Exploration Update – Aircore Drilling Commenced at Capstan

Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to advise shareholders that aircore drilling has now commenced at the Capstan prospect at its Lefroy Gold Project, 50km to the south east of Kalgoorlie. The Capstan drilling kick starts an active and focused gold exploration program by the Company over the next 6 months on the Eastern Lefroy tenement package.

The adjoining Western Lefroy tenement package is now a Joint Venture with Gold Fields which commenced on 7 June 2018. The Western Lefroy package (Figure 3) covers 372km² and Gold Fields can earn up to a 70% interest in the tenements by spending up to a total of $25million on exploration activities within 6 years of the commencement date.

**Capstan**

The Capstan prospect is located immediately north of Lucky Strike (Figure 1) and consists of a large and robust surface gold anomaly (plus 20ppb Au) that has not been evaluated by drilling (refer LEX ASX announcement 7 February 2018). The prospect straddles the interpreted position of the regional scale Mt Monger Fault. The Company considers the Capstan anomaly could be significant in the context of the gold mineralisation intersected nearby at Lucky Strike, and may represent the surface expression of another bedrock gold system.

An aircore drilling program consisting of 40 vertical holes for approximately 2000m has commenced as an early stage evaluation of the core part of the gold anomaly and to confirm the nature of the bedrock geology and regolith. The program will consist of five 320m spaced drill traverses (Figure 2), with holes at 160m centres. The drill program will also evaluate the northerly projection of the interpreted fault about which high grade gold mineralisation is located at Lucky Strike. The program is expected to be completed by the end of July, with sample results in mid-August.

**Lucky Strike**

Lucky Strike is located approximately 5kms to the northwest along strike of the high grade Lucky Bay open pit mined by Silver Lake Resources (ASX:SLR) during 2015, and 5km to the south west of the Randalls Processing Plant (Figure 1). High grade (+5g/t Au) gold mineralisation has been intersected in a banded iron formation host rock in several phases of RC and diamond drilling since November 2017. The Company has scheduled a program of approximately 2000m of RC drilling to evaluate the gold system up to 150m from surface to commence in mid-August.
Figure 1 Location plan of Lefroy tenements, showing drill holes and the Lucky Strike, Red Dale and Capstan prospects proximal to the Randalls Processing plant. Refer to Figure 2 for detail on inset.

Figure 2 Capstan auger gold anomaly sample points and proposed drill lines with proximity to Lucky Strike.
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.

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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