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Market Announcements Platform
ASX Limited
Exchange Centre
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Sydney NSW 2000

Hole (ALFP001) completed at Alcoutim Cu-Zn Project in Portugal

Highlights

- Drill hole ALFP001 of part of an initial 5-hole program at Foupana drilled to 1,156.60m depth;
- Drill hole completed on budget and schedule;
- Terratec Geoservices completed a two (2) loop configuration down hole transient EM survey (1,000m x 1,000m);
- Drilling of ALFP002 commenced on Monday 26 June and is predicted to reach the target depth of 700m in approximately 3 weeks. Target selection based on:
    - strong interpreted AMT (magneto telluric) conductor;
    - central position within the Foupana magmatic centre of the Neves-Corvo-Trend,
    - proximity to FP-1 (historic DD hole) which intercepted prospective VSC; and
    - relatively shallow target at 600m - 700m;
- The Alcoutim Phase I targets occur along strike of the supergiant Neves Corvo Cu-Zn-Pb-Ag-Au mine operated by Lundin Mining Corporation;
- Auroch in a STRONG FINANCIAL POSITION: A$7.5 million in cash and receivables and loan to Bolt Resources (holder of the Alcoutim Cu-Zn licence).

Completion of drilling and down hole Geophysics at ALFP001

Diamond drill hole ALFP001 was drilled to 1,156.60m, and finished in interbedded shales and greywackes of the Mértola Formation Flysch. The hole targeted a magneto telluric (AMT) conductor at >800m depth. The conductor was interpreted to be massive sulphides hosted by a lower order black shale basin, surrounded by mafic magmatic rocks of the Foupana magmatic centre. The Iberian Pyrite Belt is known to host several deposits in similar geologic settings.

Sparse exploration drill hole data; Euler depth modelling of the magnetic data; and several 2D Seismic reflection profiles throughout the licence suggested that the general depth to the top of the target Volcano Sedimentary Complex (VSC) varies from 700 m to about 1,000 m in the vicinity of ALFP001. However, the initial interpretation of drill core suggests the hole drilled into a thicker than expected sequence of flysch sediments, down faulted into the target Volcano Sedimentary Complex (VSC). Intense faulting is known throughout the Iberian Pyrite Belt and leads to significant offsets of the target stratigraphy. Figure 1 illustrates the complex faulted nature of the VSC-flysch contact throughout the Neves Corvo mining district.

At the completion of ALFP001, Terratec Geoservices mobilised to site (Figure 1) and completed a 2 loop (1,000m x 1,000m) Down Hole Transient Electromagnetic (DHTEM) survey in the lower portion of the hole (736 -1,155 m). The survey employed a Zonge GGT10 transmitter, Digi Atlantis receiver system, and EMIND DILL dual induction logging probe. Figure 3 shows the design of the 2-loop layout.

Preliminary processing of the DHTEM data has indicated no conductors were intersected or in the immediate vicinity of the first drill hole.

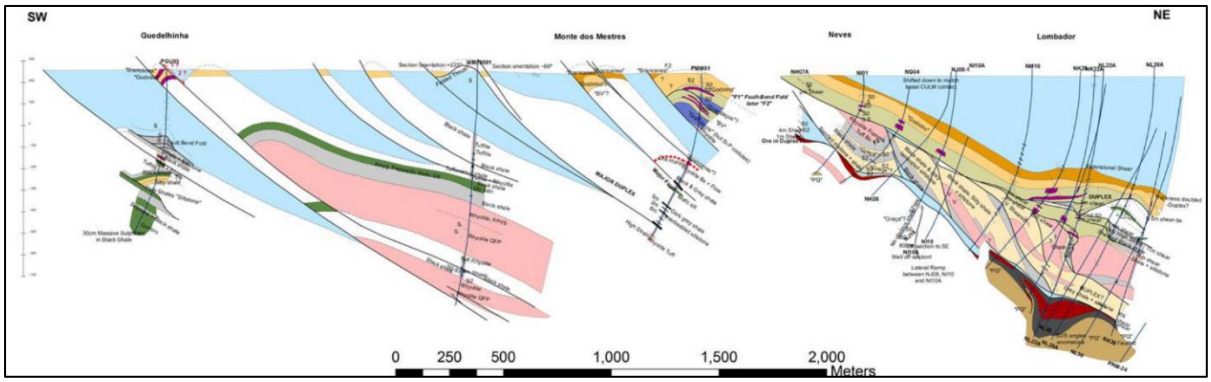

Figure 1 Cross section through the Neves Corvo mining district (Lundin Mining, 2006) Flysch rocks shown in blue the layered sequence represents the VCS

Figure 2 a) Laying out surface cables for DHTEM readig. *b) DHTEM set up at hole ALFP001.*

Dr Andrew Tunks (Auroch CEO) commented,

"The integration of this down hole EM data with existing data such as: magnetics, gravity, and magneto tellurics will be crucial to refining our geological and geophysical models, and best locating our subsequent drill holes. I am currently on site and working with the exploration team to refine our geological and geophysical models and plan the next 4 holes going forward. As each new hole is drilled, additional data will be obtained that will allow us to better optimize drilling locations."

Selection of second target in Phase 1 Exploration

A second hole location has been selected to test Target PFE4. This second target was selected based on:

- strong historic magneto telluric (AMT) conductor;
- central position within the Foupana magmatic center of the Neves-Corvo-Trend,
- proximity to FP-1 (historic DD hole) which intercepted perspective VSC stratigraphy (host to ore bodies at Neves Corvo); and
- relatively shallow target at 600m - 700m;

Drilling of diamond drill hole **ALFP002 commenced on Monday 26** June and is predicted to reach the target depth of 700m in approximately 3 weeks. Upon completion of this 2nd hole, a third hole will be drilled in completion of the Phase 1 Exploration plan.

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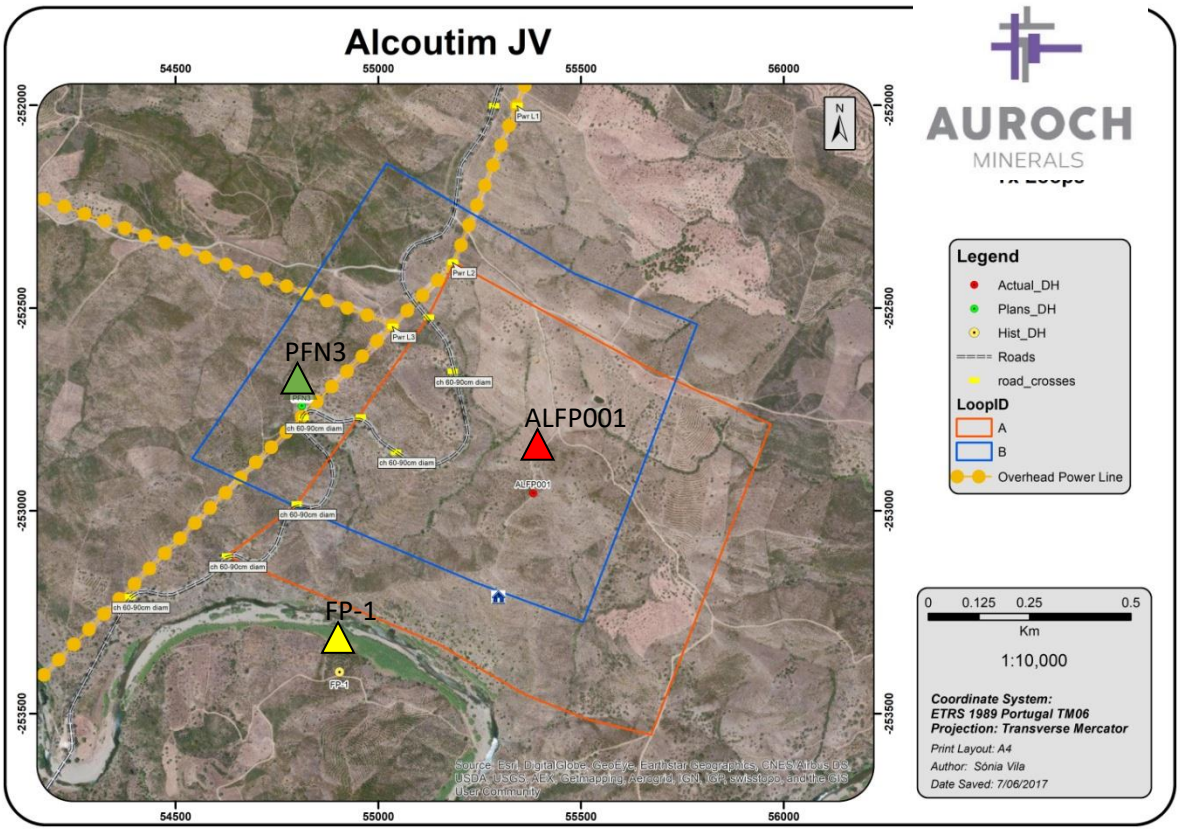

Figure 3 Design of two (2) loop (1,000m x 1,000m) down hole EM survey over drill hole ALFP001 with target PFN3 to the west.

Phase 1 Exploration

A total of **22 potential VMS targets have been defined** by integrating geology and geophysics throughout the large Alcoutim license area, with the first 5 holes to test priority targets along the Neves Corvo Trend. The Foupana magnetic anomaly (42 km southeast of the supergiant Neves Corvo Mine) is the largest and most intense magnetic anomaly of the Neves Corvo Trend which is interpreted to be a large, submarine centre of bimodal magmatic activity. Coincident magneto telluric (AMT) anomalies are interpreted to represent massive sulphide mineralisation. The first two (2) hole locations will test this geological model; close to the magmatic centre and with a strong coincident AMT anomaly.

Down hole Transient Electromagnetic (DHTEM) surveys and geochemical assays will be collected from all holes when complete as part of continual refining of target selection.

For further information visit www.aurochminerals.com or contact:

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Background - Alcoutim Project

The Company recently announced a new Joint Venture to earn up to 75% of the "**Alcoutim Project**", a significant Cu-Zn-Pb-Au-Ag opportunity in south-eastern Portugal located immediately along strike from the supergiant Neves Corvo Mine in the western half of the world famous Iberian Pyrite Belt (**IPB**).

Auroch is to spend ~A$1.4 million to earn a 65% interest in the Alcoutim Project. The Company has the right, but not the obligation, to earn a further 10% by spending a further ~A$1.25 million. Further details of the commercial terms in the announcement issued on 27 March 2017.

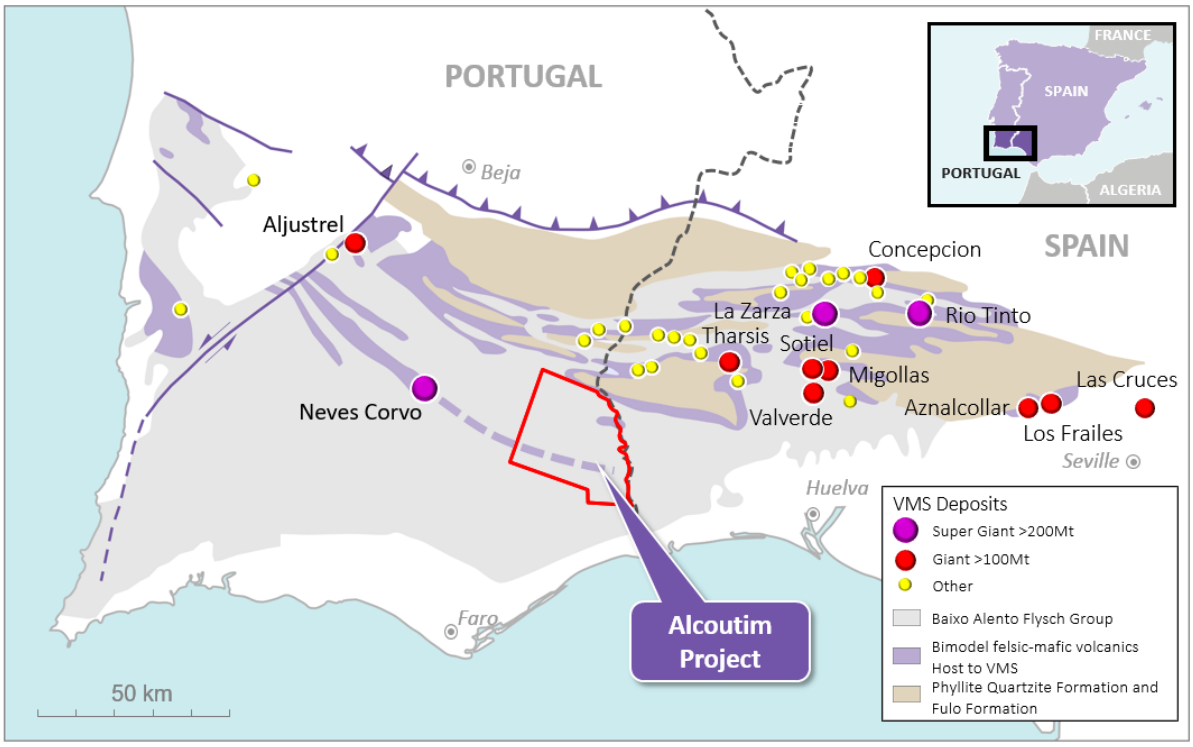

Figure 1. The geology of the Iberian Pyrite Belt highlighting the major mines and the location of the Alcoutim Project on the Portugal-Spain border. Note the continuation of the Neves Corvo Volcanics dashed line) into the Alcoutim Licence covered by the younger rocks of the Baixo Alento Group.

Multiple Exploration Targets

The Alcoutim Project covers 576 square kilometres and lies immediately east and down plunge of the Super Giant Neves Corvo deposit in Eastern Portugal (Figure 1). The licence covers the interpreted down plunge extensions of the highly prospective Neves Corvo trend. Previous geophysical exploration has highlighted twenty-two targets that are characterised by coincident gravity and magnetic anomalies, modelling of the data suggests target depths of 700 to 1000m.

Major gravity highs are shown within the Alcoutim licence in Figure 5, similar anomalies focussed the initial Neves Corvo exploration. A series of small deposits of remobilised copper are present in the south of Neves Corvo which are spatially related to a series of NE-SW trending faults that post-date the VMS mineralisation. Similarly, deposits of remobilised copper are found in the south of the Alcoutim license which were mined in several places such as Cova dos Mouros.

It is possible that these small deposits represent remobilised copper from mineralisation at depth and give further evidence to the prospectivity of the main gravity and magnetic anomalies.

Within the licence area there are multiple coincident gravity-magnetic and EM targets that are the focus for the first round of drilling that commenced on the 12th of May 2017. Importantly the most intense gravity anomalies lie along the Neves Corvo structural trend Figure 2.

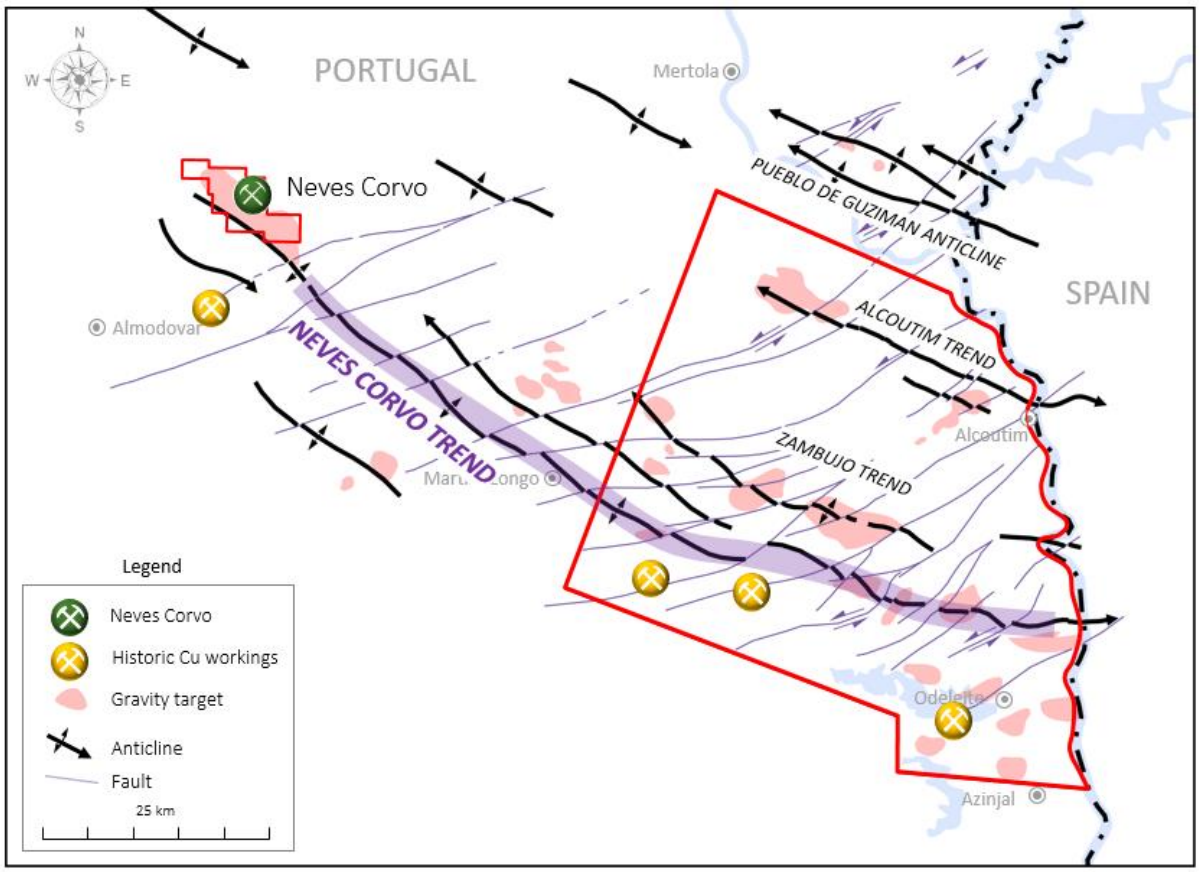

Figure 2. Location diagram for Land of Giants Project highlighting major magnetic anomalies and the vital Neves Corvo Trend – Also highlighted are the major gravity anomalies that will be the focus of the initial drill testing. Note the presence of several small oxide copper deposits to the south west of the main gravity targets and the similarity to the situation at Neves Corvo.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr. Andrew Tunks and represents an accurate representation of the available data. Dr. Tunks (Member Australian Institute Geoscientists) is the Company's Chief Executive Officer and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Tunks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.