

7th December 2018

Government Grant awarded to support geophysics at Ernest Henry South

Red Fox is pleased to announce the award of a Collaborative Exploration Initiative (CEI) grant from the Queensland Government to support geophysics at Ernest Henry South (EPM 26332). The grant will be used to cover up to 75% of the costs of a ground-based electrical geophysical survey, to a maximum of \$124,000. The survey must be completed by the 9th August 2019 to be eligible.

The survey will consist of 36 line kilometres of Induced Polarisation (IP) and Magnetotellurics (MT) to be completed using the MIMDAS system. The survey will cover a highly prospective zone located immediately between the Ernest Henry and E1 deposits. This area was highlighted as a north-west trending conductivity feature on a regional magnetotellurics survey released by the Geological Survey of Queensland in 2017. This feature is interpreted to represent a deep, regional scale fault that may be important for localising mineralisation.

Readings from the regional 2017 MT survey were taken every 2km, which is too broad for prospect scale or drill targeting. The current survey will complete measurements every 100m, and will aim to identify any sulphide bodies associated with the interpreted fault.

The media statement from the Queensland Government can be found at the following address:

<http://statements.qld.gov.au/Statement/2018/12/5/exploration-grants-say-head-north>

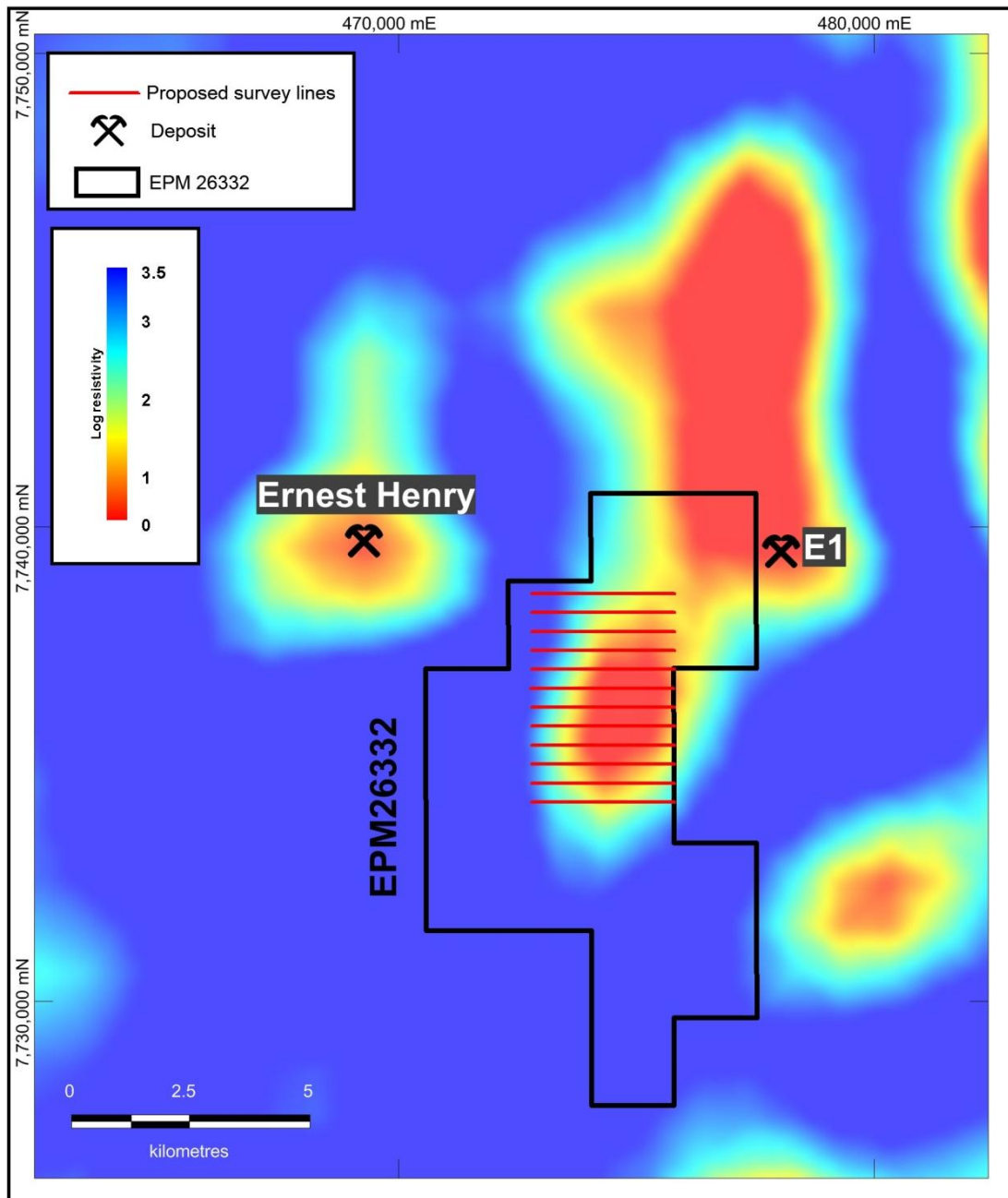


Figure 1: Location of proposed survey within EPM 26332. Background is log resistivity depth slice of regional MT survey at 1312m