High grade gold intersected at Lucky Strike

Highlights

- Recent RC drilling at Lucky Strike has intersected further multiple shallow high grade gold intersections

- Significant gold intersections returned from the drilling program include:-
  - 5m at 13.6g/t Au from 84m in LEFR070
  - Including 3m at 22.3g/t Au from 85m
  - 7m at 3.64g/t Au from 82m in LEFR071
  - Including 2m at 10.2g/t Au from 85m
  - 11m at 2.24g/t Au from 104m in LEFR071
  - 27m at 1.35g/t Au from 33m in LEFR073
  - 14m at 2.81g/t Au from 78m in LEFR074
    - Including 3m at 9.37g/t Au from 81m

- The results continue to strengthen and expand the previously discovered gold system hosted within a banded iron formation (BIF)

- Gold mineralisation hosted in multiple BIF units has now been demonstrated to extend over a 300m strike length and is open along strike and at depth

- Diamond drilling has commenced to further advance the geological and mineralisation model

- A Mining Lease application has been lodged given the robust nature of this developing gold system
The Board of Lefroy Exploration Limited (ASX: LEX) ("Lefroy" or "the Company") is pleased to announce the results from a recent phase of a reverse circulation (RC) drilling program at Lucky Strike, within the Lefroy Gold Project. The project is located approximately 50km south east of Kalgoorlie in the Eastern Goldfields of Western Australia.

Lucky Strike is located approximately 3km to the northwest of the high grade Lucky Bay open pit, mined by Silver Lake Resources (ASX:SLR) during 2015, and is 5km to the south west of the Randalls Processing Plant currently being operated by SLR (Figure 1).

![Figure 1](image1.png)

Figure 1 Location of the Lucky Strike Trend relative to the Red Dale and Capstan Prospects and proximity to the Randalls Processing Facility (SLR). The key Lucky Strike Trend gold intersections are also highlighted (refer to Figure 2 for detailed inset map and recent drilling). The Mining Lease application is highlighted in blue.

The Company completed a focused six (6) hole RC drilling program ("program") at Lucky Strike in April 2018 to evaluate a 60m gap in the earlier drill coverage that was interpreted to occupy part of a higher grade (>5g/t Au) zone within the 300m strike defined from earlier RC drilling (refer to LEX March 2018 Quarterly report 27 April 2018). The results from this program have successfully confirmed a coherent high grade zone that has a strike length of 100m and remains open at depth.

The program comprised 640m of angled RC drilling on two sections (Figure 2) within the 60m gap, to a 20m by 20m drill spacing. The drilling of this gap was considered a high priority target subsequent to a reinterpretation of the nature of the higher tenor gold mineralisation associated with sulphide altered banded iron formation (BIF) host units in earlier holes LEFR057 and 058.
The key aim of the recent program was to test the concept of a high-grade extension to the mineralisation in the sulphide altered BIF units within 80m depth from surface. The approach was guided by an understanding of other BIF hosted gold systems elsewhere in the goldfields (e.g. Hill 50, Lancefield, Mt Morgans, Maxwells) where closer spaced drilling was required to understand the controls on mineralisation.

The results from the earlier diamond holes LSRD001 and 006 that recognised the BIF host had provided the breakthrough at Lucky Strike and aided the reorientation of the drill direction in the initial and subsequent RC drilling programs. The approach in the April program was to build upon those foundation programs, recognising the discrete nature of the individual host units and the high grade mineralisation associated with sulphide altered BIF.

The results from the six (6) hole program have delivered strong, broad gold intersections from the two sections drilled (Table 1), and support a coherent high grade component to the system (Figure 2). The drilling intersected multiple, mineralised banded iron formation (“BIF”) units within a package of metamorphosed siltstone, shale and black shale (Figures 3 and 4). The identification of multiple BIF units improves the potential for a broader zone of mineralisation. The full extent of the thickness of the BIF package is yet to be determined.

Drill depths ranged from 75m to 126m down hole. Hole LEFR074 was abandoned at 99m due to water inflows jeopardizing sample quality. Diamond drilling has commenced to intersect the lower mineralised BIF (Figure 4). Two additional shallow RC precollars for diamond drilling were also completed.
Significant results from the RC drill program include:

- 6m at 1.99g/t Au from 60m in hole LEFR069;
- 6m at 2.26g/t Au from 45m in hole LEFR070;
- 5m at 13.6g/t Au from 84m in hole LEFR070;
  • Including 3m at 22.3g/t Au from 85m
- 7m at 3.64g/t Au from 82m in hole LEFR071;
  • Including 2m at 10.2g/t Au from 85m
- 11m at 2.24g/t Au from 104m in hole LEFR071;
  • Including 3m at 6.16g/t Au from 104m
- 27m at 1.35g/t Au from 33m in hole LEFR073;
- 14m at 2.81g/t Au from 78m in hole LEFR074;
  • Including 3m at 9.37g/t Au from 81m

**Figure 3** Lucky Strike drill section Line 7

**Figure 4** Lucky Strike drill section Line 8
The gold intersections in holes LEFR070 & LEFR071 (Figure 3) are a significant breakthrough for Lucky Strike. These two holes now demonstrate continuity of mineralisation both down dip and along strike and also show higher grade intervals with the lower most BIF unit. The gold mineralisation in the lower BIF both LEFR070 and LEFR071 is from an interval of semi massive to massive pyrite within BIF in the primary zone (fresh rock) and supports an earlier intersection of similar geology in LEFR058.

The high-grade mineralisation at Lucky Strike may be related to a northwest trending fault (Figure 2) that offsets the BIF units. The geometry and character of this fault is unclear but the Company believes it could have a strong influence on the gold mineralisation. Importantly, the Capstan surface gold anomaly is located approximately 500m to the north along the strike extension of this fault.

The results from this recent program provide support for high-grade gold mineralisation associated with sulphide altered BIF that is becoming more apparent with deeper drilling. The Company interprets this as evidence that the system is becoming more robust with depth. The constraints to the BIF package are yet to be established.

**Diamond Drilling Commenced**

The Company has commenced a program of diamond drilling to further advance the understanding of the BIF hosted gold mineralisation at Lucky Strike. Two RC precollared diamond tails will be completed between existing RC holes on two sections to gain an appreciation of the secondary controls on the gold mineralisation. In addition, a short diamond tail has commenced on hole LEFR074 to intersect the lowermost BIF unit. The program is expected to be completed by the end of May.

**Mining Lease Application**

In response to the recent high-grade gold results and the developing coherent gold trend, the Company has lodged an application for a Mining Lease to cover Lucky Strike and its extensions (Figure 2). The Company considers the application as a very important step in the potential early development of Lucky Strike. The application is expected to take nine months to be granted.
Table 1: 2018 RC Drilling-Lefroy Gold Project-Lucky Strike Trend

RC drill hole intersections tabulated below are calculated with a 0.25g/t Au lower cut for the entire drill program. These represent the intersections from individual 1m sample results and include 2m of internal dilution. Samples are routinely collected as 1m sample intervals from the cyclone.

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<th>Hole ID</th>
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<th>Collar E (MGA)</th>
<th>Collar RL</th>
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<th>Azimuth</th>
<th>Depth From (m)</th>
<th>Depth To (m)</th>
<th>Downhole Intersection (m)</th>
<th>Au Value (g/t)</th>
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Lucky Strike Background

Reconnaissance early stage aircore (AC) drilling by the Company since November 2016 defined a new and emerging gold mineralised trend hosted within sedimentary rocks over a 3,000m strike length (refer Figure 1). The geological sequence at Lucky Strike and the mineralisation intersected is considered similar to the Lucky Bay gold deposit. This supports the Company’s view of the emergence of a combined 4.5km long gold mineralised structural trend from the Lucky Bay deposit, along the Lucky Strike Trend, and coincident with the interpreted position of the Mt Monger Fault (Figure 1).

The results from the two earlier aircore drill campaigns returned encouraging near surface oxide gold intersections from the nominal 160m spaced drill sections including 11m at 3.53g/t Au from 60m to End of Hole (EoH) in LEFA136 and 10m at 4.60g/t from 24m to EoH in LEFA171.

In August 2017 a pre-collared diamond drilling program, consisting of 6 holes for a total of 362.5m of core drilling, was completed to determine the geometry of the host rock and gold mineralisation. The drilling evaluated three key sections spaced approximately 1,000m apart along the 3,000m gold mineralised trend defined from the earlier aircore drilling campaigns.

Drill hole LSRD006 returned significant multiple narrow high grade oxide gold intersections. The mineralised intervals correspond to a wide zone of highly oxidised Banded Iron Formation (BIF) and siltstone. Significant intersections from LSRD006 include 1.7m at 63g/t Au from 44.7m (Inc. 0.9m at 107g/t Au) and 0.3m at 10.3g/t Au from 46.6m.

Lucky Strike is part of a group of gold targets identified by LEX within 5km’s of the Randalls Processing Plant (Figure 1). These include the Red Dale prospect and the recently announced (refer LEX Announcement 7 February 2018) Capstan anomaly. These targets are a continued key focus for exploration and drilling by the Company.
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 577km², 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.

For Further Information please contact:

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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 but specific to exploration reporting on the Lucky Strike Trend at the Lefroy Gold Project.

- Lefroy Commences Exploration: 24 October 2016
- Lefroy Commences Drilling at Lucky Strike: 17 November 2016
- Managing Directors AGM Presentation: 5 December 2016
- Drilling at Lucky Strike Supports and Extends Gold Trend: 23 December 2016
- Exploration Update: Aircore Drilling to Recomence at Lucky Strike: 29 March 2016
- Significant Intersections at Lucky Strike Prospect: 18 April 2017
- Aircore Drill results enhance the Lucky Strike Trend: 7 July 2017
- Exploration Update: Diamond Drilling Commences at the Lucky Strike Trend: 31 August 2017
- High Grade Gold Mineralisation Intersected at Lucky Strike: 21 September 2017
- September 2017 Quarterly Activities Report: 25 October 2017
- RC Drilling Commenced at Lucky Strike: 23 November 2017
- RC Drill Results Enhance Lucky Strike Gold Discovery: 12 December 2017
- Exploration Update: RC Drilling Underway at Lucky Strike: 25 January 2018
- Drill Results Extend Gold Mineralisation at Lucky Strike: 14 February 2018
- March 2018 Quarterly Activities Report: 27 April 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.
### SECTION 1: SAMPLING TECHNIQUES AND DATA

<table>
<thead>
<tr>
<th>Criteria</th>
<th>JORC Code Explanation</th>
<th>Commentary</th>
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| **Sampling techniques** | • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.  
• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.  
• Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | • The sampling noted in this release has been carried out using Reverse Circulation (RC) drilling at the Lucky Strike Prospect. The RC program comprised 8 angled holes for 640m, holes varying in depth from 25-126m with and average depth of 80m. 2 of the RC holes will have a DD tail on them which will be drilled to a depth of >100m at a later date. All holes were drilled -60° (dip) and toward 030° (Azimuth) spaced along 20m centres.  
• Sampling and QAQC protocols as per industry best practice with further details below.  
• RC samples were collected from the cyclone at 1m intervals in plastic buckets and arranged in rows of 10 or 20 samples. 1m split samples were collected from 0m to end of hole (EOH). 1m split samples directly off the drill rig cone splitter attached to the cyclone were collected to produce a 2-3kg sample which was sent to the Laboratory in Kalgoorlie for analysis. Samples were dried, pulverised, split to produce a 40g charge for analysis by fire assay with Au determination by Atomic Absorption Spectrometry (AAS). |
| **Drilling techniques** | • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | • The Reverse Circulation (RC) drilling was completed by a Schramm 650 RC rig from Raglan Drilling (Kalgoorlie). Low air face sampling hammer drilling proved satisfactory to penetrate the regolith and reduce contamination risk. |
| **Drill sample recovery** | • Method of recording and assessing core and chip sample recoveries and results assessed.  
• Measures taken to maximise sample recovery and ensure representative nature of the samples.  
• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | • The majority of samples remained dry with good recovery obtained. Where samples were wet or experienced less than desired recovery this was instantly evident in size of the bulk sample laid on the ground and was carefully recorded by a Lefroy representative on hard copy sample sheets.  
• Drilling with care (eg. clearing hole at start of rod, regular cyclone cleaning) if water encountered, to reduce incidence of wet – sticky sample and cross contamination, the cyclone was cleaned out again at the end of each drill rod.  
• Insufficient sample population to determine whether relationship exists between sample recovery and grade. The quality of the sample (wet, dry, low recovery) was recorded during logging. |
| **Logging** | • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.  
• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.  
• The total length and percentage of the relevant intersections logged. | • Detailed logging of, regolith, lithology, structure, veining, alteration, mineralisation and recoveries recorded in each hole by qualified geologist.  
• Logging carried out by sieving individual 1m sample cuttings, washing in water and the entire hole collected in plastic chip trays for future reference.  
• Every hole was logged for the entire length. |
| **Sub-sampling** | • If core, whether cut or sawn and whether quarter, half |
| | | • No core drilling completed |
## Criteria | JORC Code Explanation | Commentary
--- | --- | ---
**techniques and sample preparation** | or all core taken.  • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.  • For all sample types, the nature, quality and appropriateness of the sample preparation technique.  • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.  • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.  • Whether sample sizes are appropriate to the grain size of the material being sampled. | • Sampling of 1m intervals directly off a rig-mounted cone splitter into calico bags. Sample weight 2 - 3 kg. 1m samples or 4m composite samples were collected, determined by the geologist’s interpretation of where the mineralisation was most likely to occur. 4m composite samples were collected by using a scoop to collect a representative “split” from each bulk sample that made up a 4m composite interval, this was placed into a pre-numbered calico bag. Pre-numbered calico bags containing the samples were despatched to the laboratory for assay.  • The sample preparation of the RC samples follows industry best practice, involving oven drying, pulverising, to produce a homogenous sub sample for analysis.  • Along with submitted samples, standards and blanks were inserted on a regular basis where the pre-numbered calico bag ended with the numbers 20, 40, 60, 80 and 100. Standards were certified reference material prepared by Geostats Pty Ltd. Duplicate samples were collected at zones of interest and at irregular intervals of about 2 per hole.

**Quality of assay data and laboratory tests** | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.  • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.  • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | • Samples routinely analysed for gold using the 40gram Fire Assay digest method with an AAS finish at Bureau Veritas’s Kalgoorlie Laboratory.  • Quality control process and internal laboratory checks demonstrate acceptable levels of accuracy. At the laboratory regular assay repeats, lab standards, checks and blanks were analysed.

**Verification of sampling and assaying** | • The verification of significant intersections by either independent or alternative company personnel.  • The use of twinned holes.  • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.  • Discuss any adjustment to assay data. | • The results have been reviewed and verified by alternative company personnel.  • No holes were twinned.  • Capture of field logging is electronic using Toughbook hardware and Logchief software. Logged data is then exported as an excel spreadsheet to the Company’s external database managers which is then loaded to the Company’s DATASHED database and validation checks completed to ensure data accuracy. Assay files are received electronically from the laboratory and filed to the Company’s server, and provided to the external database manager.  • There has been no adjustment to the assay data. The primary gold (Au) field reported by the laboratory is the priority value used for plotting, interrogating and reporting.

**Location of data points** | • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.  • Specification of the grid system used.  • Quality and adequacy of topographic control. | Drill hole positions were surveyed using a DGPS operated by a third-party contractor. Drill location is set up by the supervising geologist. Down holes surveys were completed by Raglan drill crew using a gyro and recording a survey every 10m down the hole. Grid System – MGA94 Zone 51. Topographic elevation captured by using the differential GPS.
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<td><strong>Data spacing and distribution</strong></td>
<td>• Data spacing for reporting of Exploration Results.</td>
<td>• Hole spacing at nominal 20m centres on 030° orientated drill lines with line spacing 20m to the NW and SE of previous Lefroy drilling including pre-collar RC holes spaced 10m between existing Lefroy RC holes which are known to contain significant mineralisation. This is to confirm/discover the major structural controls on high-grade gold mineralisation.</td>
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<td>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</td>
<td>• Mineralisation at Lucky Strike is constrained to a particular iron rich geological unit logged as a SIF (sedimentary iron formation). Where SIF was logged by the geologist, 1m samples were sent to the laboratory for analysis by fire assay. Where it has been inferred no gold mineralisation should occur, samples were collected using a scoop from the 1m bulk samples laid out on the ground at the time of drilling, into a 4m composite sample which was also sent to the laboratory for the same fire assay analysis. The geologist dictated to the field supervisor which samples should be collected as 1m samples and which ones should be a composite sample. The field supervisor then collected these samples in sequence using pre-numbered calico bags. Where 1m samples were collected, the original 1m split from the cyclone was simply placed into a numbered calico bag.</td>
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<td>• Whether sample compositing has been applied.</td>
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<td><strong>Orientation of data in relation to geological structure</strong></td>
<td>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</td>
<td>• The North-East orientated drill traverses considered effective to evaluate the roughly North-West trending sedimentary iron formation (SIF) stratigraphic unit which is interpreted to be the prospective host rock. The RC drill holes were intended as follow-up work to assess previous Lefroy AC and DD drill holes which were orientated on East-West drill lines which intercepted high gold grades and favourable geology.</td>
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<td>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</td>
<td>• The new orientation is considered to be a more effective test of “true” width of the host rock due to the fact the host rock unit is striking roughly North-West/South-East.</td>
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<td><strong>Sample security</strong></td>
<td>• The measures taken to ensure sample security.</td>
<td>Samples were bagged in labelled and numbered polyweave or plastic bags, collected and personally delivered to the Bureau Veritas Laboratory (Kalgoorlie) by Company field personnel. Samples were then sorted and checked for inconsistencies against lodged Submission sheet by Bureau Veritas staff. Bureau Veritas checked the samples received against the Lefroy Exploration Limited (LEX) submission sheet to notify of any missing or extra samples. Following analysis, the sample, pulps and residues are retained by the laboratory in a secure storage yard.</td>
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<td><strong>Audits or reviews</strong></td>
<td>• The results of any audits or reviews of sampling techniques and data.</td>
<td>All sampling and analytical results of the drill program were reviewed by the Senior Exploration Geologist and Managing Director. Anomalous gold intersections were checked against library chip trays to correlate with geology. No specific audits or reviews have been conducted.</td>
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### Section 2: REPORTING OF EXPLORATION RESULTS – LEFROY PROJECT- Lucky Strike Prospect-April/May 2018 RC Drilling

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<th>Criteria</th>
<th>JORC Code Explanation</th>
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| **Mineral tenement and land tenure status** | • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.  
• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | • The Lefroy Project is located approximately 50 km in south east from Kalgoorlie, Western Australia and consists of a contiguous package of wholly owned tenements held under title by LEX or its wholly owned subsidiary’s Hogans Resources Pty Ltd. The work described in this report was completed on Exploration Licence E 26/183 held 100% by Lefroy Exploration Limited via acquisition in the December 2016 quarter of holder Hogans Resources Pty. Ltd.  
• The tenement is current and in good standing with the Department of Mines and Petroleum (DMP) of Western Australia. |
| **Exploration done by other parties** | • Acknowledgment and appraisal of exploration by other parties. | • Some previous exploration work was completed on the Lucky Strike trend by Integra Mining Limited, Western Mining and Octagonal Resources. The bulk of this work included phases of Aircore (AC). This work identified mineralisation along the trend, however no previous explorer had produced the gold grades Lefroy has identified. |
| **Geology** | • Deposit type, geological setting and style of mineralisation. | • The Lefroy Project is located in the southern part of the Norseman Wiluna Greenstone Belt and straddles the triple junction of three crustal units, the Parker, Boorara and Bulong Domain. The Lefroy project tenements are mostly covered by alluvial, colluvial and lacustrine material with very little outcrop. Archean geology at the Red Dale prospect is concealed by overlying transported clay, laterite and sand/gravel. Drill information has revealed major lithology types including schistose in part ultramafic sequence, dolerite/gabbroic rocks and intermediate intrusives. Aeromagnetic data reveals (truncated in part) NNW trending features. |
| **Drill hole Information** | • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:  
• easting and northing of the drill hole collar  
• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar  
• dip and azimuth of the hole  
• down hole length and interception depth  
• hole length.  
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | • Table containing drill hole collar, survey and intersection data for material (gold intersections >0.25gpt Au with a max of 2m internal dilution) drill holes are included in the Table in the body of the announcement.  
• No Information has been excluded. |
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| Data aggregation methods | • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.  
• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.  
• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • All report grades have been length weighted. High grades have not been cut. A lower cut off of 0.25 gpt Au has been used to identify significant results (intersections).  
• Where present, higher grade values are included in the intercepts table and assay values equal to or > 1.0 g/t Au have been stated on a separate line below the intercept assigned with the text ‘includes’.  
• Reported RC results have been calculated using 1m split samples. No metal equivalent values or formulas used. |
| Relationship between mineralisation widths and intercept lengths | • These relationships are particularly important in the reporting of Exploration Results.  
• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.  
• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., ‘down hole length, true width not known’). | • All results are based on down-hole metres.  
• Previous drill coverage has provided guidance for the presence of steeply dipping stratigraphy comprising a sedimentary package of rocks containing sedimentary iron formations (SIF) which provide the best host rock for gold mineralisation. A recently completed ground magnetic survey over the area of interest confirms a NW strike of the magnetic sediments within the stratigraphy and hence has guided the orientation of drilling for this program. Structural measurements on orientated diamond drill core from a previous Lefroy Exploration drill program also assisted in deciding which orientation to drill these follow up RC holes. Results from this drill program do not represent ‘true widths’ however holes are designed to intercept the host sequence perpendicular to its strike. |
| Diagrams                 | • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | • Appropriate summary diagrams (section & plan) are included in the accompanying announcement. |
| Balanced reporting        | • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | • Significant assay results are provided in Table 1 for the recent LEX RC drill program.  
• Drill holes with no significant results are not reported.  
• Significant assay results from historical drilling are noted in the body of the report. |
| Other substantive exploration data | • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | • All relevant data has been included within this report. |
| Further work             | • The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).  
• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • The appropriate next stage of exploration planning is currently underway and noted in the body of the report. |