Drilling update for Mt Ida Lithium

Highlights:

- The Mt Ida Lithium Project in the Goldfields region of Western Australia, remains on track for approval to mine later this year.
  - **Initial Maiden Resource Estimate of 12.7Mt @ 1.2% Li_2O reported in October 2022**[1]
  - Granted Mining Lease, heritage and Mining Proposal submitted with objective to potentially commence a DSO Lithium mining operation before Christmas 2023
- **Newly reported drilling results** include:
  - **27m @ 1.3% Li_2O** from 848m in IDRD245
  - **21.2m @ 0.5% Li_2O** from 561.1m in SPRD045
  - **20.9m @ 1.4% Li_2O** from 675.4 m in IDRD036N2
  - **17.8m @ 1% Li_2O** from 477.9m in SPRD041N2
- 5 Rigs demobilised leaving 3 rigs continuing with exploration, engineering, metallurgy and hydrology holes, whilst the Resource Update is prepared.

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Delta Lithium Limited (ASX:DLI) ("Delta" or the "Company"), is pleased to announce an update for activities at both its 100% owned Lithium Projects at the Mt Ida Lithium Project in the Goldfields region of Western Australia.

Resource drilling is slowing down at Mt Ida in preparation for a Mineral Resource Update scheduled for September 2023. Exploration drilling is ongoing with complete results for the western portion of the granite expected soon. Three drill rigs will remain at Mt Ida undertaking exploration, sterilisation, engineering, metallurgy and hydrology drilling.

Commenting on the results Executive Chairman, David Flanagan said;

"This is now bringing us towards the end of the resource drilling to support a new mining operation from Q4 2023. Mt Ida is the only lithium project in the current Western Australian mines department currently under consideration. It is going to be the next lithium mine in WA.

The team have worked unbelievably hard and I am so proud of them all. Very few mining companies have achieved so much with so few.

A true speed to market strategy requires running multiple tasks in parallel accross mining, marketing, approvals, process engineering and exploration. Its not just moving quickly its about being attentive, responsive and making lots of decisions.

That means our shareholders get the best opportunity for exposure to the highest possible pricing"

To date the Company has completed 471 holes for 97,965 metres (within calendar year 2023) at Mt Ida. This announcement relates to results received from 28 Diamond Drill holes (DD). A further 40 holes from the Mt Ida Project are in the process of being assayed with results due in batches throughout the next few months.

[1] ASX Announcement 19 October 2022 and Appendix 1

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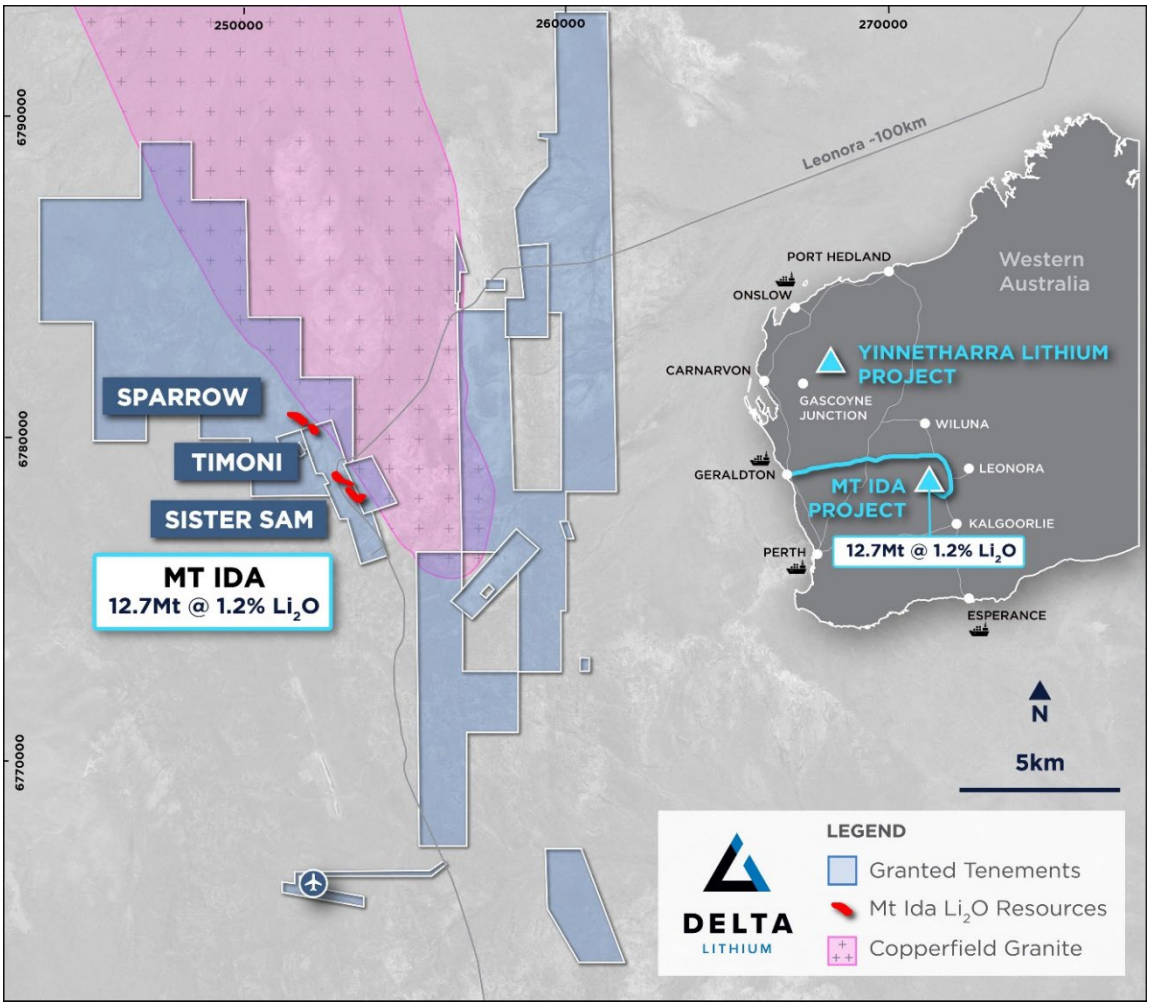

Figure 1: Mt Ida Plan showing tenements, resource outlines

Infill results from Mt Ida further demonstrate quality Lithium intercepts from the Mt Ida Project.

An aggressive program of infill and extensional drilling is coming to a close at Mt Ida. Much of the drilling has been designed to upgrade the resource from inferred to indicated classification.

Results received from Sister Sam and Timoni continue to demonstrate consistent high-grade lithium mineralisation. These results are progressively increasing confidence in the mining plans that are under development in advance of the final granting of the Mining Proposal that has been submitted to the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS).

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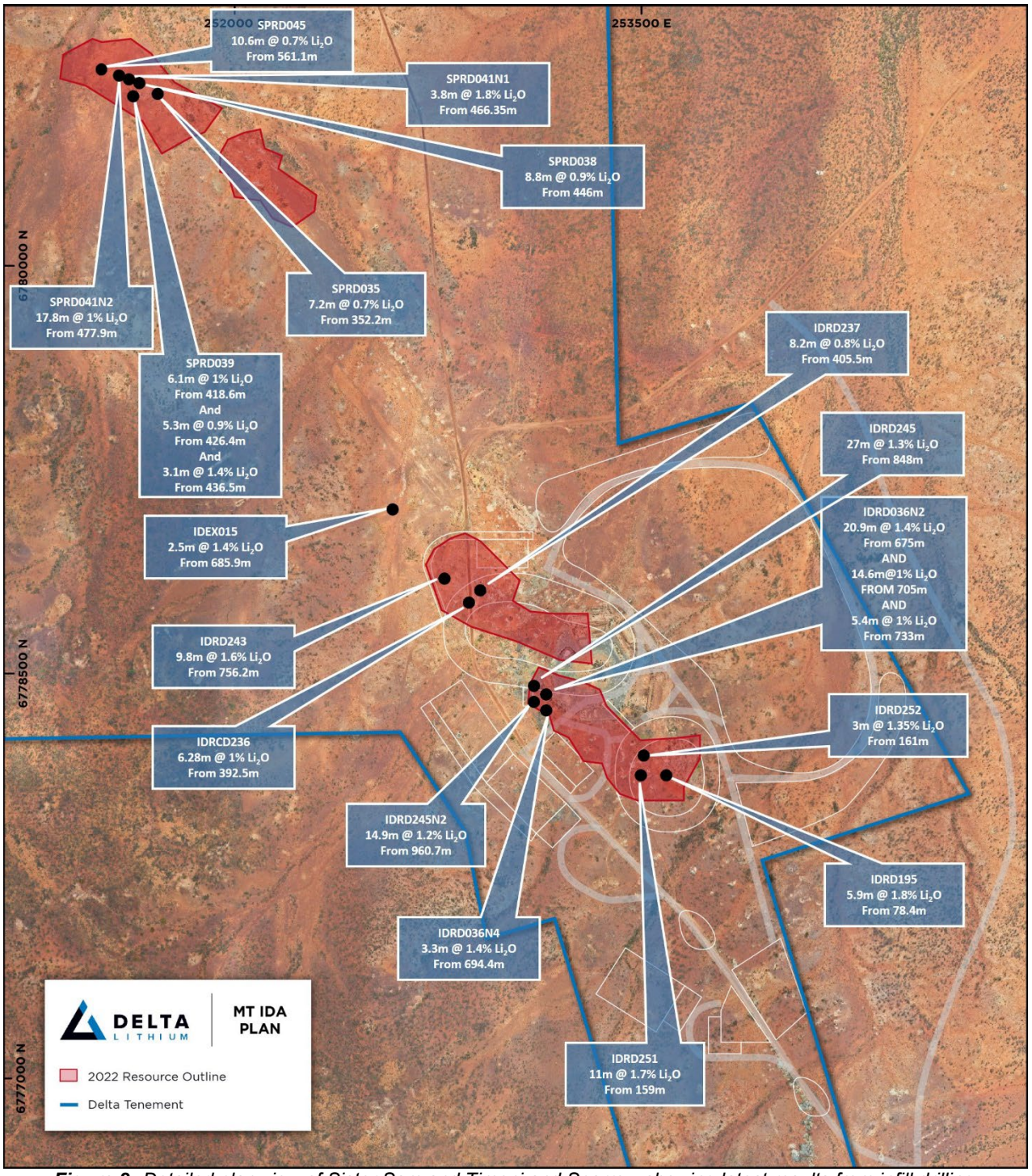

Figure 2: *Detailed plan view of Sister Sam and Timoni and Sparrow showing latest results from infill drilling.*

Release authorised by the Executive Chairman on behalf of the Board of Delta Lithium Limited.

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About Delta Lithium

Delta Lithium (ASX: DLI) is an exploration and development company focused on bringing high-quality, lithium-bearing pegmatite deposits, located in Western Australia, into production. With a strong balance sheet and an experienced team driving the exploration and development workstreams, Delta Lithium is rapidly advancing its Mt Ida Lithium Project towards production. The Mt Ida Lithium Project holds a critical advantage over other lithium developers with existing Mining Leases in place. To capitalise on the prevailing buoyant lithium market, Delta Lithium is pursuing a rapid development pathway to unlock maximum value for shareholders.

Delta Lithium also holds the highly prospective Yinnetharra Lithium Project that is already showing signs of becoming one of Australia's most exciting lithium regions. The Company is currently undergoing an extensive 400 drill hole campaign to be completed throughout 2023.

Competent Person's Statement

Information in this Announcement that relates to exploration results is based upon work undertaken by Mr. Charles Hughes, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM). Mr. Hughes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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' (JORC Code). Mr. Hughes is an employee of Delta Lithium Limited and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Refer to www.deltalitjium.com.au for past ASX announcements.

Past Exploration results and Mineral Resource Estimates reported in this announcement have been previously prepared and disclosed by Delta Lithium in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement, and all material assumptions and technical parameters underpinning Mineral Resource Estimates in the relevant market announcement continue to apply and have not materially changed. Refer to www.deltalithium.com.au for details on past exploration results and Mineral Resource Estimates.

Disclaimer

This release may include forward-looking and aspirational statements. These statements are based on Delta Lithium management's expectations and beliefs concerning future events as of the time of the release of this announcement. Forward-looking and aspirational statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Delta Lithium, that could cause actual results to differ materially from such statements. Delta Lithium makes no undertaking to subsequently update or revise the forward looking or aspirational statements made in this release to reflect events or circumstances after the date of this release, except as required by applicable laws and the ASX Listing Rules.

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Appendix 1: Mineral Resource Estimate Table (Refer to ASX Announcement 19 October 2022).

Resource category	Cut-off grade (Li_2O%)	Li_2O		Li_2O (Kt)	Ta_2O_5 Grade (Ta_2O_5 ppm)
		Tonnes (Mt)	Grade (% Li_2O)		
Total Measured	0.55	-	-	-	-
Total Indicated	0.55	3.3	1.4	46	246
Total Inferred	0.55	9.3	1.1	102	193
Total		**12.7**	**1.2**	**148**	**207**

Table 1: Newly reported assay results for the Mt Ida Project better than 3m @ 1% Li_2O

HoleID		From	To	Width (m)	Li2O %	Ta2O5 ppm	Fe2O3 %
IDRD245		848.0	875.0	27.0	1.3	107.1	0.8
SPRD045		561.1	582.3	10.6	0.7	47.6	2.6
IDRD036N2		675.4	696.3	20.9	1.4	96.0	0.5
SPRD041N2		477.9	498.7	17.8	1.0	69.9	2.1
IDRD245N2		960.7	975.6	14.9	1.2	121.6	1.1
IDRD036N2		705.0	719.7	14.7	1.1	167.0	2.2
SPRD036N1		371.2	385.1	13.9	0.8		
SPRD041		467.6	493.5	12.9	0.9	80.0	3.4
IDRD251		159.0	170.0	11.0	1.7	218.4	1.1
IDRD243		756.2	766.0	9.8	1.6	185.0	0.6
IDRD253		197.0	206.0	9.0	1.1		
SPRD038		446.0	454.9	8.8	0.9	81.0	1.3
IDRD245N1		910.4	919.0	8.6	1.3	52.7	2.9
IDRD253		213.8	222.1	8.3	0.8		
IDRD237		405.5	422.0	8.2	0.8	84.5	0.9
IDRD236		392.5	399.7	7.2	0.9	92.0	0.5
SPRD035		352.2	359.4	7.2	0.7	89.0	4.0
SPRD038		433.3	440.3	6.4	1.1	213.0	0.4
IDRD254		197.4	203.6	6.2	0.7		
IDEX015		683.0	689.0	6.0	0.9	46.0	1.1
IDRD195		78.4	84.3	.0	1.8	250.0	0.4

IDRD036N2		**733.0**	**738.4**	**5.4**	**1.0**	**119.0**	**2.1**
SPRD036N1		**345.0**	**349.0**	**4.0**	**0.8**		
SPRD041N1		**464.0**	**493.2**	**3.8**	**1.8**	**61.0**	**2.0**
IDRD036N4		**694.4**	**707.3**	**3.3**	**1.4**	**96.2**	**7.4**
IDRD036N4		**721.0**	**724.3**	**3.3**	**1.4**	**203.6**	**1.6**
SPRD039		**418.6**	**424.8**	**6.1**	**1**	**107.4**	**0.7**
IDRD252		**161.0**	**164.0**	**3.0**	**1.4**	**251.6**	**1.3**

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Table 2: Drill hole details for newly reported holes at Mt Ida

HoleID	MGA_East	MGA_North	MGA_RL	Dip	MGA_Azi	Depth
IDEX015	252544	6779479	476	-53.67	162.3	748.1
IDRD036N2	252724	6778529	472	-50.89	102.29	802
IDRD036N4	252725.35	6778521.84	474.96	-53.38	99.97	789.9
IDRD195	253571.56	6778113.36	475.13	-60	64.57	102.7
IDRD236	252795	6778954	476	-60.64	155.43	442.23
IDRD237	252828	6779004	476	-60.36	151.74	468.5
IDRD243	252654	6779312	472	-50.68	150.77	774.6
IDRD245	252511	6778526	472	-51.02	86.8	931
IDRD245N1	252511	6778526	472	-56.31	97.37	996.9
IDRD245N2	252511	6778526	472	-51.02	86.8	1028.45
IDRD251	253436.46	6778116.81	475.12	-64.55	74.06	215
IDRD252	253446.23	6778240.15	473.97	-60.09	114.79	191
IDRD253	253019.55	6778822.12	471.02	-55.49	195.01	241.1
SPRD035	251624	6780792	459	-57.8	140.11	422
SPRD036N1	251585.14	6780764.19	460.33	-55.89	137.3	423.8
SPRD038	251564	6780882	459	-56.56	147.25	490
SPRD039	251500	6780854	459	-52.64	142	535.1
SPRD041	251459	6780905	459	-55.93	142.24	565.1
SPRD041N1	251459	6780905	459	-56.77	143.84	557.4
SPRD041N2	251459	6780905	459	-57.82	148.35	531.7
SPRD045	251353	6780963	459	-56.68	141.41	210

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JORC Code, 2012 Edition
Table 1; Section 1: Sampling Techniques and Data Mt Ida

Criteria	Explanation	Commentary
Sampling techniques	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. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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	• Sampling activities carried out by Delta Lithium at the Mt Ida Project have included reverse circulation (RC), air core (AC) and diamond (DD) drilling, and rock chip sampling. Core sampling of one historic drillhole has also been carried out, with assaying, petrological and XRD analysis completed • RC samples were collected from a static cone splitter mounted directly below the cyclone on the rig, AC samples were collected using a spear from piles on the ground into 2m composites or 1m bottom of hole samples, DD sampling was carried out to lithological/alteration domain with lengths between 0.3-1.1m • Limited historical data has been supplied, historic sampling referenced has been carried out by Hammill Resources, International Goldfields, La Mancha Resources, Eastern Goldfields and Ora Banda Mining, and has included rock chip sampling, and RC, DD and rotary air blast (RAB) drilling • Sampling of historic RC has been carried out via riffle split for 1m sampling, and scoop or spear sampling for 4m composites, historic RAB drilling was sampled via spear into 4m composites • Historic core has been cut and sampled to geological intervals • These methods of sampling are considered to be appropriate for this style of exploration
Drilling techniques	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).	• RC Drilling has been carried out by Orlando Drilling and Frontline Drilling, RC drilling utilised an Explorac 220RC rig with a 143 mm face sampling hammer bit, DD drilling was completed by a truck mounted Sandvik DE820 and a KWL 1500 and is HQ2 and NQ2 diameter. AC drilling was carried out by Gyro Drilling and was competed to blade refusal • Diamond tails average 200m depth • Historic drilling has been completed by various companies including Kennedy Drilling, Wallis Drilling, Ausdrill and unnamed contractors • Historic DD drilling was NQ sized core • It is assumed industry standard drilling methods and equipment were utilised for all historic drilling
Drill sample recovery	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.	• Sample condition is recorded for every RC and AC drill metre including noting the presence of water or minimal sample return, inspections of rigs were carried out daily • Recovery on diamond core is recorded by measuring the core metre by metre • Limited sample recovery and condition information has been supplied or found for historic drilling

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Criteria	Explanation	Commentary
Logging	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.	• Quantitative and qualitative geological logging of drillholes adheres to company policy and includes lithology, mineralogy, alteration, veining and weathering • Diamond core logging records lithology, mineralogy, alteration, weathering, veining, RQD, SG and structural data • All AC, RC chip trays and drill core are photographed in full • A complete quantitative and qualitative logging suite was supplied for historic drilling including lithology, alteration, mineralogy, veining and weathering • It is unknown if all historic core was oriented, limited geotechnical logging has been supplied • No historic core or chip photography has been supplied • Logging is of a level suitable to support Mineral resource estimates and subsequent mining studies
Sub-sampling techniques and sample preparation	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.	• DD sampling is undertaken by lithological/alteration domain to a maximum of 1.1m and a minimum of 0.3m. Core is cut in half with one half sent to the lab and one half retained in the core tray • Occasional wet RC samples were encountered, extra cleaning of the splitter was carried out afterward • RC, DD and AC chip samples have been analysed for Li suite elements via ICPMS, and for Au by 50g fire assay by ALS, Nagrom, NAL and SGS • Samples analysed by ALS, Nagrom, NAL and SGS were dried, crushed and pulverised to 80% passing 75 microns before undergoing a selected peroxide fusion digest or 4 acid digest with ICPMS finish or fire assay with ICPMS finish • Historic core sampled by Delta Lithium was collected for ICPMS analysis via selection from NQ half and quarter core, and submitted to Nagrom • Semi-Quantitative XRD analysis was carried out by Microanalysis Australia using a representative sub-sample that was lightly ground such that 90% was passing 20 µm to eliminate preferred orientation • RC and AC duplicate field samples were carried out at a rate of 1:20 and were sampled directly from the splitter on the rig. These were submitted for the same assay process as the primary samples and the laboratory are unaware of such submissions • Historic chip sampling methods include single metre riffle split and 4m composites that were either scoop or spear sampled, while historic core was cut onsite and half core sampled • Historic samples were analysed at LLAS, Genalysis and unspecified laboratories • Historic Au analysis techniques generally included crushing, splitting if required, and pulverisation, with aqua regia or fire assay with AAS finish used to determine concentration • Historic multielement analysis was carried with mixed acid digest and ICP-MS determination

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Criteria	Explanation	Commentary
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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.	• Samples have been analysed by external laboratories utilising industry standard methods • The assay methods utilised by ALS, Nagrom, NAL and SGS for RC chip, AC, rock chip and core sampling allow for total dissolution of the sample where required • Standards and blanks are inserted at a rate of 1 in 20 in RC, AC and DD sampling, All QAQC analyses were within tolerance • No QAQC samples were submitted with rock chip analysis • No standards were used by Delta Lithium in the historic core ICP analysis or XRD quantification process. Internal duplicate and repeat analyses were carried out as part of the assay process by Nagrom, as well as internal standard analysis • A standard mica phase was used for the XRD analysis. It is possible that a lithium bearing mica such as lepidolite is present. A subsequent analysis technique would be required for confirmation • All historic samples are assumed to have been prepared and assayed by industry standard techniques and methods • Limited historic QAQC data has been supplied, industry standard best practice is assumed
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data	• Significant intercepts have been reviewed by senior personnel • No specific twinned holes have been completed, but drilling has verified historic drilling intervals • Primary data is collected via excel templates and third-party logging software with inbuilt validation functions, the data is forwarded to the Database administrator for entry into a secure SQL database. Historic data was supplied in various formats and has been validated as much as practicable • No adjustments to assay data have been made other than conversion from Li to Li_2O and Ta to Ta2O5 • Data entry, verification and storage protocols remain unknown for historic operators
Location of data points	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. Specification of the grid system used. Quality and adequacy of topographic control	• MGA94 zone 51 grid coordinate system is used • Current drilling collars have been pegged using a handheld GPS unit, all collars will be surveyed upon program completion by an independent third party • Downhole surveys are completed by the drilling contractors using a true north seeking gyro instrument, AC drillholes did not have downhole surveys carried out • Topography has been surveyed by recent operators. Collar elevations are consistent with surrounding holes and the natural surface elevation • Historic collars are recorded as being picked up by DGPS, GPS or unknown methods and utilised the MGA94 zone 51 coordinate system • Historic downhole surveys were completed by north seeking gyro, Eastman single shot and multi shot downhole camera
Data spacing and distribution	Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied.	• Drill hole spacing is variable throughout the program area • Spacing is considered appropriate for this style of exploration • Sample compositing has not been applied

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Criteria	Explanation	Commentary
Orientation of data in relation to geological structure	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	• Drill holes are orientated perpendicular to the regional trend of the mineralisation previously drilled at the project; drill hole orientation is not considered to have introduced any bias to sampling techniques utilised
Sample security	The measures taken to ensure sample security	• Samples are prepared onsite under supervision of Red Dirt Metals staff and transported by a third party directly to the laboratory • Historic sample security measures are unknown
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	• None carried out

JORC Table 2; Section 2: Reporting of Exploration Results, Mt Ida

Criteria		Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 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	• Drilling and sampling activities have been carried on M29/2, M29/165 and E29/640 • The tenements are in good standing • There are no heritage issues
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	• The area has a long history of gold and base metals exploration and mining, with gold being discovered in the district in the 1890s. Numerous generations of exploration have been completed including activities such as drilling, geophysics and geochemical sampling • Targeted Li assaying was first carried out in the early 2000s by La Mancha Resources and more recently, lithium assays were completed by Ora Banda Mining
Geology	Deposit type, geological setting and style of mineralisation.	• The Mt Ida project is located within the Eastern Goldfields region of Western Australia within the Mt Ida/Ularring greenstone belt • Locally the Kurrajong Antiform dominates the regional structure at Mount Ida, a south-southeast trending, tight isoclinal fold that plunges at a low angle to the south. The Antiform is comprised of a layered greenstone sequence of mafic and ultramafic rocks • Late stage granitoids and pegmatites intrude the sequence
Drill hole Information	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: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• A list of the drill hole coordinates, orientations and metrics are provided as an appended table

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Criteria		Commentary
Data aggregation methods	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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No metal equivalents are used • Significant intercepts are calculated with a cut-off grade of 0.3% Li2O
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. 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').	• The geometry of the mineralisation is roughly perpendicular to the drilling.
Diagrams	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.	• Figures are included in the announcement.
Balanced reporting	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.	• All drill collars, and significant intercepts have been reported in the appendix
Other substantive exploration data	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.	• None completed at this time
Further work	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.	• Drilling is continuing at Mt Ida with a 60,000m program consisting of a mix of RC diamond and AC drilling underway