



ASX Announcement

19 October 2017

Lancefield North Exploration Update

HIGHLIGHTS

- Assay results from recent RC drilling include:
 - **12m @ 1.9 g/t Au incl. 6m @ 3.4 g/t Au**
 - **11m @ 1.6 g/t Au incl. 3m @ 5.2 g/t Au**
 - **6m @ 1.7 g/t Au**
 - **7m @ 1.0 g/t Au incl. 2m @ 2.8 g/t Au**
- Continuity of mineralisation is robust
- Higher grade trends evident
- Open down plunge and along strike
- Drilling continuing with the intent to move toward estimation of a maiden resource

Duketon Mining Limited (ASX: DKM) is pleased to announce that all outstanding assay results for the Lancefield North prospect have been received. A total of eight reverse circulation holes were completed at the prospect.

Significant intercepts include:

- **12m @ 1.9 g/t Au incl. 6m @ 3.4 g/t Au**
- **11m @ 1.6 g/t Au incl. 3m @ 5.2 g/t Au**
- **6m @ 1.7 g/t Au**
- **7m @ 1.0 g/t Au incl. 2m @ 2.8 g/t Au**

All of these holes were targeting areas within the constraints of the known mineralisation that include (see ASX announcements 1 & 8 February 2017):

- **16m @ 12.0 g/t Au**
- **14m @ 4.1 g/t Au**
- **23m @ 1.6 g/t Au**
- **11m @ 1.8 g/t Au**
- **9m @ 2.5 g/t Au**

The latest assay results, in combination with a greater understanding of the geology increase our confidence that mineralisation is continuous within several “stacked” lenses and identifies higher grade trends within these. The mineralisation is open both down plunge and along strike.



There are also numerous other targets on the same tenement that have a similar structural and geological setting that are planned to be tested later this year.

Drilling will continue to focus on further delineation at Lancefield North and also testing the targets along strike.

At the successful conclusion of the next round of drilling the company intends to prepare a maiden JORC resource estimate for the Lancefield North prospect.

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 Miss Kirsty Culver, Member of the Australian Institute of Geoscientists (AIG) and an employee of Duketon Mining Limited. Miss Culver 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. Miss Culver consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

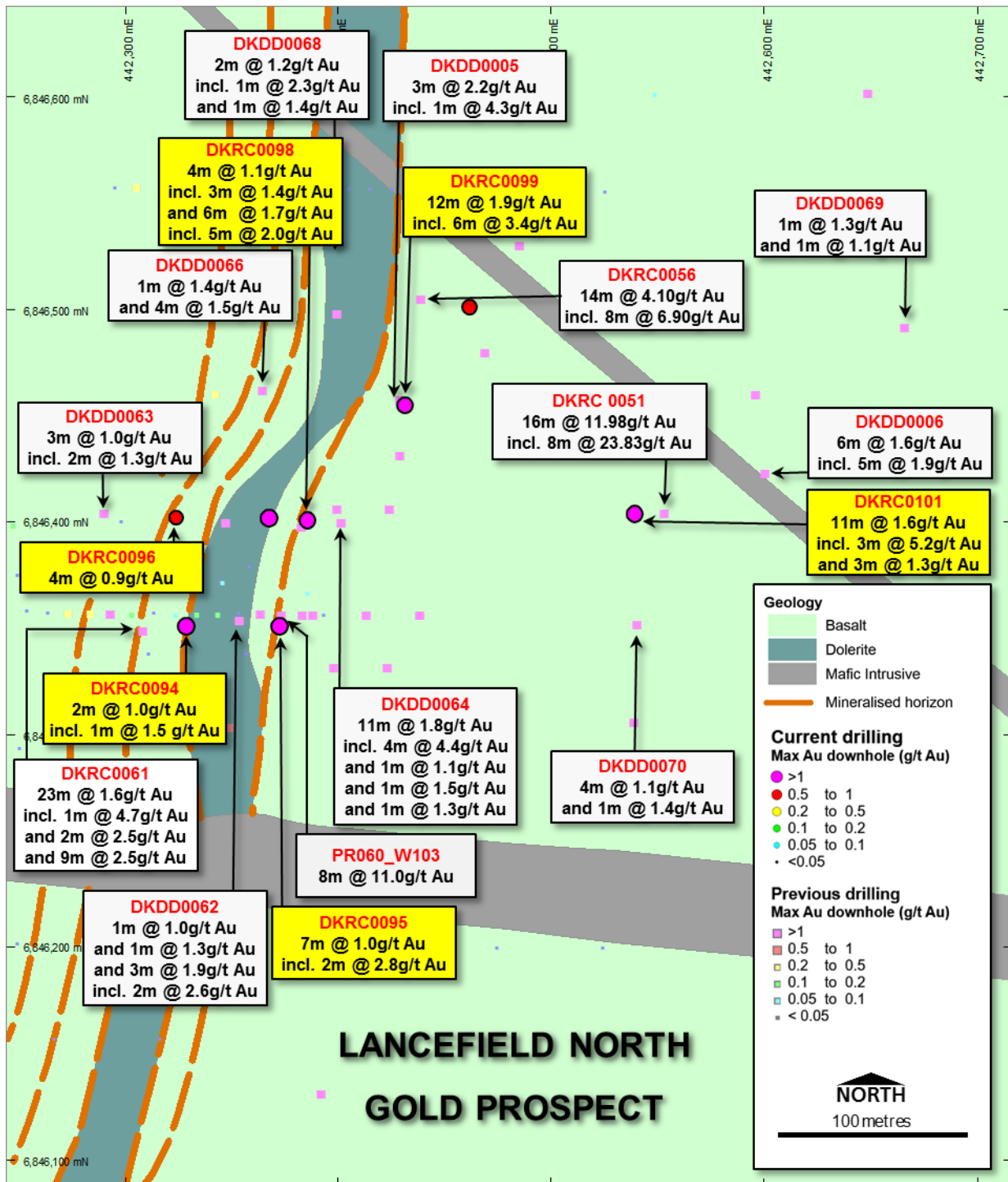


Figure 1. Plan of Lancefield North showing interpreted geology, maximum gold in hole and significant Intercepts.

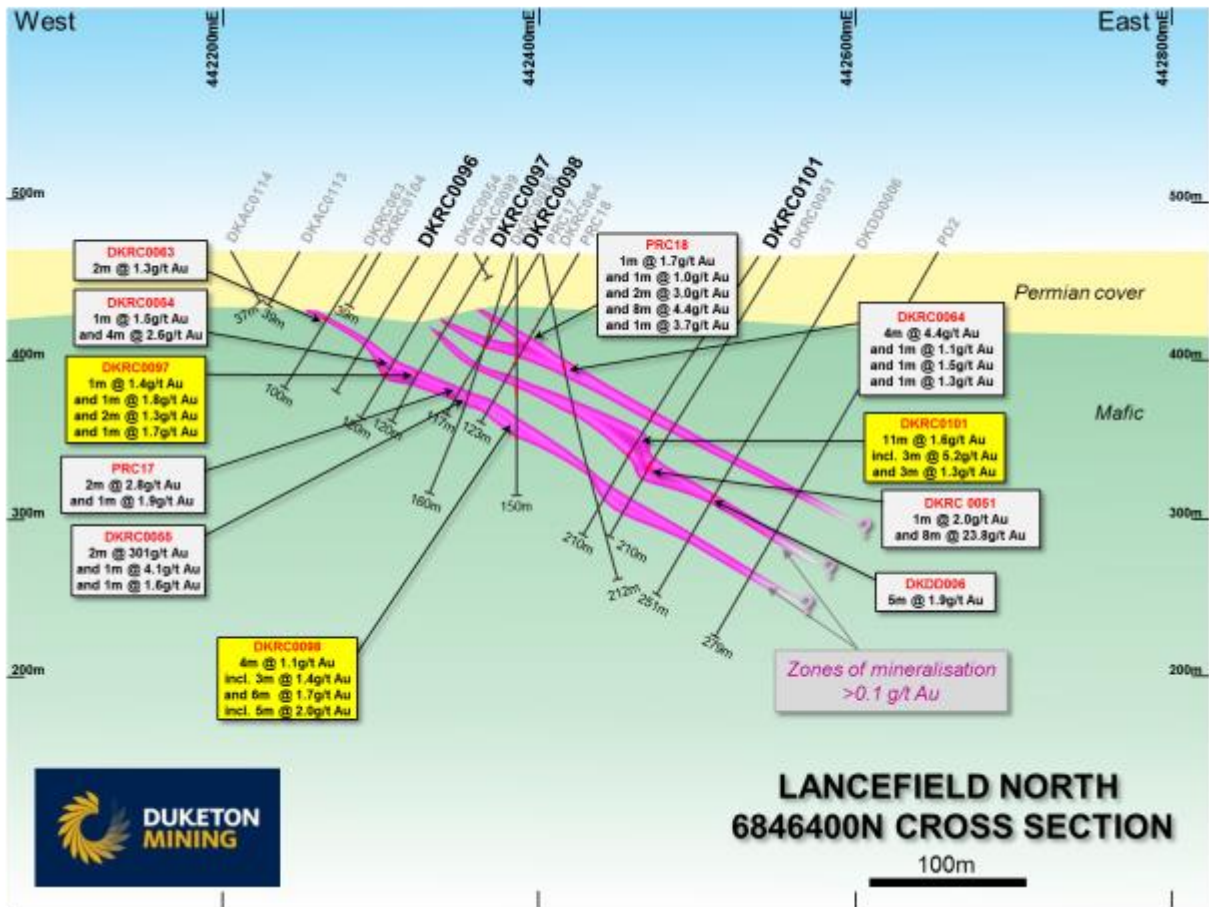


Figure 2. Cross Section of Lancefield North showing interpreted geology and significant Intercepts.



Hole ID	Easting (MGA 94 Z51)	Northing (MGA 94 Z51)	Nominal RL (m)	Dip (°)	Azimuth (mag °)	Total Depth (m)	Depth From (m)	Depth To (m)	Intercept Width (m)	Au (ppb)	Comments
DKRC0094	442329	6846352	467	-60	270	110	52	55	3	280	3.00m @ 0.3 g/t Au
							73	76	3	201	3.00m @ 0.201g/t Au
							83	85	2	1012	2.00m @ 1.0 g/t Au
							83	84	1	1516	1.00m @ 1.5 g/t Au
DKRC0095	442373	6846352	467	-60	270	135	44	48	4	133	4.00m @ 0.1 g/t Au
							52	56	4	139	4.00m @ 0.1 g/t Au
							63	66	3	173	3.00m @ 0.2 g/t Au
							69	78	9	267	9.00m @ 0.3 g/t Au
							85	86	1	194	1.00m @ 0.2 g/t Au
							89	96	7	1027	7.00m @ 1.0 g/t Au
							91	93	2	2841	2.00m @ 2.8 g/t Au
							100	102	2	375	2.00m @ 0.4 g/t Au
DKRC0096	442324	6846403	467	-60	270	100	63	67	4	876	4.00m @ 0.9 g/t Au
DKRC0097	442368	6846403	467	-60	270	120	50	53	3	778	3.00m @ 0.8 g/t Au
							51	52	1	1384	1.00m @ 1.4 g/t Au
							58	63	5	496	5.00m @ 0.5 g/t Au
							58	59	1	1758	1.00m @ 1.8 g/t Au
							88	90	2	1303	2.00m @ 1.3 g/t Au
							88	89	1	1693	1.00m @ 1.7 g/t Au
							95	97	2	518	2.00m @ 0.5 g/t Au
DKRC0098	442386	6846402	467	-90	0	150	53	57	4	1100	4.00m @ 1.1 g/t Au
							54	57	3	1406	3.00m @ 1.4 g/t Au
							66	70	4	129	4.00m @ 0.1 g/t Au
							73	75	2	261	2.00m @ 0.3 g/t Au
							83	89	6	1695	6.00m @ 1.7 g/t Au
							84	89	5	2013	5.00m @ 2.0 g/t Au
							102	108	6	198	6.00m @ 0.2 g/t Au
							115	117	2	6066	2.00m @ 6.1 g/t Au
DKRC0099	442432	6846456	467	-70	0	180	49	57	8	391	8.00m @ 0.4 g/t Au
							61	69	8	396	8.00m @ 0.4 g/t Au
							97	109	12	1861	12.00m @ 1.9 g/t Au
							97	103	6	3384	6.00m @ 3.4 g/t Au
							119	124	5	135	5.00m @ 0.1 g/t Au
							137	145	8	291	8.00m @ 0.3 g/t Au
							162	163	1	664	1.00m @ 0.7 g/t Au
DKRC0100	442462	6846502	467	-70	270	180	89	92	3	444	3.00m @ 0.4 g/t Au
							118	119	1	543	1.00m @ 0.5 g/t Au
							122	126	4	437	4.00m @ 0.4 g/t Au
							131	132	1	299	1.00m @ 0.3 g/t Au
							152	153	1	142	1.00m @ 0.1 g/t Au
DKRC0101	442540	6846405	467	-60	270	210	121	132	11	1599	11.00m @ 1.6 g/t Au
							121	124	3	5165	3.00m @ 5.2 g/t Au
							135	144	9	289	9.00m @ 0.3 g/t Au
							147	154	7	679	7.00m @ 0.7 g/t Au
							150	153	3	1303	3.00m @ 1.3 g/t Au
							184	188	4	148	4.00m @ 0.1 g/t Au

Table 1. Significant Intercepts. Intercepts are >1m @ 0.1 g/t Au (maximum internal dilution of 2 meters). Intersections are downhole widths.

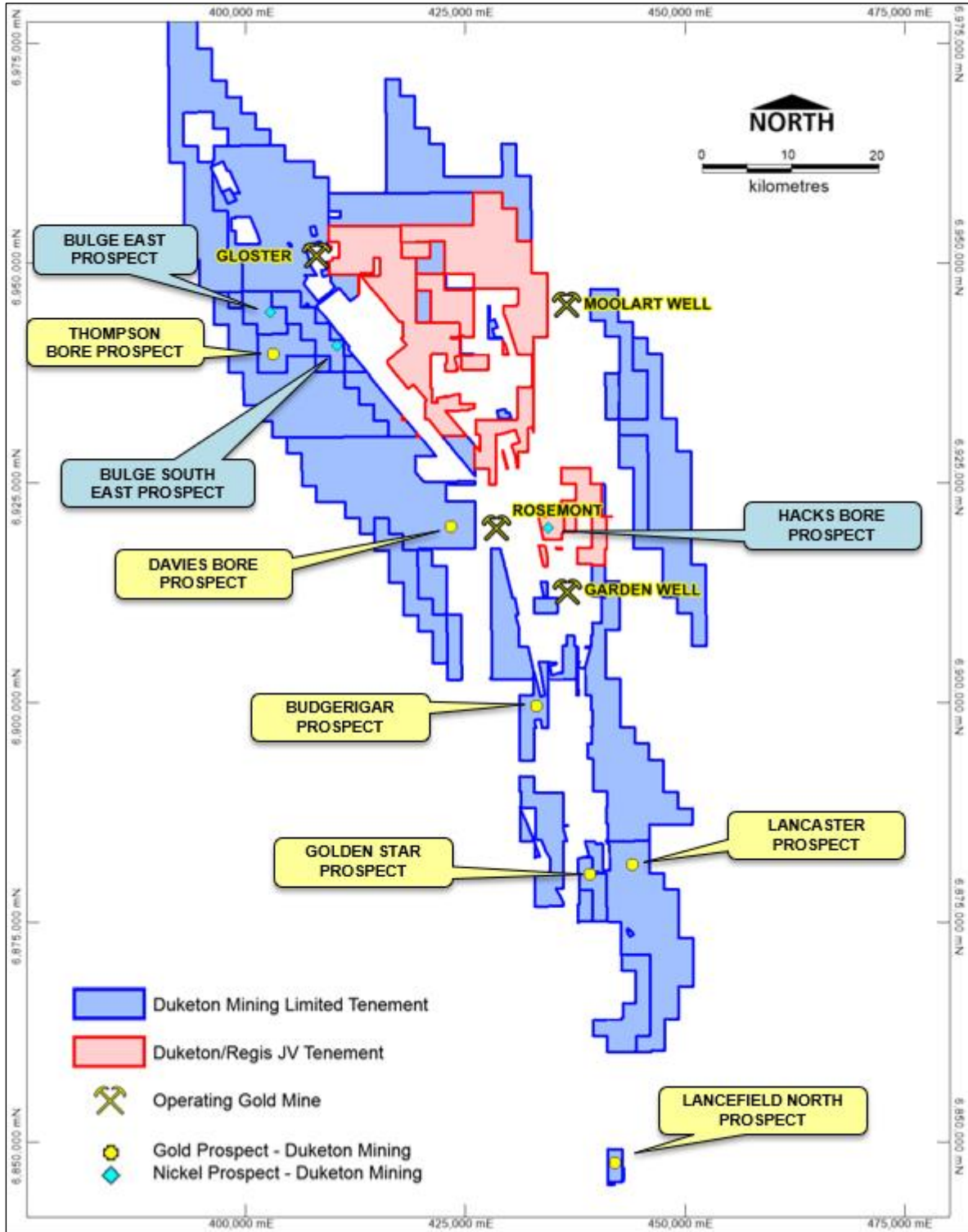


Figure 3: Plan of DKM Tenements



JORC Table 1

JORC Code, 2012 Edition – Table 1 report – Duketon Project

Section 1 Sampling Techniques and Data – Lancefield North - RC Drilling

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation 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 (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • RC drill chips were collected as composite samples (either 1m, 2m, 3m or 4m samples, approx. 2kg). RC drill chips were sampled by riffle splitting 1 metre calico bag samples off the rig. • Certified samples, blanks and field duplicates are inserted every 25th sample. • Mineralisation determined qualitatively by geological logging and quantitatively through assaying.
Drilling techniques	<ul style="list-style-type: none"> • <i>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).</i> 	<ul style="list-style-type: none"> • RC drilling using a face sampling hammer with a nominal diameter of 140mm.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Recoveries qualitatively noted at the time of drilling and recorded in the DKM database. • The cyclone of the drill rig is cleaned at the end of each 6m rod to ensure sample is not “hung-up” and samples are as clean as possible with as little cross contamination as possible. • No relationship between grade and recovery has yet been established.
Logging	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • All samples were logged to a level of detail to support future use in a mineral resource calculation should it be required. • Qualitative: Lithology, alteration, mineralisation. • Quantitative: Vein percentage, assaying for gold and other elements. • All holes for their entire length are logged.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • RC drill chips were collect as 1 metre samples from the rig cyclone and cone splitter to provide a 1 metre sample. Composite samples were collected using a riffle splitter. • Sample condition with respect to moisture content is noted on the geological log. • The entire sample (approx. 2kg) has been dried, pulverised to 85% passing 75µm. • Field duplicates are collected at a rate of 1 in 25. Pulp duplicates have been taken at the pulverising stage and selective repeats conducted at the laboratories discretion. • Sample sizes are considered appropriate for the grainsize of the material sampled.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Samples were assayed using a Fire Assay 50g charge with AAS finish for Au and a multi-acid digest with ICP-OES finish for 34 elements. This technique is industry standard for gold and considered appropriate. Assays were returned for the following elements: Au, Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cu, Fe, K, La, Li, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sn, Sr, Te, Ti, Tl, V, W and Zn. Certified Reference Material (Standards), blanks and field duplicates were submitted with batches (1 in every 25 samples).
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> All data has been checked internally for correctness by senior DKM geological and corporate staff. All data is collected via Ocris software and uploaded into the DKM Datashed Database following validation. No adjustments have been made to assay data. No twinned holes have been drilled to date.
Location of data points	<ul style="list-style-type: none"> <i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> All location points were collected using a handheld GPS in MGA 94 – Zone 51 Downhole surveying (magnetic azimuth and dip of the drillhole) of RC drillholes was measured by the drilling contractors using an Axis Instruments Mag Shot tool. A topographic surface has been created from airborne geophysical data. Drillholes have been corrected to this surface.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>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.</i> 	<ul style="list-style-type: none"> Holes were drilled at various spacing depending upon the holes drilled previously in the area of interest. Hole spacing is appropriate for drilling at this stage in the exploration process. Sample compositing has been applied.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The orientation of the geology and mineralization at Lancefield North is moderately dipping to the east and striking NNE.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody was managed by company representatives and is considered appropriate. All samples are bagged in a tied numbered calico bag, grouped into larger polyweave bags and cable tied. Polyweave bags are placed into larger bulky bags with a sample submission sheet and tied shut. Consignment note and delivery address details are written on the side of the bag and delivered to Toll in Laverton. The bags are delivered directly to MinAnalytical in Canning Vale, WA who are NATA accredited for compliance with ISO/IEC17025:2005.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No external audits or reviews have been conducted apart from internal company review.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint 	<ul style="list-style-type: none"> The tenement (E38/3002) is 100% owned by Duketon Mining Limited and is in good standing and there are no known impediments to

Criteria	JORC Code explanation	Commentary
and land tenure status	<p><i>ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <ul style="list-style-type: none"> <i>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.</i> 	obtaining a licence to operate in the area.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Previous drilling at Lancefield North was completed by Teck Exploration/Nord Australex and Hill Minerals. This work has been checked for quality as far as possible and formed the basis of the follow-up conducted as part of the drilling programme presented.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The anomalies presented in the historic data are sourced from typical Archaean Greenstone rocks of the Yilgarn Craton. The recent drilling completed by Duketon Mining has confirmed this interpretation.
Drill hole Information	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> 	<ul style="list-style-type: none"> Significant intercepts are provided in a table within the text of this announcement.
Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> No top-cuts have been applied when reporting results. First assay from the interval in question is reported (i.e. Au1) Aggregate sample assays calculated using a length weighted average Significant grade intervals based on intercepts > 0.1 g/t gold. No metal equivalent values have been used for reporting of results.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Downhole length is reported for the drillholes, true width is not yet known.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Refer to figures in document.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All drillhole locations are reported and a table of significant intervals is provided in the release text.
Other substantive exploration data	<ul style="list-style-type: none"> 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 characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Refer to document.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Further work may involve drilling of deeper holes around the significant intervals presented and may also include testing along strike and in surrounding areas.