

EXPLORATION LICENCE EL 11/2012,
GLADSTONE, NE TASMANIA

ANNUAL REPORT
FOR THE YEAR ENDED
NOVEMBER 2017

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ABSTRACT

Exploration License (EL) 11/2012 (“Cape Portland Gold Project”) covers 47 square kilometers of ground over historical goldfields at Cape Portland, near the township of Gladstone in northeast Tasmania. Through agreement, Pacific Trends Resources Ltd has fully funding exploration activities during the 2016 / 2017 reporting period and satisfied agreement conditions to earn 51% of the mineral rights within the project area. This is the fifth year of tenure of EL11/2012. Encouraging results from exploration programs undertaken in the past 12 months have resulted in Kingfisher, through partnership with Pacific Trends Resources Ltd, to apply for an Extension of Term for a period of two years for this Exploration License.

Surficial exploration during this reporting period comprising of regional geological mapping and sampling programs directed via a newly created (2016) regional structural model, has significantly advanced geological understanding and overall prospectivity within the tenement. Two prospect locations, the historic mineral occurrence area around Portland and a newly discovered prospect, Windy Ridge, were subject to hand auger facilitated multi-element soil geochemistry programs and subsequent trenching activity. The generation of multi-element soil geochemistry anomalies over both Portland and Windy Ridge have provided encouragement that this is a valid exploration tool and one that will be utilized over other prospect areas going forward.

Analysis of work undertaken during this reporting period has resulted in an adjustment to the targeted exploration deposit type model. Based on historic data, the deposit type exploration model for Cape Portland Gold Project at EL11/2012 was for low tonnage, high grade, structurally controlled, orogenic style quartz-sulphide-gold vein and associated stockwork and disseminated gold mineralization of Victorian- (Bendigo) and New Golden Gate- (Tasmania) style turbidite-hosted orogenic gold deposits. Although still a valid target model, some key observations, particularly at Windy Ridge, has opened the region up for the existence of orogenic gold deposits with similar characteristics as the Fosterville and Bailieston deposits in central Victoria. These major gold deposits are considered atypical examples of orogenic style gold deposits within their regions but are still important deposits in their own right, with Fosterville and Mt Charlotte being multi-million-ounce gold deposits.

The recognition for the style of orogenic stockwork-disseminated gold mineralisation in the Portland Gold Project and having direct comparison to major producing deposits such as Fosterville is significant. Reconnaissance mapping has delineated at least three mineralised structurally controlled N-S to NNE trending zones of silicified and stockwork veined sandstone trends which contain known gold mineralisation over a total combined strike length of at least 15 kilometres.

The Gladstone-Cape Portland district remains one of the least explored and forgotten goldfields of Tasmania and until recently had never been drill-tested. Continued exploration effort will enable the potential for discovery of possible multiple small to moderate tonnage but high-grade deposits or even 1 moderate to large tonnage deposit along the zones are sufficient to warrant further exploration.

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1.0 INTRODUCTION

This report identifies work completed by Kingfisher Exploration Pty Ltd on EL11/2012 over the 12 months ending 1st November, 2017 (the Reporting Period).

Kingfisher are employing a step by step approach to exploration where by areas with positive results from regional mapping and sampling programs are followed up by multi-element auger / soils programs. Prospects with anomalous geochemistry signatures are then either or in-filled with closer spaced auger / soils programs and or undergo trenching.

Field activities accelerated during this reporting period with regional mapping and sampling, hand held auger / soils and trenching programs all completed.

Mapping has successfully located multiple new silicified and quartz vein sandstone occurrences as well as quartz veining and phyllic alteration in siltstone host rocks. The collection and assay of 341 rock samples has validated historical mineral occurrences as well as generated numerous targets to follow up. Mapping also helped to add to and validate regional to prospect scale structural interpretations.

Soil sampling programs were completed over the Portland and Windy Ridge prospect areas during the reporting period with 373 samples taken for analysis. At Portland, this work has resulted in the definition of a multi-element anomaly for Au, Ag, As, Sb, Te, and Bi over a NW trending strike of 350m (open). At Windy Ridge an elevated As, Bi, Sb,Te signature over at least 600m strike was identified with indications the mineralized system could extend beyond 1km.

Follow up trenching was completed at both Portland and Windy Ridge prospects. Mapping the bedrock exposures has advanced prospect scale geological understanding and resulted in variable weakly anomalous to high grade gold being identified over encouraging strike lengths.

Kingfisher Exploration Pty Ltd (KFE) acquired EL11/2012 from the previous holder, Mr S. Westbrook, during 2015. During this 2017 reporting period, Pacific Trends Resources Ltd has, through agreement, funded exploration activities and satisfactorily completed its earn in obligations to earn a 51% interest in EL11/2012. Pacific Trends Resources Ltd has agreed to continue to fully fund activities for an additional two-year period. This 2017 reporting period is the fifth year of tenure over EL11/2012 and as such, Kingfisher Exploration will be applying for an extension of term of the license. To fully utilize the funding agreement with Pacific Trends Resources Ltd, Kingfisher intend to apply for an extension of the license for a two-year period.

All maps and location coordinates contained within this report are presented in GDA94 datum format.

1.1 LOCATION, ACCESS & TENURE

Exploration License (EL) 11/2012 covers 47 square kilometers of ground over historical goldfields at Cape Portland, near the township of Gladstone in northeast Tasmania, Australia (Figure 1). It covers ground between Gladstone, Rushy Lagoon, Musselroe Bay and Cape Portland (Figure 2). The area comprises topographically low-lying, undulating coastal plains and grazing land with sparse vegetation cover allowing for relatively easy application of modern exploration techniques. Access to the area is via all-weather sealed roads to Gladstone and then public and private gravel roads inside the EL.

Land tenure of EL11/2012 is predominantly (<90%) Private Land over the Rushy Lagoon Station, with minor areas of Public Reserve, one small mining lease at the Cinderella Hill quarry and minor Conservation Area zones bordering the Musselroe River in the east part of the EL. EL11/2012 is

situated within the legislated North East Strategic Prospectivity Zone (Tasmanian Mining (Strategic Prospectivity Zones) Act 1993).

EL 11/2012 license details are listed in Table 1.

<i>Project</i>	<i>Tenement</i>	<i>Holder</i>	<i>Status</i>	<i>License Expiry Date</i>	<i>Area (Ha)</i>	<i>Area (km2)</i>
Portland	EL 11/2012	KFE	Granted	02 Nov 2017	4700	47.0

Table 1. EL 11/2012 license details.

<i>Point ID</i>	<i>Easting</i>	<i>Northing</i>
a	587000	5476000
b	587000	5474000
c	586000	5474000
d	586000	5469000
e	593000	5476000
f	593000	5476000

Table 2. Coordinates defining the EL 11/2012 tenement boundary as shown in Figure 2. Datum used is Map Grid of Australia 1994 (MGA94), Zone 55, GDA94.

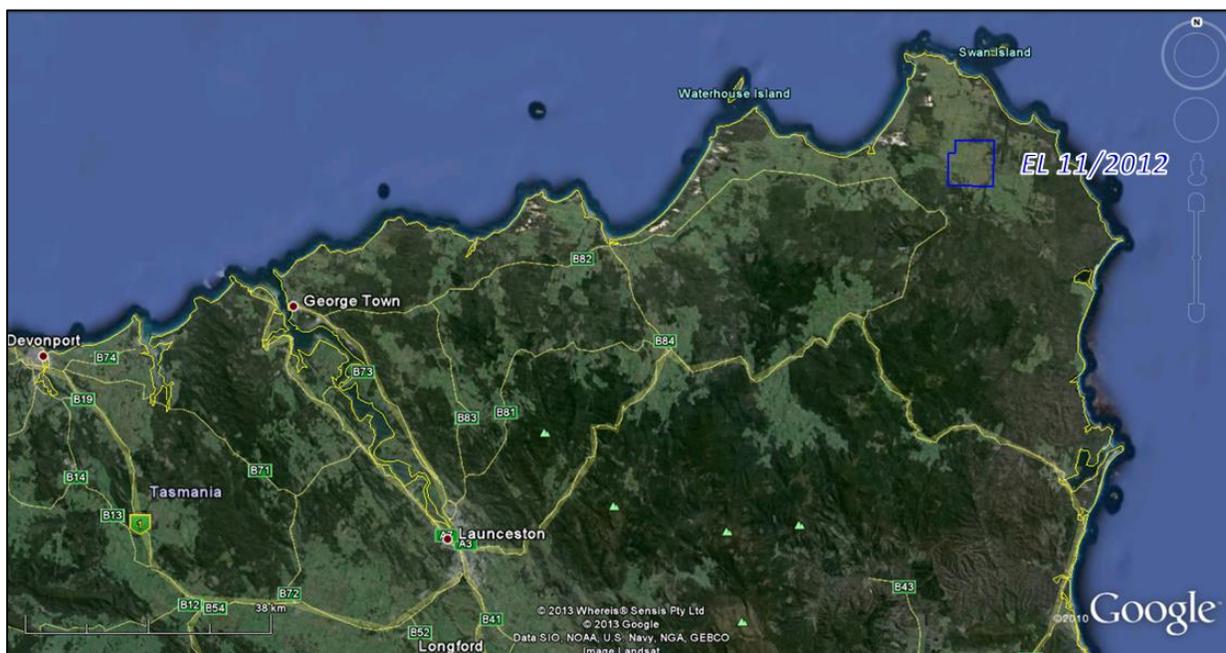


Figure 1. Google Earth satellite image showing the location of EL 11/2012 in northeast Tasmania.

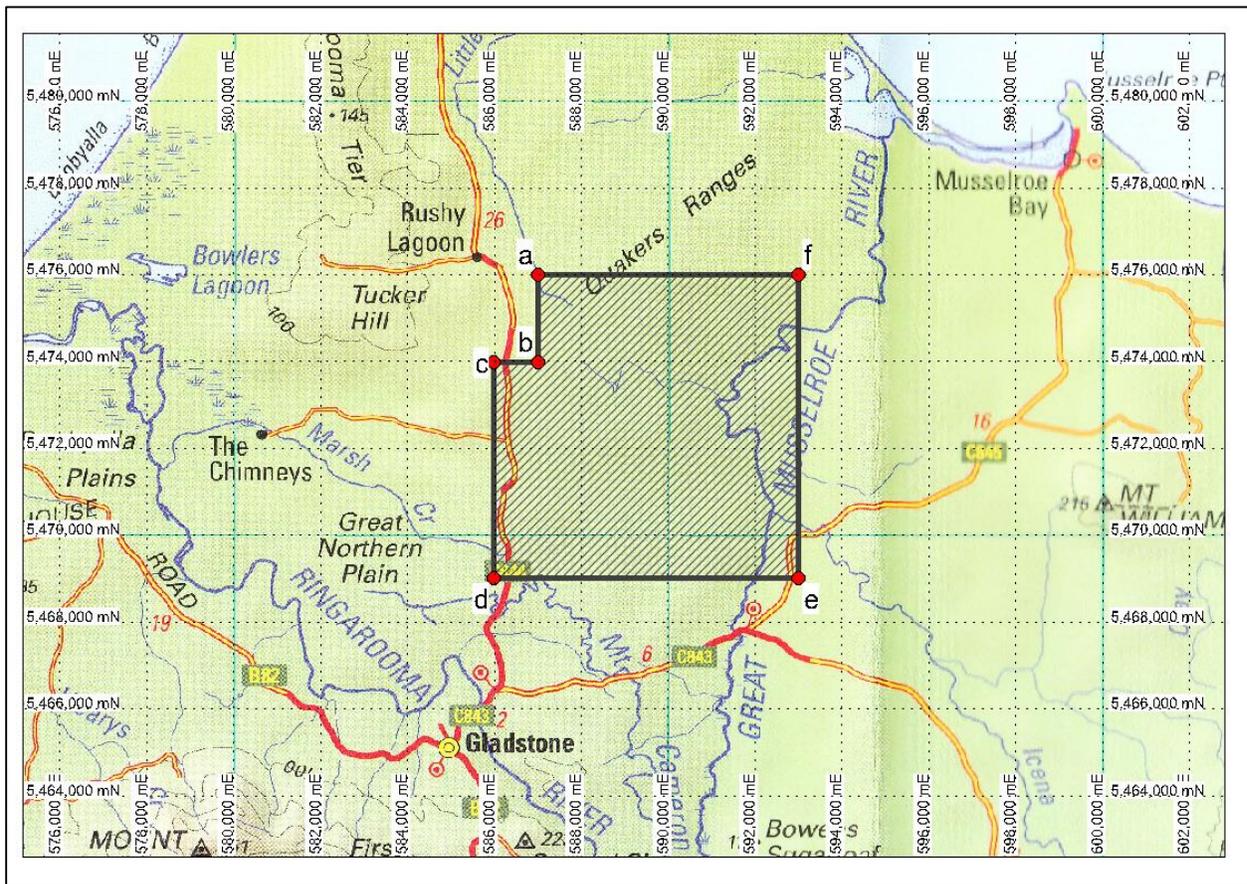


Figure 2. Location plan showing EL 11/2012 area. Datum used is Map Grid of Australia 1994 (MGA94), Zone 55, GDA94.

1.2 REGIONAL GEOLOGY

The Paleozoic geology of northeastern Tasmania comprises a 5 to 7 km thick, deformed sequence of Ordovician-Silurian (to early Devonian) aged turbidites known as the Mathinna Supergroup (or “Mathinna Beds”). Rocks of the Mathinna Supergroup were folded and metamorphosed to sub- to mid-greenschist facies during the Early to Middle Devonian. Several extensive S- and I-type granitoid batholiths (namely the Scottsdale, Blue Tier and Eddystone Batholiths) intruded the Mathinna Supergroup during Late Devonian times (around 400 Ma to 375 Ma). The granitoids area surrounded by narrow metamorphic aureoles indicative of intrusion at a high crustal level. The Mathinna Supergroup and granitoid rocks are unconformably overlain by flat-lying Permo-Triassic rocks of the Parmeener Supergroup which are intruded by sills of Jurassic dolerite. The Parmeener Supergroup rocks are typically unmineralised. Exhumation and weathering during the Tertiary was accompanied by widespread basaltic volcanism.

The Mathinna Supergroup rocks in northeastern Tasmania are host to over 600 gold prospects and deposits, the most significant of which are Beaconsfield (3.25 Mt @ 19.0 g/t Au), the New Golden Gate mine (0.51 Mt @ 15.6 g/t Au) and Pinafore Reef, Lefroy (0.97 Mt @ 10.1 g/t Au). Most of the deposits are orogenic-mesothermal vein-style and occur in clusters along regional NNW trends (see Figure 5). Intrusion-related gold is noted to occur in the Lisle-Golconda goldfields area and is currently of exploration interest. Significant Sn-W deposits are associated with S-type granites and northeastern Tasmania was also a historical tin mining region.

Orogenic style gold mineralisation in northeastern Tasmania is attributed to deformation, folding and peak orogeny in the Early to Middle Devonian, at about 390 Ma, with most of the vein deposits

formed between 385 Ma and 395 Ma (Bierlein et al. 2005). An earlier phase (420-430 Ma) of gold mineralisation during the Silurian has also been noted in some deposits.

Based on geological, structural, tectonic and metallogenetic similarities, northeastern Tasmania has been interpreted as a lateral correlate of the turbidite-dominated fold-thrust belt of the western Lachlan Orogen in central Victoria that is host to the World-Class Stawell, Bendigo and Melbourne Zone goldfield districts (Bierlein et al. 2005).

1.3 LOCAL GEOLOGY

Historical gold workings in the Gladstone-Portland district comprise gold-bearing quartz-sulphide vein lodes hosted within deformed and metamorphosed turbidite slates and quartzite of the Mathinna Supergroup sediments (Figure 3). Devonian granitoids enclose the Mathinna Group rocks to the south and west (Blue Tier Batholith), and north and east (Eddystone Batholith). Jurassic dolerite dominates the northwest part of the coastline outside of the EL. The Mathinna Beds are steeply dipping, striking approximately NNE and consists of interbedded lithic arenite and quartzite, siltstone and pelite, with hornfelsing in metamorphic aureoles around granitoid bodies.

Aeromagnetic and radiometric surveys flown over the Gladstone-Portland district have been quite successful in resolving local- and district-scale structural trends within the Mathinna Beds and boundaries with the Devonian granitoids and associated hornfelsing. Significant variation in the magnetic properties of the Mathinna sediments has allowed for magnetite-bearing sandstone-rich units to be delineated as magnetic-high rocks. The magnetic images clearly show different stratigraphic units in the Mathinna Beds and indicate close to tight folding of the turbidite sequences along a NNE axial planar trend and slight plunge towards the north. District scale NNE to N-S trending axial plane shear and cross-cutting NW-SW trending faults are apparent in the magnetics and appear to be major structural controls on the location of the known historical gold mines.

The structural resolution in the geophysical images has allowed a new structural interpretation for the Gladstone-Portland goldfield district. The new interpretation indicates that known historical gold mines in the goldfield are situated on or adjacent to major district-scale structures. Most of these structures have not been explored beyond the historical prospects.

1.4 EXPLORATION RATIONALE

The exploration model for Cape Portland Gold Project (EL11/2012) has been adjusted to include larger volume lower grade targets as well as the historically recognized, low tonnage, high grade, structurally controlled, orogenic style quartz-sulphide-gold vein deposit types.

Recent studies indicate that based on geological, structural, tectonic and metallogenetic similarities, northeastern Tasmania can be interpreted to represent a lateral equivalent of the turbidite-dominated fold-thrust belt of the western Lachlan Orogen in central Victoria (e.g. Bierlein et al, 2005) that is host to one of the largest orogenic gold provinces in the world with a total of 80 million ounces (Moz) mined since 1851 (Figure 4). The turbidite belts in northeastern Tasmania are host to extensive orogenic style gold mineralisation and numerous historical goldfields (Figure 5). However, unlike central Victoria, the goldfields of northeastern Tasmania are significantly under-explored with very little modern gold exploration and limited deep drilling below near surface lodes.

Analysis of the data generated during this reporting period has resulted in a newly interpreted deposit type to target depicted here as the Windy Ridge stockwork and disseminated gold

deposit model which is based on observed similarities with characteristics of the Fosterville gold deposit in Victoria.

Deposit models targeted going forward include the type model of Victorian- (Bendigo) and New Golden Gate- (Tasmania) style turbidite-hosted orogenic gold deposits, as well as newly recognised gold associated with brittle deformation related stockwork quartz-sulphide, fracture-veinlet and host rock disseminated sulphide mineralisation hosted in massive rock units comprised of silicified sandstone (quartzite) units. This is different from most other orogenic style gold lodes in Tasmania (and worldwide) that usually occur as discrete lodes hosted within dilational fault/shear zones and in siltstone-shale dominated rock units.

The identification of this style of orogenic stockwork-disseminated gold mineralisation in the Portland Gold Project having direct comparison to major producing deposits such as Fosterville is significant. Reconnaissance mapping has delineated at least three mineralised structurally controlled N-S to NNE trending zones of silicified and stockwork veined sandstone trends which contain known gold mineralisation over a total combined strike length of at least 15 km.

Historical mining and exploration in the Portland goldfield was focused on discrete lode gold style deposits which while high grade, are generally of limited volume extent. These higher-grade lodes are likely to form within larger zones of stockwork mineralisation and offer potential for high grade pods. Historical reports indicate the presence of stockwork style veins in the area but that the gold grades were too low for viable mining at the time (grades of 1-2 g/t Au reported).

The Gladstone-Portland district is probably one of the least explored and forgotten goldfields of Tasmania and until recently had never been drill-tested. A revised structural interpretation of the area suggests that known historical gold mines in the Gladstone-Portland goldfield are situated on or adjacent to district-scale NNE-trending axial planar structures and intersections with NW trending structures. These structures have never been explored beyond the immediate historical mine areas and are considered to represent a significant opportunity for discovery of new gold deposits across the goldfield.

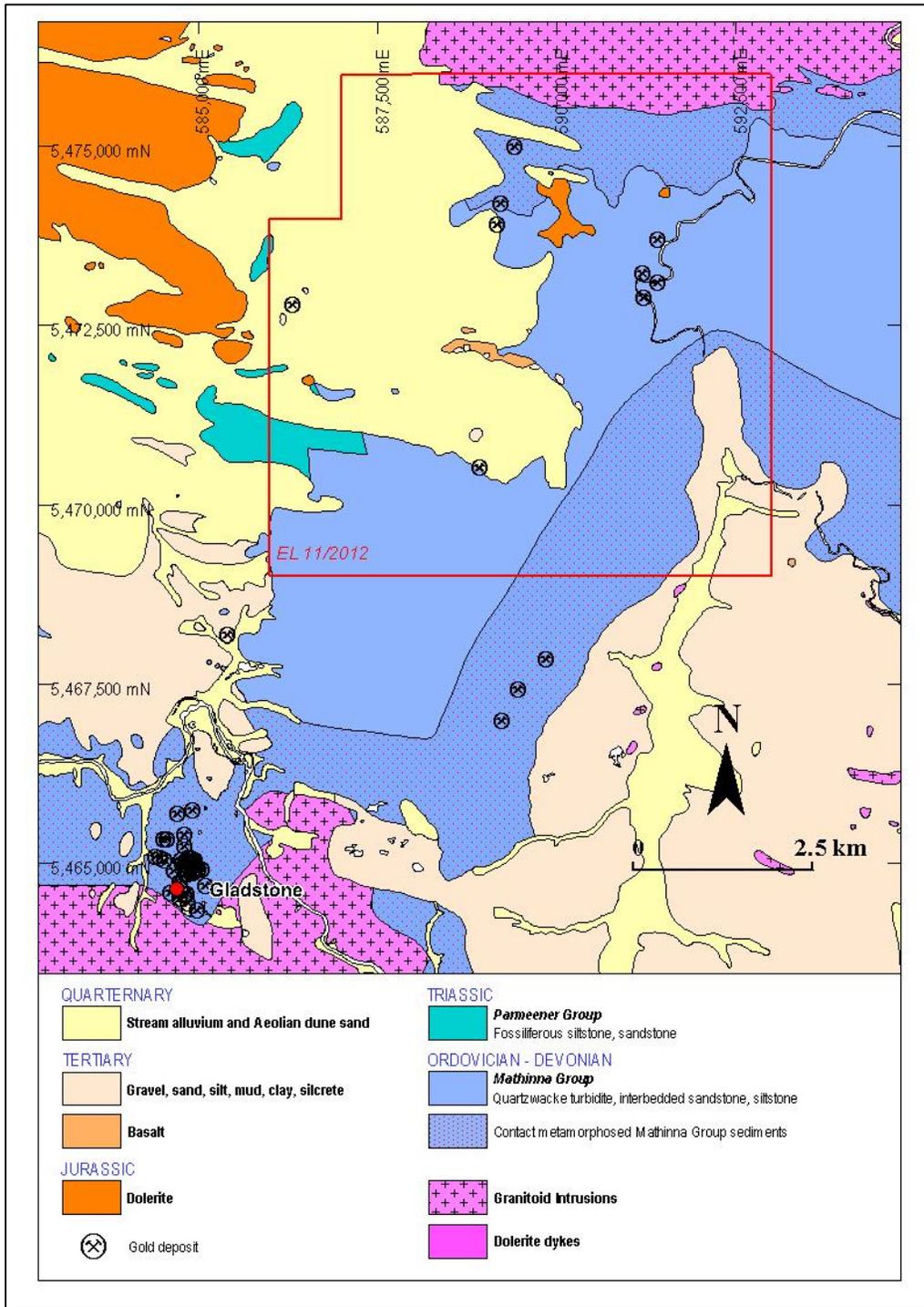


Figure 3. Geology map of the Gladstone-Portland goldfields area.

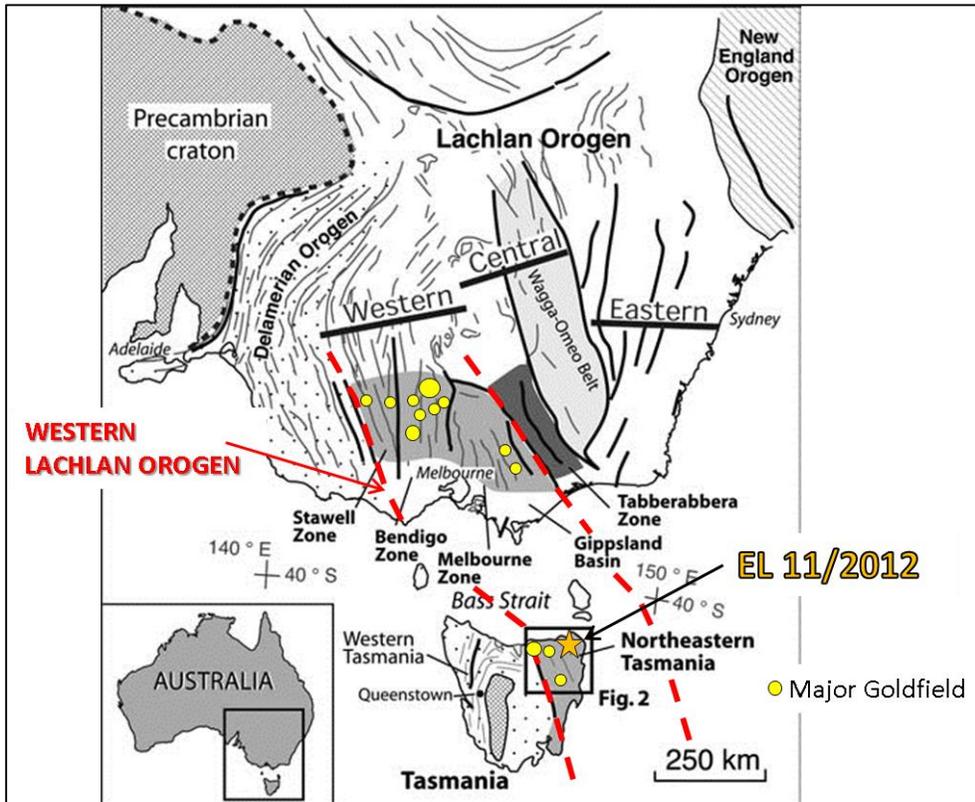


Figure 4. Map illustrating the inferred tectonic correlation between northeastern Tasmania and the western zone of the Lachlan Orogen in Victoria (modified after Bierlein et al, 2005).

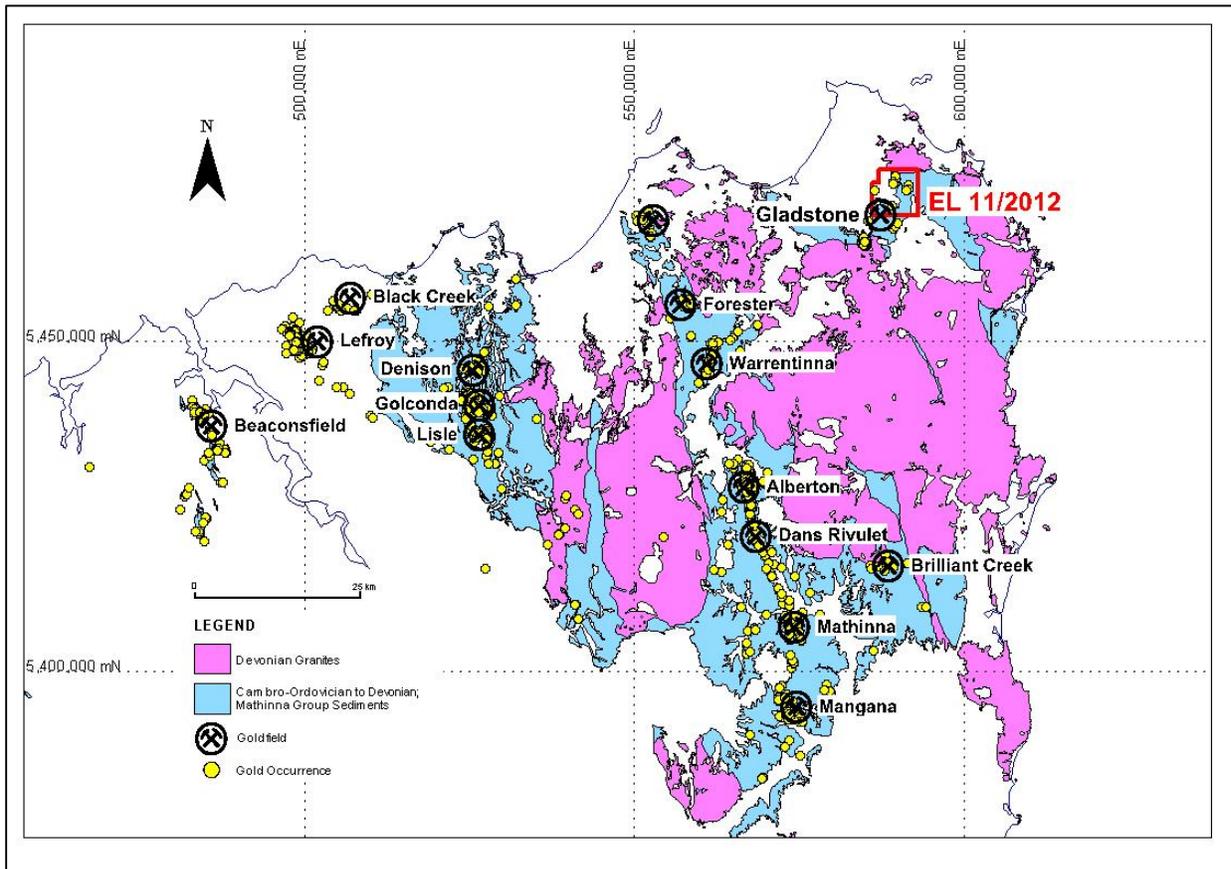


Figure 5. Map showing the goldfields of northeastern Tasmania with simplified Ordovician to Devonian geology.

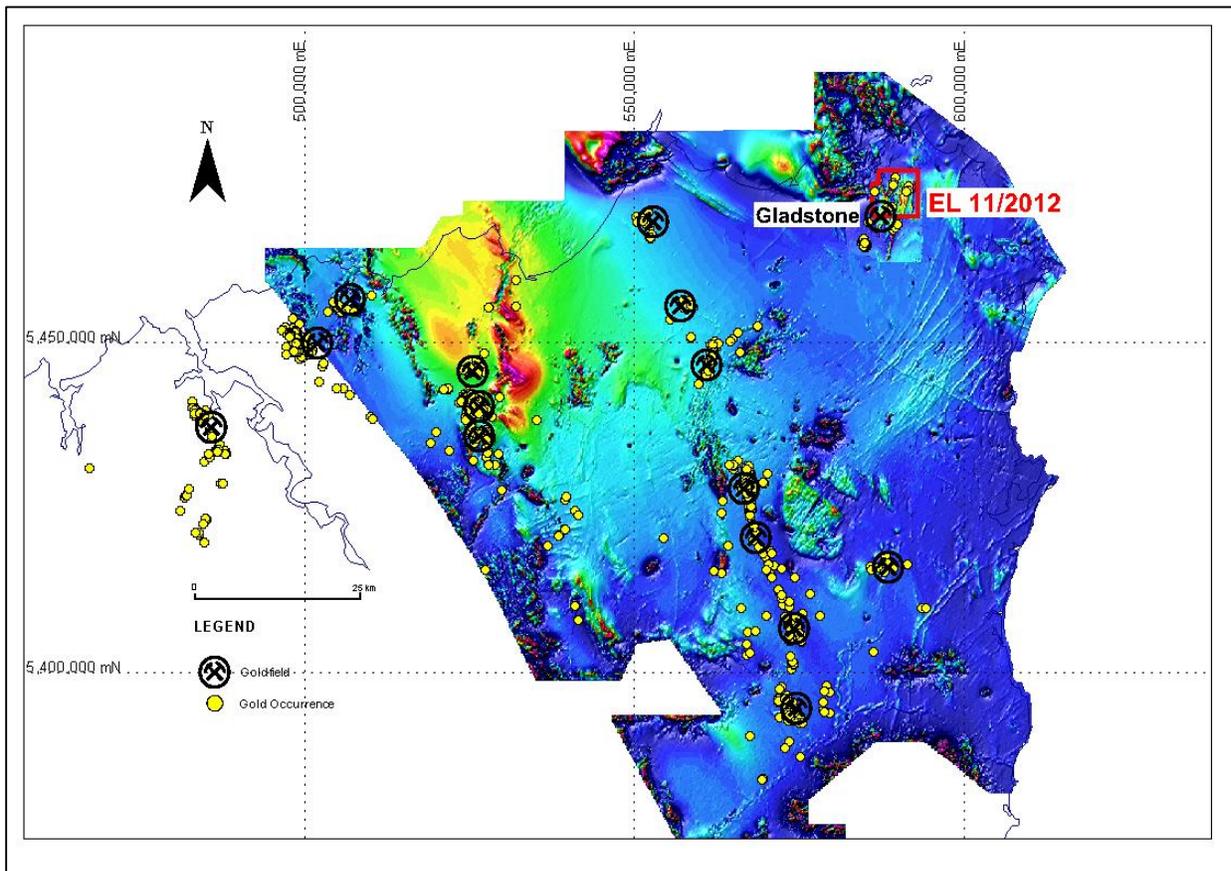


Figure 6. Regional magnetics image (TMI) and goldfields of northeastern Tasmania. Geophysics Data Source: 2007 Northeast Tasmania survey (MRT Survey ID: netas2007, Tasmanian Geological Survey).

2.0 EXPLORATION COMPLETED THIS REPORTING PERIOD

Exploration activity carried out during the fifth year of tenure of EL11/2012 included:

- District scale reconnaissance geological mapping and rock sampling with limited follow-up detailed prospect scale mapping and sampling in selected areas (ongoing).
- A total of 341 rock chip samples were collected and assayed.
- Gridded hand-held auger soil sampling over the Portland and Windy Ridge prospect areas. A total of 373 soil samples were collected and assayed. The soil sampling was carried out over a nominal 200x50m spacing (N-S grid lines 200 m apart) with infill sampling at 50x50m over selected areas (at the Portland prospect area).
- Costeaming at the Portland and Windy Ridge prospects.

2.1 GEOLOGICAL MAPPING AND SAMPING

Regional to prospect scale mapping was conducted over the reporting period. Mapping and sampling programs were directed towards generating new prospect areas by investigating the areas highlighted by the new structural interpretation along strike and or away from historical mineral occurrences whilst further validation of known areas was also undertaken. The program successfully located multiple new silicified and quartz vein sandstone occurrences as well as quartz veining and phyllic alteration in siltstone host rocks. 373 rock samples were collected and assayed with high grade gold identified at numerous prospect locations.

A key outcome of the mapping was the recognition of the widespread occurrence of silicified and quartz veined sandstone units, often associated with cataclasite breccia, and occurring within close spatial correlation to interpreted N-S fault structures. This provides evidence that these are probably the key mineralisation structures in the Portland Goldfield. All known gold occurrences occur broadly along the interpreted N-S structures, while NW and NE trending cross faults may play a role in focusing gold mineralization (Figure 7 and 8).

Summary notes from the reconnaissance geological mapping and sampling are listed below:

- The host Mathinna Group sedimentary sequence can be broadly grouped into siltstone/shale-dominated and sandstone-dominated units. More detailed analysis of the units is currently hampered by limited outcrop exposure. The units are N-S to NNE trending and folded about NNW to NNE trending fold axes as indicated by magnetic marker units in the airborne geophysics (linear magnetic highs). These marker units appear to be related to magnetite-enriched siltstone-mudstone beds as evidenced from hematitic (\pm magnetite) siltstone float. Sandstone dominant units generally correspond to magnetic lows.
- Evidence from available outcrop strongly suggests that the important host unit in terms of gold exploration is the sandstone-dominant unit which due to rheology contrasts with the surrounding softer and more ductile siltstone sequences has responded to strain by brittle-ductile deformation and is commonly host to multiple quartz vein arrays, silicification, fracturing, brecciation and faulting. Most of the significant gold occurrences in the Portland Goldfield occur either within or adjacent to sandstone unit/s. In this sense the gold-bearing veins are structurally controlled stratabound deposits.
- Individual veins and “lodes” within the project area are generally of limited width and strike extent (generally meter scale, occurring normal or oblique to the main strike of the sandstone) and are unlikely to form significant sized gold deposits in themselves. However, there is significant potential for bulk-mineable deposits where veins arrays and gold mineralisation occurs in high enough density to form economic grades. These supposed bulk mineable deposits are likely to be restricted in terms of width (in the order of 5 to 30 m) but have potential for high grades, significant strike and depth/plunge continuity. Highest grade zones are expected to occur where structural controls have caused favourable dilution zones and these could occur anywhere along strike and/or down dip of the host units and/or structures.
- Cataclasite fault breccia’s developed in silicified and quartz veined sandstone units has been mapped in several locations with the best exposed examples being at Windy Ridge and Big Musselroe. The breccias appear to be late and probably post-veining but is likely to have formed along existing N-S structures. The cataclasite breccia’s vary in scale from centimeters to meters in width and in texture from angular to sub-rounded megabreccias to rounded milled breccias. Timing relative to the main gold mineralizing event is currently unclear, however, strongly fractured and brecciated quartz veins at Windy Ridge host high-grade gold values.

Based on the results of the reconnaissance mapping and refining of the structural interpretation from airborne magnetics, there appears at least 3 to 4 gold bearing NS / NNE structural trends within the gold field. Four parallel gold trends associated with NNE trending structures have been identified – from west to east - the Rushy Lagoon, Barn Ridge, Windy Ridge and Musselroe Trends (Figure 7 and 8).

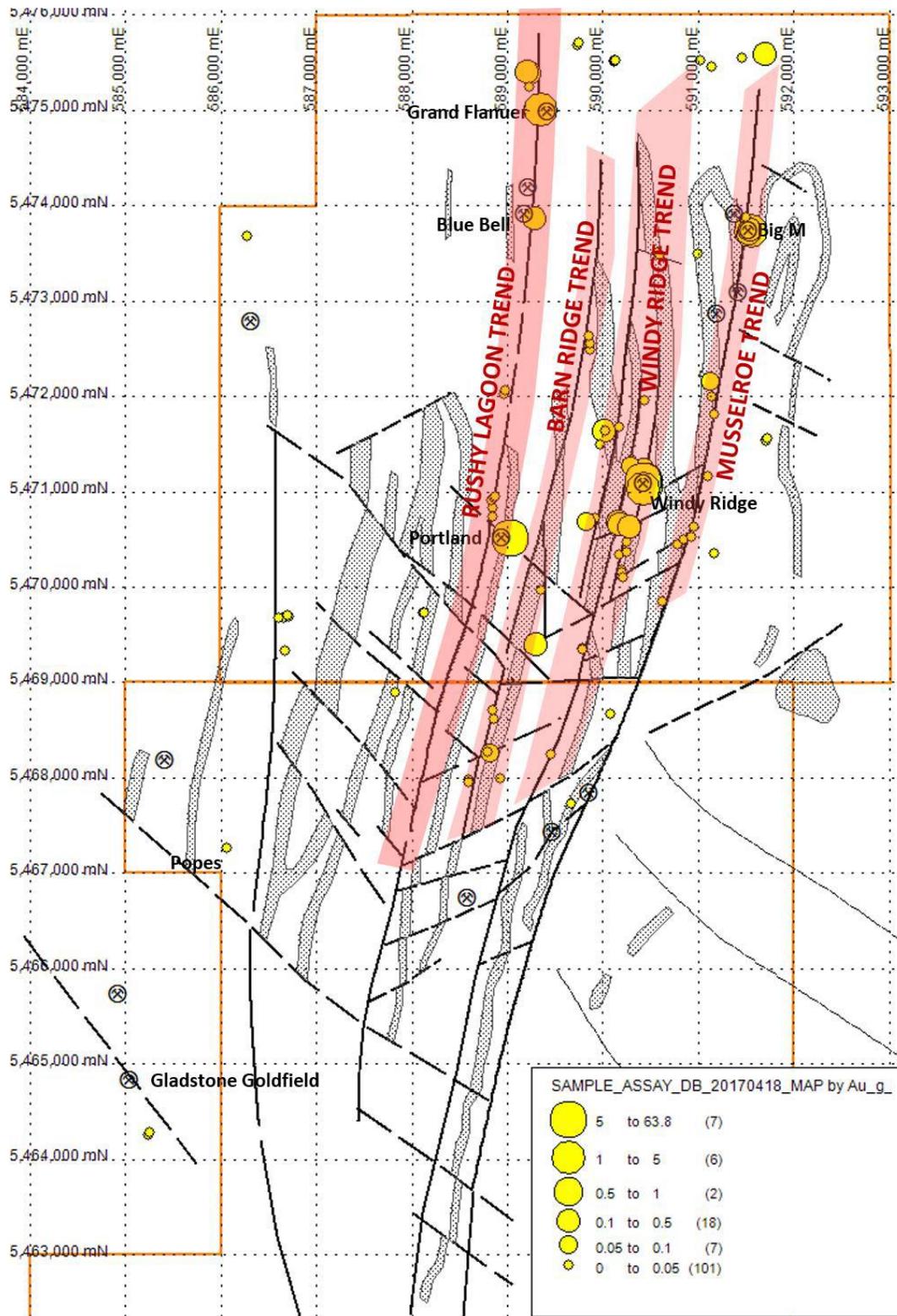


Figure 7. Regional gold bearing sample locations with underlying structural interpretation

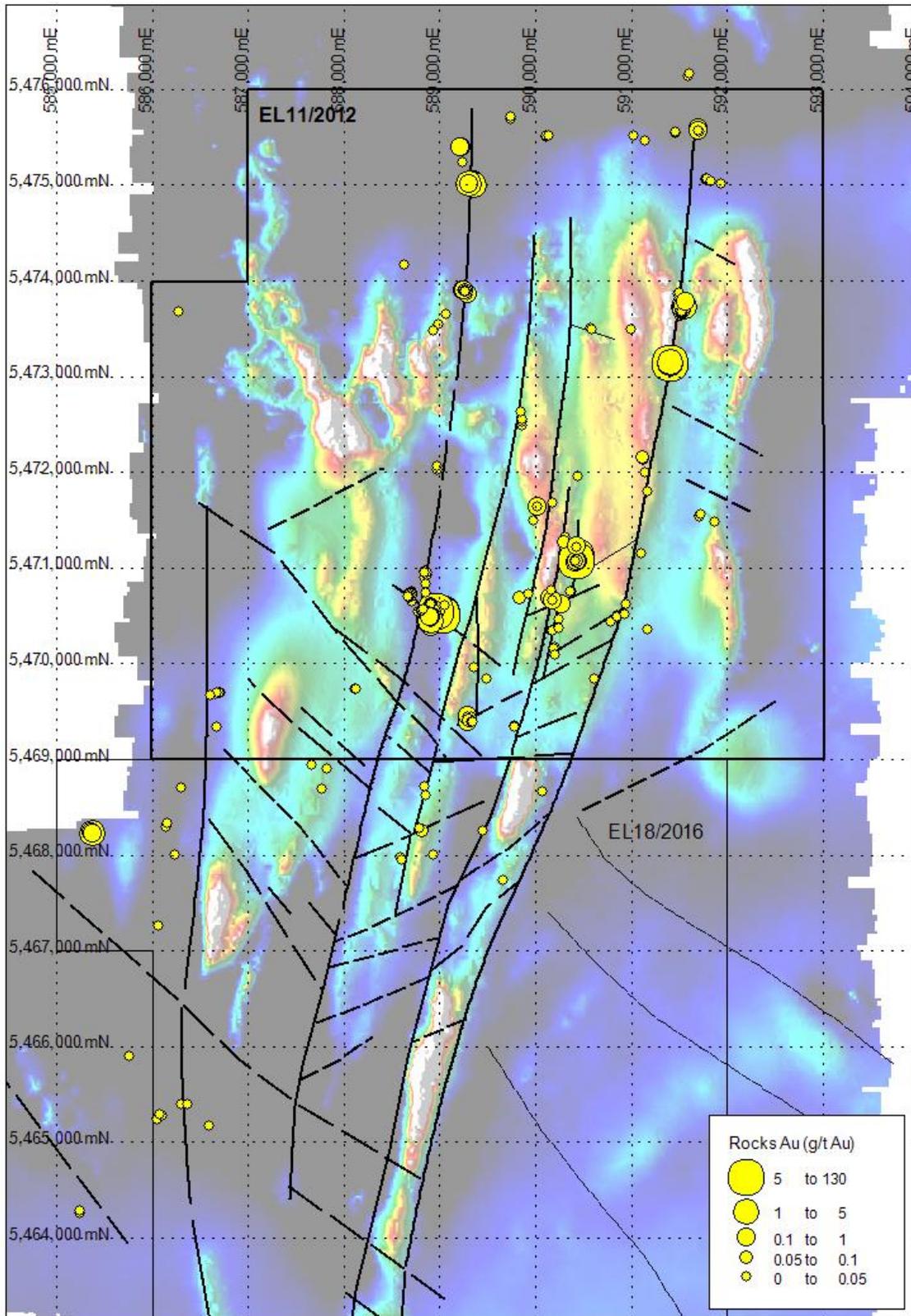


Figure 8. Regional gold bearing sample locations with structural interpretation over Total Magnetic Intensity image (TMI).

Characteristics identified within the different structural trends are given below.

RUSHY LAGOON TREND:

The NNE trending Rushy Lagoon Trend is around 5 km long and includes the historical prospects of Portland, Bluebell, Prince Imperial and Grand Flaneur.

Current exposure in a drainage trench at the Bluebell prospect shows multiple quartz vein arrays hosted within a 30-40 m wide, 340° trending dark grey-blue sandstone unit. Variations in bedding indicate the exposed sandstone is possibly in an anticlinal fold hinge. The dominant quartz vein set strikes around 070°, and dips steeply to the south and north (mostly 60-85° south), with massive veins up to 0.5m wide exposed. Other vein orientations occur but are generally as short gash-leader veins to the 070 set, as thin sub-horizontal veinlets, or as small en-echelon arrays. These observations are generally consistent with historical records which describe the Bluebell workings being developed on two mineralised reefs, up to 1 m wide, 39 m apart. Strike of the reefs was reported as approximately east-west, dipping steep (87°) to the south.

Inspection of the old Prince Imperial prospect workings, located about 250 m NW of Bluebell, indicates that it is a strike continuation of the Bluebell system with fissure quartz veining occurring in the same dark grey-blue sandstone unit bounded by relatively non-veined slaty siltstone units. Historical reports record the veining at Prince Imperial as striking northwest across north striking slates and sandstones which are probably folded in the vicinity. A part of the reef was noted as consisting of numerous, heavily sulphide mineralised veins hosted in meta-sandstone. The sandstone between the zones was also noted as being gold mineralised – Twelvetees (1916) noted a body of indurated sandstone veined with quartz and which has the aspect of an irregular silicification of the sandstone that returned 2.0 g/t Au and 1.2 g/t Ag.

The Grand Flaneur prospect, located 1.1 km north of Bluebell, again displays the case of gold-bearing quartz-sulphide (predominantly coarse arsenopyrite with lesser pyrite) veins hosted in variably silicified grey-blue sandstone and reasonable confidence can be applied in assuming that the Grand Flaneur workings are developed on the same northwards strike continuation of the sandstone-hosted mineralisation as present at Bluebell and Prince Imperial prospects (in the same sandstone unit?). Historical reports describe mineralisation at Grand Flaneur comprising arsenopyrite-pyrite, gold-bearing fissure quartz veins. The main reef was shallow dipping to the south, 1 m thick and is described as having vertical veins rising from it. Reported historical gold grades varied from 6 g/t Au to 1.5 oz/t Au. Samples containing high sulphide content carried 7.6 g/t Au and 1.2 g/t Au. Anglo Australian sampled sulphide-bearing quartz vein from the Grand Flaneur mine area which returned assay results varying between 0.6 and 39.5 g/t Au. Trenching efforts at Grand Flaneur by MHML exposed promising stockwork within steep to sub-vertical, east dipping grey siltstone beds plus larger vein sets with a similar dip and trend to the originally mined reef. RC drilling by MHML that targeted these veins returned encouraging results but were never followed up.

At the old Portland prospect, and host rock to the historically mined gold lode is reported to be a siltstone-mudstone dominated unit and this is consistent with a subtle N-S magnetic high feature. Interestingly, intensive fissure and stockwork quartz veining occurs in silicified sandstones on a small N-S striking ridge ("Portland Ridge") located 300 m to the northwest of the Portland workings. Similar quartz veining in silicified sandstone was again located outcropping along strike some 1.1 km north of Portland Ridge (and 1.9 km south of Bluebell). These occurrences are again interpreted to be strike continuities of the mineralised system along the Rushy Lagoon Trend.

BARN RIDGE TREND:

The Barn Ridge Trend follows an interpreted NNE trending fault structure and is located around 500-800m east of the Rushy Lagoon Trend. Silicified and quartz veined massive sandstone units occur as outcrop, subcrop and float along the trend and silicified cataclasite breccia has also been mapped (providing some evidence for the structure). Rock grab sampling along the trend was disappointing with the best result of 0.15 g/t Au from angular quartz vein float/subcrop at the Quartz Nob prospect. Several rock float of black matrix cataclasite breccia at Quartz Nob indicates similarities to the Windy Ridge prospect area and the presence of a significant fault structure.

WINDY RIDGE TREND:

The Windy Ridge trend is located on a NNE trending structure zone (multiple faults apparent) and at least partly cutting an inferred anticlinal fold. The main prospect is the Windy Ridge prospect.

At the Windy Ridge prospect, multiple gold-bearing vein arrays, forming “stockwork veining” occur hosted in a 10 to 20 m wide massive, silicified sandstone unit. Cataclasite breccia is extensively developed along at least 2 or 3 separate zones and good examples of the progressive development of the cataclasite breccias occur in outcrop and large bolder fault. Low grade gold values in the order of 0.1 to 1.0 g/t Au are common from float/subcrop and outcrop throughout the prospect area along a currently defined strike length of 600 m. Higher grade gold values (commonly 5-10 g/t Au and up to 19.6 g/t Au) are associated with strongly fractured and altered N-S trending fault/fracture zones.

The Windy Ridge prospect is not mentioned in any historical reports, either in government or modern exploration reports but there is some evidence of shallow historical workings along the ridge, mainly in the form of small pits and trenches and 1 shaft developed on a tourmaline-bearing quartz reef (“Tourmaline Reef”) in the far south. It is probable that the occurrence of the very hard quartzite nature of the host rock and near-surface fresh sulfide dominated mineralization discouraged the old timers to develop their working further.

The stockwork veining at Windy Ridge is largely comprised of two dominant conjugate vein sets – a steeply dipping E-W set and a sub-horizontal east-dipping vein set. Other vein sets are also present, including bedding parallel veins, tension vein arrays and sheeted veins of variable orientation. Although the vein networks are probably adjacent to and in part related to brittle fault deformation, the veins are not entirely fault hosted – rather they have infilled fractures within the deformed, silicified sandstone units adjacent to inferred brittle faults. It is apparent that the competency contrast between the hard, massive silicified sandstone-quartzite host units and surrounding softer rocks units has played a key role in the brittle hydraulic fracturing of the massive unit that probably occurred due to high fluid flux during the deformation.

Mineralisation at Windy Ridge occurs as disseminated fine grained to coarse grained arsenopyrite and pyrite within late fractured stockwork quartz veins, fine veinlets along fracture planes and disseminated in the silicified sandstone host rock as selvages around the veins and fractures. Textural evidence indicates that the main mineralising event was late and overprinted the existing stockwork vein/fracture network during a late fracturing/faulting episode. Stylotitic deformation zones are observed offsetting stockwork veining at Windy Ridge and textural evidence suggests that at least some of the sulphides were introduced during this event (note: the stylolites indicate a late compressional deformation episode).

The stockwork veining and silicification at Windy Ridge occurs adjacent to a NNE trending fault zone (now named the Forester Fault) that while not directly observed, is evidenced by a line of silicified cataclasite breccia that can be traced along the eastern edge of the outcropping

silicified/stockwork zone. The cataclasite breccia appears to be a late feature (post veining/mineralisation?) and possibly resulted from reactivation of the structure. Although it is not directly observed to date, there is some evidence to suggest that this fault is west dipping and therefore the outcropping mineralisation would be placed on the hangingwall side of the structure. The recent trenching at Windy Ridge shows that to the east of the inferred Forester Fault (breccia zone), i.e. on the footwall side, silicified and quartz veined sandstone still occurs but is deeply weathered and intensely ferruginised (oxide zone) compared to the exposed hangingwall side rock. The footwall side material also contains a distinct pale green clay alteration which may be a hydrothermal alteration feature. This clay is strongly ferruginised (limonite-goethite-hematite) coincident with manganese oxide enrichment within the upper oxidized near-surface zone.

The host sedimentary sequence at Windy ridge is generally steeply dipping (70° to sub-vertical) to the west. In trench WTR01 bedding dip is observed to shallow by as much as 30° towards the inferred position of the Forester Fault which may indicate fault drag and therefore a possible reverse (west over east) sense of movement or an alternative explanation is possible inclined folding (west dipping inclined synclinal fold axis). The overall westerly dip in the prospect area suggests positioning on the steep western limb of a N-S trending anticline.

A second line of cataclasite breccia occurs 180 m west of the Forester Fault line at Windy Ridge and is also associated with intense silicification and veining in sandstone. This is interpreted as a second fault structure, parallel to the Forester Fault, and has been named the Wedgetail Fault. Limited reconnaissance rock sampling returned gold values from sulphide mineralised quartz vein float of up to 0.44 g/t Au with 1.42 g/t Ag and 0.9% As along the Wedgetail Fault trend. Soil sampling also confirmed elevated As and Au along the trend. Trench WTR07 which was excavated in the area of the 0.44 g/t Au rock float intersected a zone of intensely silicified sandstone and large boulders (up to 2m across) of the same with mineralised quartz-arsenopyrite-pyrite quartz veins and disseminated sulphides as selvage around the veins. Trench WTR07 is located along the Wedgetail Fault some 450m south of the discovery zone on the adjacent Forester Fault. A sample of outcropping hematite stained cataclasite breccia rock in the north of the Wedgetail Fault zone (600 m north of trench WTR07) returned elevated gold of 0.1 g/t Au. The Wedgetail line of outcropping and subcropping silicified cataclasite breccia can be traced along it's strike for at least 1.5 km.

MUSSELROE TREND

The Musselroe Trend is the eastern most identified gold trend and includes the historical Big Musselroe ("Big M") and Ross' Reef prospects.

The Big M mine occurs 2.2 km east of the Blue Bell mine, next to the Musselroe River. Reconnaissance mapping in the prospect area was successful in locating the main outcropping section of the mineralised zone adjacent to the Great Musselroe river. The outcrop which is a small cliff face extending some 20-30m along the river bank, exposes strongly quartz veined silicified, fractured and brecciated sandstone and black shales. An open adit from historical mining in the late 1800's extends some 30-40m north into the hill under the surface workings. Mineralised zones in the outcrop at Big M show many similarities to the outcropping lode zone at Windy Ridge, including; stacked sub-horizontal quartz veins and cross-cutting sub-vertical veins all overprinted by intense N-S fracturing and development of cataclasite breccia. The quartz veins contain abundant arsenopyrite and iron oxides in the zones of most intense fracturing.

Further reconnaissance was successful in locating the historical Ross's Reef workings which now consist of a few degraded trenches in thick tea tree scrub. Strongly arsenopyrite and pyrite impregnated quartz veining in sandstone was sampled at the workings. The location of this

mineralisation is interpreted to occur on the same NNE-trending structure as Big M and can probably be considered as a southern extension of Big M.

A newly identified zone of extensive silicification, quartz veining and cataclasite breccia in sandstones was mapped in a zone around 1.8 km SSW of the Big M mine ("South Musselroe" prospect). Sampling of surface float was again apparently affected by surface leaching with only a high of 0.1 g/t Au returned from sampling in this area.

Potential is also recognized for a northwards extension of the Big M mineralisation as silicified sandstone and cataclasite breccia has been mapped up to 1 km north of the Big M workings and coincident with the same interpreted NNE fault structure.

The new Quakers prospect, located 1.8 km north of Big Musselroe is defined by a gold in granite occurrence also located on the interpreted Musselroe Trend at the northern granite-sediment (Mathinna Group) contact. It was discovered during early phase reconnaissance sampling when a rock sample from strongly decomposed coarse grained micaceous granite returned 0.17 g/t Au. Subsequent follow-up sampling returned up to 0.95 g/t Au with 893 ppm As in the same decomposed granite body. Further reconnaissance in the area resulted in the discovery of an extensive zone of weathered sheeted to stock work quartz-carbonate veining with argillic alteration in a Mathinna Group sandstone unit situated around 500 m SSE of the gold bearing granite outcrop. Results from sampling of the sediment hosted stockwork veining was disappointing with no significant gold values returned.

Significant assay results from the reconnaissance rock sampling program include:

Portland Prospect:

- **63.8 g/t Au, 147 g/t Ag, 1.76% Pb and 1.0% Zn** from sulphide-rich (>10% sulphide) quartz veins.
- **11.2 g/t Au and 8.5 g/t Ag** from limonite-goethite stained quartz±sulphide veins in silicified sandstone.
- **12.9 g/t Au and 13.6 g/t Ag** from limonite-goethite stained quartz±sulphide veins in silicified sandstone.

Windy Ridge Prospect:

Several samples taken from float and outcrop returned anomalous gold over a N-S strike length of 600 m at Windy Ridge.

- **19.7, 10.3, 6.31, 5.23 and 3.5 g/t Au** from partially oxidized, fractured/faulted silicified and quartz veined sandstone. Arsenopyrite and/or scorodite noted in most samples.
- Thirteen samples returned between **0.12 and 1.75 g/t Au**.

Grand Flaneur Prospect:

- **4.62 g/t Au** from quartz-sulphide (arsenopyrite-pyrite) vein material.
- **0.3 and 0.7 g/t Au** from altered, quartz veined silicified sandstone.
- **0.1 and 0.2 g/t Au** from massive quartz vein float and outcrop located approx. 400 m north of main historical workings.
- Assays from sampling of massive quartz-sulphide veins are awaited.

Big Musselroe Prospect:

- GR037: **1.9 g/t Au and 8.14 g/t Ag** from oxidized quartz vein float.
- GR039, GR041 & GR042: 0.34, 0.12, 0.14 g/t Au and 2.4, 5.4, 2.1 g/t Ag respectively.

Ross' Reef Prospect:

- GR156: **126 g/t Au with 21.8 g/t Ag** from a quartz-sulphide vein float bolder.
- GR157: 1.2 g/ Au with 11.55 g/t Ag
- GR158: 2.8 g/t Au with 2 g/t Ag.

2.2 AUGER / SOIL GEOCHEMISTRY

Soil sampling programs were completed over the Portland and Windy Ridge prospect areas during the reporting period. Due to aeolian sand cover, a hand auger was utilized to target the B horizon soil profile. At Portland a preliminary soil grid (200 to 400 x 50 m sample spacing) was followed up with an in-fill grid (50 x 50 m sample spacing) in the vicinity of the historical mine area. Soil sampling at Windy Ridge was completed over a 1.6 km of strike with sample spacing at 200 to 400 x 50 m. An extension line and two lines along strike was completed at South Musselroe.

These soil geochemistry programs have generated robust multi-element (Au, Ag, As, Te, Bi, Sb) anomalies across all assessed prospect locations providing evidence that this is a useful and important early stage exploration tool. The multi-element response of these path finder elements are suggestive of the surface expression of an underlying structurally controlled mineral system. As such, Kingfisher see this method as a viable exploration tool and plan to expand auger / soil programs along strike at these prospects as well as cover additional prospective areas.

A regional view of Gold (Figure 9), Arsenic (Figure 10), Bismuth (Figure 11), Tellurium (Figure 12) and Antimony (Figure 13) in soils completed at Portland, Windy Ridge and South Musselroe prospects appear below.

Soil geochemistry programs will be planned to cover selected areas of the major structural trends within the tenement.

PORTLAND

The soil sampling at Portland confirmed the presence of at least 2 anomalous zones in the prospect area – one around the old workings (the “Banksia Zone”) and one 400m to the northwest of the workings (the “Friday zone”). The soil anomalies at Portland are multi-element for Au, Ag, As, Sb, Te, and Bi which is characteristic of secondary enrichment around orogenic style gold deposits.

WINDY RIDGE

Results from the wide-spaced soil sampling completed over 1.6 km of strike at the Windy Ridge prospect indicates a broad multivariate (As-Bi-Sb-Te) anomaly coincident with the mapped zones of fractured silicified and stockwork quartz veined sandstone units in outcrop and float along the ridge. The main soil anomaly, which includes the 200 m discovery outcrop zone, is at least 600 m in strike length and open to the north and south. A 400 m step out soil line to the south returned anomalous values indicating the mineralized system may extend beyond 1 km south from of the discovery zone.

SOUTH MUSSELROE

The small investigation at South Musselroe produced anomalous results on the programs eastern edge to the east of the location of the interpreted structure. These results will be follow up.

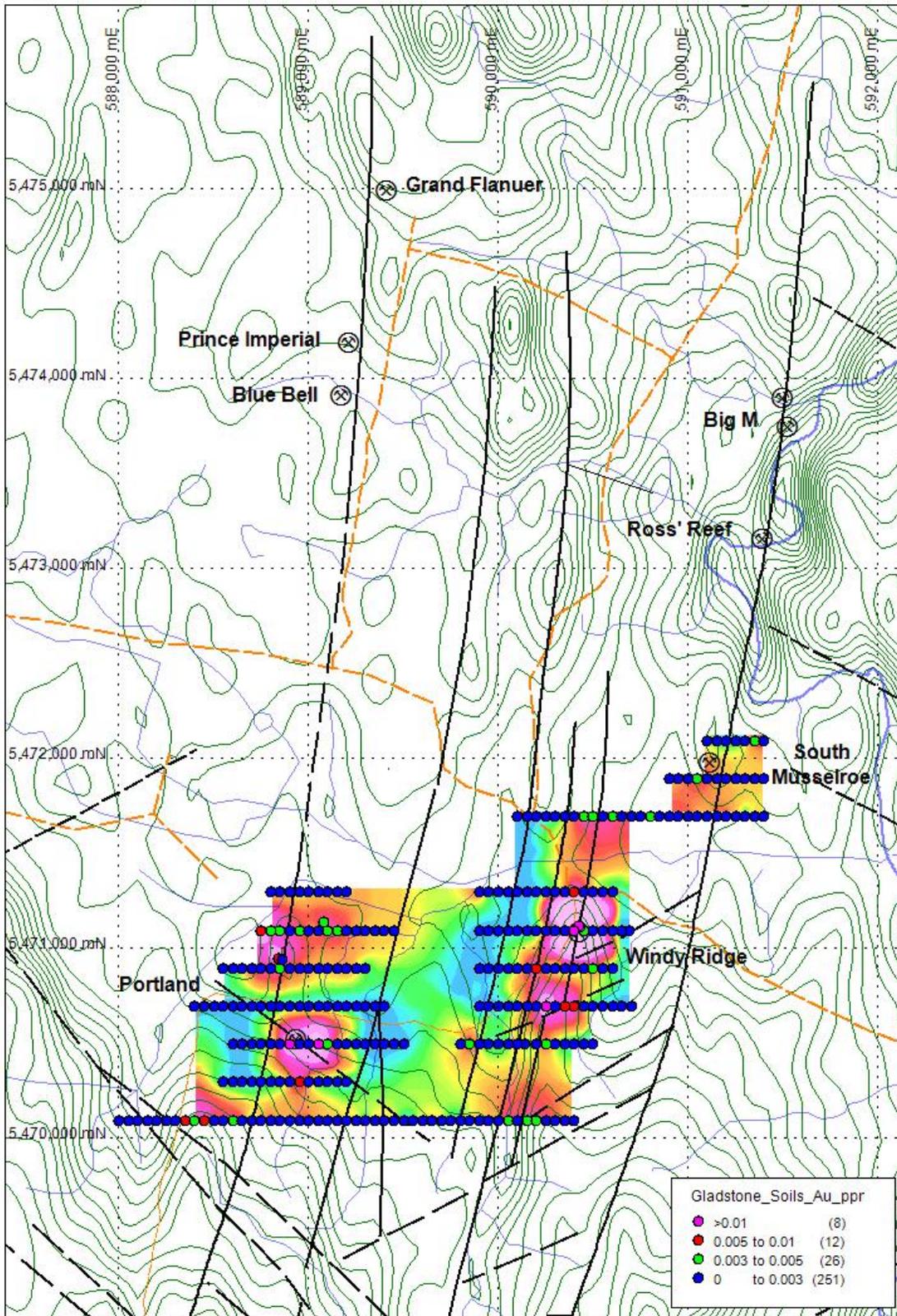


Figure 9: Regional view of Gold in soils over Portland, Windy Ridge and South Musselroe prospects

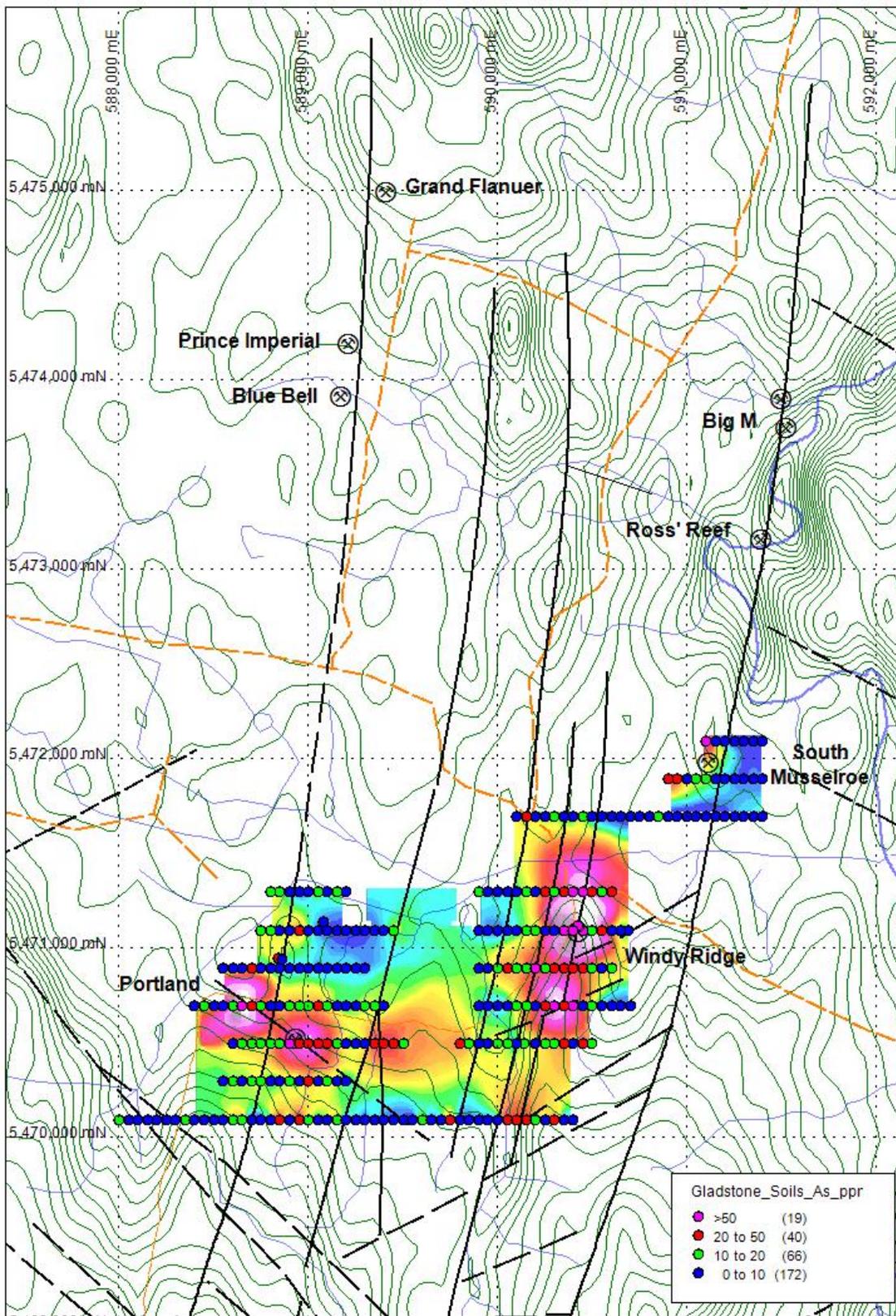


Figure 10: Regional view of Arsenic in soils over Portland, Windy Ridge and South Musselroe prospects.

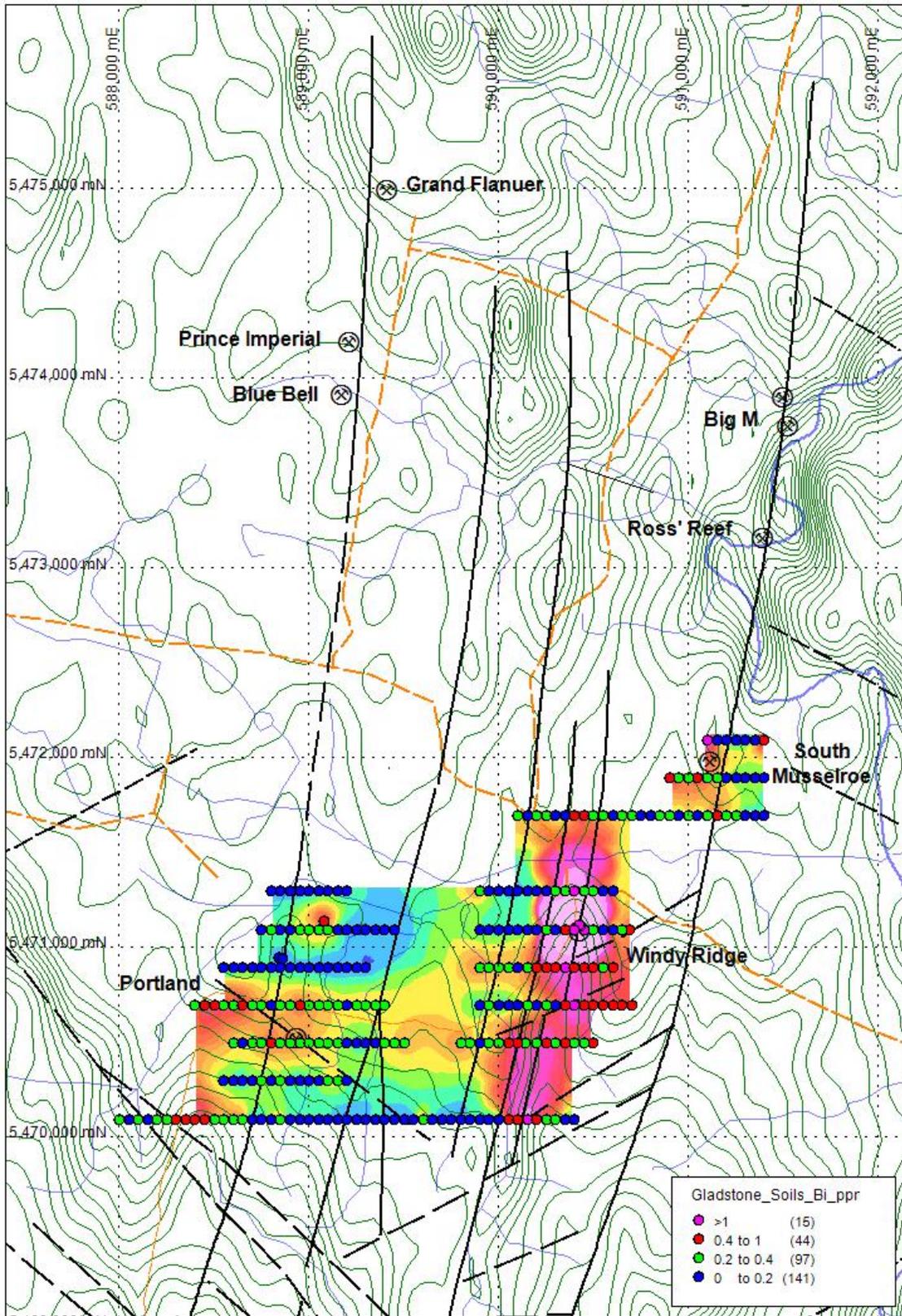


Figure 11: Regional view of Bismuth in soils over Portland, Windy Ridge and South Musselroe prospects.

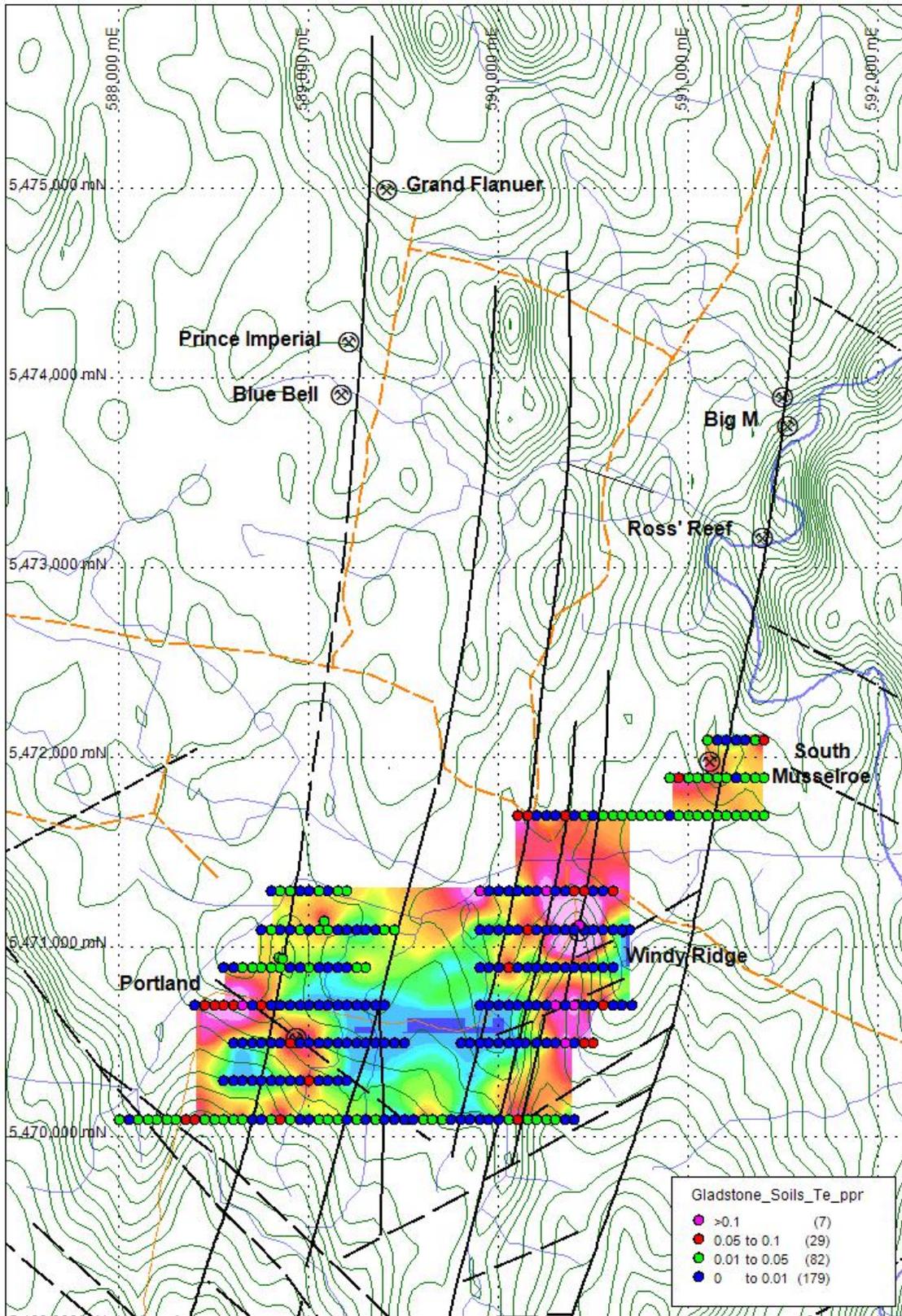


Figure 12: Regional view of Tellurium in soils over Portland, Windy Ridge and South Musselroe prospects.

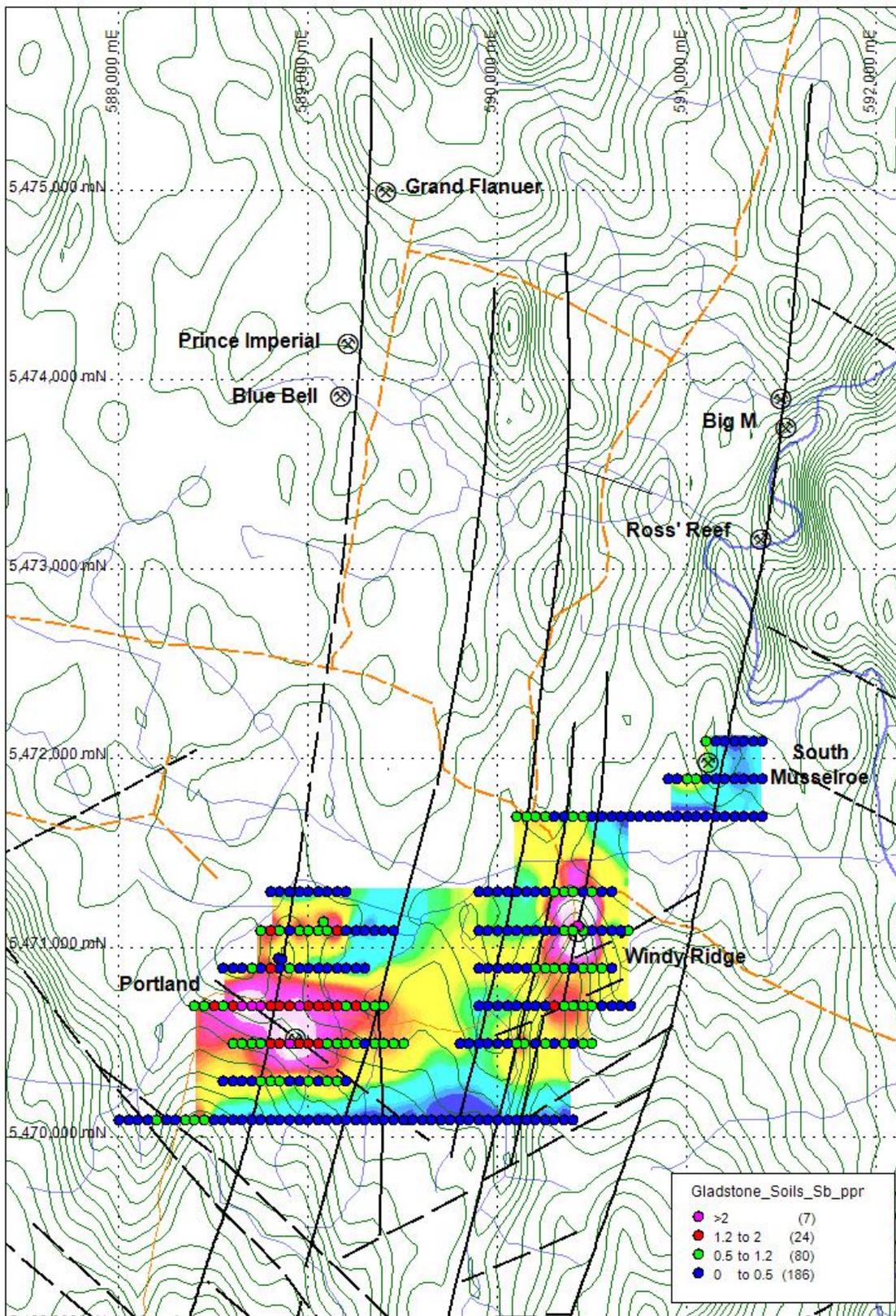


Figure 13: Regional view of Antimony in soils over Portland, Windy Ridge and South Musselroe prospects.

2.3 TRENCHING

A total of 15 trenches were excavated in the Portland prospect area (trenches PTR01 to PTR15); (Figure 10) and 6 trenches (WTR001 to WTR006) completed at Windy Ridge prospect (Figure 11).

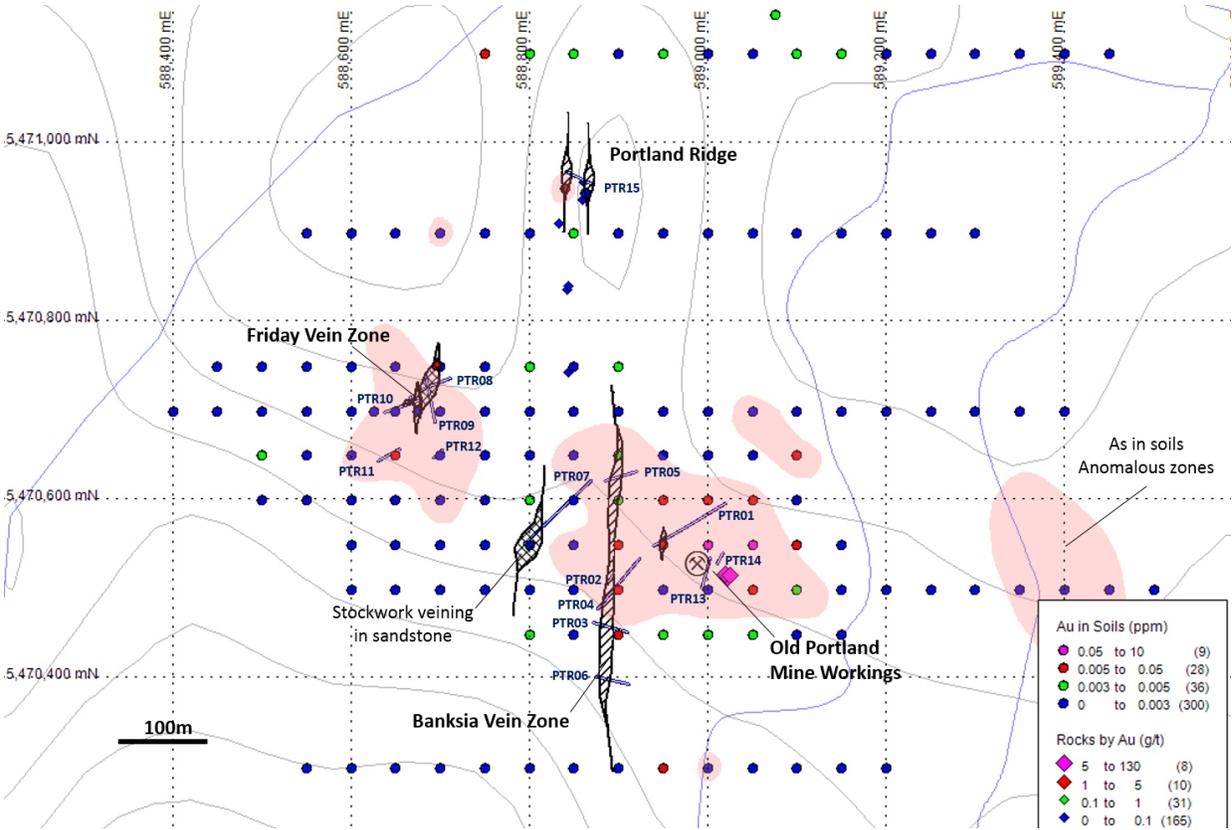


Figure 14. Summary plan of surface geochem, trenches and vein zones at the Portland prospect. Pink zones are anomalous arsenic in soils (>20 ppm).

PORTLAND TRENCHES:

Bedrock exposed in the trenches showed the host rock sequence at the Portland prospect consists of a sequence of steeply dipping sediments which can be grouped into three main units – a massive sandstone dominated unit, a laminated siltstone-mudstone dominated unit and an interbedded sandstone-siltstone unit. Quartz veining is present to variable extents in all the units but is most intense in the massive sandstone and interbedded sandstone-siltstone units. Stockwork quartz veining is a common, almost ubiquitous feature in the massive sandstone units. The siltstone dominated unit is generally only sparsely veined.

Four sub-prospect areas were assessed, two near-by to the historic workings at Portland – Portland Mine and Portland Ridge and two newly discovered zones named The Banksia Vein Zone and the Friday Vein Zone consisting of quartz veining associated with strongly ferruginous (limonite-goethite-hematite) alteration and manganese oxides were identified from trenching. A summary including significant results from the 2017 trenching program appears below.

Banksia Vein Zone:

The Banksia vein zone occurs as a series of widely spaced (generally >1m) sheeted quartz veining hosted in an interbedded sandstone-siltstone unit that extends over a 250m N-S to NNE

trending zone, some 5 to 15 m wide, situated around 100m west of the historical Portland mine workings (in trenches PTR02, PTR03, PTR04, PTR05 and PTR06). The sheeted quartz veins vary in width from 0.5cm up to 50cm in blow-outs and contain variable contents of disseminated sulphides (arsenopyrite and pyrite) and iron oxides or box work texture holes after sulphides (up to 1%). The zone of sheeted veining is surrounded by moderate to intense ferruginisation of the host rock sediments in the near-surface oxide zone. Fractured quartz veins are commonly infilled and stained with iron oxides. The veins trend N-S to NNE (azimuth corrected for magnetic declination) and dip moderate to steeply towards the west.

It is currently unknown if the Banksia zone veining is a part of the historically mine reef at Portland or a separate, newly discovered zone. It is assumed to be the latter due to no recognizable workings on it.

Preliminary assays from channel sampling of the Banksia zone have been received with results including:

- **PTR02:**
 - **4 m averaging 0.5 g/t Au** (4-8 m) elevated Au averaging associated with ferruginous altered quartz veined saprolite and weathered bedrock, including:
 - **2m @ 0.93 g/t Au, 9.6 g/t Ag (4-6m), including 1 m @ 1.41 g/t Au, 13.1 g/t Ag (5-6m);**

- **PTR03:**
 - **8 m averaging 0.22 g/t Au** (20-28 m) elevated Au associated with ferruginous altered quartz veined saprolite and weathered bedrock, including:
 - **1m @ 1.15 g/t Au, 0.3 g/t Ag (25-26m);**
 - 1m @ 0.26 g/t Au (20-21 m);

- **PTR04:**
 - **6 m averaging 0.1 g/t Au** (21-27m) elevated Au associated with ferruginous alteration and quartz veining, including:
 - **1m @ 0.42 g/t Au, 5.71 g/t Ag (22-23m);**
 - Grab samples from the main quartz lode in PTR04 (0.5-1 m wide ferruginous-sulphide bearing quartz-sulphide vein) returned values of 0.5, 0.71 (GR284) and 0.86 (GR285) g/t Au.

- **PTR05:**
 - No significant results.
 - 9 m elevated Au associated with ferruginous alteration, up to 0.05 ppm Au (11-20m).

While the preliminary results from the Banksia zone are somewhat disappointing in terms of the relatively low grade over small intervals, the results (including the elevated gold haloes) do indicate that the zone is gold-bearing and continuous along significant strike and can still be considered as a successful discovery for this stage of exploration. This work demonstrates that new discoveries are to be made in the project area using relatively simple and cost effective exploration techniques. Given the reported high grades from the historical mining, some persistence will be required in further assessment and exploration of the area. It appears that there is potential at the Portland prospect for multiple parallel lodes and possibly for stockwork-

disseminated style mineralisation similar to Windy Ridge. There is also potential for the gold grade to increase at depth and along strike in favorable structural settings.

It is worth noting that exploration for Victorian style deposits generally use thresholds in the range of 50-100 ppb (0.05-0.1 ppm) Au and 100 ppm As to define mineralisation zones in bedrock for scout drilling programs. Significant discoveries have been made following up on such anomalies.

Friday Vein Zone:

The Friday vein zone occurs to the NW of the Portland zone, around 400 m NW of the historical workings, and located on the NW zone geochemical anomaly in soils. It occurs as a zone of intensely ferruginised and manganiferous fractured quartz veins up to 20 cm wide hosted in a massive sandstone unit (intersected in trench PTR10). Intense stockwork quartz veining in massive sandstone was intersected in nearby Trenches PTR08 and PTR09 but are totally leached and lack the ferruginisation as observed in trench PTR10. The orientation of the veins and ferruginous zones in trench PTR10 was difficult to determine due the quality of exposure but appear vary with an E-W trending, south dipping set and a second N-S trending, steeply west dipping set. The leached stockwork veining in trenches PTR08 and PTR09 are dominated by an E-W trending, south dipping sheeted vein set. No primary sulphides were observed in the Friday zone trenches (they are all oxidized).

Portland Ridge:

One trench (PTR15) was excavated on the Portland Ridge zone (500 m NW of the historical workings) to investigate the potential of stockwork-disseminated style mineralisation there. Previous reconnaissance work identified heavy stockwork veining in silicified sandstone as well as cataclasite breccia showing strong similarities to Windy Ridge geology on the ridge. Initial reconnaissance sampling of float returned disappointing results, however this material is all strongly leached and sampling of non-oxidised/non-leached rock is required to confidently assess the gold potential.

Two zones (around 15 m apart) of intensely silicified sandstone with stock work veining and adjacent cataclasite breccia were intersected in PTR15. The western most zone contained significantly more quartz veining than the eastern zone. Unfortunately, the trench did not reach unoxidised bedrock and although light iron oxide staining was present, as well as common boxwork texture cavities after sulphides, the exposed rock was still quite heavily leached. Samples were collected and assay results are awaited.

Portland Mine:

Three trenches (PTR01, PTR13 and PTR14) were excavated in the area of the historical mine workings at the Portland prospect. All trenches intersected weathered siltstone saprolite with minor sandstone interbeds. Several thin quartz leader veins were observed but have the appearance of being barren. An attempt was made to re-excavate a trench dug by Anglo Australian Resources in 1997 in which a 10 cm buck quartz vein was sampled very near the old working (assaying 12.8 g/t Au) and is possibly the Portland reef, however, back-fill material from the previous trench continually collapsed, preventing examination. An adjacent trench (PTR14) was attempted but on intersecting a small zone of quartz veining and then deciding to dig deeper, some old workings were apparently hit and the trench immediately flooded with water. One high grade sample from this area returned –

- **PTR01:**
 - **15.6 g/t Au** from grab sample of quartz vein/breccia rock in clayey fault(?) pug, 1-2% disseminated aspy-py.

Further assessment of the Portland mine area, particularly to the north in an area of highly anomalous As and Au in soils was not attempted due to the ground being low and water logged. Other trenches already dug in the low ground had very deep weathering profiles and rapidly filled with water. All of these trenches had to be pump dry prior to immediate back filling. Trenching in this low-lying ground is better left until the dryer summer months.

WINDY RIDGE TRENCHES:

At Windy Ridge prospect, seven trenches in length were completed. Five of the trenches (WTR01 to WTR03, WTR05 and WTR06) were excavated across 220m of strike in the discovery zone outcrop area, with two further step out trenches (WTR04 and WTR07) testing possible strike extensions 250m and 350m to the south (total strike length tested is 600m).

Mapping of the Windy Ridge trenches confirmed that the mineralised quartz vein arrays are hosted in steeply west dipping units of strongly to intensely silicified massive dark grey-blue sandstone (quartzite) that are interbedded with less altered siltstone and siltstone-sandstone units. The trenching intersected this silicified and stockworked veined siltstone along 600 m of N-S strike length. The altered massive quartzite units vary in width between 5 and 25 m. The intensity of silicic alteration appears to be variable but generally increases with increasing quartz vein density. Zones of high density quartz-sulphide veining, which are likely to represent higher grade intervals, varied between 2.5 and 10 m in width. The silicified sandstone units are generally massive with no internal primary structure. E-W trending north and south dipping, and N-S dipping sub-vertical fracture-vein sets are a common feature in the quartzite units

- **WTR01:**
 - **15m @ 4.7 g/t Au**, including **7m @ 8.6 g/t Au** from N-S trench WTR01a. Strongly fractured, quartz-sulphide veined and scorodite zone in silicified sandstone.
 - Grab sampling of silicified sandstone with quartz veinlets in E-W trench WTR01 returned up to **0.35 and 0.19 g/t Au** (adjacent to main mineralised zone above).
- **WTR02:**
 - Sampling of silicified sandstone with 5% quartz veining returned 5 m @ 0.14 g/t Au, and 5m @ 0.12 g/t Au. A grab sample of a sub-horizontal type vein returned 0.44 g/t Au.
- **WTR03:**
 - 4m @ 0.4 g/t Au returned from silicified sandstone with 5% quartz veining.
- **WTR03a:**
 - 2m @ 2.68 g/t Au from silicified sandstone with 15% sub-horizontal type quartz veins.
 - 1m @ 0.14 g/t from silicified sandstone with 5% quartz veining, 5% disseminated sulphides.
- **WTR07:**
 - A grab sample of sulphide-bearing quartz veined returned 0.3 g/t Au. Consistent with float rock grabs sample (0.44 g/t Au) taken in the vicinity.

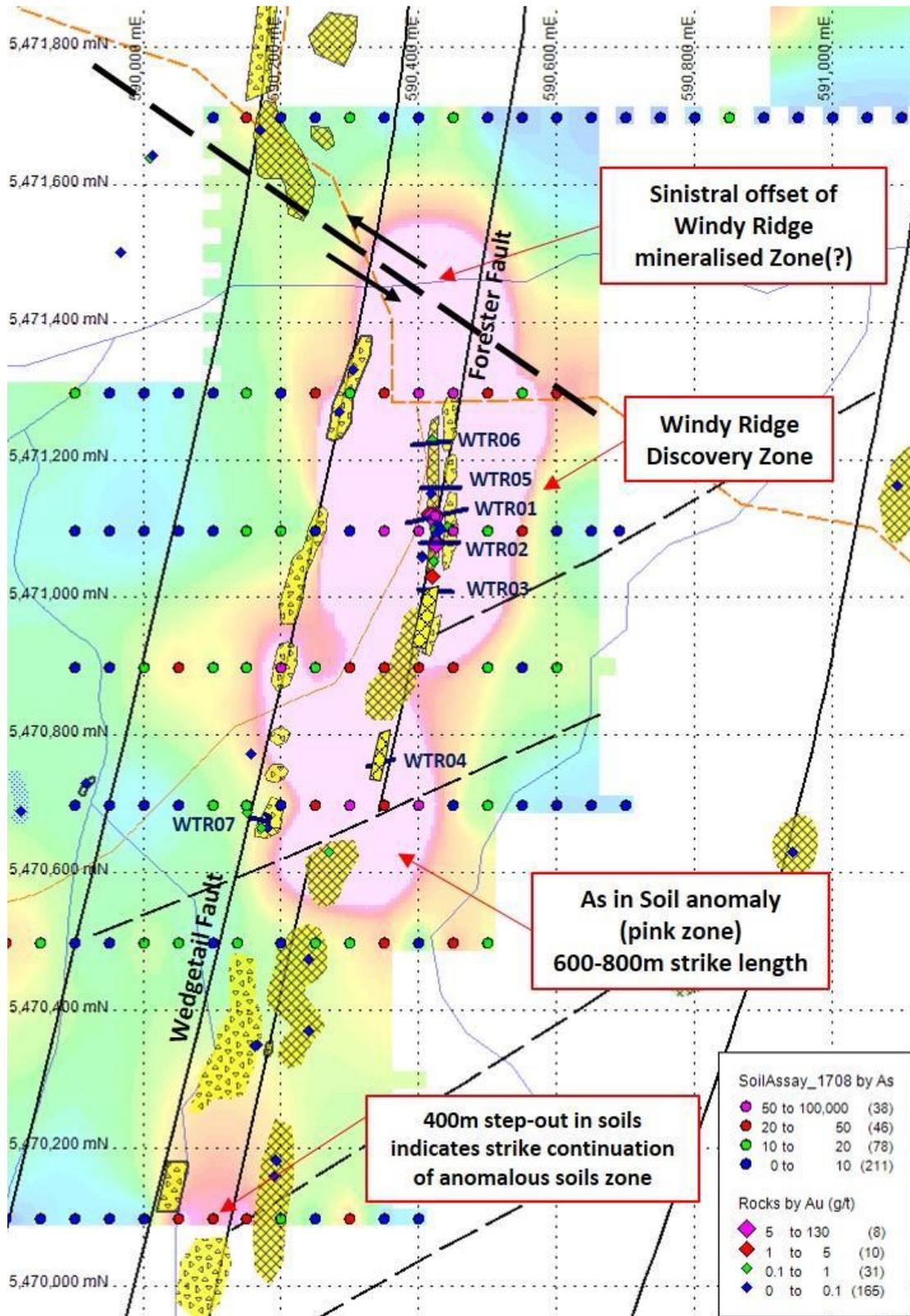


Figure 15. Plan showing key geological features, trenches and surface geochemistry at Windy Ridge.

QUARTZ NOB TRENCHES:

Three trenches were excavated at Quartz Nob (QTR01 to QTR03). The trenches intersected interbedded siltstones and silicified sandstone units similar to the geology at Windy Ridge. The

silicified sandstone contained variable intensity stockwork veining but generally lower compared to windy ridge. The black matrix breccia was found to be related to an E-W bedding discordant shear/fracture zone in trench QTR01.

3.0 DISCUSSION OF RESULTS

Field work programs during this reporting period have significantly advanced the prospectivity of the region. As was the aim, the reconnaissance mapping and sampling program over the Portland Gold Project area has generally been successful in confirming the presence of district-scale structures and associated gold zones that occur along over 30 km's of combined strike along the zones.

Through its step by step exploration approach, Kingfisher has been successful in proving the validity of auger / soils method by generating two highly anomalous prospects for follow with trenches, in turn has provided encouragement to further advance these prospects with geophysics and the planning of drilling programs (based on geophysics results). The validity of shallow auger soil multi-element sampling programs also means this method can continue to be utilized to generate additional prospects for follow up work.

Analysis of the data generated this year has resulted in a newly interpreted deposit type to target depicted here as the Windy Ridge stockwork and disseminated gold deposit model.

A key feature of the Windy Ridge prospect is the occurrence of gold associated with brittle deformation related stockwork quartz-sulphide, fracture-veinlet and host rock disseminated sulphide mineralisation hosted in massive rock units comprised of silicified sandstone (quartzite) units. This is different from most other orogenic style gold lodes in Tasmania (and worldwide) that usually occur as discrete lodes hosted within dilational fault/shear zones and in siltstone-shale dominated rock units.

In the sense of stockwork veining and associated disseminated mineralisation style in competent host rock related to brittle deformation, the style of gold mineralisation at Windy Ridge (and other similar prospects throughout the Portland gold district) shows very strong similarities (almost identical) to orogenic gold deposits such as the Fosterville and Bailieston deposits in central Victoria and to some extent the Mt Charlotte and Boorora deposits in Kalgoorlie, WA. These major gold deposits are considered atypical examples of orogenic style gold deposits within their regions but are still important deposits in their own right, with Fosterville and Mt Charlotte being multi-million-ounce gold deposits. Fosterville is currently the largest producing gold mine in Victoria.

The recognition for the style of orogenic stockwork-disseminated gold mineralisation in the Portland Gold Project and having direct comparison to major producing deposits such as Fosterville is significant. Reconnaissance mapping has delineated at least three mineralised structurally controlled N-S to NNE trending zones of silicified and stockwork veined sandstone trends which contain known gold mineralisation over a total combined strike length of at least 15 km (the Rushy Lagoon, Windy Ridge and Musselroe Trends). Historical mining and exploration in the Portland goldfield was focused on discrete lode gold style deposits which while high grade, are generally of limited volume extent. These higher-grade lodes are likely to form within larger zones of stockwork mineralisation and offer potential for high grade pods. It is interesting to note that historical reports did note the presence of stockwork style veins in the area but that the gold grades were too low for viable mining at the time (grades of 1-2 g/t Au reported).

The potential for discovery of possible multiple small to moderate tonnage but high-grade deposits or even 1 moderate to large tonnage deposit along the zones are sufficient to warrant further exploration.

4.0 CONCLUSIONS

Field work programs continue to significantly advance prospectivity within EL11/2012 which have positive ramifications for exploration for the same style of mineralization along strike to the south within Kingfishers adjoining tenement area EL18/2016. The anomalies, findings and interpretation at the Windy Hill target area in particular will assist in directing future exploration activities. Work during this reporting period has validated the use of the new regional structural interpretation and validated the use of auger / soil geochemistry as a key exploration tool. The regional structural model is continually being updated and will be used to direct additional mapping and auger / soil geochemistry programs to generate a pipeline of projects to further develop.

Field work programs during 2016 / 2017 have been ably supported by Kingfishers funding partner in the project, Pacific Trends Resources Ltd. The progress and encouraging results to date have resulted in Pacific Trends wishing to continue to support exploration activities for an additional two-year period where field programs will be designed to continue to generate targets and develop the more advanced target areas in preparation for drill testing.

5.0 ENVIRONMENT

Field activities during this reporting period have had minimal environmental impact and all disturbances have been rehabilitated. The auger / soils programs completed have had no lasting impact on the environment at all. All auger holes are filled in at the time of sampling with no remaining evidence of disturbance. The trenching program at Portland and Windy Ridge have temporarily impacted the landscape. All trenches were filled in within a week of being dug (Figure 13), and all trenches were inspected after rehabilitation by Kingfisher management with the Rushy Lagoon properties farm manager Rodney Moore. Mr Moore was satisfied that the rehabilitation of the trenches was adequate and complete. Consideration was made, particularly at Portland, of the intersection of trenches with the high water table. Assurances were made that there is awareness and appropriate budget availability if any subsidence of the disturbed areas occurs in the future and that Kingfisher are willing and able to undertake additional remediation activities where ever required. Kingfisher have an excellent on-going working relationship with the property manager and will be in constant communication with him on any and all future rehabilitation requirements.



Figure 16. Rehabilitated trench at Portland, August 2017.

6.0 EXPENDITURE

Exploration expenditure over the reporting period for EL11/2012 is summarized in Table 3.

	<i>ITEM</i>	<i>EXPENDITURE (AUD)</i>
1.	GEOSCIENTIFIC COSTS: <div style="text-align: right; margin-right: 20px;"> Geology \$ 142,736 Geochemistry \$ 42,613 Geophysics \$ 0 Remote Sensing \$ 0 </div>	
2.	DRILLING AND GRIDDING COSTS <div style="text-align: right; margin-right: 20px;"> Gridding \$ 0 Drilling \$ 0 </div>	
3.	LAND ACCESS COSTS	\$ 0
4.	REHABILITATION COSTS	\$ 7865
5.	FEASIBILITY STUDY COSTS	\$ 0
6.	OTHER COSTS <div style="text-align: right; margin-right: 20px;"> Rental Fees and geological equipment </div>	\$ 4437
7.	ADMINISTRATION COSTS <div style="text-align: right; margin-right: 20px;"> Legal \$ 0 Administration \$ 1478 </div>	
	Total Expenditure	\$ 199,129

Table 3. Exploration expenditure during the period 31/10/2016 to 01/11/2017.

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