

Drilling Completed at Cairn Hill Following Up High Grade Gold

Highlights

- **Short RC drilling program targeting extensions to recent high grade assay results completed at Cairn Hill.**
- **Targeting area of previous high grade results which included:**
 - **10.5m @ 8.1g/t Au from 30.5m in CHD004¹.**
 - **3.1m @ 9.7g/t Au from 31m within 12.9m @ 2.9g/t Au from 30m in CHD003¹.**
- **All assay results anticipated to be available by end-March.**

Cairn Hill

A short reverse circulation drill program targeting the near surface high grade gold results identified in the November diamond drilling program has been completed at Cairn Hill. The program was designed to test the shallow strike potential of the high grade gold intersected in the recent diamond drilling and to better define the morphology of the ore zone. Six holes were completed and the structure which hosts the mineralisation was visually identified in four of the holes. Assay results from the holes completed are expected to be available by end-March.

The potential for shallow, high grade gold mineralisation at Cairn Hill presents a significant opportunity for Berkut Minerals to rapidly realise project value.

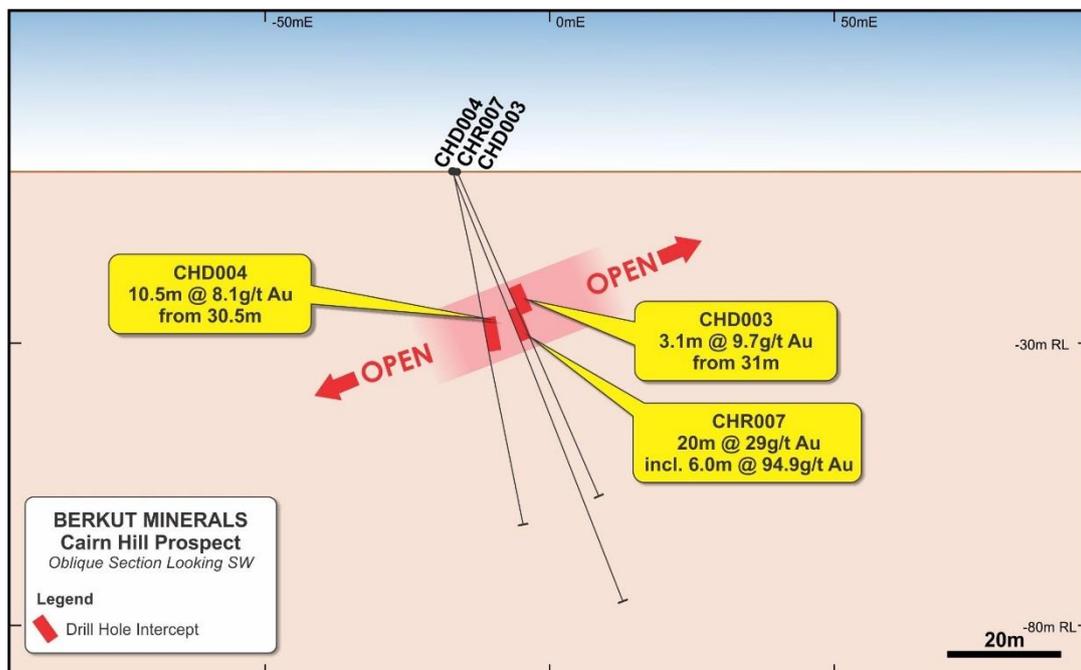


Figure 1 - Oblique section CHD003 and CHD004 with historic hole CHR007

Fast Facts

Shares on Issue: 37.6M¹
Share Price: \$0.32
Market Cap: \$12M
Cash: ~\$4M¹

¹ Excludes \$1.0M Tranche 2 placement announced 9 Feb 2017 (subject to shareholder approval)

Board and Management

Michael Bohm, Non Exec Chairman
Paul Payne, Non-Exec Director
Justin Tremain, Non-Exec Director

Ben Cairns, Chief Executive Officer
Melanie Li, Company Secretary

Company Highlights

- Option to acquire 100% interest in European cobalt projects (refer ASX announcement 9 Feb 2017)
- Earning 70% of the Cairn Hill project 40km WNW of Paraburdoo.
- 100% owned Mt Clement Project (under application) prospective for gold and base metals 35km SW of Paulsens Gold Mine
- 100% owned Capricorn Li Project (under application) Historic exploration has identified Li anomalism in lag sampling over an area 18km x 4km

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Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Ben Cairns, a full-time employee and shareholder of Berkut Minerals Limited. Mr Cairns is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Cairns consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

¹ For full details of exploration results refer to ASX announcement on 19 December 2016. Berkut Minerals is not aware of any new information or data that materially affects this information.