Exploration Update: Aircore Drilling Program Underway at Eastern Lefroy

Lefroy Exploration Limited (ASX: LEX) ("Lefroy" or “the Company”) is pleased to advise that an aircore drilling program is underway at Havelock, one of three areas to be evaluated on the Eastern Lefroy tenement package (Figure 1), that is part of the greater Lefroy Gold Project (LGP) located 50km to the south east of Kalgoorlie.

The adjoining Western Lefroy tenement package is a Joint Venture with Gold Fields that commenced on 7 June 2018. Gold Fields can earn up to a 70% interest in the Western Lefroy tenements by spending up to a total of $25million on exploration activities within 6 years of the commencement date.

Figure 1 Lefroy Gold Project tenement plan showing Western Lefroy in black and Eastern Lefroy in a red outline. The plan highlights the proximity to the nearby gold mines at St Ives, including Invincible and Beta Hunt. Refer to Figure 3 for inset map detail of the Lucky Strike Exploration Hub.
EASTERN LEFROY

Lucky Strike Exploration Hub

The newly termed Lucky Strike Exploration Hub is centered on the high-grade Lucky Strike prospect and envelopes the nearby gold prospects identified by the Company at Capstan, Red Dale and the Lucky Strike trend (Figure 2). The Hub is a priority target area for drill-based exploration on existing and generative gold prospects located within the Eastern Lefroy sub project, which extends approximately 17km from the recently identified Hang Glider Hill gold prospect (refer LEX-ASX release 26 June 2018). These gold prospects are located close to the interpreted position of the regional scale Mt Monger Fault, adjacent to which the Company has discovered a number of gold occurrences including Lucky Strike and Capstan (Figure 1).

The Company has commenced an aircore drilling program to evaluate the three prospects, Lucky Strike Extended, Capstan and Havelock all within close proximity to the high-grade Lucky Strike discovery.

Havelock

Drilling has commenced (Figure 3) at the Havelock prospect located approximately 2km south west of Lucky Strike. Havelock is a generative target based on the Company’s assessment of regional aeromagnetics, that highlights a linear magnetic unit interpreted as Banded Iron Formation (BIF) similar to the host rock at Lucky Strike. Approximately 30 angled holes for 1500m on four wide spaced east - west traverses is planned.

Capstan

The Capstan prospect is located immediately north of Lucky Strike and consists of bedrock gold mineralisation intersected at or near the bottom of a number of aircore holes (see LEX: ASX release 21 August 2018). Bedrock gold anomalism occurs in altered rocks including aircore hole LEFA343 which encountered 8m @ 0.19g/t Au from 24m in a leucoxene altered dolerite which is open to the south. The Company believes this is a highly encouraging result for a first pass wide spaced aircore program and given its proximity to the high grade mineralisation at Lucky Strike. An aircore program consisting of approximately 45 holes for 2500m is planned to infill and extend the mineralisation on 80m spaced drill traverses.

Lucky Strike Extended

At Lucky Strike, high grade (+5g/t Au) gold mineralisation has been intersected in BIF from several phases of RC and diamond drilling since November 2017. An improved geological understanding of the controls on gold mineralisation at Lucky Strike has initiated a reassessment of anomalous gold intersections along the Lucky strike trend (>3km’s length). Previous aircore drilling yielded significant mineralisation i.e. LEFA136 – 8m @ 3.85g/t Au from 62m, which has not been adequately followed up. A program of 15 AC holes for 1200m has been planned to target the mineralised trend north west of LEFA136.

The aircore drilling program at the three prospects is expected to be completed in mid-October and results to be announced in early November.
Figure 2 Inset Map- Lucky Strike exploration hub and location of Capstan, Havelock and the Lucky Strike trend

Figure 3 Aircore drilling activity at the Havelock Prospect (27 September 2018)
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 covering 598km², 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 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.

Location of the Lefroy Gold Project relative to Kalgoorlie and the Western Lefroy tenement package (Red Hatch) subject to the Gold Fields joint venture.

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