

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Lefroy Exploration Limited

ARBN

052 123 930

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | Fully paid ordinary shares.            |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 17,600,000 fully paid ordinary shares. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares.            |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes - fully paid ordinary shares.</p>
<p>5 Issue price or consideration</p>	<p>\$0.20 per share.</p>
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issue of shares in a placement to institutional and sophisticated investors to raise \$3.52 million (before costs) as announced to ASX on 15 August 2019. 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.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>3 December 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>11,638,235 fully paid ordinary shares.</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>5,961,765 fully paid ordinary shares.</p>

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+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A				
6f	Number of +securities issued under an exception in rule 7.2	N/A				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	<p>Issue price - \$0.20  Announcement date - 15 August 2019  Issue date - 23 August 2019</p> <p>15 day VWAP 23/8/19 - \$0.214  75% of the 15 day VWAP 23/8/19 - \$0.16</p> <p>Source - CommSec</p>				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A - complete Annexure 1 and release to ASX Market Announcements	ASX Listing Rule 7.1 - Nil. ASX Listing Rule 7.1A - 2,133,725.				
7	+Issue dates  Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.	23 August 2019.				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">99,059,900</td> <td>Fully paid ordinary shares (ASX code: LEX)</td> </tr> </tbody> </table>	Number	+Class	99,059,900	Fully paid ordinary shares (ASX code: LEX)
Number	+Class					
99,059,900	Fully paid ordinary shares (ASX code: LEX)					

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	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	1,000,000	Unlisted options exercisable at \$0.40 on or before 14/10/21.
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

**Part 2 - Pro rata issue**

11	Is security holder approval required?	N/A	
12	Is the issue renounceable or non-renounceable?		
13	Ratio in which the +securities will be offered		
14	+Class of +securities to which the offer relates		
15	+Record date to determine entitlements		
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?		
17	Policy for deciding entitlements in relation to fractions		
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with.            Cross reference: rule 7.7.</small>		

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19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the	

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balance?

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 <sup>+</sup>Issue date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1

(b)  All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37  A copy of any trust deed for the additional <sup>+</sup>securities

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<sup>+</sup> See chapter 19 for defined terms.

**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought 

N/A
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39 +Class of +securities for which quotation is sought 

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 23 August 2019  
(Company secretary)

Print name: Susan Hunter

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+ See chapter 19 for defined terms.



## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	80,954,900
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	-
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	-
<b>“A”</b>	80,954,900

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<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	12,143,235
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>15/5/19 - 505,000 fully paid ordinary shares.</p> <p>23/8/19 - 11,638,235 fully paid ordinary shares.</p>
<b>“C”</b>	12,143,235
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	12,143,235
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	12,143,235
<p><b>Total</b> [“A” x 0.15] – “C”</p>	<p>0</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	80,954,900
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	8,095,490
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<i>Insert</i> number of <sup>+</sup> equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	23/8/19 - 5,961,765 fully paid ordinary shares
<b>“E”</b>	5,961,765

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<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
<b>"A" x 0.10</b> <i>Note: number must be same as shown in Step 2</i>	8,095,490
<b>Subtract "E"</b> <i>Note: number must be same as shown in Step 3</i>	5,961,765
<b>Total ["A" x 0.10] – "E"</b>	2,133,725 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

**ADDITIONAL INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A**

On 23 August 2019, Lefroy Exploration Limited (ASX: LEX) (**Lefroy or the Company**) issued a total of 17,600,000 fully paid ordinary shares at \$0.20 per share to raise \$3.52 million (before issue costs) through a placement to institutional and sophisticated investors under the Company's Listing Rule 7.1 and 7.1A available placement capacity as announced to ASX on 15 August 2019. These fully paid ordinary shares were the subject of an Appendix 3B announcement to the Australian Securities Exchange (**ASX**) attached. 11,638,235 shares were issued under the Company's Listing Rule 7.1 placement capacity and 5,961,765 shares were issued under the Company's Listing Rule 7.1A placement capacity.

Lefroy provides the following information as required under ASX Listing Rule 3.10.5A in relation to the issue of 5,961,765 fully paid ordinary shares under the Company's available Listing Rule 7.1A placement capacity:

a) The dilutive effect of the issue of 5,961,765 shares issued under the Company's Listing Rule 7.1A placement capacity on existing shareholders is as follows –

Number of shares on issue prior to the LR7.1A placement	93,098,135
Number of shares on issue following the LR7.1A placement	99,059,900
Total dilution as a result of Placement	6%

Details of the approximate percentage of the issued capital following the completion of the placement of 5,961,765 shares issued under the Company's Listing Rule 7.1A placement capacity held by pre-Placement shareholders and new shareholders are as follows.

Pre-Placement shareholders who did not participate in the ASX Listing Rule 7.1A Placement	76.8%
Pre-Placement shareholders who did participate in the ASX Listing Rule 7.1A Placement	21.7%
Participants in the ASX Listing Rule 7.1A Placement who were not previously shareholders	1.5%

b) The placement was considered to be a cost effective and efficient mechanism for raising \$3.52 million (before issue costs) to be used to accelerate exploration at the Company's 100% owned Eastern Lefroy Gold Project and for general working capital purposes.

c) No underwriting arrangements were entered into in relation to the Placement.

d) A fee of 6% of the funds raised was paid to the lead manager of the issue. No other fees were paid.

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+ See chapter 19 for defined terms.

23 August 2019

Company Announcements Platform  
Australian Securities Exchange  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

By Electronic Lodgement (ASX: LEX)

Dear sirs

**Notice Pursuant to Section 708A(5)(e) of the Corporations Act**

Lefroy Exploration Limited (ASX:LEX) (“the Company”) today issued 17,600,000 fully paid ordinary shares. These shares were included in an Appendix 3B announcement to the Australian Securities Exchange (“ASX”) released today.

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the securities noted above will fall within the exemption in section 708A(5) of the Act.

The Company gives this notice pursuant to Section 708A(5)(e) of the Act. The shares were issued without disclosure to investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (b) Section 674 of the Act.

As at the date of this notice, there is no further information:

- (a) that has been excluded from a continuous disclosure notice in accordance with the ASX listing rules; and
- (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
  - (ii) the rights and liabilities attaching to the Shares.

By order of the Board



Susan Hunter  
Company Secretary