TECHNICAL MEMORANDUM

PRINCE DARWIN EXPLORATION DRILLING
SDD006
JANUARY 2019

Corona Minerals Ltd (Corona) have completed a single exploration diamond drill hole testing a modelled induced polarisation (IP) chargeability anomaly associated with the Prince Darwin magnetite-copper-REE prospect at its South Mt Darwin Project, Western Tasmania (Figure 1).

The Prince Darwin prospect is hosted on the western side of the Darwin Granite, in Cambrian felsic volcanics of the Mt Read Central Volcanic Complex (CVC). Mineralisation is associated with north-south trending, linear hydrothermal breccias consisting of magnetite-hematite-pyrite-chalcopyrite-bornite mineralisation hosted in intensely chlorite-Kfeldspar-tourmaline altered volcanics. Elevated concentrations of Rare Earth Elements (REE) are associated with the alteration assemblage.

The host sequence and hydrothermal breccias are north-south trending, vertical to steeply east dipping with the most intense alteration and mineralisation associated with the contact between rhyolitic and dacitic volcanic sequences.

Aeromagnetic surveys suggest the Prince Darwin prospect extends over 3km strike from the historic Tasman Darwin adit to the south to Norm's Lode Gold Prospect in the north and possibly extending further north through Mt Darwin. Much of the extensive alteration zone is essentially untested, with only 3 historic adits from the early 1900's, 2 drillholes from the 1970's and 6 drillholes completed by Corona intersecting the mineralised breccias (Figure1). Significant mineralised intercepts have been identified in drilling, for example 50m @ at 0.4% Cu from 321m in SDD005 including 12m @ 1.2% Cu and 0.5g/t Au from 345m as previously announced.

Corona completed two lines of a pole-dipole induced polarization (IP) survey designed to characterize the Prince Darwin Mineralisation in 2017. A strong IP chargeability anomaly was associated with the known mineralisation intersected by previous drilling on line 5318500N. A second line of IP was completed 200m north on line 5318700. A similar strong surface chargeability anomaly was detected along strike from the Prince Darwin mineralisation. Inversion modelling of the data by consultant geophysicists Geophysical Resources and Surveys Pty Ltd modelled a deep blind IP anomaly 200m east of the Prince Darwin Mineralised trend (Figure 3).

Diamond drillhole SDD006 was designed to test the modelled IP target. The drillhole was collared in early November 2018 and completed by December 2018.

Drilling was completed by contract drilling company Edrill with a track mounted UDR200D diamond drill rig. The hole was collared with HQ diameter diamond core to 56.9m with the remainder of the hole drilled as NQ diamond core. Recoveries from the un-weathered volcanics were generally 100% with the exception of minor fault zones.

The drill collar was surveyed with a hand-held GPS with accuracy to ±5m. The collar RL was derived from 10m topographic contours. Drillholes were drilled on east-west oriented sections (Figures 1 to 3).

Downhole surveys were completed on all drill holes using a Eastman single shot downhole camera.

Drill core was logged in the Corona core facility in Queenstown. All core is stored in the Queenstown core compound but will be transported to the Mineral Resources Tasmania Mornington core store. Logging was completed on excel spreadsheets and loaded into an access database. Visibly sulphide mineralised core was marked for sampling. Mineralised intercepts were cut with a diamond saw and half drill core samples were taken on 1m lengths from mineralised zones whilst respecting geological boundaries. Drill core was bagged on site, sealed in poly-weave bags and sent to SGS Laboratories at Renison Bell for sample preparation before being shipped to SGS laboratories in Perth for analysis. Samples were analysed for Cu, Au, Ag and multi element analysis by ICP_MS after aqua regia digest. Results were received electronically and loaded onto log sheets and uploaded to the Corona drilling database.

Details of drilling, sampling and assaying techniques are listed in Appendix 1. Details of collar locations and significant intercepts are listed in Table 1. A summary of the drillhole log is as follows:

> The drillhole intersected a sequence of moderately chlorite-Kfeldspar-hematite altered coherent dacitic volcanic rocks varying to weakly chlorite altered dacites from the start of the hole to 312.6m. Minor discontinuous zones of disseminated and stringer pyrite mineralisation with trace chalcopyrite were intersected with a best intersection of 109.0 to 117.0, 8.0m @ 0.2% Cu.
>
> A weakly chlorite altered interflow dacitic volcaniclastic breccia was intersected between 312.6m and 323.6m.
>
> Dark red pervasive Kfeldspar-hematite alteration increased in intensity from 327.7m to 358.7m with minor late siderite-pyrite veining.
>
> A massive magnetite-chlorite-pyrite breccia was intersected between 358.7m and 363.4m. Estimated sulphide content varied between 5 and 15%. Although there is no high-grade Cu-Au mineralisation associated with the sulphides, the magnetite breccia is strongly anomalous in Cu, Pb, Zn, Mo, As, Bi and Co and is identical to the periphery of the Prince Darwin mineralisation. Low level Cu mineralisation associated with the magnetite-chlorite-sulphide breccia includes 359.0 – 373.0 24.0m @ 0.03% Cu.
>
> The hole ended in the alteration zone consisting of bright red intensely Kfeldspar-hematite altered dacite at 401.4m.

It is probable that drillhole SDD006 only just intersected the eastern margin of the prospect with the main Prince Darwin hydrothermal breccia located a further 200m east on the dacite-rhyolite contact which has a strong associated coincident magnetic and IP chargeability anomaly (Figures 1, 2 and 3).

IP is demonstrably a suitable exploration tool for delineating chargeability anomalies associated with the Prince Darwin style of mineralisation. The strongest anomalies exist at surface and when combined with historic IP chargeability data provide extensive linear targets that require drill testing.

Although drillhole SDD006 has successfully intersected disseminated sulphide mineralisation coincident with the inversion modelled IP chargeability anomaly at depth, it is unclear if the inversion has accurately modelled the mineralisation. The strongest surface IP chargeability anomaly is associated with the prince Darwin lineament and magnetic anomaly on both line 5318500 and 5318700N. However, inversion modelling has not extended the strong surface response with the known mineralisation at depth.

It is recommended that future (and historic) IP surveys should be used to map out surface chargeability but inversion modelling should have greater constraint or contribution from geology models.

Historic IP chargeability data derived by EZ Co in 1978 demonstrates a chargeability anomaly along strike from the recent survey in the vicinity of the Tasman Darwin adit (Figure 1). A large IP chargeability anomaly and magnetic anomaly is located 3-500m west of Prince Darwin in the Clarke Valley that remains untested.

Table 1. SDD006 Drill Collar Details and Mineralised Intercepts

BHID	Easting	Northing	RL	Depth	Azm_GDA	Dip	From	To	Length m	Cu %
SDD006	383255.0	5318700.0	709.00	401.4	270.0	-80.0	44.0	46.0	2.0	0.14
							109.0	117.0	8.0	0.20
							359.0	383.0	24.0	0.03

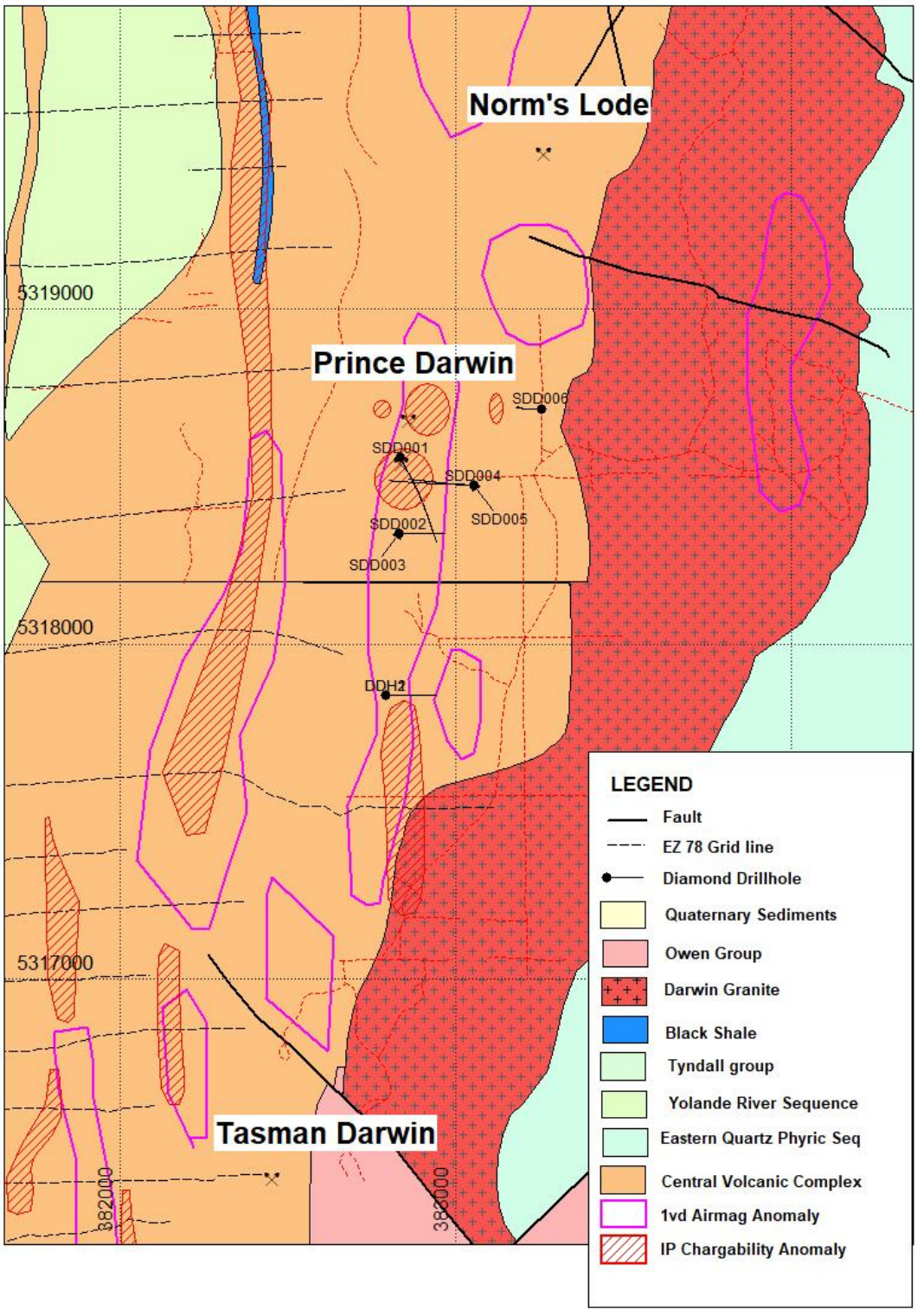

Figure 1. South Darwin Project prospect location, drill collar location, geology and IP and RTP1VD magnetic geophysical anomalies.

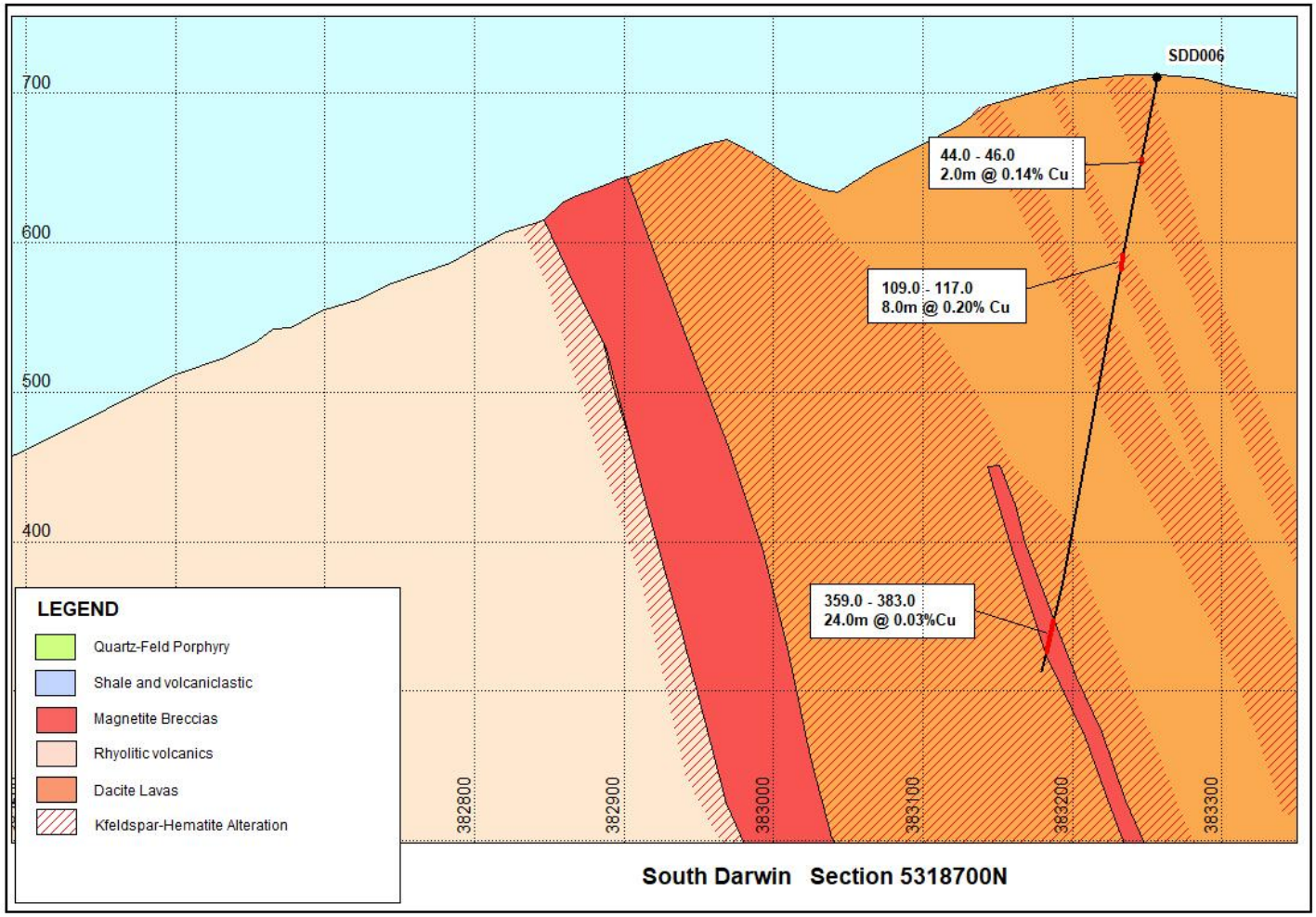

Figure 2. South Darwin Section 5318700N interpretive geology

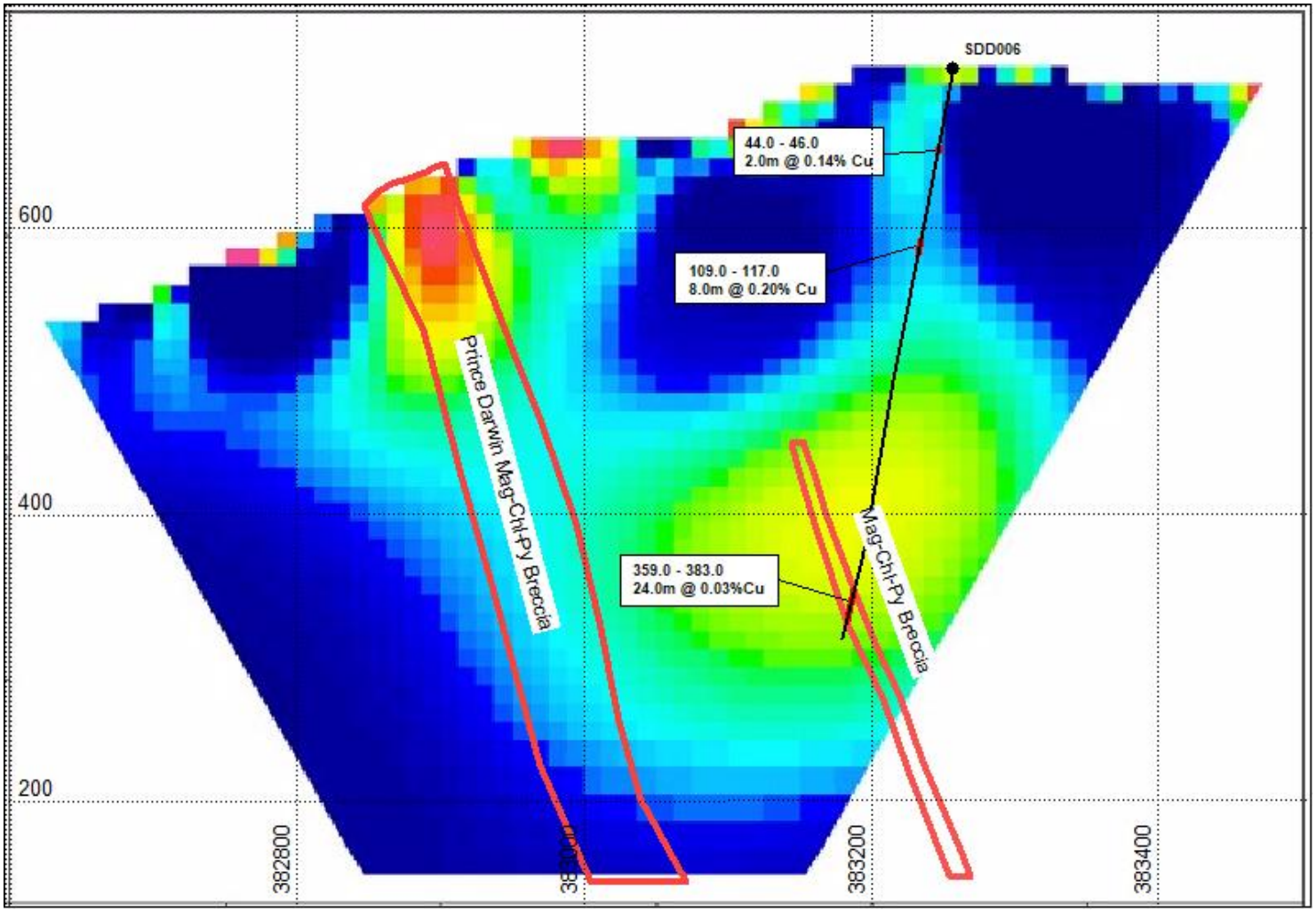

Figure 3. Sth Darwin Project Section 5318700N, IP Chargability anomaly image, diamond drilling and magnetite-sulphide breccias.

Appendix 1. JORC (2012) Table 1 report
Section 2 Reporting of Exploration Results

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 specialized industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or hand held XRF instruments etc). • 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 1m samples from which 3kg was pulverized to produce 30g 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 sampling types (eg submarine nodules) may warrant disclosure of detailed information.	• The 2018 exploration drilling campaign of the Prince Darwin mineralisation consisted of HQ and NQ wire-line diamond drilling. • 1 wire-line HQ and NQ diamond drill hole was completed for 401.4m • Approximately 1m samples of 2-3kg were taken from diamond saw cut drill core whilst respecting geological boundaries.
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, where core is	• 1 HQ-NQ wireline diamond core for 401.4m. • Core not oriented.

	oriented and if so by what method	
Sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximize 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.	• Core reconstituted, marked up and measured for recovery and RQD in all drilling campaigns • Recovery generally excellent (100%) except in the first few metres of weathering and in a fault zone at 261 – 264.3m • No relationship between recovery and grade was observed
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 of quantitative in nature. Core (or costean, channel etc) photography.	• Core geologically logged by experienced geologist. • Standard lithology codes used for interpretation. • RQD and recoveries logged • Logs loaded into customised spreadsheets and uploaded into access database. • Drill core photographed.
Sub-Sample techniques and sample preparation	• If core, whether cut or sawn and whether quarter of half 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 maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the insitu material collected, including for instance results of field duplicate/second half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled	• Core cut by diamond saw • Half core bagged on 1.0m samples while respecting geological contacts. • Sample size generally 2-3kg. • Bagged core delivered to SGS Laboratories at Renison Bell Mine • Whole core crushed to pass 2mm then a 250g subsample riffle split and pulverized to >85% passing 75micron
Quality of assay data	• The nature, quality and appropriateness of the	• Sample solution by aqua regia digest

and laboratory tests	assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysics tools, spectrometers, hand held XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibration 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.	• All samples analysed by Induced Coupled Plasma Mass Spectrometry (ICP_MS) at SGS Laboratories Perth. • No QAQC for exploration sampling program
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	• Mineralised intersections are yet to be verified by independent geologist or independent anlaysis • All electronic data uploaded to access database • Data merged with field data and uploaded to Access database. • Data validation with Surpac software, basic statistical analysis and comparison with historic plans and sections. • Negative results for below detection limit assay data has been entered as detection limit
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys) trenches, mine workings and other locations used in mineral resource estimation • Specification of grid system used • Quality and accuracy of topographic control.	• 2015 hole collar surveys located by hand held GPS accuracy ±5m • All coordinates in GDA94 Zone 55 • RL's from 10m topographic contours • Down hole surveys completed every 30m by Eastman Single shot camera • Topographic dtm created from Tasmanian Land Information Services 10m contours
Data Spacing and distribution	• Data spacing for exploration results • Whether data spacing and distribution is sufficient to establish the degree of geological	• Wide spaced exploration drilling • Drill spacing is insufficient for the estimation of Mineral Resources and Reserves.

	and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures and classifications applied. • Whether sample compositing has been applied	
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 drilling orientation and the orientation of key mineralised structures is considered to have introduced sampling bias, this should be assessed and reported if material.	• All of DDH have been drilled on east-west sections perpendicular to deposit strike with the exception of SDD001. • Drill hole orientation is not considered to have introduced any material sampling bias.
Sample Security	• The measures taken to ensure sample security	• Samples ticketed and bagged on site. • Delivered to SGS laboratories in Burnie by Corona contract personnel. • All historic data captured and stored in customised access database • Data integrity validated with Surpac Software for EOH depth and sample overlaps. • Manual check by reviewing cross sections with the historic drafted sections and plans. • Basic statistical analysis supports data validation
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data	• No audits or reviews of sampling data and techniques completed.

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 tenure held at the time of reporting along with known impediments to obtaining a license to operate the area	• EL51/2008 is 100% owned by Corona Minerals Ltd. • Corona are 80% JV partners with Pacifico Minerals 20% • Exploration work permitted by Mineral Resources Tasmania. • There are no known or experienced impediments to operating a license in this area
Exploration done by other parties	• Acknowledgement and appraisal of exploration by other parties	• Early adits developed in the early 1900's • Early exploration by BHP, Mt Lyell Mining and Railway Co, Goldfields and other JV partners commencing in the 1950's. • 2 drillholes completed by BHP in the 1970's.
Geology	• Deposit type, geological setting and style of mineralisation	• The Prince Darwin prospect is an IOCG type magnetite-hematite-pyrite-chalcopyrite-bornite breccia hosted in Kfeldspar-chlorite-tourmaline altered felsic volcanics. • Mineralisation is hosted in the Central Volcanic Sequence of the Cambrian Mt Read Volcanics
Drill Hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes • easting and northing of the drill hole collar • elevation or RL of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth • hole length • If the exclusion of this information is justified on the basis that the information is not Material and	• See Table 1 in this report.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
	this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	
Data aggregation methods	• In reporting of Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cutoff grades are usually material and should be stated. • Where aggregate intercepts include short lengths of high grade results and longer lengths of low grade results, the procedure used for aggregation should be stated and some examples of such aggregations should be shown in detail • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Mineralised zones are reported as length weighted intercepts.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known)	• Intercept lengths have been reported as downhole lengths. • Most holes have been drilled to intercept the deposit at high angles to best represent true widths. • Refer to the sections included in the body of the announcement to view the relationship between downhole lengths and mineralisation orientations.
Diagrams	• Appropriate maps and sections (with scales) and tabulated intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill collar locations and appropriate sectional views.	• See body of the announcement for relevant plan and sectional views and tabulated intercepts.

Section 2 Reporting of Exploration Results		
Criteria	**JORC Code Explanation**	**Commentary**
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/ or widths should be practiced to avoid misleading reporting of Exploration Results	• Not applicable
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 results, bulk density, groundwater, geochemical and rock characteristics, potential deleterious or contaminating substances.	• Strong magnetic anomalies associated with magnetite breccias • IP chargability anomalies associated with sulphides • Anomalous Cu, Au, Zn, As in rock chip and soil geochemistry
Further work	• The nature and scale of planned further work (e.g. test 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.	• Continuing exploration diamond drilling on extensive geophysical and geochemical anomalies over 3km strike length. • Additional IP surveys • Exploration of other volcanogenic Cu-Au prospects on EL51/2008

COMPETENT PERSONS' STATEMENT

The information in this report that refers to Exploration Results and Mineral Resource Estimations is based on information compiled by geology consultant Mr. Tim Callaghan who is a Member of The Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr Callaghan 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 Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserve. Mr Callaghan consents to the inclusion in the report of matters based on his information in the form and context it appears.

FORWARD LOOKING STATEMENTS

Some statements in this announcement regarding estimates or future events are forward-looking statements. They involve risk and uncertainties that could cause actual results to differ from estimated results. Forward looking statements include but are not limited to, statements concerning the Company's exploration program, outlook, target sizes and mineralised material estimates. They include statements preceded by words such as "expected", "planned", "target", "scheduled", "intends", "potential", "prospective" and similar expressions.