

**LEFROY EXPLORATION LIMITED**

Western Australian Focused  
Gold Explorer

**ASX Code:** LEX

**Shares on Issue:**  
64.5m

**Current Share Price:**  
10c

**Market Capitalisation:**  
\$6.45m

**Board of Directors**  
Chairman  
Gordon Galt

**Non-Executive Directors**  
Michael Davies  
James Beecher  
Geoffrey Pigott

**Managing Director**  
Wade Johnson

**Flagship Exploration Project**  
Lefroy Gold Project

**Growth Exploration Projects**  
Lake Johnston Project  
Murchison Project

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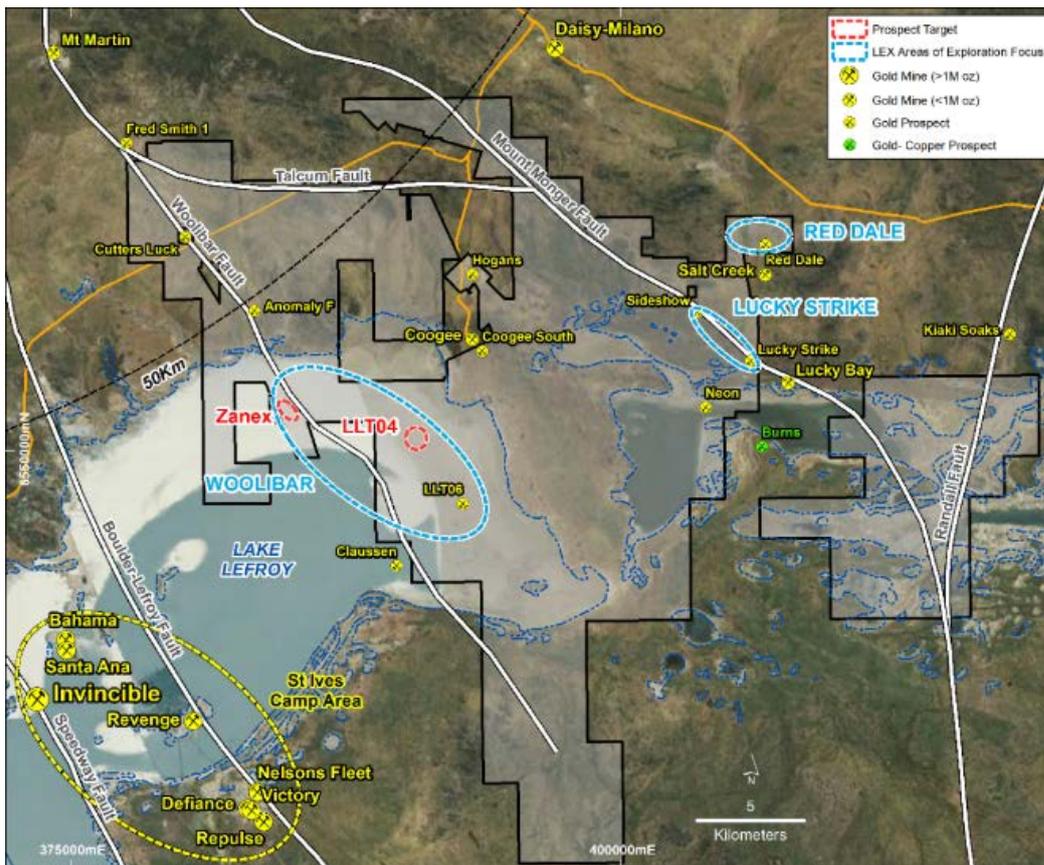
## Exploration Update-Drilling to recommence at Red Dale

### Key Points

- Follow up air core drilling program has commenced at the Red Dale Prospect, at the Company's flagship Lefroy Gold Project, south east of Kalgoorlie
- Red Dale Prospect is characterised by a broad geochemical gold footprint at the base of palaeochannel defined from drilling
- Recent RC drilling by the Company returned multiple shallow gold intersections from the 26 holes drilled and include:-
  - 9m at 1.69 g/t Au from 41m in LEFR006
  - 6m at 1.75 g/t Au from 42m in LEFR013
  - 7m at 1.44 g/t Au from 47m in LEFR002
- Gold system identified is located 1km north of Silver Lake Resources' Randall's Processing Plant
- Current reconnaissance drill program comprising 2500m of drilling to target northern extension of the robust zone of mineralisation identified in May 2017.
- This program initiates the systematic follow up exploration programs for the Lefroy Gold Project, focused at Red Dale, and the Woolibar and Lucky Strike Trends over the coming half year.

The Board of Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to announce the commencement of a reconnaissance air core (AC) drilling program at the Red Dale Prospect at its flagship Lefroy Gold Project (“LGP” or “Project”), located approximately 50km to the south east of Kalgoorlie (Figure 1).

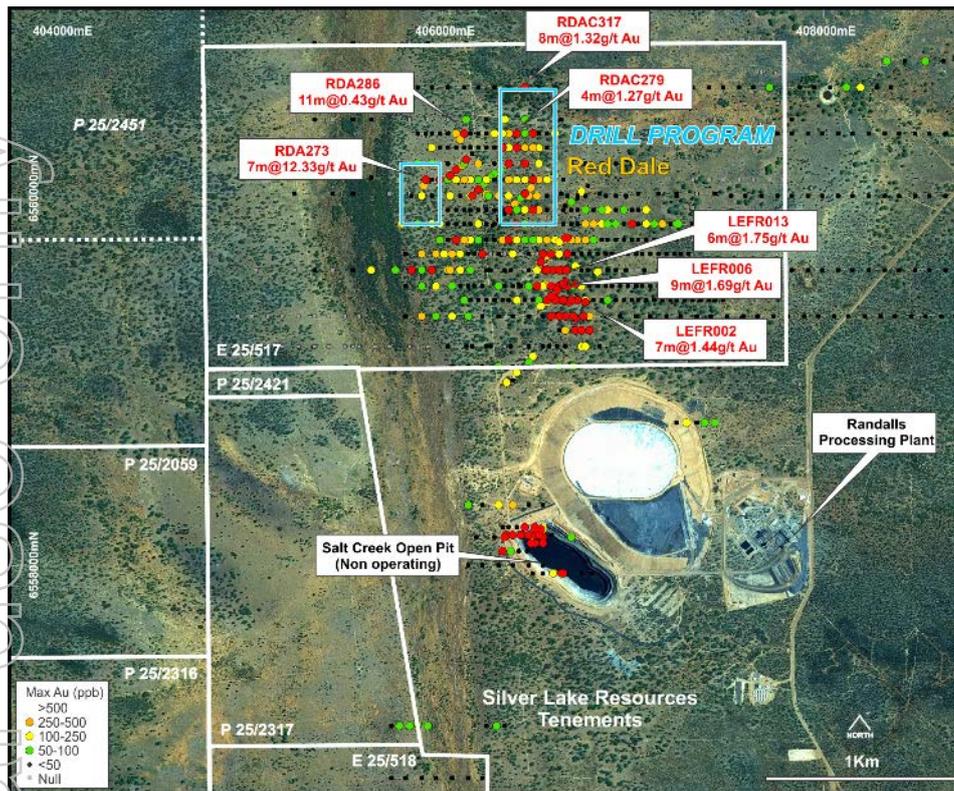
The Lefroy Project is wholly owned by the Company and the commanding semi-contiguous granted land package covers 547km<sup>2</sup> located immediately east of the St Ives Gold camp, operated by Gold Fields and south of the Mt Monger gold centre operated by Silver Lake Resources Limited (ASX:SLR). Four operating gold plants are located within 50km of the project and provide potential processing opportunities for the Company in its pursuit for the discovery of a large gold system.



**Figure 1** Location of the Lefroy Gold Project land package and current key areas of LEX exploration focus.

The Red Dale Prospect adjoins (Figure 2), and is immediately north of the Randalls Processing Plant and Salt Creek Open pit held by Silver Lake Resources. Gold mineralisation was identified in 2007 by Integra Mines Limited (“Integra”) following their discovery of the Salt Creek deposit (2.5km south of Red Dale). Integra’s aircore drilling at Red Dale during 2007-2010 identified a large regolith hosted gold anomaly of approximately 1.2km in length by up to 1km in width. Numerous gold intersections were reported at or near the base of the palaeochannel sediments (transported overburden) in quartz bearing gravels overlying a similar package of rocks as at Salt Creek.

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**Figure 2** Red Dale Prospect location plan highlighting maximum gold in historical drill holes, key gold intercepts and location of planned drill program [drill hole location and results from holes prefixed RD originally depicted in Figure 13 of the Independent Geologist’s Report contained in the Lefroy Exploration Limited Prospectus dated 8 September 2016]

The Company considers that this broad anomaly and intersections are reflecting gold anomalous transported basal gravels and sands derived from a nearby bedrock source, and that the coarse material in the channels is unlikely to have been transported a significant distance.

The results from 26 vertical reverse circulation (RC) drill holes completed in May 2017 confirmed a gold mineralised palaeochannel system over 320m of strike and open to the north and south (Figure 2). Better gold intersections from the basal channel gravels include:-

- 6m at 1.75g/t Au from 42m in LEFR013
- 9m at 1.69g/t Au from 41m in LEFR006
- 7m at 1.44g/t Au from 47m in LEFR002
- 7m at 1.16g/t Au from 49m in LEFR018

Importantly the thickness of the gold mineralised basal gravels-sands varies from 1m to a maximum of 9m, but in the core of the channel is a consistent 5-7m thick over a width of 40-60m. The gravels at the base of the channel contain coarse angular clasts of quartz within a sand rich matrix and the Company interprets this as being derived from a proximal primary bedrock source. The gold mineralised channel gravels defined by the May RC drilling remain open to the north and south and previous drilling has demonstrated gold intersections within this horizon to the north.

## ASX Announcement

11 August, 2017



The current air core drilling program is focussing mainly on the northern extension of the system identified from the recent RC drilling and is primarily aimed to improve both the definition of the palaeochannel and the character of the quartz clasts in the basal gravels that can yield important vectors to the primary source. Drilling will also focus on following up previous gold intersections (refer hole RDA 273-Figure 2) to the west of the main trend. The entire program will consist of approximately 40 angled aircore holes totaling 2500m drilled on 80m spaced traverses, with holes spaced 40m apart. The program is expected to be completed by late August with final results received in September.

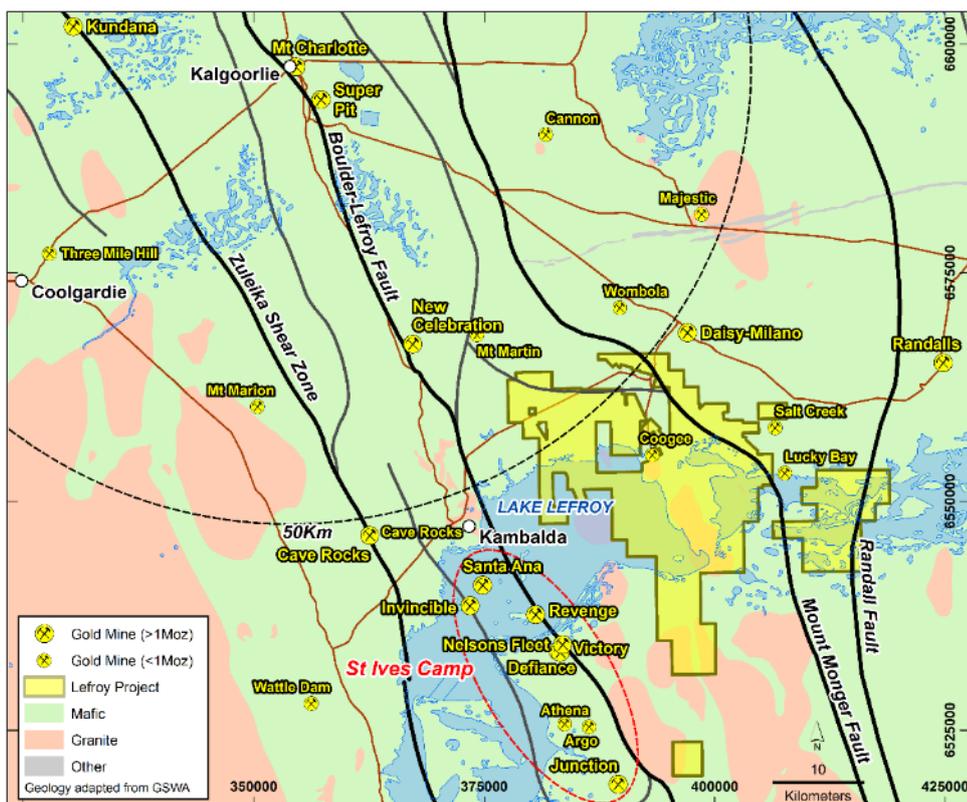
The commencement of the Red Dale air core drill program is the start of a much broader scoping exploration program over the coming 6 months at the Lefroy Gold Project with the main targets being Red Dale and the Lucky Strike and Woolibar Trends. Site preparations are also well underway and a diamond drill rig secured for evaluation of key mineralised zones along the Lucky Strike Trend starting late August.

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## About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a new WA based and focused explorer taking a disciplined methodical approach in the search for high value gold and nickel deposits. Key Projects include the Lefroy Gold Project to the south east of Kalgoorlie and the Lake Johnston Project 120km to the west of Norseman.

The 100% owned Lefroy Gold Project contains mainly granted tenure covering 547km<sup>2</sup>, located in the heart of the world class gold production area between Kalgoorlie and Norseman. The Project is in close proximity to Gold Fields' St Ives gold camp, which contains the newly discovered Invincible gold mine located in Lake Lefroy, and is also immediately south of Silver Lake Resources (ASX: SLR) Daisy Milano gold mining operation.



**Location of the Lefroy Gold Project relative to Kalgoorlie, Gold Fields St Ives Gold Camp near Lake Lefroy, and major gold deposits.**

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## Notes Specific-ASX Announcements

The following announcements were lodged with the ASX and further details (including supporting JORC Reporting Tables) for each of the sections noted in this Announcement can be found in the following releases. Note that these announcements are not the only announcements released to the ASX but specific to exploration reporting on the Red Dale Prospect at the Lefroy Gold Project.

- Broad Zone of Gold Mineralisation Identified at Red Dale 19 May 2017
- Exploration Update: RC Drilling Commenced at Red Dale 24 April 2017

*The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Wade Johnson a competent person who is a member of the Australian Institute of Geoscientists (AIG). Wade Johnson is employed by Lefroy Exploration Limited. Wade has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Wade Johnson consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.*

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