Lefroy Exploration

ASX ANNOUNCEMENT | 23 MAY 2023

ACQUISITION OF MINERAL RIGHTS TRANSFORMS LEFROY

ASX:LEX

HIGHLIGHTS

- **Strategic acquisition of mineral rights on freehold property 'East Location 45' (Loc45) from Franco-Nevada, located 35km southeast of Kalgoorlie**
- **Adjoins Company's flagship Lefroy Gold Project and expands its contiguous land package by 76.3km^2 to a total of 631.7km^2**
- **Lefroy's total mineral resource inventory increased to 1.1Moz Au; 58kt Cu; and 15kt Ni**
- **Advanced projects acquired include the Mt Martin Gold Mine and Goodyear nickel deposit, presenting an outstanding platform for future growth in both commodities:**
  - **Mt Martin Mine 8.7Mt @ 1.79g/t Au for 501,175oz**
  - **Goodyear Deposit 391,250t @ 3.78% Ni (14,780t contained Ni)**
- **LEX's wholly-owned subsidiary, Johnston Lakes Nickel Ltd (JLN) to hold nickel, lithium and Rare Earth Element mineral rights in Loc45. This enhanced nickel portfolio will support a separate listing from LEX in second half of 2023**
- **Mt Martin Gold Mine presents the opportunity to fast-track development, which will be evaluated in a comprehensive review of LEX's resources, under the view of commencing production as soon as is practicable**

LEFROY MANAGING DIRECTOR WADE JOHNSON COMMENTED:

"This is an absolutely outstanding acquisition that has transformed Lefroy and its subsidiaries. Within just a few years, we have successfully attained our goal of a +1Moz gold resource for Lefroy have also curated a highly promising asset portfolio for the intended upcoming JLN nickel IPO. This acquisition has positioned both the Company and JLN exceptionally well, offering a diverse range of assets, multiple avenues for development, and strengthened ongoing plans for exploration and resource definition, all of which significantly enhance the value of the Company. While we have already undertaken extensive investigation of the resources in Loc45, there is still much work to be done. However, we are already highly confident that we possess sufficient resources to initiate open cut production of gold in the near term."

Figure 1 Lefroy Exploration's Board and Senior Exploration Geologist standing at Mt Martin Gold Mine lookout, showing the southern extent of the open pit. From front to back: Gordon Galt (Chairman) Wade Johnson (Managing Director), Chris Hesford (Senior Exploration Geologist), Tara French (Non-Executive Director) and Michael Davies (Non-Executive Director)

Lefroy Exploration Limited (ASX: LEX; "Lefroy" or "the Company") is pleased to announce details of a significant addition to its growing portfolio of assets in the world-class Goldfields region of Western Australia.

LEX's wholly owned subsidiaries Monger Exploration Pty Ltd (MEX) and Johnston Lakes Nickel LTD (JLN), have entered into an agreement with Franco-Nevada Australia Pty Ltd ("Franco-Nevada") to acquire mineral rights across the East Location 45 ("Loc45") freehold property, located 35km south-east of Kalgoorlie (Figures 2 and 3). Franco-Nevada is a wholly owned subsidiary of Franco-Nevada Corporation (TSX:FNV) (NYSE:FNV), the world's leading gold-focused royalty and streaming company with the largest and most diversified portfolio of cash-flow producing assets.

Loc45 is one of the rare parcels of freehold land in Western Australia in which the registered owner was granted the rights to minerals in the land and does not require the grant of a mining tenement under the *Mining Act 1978.*

The addition of Loc45 increases Lefroy's contiguous land holding across the broader Lefroy Gold Project to 631.7 km², which now covers approximately 50km of strike of wholly owned tenure between the Burns Gold-Copper deposit in the far south-east to the Mt Martin Gold Mine in Loc45 to the north-west (Figure 2), which is considered highly prospective for both gold and nickel mineralisation.

The acquisition notably expands the wholly owned Eastern Lefroy Project to 385.8 km² (Figure 2). Moreover, it elevates the Company's total gold resource inventory to over 1 million ounces (Table 3) opening up substantial new opportunities for exploration and development options within its growing asset portfolio.

EAST LOCATION 45 PROPERTY

Loc45 is a freehold grant of land totalling 76.3km², which is located 35km south-east of Kalgoorlie (Figure 4). Title for this property is held by Franco-Nevada Australia Pty Ltd.

The property is considered highly prospective by the Company for gold and nickel and is positioned just 20km north of the world-class Kambalda mining district, which is renowned for its historical gold and nickel mines and processing facilities (Figure 2).

Notable operations within the district include the prolific South Kalgoorlie Operations (SKO) operated by Northern Star Resources (ASX: NST), as well as the Carnilya Hill and Blair Nickel deposits, situated to the north and east of the project area respectively (Figure 4).

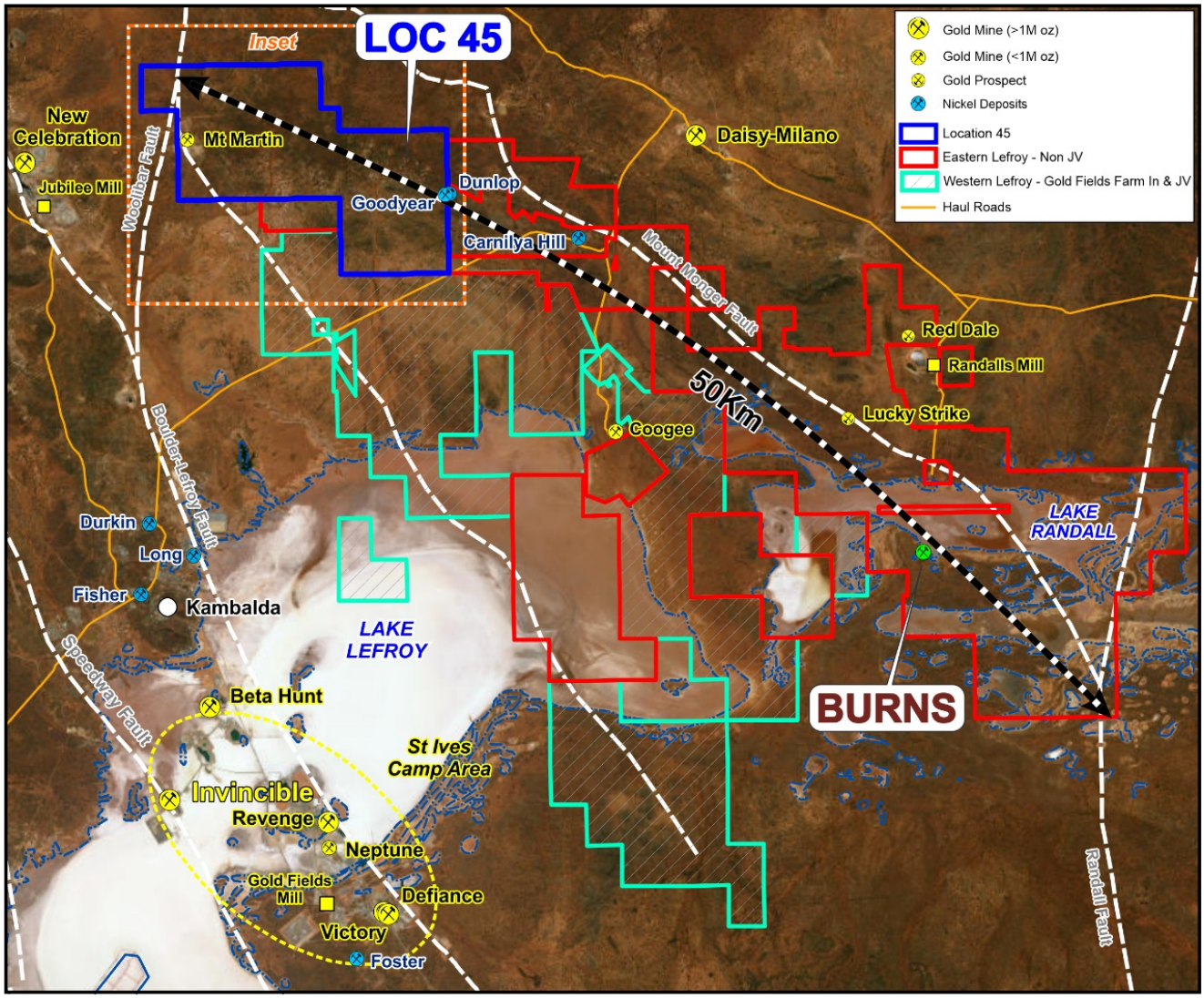

Figure 2 Location map of East Location 45 in relation to the Lefroy Gold Project and its Western Lefroy (Gold Fields Ltd Farm-in & JV) and Eastern Lefroy holdings, and its proximity to major gold and nickel operations and prospects

Loc45 HISTORICAL EXPLORATION, MINING AND RESOURCES

GOLD

Gold exploration and mining operations on Loc45 have a rich history spanning 100 years, with gold first being discovered at Mt Martin in 1923[1]. Numerous surface and underground mining operations have taken place since then, culminating in the most recent mining activity (Figure 4), completed by the formerly listed Dioro Exploration NL (ASX: DIO) in 2009. DIO successfully mined and produced 743,223 tonnes of gold ore at an average grade of 1.5g/t Au (for 31,321 recovered ounces) [1].

The most extensive recent gold exploration activity occurred between January 2010 to October 2013 after Australian Mines Ltd (ASX: AUZ) acquired the mineral rights to the Mt Martin area in January 2010 from Dioro[2]. AUZ embarked on several drilling campaigns, culminating in the Company reporting a combined indicated and inferred resource of 4.04 million tonnes grading 2.04g/t gold for 265,000 contained ounces[3] at Mt Martin.

Subsequent drilling and resource definition works undertaken by Alacer Gold Corp (Alacer), following its acquisition of the mineral rights in August 2011[4], led to a significant upgrade to the size of the resource. Alacer reported in 2013 a combined (Indicated and Inferred) resource of 8.72 million tonnes grading 1.79g/t Au for 501,175 contained ounces[5] [6]. Following the sale of Loc45 by Alacer Corp to Metals X Limited in 2013, the property has remained largely unexplored for gold and nickel mineralisation and the total resource figures, which include the Mount Martin, Swift and Adelaide deposits, have remained unchanged since the Alacer report in 2013 (refer Table 1).

Deposit	Indicated			Inferred			Total Resource		
	Tonnes	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Mount Martin	5,132,000	1.83	301,945	3,360,000	1.73	186,886	8,492,000	1.79	488,831
Swift	177,000	1.50	8,536	36,000	1.30	1,505	213,000	1.47	10,041
Adelaide	2,000	8.82	567	15,000	3.60	1,736	17,000	4.21	2,303
TOTAL	5,311,000	1.82	311,048	3,411,000	1.73	190,127	8,722,000	1.79	501,175

Table 1 Summary of Mount Martin Mineral Resource (0.5g/t Au cut-off grade)

NICKEL

Nickel exploration within Loc45 has been sporadic, with previous landholders preferentially focusing on gold exploration, despite the presence of significant ultramafic sequences in the project area (Figure 3).

Early exploration for nickel within the general region in which Loc45 is located was undertaken by Western Mining Corporation (WMC) in the 1980s and 1990s, leading to the discovery of the Dunlop deposit (located immediately east of the Loc45 ground) in 1993 (Figure 3). Following WMC's success, Titan Resources discovered the Goodyear Nickel deposit[7] [8] in 1996, located along the eastern edge of the Loc45 property.

After a 10-year hiatus for nickel-focused drilling and following a change of property lessee to AUZ in 2007, targeted resource definition drilling at Goodyear spanning 2007 and 2008 resulted in the identification of an Inferred mineral resource, containing 391,250 tonnes @ 3.78% Ni for 14,780 tonnes of contained nickel[9].

Acquisition of the mineral rights on Loc45 has resulted in the Company's subsidiary, JLN gaining an additional interpreted 30km strike-length of repeated ultramafic komatiitic stratigraphy (Figure 3), which is considered highly prospective for its potential to host additional high-tenor Kambalda-style nickel sulphides.

Zone	Tonnes	Ni (%)	Ni (Tonnes)
Contact 1	**147,750**	**3.06**	**4,500**
Contact 2	**20,000**	**5.13**	**1,000**
Contact 3	**223,500**	**4.13**	**9,250**
TOTAL Inferred	**391,250**	**3.78**	**14,780**

Table 2 Summary of Goodyear Nickel Resource (1 % Ni cut-off grade). Figures in table only relate to resources within East Location 45

Cautionary Statement: *The Mineral Resource estimate was originally reported in accordance with the JORC Code 2004. A Competent Person has not yet done sufficient work to classify the estimate in accordance with the JORC Code 2012. It is possible that following evaluation and/or further exploration work the currently reported estimate may materially change and will need to be reported afresh under and in accordance with the JORC Code 2012. Nothing has come to the Company's attention that causes it to question the accuracy or reliability of the former owner's estimate but it has not independently validated the estimate and therefore is not to be regarded as reporting, adopting or endorsing those estimates.*

The Goodyear resource estimate was reported by AUZ in accordance with the JORC Code 2004. The estimate was based on nine RC holes and 15 diamond holes completed by previous explorers, with an additional five diamond holes drilled by AUZ.

Specific gravity data was determined by a regression curve derived from data for the nearby Blair Nickel Mine which was actively mined by AUZ at that time. The Goodyear deposit is interpreted by the Company to be open, both down-plunge and along strike.

The Goodyear resource estimate was reported by AUZ in accordance with the JORC Code 2004 and may not conform to the requirements in the JORC Code 2012.

Further validation work would need to be completed to report the estimates in accordance with the JORC Code 2012. This would include validation of the existing drillhole database, surveying of existing drillhole collars and collection of appropriate samples for specific gravity measurement.

This validation work is planned to commence immediately on acquisition of the full drillhole dataset.

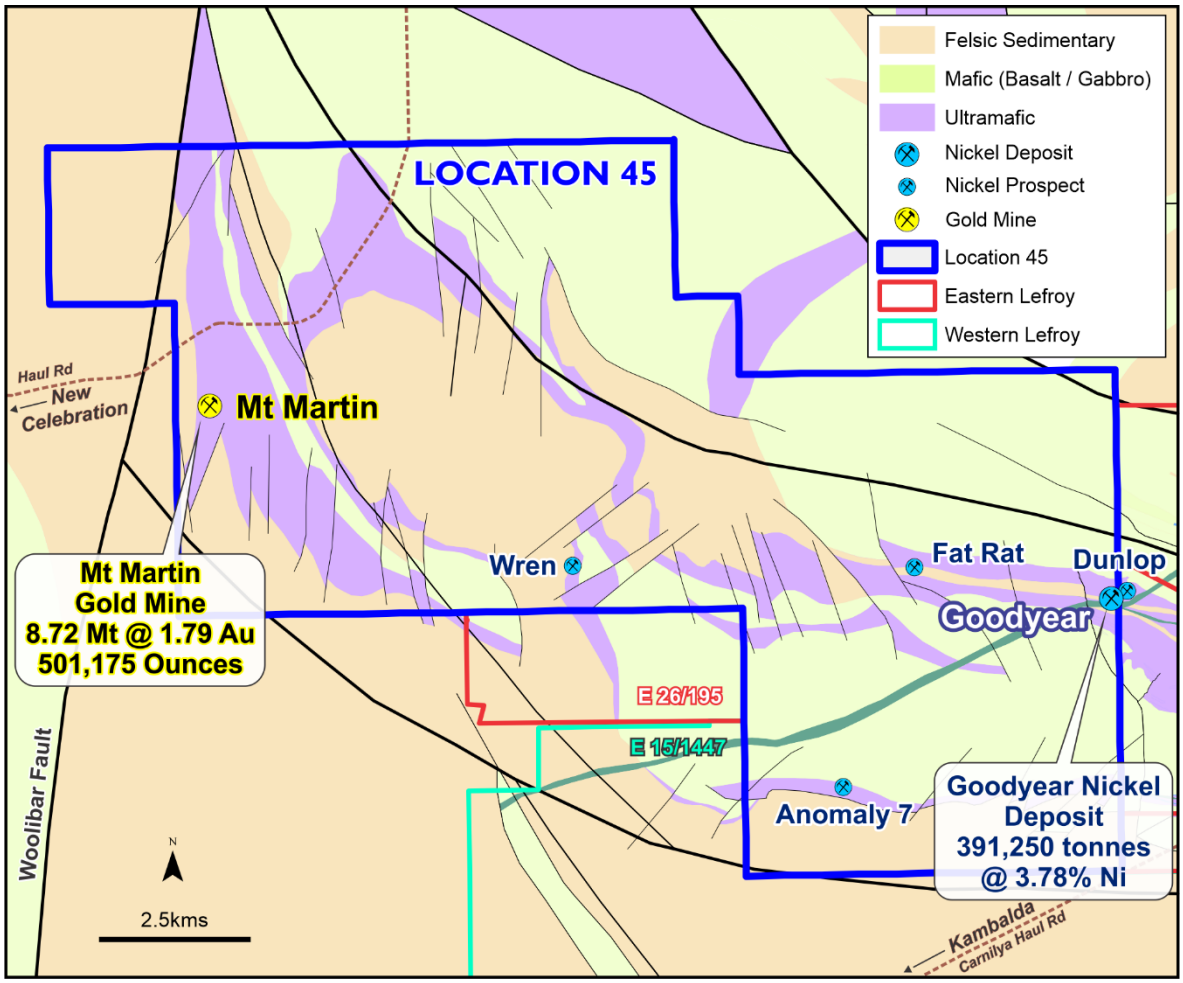

Figure 3 Inset map of East Location 45 showing the position of the Mt Martin Gold Mine and Goodyear Nickel Deposit an other nickel prospects and its geological setting (Geology Modified after Perriam, 1982

Figure 4 Mt Martin Gold Mine open pit, April 2023 (view looking north)

TRANSACTION DETAILS

The Mineral Rights Agreement (MRA), which is binding upon the parties, has a commencement date of 22 May 2023 with an initial 21-year term (expiring 30 June 2044). The Company's wholly owned subsidiaries, Monger Exploration Pty Ltd (MEX) and Johnston Lakes Nickel Ltd (JLN) are parties to the MRA with Franco-Nevada Australia Pty Ltd. JLN is named the Nickel Rights Holder and obtains the mineral nights to nickel (Ni) lithium (Li) (and associated LCT pegmatite) and Rare Earth Elements (REEs). MEX is named the Gold and Other Mineral Rights (OMR) Holder and obtains the mineral rights to gold and all other minerals.

JLN and MEX have acquired the mineral rights for nil consideration, and both parties may negotiate an extension of the mineral rights for an additional 10 years beyond the initial 21-year term. The MRA contains terms for the determination and grant of a Mining Area to either MEX or JLN, offering them the option take a leasehold interest in the land for their respective mining activities.

As part of the agreement, each mineral rights holder agrees to pay Franco-Nevada a perpetual royalty in the amount of 4% of Net Smelter Returns (NSR). No additional state royalty is applied owing to the freehold nature of the land. Additional obligations to Franco-Nevada include that:

- MEX, commencing 1 July 2026, to pay an aggregate royalty of not less than A$100,000 per annum from gold production. If the aggregate royalty in respect of all the months of the relevant royalty year is less than A$100,000, MEX to pay an amount equal to the annual minimum royalty of A$100,000 less the royalties already paid to Franco-Nevada
- JLN, commencing 1 July 2023, to ensure a minimum exploration expenditure of A$100,000 per annum. This annual minimum exploration expenditure is subject to review by Franco-Nevada. If the exploration expenditure in respect of a royalty year is less than annual minimum exploration expenditure, JLN to pay an amount equal to the annual minimum exploration expenditure less the amount already expended to Franco-Nevada. Exploration expenditure in excess of the annual minimum amount may be carried over into the following year.

EXPLORATION UPSIDE AND GROWTH OPPORTUNITY

The Company recognises a significant exploration opportunity that exists across Loc45. Apart from a short, focused period of exploration from 2008 to 2013, both the Mineral Resources at Mt Martin (Au) and Goodyear (Ni) have seen negligible ground-based exploration activities (drilling or surface sampling) over the past decade.

Importantly, numerous highly anomalous Ni and Au in auger and soil anomalies, most notably reported by AUZ [9] [10], remain largely untested and have only incurred sporadic drilling. As such, they present a compelling exploration target that merits further investigation. The addition of Loc45 enhances the nickel portfolio held by JLN and will support a separate listing from LEX in second half of 2023.

Loc45 NEXT STEPS

- The Company plans to undertake a comprehensive review and validation of all historical exploration and mining data, which will include relogging and sampling of all available historic diamond drill holes.
- Top priority will also be given to a detailed assessment of the existing JORC 2012 compliant resource estimation for the Mt Martin Gold Mine
- Upon completing a comprehensive resource review of the gold resources, Lefroy will fast-track and facilitate a Scoping Study at Mt Martin, aimed at identifying early development opportunities for gold production
- In addition, the Company will immediately commission an independent review of the existing JORC 2004 Goodyear inferred nickel resource with the aim to update to JORC 2012 compliance
- The Company will also identify and prioritise gold and nickel targets for drill testing into FY24

LEFROY TOTAL MINERAL RESOURCES

With acquisition of the mineral rights to Loc45, including the Mt Martin Gold Mine and Goodyear Nickel deposit, the Company's mineral resource inventory (JORC 2012) has been expanded to over 1.1 million ounces of gold, 58,000 tonnes of copper, as outlined in Table 3. The resource the Goodyear nickel deposit reported under JORC2004 is reported in Table 2.

Deposit	Indicated					Inferred					Total Resource				
	Mt	Au (g/t)	Cu (%)	Oz	Cu (t)	Mt	Au (g/t)	Cu (%)	Oz	Cu (t)	Mt	Au (g/t)	Mt*Au	Oz	Cu (t)
Burns Central	32.31	0.38	0.16	394,308	50,253	10.65	0.30	0.08	103,165	8,047	42.96	0.36	15.47	497,472	58,300
Red Dale	0.64	1.21	-	24,660	-	0.03	0.60	-	570	-	0.67	1.18	0.79	25,230	-
Lucky Strike	0.70	1.93	-	43,400	-	0.57	1.97	-	36,200	-	1.27	1.95	2.48	79,600	-
Mt Martin	5.31	1.82	-	311,048	-	3.41	1.73	-	190,127	-	8.72	1.79	15.61	501,175	-
TOTAL	39.0	0.62	0.16	773,416	50,253	14.66	0.70	0.08	330,062	8,047	53.62	0.64	34.34	1,103,477	58,300

Table 3 Total Indicated and Inferred (JORC 2012) Lefroy Gold Mineral Resources (small discrepancies may occur due to rounding)

Cautionary Statement: *The Company is not aware of any new information or data that materially affects the information included in the relevant market announcement. In the case of estimates of the Mineral Resources (Table 3), the Company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.*

- The Lucky Strike MRE was announced to the ASX of 20 May 2020, the Red Dale MRE was announced to the ASX on 3 June 2020, and the Burns Central MRE was announced to the ASX on 4 May 2023. For full details about these MREs, including important disclosures, refer to these ASX Announcements.
- The Lucky Strike and Red Dale Mineral Resource Estimates are reported using a 0.5g/t Au cut off, and have not changed since the May 2020 resource statement (ASX Announcement 20 May 2020).
- The combined gold only portion of the total resources (Mt Martin, Lucky Strike, Red Dale) totals 606,005 ounces of gold of which 63 % (weighted average grade of 1.8 g/t Au) is contained within the higher confidence Indicated resource category.

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 and nickel deposits in the Yilgarn Block of Western Australia. Key projects include the Lefroy Gold Project to the southeast 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 632km² in the heart of the world class gold production area between Kalgoorlie and Norseman. The Project is proximal 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 six years of the commencement date.

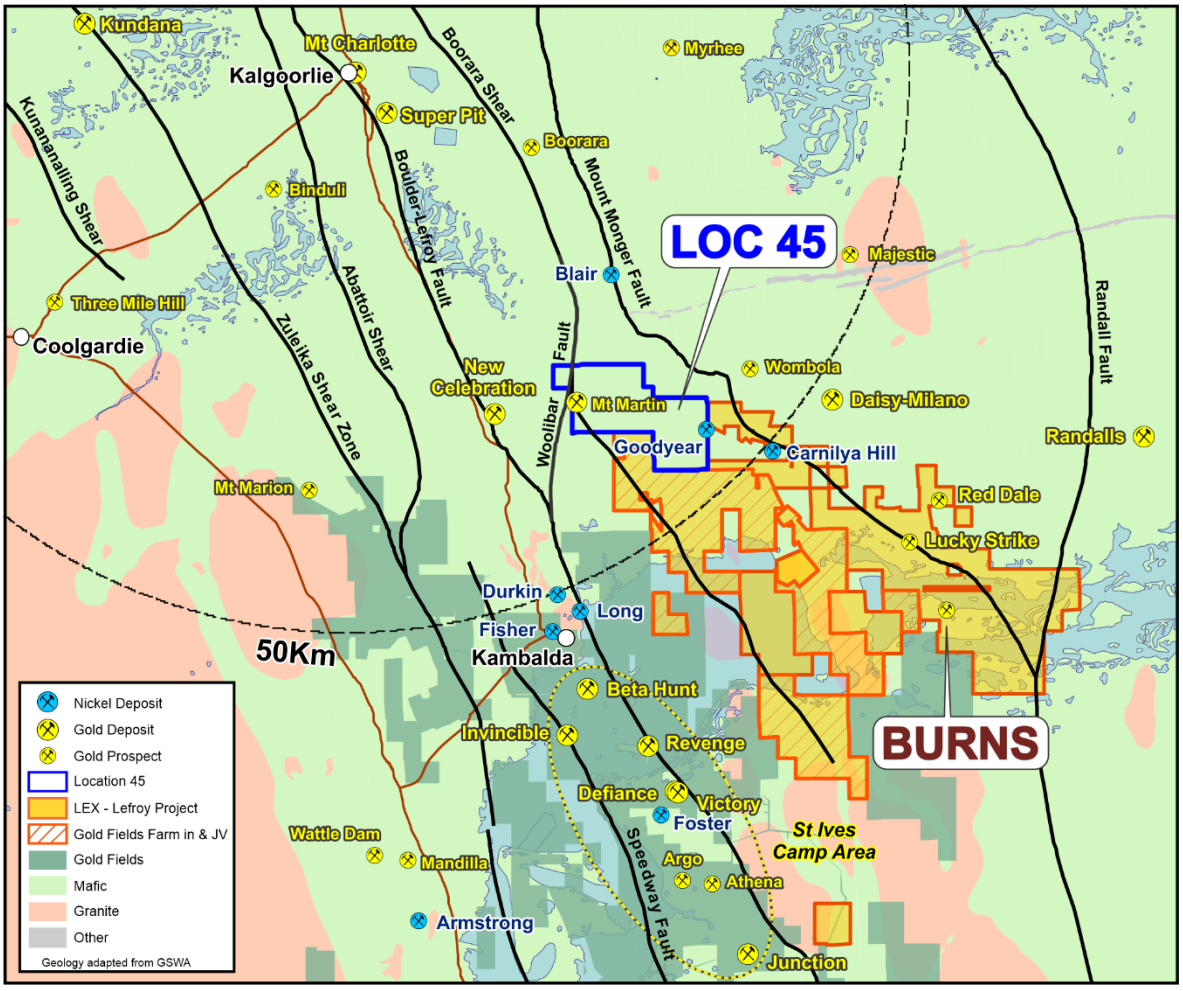

Figure 5 Location of the Lefroy Gold Project relative to Kalgoorlie, major gold and nickel operations and prospects. The Western Lefroy tenement package subject to the Gold Fields joint venture, and Gold Fields tenure is also highlighted. The East Location 45 licence forms the north-west corner of the Lefroy Gold Project and hosts the 500,000 Oz Mt Martin Gold Mine and 391,250 tonne Goodyear Nickel Deposit (at 3.78% Ni).

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to exploration results and tabulation of mineral resources 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.

SUPPORTING INFORMATION

Mount Martin Gold Mine Resource

Geology and Mineralisation

The Mount Martin deposit is located within a regional scale north-northwest trending Archean Greenstone Belt. Within the Mount Martin - Carnilya area, the geology comprises a mixed sequence of ultramafic (predominantly komatiitic) and fine-grained sedimentary lithologies with subsidiary mafic basalt units. Gold mineralisation is associated with chlorite schists (shear zones) hosted within talc-carbonate ultramafic lithologies. Within these controlling shear zones are a series of stacked, westerly-dipping, sulphide and quartz carbonate bearing mineralised structures (lodes) which host the majority of the gold mineralisation.

Drilling and Sampling Techniques

The estimate is based on 285 diamond drill holes and 4,428 RC drill holes which includes Mt Martin open pit grade control drilling. NQ2 and HQ diameter core is sawn in half using a diamond-blade saw, with one half of the core consistently taken for analysis. Smaller sized core (LTK48 and BQ) was whole core sampled. RC samples were collected at 1m intervals with the samples being riffle split through a three-tier splitter. Field staff collect the sample in pre-numbered calico sample bags which are then delivered to the laboratory for analysis. Samples were analysed by Fire Assay, using either a 30g or 50g charge (sub-sampled after the pulverisation). The resultant metal prill is digested in Aqua regia and the gold content determined by atomic adsorption spectrometry (AAS) with a 0.01 ppm detection limit.

Estimation Methodology

The model interpolation was by Ordinary Kriging and an inverse distance squared model was also run for comparison. The primary block dimensions were 10 m x 20 m x 20 m (XYZ). The minimum block dimension used was 1.25 m x 2.5 m x 2.5 m. A volume model was generated using topographic surfaces and mineralised zone wireframes as constraints. The geology model was used as a guide for the creation of the ore lodes. All lodes used the presence of chloritic schist and grade as an indicator of an ore lode. Model validation was carried out graphically and statistically to ensure that the block model grade accurately represented the drill hole data. No assumptions are made regarding by-products and only gold is defined for estimation and no deleterious elements estimated in the model.

Classification

The resource was estimated using a 0.5 g/t cut-off grade. The resource has been classified as indicated and inferred based on the drilling data spacing, grade and geological continuity, data integrity, and kriging confidence (slope of regression), where appropriate. The classification considers the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity. No specific mining or metallurgical assumptions have been assumed in the estimation of the resource, however the deposit has been successfully mined in the past and it is assumed that the style of mineralisation has reasonable prospects for eventual economic extraction. The classification reflects the view of the Competent Person.

Supporting ASX Announcements

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 mineral resource reporting by the Company at Lucky Strike, Red Dale and Burns Central at the Lefroy Gold Project.

- Maiden Lucky Strike Resource Estimate: 20 May 2020
- Red Dale Resource Increases by 28% to 25,230oz: 3 June 2020
- Strong Gold and Copper Intersections Continue to Expand Burns Central:2 March 2023
- 0.5M Ounces of Gold in Burns Central Maiden Resource: 4 May 2023
- Lefroy Increases Gold Resources to 602,000 oz: 15 May 2023

References

[1] Refer to ASX Announcement - Alacer Gold Corp (AQG), April 3, 2012 "South Kalgoorlie Operations Technical Report"
[2] Refer to ASX Announcement - Australian Mines Limited (AUZ), "Mt Martin Gold Mine. Australian Mines set to regain control of gold resource"
[3] Refer to ASX Announcement - Australian Mines Limited (AUZ), "Quarterly Report on Activities for period ended 30th September, 2010"
[4] Refer to ASX Announcement - Australian Mines Limited (AUZ), "Update on $7.5M Divestment of Mt Martin"
[5] Refer to ASX Announcement - Alacer Gold Corp, April 2,2013 (AQG), "Alacer Gold Announces December 2012 Resource & Reserves Statement"
[6] Refer to ASX Announcement - Alacer Gold Corp, September 4th, 2017 (WGX), "2017 Annual Update of Mineral Resources and Ore Reserves"
[7] Refer to ASX Announcement - Titan Resources N.L. (TIR), "Quarterly Report for the period ended 30 June 1996"
[8] Refer to ASX Announcement - Titan Resources N.L. (TIR), "1996 Annual Report, Titan Resources N.L."
[9] Refer to ASX Announcement - Australian Mines Limited (AUZ), "Report on activities for period ended 30th September 2008"
[10] Refer to ASX Announcement - Australian Mines Limited (AUZ), "Report on activities for period ended 30th June 2009"

This announcement has been authorised for release by the Board of Directors.

Wade Johnson
Managing Director

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Mt Martin MRE JORC Table 1

Section 1 – Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 representativity 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• A combination of sample types was used to collect material for analysis including underground and surface diamond drilling (DD) and surface reverse circulation drilling (RC). RAB holes were excluded from the estimate and where sufficient DD holes were present, some RC holes were excluded due to inadequate survey and assay methods. • The estimate includes 285 diamond drill holes and 4,428 reverse circulation (RC) drill holes which includes Mt Martin open pit grade control drilling. • Samples were split using three tier riffle splitter split to a 12.5% fraction or to a 12% fraction via a rig-mounted cone splitter at 1 m intervals. • Diamond core was placed in core trays for logging and sampling. Half core samples were nominated by the geologist from diamond core with a minimum sample width of either 20 cm (HQ) or 30 cm (NQ2). • RC sampling was split using a rig mounted cone splitter to deliver a sample of approximately 3 kg • DD drill core was cut in half using an automated core saw, where the mass of material collected will vary on the hole diameter and sampling interval • All samples were delivered to a commercial laboratory where they were dried, crushed to 95% passing 3 mm if required, at this point large samples may be split using a rotary splitter. • For fire assay, pulverisation to 95% passing 75 µm and either a 30g or 50g charge was selected.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	• Both RC and Diamond Drilling techniques were used to drill the Mt Martin deposit. • Surface diamond drill holes were completed using NQ2 (47.6 mm) and HQ2 (63.S mm} coring. • RC Drilling was completed using 5.75" drill bit, downsized to 5.25" at depth.
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.*	• RC drilling contractors adjust their drilling approach to specific conditions to maximize sample recovery. • For diamond drilling the contractors adjust their rate of drilling and method if recovery issues arise. All recovery is recorded by the drillers on core blocks. This is checked and compared to the measurements of the core by the geological team. Any issues are communicated back to the drilling contractor. • Historical drilling did not record sample recovery. Sample recovery and grade relationships cannot be assessed, a sample bias cannot be determined.
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.*	• All diamond core is logged for regolith, lithology, veining, alteration, mineralisation and structure. Structural measurements of specific features are also taken through oriented zones. • RC sample chips are logged in 1m intervals for the entire length of each hole. Regolith, lithology, alteration, veining and mineralisation are all recorded. • All logging codes for regolith, lithology, veining, alteration, mineralisation and structure is entered into the AcQuire database using suitable pre-set dropdown codes to remove the likelihood of human error.

	• *The total length and percentage of the relevant intersections logged.*	• All core logging is qualitative with mineralised zones assayed for quantitative measurements. Every core tray is photographed wet and dry. • In all instances, the entire drill hole is logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half 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.*	• NQ2 and HQ diameter core is sawn half core using a diamond-blade saw, with one half of the core consistently taken for analysis. Smaller sized core (LTK48 and BQ) are whole core sampled. The un-sampled half of diamond core is retained for check sampling if required. • Field staff collect the sample in pre-numbered calico sample bags which are then delivered to the laboratory for analysis. • RC samples are collected at 1m intervals with the samples being riffle split through a three-tier splitter. The samples are collected by the RC drill crews in pre-numbered calico sample bags which are then collected by company staff for submission. Delivery of the sample to the laboratory is by a staff member. • Upon delivery to the laboratory, the sample numbers are checked against the sample submission sheet. Sample numbers are recorded and tracked by the laboratory using electronic coding. • Sample preparation techniques are considered appropriate for the style of mineralisation being tested for - this technique is industry standard across the Eastern Goldfields. • Procedures are available to guide the selection of sample material in the field. Standard procedures are used for all process within the laboratory. • For RC chips field duplicates are collected and analysed for significant variance to primary results. • The sample sizes are considered appropriate for the material sampled.
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Only nationally accredited laboratories are used for the analysis of the samples collected. • The laboratory oven dries, jaw crushed, and if necessary (if the sample is >3kg), riffle split the sample and then pulverised (the entire 3kg sample), in a ring mill to a nominal 90% passing 75 microns. • All recent RC and Diamond core samples are analysed via Fire Assay, which involves either a 30g or 50g charge (sub-sampled after the pulverisation) of the analytical pulp being fused at 1050^0c for 45 minutes with litharge. The resultant metal prill is digested in Aqua regia and the gold content determined by atomic adsorption spectrometry (AAS) - detection limit is 0.01 ppm Au. • No geophysical tools were used to determine any element concentrations. • Quality Assurance and Quality Control (QA/QC) samples are routinely submitted and comprise standards, blanks, assay pills, field duplicates, lab duplicates and repeat analyses. The results for these QA/QC samples are routinely analysed by Senior Geologists with any discrepancies dealt with in conjunction with the laboratory prior to the analytical data being imported into the database. • There is limited information available on historic QA/QC procedures. LEX has accepted the available data at face value and will carry out data validation procedures as the deposit is re-evaluated. • The analytical techniques used are considered appropriate for the style of mineralisation being tested for - this technique is industry standard across the Eastern Goldfields. • Ongoing production data generally confirms the validity of prior sampling and assaying of the mined deposits to w1th1n acceptable limits of accuracy.
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*	• All data used in the calculation of resources and reserves are compiled in databases which are overseen and validated by senior geologists. • Grade control drilling within the Mt Martin pit has overlapped existing historical exploration holes providing comparable mineralised intercepts. • Primary data was collected using LogChief software. The information is imported into a SQL database server and verified. • All data used in the calculation of resources are compiled in databases (underground and open pit) which are overseen and validated by senior geologists. • No adjustment have been made to any assay data.
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.*	• Collar coordinates for surface RC and diamond drill-holes were generally determined by either RTK-GPS or a total station survey instrument. • Underground drill-hole locations at Mount Manon were surveyed using a Leica reflector less total station.

	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Recent surface diamond holes were surveyed during drilling with down-hole single shot cameras and then at the end of the hole by Gyro-inclinometer at 5m or 10m intervals. • Holes not gyro-surveyed were surveyed using Eastman single shot cameras at 20m intervals. RC drill-holes utilised down-hole single shot camera surveys spaced every 15 to 30m down-hole. • Down-hole surveys for underground diamond drill-holes were taken at 15 - 30 m intervals by Reflex single-shot cameras. • The resource estimate is undertaken in MGA 94 grid. • Topographic control is generated from ground-based surveys.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Drill spacing ranges from 10m x 5m grade control drilling to 100m x 100m at deeper levels of the resource. • Interpretation of the area is well understood and is supported by the knowledge from open pit and underground operations. However, given the mineralisation is controlled by shear zones, the mineralisation continuity is considered to be less understood. The resource is therefore classified on a combination of drill density, data validation, data confidence, estimation quality (slope of regression) and the number of samples used to estimate the resource blocks. • No compositing was carried out
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Drilling intersections are nominally designed to be as perpendicular to the ore body as far as underground infrastructure constraints/ topography allows. • Where drilling angles are sub optimal the drill holes have been removed from the estimate. • It is not considered that drilling orientation has introduced an appreciable sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• Samples are delivered by field staff directly to the independent laboratory contractor. Samples are stored securely until they leave site. • Sample security of historic data is unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• All drilling data and the parent geological data used for resource estimation is routinely reviewed by the Senior Geologist and Managing Director.

Section 2 - Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Explanation	Commentary
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 Mt Martin deposit is situated on freehold land (Hampton East Location 45). The freehold title to Location 45 is held by Franco-Nevada Australia Pty Ltd (Franco-Nevada). • Lefroy Exploration Limited (LEX) has acquired all mineral rights to Location 45 which are held by Monger Exploration Pty Ltd and Johnston Lakes Nickel Pty Ltd both wholly owned subsidiaries of LEX. • An overriding royalty of 4% is payable to Franco_Nevada on all minerals produced from Location 45. • No State royalties are payable and there are no external reporting requirements for freehold titles. • No known impediments exist, and the title is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Mt Martin orebody was discovered in 1923 and has been mined both underground and open pit by various owners. The deposit has produced approximately 200,000 ounces of gold. • The commencement of the underground mining is unknown, gold was mined from 4 shafts with the deepest being 165 metres below the surface. • Open pit mining was initially conducted by New Hampton Goldfields and ceased in 1997. • Further open pit mining was conducted by Harmony Gold Aust Pty Ltd (Harmony) during the period 2001 to 2004 over a length of 800m and depth of 80m. • In May 2007 Australian Mines acquired Location 45 from Harmony. Under a separate arrangement, Dioro Exploration NL retained an interest in the Mt Martin Gold Mine for 30 months under a sublease arrangement from Australian Mines. • In 2009 Dioro mined down to a maximum depth 115 metres in the central portion of the pit. A total of 743Kt at l.5g/t Au for 31k ounces of gold was recovered (Australian Mines 2010). • In January 2010 Australian Mines gained full control of the lease when the Dioro sublease arrangement expired and completed 3 separate exploration drill programs. An updated resource estimate was completed by consultants CSA Global Pty Ltd (CSA) in October 2010 comprising approximately 4.67Mt at 2.19g/t Au for a total of 328,000 ounces. • In August 2011 Alacer Gold Corporation (Alacer) acquired the Mt Martin leases and locations from Australian Mines. Alacer drilled a total of 8 DD holes for 2,171m and 15 RC holes for 2,702m at Mt Martin during 2011. The current gold resource of 501.175oz Au was first estimated and reported by Alacer on 1 April 2013. • Metals X Limited acquired the SKO tenement holdings in October 2013 via the acquisition of Alacer's Australian Business Unit. • In December 2016 Metals X Limited demerged its gold mining and exploration business as a separate ASX listed entity Westgold Resources Limited. • In April 2018 Northern Star Resources acquired the SKO tenement holdings with the purchase of HBJ Minerals Pty Ltd from Westgold. • No drilling has been completed at Mt Martin since Alacer's 2011 drill programs. The resource has continued to be reported unchanged by subsequent owners Metals X Limited, Westgold Resources Limited and Northern Star Resources Limited.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Mount Martin deposit is located within a regional scale north-northwest trending Archean Greenstone Belt. Within the Mount Martin. Carnilya area, the greenstone belt comprises a mixed sequence of ultramafic (predominantly komatiitic) and fine-grained, variably sulphidic sedimentary lithologies with subsidiary mafic basalt units. Known gold and nickel mineralisation at the Mount Martin Mine is associated with a series of stacked, westerly dipping, sulphide and quartz-carbonate bearing structures which are mainly hosted within intensely deformed and altered chloritic schists, sandwiched between talc-carbonate ultramafic lithologies.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the*	• LEX has not yet acquired the full drillhole database. The data has been independently verified by external consultants CSA and four separate owners of the project since 2011.

	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*	• Drill holes vary in survey dip from +41 to -90, with hole depths ranging from 2 m to 655 m, with an average depth of 30 m. The assay data acquired from these holes are described in the Alacer NI 43-101 resource report dated 3 April 2012. • All validated drill hole data were used directly or indirectly for the preparation of the resource estimates described in the resource report. • No material information has been excluded.
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*	• No drill hole information is being presented in this release. • Compilation and validation of the full drill hole database is currently being conducted by LEX. • No metal equivalent values were used.
Relationship between mineralisation widths and intercept length	• *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 reported assay results have been length weighted to provide an intersection width. A maximum of 2 m of barren material (considered < 0.1 g/t) between mineralised samples has been permitted in the calculation of these widths. Typically grades over 0.1 g/t are considered significant, however, where low grades are intersected in areas of known mineralisation these will be reported. No top-cutting is applied when reporting intersection results. • Where an intersection incorporates short lengths of high grade results these intersections will be reported m addition to the aggregate value.
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.*	• No drill hole information is being presented in this release. • Compilation and validation of the full drill hole database is currently being conducted by LEX staff.
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.*	• No drill hole information is being presented in this release. • Compilation and validation of the full drill hole database is currently being conducted by LEX staff.
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.*	• No drill hole information is being presented in this release. • Compilation and validation of the full drill hole database and other substantive exploration data is currently being conducted by LEX staff.
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*	• Exploration drilling is planned to determine extent of mineralisation outside the extents of the existing resource estimate at depth and along strike. • Initial drill testing and validation of significant gold and nickel anomalies identified by previous explorers is also planned. • Appropriate diagrams accompany this release.

	geological interpretations and future drilling areas, provided this information is not commercially sensitive.	

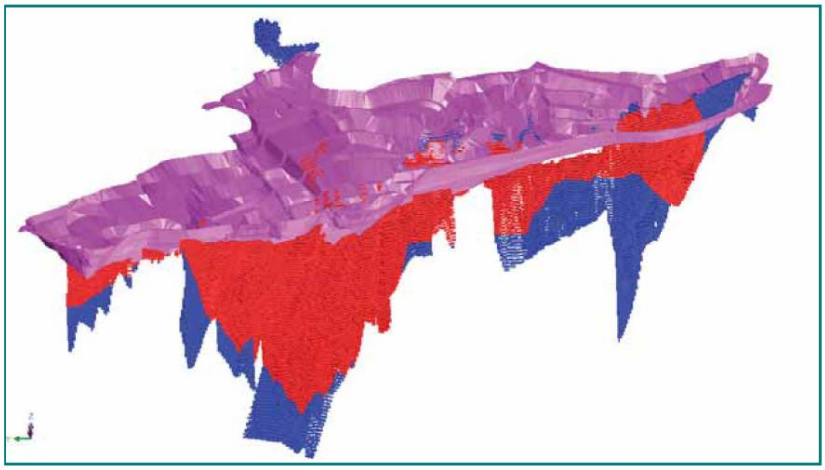
Section 3 - Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	Explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• The current gold resource of 501,175oz was first estimated and reported by Alacer Gold Corp on 1 April 2013. The resource remains valid as no additional exploration work or depletion has occurred at Mt Martin since this date that would materially change the estimate. • The database used for the estimation was extracted from a secure SQL server. • No additional drilling has been completed since the sale of Alacer's Australian business unit to Metals X Limited in September 2013 and the database has remained unchanged. • LEX has not yet acquired the full drillhole database to conduct an independent review of database integrity.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person has visited the site within the last month and verified the geology, structural controls and mineralisation contained within the Mt Martin mine area. Several drillhole collars were also located and verified.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Gold mineralisation at Mount Martin is associated with chlorite schists (shear zones) hosted within talc-carbonate ultramafic lithologies. Within these controlling shear zones are a series of stacked, westerly-dipping, sulphide and quartz carbonate bearing lodes which host the majority of the gold mineralisation. The geological and mineralisation interpretation used in this resource is consistent with that mined historically in the open pit. Although other interpretations have been proposed they tend to be variations on the steep westerly-dipping lodes theme adopted for this resource and as such would not represent a significant change in the contained metal. • The confidence in the geological interpretation is high and is supported with information acquired from drilling. • The interpretation of all the Mt Martin project wireframes was conducted using the sectional interpretation method. • Where drilling data was present sectional interpretation was completed at approximately 20 m to 40 m spacing. Wireframes were checked for unrealistic volumes and updated where appropriate. • All available geological data was used in the interpretation including mapping, drill holes, and structural models. • No alternative interpretations have been completed. • In all aspects of resource estimation, the factual and interpreted geology was used to guide the development of the interpretation. • The Mt Martin chloritic schist is continuous over the length of the deposit which terminates against cross cutting faulting to the north and south.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Mount Martin deposit has a s trike length of l km, a vertical extent of 350m, with the individua l. shallow west-south-westerly dipping lodes varying between 2 - 10m true thickness. These lodes make up a mineralised package of ~300 m true thickness (hangingwall to footwall).
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	• 42 gold lodes have been estimated at Mt Martin which have been divided into 14 separate domains for estimation. Completed variography indicates a predominantly westerly plunge direction with search ranges varying from 35 m to 65 mm the first direction and 15 m to 30 m in the second direction. Seven lodes were estimated used dynamic anisotropy and 35 lodes utilised variography to determine search angles. Three passes were used for estimation with distances based on variography. • The model interpolation was by Ordinary Kriging and an IDS model was also run for comparison. • No assumptions are made regarding by-products and only gold is defined for estimation. • No deleterious elements estimated in the model.

	• *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• The Resource block model presented a complete model including ore and waste blocks. The blocks were presented in a 3 dimensional horizontal/vertical alignment within the resource boundaries. • The primary block dimensions were 10 m x 20 m x 20 m (XYZ). The minimum block dimension used was 1.25 m x 2.5 m x 2.5 m. • The minimum block dimension is set well below the primary block which adequately allows the mining shape to be adequately filled up the wire frame boundary that describes the edge of the ore body (effective mining shape). • A volume model was generated using topographic surfaces and mineralised zone wireframes as constraints. The geology model was used as a guide for the creation of the ore lodes. All lodes used the presence of chloritic schist and grade as an indicator of an ore lode. • Model validation was carried out graphically and statistically to ensure that the block model grade accurately represented the drill hole data.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The Mineral Resource estimate is reported on a 0.5 g/t Au cut-off
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• No minimum mining assumptions have been made during the resource wireframing or estimation process.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding*	• The Mt Martin deposit has been successfully mined on several occasions including as an open pit as recently as 2004. Reconciliation data associated with mining the historical Mt Martin open-pit is available. • No specific metallurgical assumptions have been assumed in the estimation of the resource, however it is assumed that the style of mineralisation has reasonable prospects for eventual economic extraction.

	metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• No environmental assumptions have been made during the mineral resource estimate.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials*	• Densities assigned to the model are based historic mining reconciliations combined with bulk density check test work. • These values were derived from samples collected from various levels in the pit during the last phase of open pit mining, which was completed in 1997. • Mined voids within Mt Martin Project area have been assigned a density of zero post estimation. Material / Density (t/m^3) Transported / Back Fill — 1.8 Oxide — 2.0 Transitional — 2.4 Fresh — 3.0
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Alacer noted areas of concern during the classification were the age of some of the drilling, and of the quality control processes used during the drilling and lack of density values for the deposit. However the drilling density of the RC and DD and the geometry of mineralisation, which matches the expected shape for this style of mineralisation, provide enough confidence to classify the resource. • The classification considers the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity. • Classification of the two block models, coloured on Inferred (blue) and Indicated (red), is presented in the following diagram from the original Alacer NI 43-101 report. • The classification reflects the view of the Competent Person.

		
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The resource model has been subjected to internal peer reviews.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC code. • The Resource is considered to be a global estimate of tonnage and grade. • Historic production records are incomplete, so no comparison or reconciliation has been made.