Media Release

Study produces three-fold increase in gold resource estimate for Nevada project

Aorere Resources' proposed Nevada gold investment is showing three times the gold resources previously estimated, following updated resource modelling.

The company announced today a significant increase in the Mineral Resource estimate to 1,069,000 ounces at a gold grade of 6.3 grams per tonne on a combined indicated and inferred basis.

The company has also secured an extension for the exclusive purchase agreement until the end of January 2017.

"Aorere's investment in a detailed technical assessment and new resource modelling has demonstrated that this project has the potential to become a significant mine in resource-rich, mine-friendly Nevada, USA, Chief Executive Chris Castle said.

In a filing to NZX Aorere has announced that:

- Updated resource modelling, incorporating diamond drilling at depth, has increased the JORC 2012 compliant Mineral Resources to 1,069,000 ounces of gold historical resources from 320,000 ounces in the previous, NI 43-101 compliant technical report.
- Mineralization is contained in steeply dipping quartz-sulphide shears from surface.
- Multiple targets have been identified along extensions and potential new shears show scope for increasing the resources significantly.
- Aorere has extended its right to purchase the Fondaway Canyon Gold Project and ten other exploration assets in the AIM package until 30 January 2017.

Aorere, (NZX AOR), a New Zealand-based mineral/oil and gas explorer, has carried out a Mineral Resource estimation for its Fondaway Project, and reports 2.05M tonnes at an average grade of 6.18 g/t gold (0.18 oz/t), containing 409,000 ounces gold in the Indicated category, and 3.2M tonnes at an average grade of 6.4 g/t gold (0.19 oz/t) containing 660,000 ounces of gold in the Inferred category.

These Mineral Resource estimates are classified and reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code — JORC 2012 Edition). A summary is contained in Table A, with details in Table B and Appendix 1, sections 1, 2, and 3.

The Fondaway Canyon mineralization is contained in a series of 12 steeply dipping *en-echelon* quartz-sulphide shears outcropping at surface and extending laterally over 1200m (4000ft), with drill-proven depth extensions to > 400m (1300ft). The bulk of the resources are hosted by the Paperweight, Half-moon and Colorado zones, with the remainder in parallel veins or splays of the major vein/shears identified.

The current Mineral Resource estimate relates only to the eastern half of the 4000m (13,000ft) east-west striking mineralized system, with significant exploration potential remaining both in the eastern section, and relatively untested western zone.

The Mineral Resource estimates were undertaken by Reno-based independent consultants Techbase International, Ltd (Michael Norred) with geological input from NZ based Wairaka Rock Services Limited (Simon Henderson).

In May 2016, NGL, a wholly owned subsidiary of Aorere, entered into a conditional term sheet, securing the exclusive right to acquire American Innovative Minerals (AIM) in Nevada, USA, for the agreed purchase price of US$2 million. AIM holds the rights to the Fondaway Canyon Gold Project, as well as a number of other advanced and early-stage mining and exploration projects.

Under the updated term sheet, NGL has secured exclusivity to acquire AIM until 30 January 2017. Further details regarding AIM and the Fondaway Project were released to market on 16 and 26 May 2016 and are available on Aorere's website: www.aorereresources.co.nz.

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Additional information as required by ASX Listing Rules para 5.8 when reporting Mineral Resources (Also refer to Appendix 1, Sections 1, 2 and 3):

Table A: Fondaway Canyon December 2016 Mineral Resources Estimate

Resource Category	Tonnes[1] (t)	Grade (g/t) Au	Ounces[2] (oz) Au	Type
Indicated	2,050,000	6.18	409,000	UG/Sulphide
Inferred	3,200,000	6.4	660,000	UG/Sulphide

[1] Resource based on cut-off of 1.8m horizontal width >= 3.43 g/t
[2] Rounding differences may occur

Notes:

1. Mineral Resources reported on a dry, in-situ basis.
2. The Statement of Estimates of Mineral Resources has been compiled by Mr. Michael Norred, who is a full-time employee of Techbase International, and a Registered Member of the SME. Mr. Norred has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration, and to the activity that he has undertaken, to qualify as a Competent Person as defined in the JORC Code (2012).
3. All Mineral Resources figures reported in the table above represent estimates at 12th December, 2016. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape, and continuity of the occurrence, and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause computational discrepancies.
4. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).
5. Reporting cut-off grade of 3.43 g/t (0.100 oz/t) selected based on capital and operating costs estimated for the April, 2016 “Fondaway Canyon Project Scoping Report”. A break-even cut-off grade was estimated to be approximately 3.43 g/t (0.100 oz/t), based on projects of similar size, a trailing average price of $1,227, a metallurgical recovery of 90%, and an underground mining method suitable for steeply-dipping veins.

Geology and Geological Interpretation

Gold Mineralization is localised along a 3,200m (2mile) east-northeast trending and steeply south-dipping structures developed within fine grained Triassic carbonaceous siliciclastic sedimentary rocks and Jurassic limestone, cut by Tertiary (Eocene) dykes.

The vertical extent of the gold mineralization is greater than 450m (1,500 feet) based on diamond drilling (2002) and the most persistent vein strike length is 1,100m (3,700 feet) on the Paperweight – Hamburger Hill Zone. Vein width is commonly 1.5m -6m (5 - 20 feet) wide.

Gold is spatially associated with quartz veining and breccia cement structures or shears, and occurs abundantly as inclusions and intergrowths with and within Fe-sulphide, and quartz stockwork fracture filling within the wall-rock shale and siltstone.

Sampling and Sub-sampling Techniques

For each of the drill programs, the RC samples were collected at the drill rigs, using industry-standard practices, under the supervision of the mining company geologists. Reverse circulation samples were split with a Jones splitter when dry and a rotary splitter when wet. Duplicate RC samples were taken from the rotary splitter at the drill rig.

The core samples were split at important geological contacts, and into equal, typically 1.5m (5 ft) lengths within the geology, under the supervision of the mining company geologists. Competent core was sawn in half for analysis, and core that was broken into rubble had approximately half selected by the geologist. In either case, the remainder of the core was left in labeled core boxes.

The samples were prepared and assayed by reputable, certified laboratories. The labs included American Assay (Reno, NV), Chemex Labs (Sparks, NV), Cone Geochemical (Lakewood, CO), GD Resources (Sparks, NV), Geochemical Services (Reno, NV), and Shasta Analytical (Redding, CA).

Samples were dried, then crushed (typically >85% 6-mesh), then Jones riffle-split to obtain ½ to 1 pound splits, with the remainder of the crushed material saved as a coarse reject. The splits were then ring and puck pulverized to 120 to 150 mesh, and stored in a labeled packet.

Assays were all of 30 gram (one assay ton) splits, fire-assayed for total gold, with an A.A. or gravimetric finish. The remainder of the pulverized pulp was saved for check assays.

Drilling Techniques

All of the drilling considered for this report was historic. Drilling records from previous operators indicate some 728 holes have been drilled at Fondaway Canyon, including Core, Reverse circulation (RC), and air track holes, totaling over 67,600m (222,000 ft) according to some previous reports.

The air track holes were deemed to be unreliable for estimation, and some holes were drilled away from Fondaway Canyon, or were drilled for other purposes. In addition, some records have not yet been found in the historic files (to date, all of the “missing” holes have been determined to have been located well away from the area modeled for this Resource estimate. In all, 591 holes were validated for Resource estimation, with coordinate information and downhole assays. These included 8411m (27,595 ft) of core drilling in 49 holes and 40,675m (133,448 ft) of RC drilling in 551 holes.

The drilling contractors used by previous operators include Boyles Brothers, Coates, Drift, Eklund, Ponderosa, and Rough Country. The authors’ observation of the diamond core as viewed and as documented show good recovery in the mineralised zone. The reverse circulation drilling completed shows no record of drilling problems in the mineralised zones.

Mineral Resource Classification Criteria

The Mineral Resources were classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was estimated within a 30.5m (100 ft) radius of influence from the vein intercepts, on a plane parallel to the strike of the vein. The Inferred Mineral Resource was estimated for a region greater than the 30.5m (100 ft) radius, and within a 91.4m (300 ft) radius of influence from the vein intercepts, for veins that showed good continuity. No Inferred Mineral Resources were estimated for some of the minor veins that had fewer, more isolated intercepts.

Sample Analysis Method

The samples were prepared and assayed by reputable, certified laboratories. The labs included American Assay (Reno, NV), Chemex Labs (Sparks, NV), Cone Geochemical (Lakewood, CO), GD Resources (Sparks, NV), Geochemical Services (Reno, NV), and Shasta Analytical (Redding, CA). Assays were all of 30 gram (one assay ton) samples, fire-assayed for total gold, with an A.A. or gravimetric finish.

Check assays and duplicate/resplit assays were run systematically, with check assays on approximately 5% of the total assays, including approximately 23% of the assays over 3.43 g/t (0.100 oz/t). Duplicate assays were run on slightly less than 1% of the total assays, including approximately 14% of the assays over 3.43 g/t (0.100 oz/t). Consistency was good for the check assays and duplicates, with correlations greater than 98% in each case.

Estimation Methodology

The Mineral Resource was estimated for each vein using polygonal estimation on drill intercepts projected onto a vertical long-section parallel to the average strike direction of that vein. Techbase Version 2015 software was used to perform the estimation. A 30.5m (100 ft) radius was chosen for the Indicated Resources, with the radius expanded to 91.4m (300 ft) for the Inferred Resources. The polygons were truncated at faults known to limit the extent of the mineralization.

The area of each polygon was multiplied by the horizontal thickness of the drill intercept, and then by density to get tonnes. The gold grade for each polygon was the length-weighted average of the drill hole assays in the intercept.

The polygonal estimation technique is the same method used in the previous, NI 43-101 compliant technical report (Strachan, 2003). The significant differences arise from the number of drill holes used, including deeper core drilling from 2002, and the hand-drawn polygons used previously vs the computer-generated polygons used for this estimate.

Cutoff Grades

The Mineral Resources are reported at a cut-off of 3.43 g/t (0.100 oz/t), over a minimum horizontal width of 1.8m (6 ft), based on capital and operating costs estimated for the April, 2016 “Fondaway Canyon Project Scoping Report”. A break-even cut-off grade was estimated to be approximately 3.43 g/t (0.100 oz/t), based on projects of similar size, a trailing average price of $1,227, a metallurgical recovery of 90%, and an underground mining method suitable for steeply-dipping veins.

Mining and Metallurgical Methods and Parameters

At this stage, a specific mining method has not been selected, but a minimum horizontal with of 1.8m (6 ft) was considered reasonable for an underground mining operation designed to produce approximately 1000 tonnes per day. Narrower vein widths were increased to 1.8m, using adjacent assays for the diluting grade. For the in-situ Resource estimation, no assumptions were made regarding mining losses or dilution.

No specific processing method or process flowsheet has been selected for the Fondaway Canyon project. An overall recovery factor of 90% was assumed to be reasonable for estimated a break-even cut-off grade, considering historic metallurgical testing with recoveries up to 86 to 95% in one series of tests, and combined total recoveries over 94% in another series.

Environmental Studies, Permitting and Social or Community Impact

Drilling and bulk sampling programs that create surface disturbance of less than five acres are “Notice level” activities with Bureau of Land and Mining. The two BLM Notices in the files show these permits can be obtained at Fondaway in a reasonable timeframe.

Nevada has an orderly and well-defined permitting process in cooperation with the Federal Government. These range from a Special Use Permit at the County level to an Environmental Assessment (EA) or Environmental Impact Statement (EIS) at the Federal level. There are no known barriers to these permits at Fondaway Canyon.

Fondaway Canyon Project holds permits to appropriate water from the Nevada Division of Water Resources, Permit No. 52442 & Permit No. 52786.

The Stillwater Range Wilderness Study Area (WSA) surrounds the Fondaway Canyon project on three sides. The EIS prepared by the BLM in 1987 recommended the entire WSA as “nonsuitable for wilderness designation”. The key reasons for this being significant mineral and energy potential over the majority of the WSA, and that the WSA does not contain features, such as vegetation, scenery, wildlife, geology and historic features significant enough to balance such a loss of opportunities and warrant its designation as wilderness.

Nevada is a major mining district in USA, and the fifth largest gold producer in the world based on annual production (Ressell 2015). The Project benefits from excellent regional infrastructure including good quality bituminised and non-bituminised roads, easy access to water, a nearby regional town (Fallon), and access to mining equipment, assay and metallurgical laboratories, and experienced mining personnel.

References

All references to Mineral Resources Estimates pertaining to this current media release dated 20 December 2016 are defined based on recently completed studies.

Fondaway Canyon is an early‐stage exploration project and, except for historical estimates noted in the Report (as defined below), the Mineral Resource estimates are as defined by JORC 2012 Code.

NI 43‐101 technical report prepared for a previous operator entitled, "Proposals to Upgrade South Pit, Deep Dive, Half Moon, Paperweight, and Hamburger Hill to a Measured Gold Resource, Fondaway Canyon, Churchill County, Nevada (Amended)”; prepared by Strachan, D. CPG; September 2003; was prepared for Royal Standard Minerals Inc. As at the date of the Report, Mr. Strachan was a “Qualified Person” as defined by NI 43‐101.

Economic estimates reported previously are based on *“Fondaway Canyon Project Scoping Report, Churchill County, Nevada, USA”*; prepared for Aorere Resources, Limited, Wellington, New Zealand April 19, 2016 by: Michael Norred, President of Techbase International, Ltd. P.O. Pox 18820; Reno, NV 89511. As at the date of the Report, Mr. Norred was a “Qualified Person” as defined by NI 43‐101.

About Aorere

Aorere Resources Limited (NZX AOR) invests in selected early stage minerals, and oil and gas projects, building shareholder value as projects advance. Aorere has a track record of seeding and developing mineral projects such as Ban Phuc Nickel Mine (AMR), and Chatham Rock Phosphate (CRP). Chatham Rock Phosphate with mining partner Boskalis has a granted mining permit off the

Chatham Rise east of central New Zealand, and is in the process of re-applying for resource consents to operate in this marine environment.

Table B: Fondaway Canyon December 2016 Mineral Resources Estimate by Zone

	Indicated Resources			Inferred Resources		
Zone	Tonnes[1] (t)	Grade (g/t) Au	Ounces[2] (oz) Au	Tonnes[1] (t)	Grade (g/t) Au	Ounces[2] (oz) Au
Half Moon	423,000	6.37	86,800	580,000	6.4	119,000
Hanging Wall	43,000	5.35	7,300			
Sub-total	**466,000**	**6.28**	**94,100**	**580,000**	**6.4**	**119,000**
Paperweight	598,000	6.14	118,100	990,000	6.1	196,000
Paperweight FW	138,000	6.58	29,200			
White Coat	96,000	5.51	17,000	300,000	5.5	53,000
Bellview	107,000	5.42	18,700	150,000	5.4	26,000
W Paperweight	118,000	6.97	26,600	230,000	7.0	51,000
Sub-total	**1,057,000**	**6.16**	**209,600**	**1,670,000**	**6.1**	**326,000**
Colorado	207,000	7.63	50,800	450,000	7.6	109,000
Colorado FW	49,000	4.57	7,200			
Colorado West	101,000	4.41	14,400			
Sub-total	**357,000**	**6.30**	**72,400**	**450,000**	**7.6**	**109,000**
Silicon Ridge	51,000	3.83	6,300	90,000	3.8	11,000
Hamburger Hill	123,000	6.60	26,100	440,000	6.6	93,000
Sub-total	**174,000**	**5.79**	**32,400**	**530,000**	**6.1**	**104,000**
Total Resource	2,050,000	6.18	409,000	**3,200,000**	**6.4**	**660,000**

[1] Resource based on cut-off of 1.8m horizontal width >= 3.43 g/t
[2] Rounding differences may occur

Notes:

1. Mineral Resources reported on a dry, in-situ basis.

2. The Statement of Estimates of Mineral Resources has been compiled by Mr. Michael Norred, who is a full-time employee of Techbase International, and a Registered Member of the SME. Mr. Norred has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration, and to the activity that he has undertaken, to qualify as a Competent Person as defined in the JORC Code (2012).

3. All Mineral Resources figures reported in the table above represent estimates at 12th December, 2016. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape, and continuity of the occurrence, and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause computational discrepancies.

4. Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

5. Reporting cut-off grade of 3.43 g/t (0.100 oz/t) selected based on capital and operating costs estimated for the April, 2016 “Fondaway Canyon Project Scoping Report”. A break-even cut-off grade was estimated to be approximately 3.43 g/t (0.100 oz/t), based on projects of similar size, a trailing average price of $1,227, a metallurgical recovery of 90%, and an underground mining method suitable for steeply-dipping veins.

Competent Persons' Statements

The scientific and technical information in this report that relates to the geology of the deposits and exploration results is based on information compiled by Mr. Simon Henderson, MSc Geology (CODES), an AusIMM Chartered Professional under the Discipline of Geology, and a Competent Person as defined by the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Henderson has reviewed and approved the contents of this media release.

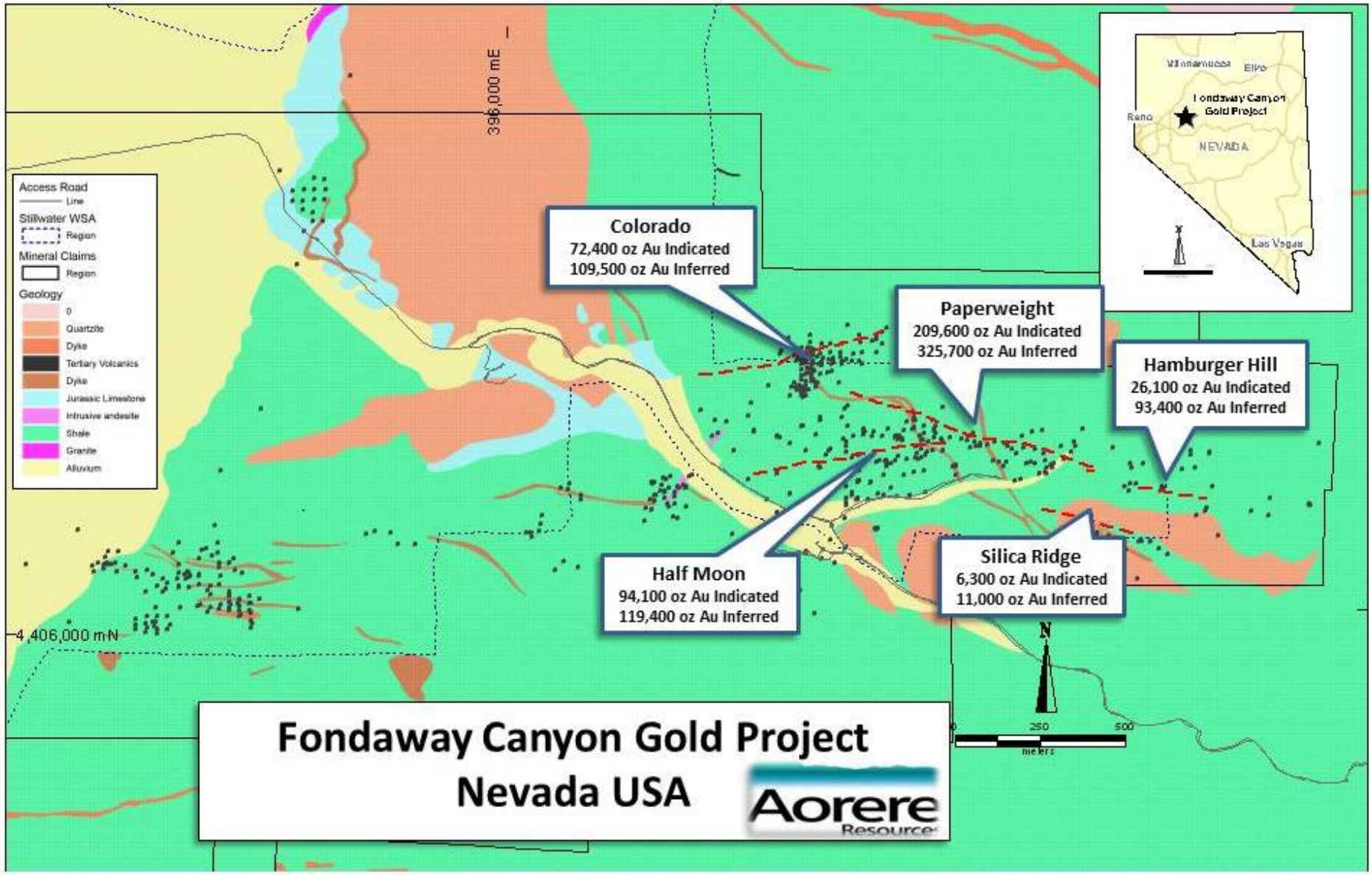
The scientific and technical information in this report that relates to the in-situ Mineral Resource estimates is based on information compiled by Mr. Michael Norred, who is President of Techbase International, Ltd. Mr. Norred, a Registered Member of the SME, is a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Norred has reviewed and approved the disclosure of all scientific or technical information contained in this announcement that relates to the Mineral Resources estimate.

Forward-Looking Statements

This release contains forward looking statements. Forward-looking statements and information are not historical facts, are made as of the date of this release, and include, but are not limited to, statements regarding discussions of future plans, guidance, projections, objectives, estimates and forecasts and statements as to AOR's expectations with respect to, among other things, mineral properties and the matters described in this release.

These forward looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, the timing and receipt of certain approvals, changes in commodity prices, changes in interest and currency exchange rates, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), changes in development or mining plans due to changes in logistical, technical or other factors, unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications, cost escalation, unavailability of materials, equipment and third party contractors, delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk, social unrest, and changes in general economic conditions or conditions in the financial markets.

Figure 1: Fondaway Canyon Project



Appendix 1 - JORC Code 2012 Table 1

The following tables are provided to ensure compliance with the JORC 2012 requirements for the reporting of exploration results, Mineral Resources, and Ore Reserves.

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Surface sampling across all historic campaigns demonstrate consistent channel sampling, and or grab sampling; sample tags are still visible in the field and verified; and sample recording, descriptions and handling appear of professional industry standard. • Diamond core was broken into individual lengths no greater than 5 feet based on lithologic changes, split with a diamond saw, and half core submitted for analysis (SMH observations of core in storage). • Reverse circulation samples were split with a Jones splitter when dry and a rotary splitter when wet.
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).	• All of the drilling included in the estimation was historic. Drilling records from previous operators indicate some 728 holes have been drilled at Fondaway Canyon, including Core, Reverse circulation (RC), and air track holes, totaling over 67,600m (222,000 ft) according to some previous reports. • The air track holes were deemed to be unreliable for estimation, and some holes were drilled away from Fondaway Canyon, or were drilled for other purposes. In addition, some records have not yet been found in the historic files (to date, all of the "missing" holes have been determined to have been located well away from the area modeled for this Resource estimate. In all, 591 holes were validated for Resource estimation, with coordinate information and downhole assays. These included 8411m (27,595 ft) of core drilling in 49 holes and 40,675m (133,448 ft) of RC drilling in 551 holes. • Most of the core holes have been downhole-surveyed and their records retrieved. No record of oriented core was found.
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	• The drill core and assay logs show no lost intervals in the mineralised zones. Half-core mineralised zones observed showed high percentage recoveries. Sample recovery problems are not suspected. • The drilling and sampling programs were historic, and were not observed by the authors of this report. No statement can be made regarding specific measures taken to maximize sample

Criteria	JORC Code explanation	Commentary
	whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	recovery and ensure the representative nature of the samples. • The authors' observation of the diamond core as viewed and as documented show good recovery in the mineralised zone. The reverse circulation drilling completed shows no record of drilling problems in the mineralised zones. • In addition, the fine-grained nature of the gold has resulted in consistent assay results, whether from check assays, duplicate assays, and twinned holes – including duplicate assays at different laboratories, and twinned holes by different mining companies and drilling contractors. It is reasonable to assume there was no bias introduces by preferential loss or gain of fine or coarse material.
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.	• Geological logging has been carried out by professional and competent geologists, hard copy logs are available for all drill information used in subsequent analysis and interpretation, and level of detail is appropriate for the mineral resource estimation undertaken. • Core photography has been retrieved for the majority of core drilling, and core logging has been checked and verified vs the photographs over several core drill holes. • Digitization of the assays and geology has been reviewed and revised to represent a contiguous database with consistent logging codes across the complete dataset, and comprises an ongoing data improvement process as more detail is integrated. • Downhole logging has been supplemented by detailed surface mapping, and an underground exploratory adit that intersected and sampled the Half Moon vein, and provided bulk tonnage material for comprehensive metallurgical testing undertaken. • Comprehensive metallurgical studies have been undertaken by professional Nevada based laboratories as documented in the two reports referenced (Strachan, Norred).
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.	• For each of the drill programs, the RC samples were collected at the drill rigs, using industry-standard practices, under the supervision of the mining company geologists. Reverse circulation samples were split with a Jones splitter when dry and a rotary splitter when wet. Duplicate RC samples were taken from the rotary splitter at the drill rig. • The core samples were split at important geological contacts, and into equal, typically 1.5m (5 ft) lengths within the geology, under the supervision of the mining company geologists. Competent core was sawn in half for analysis, and core that was broken into rubble had approximately half selected by the geologist. In either case, the remainder of the core was left in labeled core boxes. • The samples were prepared and assayed by reputable, certified laboratories. The labs included American Assay (Reno, NV), Chemex Labs (Sparks, NV), Cone Geochemical (Lakewood, CO), GD Resources (Sparks, NV), Geochemical Services (Reno, NV), and Shasta Analytical (Redding, CA). • Samples were dried, then crushed (>85% 6-mesh), then Jones riffle-split to obtain ½ to 1 pound splits, with the remainder of the crushed material saved as a coarse reject. The splits were then ring and puck pulverized to 120 to 150 mesh, and stored in a labeled packet. • Assays were all of 30 gram (one assay ton) splits, fire-assayed for total gold, with an A.A. or gravimetric finish. The remainder of the pulverized pulp was saved for check assays. • Check assays and duplicate/resplit assays were run systematically, with check assays on

Criteria	JORC Code explanation	Commentary
		approximately 5% of the total assays, including approximately 23% of the assays over 3.43 g/t (0.100 oz/t). Duplicate assays were run on slightly less than 1% of the total assays, including approximately 14% of the assays over 3.43 g/t (0.100 oz/t). Consistency was good for the check assays and duplicates, with correlations greater than 98% in each case. • Sample size has not been documented but is normally between 5 and 15 pounds. The fine-grained, disseminated nature of gold in the mineralised shear zones (Schmidt, 1989) indicates sample size is not a critical factor. This conclusion is confirmed by the reproducibility of high-grade gold values (+/- 20%) in intercept assay sheets.
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.	• Standard procedures of crushing and splitting to 200 grams, followed by ring and puck pulverization, followed by a 30 gram split for a one assay-ton fire-assay analysis were performed on all samples. • Some of the assay certificates showed results for blanks and standards, however no written procedure has yet been found to document the frequency of insertion, or whether they were inserted by the mining company or by the lab. The author has found no reason to suspect problems with sample security, preparation, or analysis. Different labs report consistent gold values in the same mineralised zones. Furthermore, use of different labs during infill drilling provided additional security and analytical checks.
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.	• Many of the significant vein intercepts were made by geologists working for previous mining companies. Those intercepts were verified in section and plan, before selecting additional intercepts in additional drill holes and in the newer drilling results. • Twinned holes were examined carefully in the drilling database. In particular, there were three RC holes drilled by Tenneco Minerals to twin RC holes drilled previously by New Beginnings Resource Corp, and extended to greater depths. In each case, the collars are less than 1.8m (6 ft) apart, and the mineralised intervals in the two holes are very consistent over the common depth. Consistency is also seen in several fans of holes drilled from closely-spaced collar locations in the same direction at different inclinations. • Simon Henderson used a Bruker PXRF to sample a number of core intervals, including a complete recheck of hole 02FC-5 at 2.5ft intervals and extra spot checking of mineralization. • All drill data is store in a database maintained by the Techbase Version 2015 software. Data was typically imported from CSV (spreadsheet) files supplied by AIM. Some information was first converted to text from scanned documents using OCR (optical character recognition), and proofed for accuracy. The database was copied to a portable hard drive for backup, at least weekly. • No adjustments were made to the assay data. All assay results are stored as they were recorded by the laboratories, with the exception of some early assays that were from Cone Geochemical, which were recorded in ppm. These results were converted to oz/t for consistency, multiplying by the factor 0.0292 oz/t per ppm.
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.	• Drill collar locations were initially taken from a database supplied by AIM. The collar coordinates were verified vs drill hole compilations found in the files, as well as information on the drill log headers. Locations were also verified vs contemporaneously produced maps by previous operators. Survey records were found for 140 of the 591 drill holes in the database (24%), indicating the original coordinates were surveyed with 3 decimal places of precision (thousandths of feet).

Criteria	JORC Code explanation	Commentary
		• Records for down-hole surveys were found for 26 core holes. The direction and inclination of the hole was recorded for a series of depths, typically every 100 feet. For the RC holes and the core holes with no downhole survey, only the initial direction and inclination for the hole was recorded. • The grid system for all coordinates is Nevada State Plane, West zone, NAD27, with coordinates in feet. • The topographic control was digitised by previous operators from aerial survey-generated maps produced for Tenneco Minerals. The resulting elevation model fits reasonably vs the drill collar elevations when plotted on cross sections. The topographic control was deemed reasonable for this Resource estimation.
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.	• The drill hole spacing varies for the different veins. In the near-surface portions of the veins, the spacing is under 15m (50 ft) for the Colorado and portions of the Paperweight and Half Moon veins. At depth, the spacing between the vein intervals in adjacent holes averages closer to 30.5m (100 ft). Some areas of the Paperweight, Hamburger Hill, and Silica Ridge have spacing that increases in some areas to 91.5m (300 ft). • The data spacing and distribution was considered sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedure and classifications applied. • Samples were composited to produce a single thickness and grade value for each identified vein intercept in each drill hole. The composite values were used for Resource estimation.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The mineralization occurs in quartz vein shears in steeply dipping (50-80 degrees), east-northeast trending structures commonly 2-6m wide The angled holes in the database were drilled where possible in north to northwest directions, designed to cross this mineralization perpendicular to the trend. That orientation is considered appropriate for achieving unbiased sampling of steeply-dipping vein controlled mineralization. • There are also a number of shallow, vertical holes in the database that were drilled primarily to test the oxide mineralization that was being targeted for surface mining by Tenneco and other previous operators. These vertical holes provide information about the near-surface extent of the veins, but do not provide information on the true thickness of the veins.
Sample security	• The measures taken to ensure sample security.	• Direct pickup by the labs at the drill site is not documented; however core assays verify percussion grades, negating any possible question of sampling security for the percussion holes.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• The database was systematically audited by Michael Norred, CP. • The drilling and assaying used for the Resource estimation was all historic, so the sampling methods and sample preparation techniques could not be directly observed. However, the authors note that as the data was extensively reviewed, they observed that the assay results were remarkably consistent in the mineralised zone, even though managed by different mining companies and geologists, drilled by at least six different contractors, and assayed at six different commercial laboratories. In addition to deliberately-drilled twinned holes, numerous holes are drilled at angles that pass relatively closely through the mineralised zone, and are qualitatively consistent when examined on cross sections. • Simon Henderson for Aorere selected nine representative core samples from the stored 2002 core, which were used for metallurgical testing. The assays for these samples were consistent

Criteria	JORC Code explanation	Commentary
		with the original, 2002 assays.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• The Fondaway Canyon Project includes 136 contiguous, unpatented lode mining claims, covering approximately 900 ha (2,220 acres or 3.5 square miles), on BLM administered land in Churchill County, Nevada. The majority of the claims are currently controlled by American Innovative Minerals (AIM) under a Mining Lease/Purchase Agreement, originally signed in 2012 between Richard Fisk as the owner and Manhattan Mining Company. The agreement was assigned from Manhattan Mining to Royal Standard Minerals (RSM) in August 2013, and then from RSM to AIM in November 2013. • There is a Net Smelter Returns (NSR) royalty of 2% on all minerals produced from the Fondaway Canyon and Dixie Comstock properties, payable to Hale Capital, under a 2013 agreement between AIM and Hale Capital. There is also a NSR royalty of 3%, payable to Richard Fisk, under a 2012 mining lease / purchase agreement between Fisk and Manhattan Mining Company. • The Stillwater Range Wilderness Study Area (WSA) surrounds the Fondaway Canyon project on three sides. The EIS prepared by the BLM in 1987 recommended the entire WSA as “nonsuitable for wilderness designation”. The key reasons for this being significant mineral and energy potential over the majority of the WSA, and the WSA does not contain features, such as vegetation, scenery, wildlife, geology and historic features significant enough to balance such a loss of opportunities and warrant its designation as wilderness. • The unpatented claims were determined to be “Active” on the BLM’s LR2000 land information system, meaning that all required fees have been paid. There are no known impediments to obtaining permits for further exploration or mining activities on the claims.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The claims were originally staked in 1956 by the Fisk family and prospected for Tungsten. • Exploration for gold resources began with Occidental Minerals (1980-1982) and then successively by Tundra Gold Mines Ltd. (1983-1984), Homestake Mining (1984), Mill Creek Mining (1985), Tenneco Minerals Co. (1986-1996), Consolidated Granby (1996-1997), Stillwater Gold (1999), Agnico Eagle (NCI, 2001-2002), Royal Standard Minerals Inc (2003-2013), and American Innovative Minerals (AIM,2013-2016). • Each of these previous operators conducted mapping, sampling, drilling, and other exploration activities, adding to the knowledge of the gold mineralization at Fondaway Canyon. The records of these earlier exploration programs reviewed by the authors indicate that the earlier exploration efforts were systematic, and carried out in a professional manner.
Geology	• Deposit type, geological setting and style of mineralisation.	• Gold Mineralization is localised along 3,200m (2mile) east-northeast trending and steeply south-dipping structures developed within fine grained Triassic carbonaceous siliciclastic sedimentary rocks and Jurassic limestone, cut by Tertiary (Eocene) dykes • The vertical extent of the gold mineralization is greater than 450m (1,500 feet) based on diamond drilling (2002) and the most persistent vein strike length is 1,100m (3,700

Criteria	JORC Code explanation	Commentary
		feet) on the Paperweight – Hamburger Hill Zone. Vein width is commonly 1.5m -6m (5 - 20 feet) wide. • Gold is spatially associated with quartz veining and breccia cement structures or shears, and occurs abundantly as inclusions and intergrowths with and within Fe-sulphide, and quartz stockwork fracture filling within the wall-rock shale and siltstone. • The gold mineralization appears to conform to an orogenic intrusion related mesothermal gold system.
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: o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Exploration results are not being reported and are not material to the current resource estimates. • Information relating to drill hole metadata is reported in detail in the Resources section.
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 should be clearly stated.	• Exploration results are not being reported and are not material to the current resource estimates. • Information relating to drill hole metadata is reported in detail in the Estimation and Resources section. • Data aggregation and assumptions about data aggregation are reported in the Estimation and Resources section. • No assumptions have been made regarding Metal equivalents, as they are not used in the Resource estimation.
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').	• The mineralization occurs in quartz vein shears in steeply dipping (50-80 degrees), east-northeast trending structures commonly 2-6m wide The angled holes in the database were drilled where possible in north to northwest directions, designed to cross this mineralization perpendicular to the trend. There are also a number of shallow, vertical holes in the database that were drilled primarily to test the oxide mineralization that was being targeted for surface mining by Tenneco and other operators. • Exploration results are not being reported and are not material to the current resource estimates. • Mineralization widths and intercept lengths are referenced in the Estimation and Resources Section.
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	• A relevant map of the Resource zones has been included within the main body of text. Tabulations of drill intercepts were deemed not relevant as exploration results are not being reported.

Criteria	JORC Code explanation	Commentary
	views.	
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.	• Exploration results are not being reported and are not material to the current resource estimates.
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.	• Comprehensive reports on exploration, geology, metallurgy and resource estimates are tabled in: • "Proposals to Upgrade South Pit, Deep Dive, Half Moon, Paperweight, and Hamburger Hill to a Measured Gold Resource, Fondaway Canyon, Churchill County, Nevada (Amended)"; prepared by Strachan, D. CPG; September 2003; was prepared for Royal Standard Minerals Inc. As at the date of the Report, Mr. Strachan was a "Qualified Person" as defined by NI 43-101. • Economic estimates used for forecasts are based on "Fondaway Canyon Project Scoping Report, Churchill County, Nevada, USA"; prepared for Aorere Resources, Limited, Wellington, New Zealand April 19, 2016 by: Michael Norred, President of Techbase International, Ltd. P.O. Pox 18820; Reno, NV 89511. As at the date of the Report, Mr. Norred was a "Qualified Person" as defined by NI 43-101.
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.	• The Resource Estimate study has identified potential extensions along strike and at depth over the majority of vein structures identified. A comprehensive review to integrate geology, structure and surface geochemistry is to precede recommendations for a significant drill program to extend the knowledge and confidence in the current resource estimates. • As the comprehensive review has not been completed, it is considered premature to include a diagram of possible extensions and future drilling areas.

Section 3: Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• The database was systematically audited by Michael Norred, CP. • Drill collar coordinates were verified vs drill hole compilations found in the files, as well as information on the drill log headers. Locations were also verified vs contemporaneously produced maps by previous operators. Drill spots were found and verified on at least one map for 462 of the 591 drill holes (78%). Survey records from Tenneco Minerals were found in the files, validating coordinates for 119 of the drill holes, with precision to three decimal places (thousandths of feet). Survey results were also in the files for a 2002 survey by Tri State Surveying of Sparks, NV. Tri State provided confirmation coordinates for ten historic holes, from three different operators, and also surveyed the eleven-hole 2002 drilling program. In all, survey records were found to validate 140 (24%) of the 591 drill holes in the database. • Downhole surveys in the database were verified vs records for downhole surveys that were included with the drill logs. Downhole surveys were found for 26 core holes. No downhole surveys were found for the RC holes. For those holes the initial direction and inclination of the hole was verified vs information on the log header. • Downhole geology in the database was verified vs contemporaneously-produced logs. Simon Henderson checked the logs for two of the 2002 core holes vs the core photos that were stored with the digital logs. In addition, some questionable rock codes were noted while reviewing the cross sections, and were then verified vs the scanned log sheets, and corrected in the database if necessary. • Assays were verified for a sample of 350 holes (59%) vs assay certificates or drill logs where applicable. Downhole data was further checked for gaps and overlapping or reversed from-to values. No significant data entry errors were found, although some of the assay results had been truncated to 2 decimal places (oz/t), and some trace and below-detection codes on the assay certificates had been replaced with hard-coded values by previous operators. Corrections were documented and updated in the database.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• A site visit was made by Simon Henderson and Campbell McKenzie, representing Aorere, during the period from February 24 through 28, 2016. A site visit was made by Michael Norred of Techbase on April 17, 2016, and a further site visit was made by Simon Henderson and Michael Norred, the Competent Persons for this report, on December 4, 2016. Various outcrops and historic mining cuts were examined, and a number of historic drill collar locations were verified using a hand-held GPS. No issues were encountered. • Site visits were conducted, therefore not applicable.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation.	• The author has high confidence in the geological interpretation that the gold mineralization is found in east-west striking, steeply south-dipping, shears, primarily in the carbonaceous shale rock type, with numerous sub-parallel structures or splays. That interpretation was used to guide the assignment of specific vein codes to each mineralised intercept in each drill hole. • Mineralised intervals were identified in each hole, with the goal of identifying correlatable zones averaging over 0.1 oz/t, based on the assay values. Internal assays

Criteria	JORC Code explanation	Commentary
	• The factors affecting continuity both of grade and geology.	less than 0.1 were included so long as the overall overage was greater than 0.1. In some holes, lower-grade intervals were included as place-holders to show the vein was present, but of lower grade, so that higher grades would not be extended into that area. Vein assignments were checked using sections and level plans to ensure consistent correlation. • With some of the sub-parallel veins being relatively narrow, and observed over shorter strike lengths than the main veins, it is possible that some of the intercepts were identified with the incorrect vein. It is also possible that some of the thicker intercepts represent the merging of parallel veins. These alternatives were considered to have no significant impact on the Resource estimation, since each intercept's estimated polygon of influence is counted only once in each case. • Similarly, alternative interpretations of sub-parallel veins vs splays were considered to have no significant impact on the Resource estimation. Again, each intercept's estimated polygon of influence is counted only once in each case. • The major veins, Paperweight, Half moon, and Colorado appear to be continuous over significant strike lengths, truncated (or possibly offset) to the west by the west fault. The minor veins, such as the Bellview and Paperweight Footwall, are apparently less continuous, appearing in fewer holes. This may represent a discontinuous nature for these sub-parallel veins and splays, or it may simply be due to most of the drilling being relatively shallow, and rarely drilling through the entire "package" of veins.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The Mineral Resource was estimated over an overall strike length of approximately 1500m, as a sequence of sub-parallel veins or splays, with modeled horizontal widths from 1.8 to 11m. The Mineral resource extends from the surface to a maximum depth of approximately 460m, depending on the vein.
Estimation and modelling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates.	• The Mineral Resource was estimated for each vein using a polygonal estimate after projecting the mineralised intervals for that vein onto a vertical long section parallel to the average strike of the vein, using Techbase Version 2015 software. A 30.5m (100 ft) radius of influence was chosen for the Indicated Resources. The polygons were then truncated at faults known to limit the extent of the mineralization. • The area of each polygon was multiplied by the horizontal thickness of the drill intercept, and then by density to get tonnes. For vertical holes, the horizontal thickness was estimated using the assumed average dip of the vein. The gold grade for each polygon was the length-weighted average of the drill hole assays in the intercept. • For the Inferred resource, the polygon radius was expanded to 91.4m (300 ft), then smoothed and truncated at faults known to limit the extent of the mineralization. The average thickness and average grade for the Inferred resource was assumed to be the same as the average thickness and grade of the Indicated resource for each vein. The tonnage of Inferred resource was adjusted by the ratio of the area of the Indicated polygons that passed the cut-off to the total area of all polygons for that vein. • These Resource estimates are only for the high-grade, sulphidic, vein-hosted mineralisation. No Resource estimates have been made for the lower-grade, near-surface, oxide mineralization. • There was no historic production recorded for these veins. The Resources modeled for each vein were compared to resource estimates in technical reports produced by

Criteria	JORC Code explanation	Commentary
	• Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	previous authors. The Resource estimates are reasonably similar, adjusting for different cut-off grades used in some of the previous estimates (previous estimates used cut-offs from 0.1 oz/t to 0.2 oz/t, and used minimum widths from 5 to 8 ft), and recognizing that the 2002 drilling, not available to previous authors, extended the mineralised region to significantly deeper depths. • No commercially-significant by-products are expected to be produced. • No estimates were made for deleterious elements, due to limited multi-element data. A specific mineral processing flowsheet has not yet been developed, so no assumptions can be made concerning which additional elements might report to the concentrate, and which might report to the tailings. • The resource was not interpolated using a block model. • No assumptions were made regarding selective mining units, as a specific underground mining method has not been selected. • Only gold grades have been modeled for the Resource. No other variables or assumptions about correlations were used. • Geologic interpretation was used to control the estimation in assigning each drill hole intercepts to a specific mineralised vein, and in calculating an average strike and dip for each vein. Any structures interpreted to truncate or offset the mineralisation were used to truncate the estimated resource polygons. • No grade cutting or capping was applied. The assayed grades were found to be very consistent when compared to re-assays and duplicate and re-split assays, as well as between twinned holes. This was interpreted as being due to the very fine-grained nature of the gold mineralization. This consistency indicated that higher-grade assay results were reasonable, and not an anomaly. In addition, composites across the vein intercept were used for estimation, diluting the influence of any one sample. • The Resource estimates were validated qualitatively by comparing the mineralized areas on the vertical sections to geologic interpretations made previously on long sections. The mineralized areas were found to be consistent with the geological interpretation. • The Resource estimates were validated numerically by comparing the statistics for assays, composites, and the vein intervals with the average grade of the Resource estimate. For the assay data, there were 730 assays above the 0.098 oz/t (3.36 g/t) cut-off, with a mean of 0.213 and a standard deviation of 0.152. For 5-ft composites, there were 705 values, with an average of 0.211 opt and a standard deviation of 0.148. For the vein-interval composites used for estimation, there were 314 values, with a mean of 0.186 and a standard deviation of 0.106. In each case, as the volume associate with the values increased, the mean dropped slightly, the standard deviation was lower. The estimated average grade of the Indicated Resource was 0.180 oz/t (6.18 g/t), which the author considers reasonable when compared to the input data. • No mining has occurred on the sulphide portion of these mineralized veins, and so no reconciliation can be done.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and	• The Resource tonnages are reported on a dry basis. Assays used for the estimates were reported on a dry basis, and the density used for the rock mass was measured by

Criteria	JORC Code explanation	Commentary
	the method of determination of the moisture content.	previous operators on a dry basis. No separate value was available for the moisture content.
Cut-off parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• Reporting cut-off grade of 3.43 g/t (0.100 oz/t) selected based on capital and operating costs estimated for the April, 2016 "Fondaway Canyon Project Scoping Report". A break-even, internal cut-off grade was approximately 3.43 g/t (0.100 oz/t), based on projects of similar size, a trailing average price of $1,227, a metallurgical recovery of 90%, and an underground mining method suitable for steeply-dipping veins.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• A minimum horizontal with of 1.8m (6 ft) was considered reasonable for an underground mining operation designed to produce approximately 1000 tonnes per day. Narrower vein widths were increased to 1.8m, using adjacent assays for the dilutant grade. At this stage, a specific mining method has not been selected, and no assumptions have been made regarding mining losses or dilution.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• No specific processing method or process flowsheet has been selected for the Fondaway Canyon project. An overall recovery factor of 90% was assumed to be reasonable for estimated a break-even cut-off grade, considering historic metallurgical testing with recoveries up to 86 to 95% in one series of tests, and combined total recoveries over 94% in another series.
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• Although a specific mining method has not been selected, it was assumed that tailings from the mineral processing plant will be used to produce cemented backfill for the underground stopes. A small, lined tailings pond may be required for process overflow. No assumptions have been made regarding environmental factors. Aorere will work to mitigate environmental impacts as part of any future exploration, mining, or mineral processing activities, after approvals from Nevada and US Federal regulators.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• A specific gravity of 2.56 (specific volume of 12.5 ft^3/ton), used by previous operators, and in a series of previous technical reports was assumed to be reasonable. • A previous report (Cohan,1997) summarised the testing of seven core samples of mineralised graphitic shale for apparent specific gravity. He reported the average specific gravity was a slightly higher 2.78. There is no discussion on the testing technique or whether the tests were done at a commercial lab or in-house. He then accepts the 2.56 value use by previous authors in his estimates, noting the lower value would account for discontinuities in the rock mass. • The mineralised shears were found to be associated with a geologic unit described as a black, graphitic shale or slate. It was assumed that this previously-used specific gravity would be adequate for all of the mineralised zones.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative	• The Mineral Resources were classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was estimated within a 30.5m (100 ft) radius of influence from the vein intercepts, on a plane parallel to the strike of the vein. The Inferred Mineral Resource

Criteria	JORC Code explanation	Commentary
	confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	was estimated for a region greater than the 30.5m (100 ft) radius, and within a 91.4m (300 ft) radius of influence from the vein intercepts, for veins that showed good continuity. No Inferred Mineral resources were estimated for some of the minor veins that had fewer, more isolated intercepts. • The author took into account all relevant factors, including relative confidence in tonnage/grade estimates, the reliability of the input data, confidence in the continuity of geology and grade values, and the quality, quantity, and distribution of the data. • The Mineral Resource estimates appropriately represent the view of the Competent Person.
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• The Mineral Resource estimates have been reviewed on behalf of Aorere Resources Limited by Simon Henderson, CP, who verified the technical inputs, methodology, parameters, and results of the estimation.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The polygonal estimation method used for this Resource estimation does not provide a numerical measure of accuracy or confidence level. Qualitatively, the estimation method has done a good job of reproducing the shapes of the mineralised regions interpreted on long section. • Although the authors have confidence in the global accuracy of the estimate, several factors were identified that could affect the local accuracy. It is possible that individual vein intercepts have been identified with the wrong vein – particularly in the sub-parallel structures that are identified in only a few holes. Thicker intercepts identified for some veins might turn out to be locations where two or more of the parallel structures are merged together. In these cases, the effect is considered to be negligible, since the contribution from that vein may be grouped with the incorrected vein, but is included only once in the totals. • Another factor that might affect local accuracy is the presence of north-south trending faults, which may offset the mineralization. Since the faults are approximately perpendicular to the strike of the veins, the offsets would be in or out of the vertical plane used for estimation, and thus would have no significant effect on the shape of the estimated polygons or on the global resource estimate. • No mining has occurred on these mineralised veins; therefore no comparison could be made with production data.