

Queen Margaret Mineralisation Extended at Depth and Along Strike

Black Cat
Syndicate



ASX Announcement
19 December 2018

Black Cat Syndicate Limited (“Black Cat” or “the Company”) is pleased to announce an update on RC drilling and WA Government Exploration Incentive Scheme (“EIS”) co-funded diamond holes recently completed along the 6km long Queen Margaret Corridor. This Corridor hosts a number of historic mines including Queen Margaret, Melbourne United and Strathfield. Mineralisation in the Queen Margaret Corridor has consistently shown to be related to a porphyritic felsic intrusive (“QM Porphyry”) offset along strike by a series of NE and NW trending faults.

The purpose of the RC holes was to test whether the resource work at Queen Margaret can be potentially extended 400m to Melbourne United being a continuation of the Queen Margaret mineralised system, albeit in an offset position.

The purpose of the EIS diamond holes was to better understand the stratigraphic and structural controls on the high-grade gold mineralisation throughout the Corridor. Two diamond holes were drilled under Queen Margaret and one under each of Melbourne United and Strathfield. The oriented diamond core will be used to characterise the mine sequence stratigraphy. Core will also be structurally, geochemically and petrographically analysed to confirm the consistent stratigraphy along the Corridor.

HIGHLIGHT RESULTS

- The Melbourne United RC results confirm the presence of the same high-grade narrow vein style mineralisation as at Queen Margaret. Results are consistent with previous results of 2m @ 27.11 g/t Au from 39m (92BRC100)** and 2m @ 11.01 g/t Au from 31 (18QMRC065). RC drilling results included:
 - 18MBRC004, 3m @ 13.44 g/t Au from 24m; and
 - 18MBRC005, 2m @ 17.49 g/t Au from 61m.
- The EIS diamond drilling intersected the QM Porphyry at the predicted position up to 150m below the Queen Margaret workings. Visible gold was logged in internal quartz veins within the QM Porphyry. The Queen Margaret deposit is narrow vein and nuggety containing high-grade shoots. The presence of visible gold indicates that the high-grade system is continuous at depth. EIS diamond drilling results included:
 - 18QMDD001, 0.20m @ 21.00 g/t Au from 360.9m on HW veining; and
 - 18QMDD002, 0.79m @ 2.30 g/t Au from 440.0m on FW veining.
- Based on these results, drilling of two deeper RC holes has commenced at Queen Margaret to test the QM Porphyry for further high-grade mineralisation along strike, at depth (see Figure 6).

Black Cat Managing Director, Gareth Solly said “The recent programs of RC and diamond drilling have demonstrated that the Queen Margaret mineralised system extends 400m to the north to Melbourne United and over 400m at depth at Queen Margaret. We are particularly pleased to see

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\$7.2M
(Share price A\$0.125)
Cash (30 Sept 2018): A\$3.1M



that the Queen Margaret stratigraphy continues in predictable positions below the historic workings with the presence of visible gold in quartz. This demonstrates that the mineralisation continues at depth and we have commenced deeper drilling for mineralisation along strike at Queen Margaret. Planning is also underway for a further shallow drill program at Melbourne United in early 2019”.

Background

The 6km long Queen Margaret Corridor is located in the southern area of Black Cat's Bulong Gold Project (Figure 1), approximately 25km east of Kalgoorlie, WA. The Corridor hosts a number of historic mines including Queen Margaret, Melbourne United and Strathfield and produced in excess of 152,000 ounces pre-WW1 mainly from the Queen Margaret Mine (96,000 ounces at > 1oz/t Au).

Mining along the Queen Margaret Corridor was focused on the high grade hangingwall contact of a mineralised felsic porphyry (“QM Porphyry”). Historic mining reports from the Queen Margaret Mine document the higher grade shoots that vary along strike and which were mined down to ~240m. To date, Black Cat's drilling has been shallow and has proven the existence of significant mineralisation on the unmined footwall to the historic workings in the upper areas of the mine. This mineralisation has been tested to ~70m, is open below this and is now the focus of an initial JORC Resource due in the March 2019 quarter.

The Melbourne United Mine lies to the north of the Queen Margaret Mine and appears to have mined the same QM Porphyry hangingwall lode, albeit fault offset ~25m east. This view is supported by limited drill results, including 2m @ 27.11 g/t Au from 39m (92BRC100)** along with Black Cat's earlier drilling (including 18QMRC065, 2m @ 11.01 g/t Au from 31m).

Historic mining further along the Corridor was also limited by cross cutting NE localised faults. These are believed to have offset the QM Porphyry at a number of the pre-WW1 mines along the Corridor.

Accordingly, an RC program was designed to test whether the potential JORC Resource work at Queen Margaret can be extended 400m to Melbourne United being a continuation of the Queen Margaret mineralised system, albeit in an offset position.

In addition, an EIS diamond hole program was designed to better understand the stratigraphic and structural controls on the high-grade gold mineralisation throughout the Corridor. The oriented diamond core will be used to characterise the mine sequence stratigraphy. Core will also be structurally, geochemically and petrographically analysed to confirm the consistent stratigraphy along the Corridor. Black Cat was successful in obtaining ~\$138,000 of EIS funding to drill the deeper diamond holes into the Queen Margaret Corridor.

The Strathfield Mine lies 2kms to the north of the Queen Margaret Mine (Figure 1). In April 2018, Black Cat completed an RC program at Strathfield that successfully identified the same stratigraphy as Queen Margaret and intersected mineralisation in several holes (including 4m @ 5.03 g/t Au from 24m and 1m @ 7.13 g/t Au from 71m). The geometry of the porphyry host rock in this area is complex, appearing to be displaced by small-scale faulting. One EIS diamond hole was designed to test the geology at depth beneath this area.

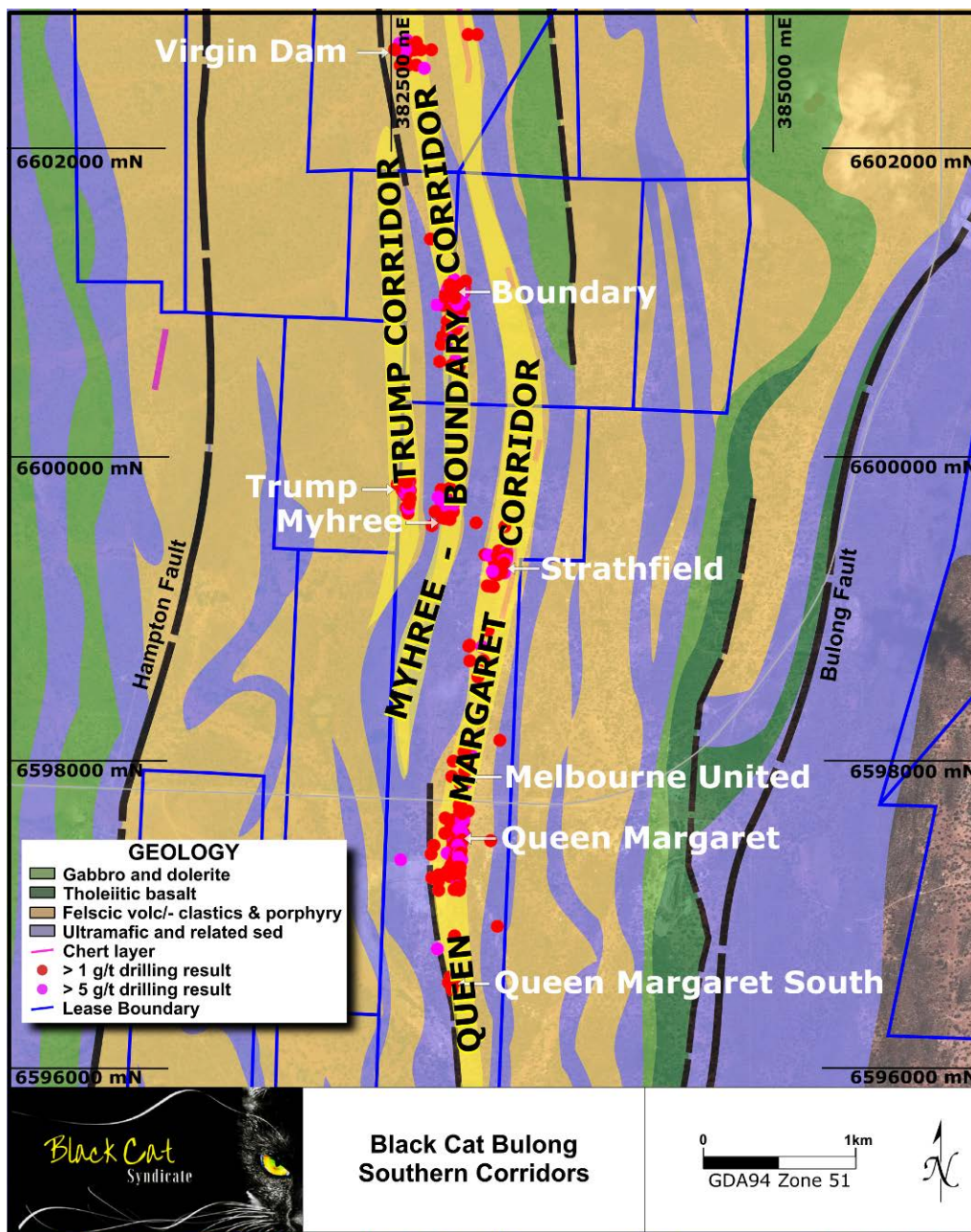


Figure 1: Schematic showing the three southern corridors.

Shallow RC Drill Program Results

Black Cat drilled six holes for 378m in November 2018 to confirm that the Melbourne United mineralisation style is similar to the QM Porphyry and has the potential to extend the JORC Resource work at Queen Margaret. Results confirm the presence of high-grade narrow vein Queen Margaret style mineralisation. Better results include:

- 18MBRC004, 3m @ 13.44 g/t Au from 24m;
- 18MBRC005, 2m @ 17.49 g/t Au from 61m.

Additional follow up and infill drilling around Melbourne United will commence in early 2019.

Queen Margaret Mineralisation Extended at Depth and Along Strike

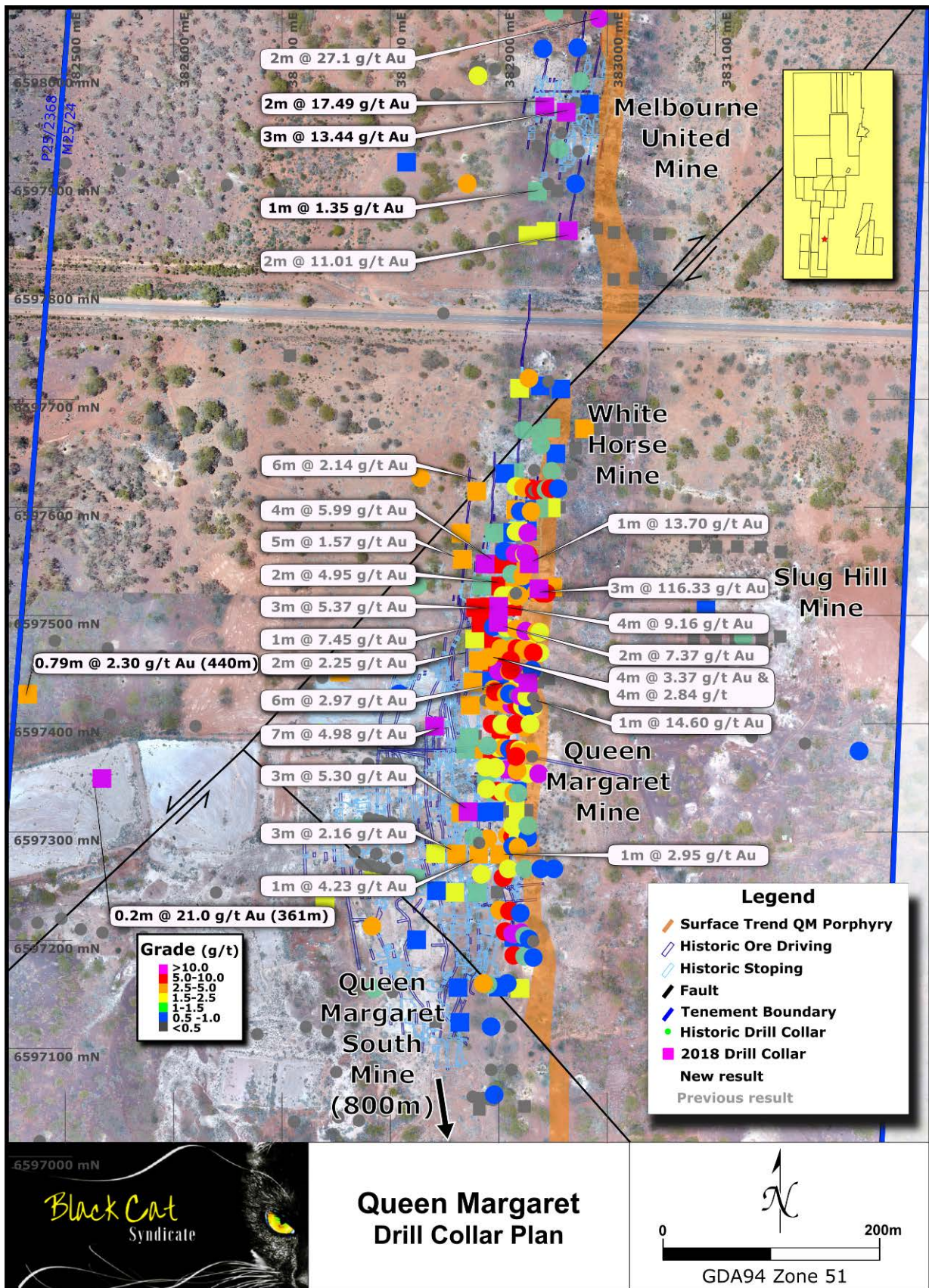


Figure 2: Plan view of the Melbourne United Mine showing collars coloured by gold.

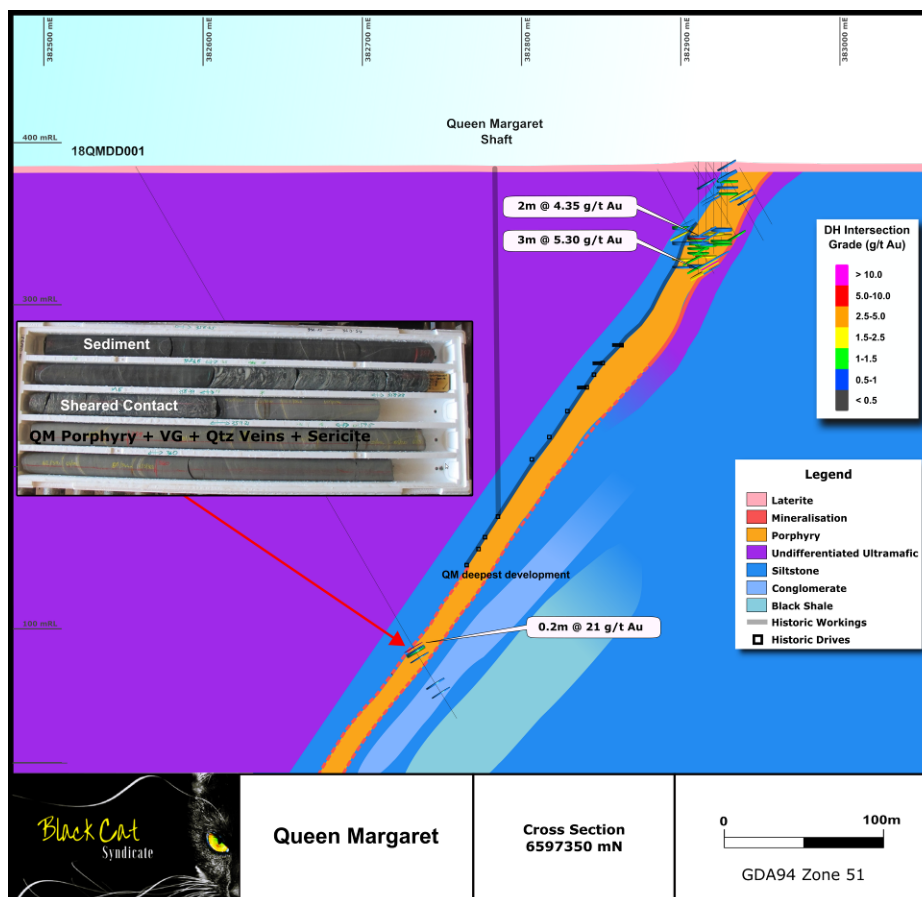


Deeper EIS Diamond Drill Program Results

Black Cat drilled two diamond holes (1,004m) to examine the stratigraphy of the Queen Margaret Corridor between ~60m (18QMDD001) and ~150m (18QMDD002) below the historic workings (see Figures 3 and 4). The QM Porphyry was intersected in both holes in the predicted position, was ~17m down hole thickness and showed strong alteration mineralogy. Drilling encountered komatiitic ultramafic rocks in the hangingwall of the mine stratigraphy, with siltstones and a polymictic conglomerate adjacent to the mineralised porphyry. The footwall was dominated by polymictic conglomerate, which was, in places, entirely composed of pyritic black shale clasts. Both the hangingwall and footwall contacts with the felsic unit were sheared and the felsic unit contained abundant quartz veins with associated sericite alteration and disseminated pyrite. Some of the internal quartz veins also showed the presence of galena with fine visible gold noted in one vein adjacent to the HW contact. Results include:

- 18QMDD001, 0.2m @ 21.0 g/t Au from 360.9m; and
- 18QMDD002, 0.79m @ 2.30 g/t Au from 440.0m.

The stratigraphy encountered, and the results show that the prospective Queen Margaret stratigraphy continues at depth in predictable positions. The occurrence of visible gold in quartz in the hanging wall position of the porphyry unit in 18QMDD001, shows the type of high grade, narrow vein, nuggety mineralisation encountered by the historic miners.



Queen Margaret Mineralisation Extended at Depth and Along Strike

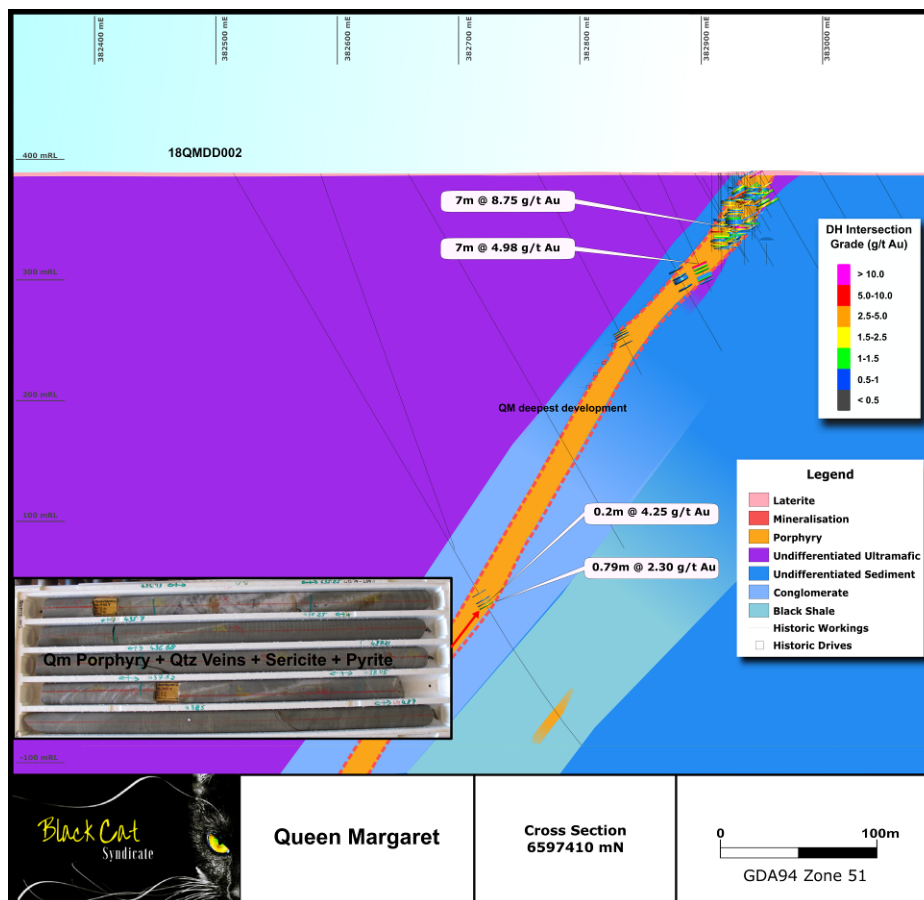


Figure 4: Cross Section showing 18QMD002.

One EIS diamond hole tested underneath the Melbourne United workings to assess the footwall and to refine the geological interpretation of the strike extent of the Queen Margaret/White Horse/Melbourne United area. 18MBDD001 was collared into komatiitic ultramafic and drilled to 335m. The target zone was encountered as predicted at ~160m and encompassed a sequence of pyritic black shale and sheared ultramafic with minor quartz veining. The absence of the QM Porphyry was unexpected and additional information is required to fully assess the variance. The sequence below the target zone was dominated by polymictic conglomerate, which in part was composed entirely of black shale clasts. While no significant mineralisation was intersected, the lithology and structure will aid in geological interpretation and assist future drill targeting below Melbourne United.

18SFDD001 was drilled at Strathfield to 300m and was designed to test the shallow mineralisation at depth as well as test for the source of an alluvial nugget patch located to the east (see Figure 5). The hole was collared in komatiitic ultramafic, with the prospective felsic horizon intersected at the predicated depth with a downhole thickness of 14m. Intercalated zones of sediment were observed within the felsic unit, similar to Queen Margaret. Beneath the felsic was a mixture of sediments including siltstone, black shale and polymictic conglomerate as well as an ultramafic unit. Lithological and structural data collected from the hole will assist in future targeting.

Queen Margaret Mineralisation Extended at Depth and Along Strike

Black Cat Syndicate

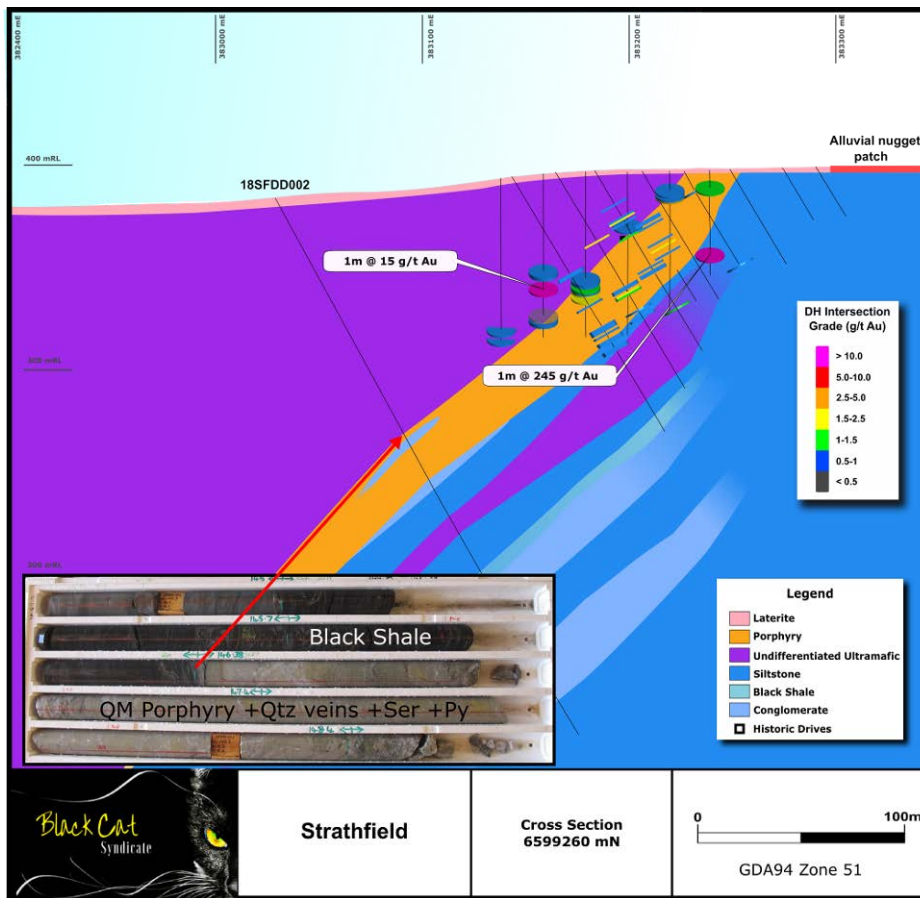


Figure 5: Cross Section through Strathfield showing 18SFDD001.

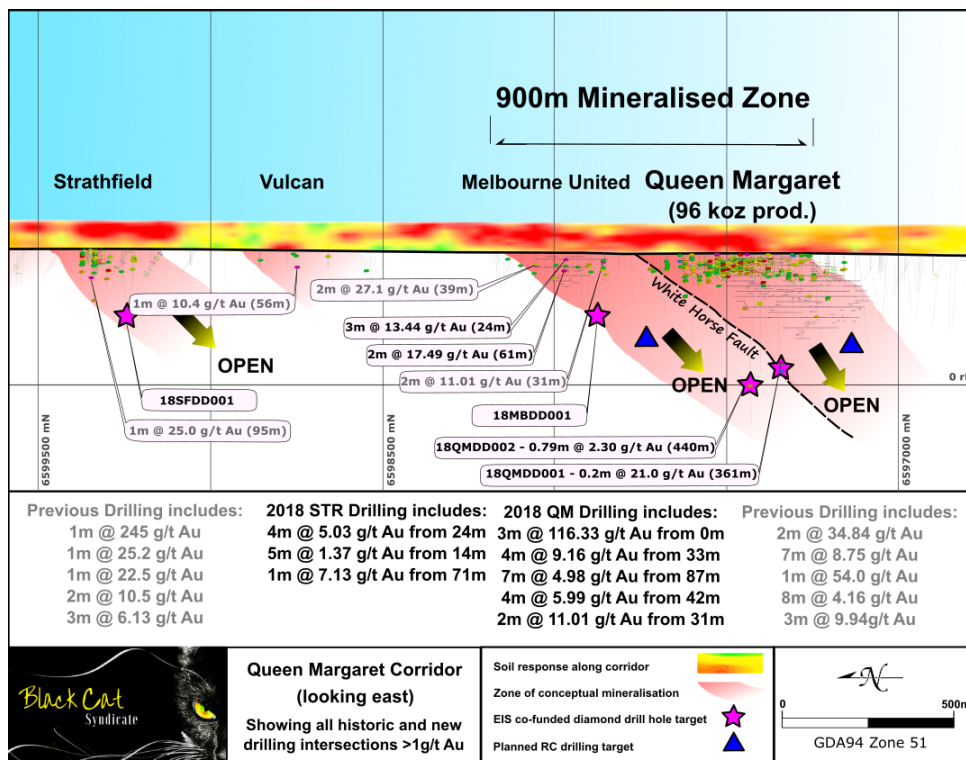


Figure 6: Long Section of the Queen Margaret Corridor showing location of EIS co-funded diamond holes.



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:

- receive assays from recent diamond drilling, along the Queen Margaret, Myhree-Boundary and Trump Corridors;
- initial JORC Resource down to 70m at Queen Margaret to be completed once all shallow diamond results are returned;
- initial JORC Resource down to 100m at Boundary to be commenced once all shallow diamond results are returned;
- extensional, infill RC drilling along the Queen Margaret Corridor targeting around Melbourne United;
- extensional, infill RC and diamond drilling along the Myhree-Boundary Corridor;
- ongoing assessment and testing of Emerging and Early Targets; and
- announcement of results on an ongoing basis as each program is completed and interpreted.

Queen Margaret Mineralisation Extended at Depth and Along Strike

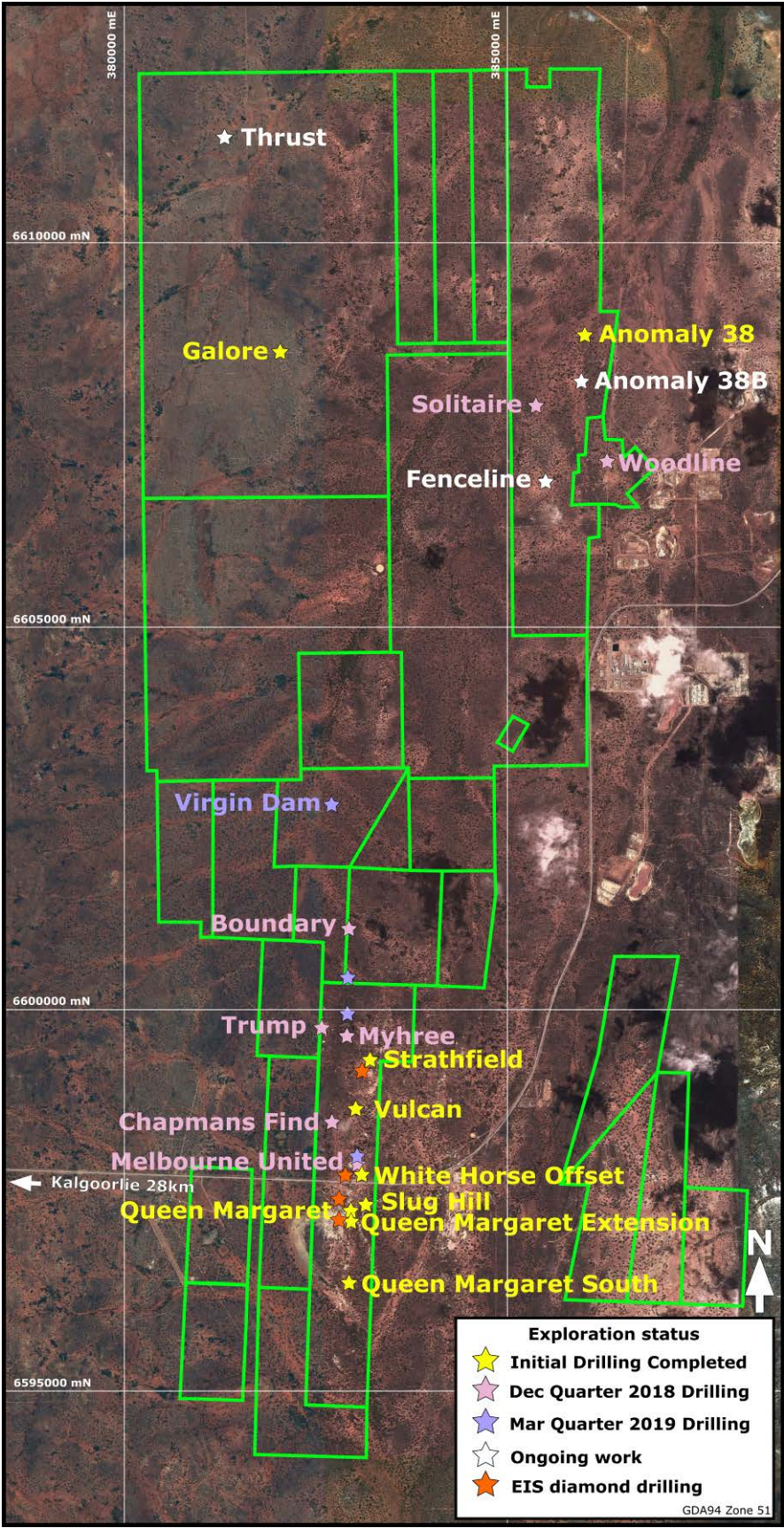


Figure 7: Map showing planned drilling locations at the Bulong Gold Project.

Queen Margaret Mineralisation Extended at Depth and Along Strike



For further information, please contact:

Gareth Solly
Managing Director

+61 458 007 713

admin@blackcatsyndicate.com.au

TABLE 1: QM CORRIDOR EIS DIAMOND DRILL RESULTS

QM CORRIDOR EIS DRILLING - Q4 2018							Downhole		
Hole_ID	MGA_East	MGA_North	RL	Dip	Azimuth	From (m)	To (m)	Interval (m)	Au Grade (g/t)
18MBDD001	382814	6597920	377	-60.2	88.96				No Significant Intercept
18MBDD001A	382814	6597920	377	-60.2	88.96				No Significant Intercept
18QMDD001	382532	6597350	373	-60.2	92.47	360.9	361.1	0.2	21.0
						363.94	364.65	0.71	1.15
						388.5	389	0.5	1.0
18QMDD002	382464	6597428	373	-59.5	90.29	437.62	438.05	0.43	2.86
						440	440.79	0.79	2.30
18SFDD001	383058	6599260	391	-60	99.95				Awaiting Assays

Note: All significant intercepts are reported at 1.0 g/t Au cut; maximum of 1m continuous internal dilution

TABLE 2: MELBOURNE UNITED RC DRILL RESULTS

MELBOURNE UNITED DRILLING - NOVEMBER 2018							Downhole		
Hole_ID	MGA_East	MGA_North	RL	Dip	Azimuth	From (m)	To (m)	Interval (m)	Au Grade (g/t)
18MBRC001	382953	6597893	383	-60	90				No Significant Intercept
18MBRC002	382935	6597893	382	-60	90	63	64	1	1.35
18MBRC003	382983	6597974	385	-60	90				No Significant Intercept
18MBRC004	382961	6597966	384	-60	90	24	27	3	13.44
						46	48	2	1.66
18MBRC005	382942	6597971	383	-60	90	61	63	2	17.49
18MBRC006	383004	6598053	384	-60	90				No Significant Intercept

Note: All significant intercepts are reported at 1.0 g/t Au cut; maximum of 1m continuous internal dilution

Queen Margaret Mineralisation Extended at Depth and Along Strike

BULONG 2012 JORC TABLE 1

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Sampling techniques	<i>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.</i>	Black Cat has recently undertaken sampling activities along the Queen Margaret Corridor via Reverse Circulation (RC) and Diamond (DD) drilling.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Recent RC and DD drilling undertaken by Black Cat provides high quality representative samples that are carried out to industry standard and include QAQC standards.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. <i>Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></i>	Black Cat's recent RC drilling is sampled into 1m intervals via a cone splitter on the rig producing a representative sample of approximately 3kgs. Samples are selected to weigh less than 3kg to ensure total sample inclusion at the pulverisation stage. RC samples are crushed, dried and pulverised to a nominal 90% passing 75µm to produce a 40g or 50g sub sample for analysis by FA/AAS.
Drilling techniques	<i>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).</i>	RC drilling was completed using a face sampling percussion hammer. The RC bit size was 143mm diameter. Diamond drilling was completed as NQ from fresh rock with HQ in the weathered zone.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC samples are checked both visually and by hand-scales in the field. Recoveries for recent RC drilling have been recorded based on laboratory weights. It is unknown if historic recoveries were recorded. Diamond drilling has recoveries measured per metre, sample weights are measured.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Sample recovery and representivity were maintained through industry standard maintenance of the cone splitter and verified through the use of duplicate samples. HQ3 drilling was utilised in highly weathered areas.

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Any historical relationship is not known.
Logging	<i>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.</i> <i>Whether logging is qualitative or quantitative in nature.</i> <i>Core (or costean, channel, etc) photography.</i>	Logging of RC and DD chips record lithology, mineralogy, texture, mineralisation, weathering, colour, alteration and veining. DD logging was additionally logged with Rock Quality Designation. All core and chips are photographed. The chip trays are archived in Kalgoorlie.
	<i>The total length and percentage of the relevant intersections logged</i>	All recent drilling has been logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core has sampled as half core.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	All Black Cat's RC sampling to date have been cone split to 1m increments on the rig. All samples to date have been dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The laboratory preparation of samples adheres to industry best practice. It is conducted by a commercial laboratory and involves oven drying, coarse crushing then total grinding to a size of 90% passing 75 microns.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	All subsampling activities are carried out by commercial laboratory and are considered to be satisfactory.
	<i>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.</i>	Black Cat's RC field duplicate samples are carried out at a rate of 1:50 and are sampled directly from the on-board splitter on the rig. These are submitted for the same assay process as the original samples and the laboratory are unaware of such submissions. Diamond samples are duplicated as a coarse crush duplicate at the laboratory.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes of 3kg are considered to be appropriate given the grain size (90% passing 75 microns) of the material sampled.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples are analysed by an external laboratory using a 40g fire assay with AAS finish. This method is considered suitable for determining gold concentrations in rock and is a total digest method.

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
	<i>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.</i>	No geophysical tools were used to estimate mineral or element percentages.
	<i>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.</i>	Recent drilling adhered to strict QAQC protocols involving weighing of samples, collection of duplicates and insertion of certified reference material (blanks and standards). QAQC data are checked against reference limits in the SQL database on import. The laboratory performs a number of internal processes including repeats, standards and blanks. Analysis of this data displayed acceptable precision and accuracy.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Black Cat's significant intercepts are verified by database, geological and corporate staff.
	<i>The use of twinned holes.</i>	Black Cat will use twinned holes to assist in verification of historic results from time to time.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All primary data related to logging is directly entered to Excel templates and sampling data is captured on paper logs first prior to digital entry. All paper copies of data have been stored. All data is sent to Perth and stored in the centralised Access database with an SQL backend, managed by a database consultant.
	<i>Discuss any adjustment to assay data.</i>	No adjustments or calibrations are made to any assay data, apart from resetting below detection values to half positive detection. First gold assay is utilised for exploration work.
Location of data points	<i>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.</i>	All holes have been surveyed using a RTK-GPS by a licenced surveyor. Down hole surveys are collected a north seeking gyro.
	<i>Specification of the grid system used.</i>	Black Cat uses the grid system GDA 1994 MGA Zone 51. Previous data in grid systems AGD 1966 AMG Zone 51 and AGD 1984 AMG Zone 51 have been converted to MGA 94 Zone 51.
	<i>Quality and adequacy of topographic control.</i>	RTK GPS pickups are used for tomographic control
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The nominal drill hole spacing is 100m (northing) by 20m (easting).
	<i>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.</i>	Not applicable as a Mineral Resource or Ore Reserve is not determined.

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 1: Sampling Techniques and Data		
Criteria	JORC Code Explanation	Commentary
Orientation of data in relation to geological structure	<i>Whether sample compositing has been applied.</i>	Not applicable as a Mineral Resource or Ore Reserve is not determined.
	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The deposit is drilled towards grid east at angles varying from -60° and -90° to intersect the mineralised zones at a close to perpendicular relationship for the bulk of the deposit.
	<i>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.</i>	All drilling from surface has been drilled as close to perpendicular to the predicted orientation of stratigraphy as possible. This has reduced the risk of introducing a sampling bias as far as possible. No orientation-based sampling bias has been identified in the data at this point.
Sample security	<i>The measures taken to ensure sample security.</i>	Black Cat's samples prepared on site by Black Cat geological staff. Samples are selected, collected into tied calico bags and delivered to the laboratory by staff or contractors directly and there are no concerns with sample security.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Black Cat has recently created appropriate sampling procedures.
Section 2: Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	All prospects are located on M25/0024. Mining Lease M25/024 is currently held by Black Cat (Bulong) Pty Ltd. Mining Lease M25/024 is held until 2028 and is renewable for a further 21 years on a continuing basis. All production is subject to a Western Australian state government Net Smelter Return ("NSR") royalty of 2.5%. Tenement M25/024 may be subject to a 1.5% NSR royalty on gold upon commencement of production. There are no registered Aboriginal Heritage sites or pastoral compensation agreements over the tenement.
	<i>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.</i>	No known impediment to obtaining a licence to operate exists and the remainder of the tenements are in good standing.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	There has been extensive mining and exploration carried out in the area since gold was discovered in 1893. Between the closure of the Queen Margaret Mine (~1913) and 1970 very little occurred with only three diamond holes drilled in the area by Paringa in the 1940s. Activities in the 1970s and 1980s mainly focused on assessment of old workings along the Queen Margaret-Melbourne line. Queen Margaret NL, which floated in 1980 and was

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 2: Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
		<p>subsequently taken over by Spargos Mining NL (“Spargos”), drilled a number of diamond and RC holes into the main lode, with a view to reopening the historic Queen Margaret Mine. Geology, assays and collar files are recorded, but the core is no longer available. Spargos farmed out to Mount Monger Gold Project (“MMGP”) (a Joint Venture of General Gold and Ramsgate Resources) who drilled a further 165 RC holes into the Queen Margaret system. No resources were publicly identified. Queen Margaret was never reopened, and attention turned to wider exploration in the Bulong area.</p> <p>Boundary was reputedly discovered by MMGP in 1991 by a BLEG program. About 73 RC holes have been drilled into the Boundary deposit, initially by General Gold in 1992, then Acacia Resources in 1996, and Yilgarn Gold in the early 2000’s.</p> <p>Around 1996 Acacia Resources sought to consolidate, by way of farm-in and acquisition, much of the land holdings in Bulong Belt. Acacia was the manager of New Bulong Joint Venture, and Queen Margaret Joint Venture. Acacia was taken over by Anglo Gold who undertook much more soil geochemistry and did systematic transect drilling across known prospects and into greenfield areas. Anglo consolidated the soil and drill-hole datasets. After the identification of a string of gold deposits which did not meet their corporate objective of plus-million-ounce target, Anglo tendered out their rights to the tenements and the database to ASX listed Yilgarn Gold in 2002.</p> <p>Yilgarn Gold’s strategic objective was to develop high-grade, narrow-vein underground mining opportunities. It further consolidated its land holding by acquiring properties of Central Kalgoorlie Gold Mines. In 2005 Yilgarn Gold completely changed its corporate focus to off-shore energy, disposed of its mineral assets, and changed its name to Kairiki Energy.</p> <p>A local prospecting syndicate Bulong Mining Pty Ltd (“BMPL”) secured an option in 2009 and in 2012 fully acquired the properties and the database. BMPL undertook serious metal detecting and limited RAB/RC drilling until early 2018 when the tenements were acquired by Black Cat Syndicate Limited.</p>
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>All prospects are located in the Gindalbie Domain of the Kurnalpi Terrane of the Archaean Yilgarn Craton. Project-scale geology consists of granite-greenstone lithologies that were metamorphosed to greenschist facies grade. The Archaean lithologies are cut by Proterozoic dolerite dykes.</p> <p>The style of mineralisation is Archaean orogenic gold.</p> <p>Locally the prospect is situated within a sediment and porphyry sequence between ultramafic units. The shear zone strikes roughly north-south and dips to the west.</p>
Drill hole information	<p><i>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:</i></p> <ul style="list-style-type: none"> • <i>easting and northing of the drill hole collar;</i> • <i>elevation or Reduced Level (“RL”) (elevation above sea level in metres) of the drill hole collar;</i> • <i>dip and azimuth of the hole;</i> 	Tables containing drill hole collar, survey and intersection data are included in the body of the announcement.

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 2: Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
	<ul style="list-style-type: none"> down hole length and interception depth; hole length; and 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. 	
Data aggregation methods	<p><i>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.</i></p>	<p>All aggregated zones are length weighted.</p> <p>No high-grade cuts have been used.</p>
	<p><i>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.</i></p>	<p>To be consistent with previous results, RC reported intersections are calculated using a 1 g/t Au lower cut off with maximum waste zones between grades of 1m.</p> <p>DD results are calculated using a 1 g/t Au lower cut off with maximum waste zones between grades of 1m and a minimal width of 0.2m.</p>
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>Not applicable, as no metal equivalent values have been reported.</p>
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<p>All intercepts are reported as downhole depths as true widths are not yet determined.</p>
Diagrams	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	<p>Appropriate diagrams have been included in the body of the announcement.</p>
Balanced reporting	<p><i>Where comprehensive reporting of all Exploration Results are not practicable, representative reporting of both low and high grades and/or widths should be practiced to</i></p>	<p>All results have been tabulated in this release.</p>

Queen Margaret Mineralisation Extended at Depth and Along Strike

Section 2: Reporting of Exploration Results		
Criteria	JORC Code Explanation	Commentary
	<i>avoid misleading reporting of Exploration Results.</i>	
Other substantive exploration data	<i>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.</i>	Geophysical surveys including aeromagnetic surveys have been carried out by previous owners to highlight and interpret prospective structures in the project area.
Further work	<i>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</i>	Black Cat is continuing an exploration program which will target extension of mineralisation along the Queen Margaret Corridor as well as at depth.

Queen Margaret Mineralisation Extended at Depth and Along Strike



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.

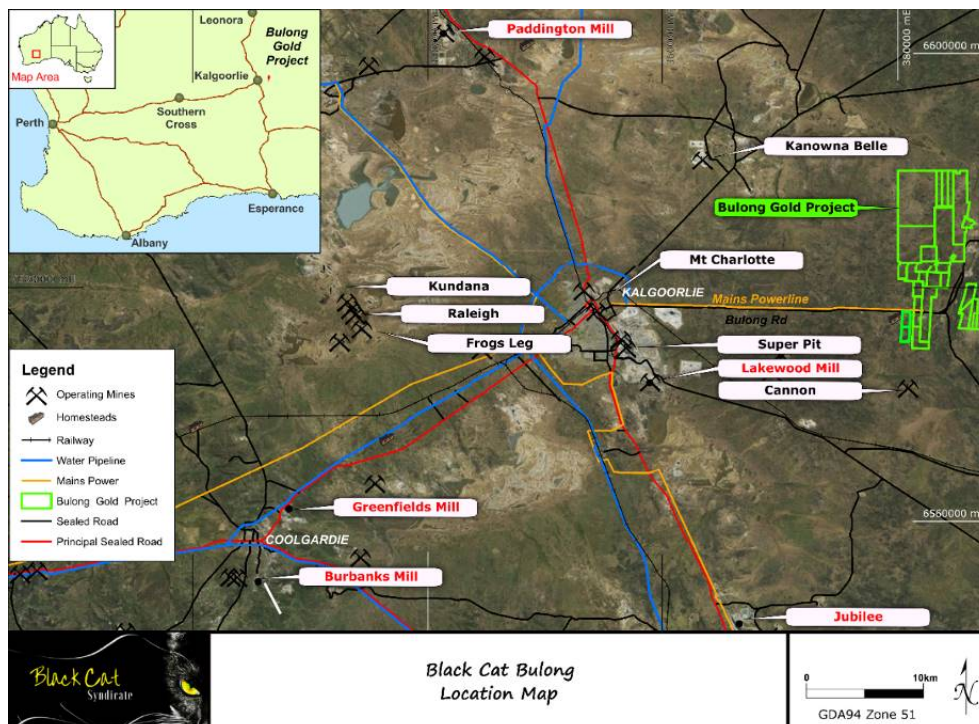


Figure 8: Regional map of Kalgoorlie showing the location of the Black Cat Bulong tenements and nearby infrastructure

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.*