

DRILLING UNDERWAY AT MYHREE-BOUNDARY

ASX Announcement
15 November 2018



Black Cat Syndicate Limited (“Black Cat” or “the Company”) is pleased to advise that RC drilling has resumed at the Bulong Gold Project (“Bulong”).

- **Drilling commenced at Myhree-Boundary**
- **2,700m RC Program to follow up on previous shallow, high-grade intercepts**
- **1.4km Myhree-Corridor largely untested by effective exploration**

Black Cat’s Managing Director, Gareth Solly said “We are excited to be following up on our prior successful work at Myhree-Boundary. Our initial drill results have validated both our targeting process and confirmed the promising historical results. This next drill program will seek to extend known mineralisation along the Myhree-Boundary corridor, along which gold anomalism has been identified in historic shallow drilling.”

“Our strategy is to build an initial resource base from multiple deposits, and in addition to the Myhree-Boundary drilling in the near term we will be undertaking RC drill programs at Trump and Patch Dam/Woodline, along with completion of the diamond drilling program which commenced in October”.



Figure 1: RC Drilling at the Boundary prospect at Bulong

Black Cat Syndicate Limited (ASX:BC8)

Suite 6, 16 Nicholson Road
Subiaco WA 6008
PO Box 572, Floreat WA 6014
T | +61 458 007 713
E | admin@blackcatsyndicate.com.au
W | www.blackcatsyndicate.com.au
ABN | 63 620 896 282

DIRECTORS

Paul Chapman Non-Executive Chairman
Gareth Solly Managing Director
Les Davis Non-Executive Director
Alex Hewlett Non-Executive Director

CORPORATE STRUCTURE

Ordinary shares on issue: 57.3M
Market capitalisation: A\$10.0M
(Share price A\$0.175)
Cash (30 Sep 2018): A\$3.1M

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MYHREE-BOUNDARY CORRIDOR

A 2,700m RC drilling program has commenced in the 1,400m long Myhree-Boundary Corridor. This drilling will infill and extend the shallow, high grade mineralisation that already extends over 310m at Boundary and over 150m at Myhree.

Results from 2018 drilling include:

18BORC015	12m @ 4.17 g/t Au from 67m including 4m @ 9.83 g/t Au from 70m	(Boundary)
18BORC021	7m @ 2.49 g/t Au from 66m	(Boundary)
18MYRC011	11m @ 8.30 g/t Au from 28m	(Myhree)
18MYRC009	2m @ 9.63 g/t Au from 119m	(Myhree)
18MYRC001	5m @ 4.14 g/t Au from 7m	(Myhree)
18MYRC003	1m @ 36.90 g/t Au from 14m	(Myhree)
18MYRC004	3m @ 5.61 g/t Au from 46m	(Myhree)

(refer ASX announcements 24 July 2018, 28 August 2018 and 10 October 2018)

The 1,100m between Myhree and Boundary has only three lines of shallow historic RAB drilling all containing anomalous results. In addition, a detailed Sub Audio Magnetics Survey will be undertaken during the December 2018 quarter to assist drill targeting along the Corridor.

This work has the ultimate objective of building Resources along the Corridor as quickly as possible.

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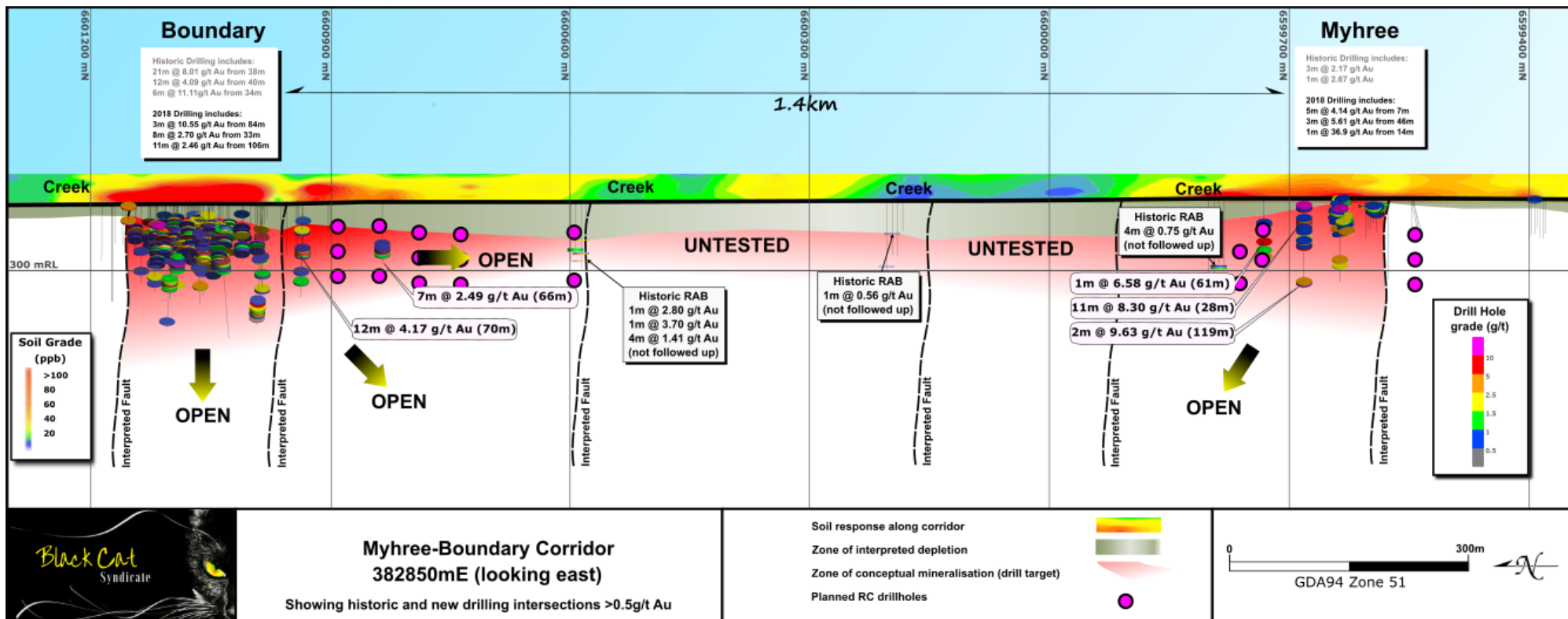


Figure 2: Schematic long section of the Myhree-Boundary Corridor showing all drilling, interpreted fault offsets along the corridor and contoured soil response overlay**

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OTHER RC DRILLING

Trump

A 500m extensional RC drill program is also planned along the emerging 1km long Trump Corridor. This drilling will test an area to the north which intersected high grade mineralisation down to 119m below surface including 8m @ 4.13 g/t Au from 44m (18TRRC003) (refer ASX announcement 28 August 2018) and extended historic results including: 3m @ 14.17g/t Au from 57m (94BRC65), 1m @ 15.20g/t Au from 40m (94BRC68)**.

Patch Dam/Woodline

First pass drilling will be undertaken at early targets at Patch Dam and Woodline which lie to the south of Anomaly 38. Recent drilling at Anomaly 38 intersected high grades including 2m @ 22.10 g/t Au from 73m (18AARC009) on an interpreted north south structure (refer ASX announcement 6 November 2018). Patch Dam and Woodline are two of the largest alluvial goldfields in Western Australia and have historically sourced >100 oz gold nuggets. The source of these nuggets is yet to be identified. Historic drilling in these areas has previously intersected high grade mineralisation, including: 12m @ 8.86 g/t Au from 66m (BUR149) at Patch Dam and 2m @ 7.96 g/t Au from 126m (BRC002) at Woodline.**

NEAR TERM ACTIVITIES

Black Cat is looking to build a resource base from multiple deposits. Our targeting strategy is as follows:

- Advanced Targets: progress mature targets to define JORC Resources and economic deposits as quickly as possible;
- Emerging Targets: assess emerging targets to determine their ability to become advanced targets; and
- Early Targets: efficiently evaluate and prioritise more conceptual targets to ensure that scale opportunities are not overlooked.

Higher priority activities planned for the immediate future are on Advanced Targets as shown below:

- ongoing diamond drilling, targeting depth extensions below the historic Queen Margaret Mine (>240m);
- initial Resource estimation down to 70m at Queen Margaret;
- extensional, infill RC and diamond drilling along the Myhree-Boundary Corridor;
- initial Resource estimation down to 100m at Boundary;
- follow up RC and diamond drilling at Trump;
- ongoing assessment and testing of Emerging and Early Targets; and
- announcement of results on an ongoing basis as each program is completed and interpreted

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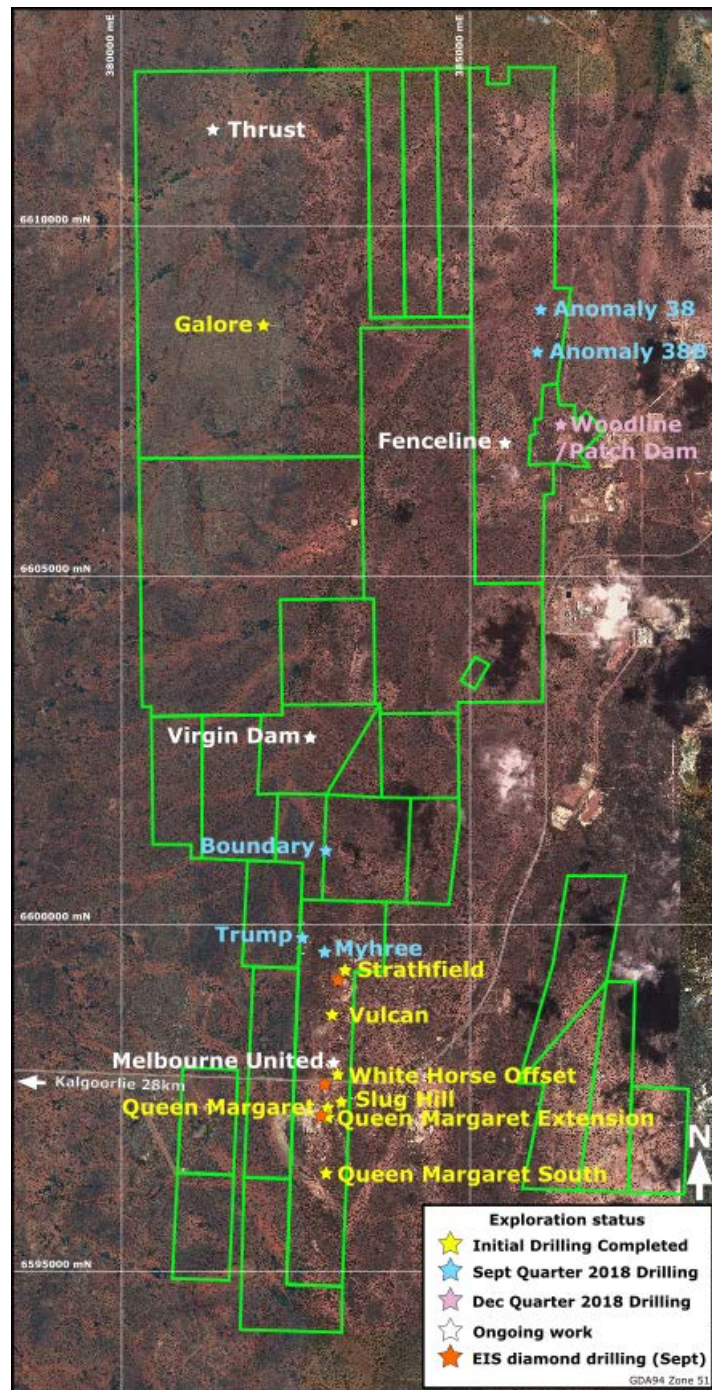


Figure 3: Map showing planned drilling locations at the Bulong Gold Project

For further information, please contact:

Gareth Solly
Managing Director

+61 458 007 713
admin@blackcatsyndicate.com.au

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INVESTMENT HIGHLIGHTS

Black Cat controls 100% of ~84km² of the Bulong Gold Project (“the Project”) of which ~89% of tenements are granted. In addition, there are numerous targets on mining leases meaning low barriers to exploration and production hence strong expected news flow.

The Project is situated just 25km east of Kalgoorlie by sealed road. Mains power runs through the Project with five regional mills, support services and a residential workforce nearby.

The Project has a history of complex, unconsolidated ownership and small scale, high grade production:

- mine production in the Project area ceased in the early 1910s with a total of ~152,000oz @ >1 oz/t Au produced to date;
- the Queen Margaret Mine was the main producer with ~96,000oz @ >1oz/t Au. Despite the mine’s high-grade production record there has been no effective drilling below the old workings;
- despite encountering mineralised lodes in a 200m deep drive to the east of Queen Margaret, minimal drilling for parallel lodes has been undertaken;
- prospectors have seen high specimen and nugget production with multiple +100oz nuggets discovered; and
- the complex and unconsolidated ownership structures have hampered exploration and mining at the Project.

Black Cat has now consolidated the Project bringing together a number of high-grade, near term, underground production targets along with shallow open cut positions. Black Cat initial focus is to drill and study the economics of developing an open cut mine at Queen Margaret then declining from the open cut into footwall and eastern zones and developing across to historic workings while assessing backfill volumes and grade.

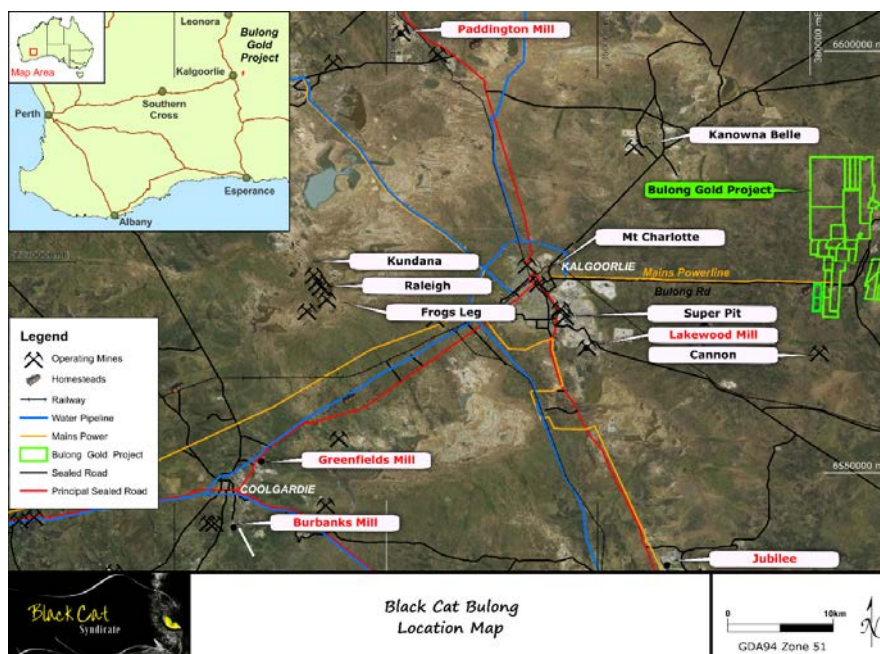


Figure 4: Regional map of Kalgoorlie showing the location of the Black Cat Bulong tenements and nearby infrastructure

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COMPETENT PERSON'S STATEMENT

The information in this announcement that relates to geology and exploration results and planning was compiled by Mr Gareth Solly, who is a Member of the AusIMM and an employee, shareholder and option holder of the Company. Mr Solly has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Solly consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

*** Information on historical results outlined in this Announcement together with JORC Table 1 information, is contained in the Independent Geologists Report within Black Cat's Prospectus dated 27 November 2017, which was released in an announcement on 25 January 2018.*