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Australian Securities Exchange

HIGH PRIORITY DRILL TARGETS IDENTIFIED FROM SGH SOIL SAMPLING - A2 POLYMETALLIC PROJECT, CROYDON, NORTH QLD

- **HIGH PRIORITY POLYMETALLIC, SILVER & COPPER TARGETS IDENTIFIED FOR DRILL TESTING**
- **THE A2 PROJECT AREA IS CONTAINED WITHIN A LARGE POLYMETALLIC ANOMALOUS AREA**
- **BASED ON THE ENCOURAGING RESULTS, THE COMPANY HAS APPLIED FOR EPM 26749, THAT WILL COVER POSSIBLE EXTENSIONS OUTSIDE OF THE CURRENT TENEMENT AREA.**

Crater Gold Mining Limited (ASX:CGN) ("Crater Gold" or the "Company") is pleased to announce that it has received Actlab's interpretation report on the analytical results of the Spatiotemporal Geochemical Hydrocarbon (SGH) soil sampling program undertaken at the A2 Polymetallic Project at Croydon in North Queensland. As previously announced (November 6, 2017, "Exploration Programme Commenced- A2 Polymetallic Project"), the SGH sampling technique is a cost effective, deep penetrating geochemical technique which has been successful at other prospects world-wide in being able to detect geochemical anomalism for metals to depths of up to 900 metres.

Actlab's SGH analysis and interpretation has led to the identification of the following high priority targets;

Polymetallic Anomalies

Three (3) identified polymetallic anomalies (P1, P2 and P3 – Figure 1) associated with Redox-cell R1 (Figure 4), are high priority drill targets to which Actlabs has allocated a high confidence rating of 5.5. Actlabs use a maximum rating score of 6.0, with a rating in excess of 4.0 considered to be significant.

Anomaly P1: This anomaly provides important credibility for the SGH technique in that it has detected the broad polymetallic stock-work vein mineralisation previously intersected in drilling by the Company. Eight of the previous nine drill holes tested the 500m western half of this anomaly, with only one hole drilled in the 500m eastern half. Further drill testing in the eastern half is warranted.

Anomaly P2: This much larger polymetallic anomaly is located along the margin of the R1 Redox-cell to the north of the A2 project drilled area and persists for at least 500m N-S and 2,800m E-W. High priority targets have been identified for drill testing.

Anomaly P3: This small anomaly is located along the southern boundary of the R1 Redox-cell, just inside the southern tenement boundary. A high priority target has been identified for drill testing.

Copper and Silver Anomalies

These large high priority anomalies are located in the NW corner of the EPM (Figures 2 & 3). While they have actually been identified as separate silver (500m wide E-W and 1,600m N-S) and copper (250m wide E-W and 1,800m N-S) anomalies, they may also indicate the presence of combined copper-silver anomalism. Actlabs interpret that mineralisation is likely to be located vertically beneath the anomalies and these offer high priority drill targets. Actlabs has allocated a high confidence rating of 5.0 out of a maximum 6.0 for these anomalies.

"We are delighted with the results of the SGH sampling program. Not only has the sampling detected the mineralisation intersected by previous Company drilling at A2, it has also outlined a very large polymetallic target to the immediate north that extends E-W for 2,800m. This gives us great confidence for future drilling in the area. In addition, it has also identified a very large silver - copper target to the NW. Based on these results, we have applied for a new EPM that will capture any possible extensions of mineralisation outside of our existing EPM. It is encouraging that assessment of the results has identified high priority drill targets. The Company will now be undertaking a drilling program to test these anomalies this year." stated Russ Parker, Managing Director of Crater Gold Mining.

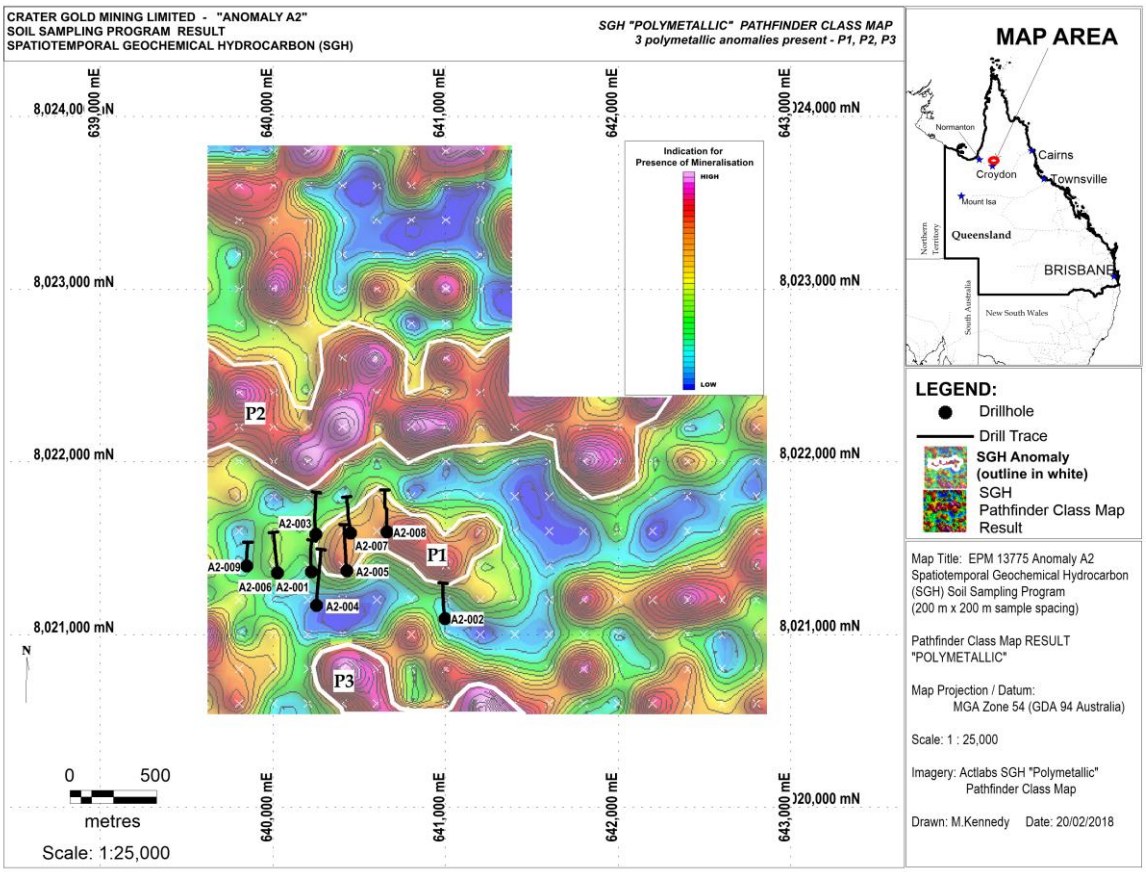

Figure 1 – Polymetallic targets P1, P2, P3

SGH Technique

The Actlabs SGH technique involves analysing samples from upper B horizon soils to detect very low level geochemical signatures of specific hydrocarbons, measured in parts per trillion. Their proprietary analytical method involves a weak acid leach to release the targeted weakly bound hydrocarbons followed by organic chromatography and finally hydrocarbon detection by mass spectrometry to detect the extremely low levels of specific hydrocarbons. The results are not assessed as conventional inorganic geochemical data would be, but are treated in a semi quantitative manner by Actlabs who provide SGH interpretations for client's surveys based on experience gained from over 1,000 world-wide surveys. No conventional geochemical results, geological or geophysical data is taken into account. Furthermore, the intensity of the image colours used is not an indicator of grade or amount of mineralisation present as the SGH method only serves as a locator of mineralisation under cover.

Sub-surface metal mineralised zones develop discrete Redox-cells (metal-ion battery type cells) in the soils, alluvium or sedimentary strata that overlie them. In addition, hydrocarbons resulting from the decomposition of bacteria and microbes that feed on the metal mineralisation, find their way up into the surface soils. As the hydrocarbons suites present are specifically related to the source metals, identification of the hydrocarbons present can determine their metal source(s) and offer a useful exploration tool that Actlabs has been progressively developing since 1996. An enhanced level of interpretation based on 3D-SGH was introduced by Actlabs in 2011.

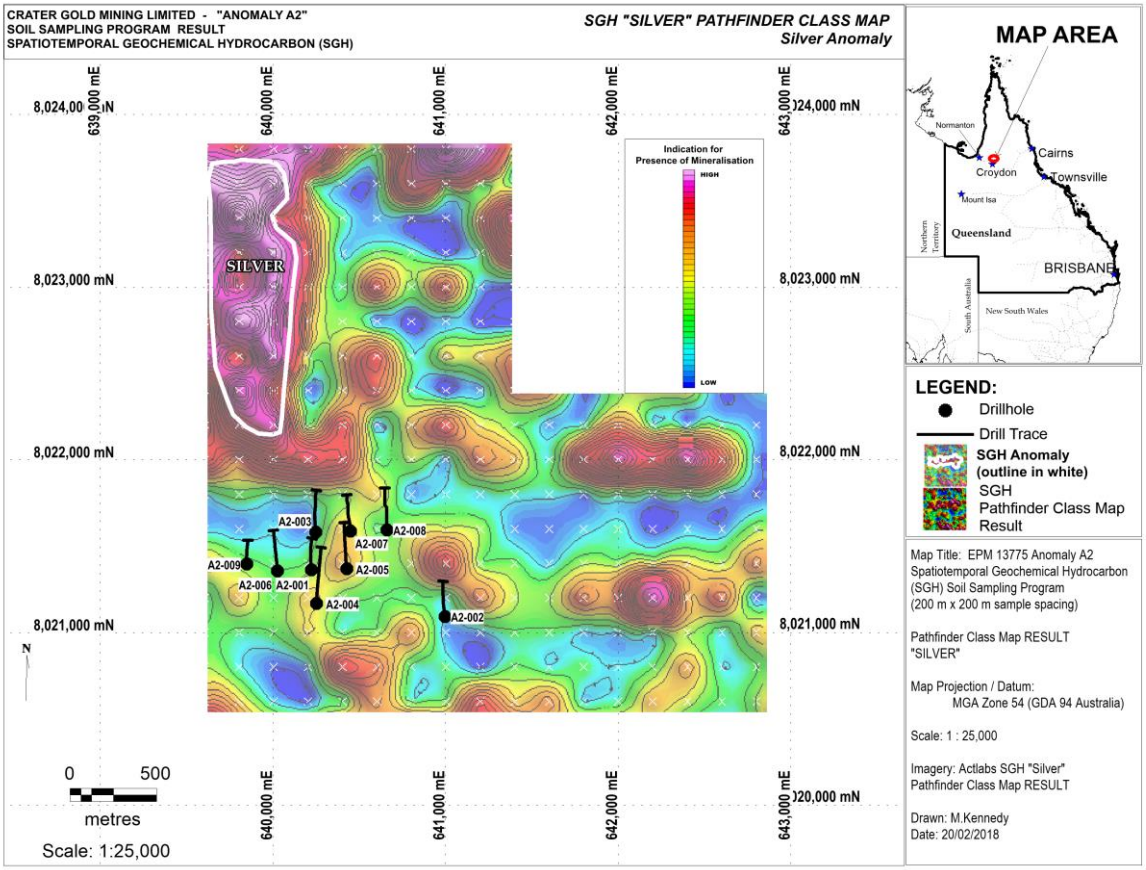

Figure 2- Silver target

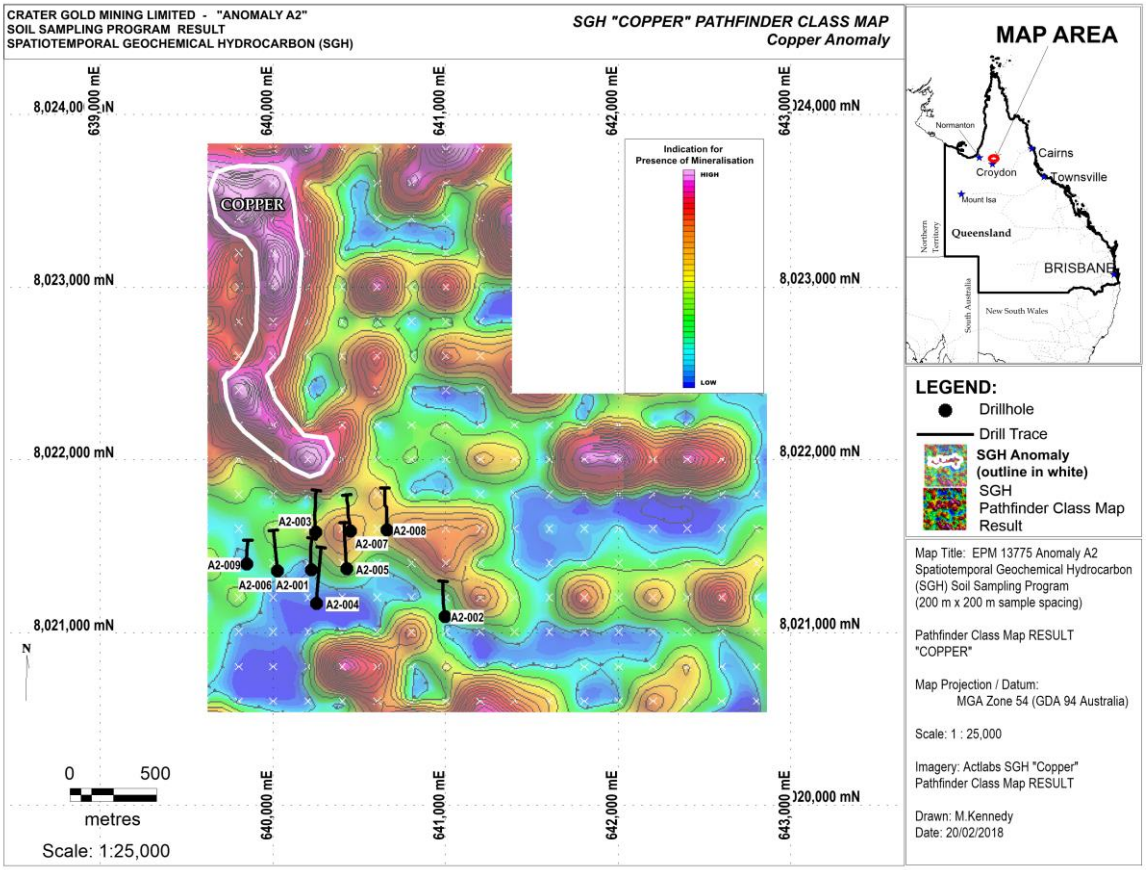

Figure 3- Copper target

Actlab's interpretation process is based on the identification of Redox-cells that have developed over metals mineralisation. In profile, these cells can be identified by the presence of distinct "rabbit-ear" signatures which in plan appear as "halos", "nested-halos" or "segmented-nested-halos". These cells are subjectively rated on the degree of their symmetry and consensus with at least three SGH Pathfinder Chemical Class Maps for each type of target. Each Pathfinder "class" is made up of 4 to 14 specific hydrocarbons. Different mixtures of these classes define the signature for the different target types. Pathfinder Class Maps are obtained for each targeted element, based on the identified hydrocarbon suites associated with that element, that are present. Pathfinder Class Maps are available for gold, silver, copper, polymetallic (also the Pathfinder Class Map for Redox-cells), nickel, VMS, SEDEX, uranium, Cu-Ni-PGE, IOCG, BM, tungsten and lithium. Anomaly ratings are also determined by comparison to signatures recorded over numerous known mineralisation types.

Actlab's interpretation of Redox-cells is that the centre of the cell halo is expected to be the original location of the upwelling of mineralising fluids from depth and that the outer segments along the rims of the cells may represent the lateral extent of mineralisation. Their interpretation of the A2 SGH soil sample results has identified a number of nested-segmented Redox-cells in the survey area, shown as R1, R2, R3 and R4 on Figure 4.

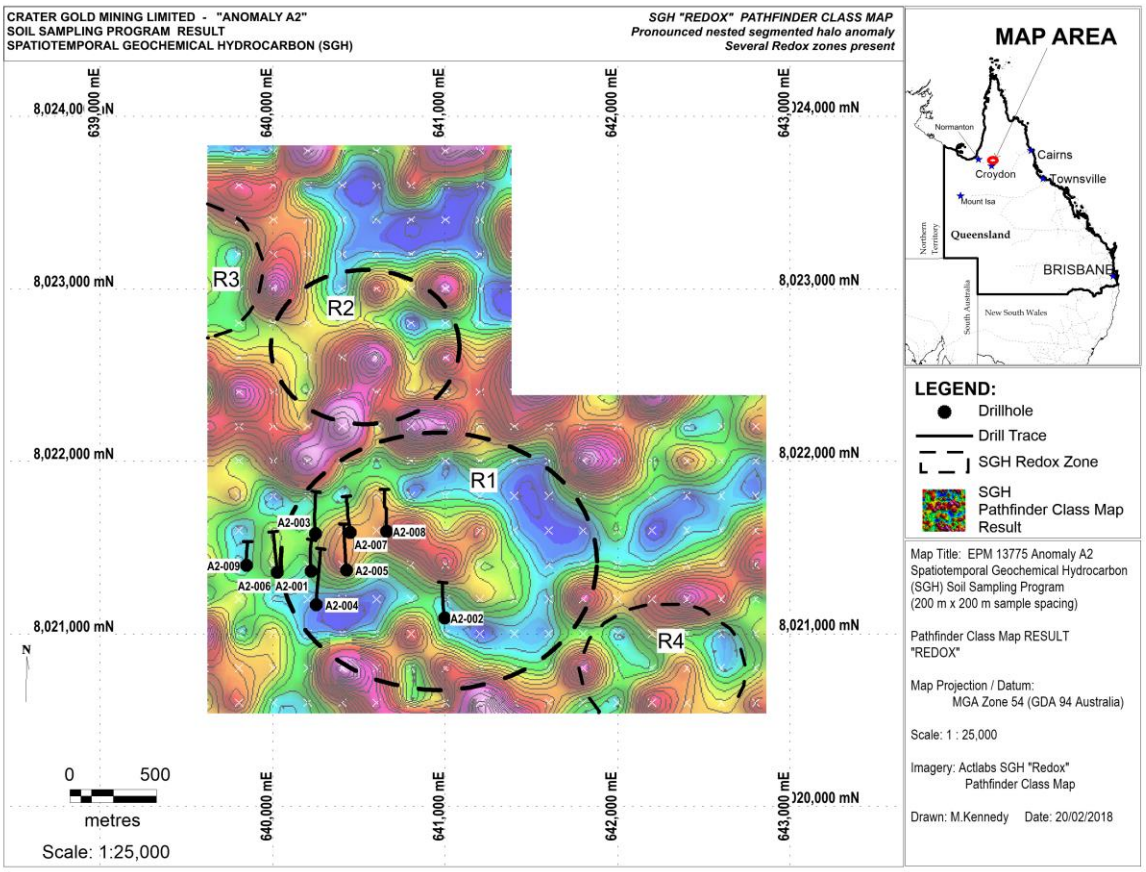

Figure 4- Redox cells

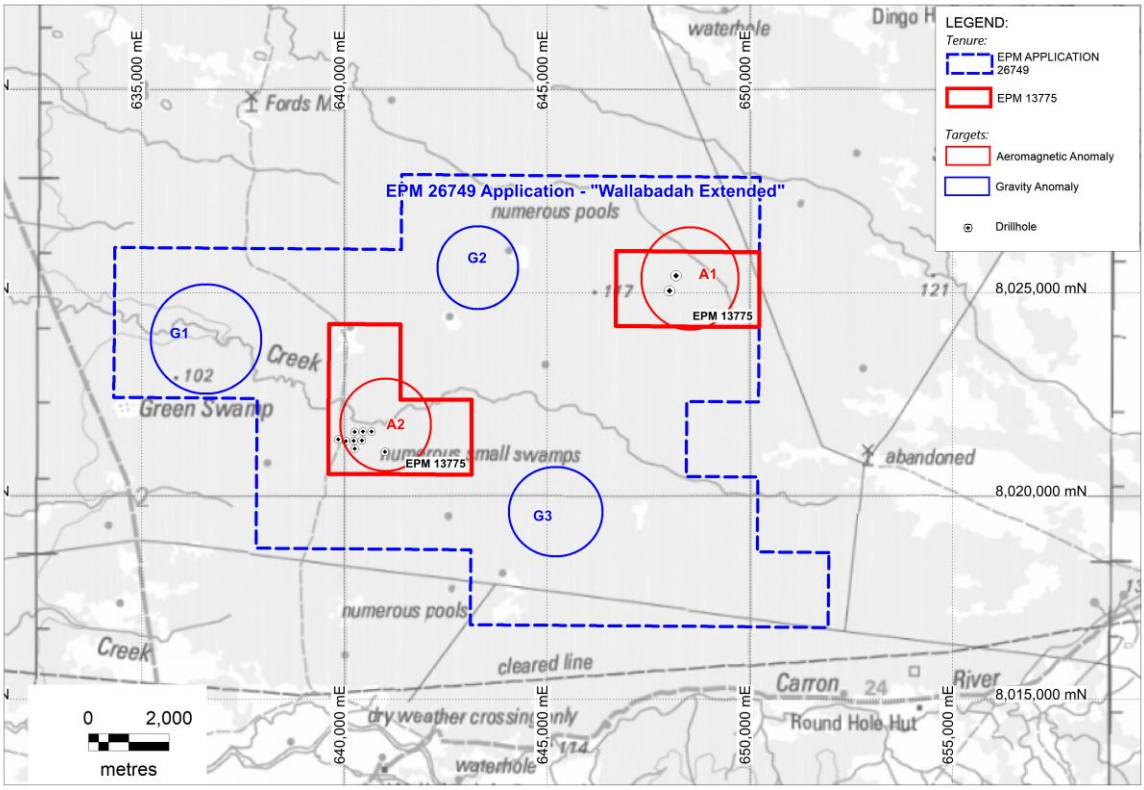

Figure 5- EPMA 26749 application area

For further information contact:

Mr Russ Parker
Managing Director

The information contained in this report that relates to Exploration Results at the Golden Gate Graphite Project near Croydon, Queensland, is based on information compiled by Ken Chapple, who is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has been assisting the Company as a technical consultant relating to his areas of expertise and was on site participating in, and overseeing, the entire program. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Forward Looking Statements: This Announcement contains certain forward looking statements. The words 'anticipate', 'believe', 'expect', "optimism", 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward looking statements. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should not place undue reliance on forward-looking statements and neither Crater Gold Mining Limited nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard mea surement 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.*	• The program undertaken involved conventional collection of 361 upper B Horizon soil samples from a N-S orientated Grid measuring 3,600m x 3,600m, on a spacing of 200m. Each sample was taken from depths of up to 35cms. • Samples were exported to Actlabs in Ontario, Canada, for analysis and interpretation by their proprietary SGH (Spatiotemporal Geochemical Hydrocarbon) technique. • Sample representivity not considered to be a problem as the analytical technique involves only partial sample digest. • Samples excavated in shallow pits by shovel and placed in zip-lock plastic bags. • The sampling program was participated in and overseen by experienced geologist Mr. Ken Chapple who is the Competent Person who prepared this Announcement.
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).*	• No drilling has been undertaken in the current soil sampling program.
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.*	• No drilling has been undertaken in the current program. • Sample procedure – zip-lock sample bags. Duplicates selected for a total of 16 samples. Standards, not relevant for this type of technique. • Samples weighed and double bagged to guard against breakage and sample loss. Each bag labelled to guard against numbering errors. • Duplicate sample set kept in case submission set lost in transit to

Criteria	JORC Code explanation	Commentary
		Canadian Lab.
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.*	• Not logged except for surficial identification of soil B-Horizon. • All sample pits photographed for the record.
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.*	• Representivity and sample grain size not a question here. After low temperature drying, samples are partially acid leached to release the targeted weakly bound hydrocarbons followed by organic chromatography and finally hydrocarbon detection by mass spectrometry to detect extremely low levels of specific hydrocarbons.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Technique involves only a partial extraction. • Analytical results are not assessed as conventional inorganic geochemical data would be, but are treated in a semi quantitative manner by Actlabs who provide SGH interpretations for client's surveys based on experience gained from over 1,000 world-wide surveys. No conventional geochemical results, geology or geophysics data is taken into account. Furthermore, the intensity of the image colours used is not an indicator of grade or amount of mineralisation present as the SGH method only serves as a locator of mineralisation under cover. • Use of standards and blanks and external laboratory checks not relevant here.
Verification of sampling	• *The verification of significant intersections by either independent or alternative company personnel.*	• The sampling program was participated in and overseen by experienced geologist Mr. Ken Chapple who is the Competent Person

Criteria	JORC Code explanation	Commentary
and assaying	• *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.*	who prepared this Announcement. • No verification by other independent or alternative company personnel was undertaken. • No adjustment was made to the assay data results.
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.*	• The sample grid was not marked out on the ground prior to commencement of sampling. Instead samples were collected on N-S and E-W lines at 200m spacings using hand held GPS units for location. Grid system used was metric WGS 84 Zone 54K • Ground location was considered appropriate for the purpose of the work undertaken with accuracy of +/- 4m indicated. • Ground access was facilitated by the use of quad-bikes.
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.*	• Given the wide stock-work micro-veining identified in the previous drilling at A2, sample spacing of 200m was considered appropriate for the purpose. • No sample compositing was undertaken.
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.*	• No bias introduced by the sampling as results are only used in an indicative manner.
Sample security	• *The measures taken to ensure sample security.*	• Security considered as adequate to preserve integrity of the samples. • Samples under control of the sampling team until packed and made ready for dispatch by courier to Actlabs, Canada. • Actlabs did not report any tampering of the sample packages upon receipt by them.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of the sampling techniques were undertaken.

Section 2 Reporting of Exploration Results

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

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 licence to operate in the area.*	• The sampled area is located with Company EPM 13775, issued by the Queensland Government. The tenement is current to 25th September 2020. Following serving of the required land entry notices to the property owners, no access restrictions were experienced.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No exploration work has been undertaken by other exploration companies in the area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Mineralisation identified in previous Company drilling consists of wide zones of Ag-Zn-Sn +/- Cu stock-work micro-veining in basement sediments under approximately 120m of Mesozoic cover.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• No drilling undertaken during the current soil sampling program.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values*	• No drilling undertaken during the current soil sampling program.

Criteria	JORC Code explanation	Commentary
	should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not relevant as no drilling undertaken.
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.*	• Maps showing the analytical results obtained from the soil sampling undertaken have been presented. Anomalous areas where high priority drill targets have been identified are shown.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results have been plotted on the included maps.
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.*	• As the area is topographically flat and the mineralised horizons are lying approximately 120m below Mesozoic cover, no other observations have been made.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• It is considered encouraging that assessment of the SGH soil sampling results has identified high priority drill targets. The Company announces that it will now be undertaking a drilling program to test these anomalies this year.