

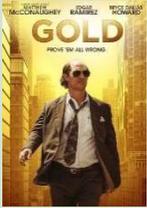
# **Exploration Revival Conference**

## **The Pilbara Gold Rush**

**Presented by John Kaiser**

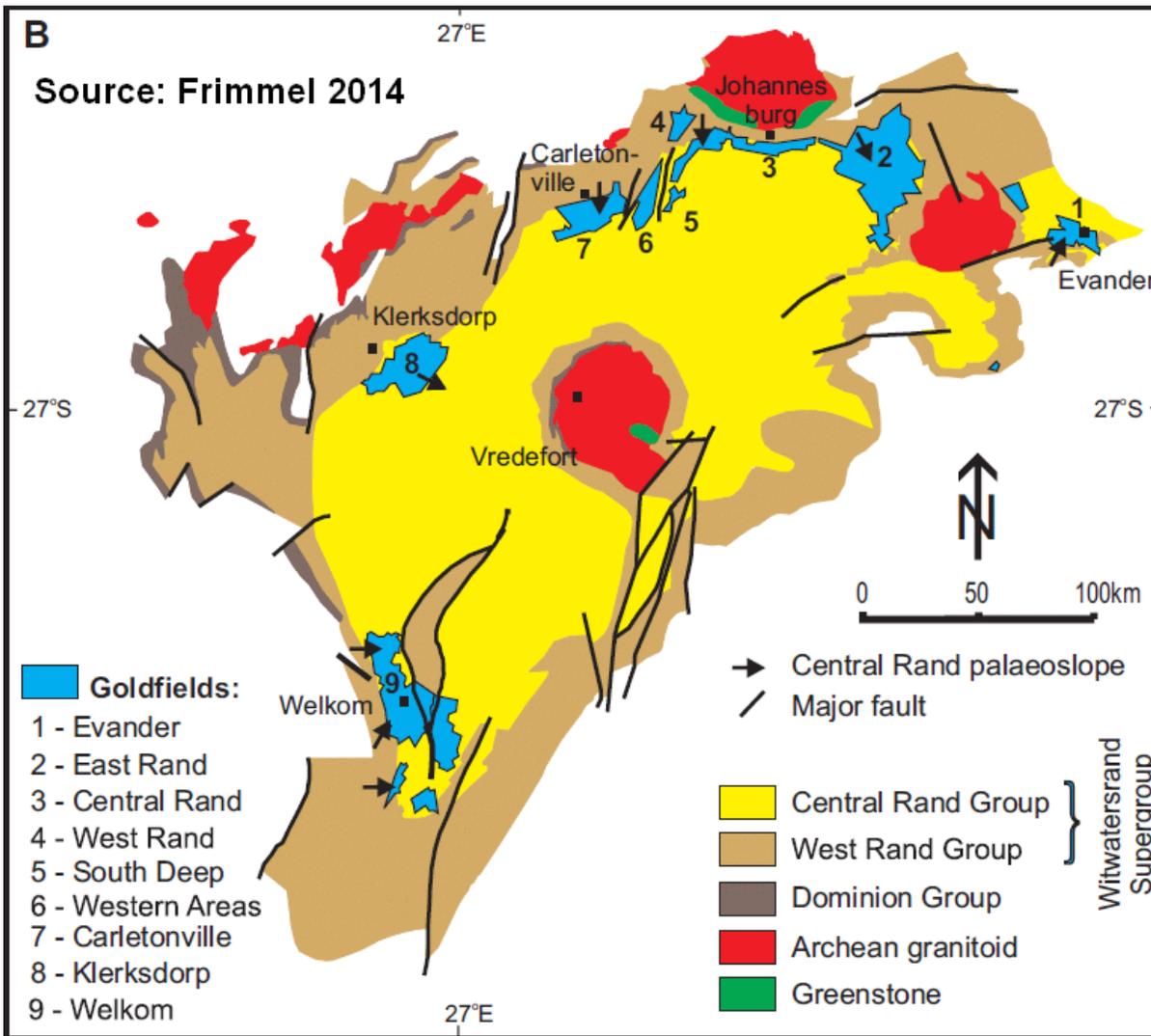
**November 14, 2017**

**Vancouver, Canada**

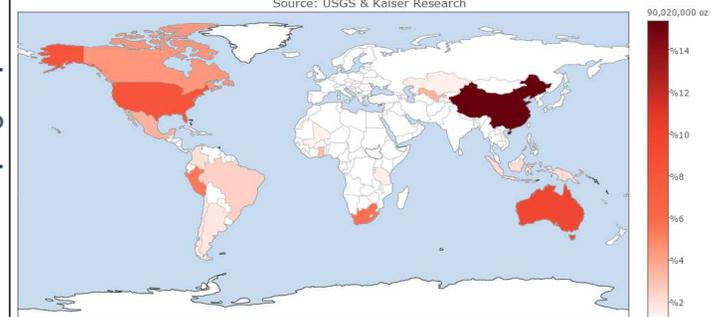
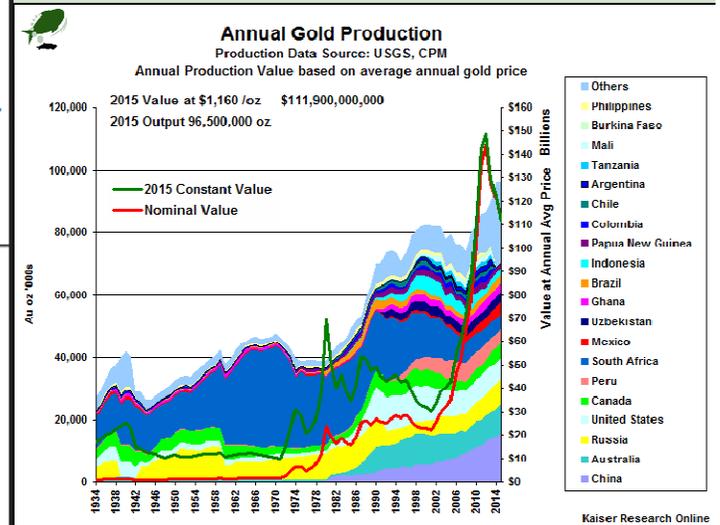


# The Bre-X Redemption Tsunami thanks to Novo Resources Corp, Quinton Hennigh, and the Wits 2.0 Hypothesis



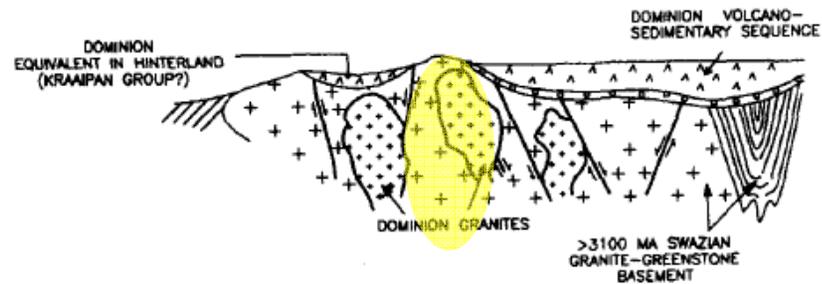


**Witwatersrand – 1.6 billion oz gold mined since 1886, 1 billion remaining**

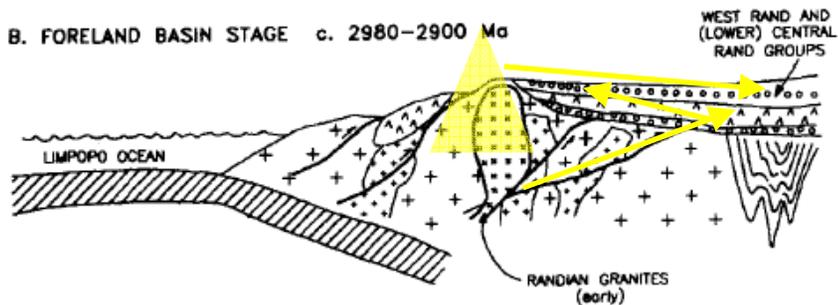


## Paleo vs Hydrothermal Origin of Wits Gold Reefs

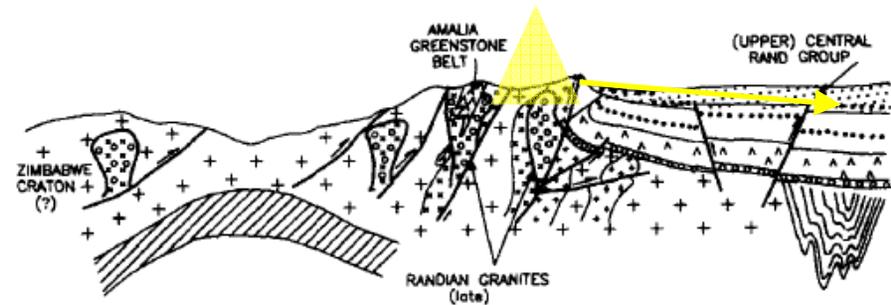
A. EXTENSIONAL RIFT BASIN c. 3100–3010 Ma



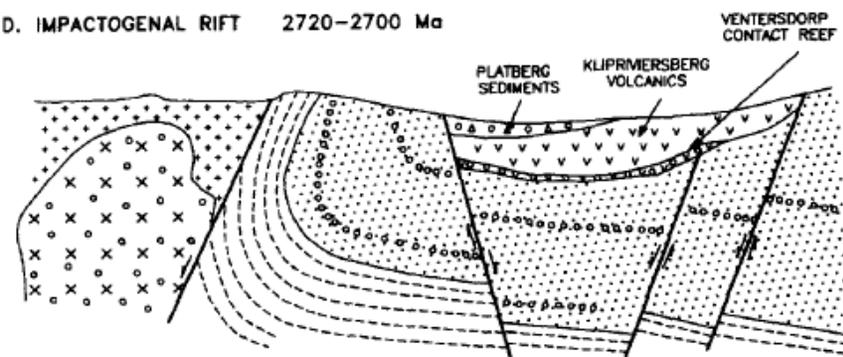
B. FORELAND BASIN STAGE c. 2980–2900 Ma



C. INDENTATION STAGE – "SQUEEZE OUT BASIN" c. 2840–2720 Ma



D. IMPACTOGENAL RIFT 2720–2700 Ma

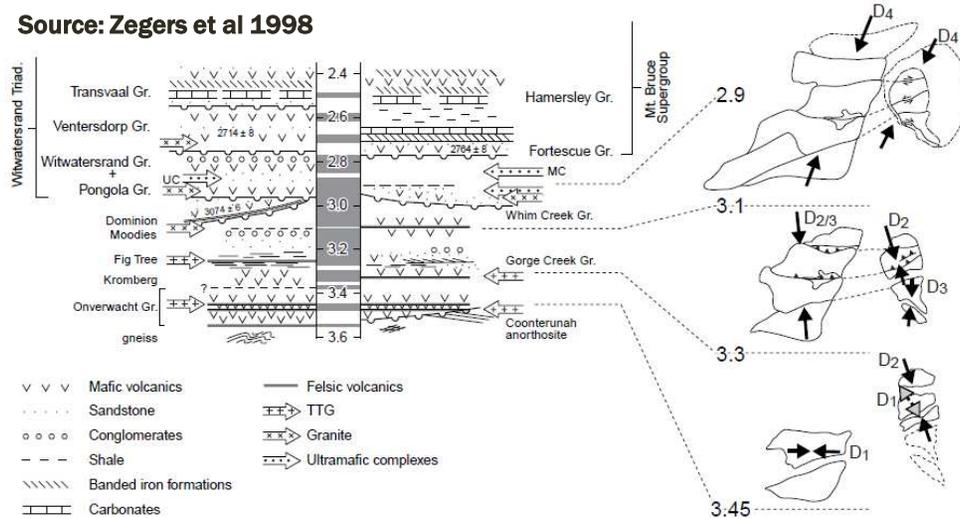


Source: Robb & Meyer 1995

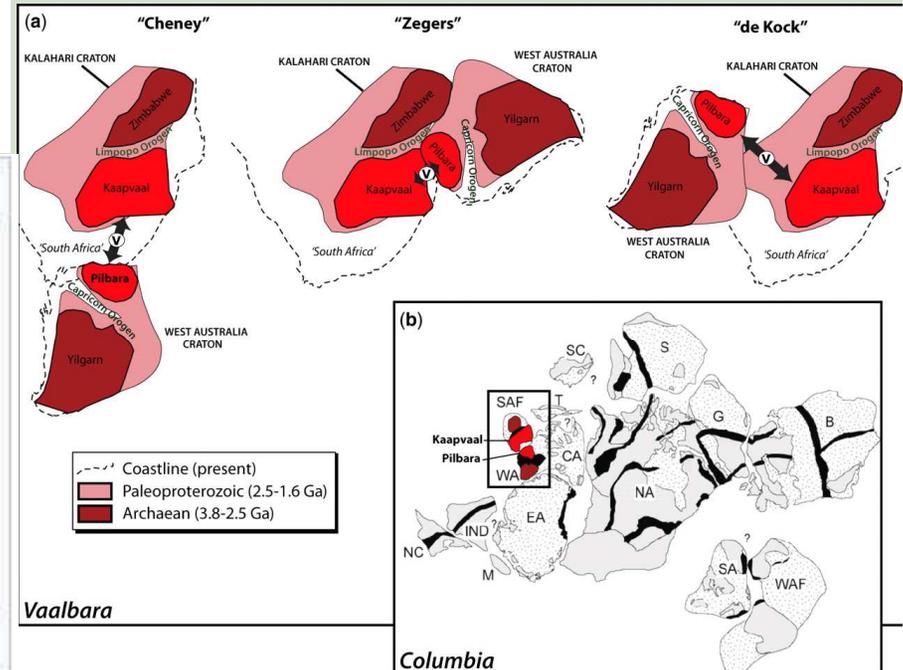
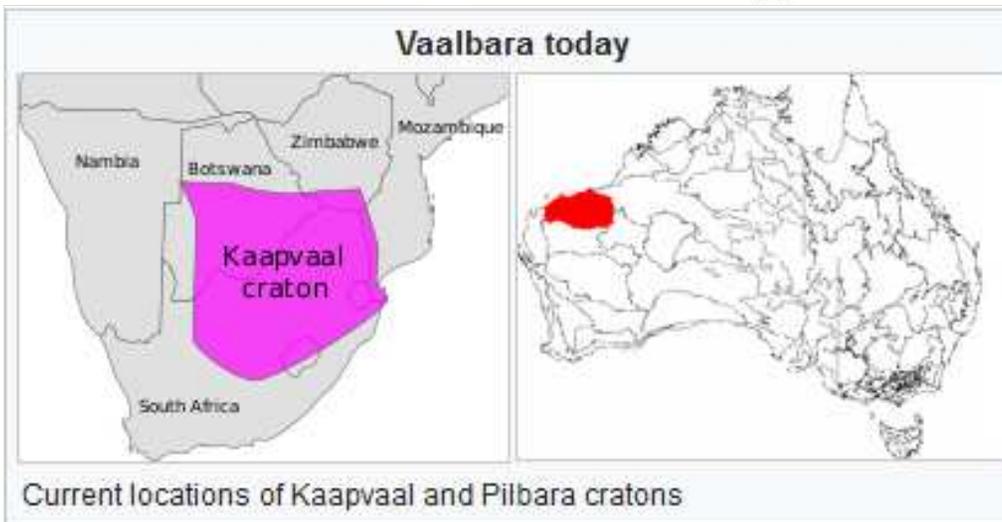
Fig. 6. Schematic representation illustrating the stages of tectonic evolution in the formation of the Witwatersrand Triad (after Robb et al., 1991). Sections do not have a specific



Source: Zegers et al 1998



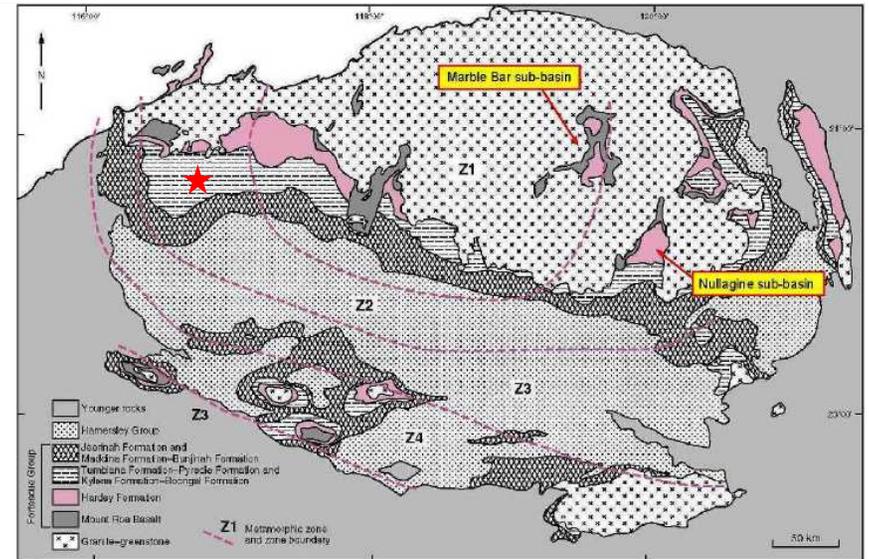
PaleoMagnetic Studies indicate Kaapvaal and Pilbara joined together during the Archean and separated 2.5-2.0 Ga



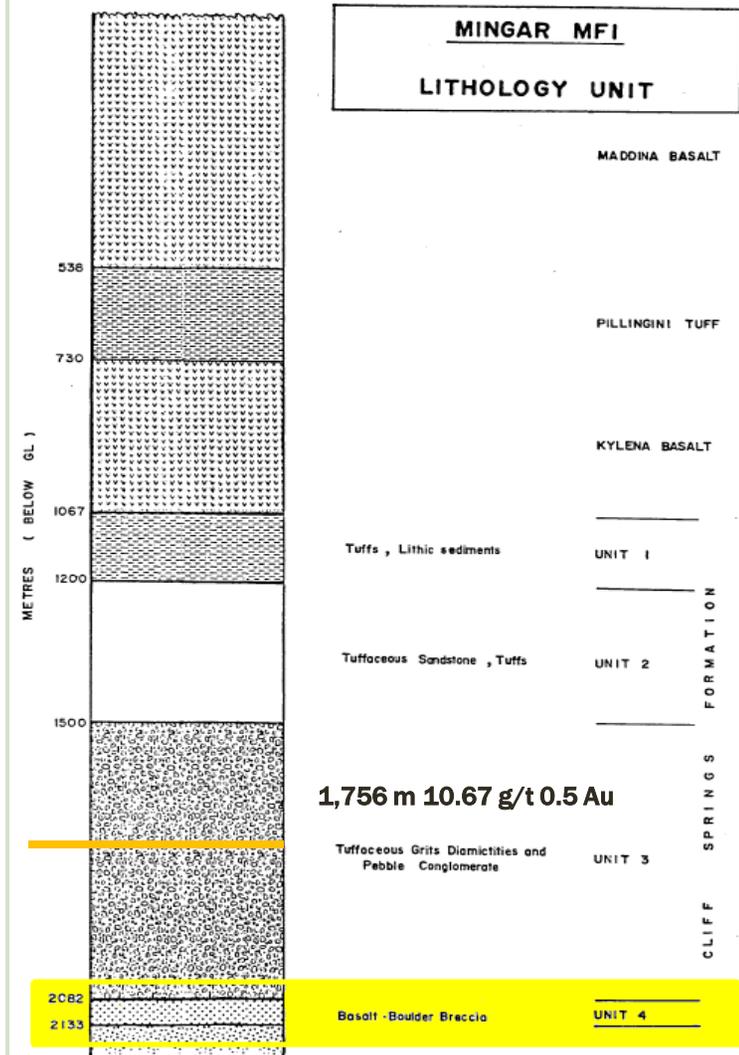
Source: Geology & Exploration History of Precambrian Quartz-Pebble Conglomerates in Western Australia - 1987



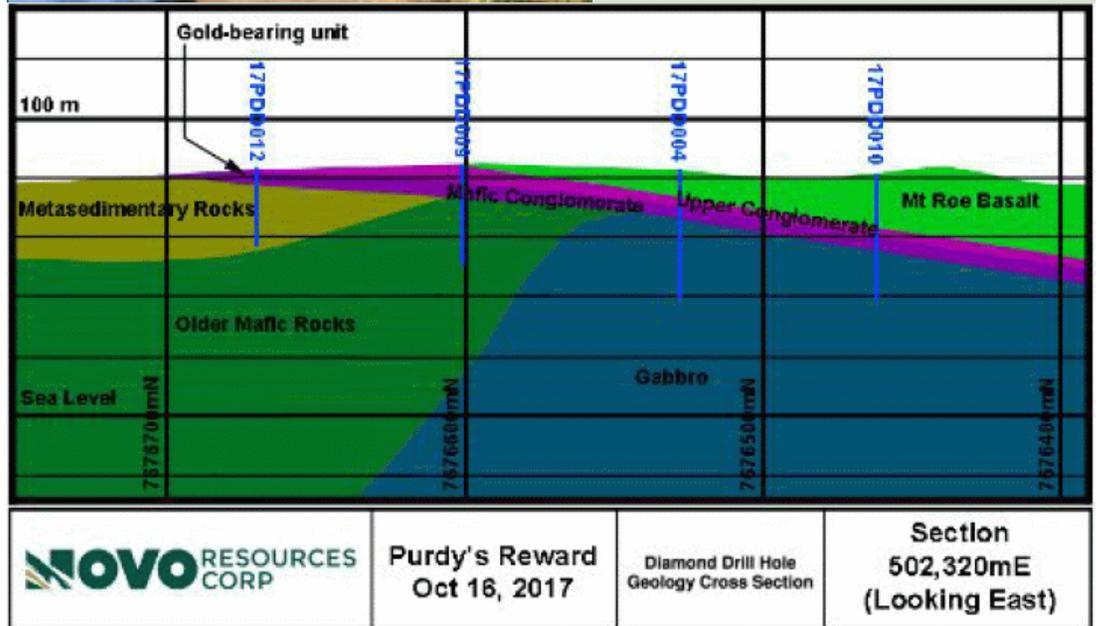
Figure 1. Major tectonic elements of Western Australia.



Although there has been some minor gold production from the Fortescue Group conglomerates, the known uraniferous pyritic conglomerates are virtually devoid of gold. Despite the evident similarities with the Rand, three geological factors may down-grade the Fortescue as a gold province; firstly the covering of potential source rocks (greenstones) early in the erosion of the basement, and secondly the prolific basalt sheets that may have prevented winnowing and reworking of prograding clastic sequences, and thirdly the absence of mature drainage systems needed to rework gold bearing sediments.



**Mafic clasts in immature conglomerate at basement unconformity**

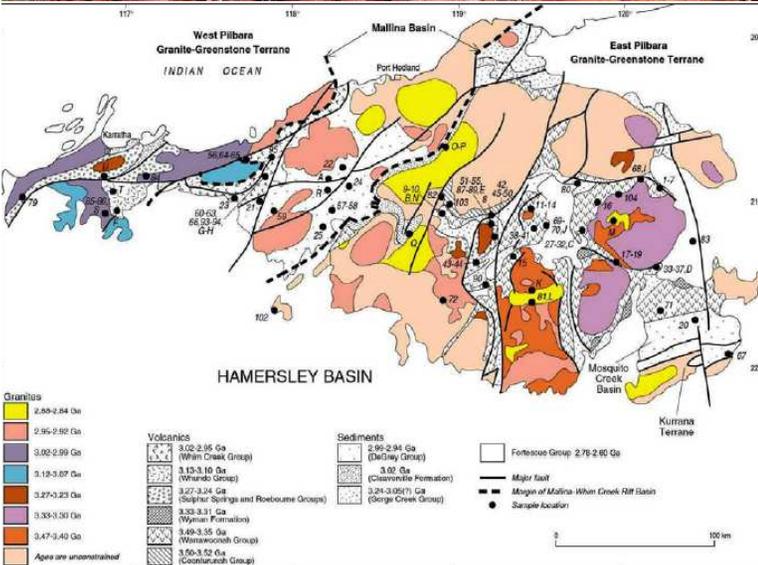


# Beatons Creek



## A Unique Style of Deposit

- Gold-bearing conglomerate horizons occurring near surface are thoroughly oxidized
- Transition to fresh rock at around 20 m. Fresh rock is free-milling.



For the past 6 years Novo has been focused on the Beatons Creek project on the eastern part of the Pilbara Craton as Quinton Hennigh searched for a Witwatersrand style gold reef. The outcome was disappointing. In May Novo raised \$18 million towards a PEA for a small scale mining operation.

## Beatons Creek Gold Resource (Sept. 15, 2015); Oxide and Fresh

Near Surface Mineral Resources				
Classification	Cut Off Grade (g/t)	Tonnes (000)	Grade (g/t)	Resource (oz)
Measured	0.5	515	3.1	51
Indicated	0.5	2,822	2.7	241
<b>Measured &amp; Indicated</b>	<b>0.5</b>	<b>3,337</b>	<b>2.7</b>	<b>292</b>
Inferred	0.5	2,668	2.4	203

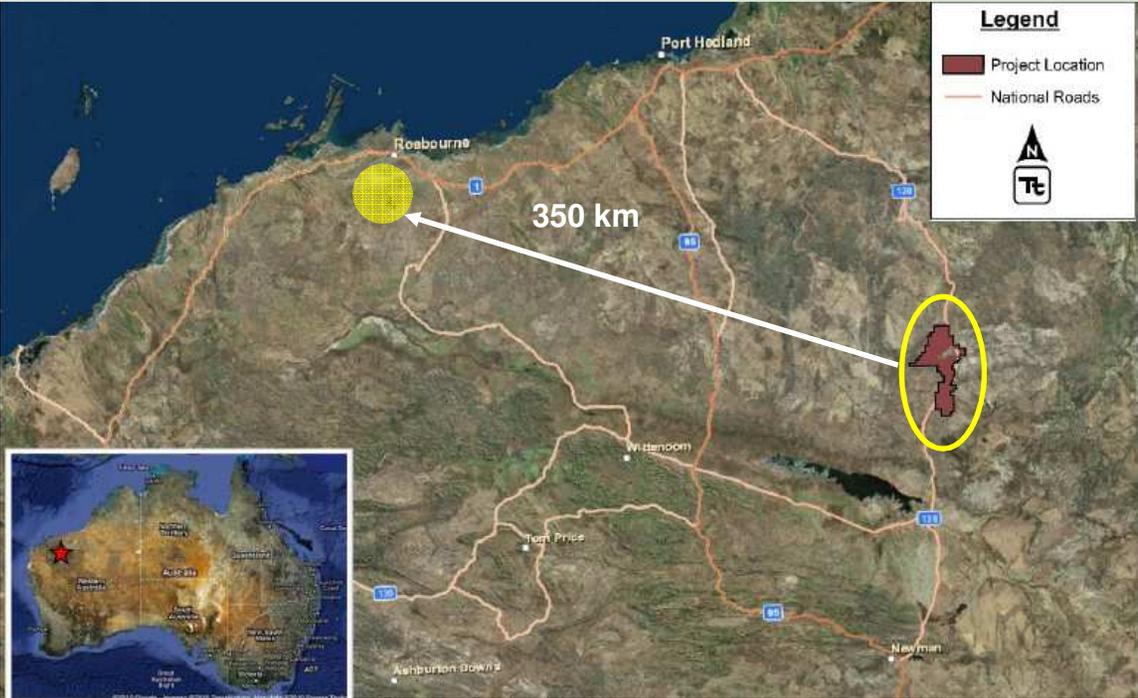
  

Underground Mineral Resources				
Classification	Cut Off Grade (g/t)	Tonnes (000)	Grade (g/t)	Resource (oz)
Measured	2.0	-	-	-
Indicated	2.0	55	4.2	7
<b>Measured &amp; Indicated</b>	<b>2.0</b>	<b>55</b>	<b>4.2</b>	<b>7</b>
Inferred	2.0	369	4.7	56

Global Mineral Resources				
Classification	Cut Off Grade (g/t)	Tonnes (000)	Grade (g/t)	Resource (oz)
Measured	0.5 / 2.0	515	3.1	51
Indicated	0.5 / 2.0	2,877	2.7	249
<b>Measured &amp; Indicated</b>	<b>0.5 / 2.0</b>	<b>3,392</b>	<b>2.7</b>	<b>299</b>
Inferred	0.5 / 2.0	3,037	2.7	259

A year ago something very unusual happened 350 km to the northwest. Fossickers started finding gold nuggets in bedrock. Quinton heard about it in March and perhaps uniquely understood what it meant.

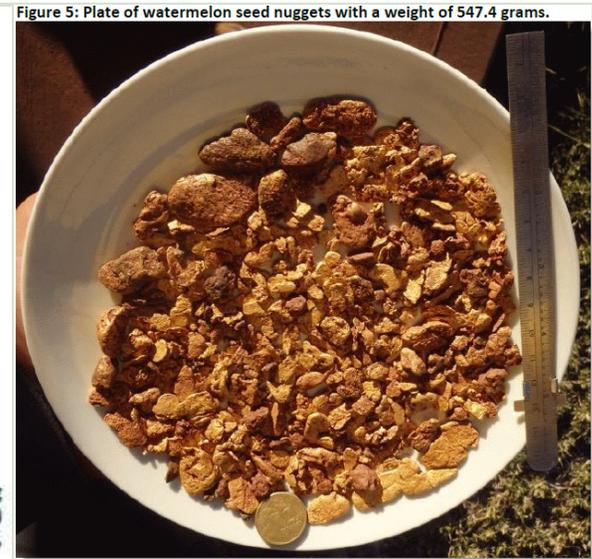




**Wits Gold Nuggets – max 100 microns**

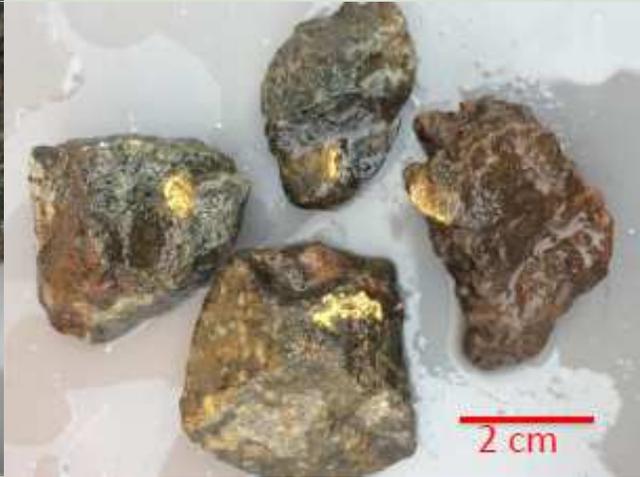


**Fig. 21.** Oblique view of the top of an auriferous carbon seam (following cleaning by hydrofluoric acid), shows microparticles of gold (maximum diameter ~100  $\mu\text{m}$ ) embedded between ashed columns of former carbon. Sample from Basal Reef, Saaiplaas Gold Mine, Free State Goldfield (after Hallbauer, 1975b, Fig. 10, p. 118).



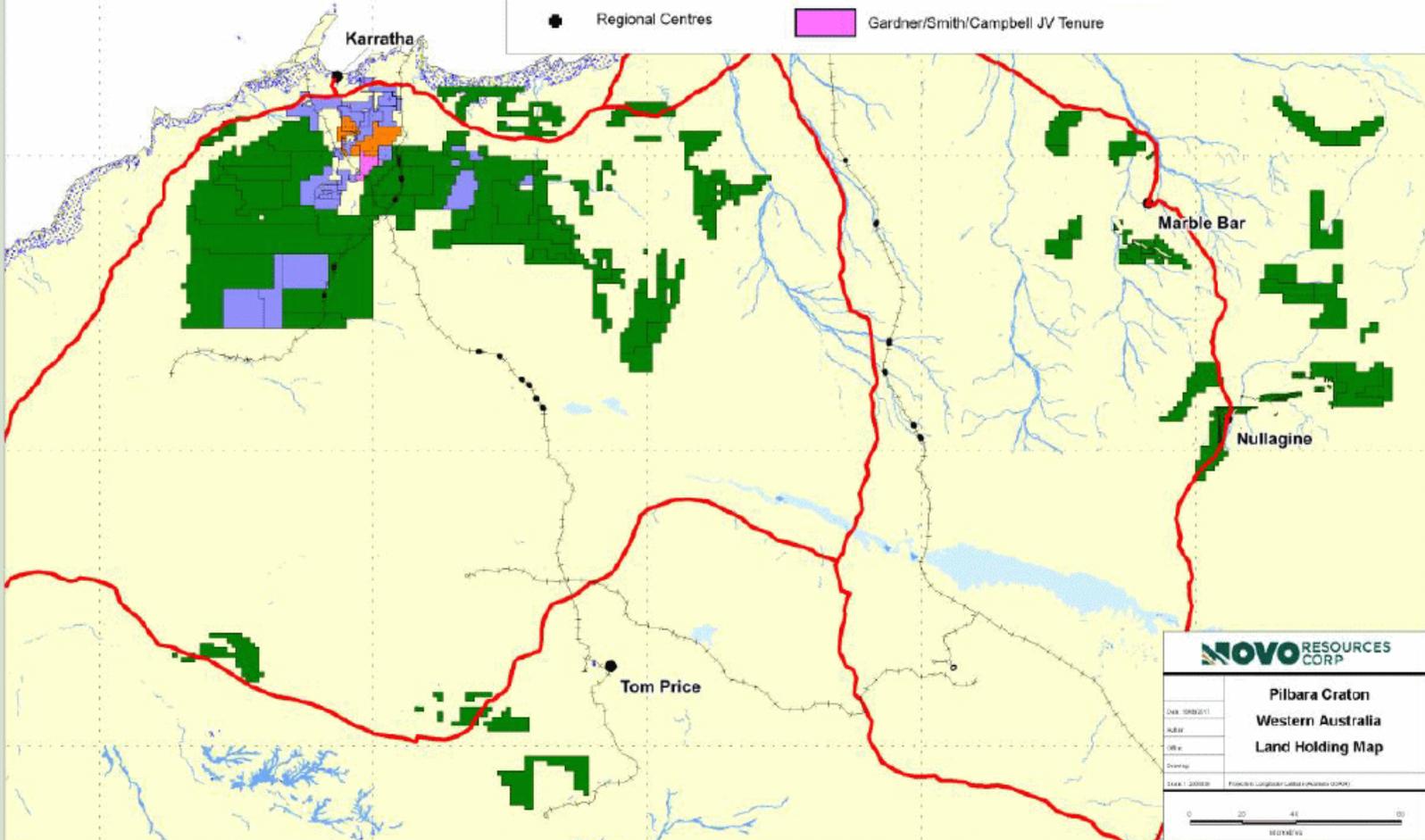
**Figure 5:** Plate of watermelon seed nuggets with a weight of 547.4 grams.

Source: Artemis press release August 7, 2017



**Legend**

- +++++ Rail
- Highways
- Regional Centres
- Novo Resources Tenure
- Artemis JV Tenure
- Gardner/Smith/Campbell JV Tenure
- Welcome Exploration JV Tenure
- Major Drainage



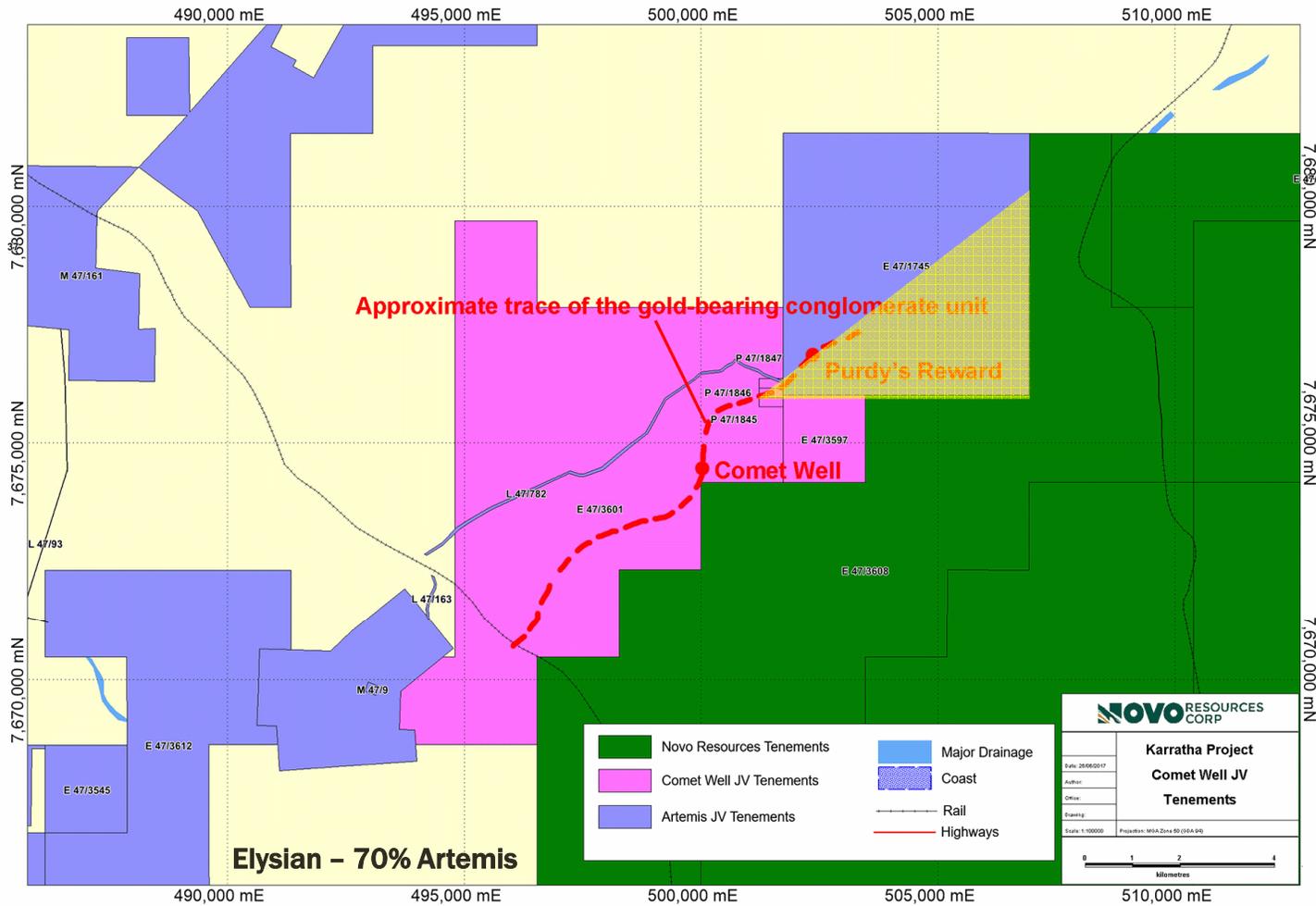
<b>NOVO RESOURCES CORP</b>	
<b>Pilbara Craton Western Australia Land Holding Map</b>	
DATE: 09/02/11	
AUTH:	
SCALE:	
DRAWN:	
DATE: 1/2009	PROJECT: Longyear-Letter (Pilbara Craton)
0 20 40 60 KILOMETERS	

# Karratha – northern Australia



# Karratha Live at the Denver Gold Forum



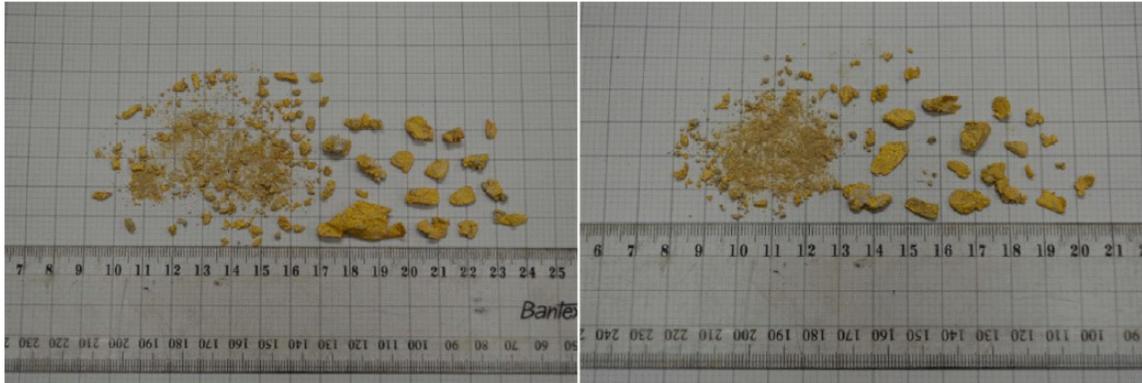


**Purdy's Reward is the R&D workshop for the Wits 2.0 Hypothesis**

**A 542.3 kg bulk sample yielded 67.08 g/t or 2.016 oz per tonne**

Subsample ID	Subsample Dry Weight (kg)	Sorted Concentrate Weight as % of Total Weight	Calculated Head Grade of Subsample (Au gpt)	% Contribution of Gold in the Sorted Concentrate to the Calculated Head Grade of the Subsample	% Contribution of Gold in the Sorted Tailings to the Calculated Head Grade of the Subsample
#1	272.8	2.15%	87.76	83.12%	12.53%
#2	269.5	1.82%	46.14	81.99%	15.63%

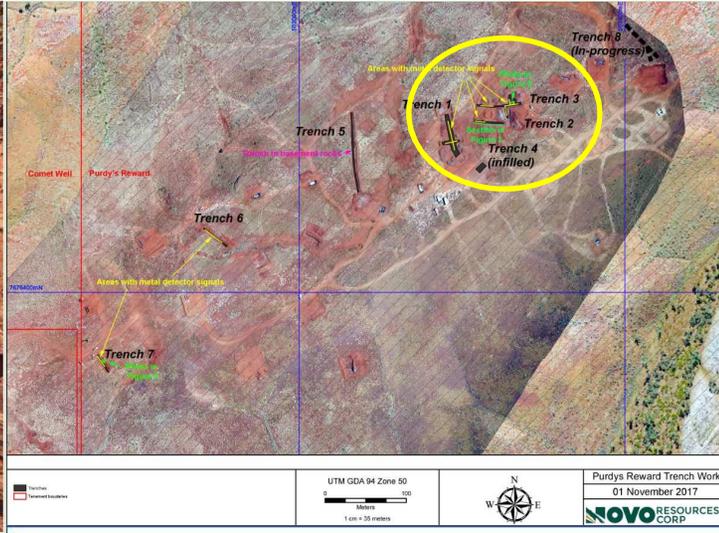
**But the real story was that the fines missed by the Steinert machine graded 9.1 g/t gold**



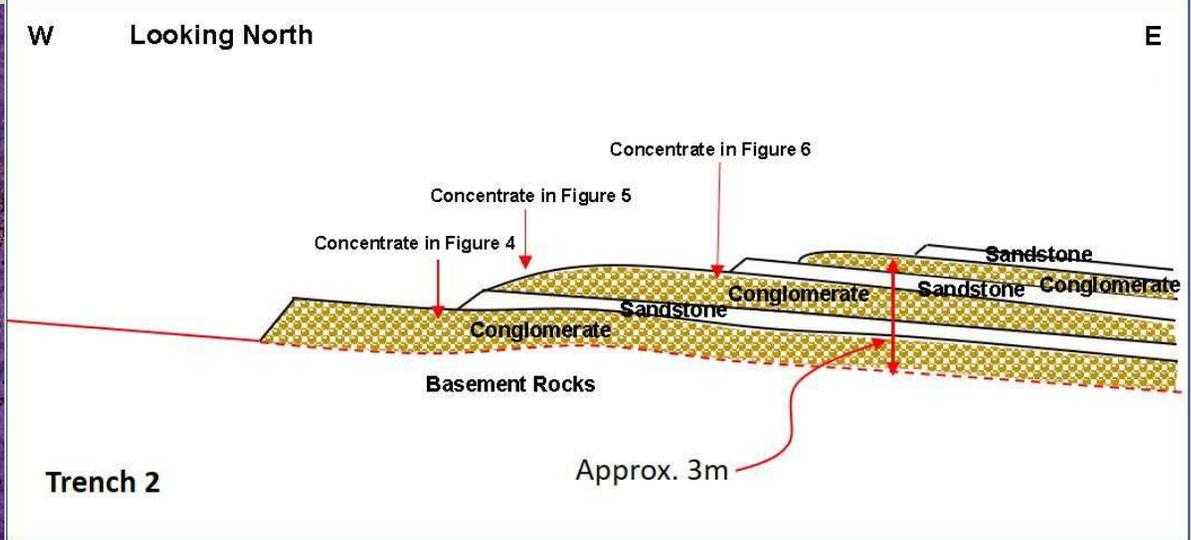
(Figure 4: Coarse Gold Concentrate after acid wash. Subsample #1 on the left, and Subsample #2 on the right.)



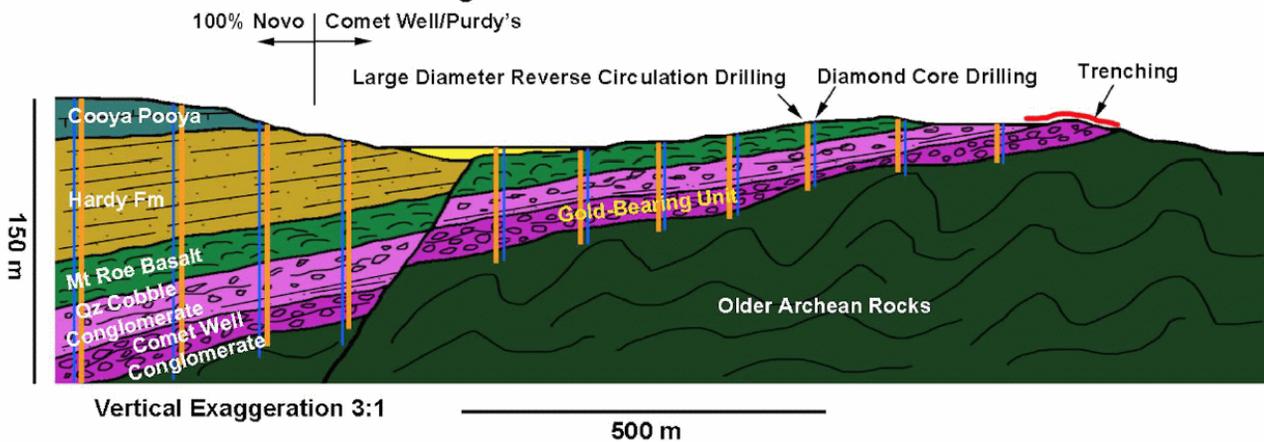
(Figure 1: Steinert XSS T sorting machine.)



How systemic is the fine gold distribution in the conglomerate beds?

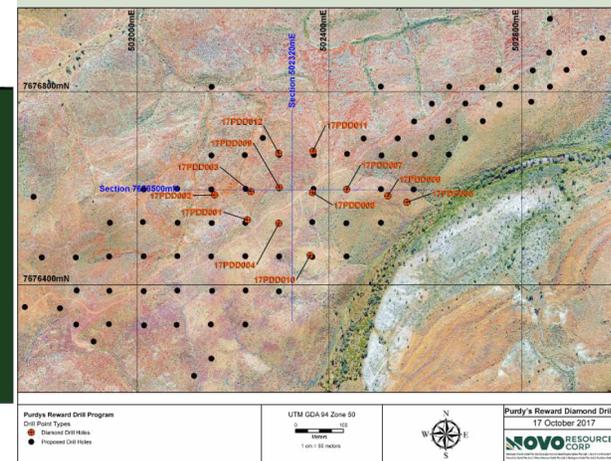
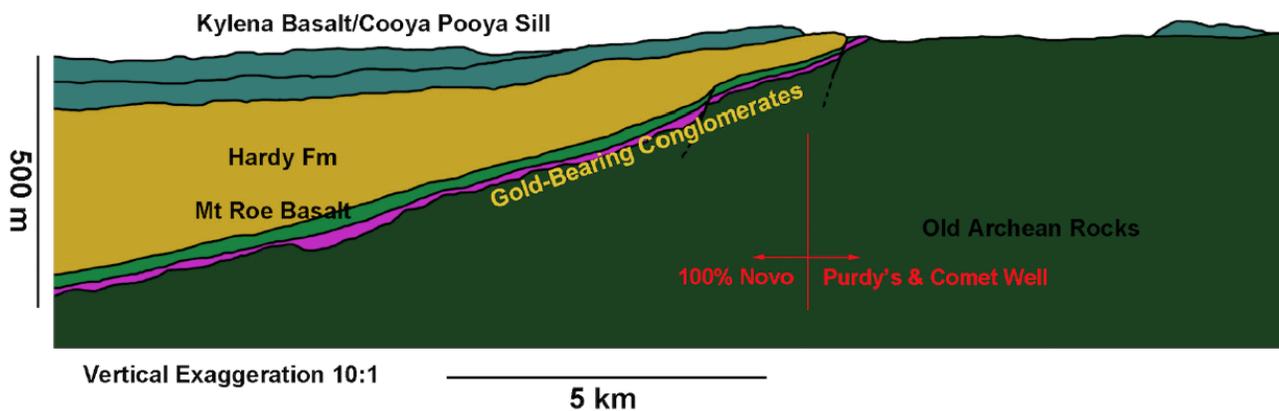


### Schematic Section Looking SW



Large diameter drilling to bulk sample beds like a kimberlite for diamonds.

### Schematic Section Looking SW



## What is the Wits 2.0 Hypothesis?

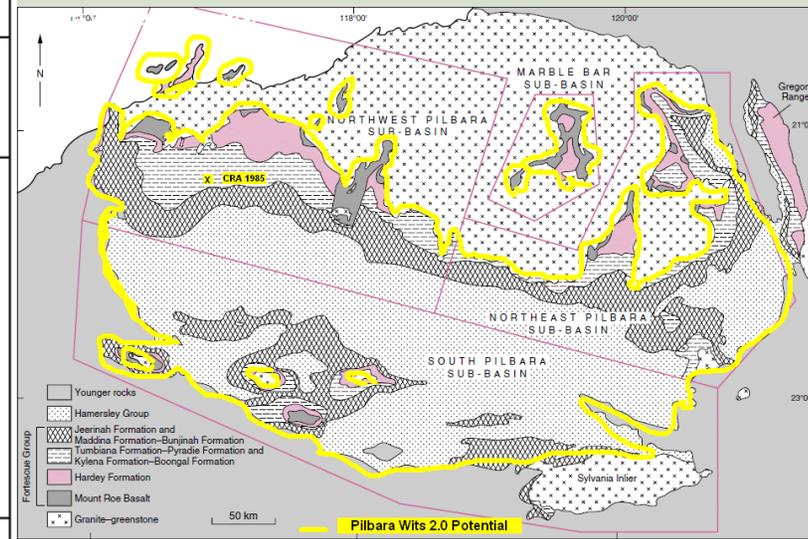
- The gold in the Pilbara conglomerate beds will average a grade at 5.0 g/t gold or higher
- A cost effective and reliable protocol for measuring the grade of the conglomerate beds no matter how deep will be developed
- The gold in the conglomerate beds have a synbiogenic origin and consequently will be laterally and down slope extensive wherever seawater and oxygen generating biomass were present during the critical window of high gold solubility
- The preservation of the near-shore environment of the basin that formed on the Pilbara Craton represents a gold endowment an order of magnitude greater than the 2.6 billion ounce endowment of Wits 1.0

## Why will it create the biggest Gold Rush ever?

- Except for the 7,000 sq km of open land applied for by Novo, most of the remaining 100,000 sq km of Pilbara Craton covered by Fortescue rocks is already owned by a wide range of companies including giant iron producers for reasons other than Wits 2.0 gold.
- If the Wits 2.0 Hypothesis is correct discovery exploration will be akin to a giant real estate development play where the payout glass is more than half full until proven otherwise

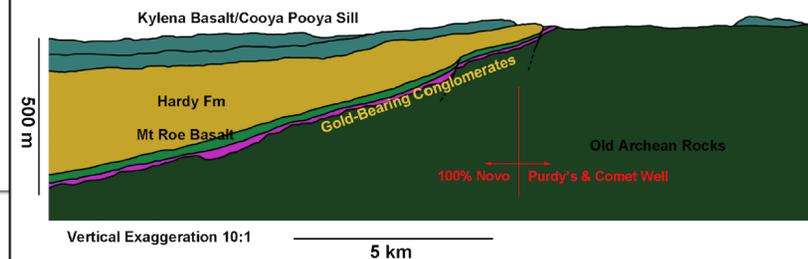
NORTHERN HAMERSLEY BASIN			SOUTHERN HAMERSLEY BASIN	TECTONO-STRATIGRAPHIC SEQUENCES
MARBLE BAR SUB-BASIN	NORTHEAST PILBARA SUB-BASIN (Excluding Gregory Range)	NORTHWEST PILBARA SUB-BASIN	SOUTH PILBARA SUB-BASIN	
	JEERINAH FORMATION Roy Hill Member Warrie Member Woodiana Member	JEERINAH FORMATION Roy Hill Member Nallanaring Member Warrie Member Woodiana Member	JEERINAH FORMATION	SEQUENCE 4
	MADDINA FORMATION Kuruna Member	MADDINA FORMATION	BUNJINAH FORMATION	
	TUMBIANA FORMATION Meentheena Member Mingah Member	TUMBIANA FORMATION	PYRADIE FORMATION	SEQUENCE 3
	KYLENA FORMATION	KYLENA FORMATION Gidley Granophyre	BOONGAL FORMATION	
HARDEY FORMATION	HARDEY FORMATION Bamboo Creek Member	HARDEY FORMATION Cooya Pooya Dolerite Lyre Creek Member	HARDEY FORMATION	SEQUENCE 2
MOUNT ROE BASALT	MOUNT ROE BASALT	MOUNT ROE BASALT	MOUNT ROE BASALT	SEQUENCE 1
GRANITE-GREENSTONE BASEMENT			BELLARY FORMATION	

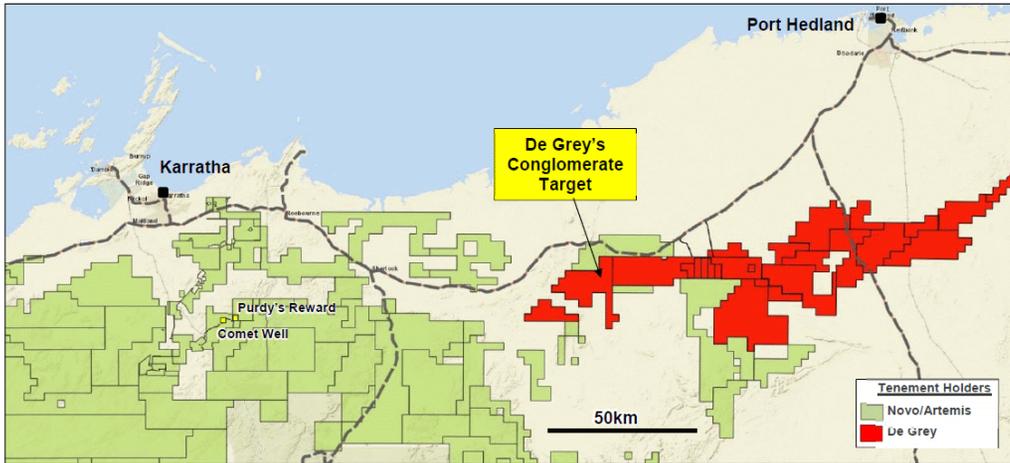
## Pilbara Wits 2.0 Area Play Potential



### Schematic Section

Looking SW





Same thing 130 km to the east!

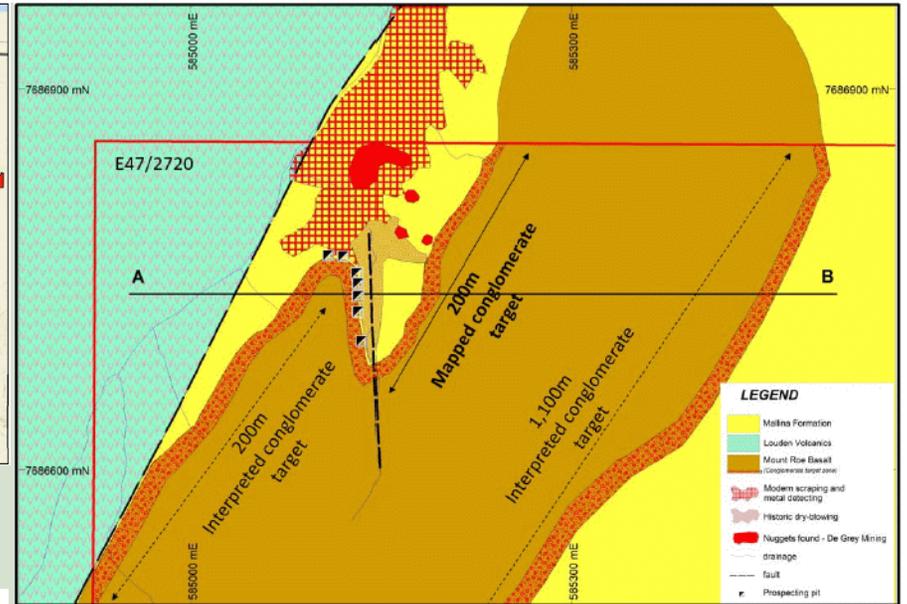


Figure 8. Cross section showing orientation of target area.

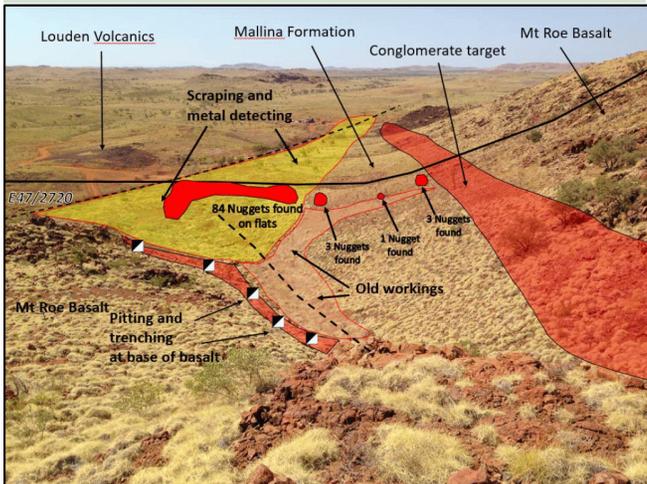
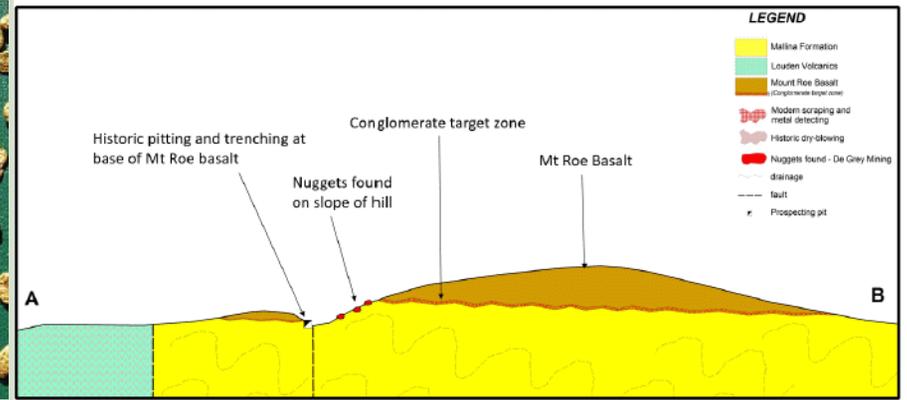
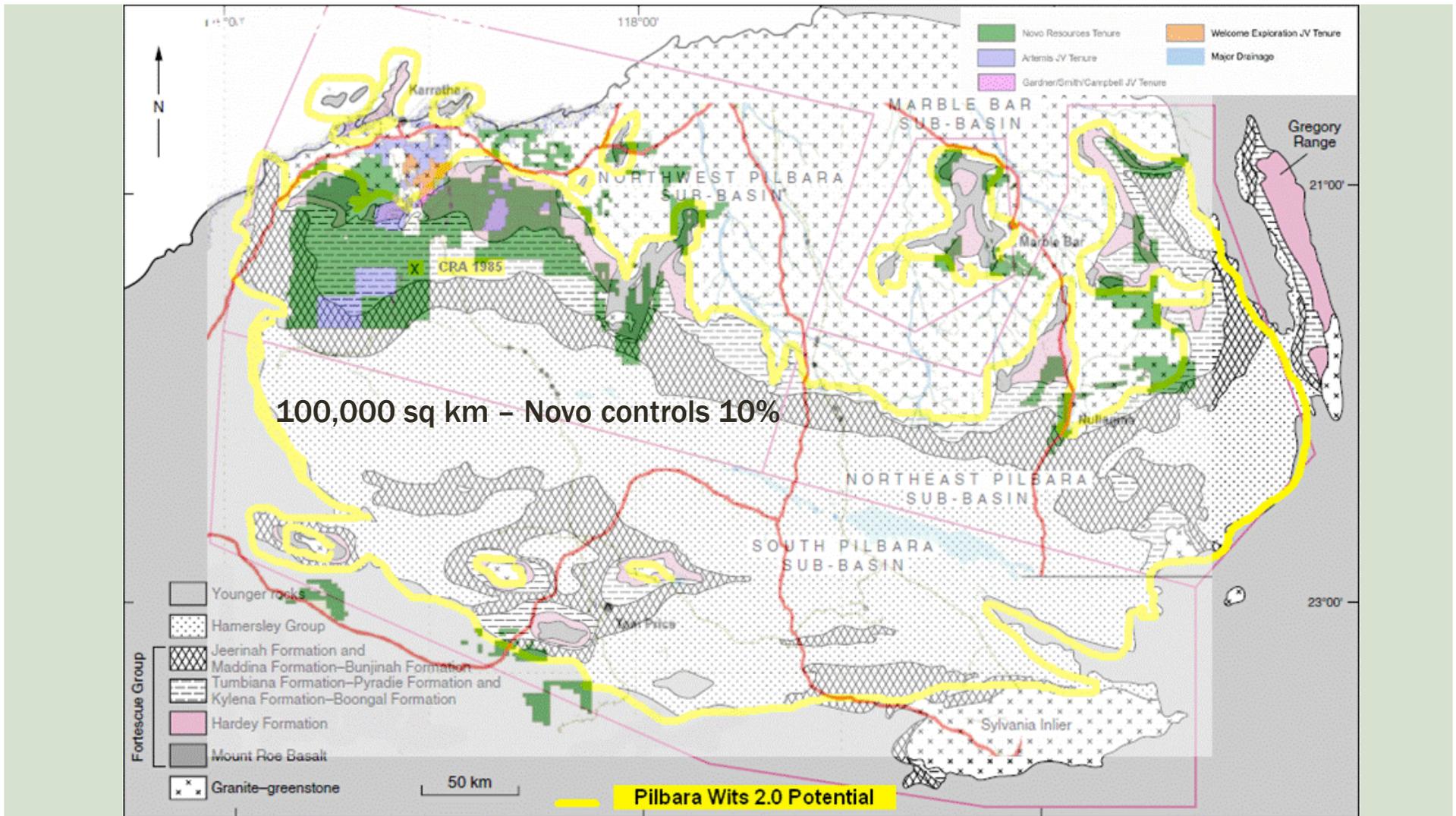


Figure 3. Loudens Patch nuggets.





### KRO Pilbara Wits 2.0 Resource Center

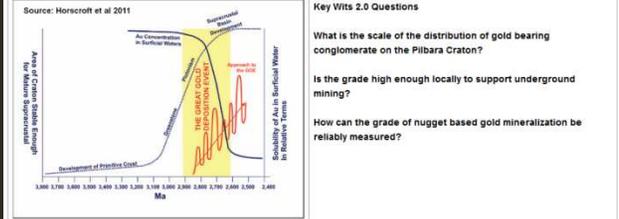
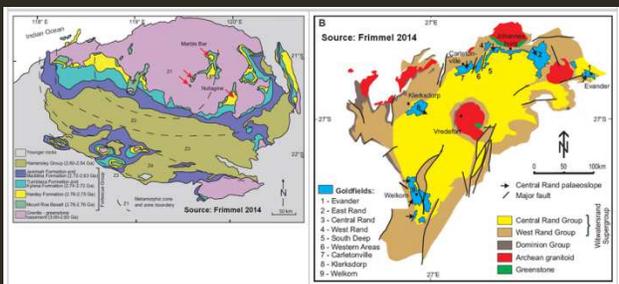
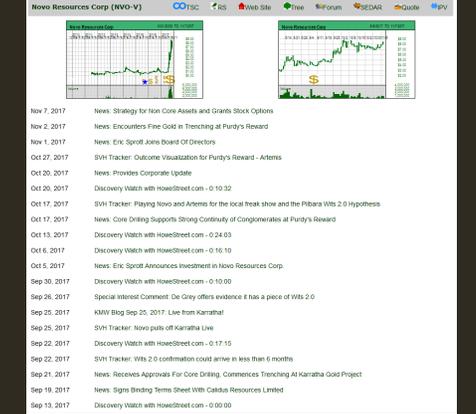
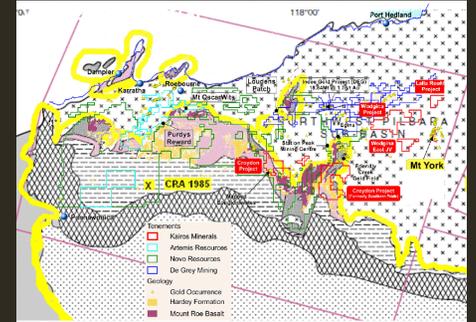
The KRO Pilbara Wits 2.0 Resource Center features public companies that have property on the Pilbara Craton in Australia. The discovery of nugget gold bearing conglomerate beds has raised the possibility that the Pilbara Craton, which is similar in age to the Kaapvaal Craton on which sits the Witwatersrand Basin, may have a similar gold endowment. Since the discovery of gold in 1886 at the edge of the Witwatersrand Basin South Africa has produced 1.6 billion ounces gold, with another 1 billion identified. The Pilbara Craton has been explored for orogenic gold deposits where the older greenstone basement rocks are exposed, and for iron deposits where the older rocks are covered by the Archean aged rocks of the Hamersley Basin. Past exploration for Witwatersrand style gold and uranium deposits failed. The discovery of gold bearing conglomerate beds near Karratha that daylight below the Mount Roe Basalt suggests that past exploration failed because it did not look at the unconformity between the 3.0 Ga plus aged basement rocks and the overlying Fortescue Group succession of sediments and volcanics because the immature conglomerate beds did not resemble the mature gold bearing ones in the Witwatersrand Basin. As a result all parts of the Pilbara Craton with cover rocks younger than the crystalline basement need to be revisited. This resource center is intended to assist with the challenge of tracking what could become the biggest gold rush in history if Wits 2.0 is confirmed as a reality. **At this stage we are simply listing companies with claims on the Pilbara Craton; as we learn more about the geology we will eliminate those companies with no exposure to Wits 2.0.**



# KaiserResearch.com

## Pilbara Wits 2.0 - Market Activity for November 7, 2017

Company	Volume	Value	High	Low	Close	Chg
<b>Altura Mining Ltd (AJM-ASX)</b>	20,136,677	\$8,759,454	\$0.465	\$0.405	\$0.445	\$0.045
<b>Artemis Resources Ltd (ARV-ASX)</b>	4,546,859	\$1,875,579	\$0.425	\$0.400	\$0.405	(\$0.010)
<b>Boadicea Resources Ltd (BOA-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.140	\$0.000
<b>Chalice Gold Mines Ltd (CXN-T)</b>	318,300	\$64,456	\$0.210	\$0.195	\$0.205	\$0.005
<b>Coziron Resources Ltd (CZR-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.032	\$0.000
<b>Cullen Resources Ltd (CUL-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.001	\$0.000
<b>De Grey Mining Ltd (DEG-ASX)</b>	4,701,559	\$1,457,483	\$0.320	\$0.300	\$0.315	\$0.015
<b>DGO Gold Ltd (DGO-ASX)</b>	42,155	\$78,830	\$1.940	\$1.800	\$1.895	\$0.060
<b>Flinders Mines Ltd (FMS-ASX)</b>	156,340	\$9,615	\$0.062	\$0.061	\$0.061	(\$0.001)
<b>Fortescue Metals Group Ltd (FMG-ASX)</b>	24,469,556	\$121,980,737	\$5.060	\$4.910	\$5.030	\$0.230
<b>Haoma Mining NL (HAO-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.230	\$0.000
<b>Impact Minerals Ltd (IPT-ASX)</b>	19,762,403	\$484,179	\$0.027	\$0.022	\$0.026	\$0.005
<b>Kailli Resources Ltd (KLR-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.040	\$0.000
<b>Kairos Minerals Ltd (KAI-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.082	\$0.000
<b>Kalamazoo Resources Ltd (KZR-ASX)</b>	197,825	\$32,147	\$0.165	\$0.160	\$0.165	\$0.005
<b>Lithium Australia NL (LIT-ASX)</b>	6,969,301	\$1,637,786	\$0.245	\$0.225	\$0.235	\$0.015
<b>Lithium Power International Ltd (LPI-ASX)</b>	1,492,370	\$873,036	\$0.600	\$0.570	\$0.595	\$0.020
<b>MacArthur Minerals Ltd (MMS-V)</b>	1,074,200	\$77,880	\$0.080	\$0.065	\$0.075	(\$0.005)
<b>Marindi Metals Ltd (MZN-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.011	\$0.000
<b>Metalicity Limited (MCT-ASX)</b>	9,474,777	\$374,254	\$0.042	\$0.037	\$0.040	(\$0.010)
<b>Millennium Minerals Ltd (MOY-ASX)</b>	1,136,418	\$190,350	\$0.170	\$0.165	\$0.165	\$0.000
<b>Novo Resources Corp (NVO-V)</b>	739,700	\$6,087,731	\$8.480	\$7.980	\$8.320	\$0.380
<b>Pilbara Minerals Ltd (PLS-ASX)</b>	12,647,932	\$11,237,688	\$0.917	\$0.860	\$0.890	\$0.010
<b>Pioneer Resources Ltd (PIO-ASX)</b>	48,633,153	\$1,677,844	\$0.036	\$0.033	\$0.033	\$0.002
<b>Platina Resources Ltd (PGM-ASX)</b>	3,023,902	\$653,163	\$0.222	\$0.210	\$0.210	\$0.000
<b>Red Hill Iron Ltd (RHI-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.635	\$0.000
<b>Rugby Mining Ltd (RUG-V)</b>	500	\$160	\$0.320	\$0.320	\$0.320	\$0.010
<b>Sayona Mining Ltd (SYA-ASX)</b>	10,285,382	\$282,848	\$0.029	\$0.026	\$0.027	(\$0.001)
<b>Segue Resources Ltd (SEG-ASX)</b>	24,665,384	\$2,170,554	\$0.095	\$0.081	\$0.081	(\$0.019)
<b>Southern Hemisphere Mining Ltd (SUH-ASX)</b>	0	\$0	\$0.000	\$0.000	\$0.160	\$0.000
<b>Strategic Elements Ltd (SOE-ASX)</b>	1,036,872	\$93,318	\$0.095	\$0.085	\$0.086	(\$0.009)
<b>Venturex Resources Ltd (VXR-ASX)</b>	11,266,157	\$197,158	\$0.018	\$0.017	\$0.017	(\$0.001)
<b>Venus Metals Corp Ltd (VMC-ASX)</b>	189,729	\$24,665	\$0.130	\$0.130	\$0.130	\$0.000
<b>Winmar Resources Ltd (WFE-ASX)</b>	500,000	\$500	\$0.001	\$0.001	\$0.001	\$0.000
<b>Zenith Minerals Ltd (ZNC-ASX)</b>	70,220	\$8,075	\$0.120	\$0.110	\$0.115	\$0.005



**Key Wits 2.0 Questions**

What is the scale of the distribution of gold bearing conglomerate on the Pilbara Craton?

Is the grade high enough locally to support underground mining?

How can the grade of nugget based gold mineralization be reliably measured?

## Kaiser Research Online

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**Precipitation Theory Smoking Gun?**

***When members of a crowd with a conflict of interest and the goal of influencing the market and each other connect the dots and share the result in an untrusted, competitive environment, what is the collective result?***