



## Quarterly Activities Report for the period ended 30 September 2016



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**Directors**  
Mr Stephen Bizzell (Chairman)  
Mr Rick Anthon  
Mr Mark Baker  
**Company Secretary**  
Mr Paul Marshall

## Highlights

### *Agate Creek Gold Project (North Queensland)*

- + The Mining Lease Application (MLA 100030) lodged in 2015 - which covers the high grade near surface Sherwood and Sherwood West Prospects - is nearing completion, with ML grant expected following completion of landowner and Native Title agreements. Mining is planned to commence shortly after ML grant.
- + The Environmental Authority is in place (EPSL03068015). The Environmental Bond (Financial assurance) is expected to reflect the small area of disturbance and the limited activities on site – processing and tailings will be off lease.
- + Mine planning is complete – very simple near surface orebody. The Georgetown Mill is on care and maintenance and is expected to require minimal lead time prior to being able to treat the Agate Creek ore.

### *LNJV Gold Project (North Island, New Zealand)*

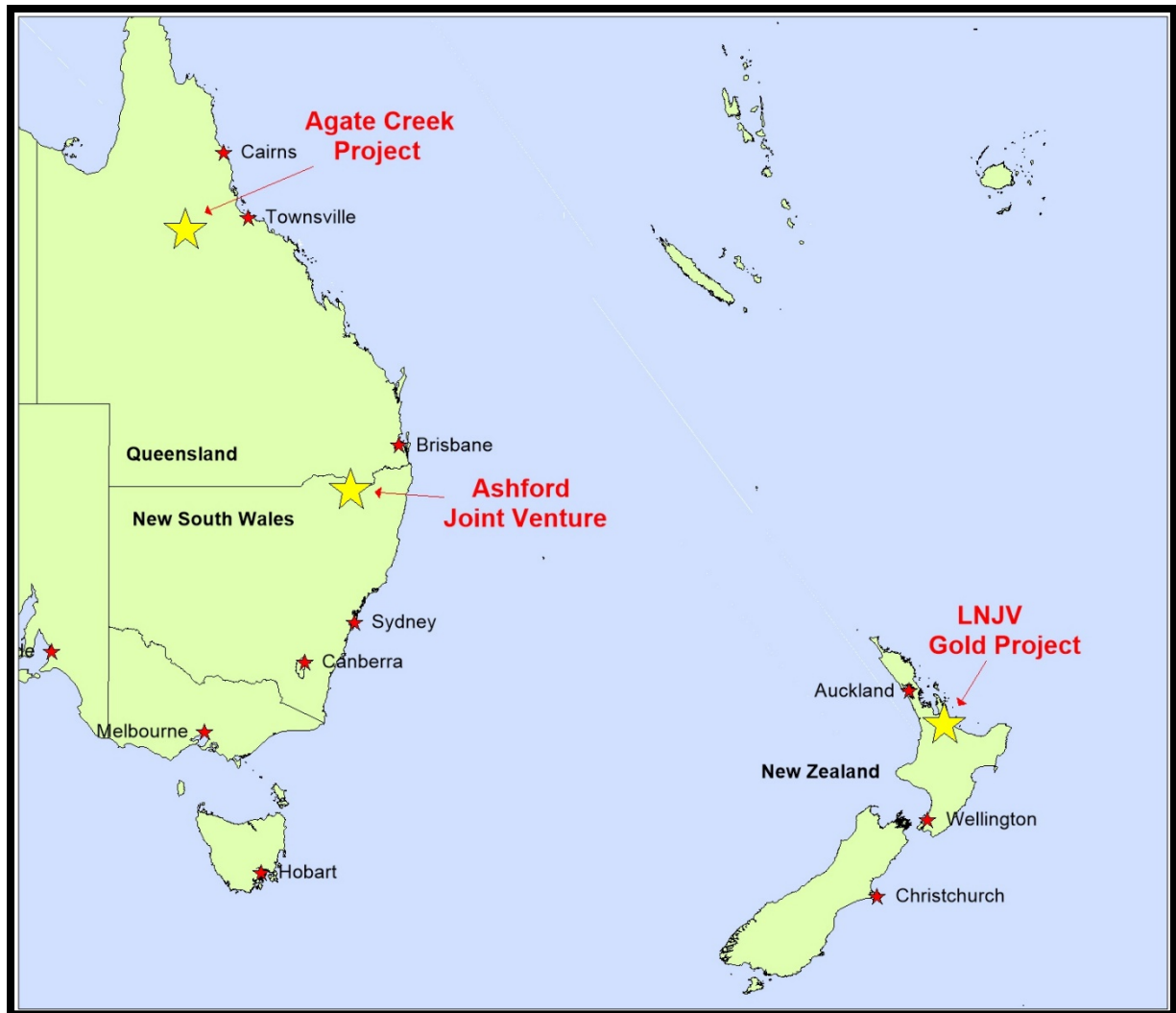
- + An additional 20-line kilometre ground based geophysical survey commenced on the 24<sup>th</sup> September and is expected to be completed during Q4 2016. It is planned this survey will identify additional anomalies along the prospective trend for follow up drilling.
- + Additional priority drill targets have been identified from the soil geochemistry and geophysical data. It is expected that drill testing of these targets will commence during November 2016 once access tracks are established and all permitting requirements are in place.
- + Eight drill holes have been completed so far as part of the Phase One drilling program. A total of 3,000m is planned to be completed by the end of Q4 2016 with several additional drill targets identified. Inclement weather impacted progress during the quarter.
- + Geological interpretation and assessment of the drill core has confirmed the structural model, and target generation activities are therefore ongoing. No significant gold results have been received so far.

### *Corporate*

- + Laneway Staffing levels at Agate Creek and New Zealand have remained constant.
- + Expenditure of \$878,000 on Agate Creek and LNJV projects in the quarter.

## Projects Overview

Laneway Resources is an emerging gold producer with multiple projects in Queensland, New South Wales and New Zealand primarily targeting gold.



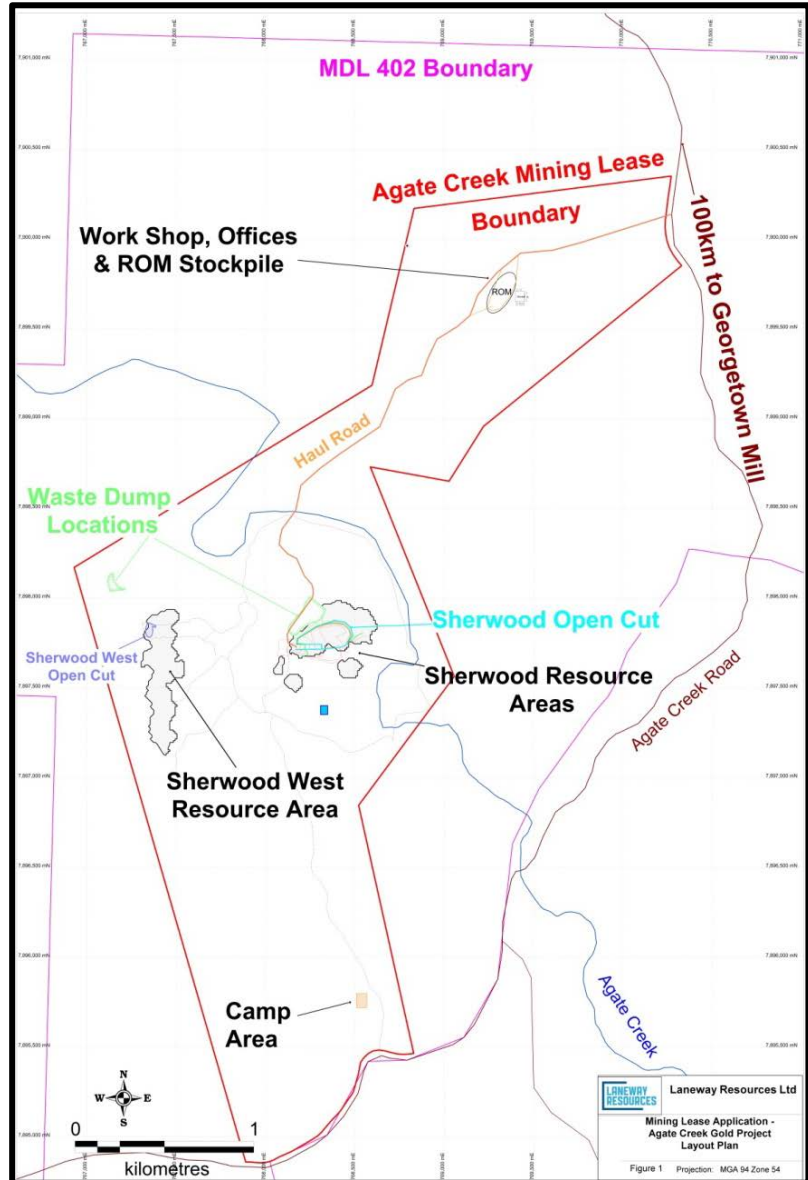
**Location of Laneway Resources' projects**

## Agate Creek Gold Project (100% owned by LNY)

### Mining Lease Application (MLA 100030)

In February 2015 the Company lodged a Mining Lease Application (MLA 100030) with Queensland's Department of Natural Resources and Mines (DNRM) over its Agate Creek Gold Project (the "Project"). The total area under the MLA is 689.3 Hectares covering the Sherwood and Sherwood West near surface high-grade prospects as well as prospective extensions to the known mineralisation areas and the planned locations of necessary infrastructure to support mining operations. The Environmental Authority is in place (EPSL03068015) for the proposed mining operations.

The main outstanding requirements to enable grant of the ML are finalisation of the last of the landowner and Native Title agreements with negotiations progressing. The grant of the ML will be an integral milestone in the Project's progress towards commencing high-grade (low strip ratio) open cut mining operations at Agate Creek. The Company plans to process the high-grade ore from the Project at the nearby Georgetown processing plant and is progressing arrangements for this. Utilising an existing processing plant will significantly reduce the capital expenditure and time to first gold production.



Agate Creek MLA with mine layout



## Mineral Resource

A global recoverable Mineral Resource is defined for the Agate Creek Project in Table 1 at a 0.5 g/t Au cut-off suitable for a large open pit operation and is reported on the same basis as the previous resource statement. A continuous high grade Mineral Resource can be interpreted at cut-off of 2 g/t Au for Sherwood and 1 g/t Au for Sherwood West and reported in Table 2. Table 2 represents a subset of Table 1.

0.5 g/t cut-off	Sherwood			Sherwood South			Sherwood West			Total		
Resource Classification	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)	Mt	Gold (g/t)	Gold (oz)
Indicated	2.80	1.60	140,000				2.20	1.60	112,000	5.00	1.60	252,000
Inferred	1.40	1.30	57,000	0.30	1.20	12,000	1.50	1.20	59,000	3.20	1.24	128,000
Total	4.20	1.50	197,000	0.30	1.20	12,000	3.70	1.44	171,000	8.20	1.46	381,000
Grade and tonnage rounded to two decimal places. Ounces calculated after rounding and reported to nearest 1,000 ounces.												
High Grade Sub Set	Cut-Off Grade		Indicated			Inferred			Total			
	Au (g/t)		kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	kt	Gold (g/t)	Gold (oz)	
Sherwood	2		89	6.01	17,300				89	6.01	17,300	
Sherwood West	1		1080	1.82	59,600	146	1.72	8,100	1164	1.81	67,700	
Total			1169	2.16	76,900	146	1.72	8,100	1253	2.16	85,000	

Table 1 – Updated Mineral Resource Figures and Table 2 – High Grade sub set for Mineral Resource

The introduction of the high-grade domains provides a basis for assessing near surface material suitable for open pit mining and toll treating at existing processing facilities. Deeper high-grade zones at Sherwood present underground targets but require additional interpretation and drilling to be defined with confidence.

## Mining and Processing Agreement for Agate Creek

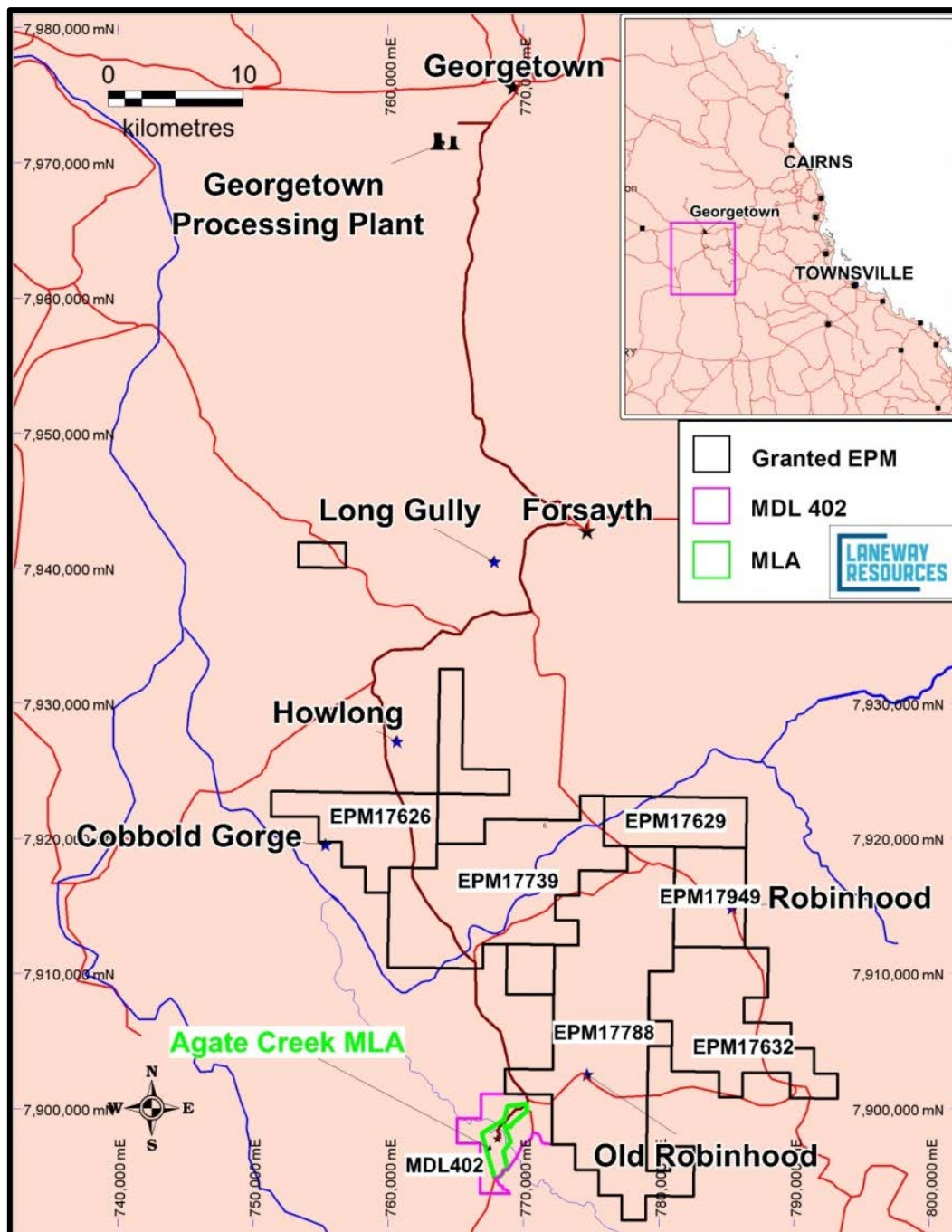


A Heads of Agreement (HoA) was signed in 2015 with the owner of the Georgetown Plant, Etheridge Operations, to undertake mining operations at Agate Creek and process ore at the Georgetown Plant.

**EOPL's Georgetown Gold Processing Plant**

## Agate Creek Project Background

The Agate Creek Gold Project is located approximately 40km south of Forsayth and 60km west of Kidston in North Queensland. The project comprises as of EPM's 17788, 17632, 17949, 17739, 17626, 17629 and MDL402 covering a total of 620km<sup>2</sup>. Consolidation of these EPM's is being progressed with the department and is well advanced which will lead to significant cost and time savings with the statutory reporting.



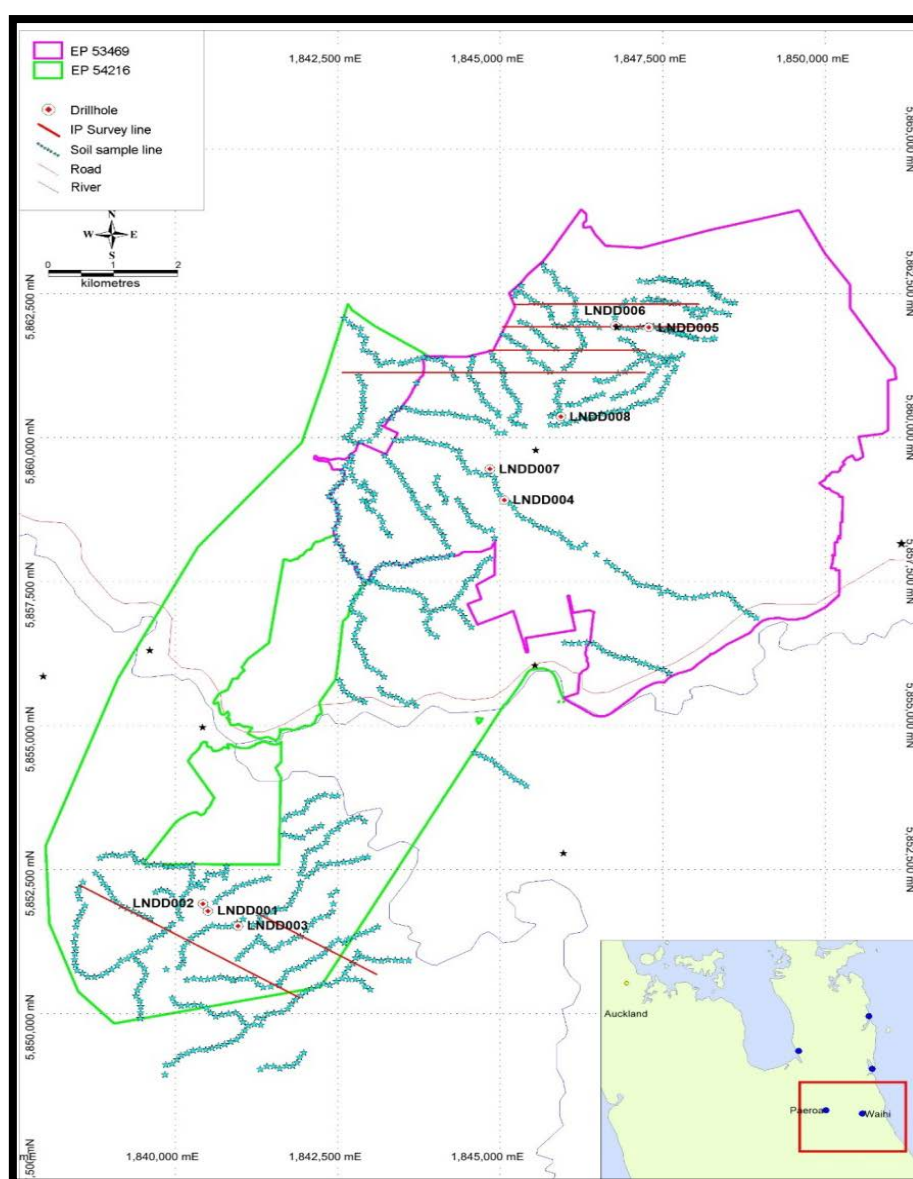
Location of Agate Creek Project Tenure.

## LNJV Gold Project (100% LNY)

Exploration activities are progressing well on the LNJV Gold Project in New Zealand with an extensive geological mapping, rock chipping and geochemical soil sampling program completed. Newcrest are currently fully funding all activities to earn an 80% interest in the Project. Eight drill holes in the Phase One drilling program have been completed to date with additional drill targets selected. The diamond drill program is expected to recommence during November 2016. Drilling is being undertaken by local Waihi company, Alton Drilling.

An additional 20-line km IP survey has commenced over the eastern area of the EP53469 permit and is expected to be completed during Q4 2016 with the data expected to generate additional drill targets for the Project.

An additional small infill program of 140 geochemical soil samples were completed during the quarter with results expected shortly. This data will be used to help define additional drill targets.



Work completed within the LNJV Gold Project to date. Stars in EP54216 indicate samples collected prior to partial relinquishment of EP54216.



## Background on Project

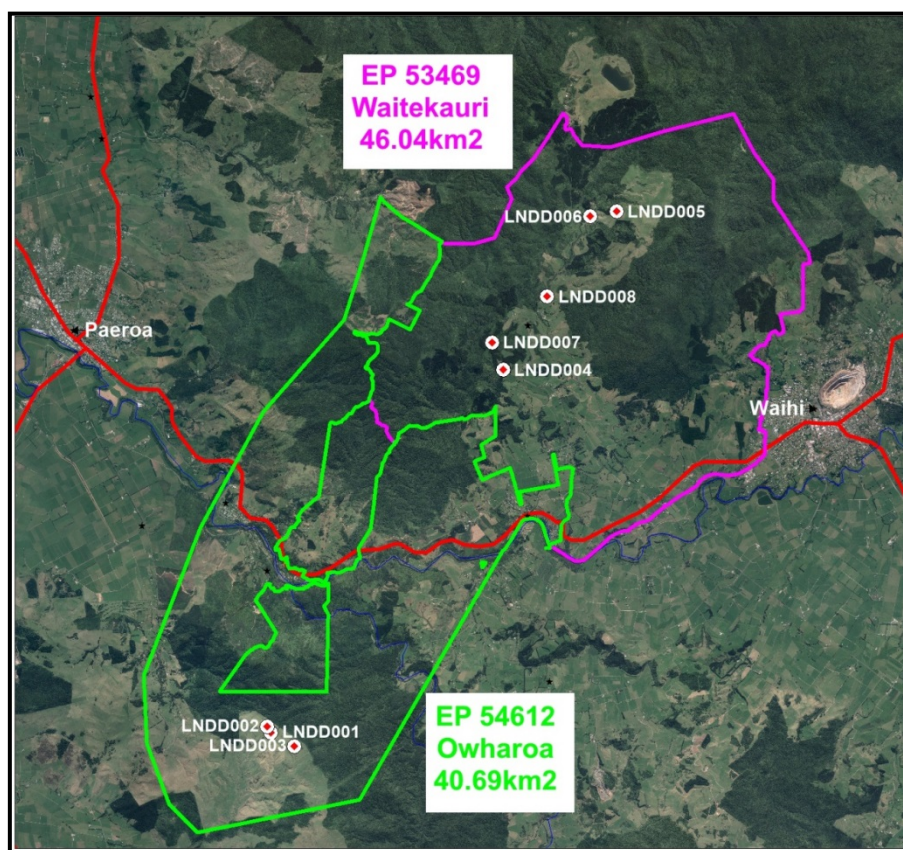
The Phase One ridge & spur soil sampling throughout both EP53469 (Waitekauri) & EP54216 (Owharoa) was completed in November 2015. The program was designed on a nominal 500m line spacing with 100m sample spacing as topography allowed. In total, 932 Soil Samples and 80 rock chip samples were collected. Results from surface sampling show several broad low level anomalies in the Waitekauri Valley within the NNE trending structural corridor which is host to the Jubilee, Grace-Darling, Maoriland, Sovereign and Scotia Deposits.

A pole – di-pole Induced Polarisation (IP) survey was completed in March 2016 with 18.55 line km of data collected in total at 500 m line spacing - of which 6 line km (two lines) was from Owharoa and 12.55 line km (four lines) was from Waitekauri. As part of this program historical IP survey data was reprocessed and merged with newly acquired data. Five priority drill targets were identified.

LNJV comprises two granted exploration permits (EP53469 and EP54216) covering approximately 80km<sup>2</sup>. The Project is located on the North Island of New Zealand within the Hauraki goldfield, within the mineralised corridor that is host to Oceana operating Martha Mine (Waihi) and the Golden Cross gold-silver mine. The Hauraki goldfields have yielded in excess of 45 million ounces of gold and silver from approximately 50 low-sulphidation epithermal deposits.

The region was extensively mined between 1860 and 1952 with historic workings reaching a depth of up to 140m from surface and there remains significant scope for down dip extension of this mineralisation. There is also the potential to delineate near surface resources that may be amenable to standard open cut mining techniques.

The geology of the Hauraki goldfield consists of a block-faulted basement of Jurassic greywacke (Mania Hill Group) overlain by a thick sequence of andesite and lesser dacite (Coromandel Group), and rhyolite and ignimbrite (Whitianga Group). Based on known occurrences of gold-silver deposits in the goldfield, two epithermal gold-silver mineral deposit models, andesite-hosted and rhyolite-hosted, are considered the most prospective for future exploration.



Plan showing Laneway Exploration Permits & Surrounding Permits and Mines



Andesite-hosted deposits comprise about 95% of past gold production. Gold and silver are localised in quartz veins that range up to 30m wide and approximately 800m long. Rhyolite-hosted deposits have produced less than 5% of the total historic gold production, but they have potential as low grade, large tonnage deposits. Gold and silver occur in sheeted and stockwork quartz veins, breccia pipes and disseminated in hydrothermally altered wall rocks, typical of hot springs type epithermal gold deposits.

## Schedule of Interests in Mining Tenements

Laneway Resources Limited held the following interests in mining and exploration tenements as at 30 September 2016: There were no changes in the quarter.

### Queensland Tenements

<b>Type &amp; Title No.</b>	<b>Location</b>	<b>Interest</b>
MDL402	Agate Creek	100%
EPM17632	Agate Creek	100%
EPM17788	Agate Creek	100%
EPM17949	Agate Creek	100%
EPM17626	Agate Creek	100%
EPM17739	Agate Creek	100%
EPM17629	Agate Creek	100%
MLA 100030	Agate Creek	100% Application

### NSW Tenements

<b>Type &amp; Title No.</b>	<b>Location</b>	<b>Interest</b>
EL6234	Ashford	50%
EL6428	Ashford North	50%

### New Zealand Tenements

<b>Type &amp; Title No.</b>	<b>Location</b>	<b>Interest</b>
EP53469	Waitekauri	100%*
EP54216	Owharoa	100%*

\* In accordance with the previously announced Farm-In Agreement between Laneway and Newcrest New Zealand Exploration Pty Ltd (Newcrest) and upon completion of both Minimum Work Programs for either tenement, Newcrest has the right to earn 80% of the Project / tenement and will be named on the title.

A total of \$878,000 was spent on exploration projects in the quarter with \$219,000 on the Agate Creek project and \$659,000 on the New Zealand exploration project.

**For further information contact:**

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## Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Scott Hall who is a member of the Australian Institute of Mining and Metallurgy. Mr Hall is a full-time employee of Laneway Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking 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 Hall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information relating to the Mineral Resources at the Agate Creek Project is extracted from the ASX Announcement as follows:

- ASX Announcement titled 'Resource Update for Agate Creek Gold Project' dated 1 February 2016.

The report is available to view on the Laneway Resources website [www.lanewayresources.com.au](http://www.lanewayresources.com.au). The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.