

3 October 2017

Company Announcements Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dateline completes acquisition of Sooner Lucky Strike mine and mill

- **Provides Dateline with second and only other permitted gold mine and processing facility in Gunnison County, Colorado**
- **Portfolio now comprises ~350 acres permitted for mining and milling**
- **Significantly underexplored – average grades of 12-14g/t with no modern exploration work undertaken at site until now**
- **Company now well-funded to advance project development following completion of a ~\$4 million rights issue**

Colorado focused gold mining and exploration company **Dateline Resources Limited (DTR)** (“**Dateline**” or the “**Company**”) is pleased to report that it has successfully completed the acquisition of the Mineral Hill and Sooner Lucky Strike Mines in Colorado, United States.

The transaction has given Dateline 100% ownership of the Mineral Hill and Sooner Lucky Strike Gold Mine, 19 mining claims over ~350 acres of freehold land that are permitted for mining and milling in Gunnison County, Colorado.

This gives Dateline full ownership of its second permitted gold mine in the US state of Colorado, and is in addition to the Company’s recently acquired Gold Links Mine and Saguache Mill.

Included as part of the Lucky Strike acquisition is a fully functional and permitted mill that will be upgraded to process up to 200tpd of ore, which will initially be provided from the company’s more advanced nearby Gold Links project.

Terms of the agreement include:

- Issue of 30m DTR shares to the vendor.
- Payment of US\$150,000 in cash.
- Payment of US\$250,000 per quarter for four years commencing April 2018.
- Payment of US\$10m in April 2022.
- A production royalty of US\$10m from production of minerals at the Lucky Strike and Mineral Hill mine.

Historically, the mine has produced gold at an average grade of between 12-14g/t and has never had any systematic exploration work undertaken at the sites. Early mining efforts at the site simply followed outcrops on the surface and mined underground via a shaft. The

company intends on developing an exploration program to with the objective of delineating a potential resource on the site.

Dateline is also pleased to confirm that it is now well capitalised to advance the development of the Gold Links project and upgrade the Lucky Strike Mill, with the Company recently closing a one-for-two rights issue to raise ~A\$4m. The major shareholders subscribed to their full entitlement and the company raising A\$2,184,835 and the shortfall of A\$1,815,165 has now been placed to sophisticated investors and the company is well placed to execute on its Colorado-focused mining and exploration strategy.

Dateline's Chief Executive Officer Stephen Baghdadi commented: "As previously announced, work at the Gold Links mine has commenced and we have now declined some 400ft as part of a 1200ft decline. The intent of the decline has been to expose the known veins and get a better understanding of their controls in terms of the structure of the ore-body, the mineralised zones and the grades. The company is happy with the rate of progress and will further update the market on the development of the decline and a planned drilling program in the near future.

"We are also pleased to have secured this \$4 million of new funding and are grateful for the support of all shareholders that participated. It is a vote of confidence in our strategy and good recognition that our assets hold considerable unlocked value."

– ENDS –

For more information, please contact:

Stephen Baghdadi
Chief Executive Officer

Ph: +61 2 9375 2353

Email: info@datelineresources.com.au

Web: www.datelineresources.com.au

Follow Dateline on



Twitter: https://twitter.com/Dateline_DTR

Released through: Ben Jarvis, Six Degrees Investor Relations: +61 (0) 413 150 448

About Dateline Resources Limited

Dateline Resources Limited (ASX: DTR) is an Australian publicly listed company focused on gold mining and exploration in Colorado, United States of America. In 2016, the Company acquired 100% of two, fully permitted historical gold mining projects in Colorado. The Sooner Lucky Strike Mine and Mill is located in Gunnison County and was discovered in 1885. Two shafts were developed at the project and a processing mill on site is being refurbished and upgraded by DTR with a view to increase processing capacity to 600 tpd based on the current facility. The Gold Links Mine, also in Gunnison County, is located ~50kms from Lucky Strike and forms part of Colorado's Gold Creek district. Two separate vein systems have been mined on the property, Sacramento and the 2150. 2150 has over 600 metres of mineralisation across a +700-metre development drive. Historical gold grades ranged from 1.5 g/t to 10 g/t Au. Ore mined by DTR will be processed at the Lucky Strike Mill. DTR holds claims for exploration and mining rights in Colorado.

Asset Overview

The Sooner Lucky Strike Mine and Mill is located in Gunnison County, Colorado at an elevation of approximately 9,000 feet (ft) above mean sea level (amsl). The town of Gunnison, located approximately eight

miles to the northwest, is at an elevation of approximately 7,700 ft amsl. This an established gold mining district with an effective mining code and lower sovereign risk in Colorado.

Due to the elevation difference, the site is estimated to receive approximately 30 percent more precipitation than that reported for Gunnison, or an estimated 13.5 inches (Braun, 2015). Greater than 50 percent of the precipitation falls as snow during the winter months. The mean annual temperature at the site is 36 degrees Fahrenheit.

The Sooner Lucky Strike high grade veins were discovered in 1895 in the Green Mountain (Iris) Mining District. The primary commodity being explored for is gold, although silver mineralisation has also been developed as a by-product of gold mining. Copper, tellurium and zinc have also been documented as tertiary deposits at the mine.

The geology is compelling and historic workings well documented. Proterozoic volcanics and sediments are folded, metamorphosed and intruded by granodiorite and diorite as well as gabbro dykes and sills. Mineralisation occurs as veins of quartz, carbonate and sulphide (pyrite, galena).

The Sooner Lucky Strike Mine was reportedly developed by two shafts and several drifts. The older of the two shafts is 4 feet by 8 feet in section and 170 feet deep, slightly inclined to the southwest along the vein. The first level was developed at 50-foot depth by a 75-foot long drift and stopes. The second level at the bottom of the shaft was developed by 125-foot long drift to the southeast and a 190-foot long drift to the northwest. The second shaft, located 450 to 500 feet northwest of the first and on the vein, is 25 feet deep with a 100-foot long drift developed at its base.

The Gold Links Mine is located in a proven gold mining province with compelling geology. The Gold Links Mine forms part of the Gold Creek district within the Gold Brick mining district. Two separate vein systems have been mined on the property, Sacramento and the 2150.

Gold was discovered in Gold Rush creek in 1879 and hard rock mining commenced soon after at the Sacramento vein system. Ore was milled to produce free gold, sulphide concentrate and direct shipping products. In this period Sacramento returned USD\$350,000 when gold was USD20 per ounce.

The 2150 vein system was discovered while driving an adit to access beneath the Sacramento vein system. The 2150 vein system was mined from 1908 to 1912. In this period 2150 vein returned USD\$515,867 when gold was USD\$20 per ounce. Veins occupy small scale faults that strike north-south and dip east at 70 degrees. Some veins are cut by rhyolite dykes and other veins cut rhyolite dykes. Veins range from 10cm to more than 100cm and the average width is 80cm (2.62ft). Ore shoots are common and vein widths are highly variable.

Geological control of high grade shoots is not known. Veins are comprised of quartz, carbonate and sulphide. Open space fillings are common. The 2150 vein has been mined along a 600m (~1800ft) strike within +700m (~2,275ft) of development. The main mining area is stoped for 200 vertical metres (~660ft). Sacramento vein was mined for 400m (~1300ft) on three levels to a maximum of 100m (~330ft) vertical metres.