

Program of Works

To

Earth Resources Victoria,

**Department of Economic Development, Jobs, Transport and
Resources**

Exploration Licence

Application 006417

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Overview

Steadfast Mining Services Pty Ltd will undertake a program of work that will investigate the potential for economic gold and other commodity deposits within the application area.

Alluvial deposits:

From preliminary research, we think there is potential for small scale alluvial gold deposits to occur in several parts of the tenement, particularly in the southern part of the tenement south and south-west of RL2018 near the margins of some of the basalt flows. We intend to investigate this potential.

From knowledge we have obtained in the past, cornflower-blue and other coloured sapphires are known to occur in stream sediments in many parts of the tenement area, although for the most part these are thought to be relatively rare and very small (less than 1mm grain size). However, preliminary research has found evidence that plentiful cornflower-blue sapphires of around 5mm grain size have been noted by previous workers in stream sediment samples at an uncertain location in the eastern side of the tenement. We intend to investigate the potential for locating an economic deposit.

Shallow leads:

We think there may be potential to identify shallow alluvial leads and shallow sub-basaltic leads, the main areas of interest for us is both in the south and the north ends of the application area.

Underground reef:

There is potential for economic reef gold deposits, hosted in the Silurian bedrock throughout the tenement area. Of interest to us, we think that there is a reasonable potential for zones of mineralisation occurring parallel to the known Mt Egerton historically mined system. There is potential, perhaps limited, for these to occur to the west of Mt Egerton, however we consider that there is a higher probability of at least one previously unidentified parallel system some kilometres east of the Mt Egerton trend.

Reef gold deposits may also occur under cover in the southern end of the application area. They have also been discovered and worked historically in the Gordon area, and, also further to the north towards the top end of the tenement application area.

We are not terribly enthusiastic about conducting much (if any) intrusive exploration in the immediate area of the Gordon township, mainly due to community impacts and concerns. – There is very little crown land in that area and the topography is relatively flat and it is relatively densely populated in comparison to the rest of the application area. However, we do not rule out conducting some forms of investigation of the potential of this area, even if that work does not progress beyond office-based research. If the research delivers sufficiently compelling encouragement, and if the community concerns can be managed, we **may** consider future geophysics work and limited road verge exploration drilling in that area.

Bulk low grade deposits:

Although a very low priority target, if we find evidence via research and field work that a bulk low grade deposit exists, and if it is sufficiently remote from community enclaves and in an environmentally-friendly compatible location, we will follow-up and evaluate, perhaps by a combination of geophysics and drilling. At this point in time we don't have any identified likely areas that such deposits may occur.

Deep lead:

We think there may be reasonable potential for deep leads to occur to both the south and the east of the application area. Research may indicate additional target areas.

These targets will likely be sub basaltic and may prove to be either too deep and too small to mine economically, but we think it is worth researching and possibly worth definition geophysics and follow-up drilling. Time and work will hopefully rule this in or out.

Summary comments:

We will outline below the likely types of office and field work activities that may be our focus during the five-year application period, however it is presently not clear of the sequence of works or the priority to assign to the mineralisation targets over the course of the five-year licence term. We will prioritise field work so that wherever possible works will dovetail with work priorities on RL2018, and wherever possible we will utilise drilling and geophysics contractors for both tenements when they are doing work on our areas.

The bulk of our work initially will be office based research of various kinds, plus liaison with regulators and other stakeholders. This will include our community engagement plan that was submitted for RL2018, as it will now also apply to activities on the EL.

In addition to what we think is a reasonable chance of discovering significant and hopefully economic mineralisation within the EL application area, obtaining the EL will give us a much better opportunity to identify sites that would be suitable for any future infrastructure installations, such as treatment and tailings storage facilities, in areas that are both environmentally friendly, and away from the areas of higher population density. If we are successful in identifying viable mining resources and progress mining operations on either RL2018 or the EL006417 area at some future time, our aim will be to minimise disturbance to the community and if possible have a positive net effect on the environment.

Office based and on-ground and potential sub-surface activities envisioned to take place during the tenure of the EL (Not necessarily limited to the items below):

Mainly Office based:

- Data consolidation and validation of work from previous explorers
- Ongoing Historical Research and data interpretation
 - Ongoing continued validation of historical information
 - Scan and register all maps and plans. Establish 3D models wherever possible and practical
- Digital Data Collation from external sources and data interpretation
- Develop and implement an exploration program to test exploration targets
- Community Consultation, possibly also utilising an external consultant
- Obtain all required Consent for low impact exploration, which may include
 - Private landowner compensation agreements
 - Heritage Victoria
 - Land Manager
 - Native Title

- Local Council

Mainly on-ground exploration activities:

- Surface mapping
 - Establish the location of known historical shaft locations
 - Rock chip sampling
 - Soil Sampling
 - Logging Sheets (Develop appropriate for target mineralisation, and implement).
 - Surface Mapping
 - Stream sediment sampling
 - Locate potential drill sites

Mainly Subsurface activities:

- Drilling programs
 - Potential bulk sampling and testing.
 - Mineralogy studies
 - Petrology Studies
 - Assay data including multi elements
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- Ongoing Community Consultation