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QUEENSTOWN PROJECT UPDATE

- **King River Gold Mine drill results**
- **Upcoming Darwin South drilling**

Corona Resources Ltd (via subsidiary Corona Minerals Ltd, "Corona", "the company") wishes to advise that results for the drill programme proposed to test the nature and extent of the mineralisation reported to be present at the historic King River gold mine are now available. The King River gold mine is located approximately 2.5km south of the Mt Lyell copper/gold mine in Tasmania and the project is one of many targets represented by historical workings present within EL51/2008, a Joint venture between Corona and Pacifico Minerals Ltd.

The drill programme undertaken consisted of three HQ triple tube core holes for a total of 338.1m, two of which were drilled in a scissor pattern beneath the historical open cut and a third along strike to the north and into the presumed lode position. Location details and results are shown in the table below.

A sequence of deeply weathered andesitic flows locally accompanied by strong manganese and laumontite staining and banding was intersected in all three holes. Rare sub-vertical quartz veins typically one to three centimetres, to a maximum of 1.1m in width are present. The quartz veins do not possess any visible sulphides or alteration selvages.

Due to the lack of visual encouragement, the planned fourth hole was not drilled.

A total of 338 of samples of half core were obtained and analysed by fire assay for gold. The best result obtained was 0.7m @ 0.25g/t Au from 28.5m in 18KRD002. No other results of significance were returned. All other samples assayed $\leq 0.03\text{g/t Au}$.

Hole ID	Easting (GDA94)	Northing (GDA94)	RL (AHD)	DIP	GDA Azimuth	Depth	Results
18KRD001	379347	5336396	208	-50°	90°	125.0	No significant results
18KRD002	379437	5336390	213	-50°	270°	111.7	0.7m @ 0.25g/t Au from 28.5m
18KRD003	379420	5336457	202	-62°	270°	101.4	No significant results

Michael Wright – Executive Chairman commented:

“In spite of glowing reports from pre 1900's work at King River and extensive historical workings, Corona's drilling has failed to find any evidence of significant gold mineralisation, or even evidence of the main reef reported on historically.”

No further work is intended at the moment at King River.

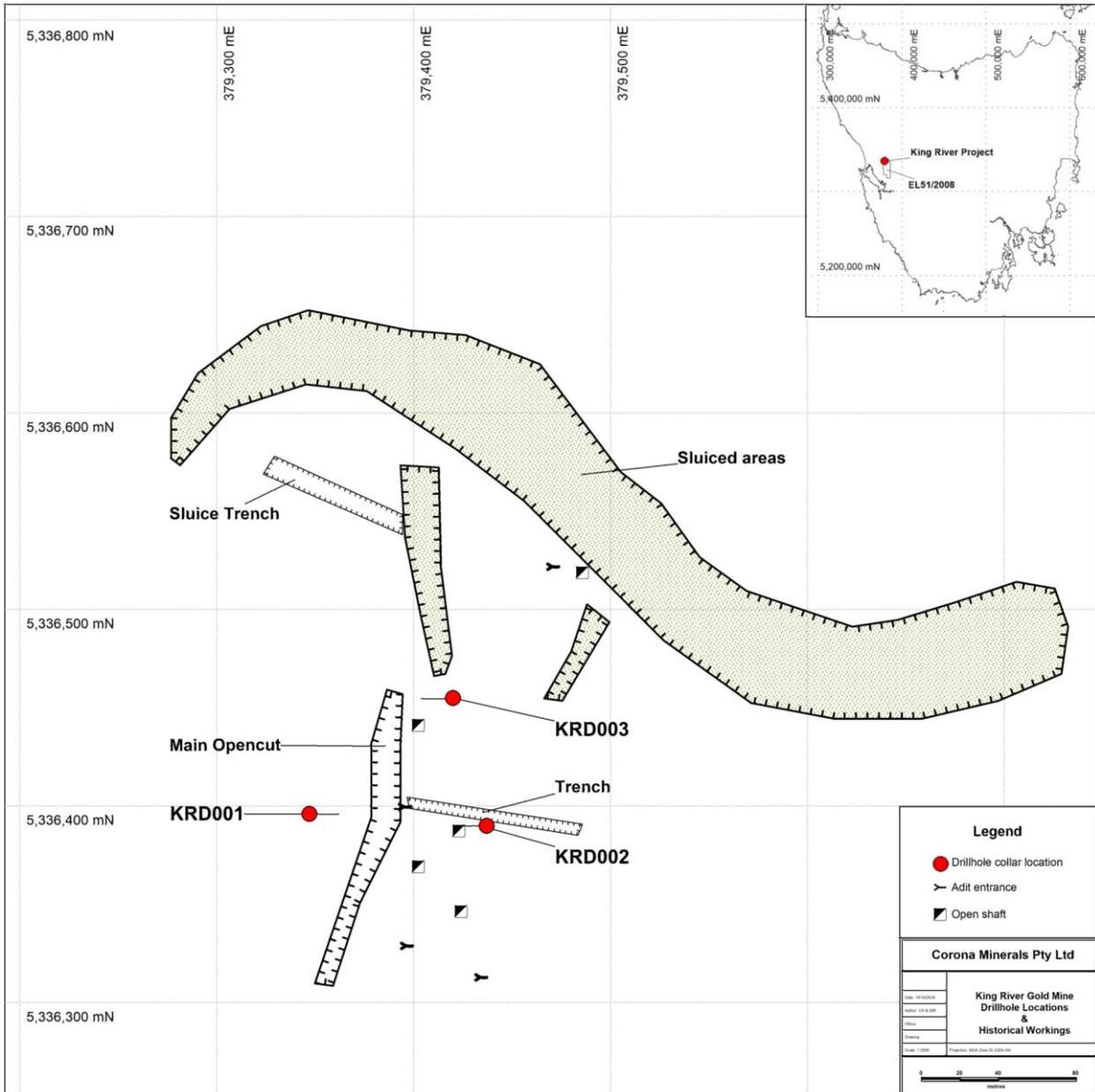


Figure 1: Drillhole Collars and Historical Workings

The Company's next drill programme in Tasmania for 2018 will be at Darwin South, where previous drilling has discovered a new copper-gold province. The collar will be in the vicinity of previous hole SDD005, however will target a specific geophysical anomaly discovered from an IP survey conducted in 2017.

EL 12/2009 and EL 51/2008 have been consolidated into a single EL51/2008.

Competent Person Statements

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation compiled by consultant Mr Ian Blucher of Blucher Geological Services who is a member of the Australian Institute of Mining and Metallurgy. Mr Blucher has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Blucher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<p>Drill core sampling utilised a spatula or chisel to split intervals of plastic to semi plastic clays and highly weathered intervals. Fresh or relatively competent material was cut by diamond saw.</p> <p>All samples were taken from the same side of the core run.</p> <p>Sampling was undertaken core block to core block in highly weathered zones which had variable core loss. Moderate, weakly weathered to unweathered material was sampled at metre intervals or to geological boundaries.</p> <p>Mineralisation is assumed to be hosted by quartz veining. Where individual veins or groups of veins were less than 0.1m downhole width, these intervals were sampled to a minimum width of 0.1m.</p> <p>Individual samples were placed into numbered bags and secured inside polyweave bags.</p> <p>Samples were delivered by freight contractor to the SGS laboratory, Perth where they were dried, weighed, pulverized to -75µ and then analysed for gold using method FAA505 with a 0.01 ppm lower limit of detection.</p>
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<p>Drilling was undertaken by a track mounted UDR 200D using HQ triple tube coring methods from surface.</p> <p>Core orientation was undertaken using a crayon tipped spear, with poor results.</p>
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and</i> 	<p>Core recoveries were recorded by the driller run by run with the hole depth, interval recovered and core loss recorded on a core block at the end of each run. Recoveries in plastic clays and highly weathered intervals were highly variable and >99% in fresh rock. Overall recovery for the whole program was 88.4%. No preferential loss or gain bias between</p>

Criteria	JORC Code explanation	Commentary
	<p><i>whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>recovery and sample results was observed.</p>
<p><i>Logging</i></p>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>Logging was carried out to an appropriate level of detail. Assay results obtained suggest that this information is unlikely to be utilised for other purposes.</p> <p>Core was quantitatively logged for physical features, lithology, mineralogy, textures, alteration and veining after being marked up and recoveries checked and recorded. Following logging each tray was annotated appropriately and photographed before sampling.</p> <p>The total length of each hole was logged geologically.</p>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>Drill core sampling utilised a spatula or chisel to split intervals weathered to clay or were cut by diamond saw when weakly weathered or fresh.</p> <p>All samples were consistently taken from the same side of the core.</p> <p>Sampling was undertaken core block to core block in highly weathered intervals which had variable core loss. Weakly weathered to fresh material was sampled at metre intervals or to geological boundaries.</p> <p>Sample intervals varied from 0.1m where quartz veining was present, to 2.0m in non-quartz-veined lithologies. Where quartz veins were less than 0.1m downhole width they were sampled at 0.1m. Intervals in weathered material may also have included core loss.</p> <p>The sampling technique adopted was appropriate for the material sampled.</p> <p>No duplicate or second half samples were taken.</p>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of</i> 	<p>The fire assay method used is considered to be a total method and is appropriate for the style of mineralisation sought.</p> <p>No geophysical tools were employed.</p> <p>Quality control procedures rely on those employed by the laboratory, which included replicates, blanks, preparation duplicates and certified reference material.</p> <p>No external laboratory checks were undertaken.</p>

Criteria	JORC Code explanation	Commentary
	<i>accuracy (ie lack of bias) and precision have been established.</i>	
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<p>No intersections considered significant were made during this program.</p> <p>No twinned holes were drilled however holes 18KR001 and 18KR002 were drilled in opposing directions on similar northings.</p> <p>All drillhole information was recorded onto paper templates and then entered into spreadsheets for uploading to Corona's database after being visually checked.</p> <p>Assay data has not been adjusted.</p>
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>Drillhole collars were located by handheld GPS. The coordinate system used is GDA94.</p> <p>Location accuracy was +/- 5m horizontal and 3m vertical.</p>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<p>The samples obtained are contiguous down hole.</p> <p>No mineral resource estimation or classification is assumed or applied.</p> <p>Sample compositing was not used.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<p>The orientation of the drill holes was approximately at right angles to the assume strike of mineralisation, based on the orientation of the historical open cut.</p> <p>The veining intersected appears to be sub vertical, at 30° m- 40° to the axis of each drillhole and based on surface observations.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<p>Individual samples were placed into numbered bags and secured inside polyweave bags.</p> <p>The bags containing the samples were packed into crates and delivered by the transport company to the laboratory where the sample submission form was cross checked against the samples received.</p>

Criteria	JORC Code explanation	Commentary
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	No audits or reviews have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	Drilling was undertaken on EL51/2008 which is held in Joint Venture between Pacifico Minerals Ltd and Corona Minerals Pty Ltd
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	The general area in the vicinity of this drilling program has been prospected by numerous parties since 1881. Activities include driving adits, sinking shafts, excavating trenches, developing open cuts and hydraulic sluicing. More recent activities include two lines of IP/resistivity carried out by Mt Lyell Mining & Railway Co. over previously cut and surveyed Cypress Mines lines and a helicopter EM survey in 1981.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	The deposit type is believed to be structurally controlled quartz veining hosted by quartz-phyric andesitic volcanoclastics.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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</i> 	Refer to table in body of report.

Criteria	JORC Code explanation	Commentary
	<i>Competent Person should clearly explain why this is the case.</i>	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<p>None applied.</p> <p>No aggregation of assays has been undertaken.</p> <p>No metal equivalents have been applied.</p>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Only down hole width is reported, true width of reported intersection is unknown.
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>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.</i> 	<p>A single, slightly elevated result has been reported in the body of the report, all other results were close to, or below the lower limit of detection for the analytical method used.</p> <p>The location of the collars of the holes drilled in relation to historical surface workings is shown in the figure located in the body of the report.</p>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>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.</i> 	N/A
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>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;</i> 	N/A

Criteria	JORC Code explanation	Commentary
	<p><i>bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	
<p><i>Further work</i></p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>No further work is planned at this time.</p>