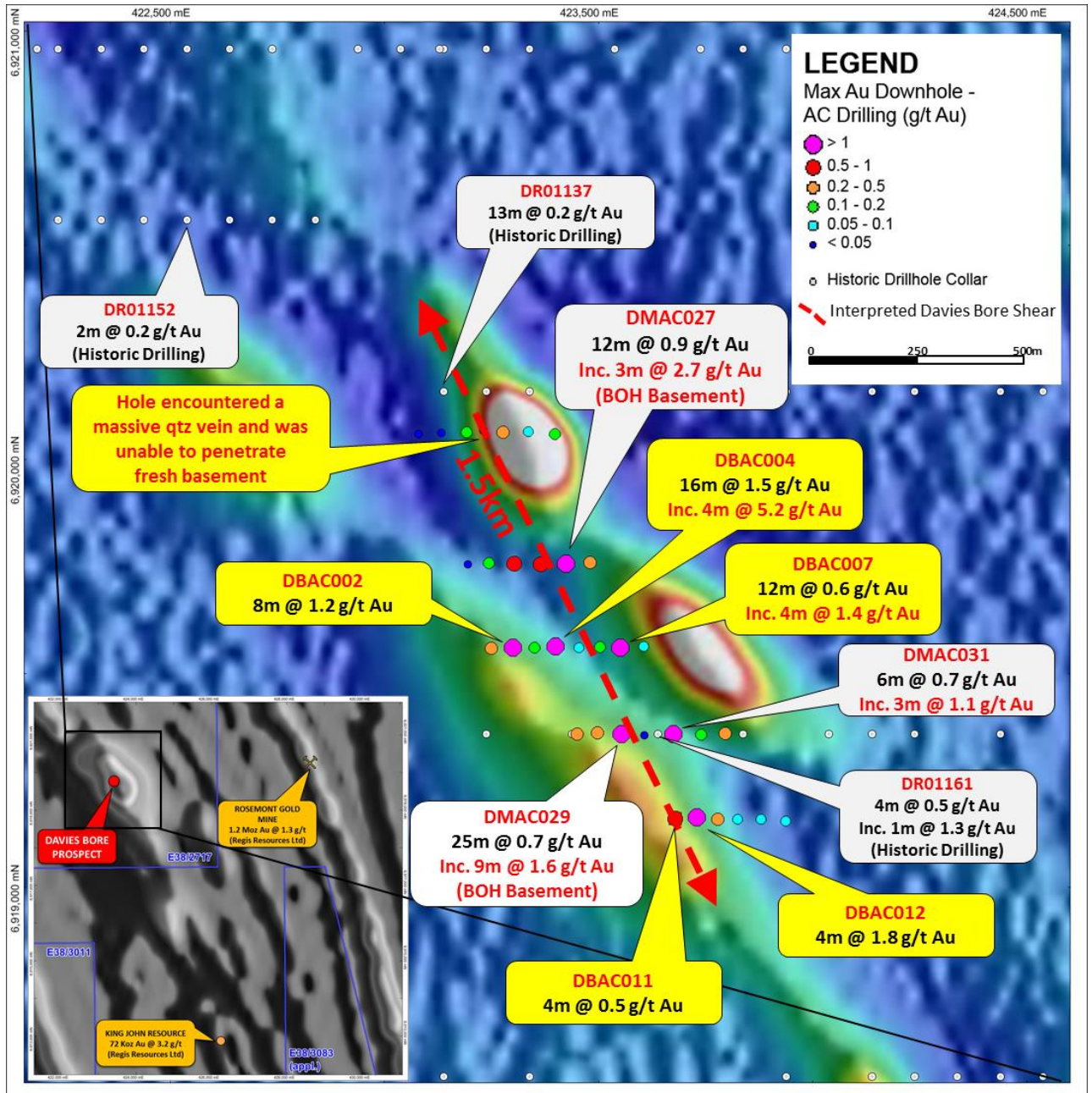


Figure 1. Davies Bore Prospect showing Max Au in aircore holes over magnetics.

Following the drilling campaign at Davies Bore the current plan is to drill depth extensions at the following prospects (see Figure 2):

- Henrys Bore South;
- Lancefield North;
- Murphy Hills;
- Golden Star; and potentially
- Hootanui and Bandy, and others. (see ASX announcement 1 August 2016)

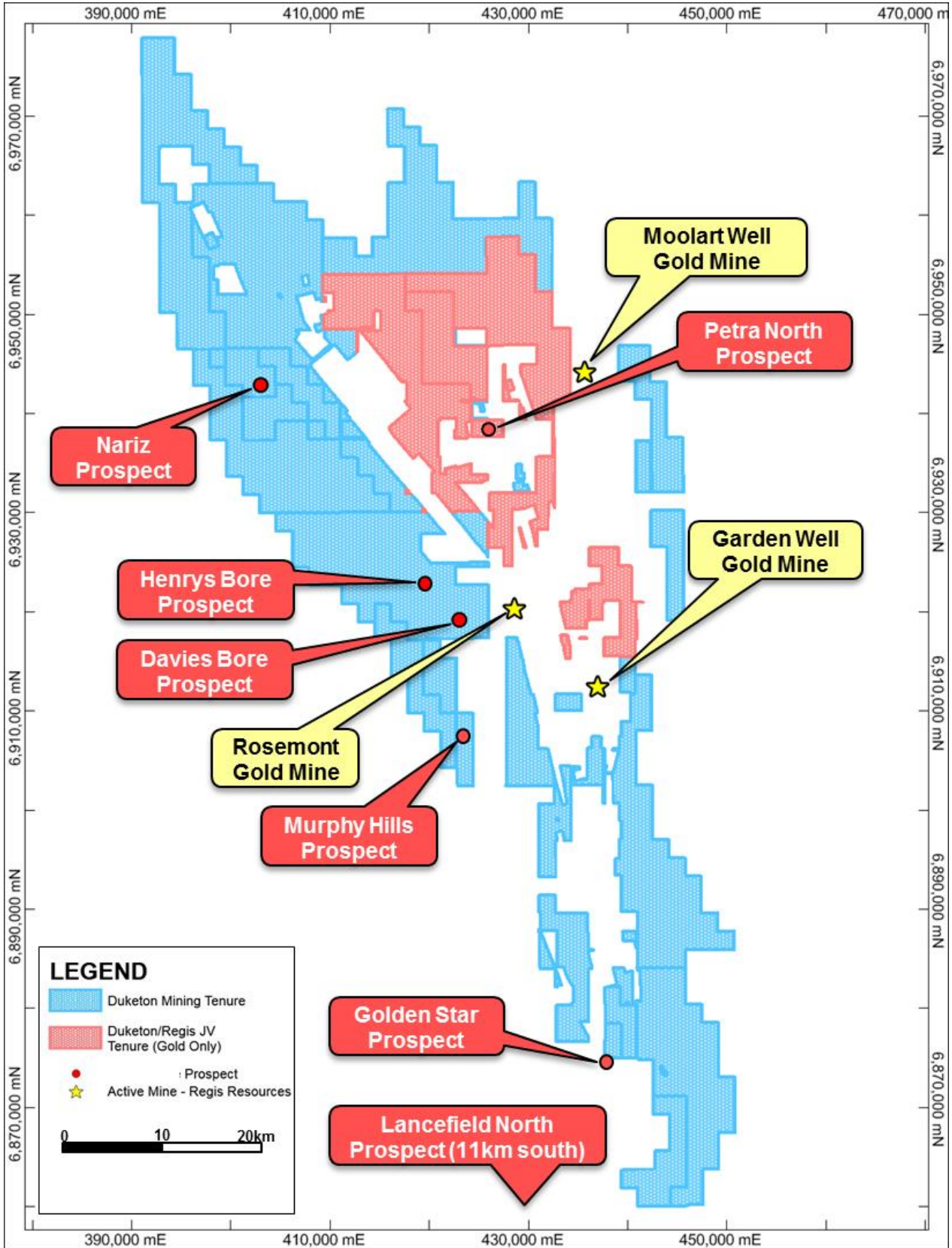


Figure 2. DKM Tenements showing location of Gold Prospects



For further enquiries, please contact:

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The information in this report that relates to exploration results is based on information compiled by Mr Stuart Fogarty, Member of the Australian Institute of Mining and Metallurgy ("AusIMM") and an employee for Duketon Mining Limited. Mr Fogarty has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a competent person as defined in the JORC Code 2012. Mr Fogarty consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

In accordance with Listing Rule 5.23.2, the Company confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources or ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.