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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 – 2 October 2020

Plum Pudding & Old Town Well Resources take Sandstone aggregate to 692,000oz gold

- **Maiden Mineral Resources for Sandstone's new Plum Pudding and Old Town Well satellite open pit deposits add a further 24,200oz of gold to this advanced central WA project.**
- **Over 90% of the new resource is classified in the Indicated category.**
- **Takes Sandstone's current Mineral Resource total to 692,000oz gold.**
- **Plum Pudding and Old Town Well represent the first two of five new satellite open pit deposits quantified by Middle Island's 50,000m drilling campaign in 2020.**
- **The two deposits will now be optimised to determine the in-pit Mineral Resources likely to contribute to Ore Reserves in Sandstone's current feasibility study.**
- **Resource estimates for the remaining deposits, comprising extensions to the Goat Farm and Twin Shafts deposits, and maiden estimates for the new Ridge, McClaren and McIntyre satellites, will be progressively updated as the assay laboratory backlog of the remaining Phase 2 resource definition RC drill samples is resolved.**

SANDSTONE GOLD PROJECT (WA)

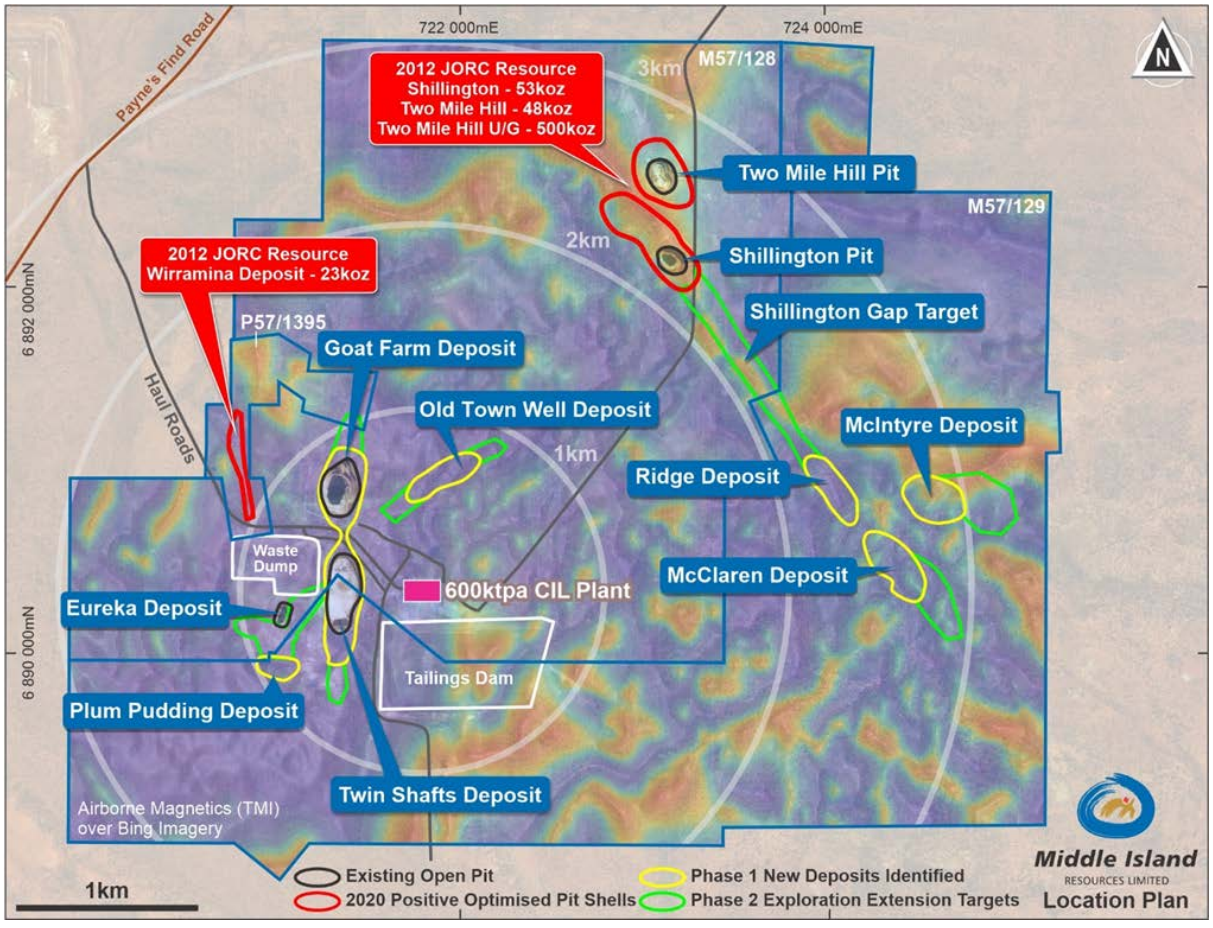
Introduction

Explorer and aspiring gold developer, Middle Island Resources Limited (**Middle Island**, **MDI** or **the Company**) is pleased to advise that maiden Mineral Resource estimates have been prepared for its Plum Pudding and Old Town Well satellite gold deposits. The maiden estimates follow completion of the Phase 2 infill and extension drilling program, representing part of the 50,000m 2020 exploration and resource definition drilling campaign at the Company's wholly-owned Sandstone gold project in the central goldfields of Western Australia. The drilling is exclusively focussed on the definition of additional open pit Mineral Resources prior to their inclusion for assessment as Ore Reserves in the 2020 feasibility study (FS).

The location of the various deposits (including Plum Pudding and Old Town Well) and prospects assessed under the 2020 drilling campaign is shown in Figure 1 below.

Figure 1

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



Plum Pudding & Old Town Well Mineral Resource Estimates

A summary of the maiden Mineral Resource estimates (MRE) for the Plum Pudding & Old Town Well gold deposits, independently prepared for Middle Island by Mr Shaun Searle of Ashmore Advisory Pty Ltd, are provided in Table 1 below.

Table 1

Plum Pudding Gold Deposit October 2020 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnage kt	Au g/t	Au Ounces	Tonnage kt	Au g/t	Au Ounces	Tonnage kt	Au g/t	Au Ounces
Laterite	89	0.8	2,400	5	0.9	200	**94**	**0.8**	**2,500**
Oxide	171	1.1	6,200	12	0.9	400	**184**	**1.1**	**6,600**
Transitional	84	1.1	3,100	6	0.6	100	**90**	**1.1**	**3,200**
Fresh	39	1.1	1,400	11	1.0	400	**51**	**1.1**	**1,800**
Total	**384**	**1.1**	**13,100**	**35**	**0.9**	**1,000**	**419**	**1.1**	**14,100**

Old Town Well Gold Deposit October 2020 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnage kt	Au g/t	Au Ounces	Tonnage kt	Au g/t	Au Ounces	Tonnage kt	Au g/t	Au Ounces
Laterite	118	0.7	2,600	0.4	0.6	10	**119**	**0.7**	**2,700**
Oxide	147	1.2	5,600	34	0.7	700	**181**	**1.1**	**6,300**
Transitional	14	0.9	400	14	0.6	300	**29**	**0.8**	**700**
Fresh	3	0.8	100	20	0.5	300	**23**	**0.6**	**400**
Total	**282**	**1.0**	**8,800**	**68**	**0.6**	**1,400**	**351**	**0.9**	**10,100**

Note:

The Mineral Resources have 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 types 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 tables above represent estimates at October 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 occurs within the Sandstone Greenstone Belt (SSGB); which is a triangular belt of geology 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.

The Plum Pudding deposit is predominantly hosted within ultramafic rocks, regionally metamorphosed to greenschist facies. Gold mineralisation is associated with an amorphous sub-vertical zone of brecciation and mesothermal quartz veining, which appears to over-print a pre-existing zone of mild silicification associated with a north trending shear zone. The majority of quantified mineralisation occurs in the oxide and transitional profiles, including overlying laterite mineralisation.

The geology of the Old Town Well deposit comprises an amorphous, northeast trending felsic dyke that intrudes a succession of ultramafic rocks, regionally metamorphosed to greenschist facies. The felsic dyke is suspected to have intruded along a pre-existing shear zone within the predominantly mafic/ultramafic succession. Gold mineralisation is associated with mesothermal quartz veining within and marginal to the felsic dyke, invariably accompanied by silica-carbonate-chlorite-pyrite alteration in the primary zone. The majority of quantified mineralisation occurs in the oxide and transitional profiles, including some overlying laterite mineralisation.

Sampling and Sub-sampling Techniques

For earlier drilling completed by Herald Resources and Troy Resources, 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 analysis. 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 at Plum Pudding. 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 diameter core barrel with triple tube.

Classification Criteria

The Plum Pudding and Old Town Well 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 and Nagrom 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 with a minimum down-hole length of 3m.

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 15g/t Au was warranted for some domains, resulting in 16 composites being cut at Plum Pudding and one composite being cut at Old Town Well.

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 Old Town Well block model was rotated on a bearing of 45° to match the approximate strike of the mineralisation.

At Plum Pudding, bulk densities ranging between 1.8t/m^3 and 2.82t/m^3 were assigned in the block model dependent on lithology and weathering. At Old Town Well, bulk densities ranging between 1.7t/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 drilled at the respective deposits.

In addition, high grade limits were utilised in the interpolation macro to ensure that high gold grades were restricted to a set maximum search radius.

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 Plum Pudding and Old Town Well deposits are respectively situated approximately 850m southwest and 650m north-northeast of the Sandstone gold processing plant. Further geological, geotechnical, engineering and metallurgical studies are in progress to further characterise gold mineralisation and establish the viability of mining the Plum Pudding and Old Town Well deposits, which are anticipated to make a meaningful contribution towards the current Sandstone Feasibility Study.

Mining and Metallurgical Methods and Parameters

Previous pit optimisations suggest that the Plum Pudding and Old Town Well deposits can be mined via open pit techniques.

Metallurgical testing is currently being conducted at each deposit with results pending. MDI anticipates that similar overall recoveries could be achieved to the nearby Goat Farm and Twin Shafts deposits of 93%, for which production records are available.

Comments by Managing Director, Mr Rick Yeates:

"Mineral Resources comprising the Plum Pudding and Old Town Well open pit satellite deposits increase total Sandstone project Mineral Resources to 692,000oz gold and will make a meaningful contribution to the current feasibility study. The deposits will now be optimised and mine designs prepared to determine Ore Reserves likely to contribute to the FS.

"Pending receipt of final resource definition samples backlogged in the assay laboratory, we look forward to finalising the remaining deposit estimates, being extensions to Goat Farm and Twin Shafts, and maiden estimates for the new Ridge, McClaren and McIntyre satellite deposits."

RELEASE AUTHORISED 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 Resource for the Plum Pudding and Old Town Well 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 MDI.

Resource Statement

Mineral Resources applicable to the Sandstone Gold Project as at 2 October, 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[1]	0.7	1,012,000	1.36	44,000	Indicated	2012
Two Mile Hill – Open Pit[1]	0.7	114,000	1.10	4,000	Inferred	2012
Two Mile Hill – Tonalite Deeps[2]	NA*	14,000,000	1.10	480,000	Inferred	2012
Two Mile Hill – BIF Deeps[2]	NA*	200,000	3.10	20,000	Inferred	2012
Shillington – Open Pit[3]	0.5	1,230,000	1.30	50,200	Indicated	2012
Shillington – Open Pit[3]	0.5	840,000	1.10	30,600	Inferred	2012
Wirraminna – Open Pit[3]	0.5	300,000	1.30	12,100	Indicated	2012
Wirraminna – Open Pit[3]	0.5	280,000	1.10	9,700	Inferred	2012
Plum Pudding – Open Pit[4]	0.5	384,000	1.10	13,100	Indicated	2012
Plum Pudding - Open Pit[4]	0.5	35,000	0.90	1,000	Inferred	2012
Old Town Well – Open Pit[4]	0.5	282,000	1.00	8,800	Indicated	2012
Old Town Well – Open Pit[4]	0.5	68,000	0.60	1,400	Inferred	2012
Total Indicated		**3,208,000**	**1.27**	**131,000**	**Indicated**	**2012**
Total Inferred		**15,537,000**	**1.12**	**561,000**	**Inferred**	**2012**
Total Resource		**18,745,000**	**1.15**	**692,000**		**2012**

The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimates, which may result in some computational discrepancies.

*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:

[1] ASX Release dated 14 December 2016.

[2] ASX Release dated 14 April 2020.

[3] ASX Release dated 24 July 2020.

[4] ASX Release dated 2 October 2020.

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 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.

The Company also notes that updated and maiden Mineral Resource estimates for the Goat Farm, Twin Shafts, Ridge, McClaren and Macintyre deposits are imminent, pending receipt of final resource definition assay results.

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 an assay value 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.

Criteria	JORC Code explanation	Commentary
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.*	• 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. • 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 Au.
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.*	• MDI adopted a 50g fire assay method with an ICP-OES finish. This technique is considered suitable for gold mineralisation associated with sulphides.

Criteria	JORC Code explanation	Commentary
	• *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.*	• 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. • 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 and infill drilling were completed as part of the MDI programs. Results indicated that historical grades were supported by the recent MDI assay results. • 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. • MGA94 Zone 50. • The supplied topography was derived from 25cm contour data 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. • 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

Criteria	JORC Code explanation	Commentary
		• 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 were angled to 270º (West) at Plum Pudding, which is approximately perpendicular to the orientation of the expected trend of mineralisation. At Old Town, holes were angled at 130°, 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.
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 and 2020 site visits 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 Project deposits occur on the following leases: M57/128, M57/129, P57/1395, P57/1384, P57/1442, E57/1102. All tenements are 100% owned by Sandstone Operations Pty Ltd ("SOP", a wholly owned subsidiary of MDI), apart from P57/1395, which is owned by Mr Kym McClaren, 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.

Criteria	JORC Code explanation	Commentary

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.

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 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.*	• Exploration results are not being reported. • Not applicable as a Mineral Resource is being reported. • Metal equivalent values have not been used.
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° (Plum Pudding) or to 130° (Old Town Well), 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*	• 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.

Criteria	JORC Code explanation	Commentary
	practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
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 are planned at selected areas of the Mineral Resources. • 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. 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 data base 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.*	• Site visits were conducted by Shaun Searle of Ashmore during November 2017 and August 2020. Shaun inspected the deposit area, 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. • Site visits were conducted, therefore not applicable.

Criteria	JORC Code explanation	Commentary
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 model and the current interpretation is 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 Plum Pudding Mineral Resource area extends over a north-south strike length of 300m (from 6,889,670mN – 6,889,970mN), has a maximum width of 180m (720,900mE – 721,080mE) and includes the 85m vertical interval from 495mRL to 410mRL. • The Old Town Well Mineral Resource area extends over a southwest-northeast strike length of 370m, has a maximum width of 130m and includes the 95m vertical interval from 495mRL to 400mRL.
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.*	• 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 Plum Pudding and Old Town Well 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. • No extensive mining was completed at the deposits; therefore reconciliation was not conducted. • No recovery of by-products is anticipated. • Only Au 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

Criteria	JORC Code explanation	Commentary
	• *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.*	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 the main domains. Up to three passes were used for each domain. First pass had a range of 25 or 30m, with a minimum of 6 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 100m, with a minimum of 2 samples. A maximum of 16 samples was used for each pas with a maximum of 6 samples per hole. • No assumptions were made on selective mining units. • Only Au assay data was available, therefore correlation analysis was not possible. • The deposit mineralisation was constrained by wireframes constructed using a 0.3g/t Au cut-off grade 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 15g/t Au was warranted for various domains, resulting in 16 composites being cut at Plum Pudding and one composite being cut at Old Town Well. • 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 Plum Pudding and Old Town Well could provide mill feed to the MDI-owned 600ktpa CIL Sandstone Mill, that could be refurbished granted positive outcomes from ongoing mining studies at the Project. The Plum

Criteria	JORC Code explanation	Commentary
		Pudding deposit is situated approximately 850m southwest of the Sandstone Mill, whilst the Old Town Well deposit is situated approximately 650m north-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.
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 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 testing is currently being conducted at each deposit with results pending. MDI expects that similar overall recoveries could be achieved to the nearby Eureka and Goat Farm deposits of 90 to 93%.
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.
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*	• At Plum Pudding, bulk densities ranging between 1.8t/m^3 and 2.82t/m^3 were assigned in the block model dependent on lithology and weathering. At Old Town Well, bulk densities ranging between 1.7t/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 drilled at the respective deposits.

Criteria	JORC Code explanation	Commentary
	within the deposit. • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• It is assumed there are minimal void spaces in the rocks at Plum Pudding and Old Town Well.
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 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.