

PROJECT RESULTS REVIEW FOR SULFIDE DELINEATION AT BALLINALACK, IRELAND





15th JANUARY 2020 Dr SIMON RICHARDS, CHIEF GEOLOGIST, ADROK

GORDON STOVE, CEO, ADROK





Confidentiality Agreement

Disclaimer

The results, interpretations and conclusions in this report have been derived from Adrok's electronic system measurements and, whilst reasonable diligence has been applied to ensure data quality, Adrok cannot guarantee the accuracy or correctness of any results, interpretations and conclusions derived from those measurements. As a consequence, Adrok, or any of its directors, officers, employees, advisers and consultants, whether past or present shall not be held liable for any loss, costs, damages or expenses of whatever kind (including any consequential loss, costs, damages or expenses) incurred or sustained by any person with respect to such results, interpretations and conclusions or reliance thereon.

Confidentiality

This report has been written by Adrok and submitted to Group Eleven Resources (G11) in strictest confidence, as per G11's 5-year Confidentiality Agreement dated 24th September 2019 that was signed by Adrok PGM Limited.

Copyright

© Copyright 2018 & beyond, Adrok Ltd

No Part of this document may be photocopied or otherwise reproduced without the prior permission in writing of Adrok Ltd. Such written permission must also be obtained before any part of this document is stored in an electronic system of whatever nature.

Security Status

Strictly confidential :

Recipients only

Recipients of this report:

Group Eleven Resources (<u>www.groupelevenresources.com</u>) Adrok (<u>www.adrokgroup.com</u>)









AIM OF THIS DOCUMENT

- Present up-to-date information on the G11 Pb-Zn target area. New information including drill logs and 3D models provided by G11 have allowed for further assessment of the results with some significant new conclusions.
- Provide a presentation of scan information relative to interpreted geological models. Two geological models are used, one generated by Adrok using Geoscience Analyst (limited information available) and a second model provided by G11 viewed using Leapfrog Viewer and containing significantly more data than is available for Adrok's model.
- A re-examination of the style and distribution of mineralisation and how this was interpreted in the initial project results delivery.
- Present conclusions from the aforementioned analysis and summarise gaps in the existing model and knowledge

SUMMARY CONCLUSIONS

- Results from the "Northern Area" which includes scans H1-H5 show very good correlation between the drilled lithologies and the lithologies extracted from the ADR results.
- Minor to no lead sulfides are present in drill core G11-1344-01 and no other drilling in the vicinity show any notable mineralisation. Furthermore, the area where the scans were completed lies outside of the 0.05% Pb grade shell, therefore lead and/or zinc sulfides are not anticipated to be imaged using ADR.
- Scans in the southern area were reportedly located in the wrong position such that the scans cannot be correlated with any results (rock types or mineralisation) in diamond drill core G11-1344-02 as planned.
- Data (scans) collected in during the previous field campaign have been used effectively to determine the "fingerprint" of each stratigraphic unit in the ADR scan data. Thus, the data collected to data can be used as a benchmark for NON-MINERALISED stratigraphy.
- A minimum of 4 new scans are proposed over areas CONTAINING SIGNIFICANT MINERALISAITON (i.e. >1% Pb + Zinc Sulfide) in order to "close the loop" of the experiment/test. Taking scans in areas with notable mineralisation will allow a direct, statistical comparison of ADR responses from the same rock unit 1) lacking mineralisation (i.e. barren) and 2) CONTAINING mineralisation.
- Completing additional surveys will be expected to provide information that could be used in the future to directly target mineralisation without the need for drilling as it is anticipated that the presence of sulfides should alter the ADR response significantly.





NORTHERN AREA





Very good correlation between ADR interpretation and scan H4 which is the closest scan to the actual drilled geology. Other scans are located offdip and therefore less well constrained. The results here are encouraging and suggest that the techniques adopted by Adrok to differentiate rock units work well for differentiating rock contrasting rock types.

Unfortunately, the area is relatively barren for mineralisation and therefore testing of the ADR technique to pick-up sulfides cannot be fulfilled.









Strictly Confidential

- 7

Summary Logs

Ashley Murray

-600



SOUTHERN AREA











B37 (H7)





Strictly Confidential

11





The target area for ADR is, according to fault interpretations, lies within the hanging-wall block above the major ~E-W trending N-dipping . The "Pale Beds" marker unit has not been interpreted in this section. Drill holes B37, B36 and B72 do not reach the fault surface.



Strictly Confidential



B114

3













Mineralisation – G11-1344-02

<u>CONCLUSION:</u> A new stratigraphic model needs to be generated for comparison with ADR results. See sketch-up below.



Strictly Confidential





Strictly Confidential

B33•

B30

B13

B122

B16

B12



Phase two project outline for 2020

Adrok are proposing a second phase of scans aimed at detecting lead, zinc +/- other sulfides. Previous scans were carried out in areas where significant sulfides (e.g. >0.5% Pb) were not intersected in drilling, therefore the focus of the interpretations was to correlate rock types with the frequency and energy responses in the ADR scan data. Accordingly, this Phase one case study represents a benchmark against which scans over areas where sulfides exist can be carried out to determine the signature of sulfides in the same rock units.

A new ADR case study will also determine whether sulfides (source material) exists deeper in the sequence and/or in basement. Other case studies in base metal-bearing prospects has demonstrated that there are notable changes in the frequency response as well as corresponding anomalies (troughs) in the relative energy signal with or without changes in DC values. If the signature of the silver, lead and zinc sulfides can be extracted, this can be used to help develop a blind targeting too for G11 which will, in turn, dramatically reduce the necessity for extensive drilling.

Adrok propose a series of 9 new scans and a repeat scan over the H4 area where previous results were very positive and where there is drill constraints on rock units.

- Of the 9 proposed scans, 6 will be carried out over areas within the 1% Pb grade shell and were parallel drill holes exist nearby. The drilling can be used for direct comparison between, for example, the strength of the return energy signal, the presence of metal sulfides and the grade of the sulfides.
- The remaining three scan will augment existing scans but will be located immediately outsides of the limit of the 1% Pb grade shell. These scans will target the host rock units so a direct comparison can be made between the host rock both with and without sulfides. As above, the location of the three scans will be in areas where there is relatively good control on rock units from nearby drilling.
- Finally, a repeat scan is proposed for the site H4 in which a correlation will be made between initial (phase one results) and this second (phase two) round of results.

Expected outcomes

- 1) Repeatability of scans over existing areas as well as short-term repeatability of scans over new areas.
- 2) Test the ADR response to sulfides from the same host unit.
- 3) Test the presence of deeper sulfides than have been intersected in drilling.
- 4) Develop a technique that G11 can use to help guide drilling in areas identified as bearing high-grade silver, lead and zinc +/- other sulfides and or target minerals.





View looking north





<u>Adrok</u>

View looking down









*Scan collars can be moved depending upon access and area for 50-100m line

	Meters Zone 29U UTM		
NAME	EAST	NORTH	Comments
ADR 2-1	601054	5944796	In ore - South from existing mis-placed sans. Following trace of G11-1344-01
ADR 2-2	601057	5944742	In ore- South from existing mis-placed sans. Following trace of G11-1344-01
ADR 2-3	601077	5944687	South of orezone following trace of G11-1344-01. Target zone is shallow.
ADR 2-4	601190	5945121	High grade Pb zone parallel to TC-1344-004 drill hole
ADR 2-5	601214	5945111	High grade Pb zone parallel to TC-1344-036 drill hole
ADR 2-6	601239	5945098	High grade Pb zone parallel to TC-1344-026 drill hole
ADR 2-7	601308	5945005	Outside orezone but above host unit parallel to B50
ADR 2-8	601416	5944954	Outside orezone but above host unit parallel to B84
ADR 2-9	601242	5945165	High grade Pb zone but to NE
ADR 2-10 (H4)	601033	5945176	Repeat scan H4 - no ore present

