Exploration Update—Drilling Accelerated at the Lefroy Gold Project

- A focused two-hole diamond drilling program has commenced at the Hang Glider Hill gold prospect as an initial evaluation of the 2000m surface gold anomaly defined from discovery of gold nuggets and auger drilling.

- This program adds to the priority RC drilling underway at Lucky Strike by LEX at Eastern Lefroy, and at Zanex by JV partner Gold Fields and further accelerates exploration on key prospects identified at the Lefroy Gold Project.

- The Hang Glider Hill trend is located approximately 17km to the north west of Lucky Strike and also proximal to the regional scale Mt Monger Fault.

- Hang Glider Hill was initially recognised by the discovery of gold nuggets over a 2000m north westerly trend in 2018 and supported by follow up auger drill sampling.

- The diamond drilling program at Hang Glider Hill aims to further develop and enhance the geological model prior to RC drilling.
Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to advise that a focused diamond drilling (DD) program has commenced at the Hang Glider Hill prospect, located within the Lefroy Gold Project. The Hang Glider Hill gold prospect is located close to the interpreted position of the regional scale Mt Monger Fault, along which (some 17km along strike to the southeast) the Company is currently drilling at the high-grade Lucky Strike prospect (Figure 1).

The addition of the diamond rig to evaluate Hang Glider Hill compliments the RC drilling underway at Lucky Strike also by the Company, and at Zanex on Lake Lefroy by JV partner Gold Fields within Western Lefroy (Figure 1). The three drilling programmes are located at priority gold targets generated by early stage generative exploration programs since 2017, that has delivered quality advanced prospects for subsequent RC and diamond drilling within the Lefroy Gold project.

At Hang Glider Hill, the primary focus of the program is to provide further support to the geological model to optimise planning of both RC and aircore drilling.

The proposed drilling will consist of 2 holes totalling approximately 400m. The angled holes will be spaced approximately 160m apart that is evaluating a topographical feature known as Hang Glider Hill. The hill consists of a shallowly south dipping sequence of interpreted metasediment, chert and ultramafic rocks.

The programme is expected to be completed by the end of October, with results anticipated in November.

**Figure 1** Lefroy Gold Project showing Eastern and Western Lefroy and the location of Hang Glider Hill relative to Lucky Strike prospect. Refer to Figure 2 for inset map.
Background—Hang Glider Hill (HGH)

HGH is located in the north west region of the Company’s Lefroy Gold Project (“LGP” or “Project”), approximately 50km to the south east of Kalgoorlie (Figure 1). It is part of the Eastern Lefroy package of tenements which covers 226km². Tenements are wholly owned by LEX and not subject to any farm-in agreements.

The LGP is referenced in two packages i.e.

- Eastern Lefroy covering 226km² of wholly owned tenements including Lucky Strike, Red Dale, Havelock, Hang Glider, Neon and other sub-projects along or adjacent to the regional Mt Monger fault; and

- Western Lefroy JV tenements covering 372km² adjoining the St Ives gold camp that are subject to a Farmin and Joint Venture agreement with Gold Fields Limited (“Gold Fields”).

The Eastern Lefroy tenements are proximate to the regional Mt Monger Fault (Figure 1), which is considered to be structurally analogous to other major regional faults in the Kalgoorlie terrain (e.g. Boulder Lefroy Fault). The Company considers areas around the Mt Monger Fault to be prospective for large gold deposits and hence these areas are a major focus for exploration by the Company.

HGH is located close to the interpreted position of the regional scale Mt Monger Fault, along which (some 17km along strike to the south east) the Company identified the high-grade Lucky Strike prospect (Figure 1).

HGH has been the focus of reconnaissance stage exploration since early 2018 following the discovery of numerous gold nuggets (LEX:ASX 26 June 2018) and preliminary definition of a north westerly trend extending 2.3km from the original HGH nugget find. The Company considers the gold nuggets to be a surface geochemical anomaly.

In September 2018 the Company completed an early stage auger drilling program as an initial exploration search tool along the trend. A total of 266 samples were collected at 50m centres along 200m spaced east west lines that effectively cover approximately 2000m of strike.

The results of the sampling (ASX: LEX 6 November 2018) defined northern and southern zones of gold anomalism (plus 20ppb Au) around the interpreted position of the Mt Monger Fault. The zones are coincident with the locations of the discovered gold nuggets.

The northern anomaly consists of three subparallel trends with a strike of up to 880m. The southern anomaly is centered about Hang Glider hill (a linear topographical feature) and is a coherent anomaly over a 680m strike length. The anomaly has four sample points exceeding 50ppb Au, with a peak of 82ppb.

The HGH trend is consistent with a north west trending sub cropping sequence of deformed ultramafic, chert and metasediments that dip to the south west at approximately 50 degrees. The sequence is cross cut by quartz veins and intruded in isolated locations by feldspar porphyry.
**Figure 2** Detailed location of Hang Glider Hill, location of gold nugget trend, area of auger sampling program relative to adjacent tenement holders Northern Star Resources and Silver Lake Resources. Refer to Inset (Figure 3) for auger program detail and planned diamond drill holes.

**Figure 3**-Inset Map Location of the Hang Glider sample points and the anomalous trends relative to the Mt Monger Fault and planned holes.
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 in the Yilgarn Block of Western Australia. 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 and covers 598km² 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). The Farm-In Agreement with Gold Fields over the Western Lefroy tenement package commenced on 7 June 2018. 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.

Figure 3 Location of the Lefroy Gold Project relative to Kalgoorlie and the Western Lefroy tenement package subject to the Gold Fields joint venture.

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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 by the Company but specific to Hang Glider Hill.

- Exploration Update: New Gold Prospect Identified: 26 June 2018
- Exploration Update: Drilling Commenced at Capstan: 27 July 2018
- Exploration Update: Eastern and Western Lefroy Projects: 6 August 2018
- June 2018 Quarterly Activities Report: 31 July 2018
- Exploration Progress Eastern and Western Lefroy Projects: 3 September 2018
- Auger Drilling Commenced at Hang Glider Hill: 27 September 2018
- Exploration Update Drilling Programs Completed at Eastern Lefroy: 18 October 2018
- September 2018 Quarterly Activities Report: 29 October 2018
- Surface Gold Anomaly Enhances Hang Glider Hill Trend: 6 November 2018

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.