

Auger Drilling Underway at Hang Glider Hill

- A surface auger drill program is underway within recently granted tenements along strike to the north west of the Hang Glider Hill gold discovery in the Lefroy Gold Project
- The Hang Glider Hill prospect was initially recognised by the discovery of gold nuggets over a 2000m long north-westerly trend in 2018 and is supported by gold anomalies in auger surface sample results
- An early stage three-hole diamond drilling program completed at Hang Glider Hill in late 2019 intersected visible gold in the first hole 19HGDD001 recording a shallow intersection of 6.8m @ 1.86g/t Au from 53.7m.
- The gold mineralisation in 19HGDD001 is hosted by quartz-carbonate veins that cross cut a highly deformed, flat dipping, north-westerly trending package of highly altered rocks interpreted to be proximal to the Mount Monger Fault
- Mt Monger Fault is a regional scale fault that appears to be a major influence on gold mineralisation at Hang Glider Hill and Lucky Strike, 17km to the south east
- The auger program will be an initial evaluation of broad untested area approximately 2km from Hang Glider Hill and extend the gold in auger anomalies defined from the 2018 program



Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to advise that auger drilling is under way at the Hang Glider Hill prospect which is located 50km to the south east of Kalgoorlie. The area is within the 100% owned Eastern Lefroy tenement package (Figure 1), part of the greater Lefroy Gold Project (LGP).

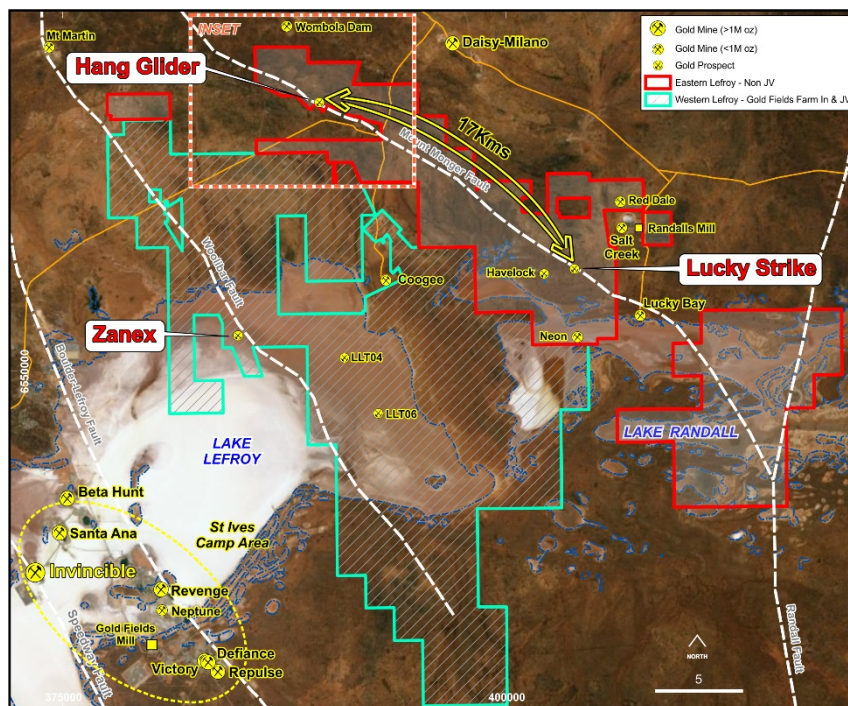


Figure 1 Lefroy Gold Project showing Eastern and Western Lefroy sub projects and the location of Hang Glider Hill relative to Lucky Strike prospect, Daisy Milano and St Ives. Refer to Figure 2 for inset map.

The auger program is designed to cover a contiguous group of tenements granted in mid-2019 and that are located along strike of the Hang Glider Hill gold discovery (Figure 2). The program will compliment and extend the auger drilling completed by the company during 2018 which outline a gold in auger anomaly that was open to the north west up to 2km from Hang Glider Hill proper.

Approximately 900-point samples are to be collected on a regular grid with east west lines spaced 200m apart and sample points every 50m. This technique will sample material up to 2m from surface and cover the entire tenement package under grant extending north west from Hang Glider Hill.

Any gold anomalous trends generated from this surficial program will then be followed up with more focused and deeper aircore drilling. The sample grid will cover an additional 2000m of the Hang Glider Hill trend. The program is expected to be completed in early February with results anticipated later that month.

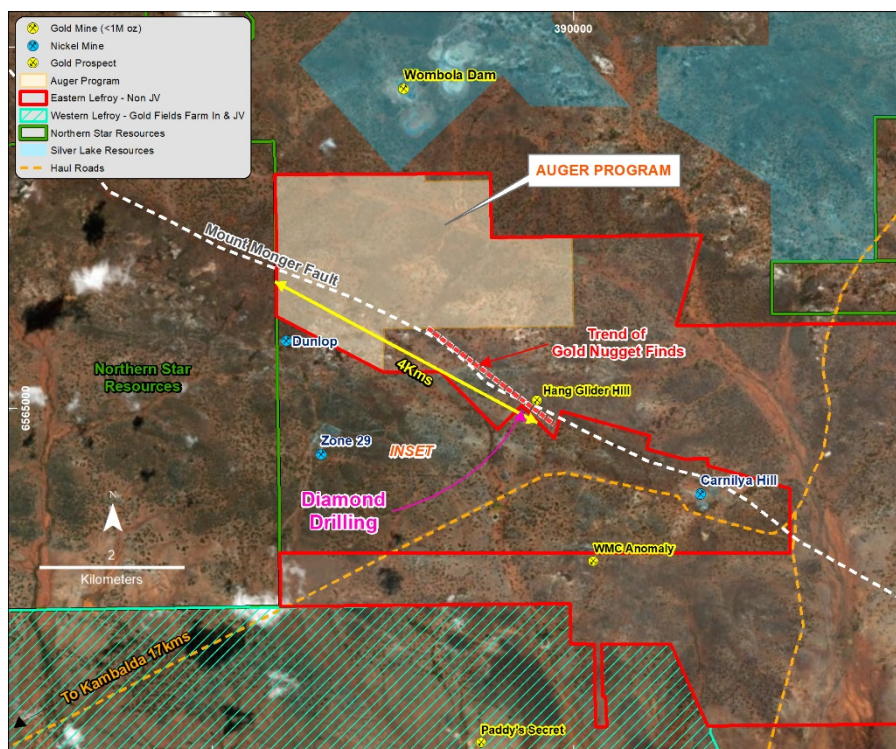


Figure 2 Inset Map- Detailed location of Hang Glider Hill, location of gold nugget trend, planned auger coverage and location of recent diamond drilling relative to adjacent tenement holders Northern Star Resources and Silver Lake Resources.

Background-Hang Glider Hill

HGH is located in the north west region of the Company's Lefroy Gold Project ("LGP" or "Project"), approximately 50km to the south east of Kalgoorlie. It is part of the Eastern Lefroy package of tenements which covers 249km². Tenements are wholly owned by LEX and not subject to any farm-in agreements.

The LGP is referenced in two packages i.e.

- Eastern Lefroy covering 249km² of wholly owned tenements including Lucky Strike, Red Dale, Havelock, Hang Glider, Neon and other sub-projects along or adjacent to the regional Mt Monger fault; and
- Western Lefroy JV tenements covering 372km² adjoining the St Ives gold camp that are subject to a Farmin and Joint Venture agreement with Gold Fields Limited ("Gold Fields").

The Eastern Lefroy tenements are proximate to the regional Mt Monger Fault (Figures 1&2), which is considered to be structurally analogous to other major regional faults in the Kalgoorlie terrain (e.g. Boulder Lefroy Fault). The Company considers areas around the Mt Monger Fault to be prospective for large gold deposits and hence these areas are a major focus for exploration by the Company.

ASX Announcement

31 January 2020



HGH has been the focus of reconnaissance stage exploration since early 2018 following the discovery of numerous gold nuggets (LEX:ASX 26 June 2018) and preliminary definition of a north-westerly trend extending 2.3km from the original HGH nugget find. The Company considers the gold nuggets to be a surface geochemical anomaly.

In September 2018 the Company completed an early stage auger drilling program as an initial exploration search tool along the trend. A total of 266 samples were collected at 50m centres along 200m spaced east west lines that effectively cover approximately 2000m of strike.

The results of the sampling (ASX: LEX 6 November 2018) defined northern and southern zones of gold anomalism (plus 20ppb Au) around the interpreted position of the Mt Monger Fault. The zones are coincident with the locations of the discovered gold nuggets. The northern anomaly consists of three subparallel trends with a strike of up to 880m. The southern anomaly is centered about Hang Glider hill (a linear topographical feature) and is a coherent anomaly over a 680m strike length. The anomaly has four sample points exceeding 50ppb Au, with a peak of 82ppb.

In November 2018 three angled diamond drill holes were completed (refer LEX ASX release 29 November 2019). The 3 angled diamond holes were sited at the base of the south side of the hill and evaluated 160m of strike. Each of the holes intersected a similar geological sequence comprising a shallow oxide zone, and a strongly deformed or sheared zone. These are in contact with a lower, relatively undeformed sequence of biotite altered intermediate volcanic and sedimentary rocks, that includes black shale.

The results from this early stage diamond drilling confirmed gold mineralisation within the sheared and quartz veined rock package in the first hole 19HGDD001.

Significant results returned from 19HGDD001 include: -

- 6.8m @ 1.86g/t Au from 53.7m
- 7.68m @ 0.66g/t Au from 44m (includes VG)

The results from the three diamond drill holes have for the first time provided important geological and structural information at Hang Glider Hill that assist in refining the geological model at this new gold occurrence.

This announcement has been authorised for release by the Board

A handwritten signature in black ink that reads "Wade Johnson".

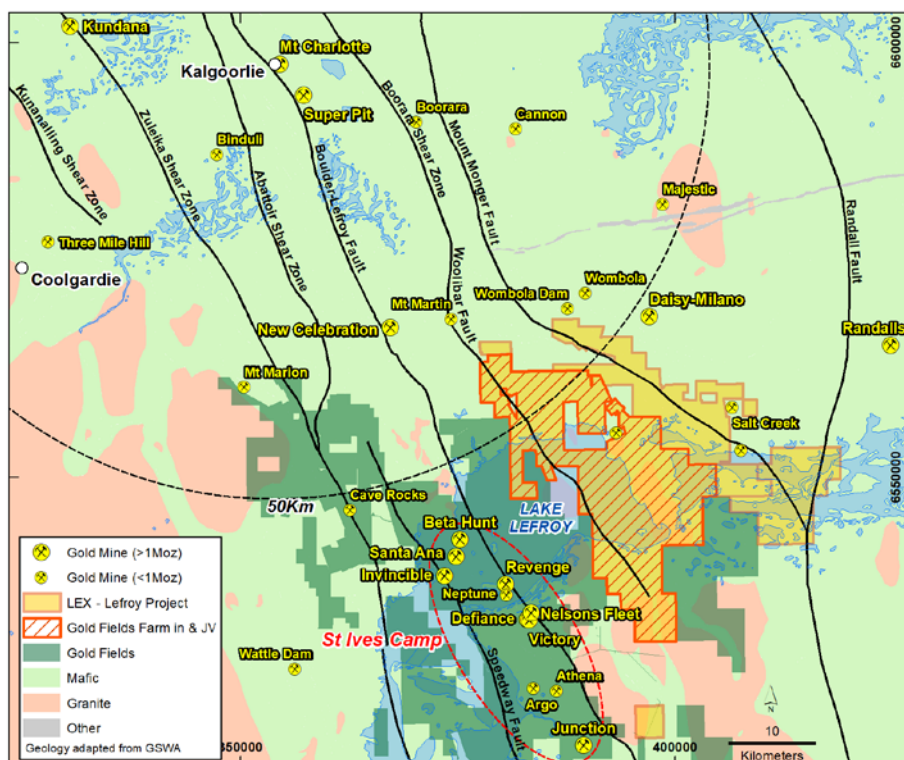
Wade Johnson

Managing Director

About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a WA based and focused explorer taking a disciplined methodical and conceptual approach in the search for high value gold deposits in the Yilgarn Block of Western Australia. Key projects include the Lefroy Gold Project to the south east of Kalgoorlie and the Lake Johnston Project 120km to the west of Norseman.

The 100% owned Lefroy Gold Project contains mainly granted tenure and covers 621km² in the heart of the world class gold production area between Kalgoorlie and Norseman. The Project is in close proximity to Gold Fields' St Ives gold camp, which contains the Invincible gold mine located in Lake Lefroy and is also immediately south of Silver Lake Resources' (ASX:SLR) Daisy Milano gold mining operation. The Project is divided into the Western Lefroy package, subject to a Farm-In Agreement with Gold Fields and the Eastern Lefroy package (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 \$25million on exploration activities within 6 years of the commencement date.



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

For Further Information please contact:

Wade Johnson

Managing Director

Telephone: +61 8 93210984

Email: wjohnson@lestroyex.com