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

Dateline materially improves acquisition terms of Gold Links and Lucky Strike assets

- **60m shares issued to vendors to replace cash payments of US\$24 million**
- **Cash payments to each vendor of US\$2.5m deferred until 2023**
- **Acquisition incorporates ~700 acres of freehold land housing all mineral rights and two permitted mills**

Colorado focused gold mining and exploration company Dateline Resources Limited (ASX: DTR) ("Dateline" or the "Company") is pleased to advise that the Company has negotiated materially improved acquisition terms with the vendors of both the Gold Links mine and the Sooner Lucky Strike mine and mill in Colorado, USA.

In both transactions, Dateline has essentially swapped future cash payments totaling US\$24 million due in the four years with the issue of 60m fully paid ordinary shares. Cash payments contingent on production are not payable for at least five years.

The Company also confirms that it has acquired the freehold title of the land that hosts the Gold Links Leasehold in an all-scrip transaction. On conclusion of this transaction, the company will own approximately 1,300 acres of unencumbered freehold land in Colorado along with the attached mineral rights and two permitted mills.

Gold Links acquisition terms

The **original** terms for the acquisition of the Gold Links leasehold were:

- Cash payments totaling US\$10m with the first US\$3m due in September 2018, and
- The remaining US\$7M payable in instalments through to September 2022.

The new agreement with the Gold Links Leasehold vendors (Gold Links Lease) is as follows:

- Issue 30m fully paid ordinary shares in Dateline.
- Cash payments of US\$2.5m on or before 1 March 2023 at a rate of US\$50.00 per gold equivalent ounce mined.
- A further US\$2.5m is payable from production on the same terms as 2 above but does not have a due date.

Sooner Lucky Strike acquisition terms

The Company has also agreed new terms for the acquisition of the Sooner Lucky Strike Mine including approximately 350 acres of freehold and a 125tpd processing plant (Lucky Strike)

The **original** Lucky Strike acquisition terms were:

- US\$4m payable over four years in equal \$250,000 quarterly payments commencing 1 April 2018.
- US\$10m payable in April 2022 for the purchase of the freehold land.
- US\$10m payable from production.

The new agreement with the Gold Links Leasehold vendors (Gold Links Lease) is as follows:

- Issue 30m fully paid ordinary shares in Dateline.
- Cash payments of US\$2.5m on or before March 1, 2023 at a rate of US\$50.00 per gold

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equivalent ounce mined.

- A further US\$2.5m is payable from production on the same terms as 2 above but does not have a due date.

Freehold Land hosting the Gold Links Mine

Dateline has also negotiated the acquisition of approximately 900 acres of land which gives the Company freehold title over the Gold Links property that it currently controls via a lease. A total of 30m fully paid ordinary shares and 10m options exercisable at a 2.5cents each will be issued to the vendors as full and final payment for the 900 acres of land.

Commentary

Collectively, the above transactions deliver to Dateline freehold ownership of all the freehold land, the rights to all the minerals, and ownership of two permitted mills in Colorado and eliminates all short-term cash payments. Cash liabilities of US\$34m have been reduced to US\$5m in deferred and contingent payments to each vendor.

A total of 88m new shares will be issued to the vendors and an Appendix 3B lodged with the Australia Securities Exchange shortly. The balance of 2m shares and 10 million options, require shareholder approval due to exceeding Dateline's current maximum placement capacity. This approval will be sought at the Company's next General Meeting of shareholders.

Dateline's Chairman Mark Johnson commented: "These new acquisition terms are important and beneficial to Dateline. Capital resources can be focused on exploration and development of the assets and to achieving profitable gold production. We are also very pleased that the respective project vendors. We are also very aware that the respective project vendors recognise the appeal of being shareholders in Dateline and participating in the upside potential of the assets. All parties to these transactions now have aligned interests. The fact that vendors are taking a great deal of the transaction in shares supports our confidence in the potential of the assets and we welcome the new shareholders to the register."

"Now that this transaction has concluded, we look forward to updating shareholders on key mine development and exploration initiatives which are advancing very well. We expect to report on operational progress very shortly. Dateline now has much greater financial flexibility to progress the development of these assets."

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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. The Company owns 100% of two, permitted gold mining projects in Colorado. The 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. 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 oz p/t to 10 oz p/t Au. Ore mined by DTR will be processed at the Lucky Strike Mill. In addition to these assets, Dateline owns a small 25tpd mill and freehold land in Saguache County in Colorado. The company is reviewing its interests in Fiji with a view to identifying a JV partner that would enter a farm in agreement on its Fijian assets.

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