



**ASX ANNOUNCEMENT**

**14 November 2016**

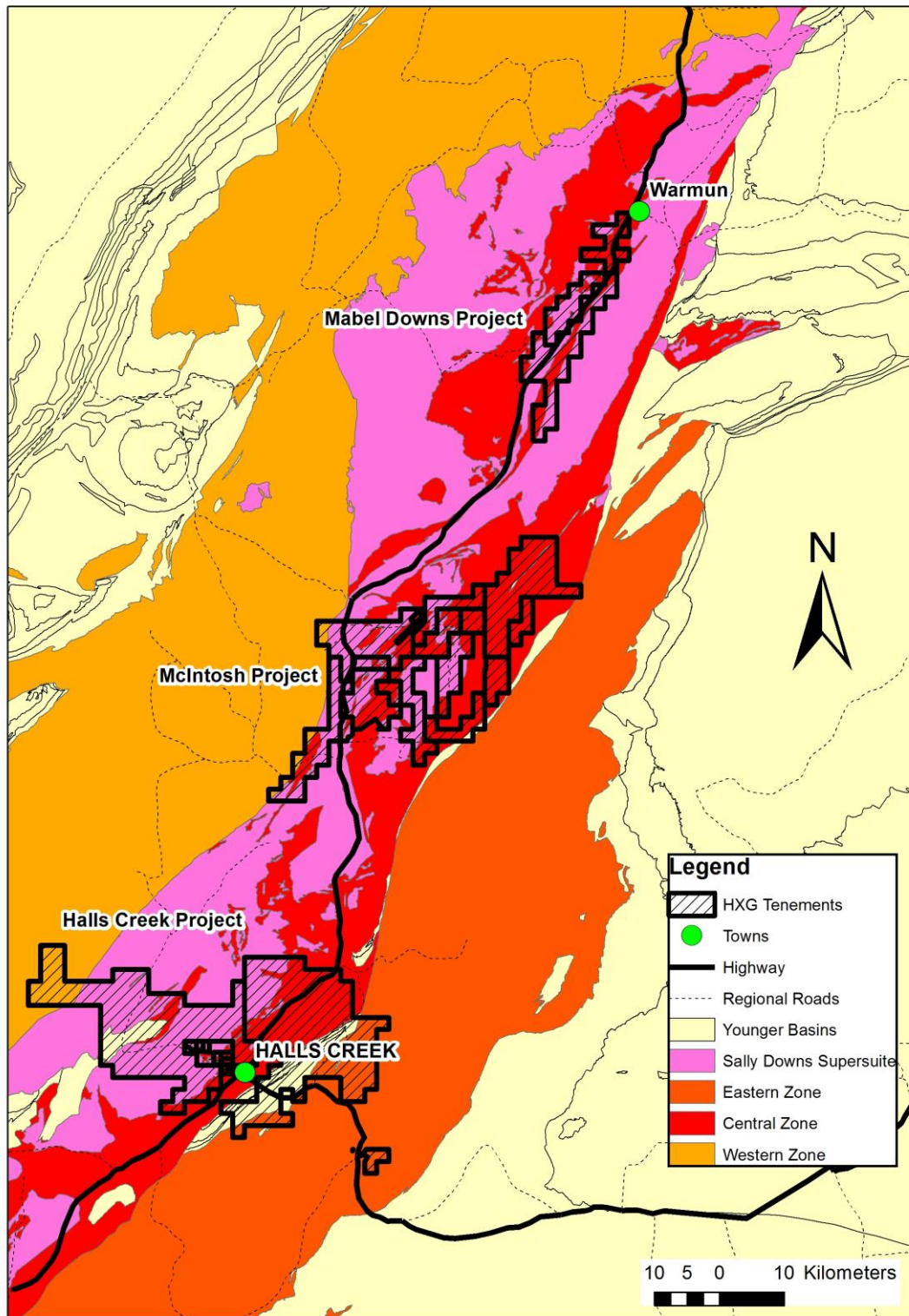
**CSA GLOBAL REVIEW OF HEXAGONS GOLD, BASE METAL AND PGE PROSPECTIVITY AT HALLS CREEK, MABEL AND MCINTOSH**

Hexagon Resources Limited (ASX: HXG, "Hexagon" or "Company") is pleased to report results of a high-level desktop assessment regarding gold, base metal and platinum group element prospectivity on its 100% owned tenements located in the East Kimberley region of Western Australia. The assessment was aimed at assessing the potential for discovery on Hexagon's tenements for these commodities and provide a tighter focus for future exploration activities.

**Highlights:**

- **Economic potential for metallic mineral deposits is considered to include, in order of priority:**
  1. **Magmatic Nickel / Copper deposits associated with the Sally Malay Suite**
  2. **Orogenic Gold associated with major crustal structures in a variety of settings**
  3. **Volcanic Hosted Massive Sulphide Zinc / Lead / Copper in the Koongie Park Formation**
- **Significant opportunities exist for the discovery of potentially economic Nickel / Copper mineralisation, as demonstrated by known deposits at Savannah and Copernicus. Historical exploration on Hexagons tenure has been poorly targeted due to poor understanding of the mineralisation model and targeting criteria**
- **Potential for Gold mineralisation exists at Hexagon's Halls Creek tenement package as demonstrated by known deposits along trend at Nicholsons**
- **The known Volcanic-Hosted-Massive-Sulphides (VHMS) in the Koongie Park Formation have demonstrated deposits with style and scale that provides an indication of economic potential, with exploration under cover especially limited**
- **Synergies with location of exploration crews, services and logistics with all projects in close proximity to the McIntosh flake graphite project**

**Hexagon's CEO/Head of Operations, Tony Cormack commented, "We are extremely pleased with the gold, base metal and PGE assessment completed by CSA Global, the report highlights the significant potential that exists across Hexagons broader tenement package. The company will remained focused on our flagship McIntosh Flake Graphite project but we cannot ignore the potential to add significant value for our shareholders. The next stage involves a detailed field assessment, including mapping, soil sampling and target generation planned to commence in the 2017 field season.**

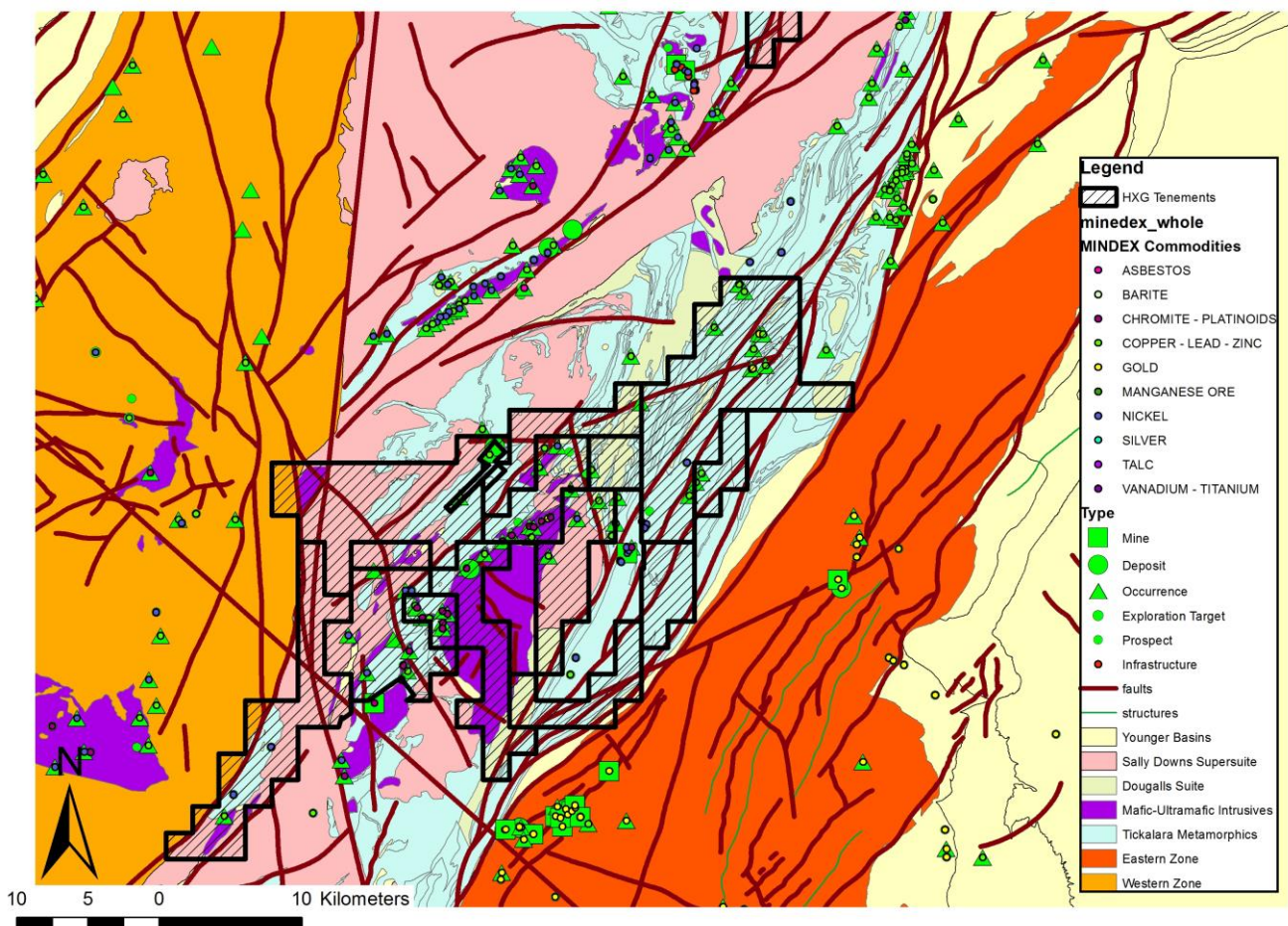


**Figure 1: Hexagon's 100% Tenement Holdings in the East Kimberley, Western Australia**

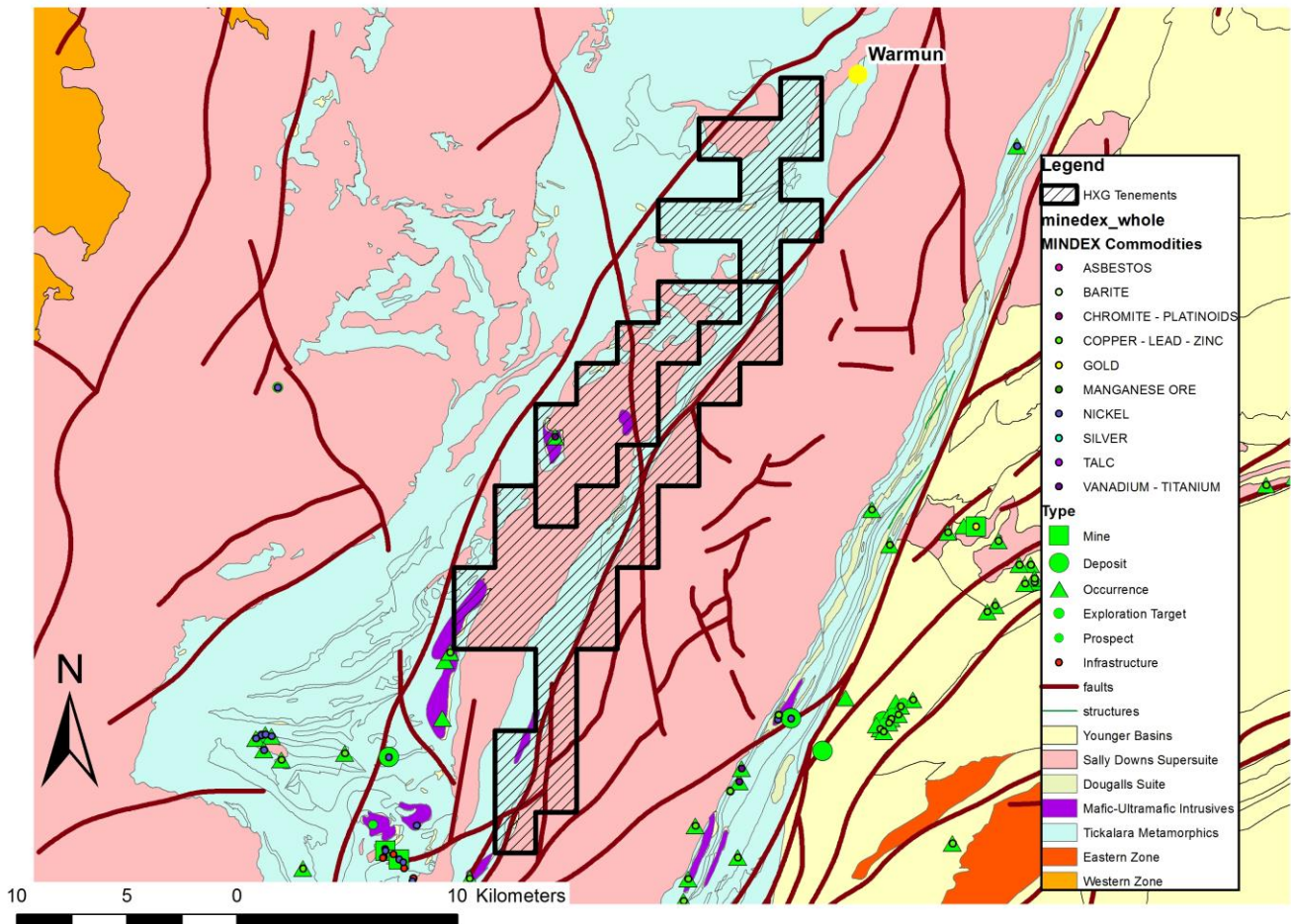


The areas of interest arising from CSA Global's study include:

- **Magmatic Sulphide (Ni / Cu / PGE) in the McIntosh and Mabel Downs projects**  
 (see Figures 2 & 3):
  - The McIntosh project area immediately along strike in either direction to the Copernicus Open Cut Mine.
  - The Mabel Downs project area immediately along trend of the Savannah Mine where there are a number of mafic-ultramafic intrusive bodies of the Sally Malay suite.
  - The remainder of these two project areas (McIntosh and Mabel Downs) remain highly prospective for conduit hosted magmatic hosted Nickel / Copper / PGE massive sulphide mineralization.



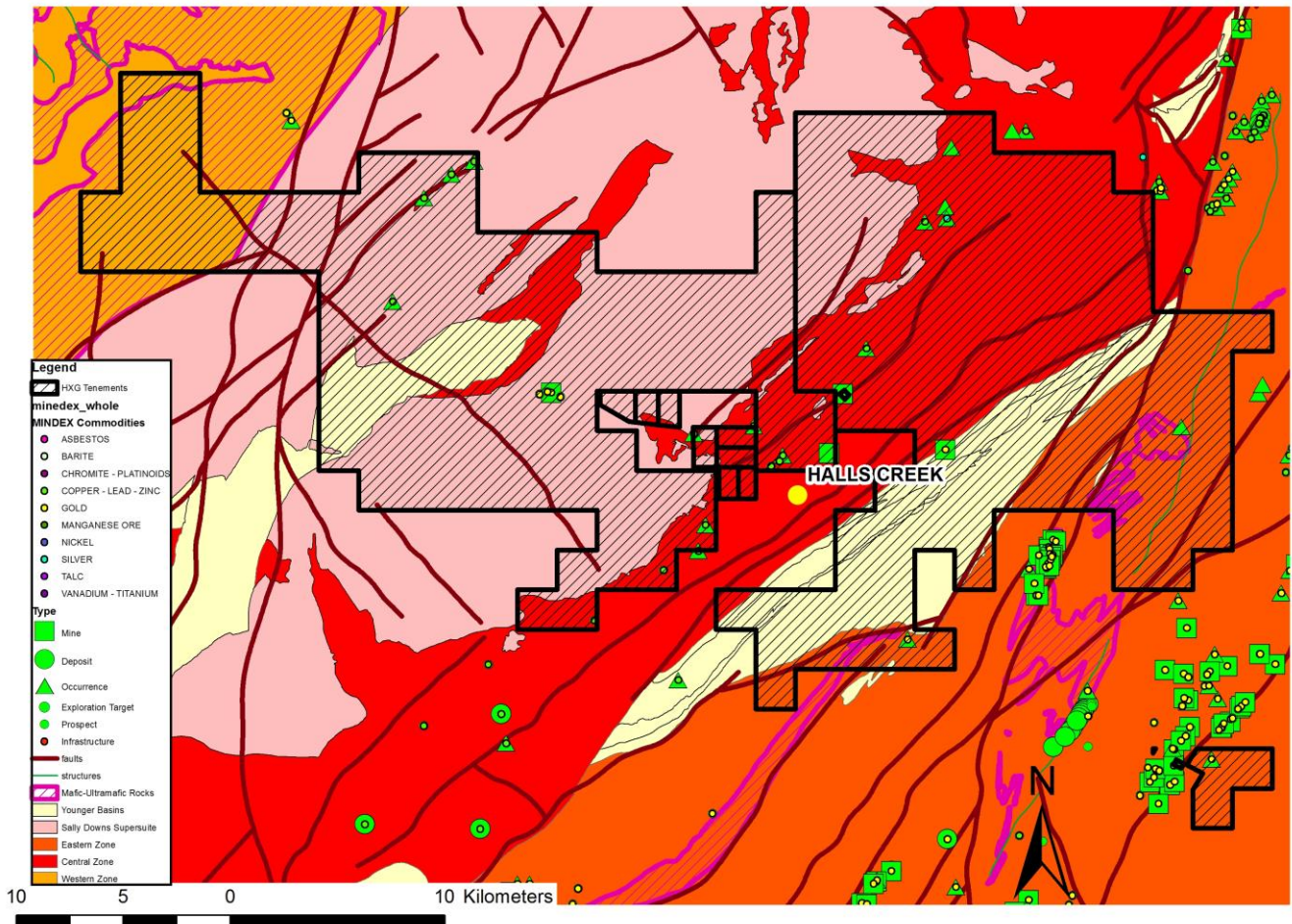
**Figure 2: Hexagon's Tenement Holdings at the McIntosh Project**



**Figure 3: Hexagon's Tenement Holdings at the Mabel Downs Project**

- **Orogenic Gold in the Halls Creek Project Area (See Figure 4):**
  - Extension to known mineralised structures within the project area.
  - An area approximately 20kms east of the Halls Creek township where major structural junctions in an area of apparent complex fold patterns.
  - South and southeast corner of the project area where several major fault structures occur.
  - Far east of the project area where a major fault juxtaposes the Biscay Formation.





**Figure 4: Hexagon's Tenement Holdings at the Halls Creek Project**

- **VHMS Base Metals (Zn-Pb-Cu) in the Halls Creek Project (See Figure 4):**
  - Northeast-trending belt of VHMS Zn-Pb-Cu showings to the immediate north of Halls Creek associated with local stratabound magnetic highs.
  - Other local magnetic high trends within the undifferentiated Koongie Park Formation to the immediate northeast of Halls Creek.
  - Cluster of base-metal occurrences in the Biscay Formation ca 20km to the east and northeast of Halls Creek, associated with structural junctions.
  - Area of zinc-anomalous stream sediment chemistry 5-10kms south of Halls Creek, mapped as Olympio Formation and on the junction of fault structures.



**Hexagon's Chairman, Neville Miles commented** *"This is a very promising report that highlights the prospectivity of Hexagon's East Kimberley tenure, the tenements definitely warrant further investigation. **The focus of Hexagon Resources remains the Flake Graphite project at McIntosh.** However, as I have stated previously, ensuring we maximise shareholder value from these other potential projects, without losing focus on the main game, is important. Committing to some field work in the 2017 season is a part of this process and I look forward to Hexagon reporting further results and the next strategic steps for these tenements at that point."*

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#### **Competent Persons Statement**

*The information in this report relating to Exploration Target Estimates, Exploration Results, Geological Data and Mineral Resources at the McIntosh Project is based on information previously compiled and / or reviewed by Mr. Tony Cormack, Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Hexagon Resources Limited. Mr. Cormack has sufficient experience which is relevant to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cormack consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

#### **Forward Looking Statement**

*The information in this report may contain forward-looking statements regarding the potential of the Company's revenues, projects, interests and the development potential of the Company's business. Any statement describing a goal, expectation, intention or belief of the Company is a forward-looking statement and should be considered an at-risk statement. Given these risks, readers are cautioned not to rely on forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements due to many important factors, risks and uncertainties including, without limitation, risk associated with product sales, development and manufacture, risks inherent in the business, future capital needs, general economic uncertainty and other risks detailed from time to time in the Company's announcements to the ASX.*