

LEFROY EXPLORATION LIMITED

Western Australian Focused
Gold Explorer

ASX Code: LEX

Shares on Issue:

64.5m

Current Share Price:

13c

Market Capitalisation:

\$8.4m

Board of Directors

Chairman

Gordon Galt

Non-Executive Directors

Michael Davies

James Beecher

Geoffrey Pigott

Managing Director

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Flagship Exploration Project

Lefroy Gold Project

Growth Exploration Projects

Lake Johnston Project

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Aircore Drill Results Enhance the Lucky Strike Trend

Key Points

- Results from an aircore drilling program along the Lucky Strike Trend at the Company's flagship Lefroy Gold Project have extended and improved geological controls on the emerging gold trend
- The 33 hole drill program evaluated the strike and down dip continuity of key intersections reported in April 2017 of 10m at 4.60g/t Au from 24m in LEFA 171, and 11m at 3.53g/t from 60m in LEFA 136, both holes ending in mineralisation
- Significant intersections from 1m resamples from the recent phase of drilling include:-
 - 6m at 2.77g/t Au from 52m in LEFA 240
 - 8m at 2.23g/t Au from 45m in LEFA 254
 - 6m at 1.00g/t Au from 81m in LEFA 238
- Results from holes LEFA240 & 254 have highlighted gold mineralisation hosted within a magnetite bearing sedimentary iron formation (SIF)
- The recent drilling has advanced the geological model, demonstrating gold mineralisation is hosted within a SIF unit similar to that hosting the Lucky Bay gold deposit 2km to the south east
- Interpretation of the geology further supports an emerging gold mineralised trend defined over a 4500m strike length hosted within a package of sedimentary rocks, coincident with the regional Mt Monger Fault

The Board of Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to announce the assay results from a follow up aircore drilling program along the Lucky Strike Trend at its flagship Lefroy Gold Project (“LGP or Project”), located approximately 50km to the south east of Kalgoorlie.

The Lucky Strike Trend is located approximately 2km to the northwest of the high grade Lucky Bay open pit mined by Silver Lake Resources (ASX:SLR) during 2015 and 4km to the south west of the Randalls Processing Plant operated by SLR (Figure 1). The Company has interpreted from geophysical and geological data that the Lucky Strike Trend shares a similar geological and structural setting to Lucky Bay, being adjacent to the regional Mt Monger Fault that separates mafic units of the Bulong Antiform to the north and metasedimentary rocks to the south.

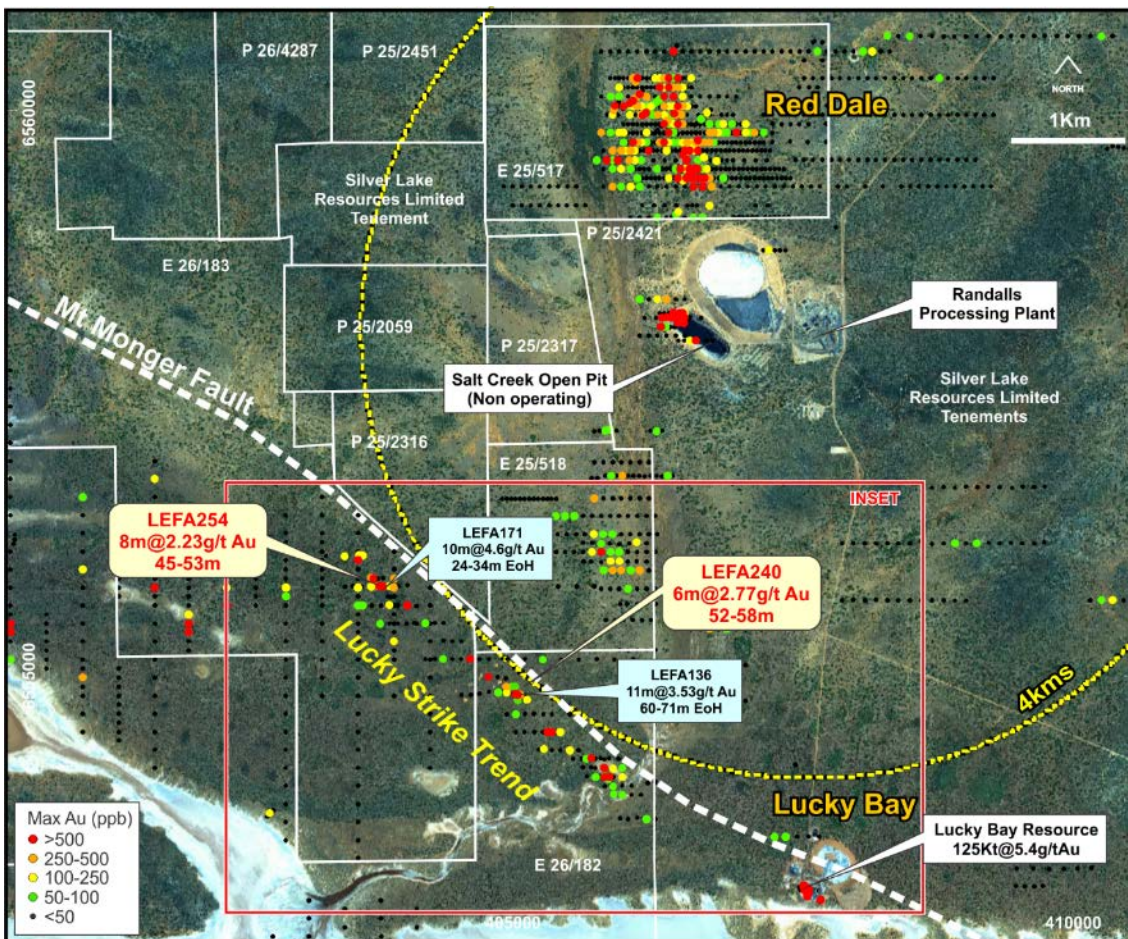


Figure 1. Location of the Lucky Strike Trend relative to the LEX Red Dale Prospect and the Randalls Processing Plant operated by Silver Lake Resources. The two recent key LEX drill intersections also highlighted (refer Figure 2 for detailed inset map)

PROGRAM.

The focused aircore drilling program consisting of 33 angled drill holes totaling 2148m was completed in June to follow up positive gold results from the early stage reconnaissance air core drill program completed in April 2017. The results from that program returned **11m at 3.53g/t Au from 60m to End of Hole (EoH) in LEFA136** (Figure2), and **10m at 4.60g/t from 24m to EoH in LEFA171** (Figure 2) and demonstrated the emergence of a 3000m gold trend within sedimentary rocks adjacent to the regional Mt Monger Fault. The recent program was aimed to close the drill spacing along the trend to 160m line and 80m hole centres and to complete closer spaced drilling around LEFA 136 and 171 in order to provide further clarity on the geological controls of the mineralisation. This infill drilling was to mainly 20m along these key sections but also 80m step out sections along strike with the aim to constrain the mineralisation.

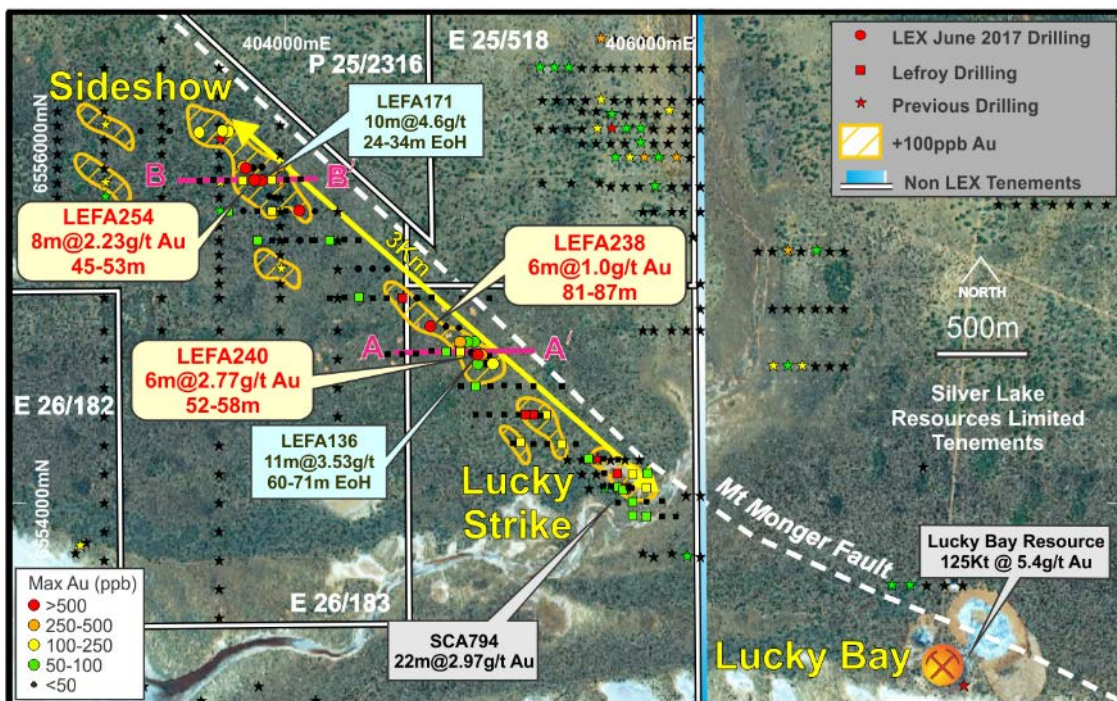


Figure 2. Inset Map-Lucky Strike Trend showing previous drill holes, June drill program drill holes, new gold intersections and proximity to the Lucky Bay open pit. Refer Figures 3 & 4 for drill sections A-A' and B-B'.

The results from this phase of drilling has provided further important information on the host sequence and style of gold mineralisation providing confidence in the geological model and forming the basis for further exploration. The infill drilling around both LEFA 136 and 171 has returned positive results (Table 1) from 1m samples from the air core drill program and has demonstrated how constrained the gold mineralisation is within the oxide zone. Follow up 20m spaced drill holes around LEFA 136 returned 6m at 2.77g/t Au from 52m in LEFA240 (Figure 3), hosted within an oxidised sedimentary iron formation (SIF) within a sequence of black shale. Closer spaced drilling along the LEFA 171 section (Figure 4) returned 8m at 2.23g/t Au from 45m in LEFA 254, and this hole has demonstrated the down dip extension of mineralisation in LEFA 171, again hosted by a SIF, within a sequence of black shale.

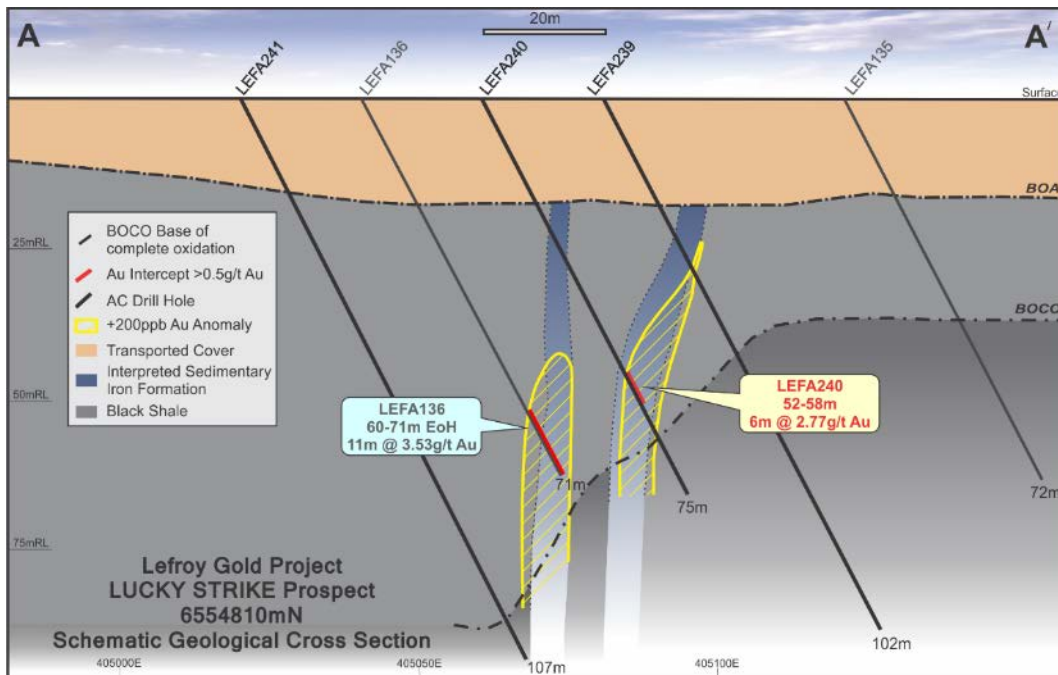


Figure 3. Drill Section 6554810N A-A' highlighting drill intersections and geology.

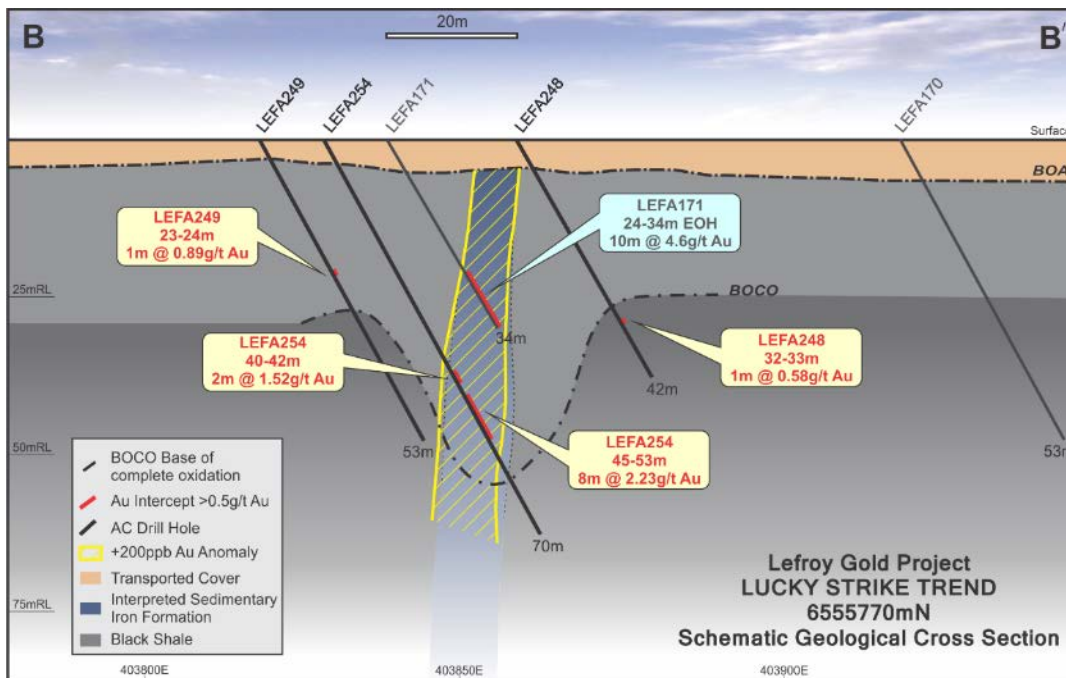


Figure 4. Drill Section 6555770N B-B' highlighting drill intersections and geology.

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This tighter spaced aircore drilling has improved the understanding the evolving geological model, by demonstrating the geometry of the host unit, but also highlights the limited nature of the dispersion of gold in the oxidised rock and how this then needs to be taken into consideration for further exploration. The recent closer spaced drilling has demonstrated that this style of mineralisation can easily be missed with wider spaced drilling and by not appreciating the regolith environment.

Drill traverses 80m along strike of the LEFA 136 and 171 section lines did not intersect the same tenor of grade within a similar stratigraphic sequence, but can explained by the wider(40m) spaced drill holes.

The recent program has provided a greater understanding of the geological framework along the 3000m trend defined in the LEX tenure (Figure 5). Gold mineralisation is constrained to one or two near vertical dipping sedimentary iron formation (SIF) units within a sequence of black shale. This sedimentary sequence is in contact to the east with a package of mafic rocks consisting of high Mg basalt and dolerite, being part of the Bulong Antiform. This contact zone is the interpreted position of the Mt Monger Fault, a major regional structural trend, similar to the Boulder Lefroy Fault, and the Zuleika Shear as recognised by the Geological Survey of Western Australia (GSWA). Major gold deposits are associated with and proximal to the Boulder Lefroy and the Zuleika structures in the Kalgoorlie area.

The geological sequence at Lucky Strike and the mineralisation intersected is considered remarkably similar to the Lucky Bay gold deposit located approximately 2km along strike to the south east. There, gold mineralisation is hosted by a highly oxidised sedimentary iron formation within a sequence of black shale. It demonstrates the emergence of gold mineralisation along a 4.5km trend from Lucky Bay to the northwest along the Lucky Strike Trend, and coincident with the interpreted position of the Mt Monger Fault. This trend is further supported by interpretation of imagery from the Company's ground gravity database, which highlights a gravity low along the mineralised trend. This new information now provides preliminary evidence of gold mineralisation along the Mt Monger Fault on a regional scale and suggests that the fault maybe of similar prospectivity to the Boulder Lefroy or Zuleika shear.

FUTURE WORK PROGRAM

The Company is very encouraged by the recent results and the advancing geological model along the Lucky Strike Trend. The small focused drilling program has not only extended the anomaly but delivered important geological information that not only constrains the mineralisation but places it in a regional context.

Planning for the next phase of exploration at Lucky Strike has already been initiated with a Programme of Works for Exploration already been lodged with the Department of Mines (DMP) for diamond drilling. In addition processing of infill ground gravity data collected in June along the northwest extension of the trend and at Lake Randall is in progress, this new data will provide a focus for extensional air core drilling.

Diamond drilling is being considered as part of the next phase of exploration at Lucky Strike to provide confirmation to the controls on the mineralisation and its depth extensions but supported by a combination of infill closer spaced aircore and deeper reverse circulation drilling. This work program is expected to commence in the September Quarter.

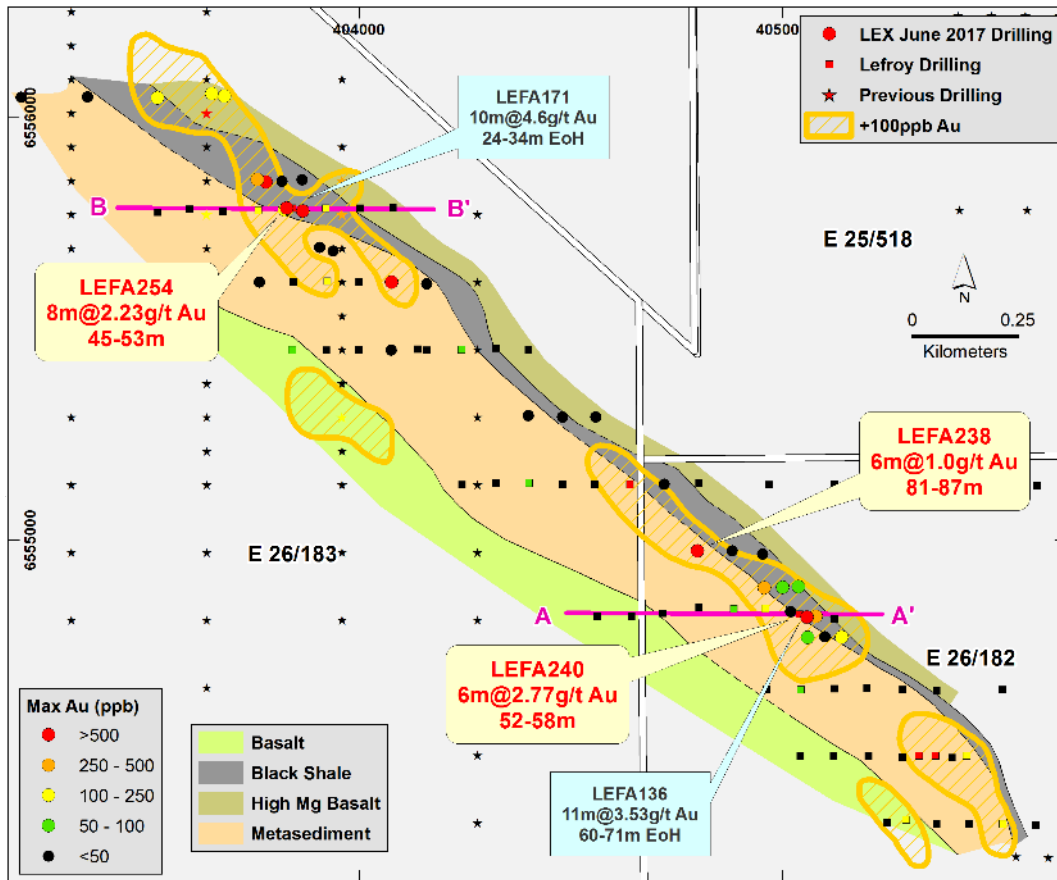


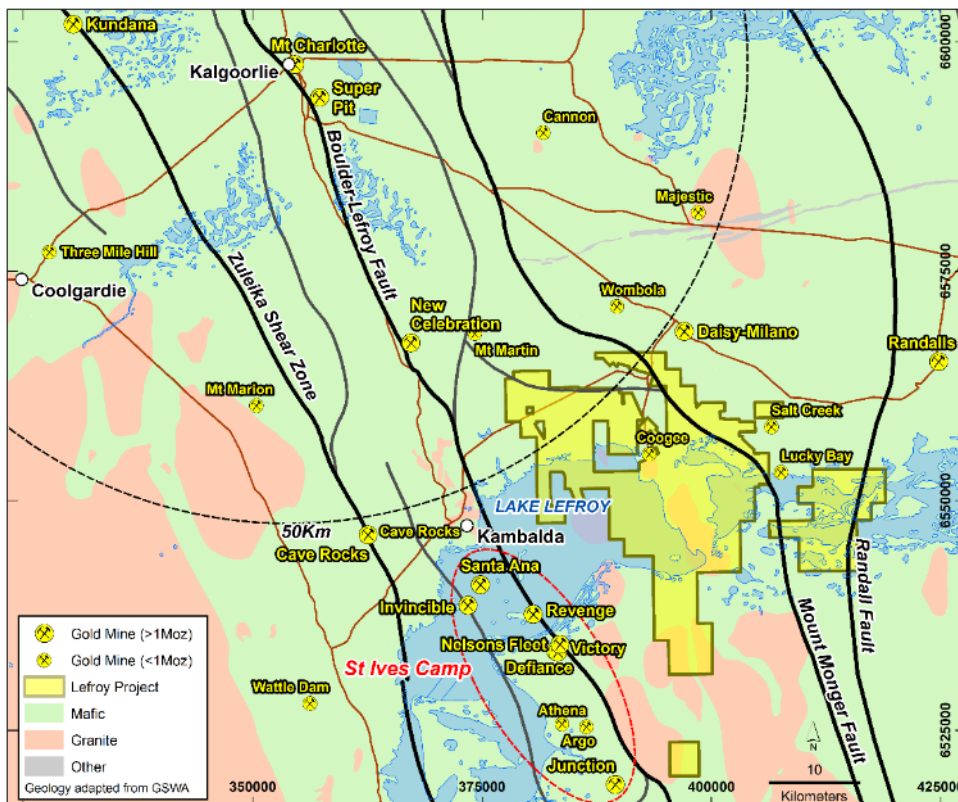
Figure 5. Geological interpretation along part of the Lucky Strike trend based upon aircore drilling by LEX.

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About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a new WA based and focused explorer taking a disciplined methodical approach in the search for high value gold and nickel deposits. 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 547km², 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 newly discovered Invincible gold mine located in Lake Lefroy, and is also immediately south of Silver Lake Resources (ASX: SLR) Daisy Milano gold mining operation.



Location of the Lefroy Gold Project relative to Kalgoorlie, Gold Fields St Ives Gold Camp near Lake Lefroy, and major gold deposits.

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Table 1. July 2017 AirCore Drilling-Lefroy Gold Project-Lucky Strike Prospect

Drill hole intersections tabulated below are calculated with a 0.10g/t Au lower cut for the entire drill program. These represent the individual 1m samples. Samples are routinely collected as 4m composite intervals and anomalous intervals resampled as 1m intervals. The last sample of each hole is dedicated 1m interval, and the prior sample can vary from 1-4m depending on final depth. **Only significant (>0.10ppm Au) intersections from the program are shown below.**

Hole Id	Collar N (MGA)	Collar E (MGA)	Collar RL	Dip °	Azimuth °	Hole Depth (m)	Depth From (m)	Depth To (m)	Gold Intersection (downhole width)	Au Value (g/t)	
LEFA223	6556050	403681	285	-60	90	66	20	24	4	0.19	
LEFA223	6556050	403681	285	-60	90	66	22	23	1	0.46	
LEFA223	6556050	403681	285	-60	90	66	23	24	1	0.12	
LEFA224	6556056	403652	285	-60	90	82	20	21	1	0.12	
LEFA224	6556056	403652	285	-60	90	82	21	22	1	0.12	
LEFA224	6556056	403652	285	-60	90	82	22	23	1	0.12	
LEFA224	6556056	403652	285	-60	90	82	23	24	1	0.10	
LEFA229	6555610	404077	285	-60	90	99	88	89	1	0.52	
LEFA229	6555610	404077	285	-60	90	99	89	90	1	0.65	
LEFA229	6555610	404077	285	-60	90	99	90	91	1	0.36	
LEFA229	6555610	404077	285	-60	90	99	91	92	1	0.32	
LEFA238	6554974	404800	285	-60	90	107	78	79	1	0.28	
LEFA238	6554974	404800	285	-60	90	107	79	80	1	0.23	
LEFA238	6554974	404800	285	-60	90	107	80	81	1	0.29	
LEFA238	6554974	404800	285	-60	90	107	81	87	6	1.00	
								81	82	1	0.93
								82	83	1	1.43
								83	84	1	0.71
								84	85	1	1.21
								85	86	1	0.57
								86	87	1	1.14
LEFA238	6554974	404800	285	-60	90	107	87	88	1	0.21	
LEFA238	6554974	404800	285	-60	90	107	88	89	1	0.46	
LEFA238	6554974	404800	285	-60	90	107	88	92	4	0.31	
LEFA238	6554974	404800	285	-60	90	107	89	90	1	0.33	
LEFA238	6554974	404800	285	-60	90	107	90	91	1	0.39	
LEFA238	6554974	404800	285	-60	90	107	93	94	1	0.20	
LEFA238	6554974	404800	285	-60	90	107	94	95	1	0.19	
LEFA238	6554974	404800	285	-60	90	107	96	97	1	0.14	
LEFA238	6554974	404800	285	-60	90	107	97	98	1	0.10	
LEFA238	6554974	404800	285	-60	90	107	99	100	1	0.10	
LEFA239	6554819	405080	285	-60	90	102	32	33	1	0.34	
LEFA240	6554818	405059	285	-60	90	75	51	52	1	0.12	

Hole Id	Collar N (MGA)	Collar E (MGA)	Collar RL	Dip °	Azimuth °	Hole Depth (m)	Depth From (m)	Depth To (m)	Gold Intersection (downhole width)	Au Value (g/t)
LEFA240	6554818	405059	285	-60	90	75	52	58	6	2.77
Includes							52	53	1	0.49
Includes							53	54	1	0.35
Includes							54	55	1	1.11
Includes							55	56	1	12.1
Includes							56	57	1	1.36
includes							57	58	1	1.24
LEFA240	6554818	405059	285	-60	90	75	58	59	1	0.24
LEFA240	6554818	405059	285	-60	90	75	59	60	1	0.24
LEFA240	6554818	405059	285	-60	90	75	60	61	1	0.39
LEFA240	6554818	405059	285	-60	90	75	61	62	1	0.83
LEFA241	6554830	405020	285	-60	90	107	93	94	1	0.10
LEFA243	6554770	405141	285	-60	90	57	41	42	1	0.19
LEFA243	6554770	405141	285	-60	90	57	44	45	1	0.13
LEFA243	6554770	405141	285	-60	90	57	45	46	1	0.22
LEFA243	6554770	405141	285	-60	90	57	46	47	1	0.20
LEFA247	6554887	404958	285	-60	90	90	31	32	1	0.63
LEFA247	6554887	404958	285	-60	90	90	32	33	1	0.25
LEFA247	6554887	404958	285	-60	90	90	33	34	1	0.27
LEFA247	6554887	404958	285	-60	90	90	34	35	1	0.11
LEFA247	6554887	404958	285	-60	90	90	35	36	1	0.11
LEFA248	6555779	403867	285	-60	90	42	4	5	1	0.31
LEFA248	6555779	403867	285	-60	90	42	28	29	1	0.32
LEFA248	6555779	403867	285	-60	90	42	29	30	1	0.14
LEFA248	6555779	403867	285	-60	90	42	32	33	1	0.58
LEFA248	6555779	403867	285	-60	90	42	41	42	1	0.91
LEFA249	6555781	403824	285	-60	90	53	23	24	1	0.89
LEFA252	6555847	403780	285	-60	90	61	26	27	1	2.18
LEFA252	6555847	403780	285	-60	90	61	27	28	1	0.19
LEFA252	6555847	403780	285	-60	90	61	32	33	1	0.10
LEFA252	6555847	403780	285	-60	90	61	33	34	1	0.22
LEFA252	6555847	403780	285	-60	90	61	34	35	1	0.26
LEFA252	6555847	403780	285	-60	90	61	35	36	1	0.16
LEFA253	6555853	403759	285	-60	90	61	24	25	1	0.26
LEFA253	6555853	403759	285	-60	90	61	25	26	1	0.83
LEFA253	6555853	403759	285	-60	90	61	26	27	1	0.53
LEFA253	6555853	403759	285	-60	90	61	27	28	1	1.58
LEFA254	6555785	403829	285	-60	90	70	31	32	1	0.16
LEFA254	6555785	403829	285	-60	90	70	38	39	1	0.32
LEFA254	6555785	403829	285	-60	90	70	40	41	1	2.20
LEFA254	6555785	403829	285	-60	90	70	41	42	1	0.85
LEFA254	6555785	403829	285	-60	90	70	42	43	1	0.43

Hole Id	Collar N (MGA)	Collar E (MGA)	Collar RL	Dip °	Azimuth °	Hole Depth (m)	Depth From (m)	Depth To (m)	Gold Intersection (downhole width)	Au Value (g/t)
LEFA254	6555785	403829	285	-60	90	70	44	45	1	0.10
LEFA254	6555785	403829	285	-60	90	70	45	53	8	2.23
Includes							45	46	1	2.50
Includes							46	47	1	1.86
Includes							47	48	1	1.63
Includes							48	49	1	2.57
Includes							49	50	1	1.46
Includes							50	51	1	4.92
Includes							51	52	1	2.00
Includes							52	53	1	0.91
LEFA254	6555785	403829	285	-60	90	70	53	54	1	0.26
LEFA254	6555785	403829	285	-60	90	70	54	55	1	0.14
LEFA254	6555785	403829	285	-60	90	70	55	56	1	0.36
LEFA254	6555785	403829	285	-60	90	70	57	58	1	0.12
LEFA254	6555785	403829	285	-60	90	70	59	60	1	0.27
LEFA254	6555785	403829	285	-60	90	70	60	61	1	0.14
LEFA254	6555785	403829	285	-60	90	70	62	63	1	0.12

Notes Specific-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 exploration reporting on the Lucky Strike Prospect at the Lefroy Gold Project.

- Lefroy Exploration Limited-Prospectus: 8 September 2016
- 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 Re-commence at Lucky Strike: 29 March 2016
- Significant Intersections at Lucky Strike Prospect: 18 April 2017

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.

JORC CODE, 2012 Edition-Table 1 Report –Lefroy Project –Lucky Strike Prospect-as at 7 July 2017

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>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.</i> 	<ul style="list-style-type: none"> The sampling noted in this release has been carried out using AirCore (AC) drilling at the Lucky Strike Prospect. The AC program comprised 33 angled holes for 2148m, holes varying in depth from 12-114m with an average depth of 65m. All holes were drilled -60° to 090° at 40m-80m centres that infilled between the existing lines to 80m or 160m Sampling and QAQC protocols as per industry best practice with further details below. AC samples were collected from the cyclone at 1m intervals and laid out in rows of 10 or 20m (10-20 samples) on the ground. Composite 4m samples were then collected by scoop sampling the 1m piles with a flour scoop to produce a bulk 2-3kg sample which was sent to the Laboratory in Kalgoorlie for analysis. Samples were dried, pulverised, split to produce a 40g sample for analysis by fire assay with Au determination by Atomic Absorption Spectrometry. Anomalous (assays >0.10g/t Au) composite samples were resampled as individual 1m samples and collected by the same scoop sample technique.
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> The AirCore (AC) drilling was completed by Raglan Drilling (Kalgoorlie). The AC drill bit has a diameter of 78mm and collects samples through an inner tube to reduce contamination, but also allows better penetration through any palaeochannel puggy clays and fine sands. Aircore drilling is blade refusal and hence terminates in fresh or hard material such as quartz
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>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.</i> 	<ul style="list-style-type: none"> The majority of the samples collected from the AC drill program were dry. Minor AC samples were wet at the base of the holes. Sample recovery size and sample condition (dry, wet, moist) recorded. Recovery of samples estimated to be 80-100%, with some variability to 10% recovery particularly drilling through moist transported clays-gravels and in the deeper (+100m) holes. 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. 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	<ul style="list-style-type: none"> <i>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.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant</i> 	<ul style="list-style-type: none"> Detailed logging of, regolith, lithology, structure, mineralisation and recoveries recorded in each hole by qualified geologist. Logging carried out by sieving 2m composite sample cuttings, washing in water and the entire hole collected in

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Criteria	JORC Code Explanation	Commentary
	<i>intersections logged.</i>	<p>plastic chip trays for future reference.</p> <ul style="list-style-type: none"> • Every hole was logged for the entire length.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • No core drilling completed • Composite samples of 4m were collected by scoop sampling 1m intervals into pre-numbered calico bags. Sample weight 1.5 - 2 kg. The last interval of each hole is a 1m sample and the second last composite can vary between 1-4m. Collected composite samples placed in plastic and/or polyweave bags for despatch to assay laboratory. Composite samples with anomalous gold grades resampled to individual 1m samples by sampling residual drill spoil • The sample preparation of the AC follows industry best practice, involving oven drying, pulverising, to produce a homogenous sub sample for analysis. • Along with composite samples, standards and blanks were randomly inserted (approximately every 60 samples) and were included in the laboratory analysis. Standards were certified reference material prepared by Geostats Pty Ltd. Duplicate samples were collected at zones of interest and at irregular intervals of about 1 in every three holes.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Samples routinely analysed for gold using the 40gram Fire Assay digest method with an AAS finish at Bureau Veritas's Perth Laboratory. A separate Bottom of Hole (BOH) sample was also collected but is yet to be analysed for a suite of multielements • No geophysical tools, spectrometers or hand held XRF instruments used. • Quality control process and internal laboratory checks demonstrate acceptable levels of accuracy. At the laboratory regular assay repeats, lab standards, checks and blanks are analysed. Laboratory runs and reposts a quartz flush at the commencement of the sample batch.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • The results have been reviewed by alternative company personnel and minor sampling errors identified were field checked and corrected. • 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 will be loaded to the Company's DATASHED database and validation checks completed to ensure data accuracy. Assay files are received electronically from the laboratory by the Managing Director and filed to the company's server. • There has been no adjustment to the assay data. The primary Au field reported by the laboratory is the value used for plotting, interrogating and reporting.

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Criteria	JORC Code Explanation	Commentary
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill hole positions were surveyed using a hand held Garmin GPS with a horizontal (Easting Northing) accuracy of +5m. Drill azimuth is set up by the supervising geologist. No downhole surveys completed. Grid System – MGA94 Zone 51. Topographic elevation captured by using reading from Garmin hand held GPS with an accuracy of +/-10m and considered suitable for the flat terrain.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Hole spacing at nominal 80m centres on new in fill east west orientated drill lines with line spacing's varying from 80m to 160m. Infill drilling to 20-40m centres on selected locations on existing sections. AC samples composite range 1-4m but generally 4m. No assay compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The East West orientated drill traverses considered effective to evaluate the north westerly trending geology and regional Mt Monger Fault which has been interpreted from aeromagnetic and gravity data. Drill holes are reconnaissance and are orientated appropriately to ensure unbiased sampling of the geological trends The AC drilling is reconnaissance in nature, being relatively wide spaced and the orientation of the gold mineralised structures intersected is yet to be confirmed. Initial interpretation suggests vertical dip of the stratigraphy.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Individual composite samples and 1m resamples were bagged in plastic bags, collected and personally delivered to the Bureau Veritas Laboratory in Kalgoorlie by the LEX Field Supervisor. Bureau Veritas check the samples received against the LEX submission form 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.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> All results of this drill program were reviewed by the Senior Exploration Geologist and Managing Director, and anomalous gold intersections inspected in the field to correlate with geology. No specific site audits or reviews have been conducted.

Section 2: REPORTING OF EXPLORATION RESULTS – LEFROY PROJECT-Lucky Strike Prospect as at 7 July 2017

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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 undertaken on Exploration Licence E26/182 and E26/183 held 100% by Lefroy Exploration Limited. The tenements are current and in good standing with the Department of Mines and Petroleum (DMP) of Western Australia.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> At the Lucky Strike Prospect the key exploration in the area was by Integra Mines limited in 2010 and this drill program is well reported in a report to the Department of Mines and Petroleum WAMEX report A104013. This report clearly documents the air core drill program that resulted in the intersection in hole SCA794.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> 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. The project is underlain by a folded and fault bounded sequence of Archaean rocks , and in the Lucky Strike area being predominantly metasediments, and basalt. The key structural element at Lucky Strike is the north west trending Mt Monger Fault separating the mafic lithologies to the north in the Bulong domain to the metasediments to the south.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Table containing drill hole collar, survey, and intersection data for material (gold intersections >0.10gpt Au) drill holes are included in the Table 1 in the body of the announcement. No Information has been excluded. There are historical drill holes within the Lucky Strike Prospect and these are depicted on the drill hole plan in the announcement.

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Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> All report grades have been length weighted. High grades have not been cut. A lower cut off of 0.5gpt Au has been used to identify significant results depicted on Figures in the text. These are considered significant given the first pass reconnaissance nature of the drilling. Table 1 in the body of the report presents all individual composite results greater than 0.10g/t Au Reported AC results have been calculated using a minimum intercept width of 1m. Anomalous composite samples have been resampled No metal equivalent values or formulas used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> All results are based on down-hole metres. Given the wide spaced reconnaissance nature of the drilling the geometry of the mineralisation reported is not sufficiently known and the true width is not known
Diagrams	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Appropriate summary diagrams (section & plan) are included in the accompanying announcement.
Balanced reporting	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Significant individual assay results are provided in Table 1 for the recent LEX drill program. Drill holes with no significant results are not reported. Significant assay results from historical drilling are noted in the text and figures in the report.
Other substantive exploration data	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> All relevant data has been included within this report.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Follow up infill air core drilling is being considered for the Lucky Strike Prospect Diamond Drilling to confirm the geology and geometry of the stronger mineralisation is being planned .