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Middle Island
RESOURCES LIMITED

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ACN 142 361 608
ASX code: MDI
www.middleisland.com.au

Capital Structure:
2,332 million ordinary shares
919 million unlisted options

Cash & Liquid Investments:
$5.14 million (as of 30 June 2020)

Directors & Management:
Peter Thomas
Non-Executive Chairman
Rick Yeates
Managing Director
Beau Nicholls
Non-Executive Director
Brad Marwood
Non-Executive Director
Dennis Wilkins
Company Secretary

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ASX Release – 24 July 2020

52% increase in gold resource from new drilling at Shillington deposit within WA's Sandstone project

- **A 27,800oz (or 52%) increase in the gold resource to 80,700oz has been derived for the Shillington deposit within the Sandstone gold project in central WA.**
- **The proportion of the Shillington deposit classified as an Indicated Mineral Resource also increased by 7,200oz (or 17%).**
- **Shillington is one of numerous Sandstone deposits the subject of Middle Island's ongoing +30,000m drilling campaign in 2020.**
- **Re-estimation of the Wirraminna deposit following similar limited drilling, as anticipated, resulted in minimal change at 21,800oz gold.**
- **The new results increase Sandstone's total project Mineral Resources to 650,500oz gold.**
- **A few further drill holes, to be completed as part of the current Phase 2 campaign, will be required at Shillington to confirm two small areas still classified as Inferred Resources.**
- **The Shillington and Wirraminna deposits will now be re-optimised to determine the in-pit Mineral Resources likely to contribute to the feasibility study.**
- **The key Two Mile Hill open pit Mineral Resource is also in the process of being updated.**
- **Resource estimates for the remaining deposits, both old and new, will be progressively updated as Phase 2 RC and diamond drilling results are received and compiled.**

SANDSTONE GOLD PROJECT (WA)

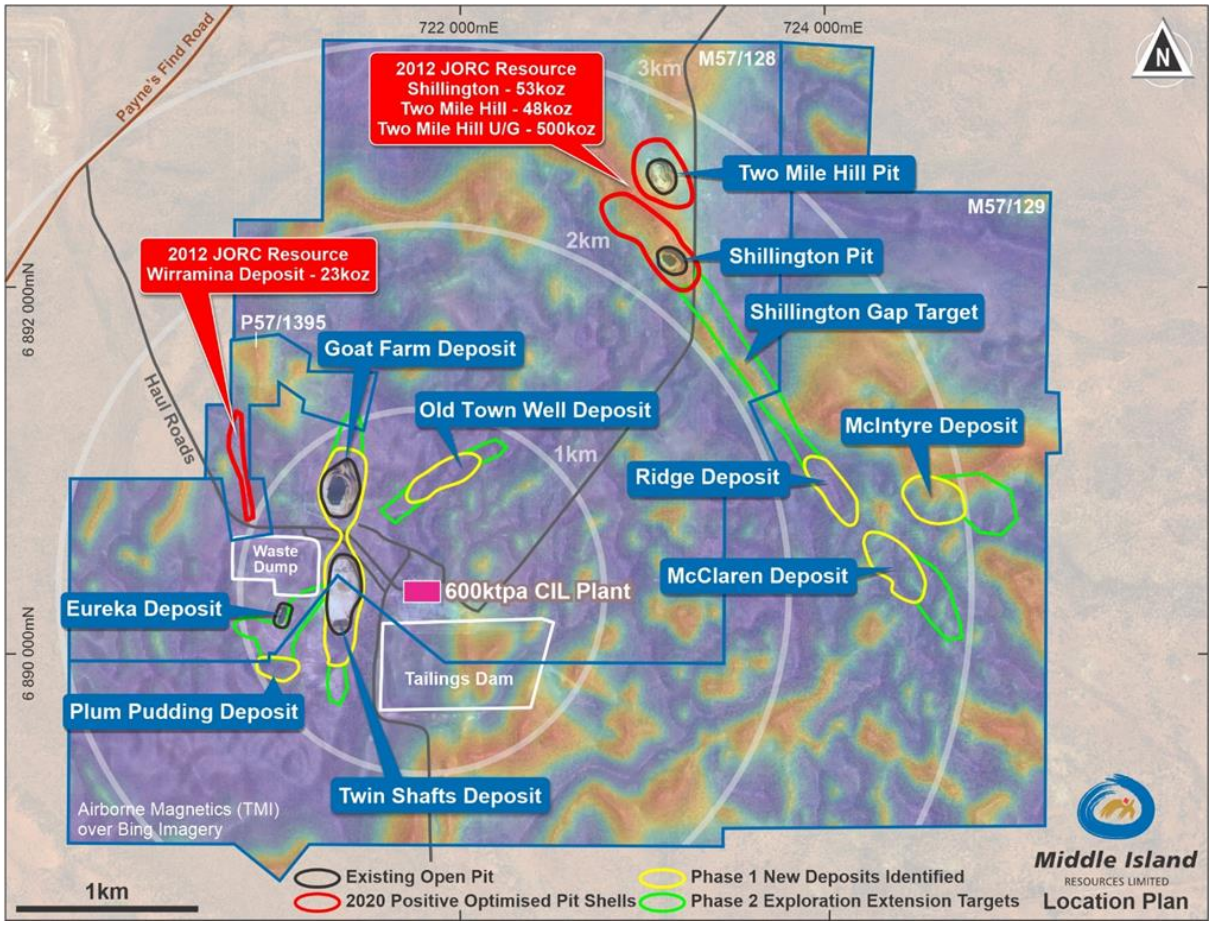
Introduction

Explorer and aspiring gold developer, Middle Island Resources Limited (**Middle Island**, **MDI** or **the Company**) is pleased to advise that updated resource estimates have been completed for the Shillington (including Shillington North) and Wirraminna gold deposits within the Company's wholly-owned Sandstone gold project in the central goldfields of WA. The updated estimates follow completion of limited infill and extension drilling undertaken as part of the +30,000m 2020 exploration and resource definition drilling campaign at Sandstone. The drilling, which is on-going, is exclusively focussed on the definition of additional open pit Mineral Resources prior to their inclusion for assessment as Ore Reserves in the project's 2020 feasibility study (FS).

The location of the various gold deposits (including Shillington and Wirraminna) and prospects being assessed under the 2020 drilling campaign are shown in Figure 1 below.

Figure 1

Open pit gold deposits and prospects being assessed in the 2020 drilling campaign



Shillington & Wirraminna Mineral Resource Estimates

A summary of the updated Mineral Resource estimates (MRE) for the Shillington and Wirraminna gold deposits, independently prepared for Middle Island by Mr Shaun Seale of Ashmore Advisory Pty Ltd, are provided in Table 1 below.

Table 1

Wirraminna & Shillington Mineral Resource Estimates – July 2020 (0.5g/t Au cut-off)

Deposit	Type	Indicated			Inferred			Total		
		Tonnes kt	Au g/t	Au Oz	Tonnes kt	Au g/t	Au Oz	Tonnes kt	Au g/t	Au Oz
Wirraminna	Oxide	250	1.2	9,400	160	1.1	5,500	410	1.1	14,800
	Transition	40	1.8	2,300	80	1.1	2,800	120	1.4	5,100
	Fresh	8	1.6	400	40	1.1	1,400	50	1.1	1,800
	Sub-total	**300**	**1.3**	**12,100**	**280**	**1.1**	**9,700**	**580**	**1.2**	**21,800**
Shillington	Laterite	4	0.9	100	3	1.3	100	8	1.0	300
	Oxide	8	0.8	200	11	1.1	400	19	1.0	600
	Transition	800	1.3	33,600	390	1.2	15,300	1,190	1.3	48,900
	Fresh	420	1.2	16,300	440	1.0	14,700	860	1.1	31,000
	Sub-total	**1,230**	**1.3**	**50,200**	**840**	**1.1**	**30,600**	**2,080**	**1.2**	**80,700**
Total		**1,530**	**1.3**	**62,300**	**1,130**	**1.1**	**40,300**	**2,660**	**1.2**	**102,600**

Notes:

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at July 2020. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

Geology and Geological Interpretation

The Sandstone Gold Project is situated within the Sandstone greenstone belt (SSGB), which is a triangular belt interpreted as a north-plunging antiform located at the northern end of the Southern Cross province, which forms the central spine of the Archaean Yilgarn block. The SSGB consists of mafic volcanic and intrusive rocks with subordinate ultramafic, banded iron formation ("BIF") and siliciclastic sediments. Granitoid plutons intrude the southern margin of the belt. The metamorphic grade is greenschist facies, although amphibolite facies assemblages are locally developed along the flanks of the belt.

Gold deposits within the Project are typical Archaean mesothermal types that are hosted in the regional structural corridors that bound the greenstone belt on the east and west. The upper levels of the deposits may be strongly influenced by weathering, oxidation and lateritisation processes that have occurred in the region since Tertiary times.

At Wirraminna, gold mineralisation is hosted in a quartz-ironstone shear zone and is mostly contained within the oxide weathering zone. At Shillington, gold mineralisation is hosted within BIF units, generally occurring at fault intersections, with the majority of gold mineralisation occurring in the transitional zone.

Sampling and Sub-sampling Techniques

For Herald and Troy drilling, RC samples were passed directly from the in-line cyclone through a rig mounted multi-tier riffle splitter. Samples were collected in 1m intervals into bulk plastic bags and 1m calico splits (which were retained for later use). From the bulk sample, a 5m composite sample was collected using a split PVC scoop and then submitted to the laboratory for analysis. The 1m calico splits were submitted to the laboratory if the composite sample returned assay values equal to or greater than 0.2g/t Au. In certain cases, selected samples from some holes were passed from the cyclone through a rig mounted multi-tier riffle splitter, and samples collected into calico bags at 1m intervals were submitted directly for analyses. The remaining bulk sample was placed on the ground in 1m intervals.

For MDI RC drilling, sampling was undertaken by collecting 2-3kg of RC chips off the drill rig's cone splitter; the 1m samples were then composited to 4m interval samples with a two-tier riffle splitter, but intervals of expected mineralisation were sampled at 1m intervals. Where 4m composites returned assays greater than 0.2g/t Au, the 1m bulk samples were split down to 2-3kg sub-samples using a two-tier riffle splitter and submitted for analysis. For diamond drilling, HQ core was sampled as quarter core, cut using a diamond core saw and sampled at 1m intervals or to geological contacts. The core samples were always collected from the same side of core for consistency.

Drilling Techniques

The estimates are based on good quality reverse circulation ("RC") and diamond ("DD") drilling data. Drill hole spacing is predominantly 20m by 20m across the breadth of the known mineralisation, with some minor infill drilling to 10m by 10m. Some down-dip portions of each deposit are delineated by 40m by 40m hole spacing. RC drilling was conducted with a 140mm face sampling hammer and DD drilling was conducted with HQ3 core diameter barrel with standard tube.

Classification Criteria

The Wirraminna and Shillington Mineral Resources were classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close spaced RC and DD drilling of less than 20m by 20m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m, where small isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones.

The extrapolation of the lodes along strike has been limited to a distance equal to half the previous section drill spacing or to 20m. Extrapolation of lodes down-dip has been limited to a distance equal to the previous down-dip drill spacing or to 40m. Areas of extrapolation have been classified as Inferred Mineral Resource or were not classified.

Sample Analysis Method

For Herald and Troy drilling, assays were conducted by SGS Australia Pty Ltd in Perth WA using 50g charge Fire Assay with AAS finish.

For MDI drilling, assays were conducted by Intertek Laboratory in Perth WA using 50g charge Fire Assay with ICP-OES finish.

Estimation Methodology

The block models were created and estimated in Surpac using Ordinary Kriging ("OK") grade interpolation. The mineralisation was constrained by wireframes prepared using a nominal 0.3g/t Au cut-off grade (Shillington) or 0.4g/t Au (Wirraminna), with a minimum down-hole length of 3m. High grade limits were utilised in the interpolation macro to ensure that high gold grades were restricted to a set maximum search radius. The purpose of this is to reduce the distance of influence of high gold grades in the search neighbourhood to prevent overestimation of gold grade.

Samples were composited to 1m based on an analysis of sample lengths inside the wireframes. After statistical analysis of individual lodes, it was determined that high grade cuts ranging between 10g/t and 25g/t Au was warranted for some domains, resulting in 15 composites being cut at Shillington and eight composites being cut at Wirraminna.

The block dimensions used in the models were 5m EW by 10m NS by 5m vertical with sub-cells of 1.25m by 1.25m by 1.25m. These dimensions were selected based on Kriging Neighbourhood Analysis. The Shillington block model was rotated on a bearing of 325° to match the approximate strike of the mineralisation. At Wirraminna, bulk densities ranging between 1.9t/m^3 and 2.7t/m^3 were assigned in the block model dependent on lithology and weathering. These densities were applied based on average bulk density measurements obtained from core from the adjacent Eureka deposit. At Shillington, bulk densities ranging between 1.9t/m^3 and 3.0t/m^3 were assigned in the block model dependent on lithology and weathering. These densities were applied based on average bulk density measurements obtained from core drilled at Shillington and also the adjacent Two Mile Hill deposit.

Cut-off Grades

The Statement of Mineral Resources has been constrained by the mineralisation solids and reported above a cut-off grade of 0.5g/t Au. The cut-off grade was estimated based on parameters derived from the Sandstone Gold Project Pre-Feasibility Study completed in 2016.

The Wirraminna deposit is situated approximately 1.2km west-northwest of the Sandstone Mill, whilst the Shillington deposit is situated approximately 2.5km northeast of the Sandstone Mill. Further geological, geotechnical, engineering and metallurgical studies are planned to further define gold mineralisation and determine the viability of mining at Shillington and Wirraminna.

Mining and Metallurgical Methods and Parameters

Previous pit optimisations suggest that the Wirraminna and Shillington deposits can be mined with open pit techniques.

No metallurgical testing has been conducted on the Wirraminna deposit. MDI expects that similar overall recoveries will be achieved to the nearby Eureka deposit of 90 to 93%.

Metallurgical test work has been conducted at Shillington, where gold recoveries of approximately 92% at a grind size of 106µm was demonstrated.

Comments by Managing Director, Mr Rick Yeates:

"An increase of 27,800oz (or 52%) at the Shillington deposit is an extremely pleasing start in the Company's plan to increase open pit Mineral Resources contributing to the FS.

"Limited additional RC and diamond drilling is planned at Shillington to address two small areas still classified as Inferred that are anticipated to fall within the optimum FS pit.

"The updated Shillington and Wirraminna open pit deposits will now be re-optimised to determine the Mineral Resource likely to contribute to the FS, the outcome of which is looking increasingly positive.

"The Two Mile Hill open pit Mineral Resource is in the process of being updated, and we look forward to providing that information in the very near future. Resource estimates for all remaining deposits (old and new) will be progressively provided as results from the Phase 2 drilling campaign are received and compiled."

AUTHORISED FOR RELEASE BY:

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Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Middle Island, industry growth or other trend projections are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Competent Persons' Statement

The reported Mineral Resources for the Shillington and Wirraminna deposits were compiled by Shaun Searle, a Member of the Australian Institute of Geoscientists. Mr Searle 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'. Mr Searle is a director of Ashmore Advisory Pty Ltd ("Ashmore"). Ashmore and the Competent Person are independent of the Company and other than being paid fees for services in compiling this report, neither has any financial interest (direct or contingent) in Middle Island Resources Limited.

Resource Statement

Mineral Resources applicable to the Sandstone Gold Project as at 24 July, 2020 are provided in Table 1 below.

Table 1
Sandstone Gold Project Mineral Resource Statement

Deposit	COG (g/t Au)	Tonnes	Grade (g/t Au)	Contained Gold (oz.)	JORC Classification	JORC Code
+Two Mile Hill – Open Pit	0.7	1,012,000	1.36	44,000	Indicated	2012
+Two Mile Hill – Open Pit	0.7	114,000	1.10	4,000	Inferred	2012
^Two Mile Hill – Tonalite Deeps	NA*	14,000,000	1.10	480,000	Inferred	2012
^Two Mile Hill – BIF Deeps	NA*	200,000	3.10	20,000	Inferred	2012
#Shillington – Open Pit	0.5	1,230,000	1.30	50,200	Indicated	2012
#Shillington – Open Pit	0.5	840,000	1.10	30,600	Inferred	2012
#Wirraminna – Open Pit	0.5	300,000	1.30	12,100	Indicated	2012
#Wirraminna – Open Pit	0.5	280,000	1.10	9,700	Inferred	2012
Total Indicated		**2,542,000**	**1.30**	**106,300**	**Indicated**	**2012**
Total Inferred		**15,434,000**	**1.10**	**544,300**	**Inferred**	**2012**
Total Resource		**17,976,000**	**1.13**	**650,600**		**2012**

*The Two Mile Hill Tonalite Deeps and BIF Deeps have been reported within optimised wireframes. All wireframes include waste and have an aggregate grade at or above the cut-off of 0.64^{o}g/t Au.

This Statement includes information extracted from the Company's previous ASX announcements, which are available to view on the Company's website, as follows:

+ ASX Release dated 14 December 2016.

^ ASX Release dated 14 April 2020.

ASX Release dated 24 July 2020.

Notwithstanding the significant increase in gold price since some of these Mineral Resource estimates were prepared, and recognising that the substantial 2020 drilling campaign is anticipated to result in increases and/or upgrades to project Mineral Resources, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material and assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcements.

In addition to the updated Mineral Resources reported above, the residual portion of the Two Mile Hill tonalite deeps Exploration Target, lying between 500m and 700m below surface, is not included and remains to be re-quantified as an Exploration Target or, with further drilling, a Mineral Resource.

There are no Ore Reserves currently reported in relation to the Sandstone gold project.

In all cases, Mineral Resources are estimated and reported in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Information in this release relating to Mineral Resources is based on, and fairly reflects, information and supporting documentation variously prepared by Mr Brett Gossage of EGRM Consulting Pty Ltd, Mr Shaun Searle of Ashmore Advisory Pty Ltd and Ms Lisa Bascombe of Mining Plus Pty Ltd on behalf of Middle Island Resources Limited. The Competent Persons' are Members of the Australasian Institute of Mining and Metallurgy (AusIMM) and/or the Australian Institute of Geoscientists (AIG) and qualify as Competent Persons' as defined in the JORC Code.

JORC Table 1

Section 1 - Sampling Techniques and Data

Criteria	JORC Code 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.*	• For Herald and Troy drilling, RC samples were passed directly from the in-line cyclone through a rig mounted multi-tier riffle splitter. Samples were collected in 1m intervals into bulk plastic bags and 1m calico splits (which were retained for later use). From the bulk sample, a 5m composite sample was collected using a split PVC scoop and then submitted to the laboratory for analysis. The 1m calico splits were submitted to the laboratory if the composite sample returned assay values equal to or greater than 0.2g/t Au. In certain cases, selected samples from some holes were passed from the cyclone through a rig mounted multi-tier riffle splitter, and samples collected into calico bags at 1m intervals were submitted directly for analyses. The remaining bulk sample was placed on the ground in 1m intervals. • For MDI RC drilling, sampling was undertaken by collecting 2-3kg of RC chips off the drill rig's cone splitter; the 1m samples were then composited to 4m interval samples with a two-tier riffle splitter, but intervals of expected mineralisation were sampled at 1m intervals. Where 4m composites returned assays greater than 0.2g/t Au, the 1m bulk samples were split down to 2-3kg sub-samples using a two-tier riffle splitter and submitted for analysis. For diamond drilling, NQ core was sampled as half core, cut using a diamond core saw and sampled at 1m intervals or to geological contacts. The half core samples were always collected from the same side of core for consistency. • RC chips and core were sent to the laboratory to be crushed (-10mm) and pulverised to produce a 300g pulp, then split to a 50g charge for fire assay analysis.
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).*	• For RC holes, a 5¼' face sampling bit was used. For diamond holes, HQ core diameter was obtained using triple tube.
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*	• Recoveries from historical drilling are unknown. • RC recovery data was estimated for each interval and captured in a digital logging software package. The data has been reviewed and the core recovery was effectively 100% throughout.

Criteria	JORC Code explanation	Commentary
	sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• The water table was encountered at a 40 – 60m hole depth however all RC samples remained dry. • In MDI drilling no relationship exists between sample recovery and grade.
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.*	• RC chips were logged for lithology, weathering, mineralogy, mineralisation, alteration and colour. Core was logged for lithology, weathering, structure, mineralogy, mineralisation, alteration, colour, RQD and geotechnical parameters. Logging was carried out according to MDI internal protocols at the time of drilling. • All drill holes were logged in full.
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.*	• Historical RC samples were collected at the rig using riffle splitters. Samples were generally dry. • MDI RC samples were collected via on-board cone splitters. All samples were dry. The 1m RC sub-samples were then combined and split by a two-tier riffle splitter to create a 4m composite sample, which were collected and bagged. RC field duplicates were obtained via a second split with the two-tier riffle splitter at a rate of 1:18 samples. • For RC drilling, sample quality was maintained by monitoring sample volume and by cleaning splitters on a regular basis. • MDI samples were sent to Intertek Laboratory in Perth, WA for preparation and analysis. The samples were dried in an industrial oven for a minimum of 12 hours at greater than 105°C and crushed to -10mm before being split. A 300g subsample was pulverised to 95% passing a 75µm sieve. This fraction was then split again to a 50g sample charge for fire assay. • Sample sizes are considered appropriate to correctly represent the gold mineralisation based on the style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and assay value ranges for gold.
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.* • *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.* • *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.*	• MDI adopted a 50g fire assay method with an ICP-OES finish. This technique is considered suitable for gold mineralisation associated with sulphides. • No other measurement tool/instrument was used to derive assays, however a down-hole gyro was used to record deviation in RC holes. • MDI included Laboratory duplicates, field duplicates and certified standards routinely in the samples at a 1:9 frequency, and a quartz wash was used after each sample pulverised. • QAQC data has been reviewed for historic RC drilling and is acceptable. • Laboratory QAQC includes the use of internal standards using certified reference material, blanks, splits and replicates.

Criteria	JORC Code explanation	Commentary
		• Certified reference materials demonstrate that sample assay values are accurate.
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 intersections were visually field verified by company geologists. • Sampling was undertaken by experienced geologists from MDI who confirmed the intersections as prospective for gold mineralisation. • Twinned holes were completed as part of the MDI programs at Wirraminna. Results indicate that historical very high grade hits could not be replicated in numerous holes, therefore historical drilling results were excluded from the estimate. • Sampling data were imported and validated using a GBIS database software system by an experienced database consultancy. • Assay values that were below detection limit were adjusted to equal half of the detection limit value.
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.*	• Surface collar coordinates were surveyed via DGPS. Given magnetism inherent in the host rock, a high quality down-hole gyro was used to determine the dip and azimuth of the RC holes at 25m intervals. • MGA94 Zone 50. • The supplied topography was derived from 25cm contour data (+/-50mm) sourced from a UAV survey flown in June 2020.
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.*	• Nominal hole spacing of all drilling is approximately 20m by 20m, out to 40m by 40m on the peripheries. • The mineralised domains have sufficient continuity in both geology and grade to be considered appropriate for the Mineral Resource and Ore Reserve estimation procedures and classification applied under the 2012 JORC Code. • Compositing of RC samples was adopted to generate 4m intervals for initial assays, with anomalous results resampled on 1m intervals. • Samples have been composited to 1m lengths using fixed length techniques prior to Mineral Resource estimation.
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 angled to 270º (West) at Wirraminna, which is approximately perpendicular to the orientation of the expected trend of mineralisation. At Shillington, holes are angled at 055°, which is approximately perpendicular to the orientation of the expected trend of mineralisation. • No orientation based sampling bias has been identified in the data.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by MDI. Samples are stored on site until collected for transport to Intertek Laboratory in Perth WA. MDI personnel have no contact with the samples once they are picked up for transport. Tracking sheets have been set up to track the progress of samples.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Shaun Searle of Ashmore reviewed drilling and sampling procedures during the 2017 site visit and found that all procedures and practices conform to industry standards. • The database was validated and audited by Expedio database consultants. Field data collected is logged and validated in a custom field logging tool.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	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 license to operate in the area.*	• The Shillington and Wirraminna deposits are located on M57/128 and P57/1395, respectively. M57/128 is 100% owned by Sandstone Operations Pty Ltd ("SOP", a wholly owned subsidiary of MDI). P57/1395 is owned by Mr Kym McClaren, in which SOP has an option to acquire a 100% interest. • The tenements are in good standing with no known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration was undertaken and reported by Herald Resources Limited and Troy Resources Limited during their respective tenure of the Sandstone gold project.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Shear-zones hosted within greenschist facies ultramafic and mafic rocks with meso-thermal quartz veining and associated silica-carbonate-chlorite-pyrite alteration within the Archaean Sandstone greenstone belt. Shillington is hosted within BIF units.

Drill hole information	• *A summary of all information material to the under-standing 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.*
		• Exploration results are not being reported. A table of all drill hole collars with all the listed information is provided in the Appendices to the MRE report.
		• All information has been included in the appendices. No drill hole information has been excluded.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.

Criteria	JORC Code explanation	Commentary
	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.*	
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 (e.g. 'down hole length, true width not known').*	• Drill holes are angled to 270° (Wirraminna) or to 055° (Shillington), which is approximately perpendicular to the orientation of the well-defined mineralised trend and true width is approximately 60-80% of down-hole intersections.
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.*	• Relevant diagrams have been included within the Mineral Resource report main body of text.
Balanced Reporting	• *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.* • *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 hole collars were surveyed in MGA94 Zone 50 grid using differential GPS. MDI holes were down-hole surveyed with a north-seeking gyroscopic tool. • Exploration results are not being reported.
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.*	• The interpretations for mineralisation are consistent with observations made in outcrop in the field, geophysical surveys and supported by historic workings.
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Infill and extensional drilling is planned within selected areas of the Mineral Resources, particularly those classified as Inferred and lying within optimum pit shells. • Refer to diagrams in the body of text within the Mineral Resource report.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The database has been systematically audited by an MDI geologist and independent database manager, Expedio. Original drilling records were compared to the equivalent records in the database (where original records were available). Any discrepancies were noted and rectified by the database manager. • All MDI drilling data has been verified as part of a continuous validation procedure. Once a drill hole is imported into the data base a report of the collar, down-hole survey, geology, and assay data are produced. This is then checked by an MDI geologist and any corrections are completed by the data base manager.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was conducted by Shaun Searle of Ashmore during November 2017. Shaun inspected the deposit areas, drill chips, diamond core, outcrop and the core logging and sampling facility. During this time, notes and photos were taken. Discussions were held with site personnel regarding drilling and sampling procedures. No major issues were encountered. • A site visit was conducted, therefore not applicable.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The confidence in the geological interpretation is considered to be good and is based on visual confirmation in outcrop and within drill hole intersections. • Geochemistry and geological logging have been used to assist identification of lithology and mineralisation. • Gold deposits within the Project are typical Archaean mesothermal types that are hosted in the regional structural corridors that bound the greenstone belt on the east and west. The upper levels of the deposits may be strongly influenced by weathering, oxidation and lateritisation processes that have occurred in the region since Tertiary times. Infill drilling has supported and refined the models and the current interpretations are considered robust. • Outcrops of mineralisation and host rocks confirm the geometry of the mineralisation. • Infill drilling has confirmed geological and grade continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Wirraminna Mineral Resource area extends over a north-south strike length of 725m (from 6,890,625mN–6,891,350mN), has a maximum width of 30m (720,730mE–720,760mE) and includes the 105m vertical interval from 505mRL to 400mRL. • The Shillington Mineral Resource area extends over a northwest-southeast

Criteria	JORC Code explanation	Commentary
		strike length of 630m, has a maximum width of 215m and includes the 125m vertical interval from 515mRL to 390mRL.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Using parameters derived from modelled variograms, Ordinary Kriging (OK) was used to estimate average block grades in three passes using Surpac software. Linear grade estimation was deemed suitable for the Wirraminna and Shillington Mineral Resources due to the geological and structural control on mineralisation. Maximum extrapolation of wireframes from drilling was 20m along strike and 40m down-dip. Extrapolation for lodes terminating between drill cross sections was half drill hole spacing. • There are historical mining records for the Wirraminna area, however the records were not separated to specific shafts or pits, therefore reconciliation was not conducted. The reported mined material from the Shillington July 2020 estimate was 96,000t at 4.2g/t Au for 12,900oz at a 0.9g/t Au cut-off grade. The estimate reports similar tonnage to the production numbers (100kt at 7.2g/t Au for 23,000oz), however the estimated grade is 3g/t Au under the reported production figures. • No recovery of by-products is anticipated. • Only gold was interpolated into the block model. • The parent block dimensions used were 10m NS by 5m EW by 5m vertical with sub-cells of 1.25m by 1.25m by 1.25m. The parent block size dimension was selected on the results obtained from Kriging Neighbourhood Analysis that suggested this was the optimal block size for the datasets. • An orientated 'ellipsoid' search was used to select data and adjusted to account for the variations in lode orientations, however all other parameters were taken from the variography derived from Domain 8001 (Wirraminna) and Domain 9001 (Shillington). Up to three passes were used for each domain. First pass had a range of 30m, with a minimum of 6 or 8 samples. For the second pass, the range was extended to 50m or 60m, with a minimum of 4 samples. For the third pass, the range was extended to 120m to 150m, with a minimum of 2 samples. A maximum of 16 samples was used for each pass, with a maximum of 6 samples per hole. • No assumptions were made on selective mining units. • Only gold assay data was available, therefore correlation analysis was not possible. • The deposit mineralisation was constrained by wireframes constructed

Criteria	JORC Code explanation	Commentary
		using 0.3g/t or 0.4g/t Au cut-off grades and geological logging. The wireframes were applied as hard boundaries in the estimate. • Statistical analysis was carried out on data from all lodes. The high coefficient of variation and the scattering of high grade values observed on the histogram for some of the lodes suggested that high grade cuts were required if linear grade interpolation was to be carried out. After statistical analysis of individual lodes, it was determined that high grade cuts ranging between 10g/t and 25g/t Au were warranted for various domains, resulting in 15 composites being cut at Shillington and eight composites being cut at Wirraminna. • Validation of the model included detailed comparison of composite grades and block grades by northing and elevation. Validation plots showed good correlation between the composite grades and the block model grades.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages and grades were estimated on a dry in situ basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resources are reported at a cut-off of 0.5g/t Au. The cut-off grade was estimated based on parameters derived from the Sandstone Gold Project Pre-Feasibility Study completed in 2016. • The gold mineralisation defined at Shillington and Wirraminna could provide mill feed to the MDI-owned 600ktpa CIL Sandstone Mill, that could be refurbished pending positive outcomes from ongoing mining studies at the Project. The Wirraminna deposit is situated approximately 1.2km west-northwest of the Sandstone mill, whilst the Shillington deposit is situated approximately 2.5km northeast of the Sandstone mill.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Ashmore has assumed that the deposits could be mined using open pit mining techniques, which has been validated by several pit optimisation studies utilising parameters derived from mining and processing studies.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the*	• No metallurgical testing has been conducted on the Wirraminna deposit. Given near identical geology and style of mineralisation, MDI expects that similar overall recoveries could be achieved to the nearby Eureka deposit of 90 to 93%.

Criteria	JORC Code explanation	Commentary
	assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• Metallurgical test work has been conducted at Shillington, where gold recoveries of approximately 92% at a grind size of 106µm was demonstrated.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No assumptions have been made regarding environmental factors. MDI will work to mitigate environmental impacts as a result of any future mining or mineral processing, prior to which a comprehensive flora and fauna survey is planned.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• At Wirraminna, bulk densities ranging between 1.9t/m^3 and 2.7t/m^3 were assigned in the block model dependent on lithology and weathering. These densities were applied based on average bulk density measurements obtained from core from the adjacent Eureka deposit. At Shillington, bulk densities ranging between 1.9t/m^3 and 3.0t/m^3 were assigned in the block model dependent on lithology and weathering. These densities were applied based on average bulk density measurements obtained from core drilled at Shillington and also the adjacent Two Mile Hill deposit. • It is assumed there are minimal void spaces in the rocks at Wirraminna and Shillington. • MDI will obtain further bulk density measurements from planned diamond drilling at the deposit.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The Mineral Resource estimate is reported here in compliance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' by the Joint Ore Reserves Committee (JORC). The Mineral Resource was classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was defined within areas of close-spaced RC and DD drilling of less than 20m by 20m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m, where small isolated pods of

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		mineralisation occur outside the main mineralised zones, and to geologically complex zones. • The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of mineralised zones is based on high level geological understanding producing a robust model of mineralised domains. This model has been confirmed by infill drilling which supported the interpretation. Validation of the block model shows good correlation of the input data to the estimated grades. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• Internal audits have been completed by Ashmore which verified the technical inputs, methodology, parameters and results of the estimate.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The lode geometry and continuity has been adequately interpreted to reflect the applied level of Indicated and Inferred Mineral Resource. The data quality is good and the drill holes have detailed logs produced by qualified geologists. A recognised laboratory has been used for all analyses. • The Mineral Resource statement relates to global estimates of tonnes and grade. • There are historical mining records for the Wirraminna area, however the records were not separated to specific shafts or pits, therefore reconciliation was not conducted. The reported mined material from the Shillington July 2020 estimate was 96,000t at 4.2g/t Au for 12,900oz at a 0.9g/t Au cut-off grade. The estimate reports similar tonnage to the production numbers (100kt at 7.2g/t Au for 23,000oz), however the estimated grade is 3g/t Au under the reported production figures.