

## Lefroy Exploration Raises A\$4.5 million to Advance Gold Exploration

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### Highlights

- LEX has received firm commitments to raise A\$4.5 million (before costs) in a significantly oversubscribed share placement to institutional and sophisticated investors.
- Largest shareholder Gold Fields has supported the raising by subscribing for approximately 3.40 million shares in the placement to maintain its shareholding position at 18.13% of LEX after completion of the Placement.
- LEX is well funded to advance exploration, with drilling programs to be undertaken in the near future at the Lucky Strike Hub, Hang Glider Hub, and Lake Randall Project within the Eastern Lefroy Gold Project.
- LEX will also undertake a Share Purchase Plan offered to eligible shareholders to raise up to A\$1.0 million.

Lefroy Exploration Limited (**ASX: LEX**) (“**LEX**” or “**the Company**”) is pleased to advise that it has received firm commitments to raise approximately A\$4.5 million (before issue costs) through a significantly oversubscribed placement to institutional and sophisticated investors (“**Placement**”), as part of the Company’s total equity raising of up to A\$5.5m.

The Company’s equity raising of up to A\$5.5m comprises:

- the completed Placement to raise approximately A\$4.5 million; and
- a Share Purchase Plan (“SPP”) offered to Lefroy shareholders residing in Australia and New Zealand, subject to an individual shareholder investment limit of A\$30,000, to raise up to A\$1.0 million in total.

### Placement

The Placement will result in the issue of a total of 18,750,005 fully paid ordinary shares at an issue price of A\$0.24 per share. New shares issued under the Placement will rank equally with the Company's existing fully paid ordinary shares.

The Placement issue was made at a 2.0% discount to the last closing share price of LEX (on 19 October 2020) and a 6.4% discount to the 15-day VWAP of LEX shares. The proceeds of the Placement will be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.

The Company's largest shareholder (18.13% holding), St Ives Gold Mining Company Pty Ltd, a wholly owned subsidiary of Gold Fields Ltd (NYSE/JSE: GFI), participated in the placement by taking a pro rata allocation, equal to 3.40 million shares to maintain its holding. Gold Fields will continue to hold 18.13% of LEX after completion of the Placement. The balance of the Placement was taken up by new institutions and sophisticated investors as well as existing shareholders.

The Company advises that a Director of the Company has committed to participate in the Placement for a total of \$170,000.16. This will be subject to shareholder approval at the Company's next Annual General Meeting. The Directors have also committed to participate in the SPP for a further \$90,000, bringing the total Director participation in the Equity Raising to approximately \$260,000.

LEX Chairman, Mr Gordon Galt stated, "We are grateful for the ongoing support of existing shareholders, including Gold Fields, and are very pleased to welcome a number of new shareholders to our register. We are in a strong financial position to accelerate exploration activities in the Eastern Lefroy Gold Project. These programs, together with the continued exploration activity in the western portion of the Lefroy Gold Project through our JV with Gold Fields, means there will be substantial drilling activity and news flow on the Company's projects going forward."

The Placement is being undertaken under the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacity (15,073,012 shares are expected to be issued under Listing Rule 7.1 and 3,676,993 shares are expected to be issued under Listing Rule 7.1A). Settlement of the Placement is expected to take place on or around Thursday, 29 October 2020, with quotation of the new shares expected to occur on Friday, 30 October 2020.

New Holland Capital acted as Sole Lead Manager and Bookrunner of the Placement.

## Share Purchase Plan to raise up to A\$1.0 million

As previously announced, Lefroy will offer all eligible existing Shareholders (including eligible retail Shareholders) who were on Lefroy's share register at 5:00pm (AWST) on Wednesday, 21 October 2020 with registered addresses in Australia or New Zealand the opportunity to apply for up to A\$30,000 of New Shares under the SPP without brokerage fees, commissions or other transaction costs.

LEX is capping the SPP raising amount at A\$1.0 million. New shares issued under the SPP will rank equally with LEX's existing shares and will be offered at A\$0.24 per share, which is the same price as shares issued under the Placement.

The SPP will be open from Thursday, 29 October 2020 until 5:00pm (AWST) on Thursday, 19 November 2020. The terms and conditions of the SPP will be set out in an SPP Offer Booklet which is being despatched to eligible Lefroy Shareholders on Thursday, 29 October 2020. Participation in the SPP is optional. LEX will scale back any applications under the SPP if the gross amount applied for in the SPP exceeds A\$1.0 million.

## Key Dates

The timetable below is indicative only and subject to change. LEX reserves the right to alter the dates at its discretion and without prior notice, subject to ASX Listing Rules and the Corporations Act 2001.

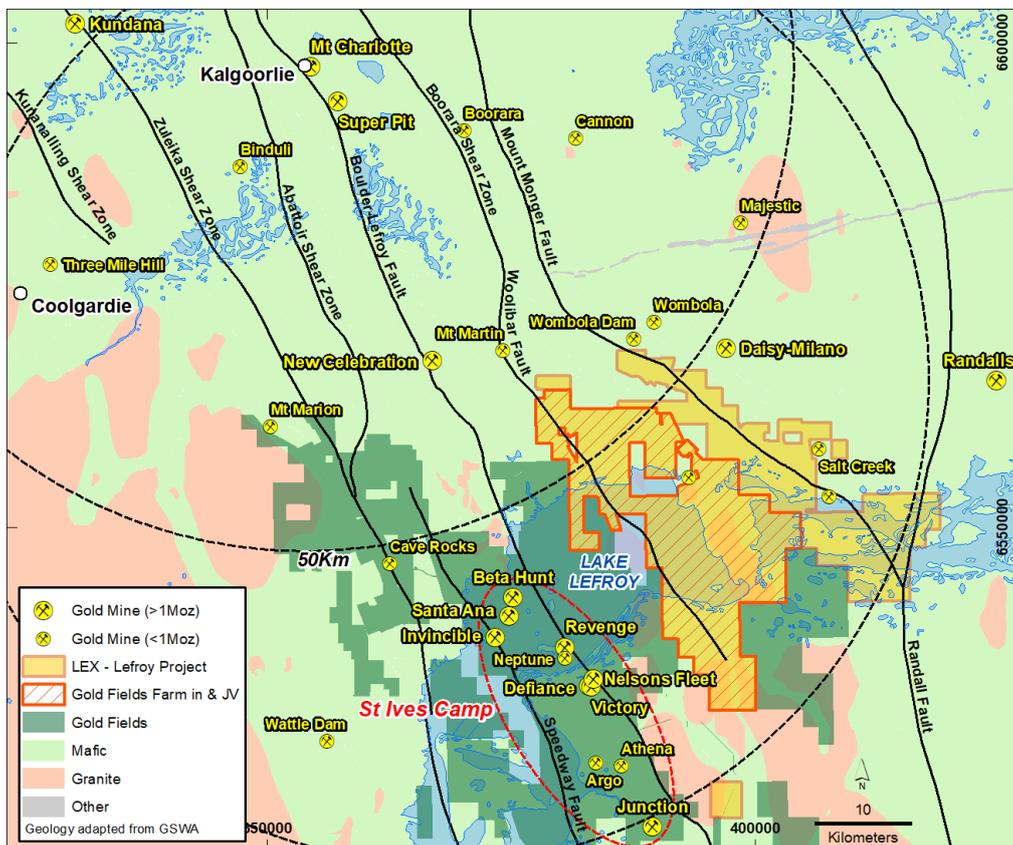
Event	Date
Record Date for SPP	5.00pm (WST) on Wednesday, 21 October 2020
Announcement of the SPP	Thursday, 22 October 2020
Dispatch SPP Offer booklet to shareholders and release to the ASX	Thursday, 29 October 2020
Opening date of the SPP	Thursday, 29 October 2020
Closing date of the SPP	5.00pm (WST) on Thursday, 19 November 2020
Announcement of result of SPP	Tuesday, 24 November 2020
Issue of new shares under the SPP, lodge Appendix 2A	Wednesday, 25 November 2020
Quotation on ASX of new shares under the SPP	Thursday, 26 November 2020

This announcement was approved for release by the LEX Board.

## About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a WA based and focused explorer taking a disciplined methodical and conceptual approach in the search for high value gold deposits at its flagship Lefroy Gold Project to the south east of Kalgoorlie.

The 100% owned Lefroy Gold Project contains mainly granted tenure and covers 621km<sup>2</sup> 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 Invincible gold mine located in Lake Lefroy and is also immediately south of Silver Lake Resources' (ASX:SLR) Daisy Milano gold mining operation. The Project is divided into the Western Lefroy package, subject to a Farm-In Agreement with Gold Fields and the Eastern Lefroy package (100% Lefroy owned). Gold Fields can earn up to a 70% interest in the package by spending up to a total of \$25 million on exploration activities within 6 years of the commencement date.



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