ASX Announcement
3 June 2020

Red Dale Resource Increases by 28% to 25,230oz

LEFROY EXPLORATION LIMITED
A Western Australian
Focused Gold Explorer

ASX Code: LEX

Shares on Issue:
100.5m

Current Share Price:
19.5c

Market Capitalisation:
$19.6m

Board of Directors
Chairman
Gordon Galt

Non-Executive Directors
Michael Davies
Geoffrey Pigott

Managing Director
Wade Johnson

Flagship Exploration Project
Lefroy Gold Project

Growth Exploration Project
Lake Johnston Project

Australian Registered Office
Level 2, 11 Ventnor Avenue
West Perth, 6005

E: info@lefroyex.com
T: +61 8 9321 0984
ARBN: 052 123 930

www.lefroyex.com

Summary

Red Dale is a palaeochannel hosted gold deposit located in the wholly owned Lefroy Gold Project, 50km to the south east of Kalgoorlie. Recent RC drilling by the Company both extended and enhanced the gold mineralisation adjacent to the existing gold resource with the following key outcomes: -

- **Increased the Red Dale Mineral Resource Estimate to:**
  - **670,000t @ 1.18g/t Au containing 25,230oz of gold**
- **Delivered a robust simple geological model with the bulk of the resource ounces classified in the Indicated resource category**
- **The deposit is characterised by a broad horizontal gold footprint at the base of an ancient river bed known as a palaeochannel over a 900m strike length defined from RC drilling**
- **Red Dale is within a granted Mining Lease immediately north of and adjoining Silver Lake Resources' Randall's Processing Plant, and is also proximate to the Lucky Strike deposit**
- **The Company now recognises that Red Dale is part of a larger and extensive north south trending gold bearing palaeodrainage network within the Company's tenure**
- **Planning of additional drilling to both further increase the resource, but also to search for the primary source to the palaeochannel mineralisation is underway**
- **The resource increase complements the Lucky Strike resource estimate to increase the total Mineral Resource inventory at the Lefroy Gold Project to 1.94Mt @ 1.71g/t Au for 104,830oz of gold**

Lefroy's Managing Director Wade Johnson said "*The resource increase at Red Dale, ticks the total resource inventory at Lefroy Gold Project over the 100,000oz mark, which is a milestone achievement for the Company. We are now seeing the rewards from our early stage greenfields exploration that commenced in 2017, and laid the foundations for the resources and multiple drill ready targets we are now delivering. We are looking forward to our next drill programs, complemented by ongoing exploration by our JV partner, Gold Fields at Western Lefroy*"

Lefroy Exploration

The Board of Lefroy Exploration Limited (ASX: LEX) ("Lefroy" or "the Company") is pleased to announce the increase to the Mineral Resource Estimate (MRE) at Red Dale, within the Eastern Lefroy tenement package (Figure 1). Eastern Lefroy is part of the greater Lefroy Gold Project (LGP) located 50km to the south east of Kalgoorlie.

Red Dale and its immediate strike extensions are wholly within the granted Mining Lease M25/362 (Figure 2). The prospect is located approximately 4km north east of the Company's priority Lucky Strike prospect and is immediately north of, and adjoins, Silver Lake Resources (ASX: SLR) Randalls Processing Operation that includes the now closed Salt Creek mine (Figure 1).

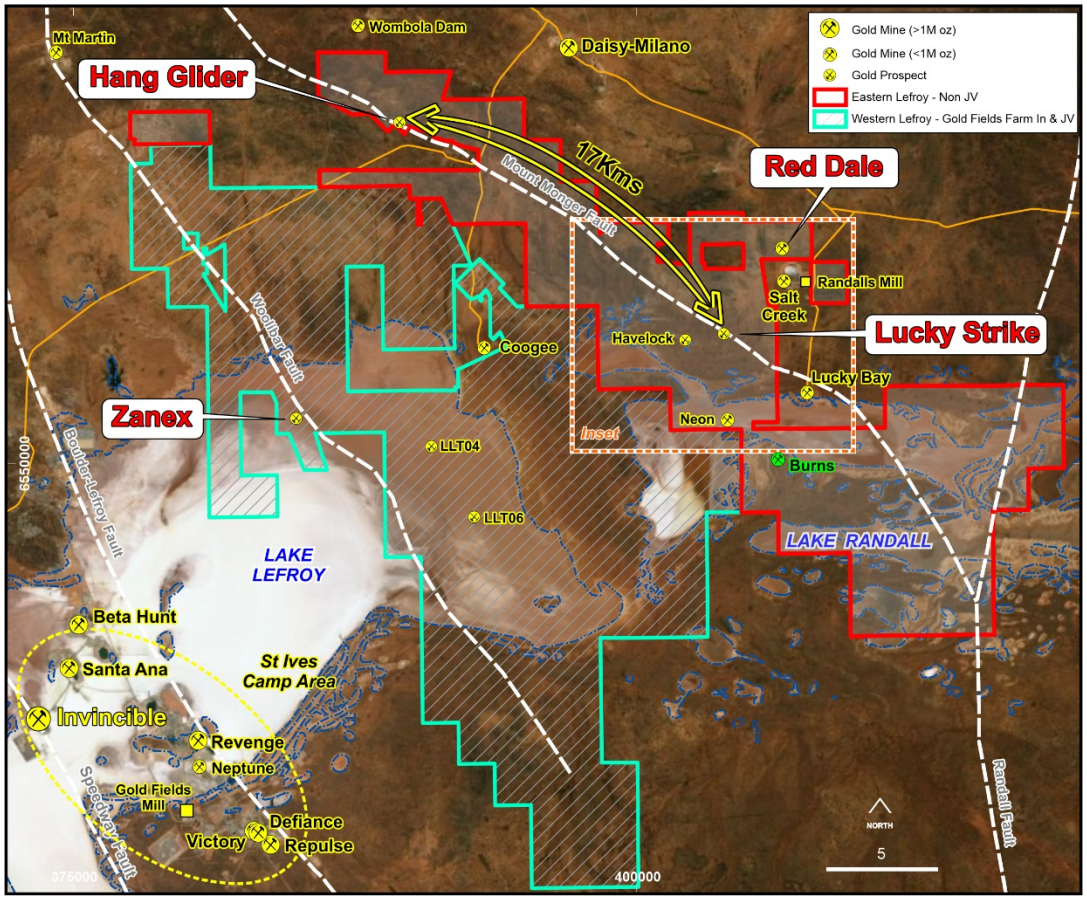


Figure 1 Lefroy Gold Project showing Eastern and Western Lefroy and the location of Red Dale relative to Lucky Strike and the Hang Glider Hill gold prospect. Refer to Figure 2 for detailed map of the Lucky Strike-Red Dale exploration area.

Gold mineralisation was identified at Red Dale in 2007 by Integra Mines Limited ("Integra") following on from their discovery of the Salt Creek deposit located 2.5km to the south (Figure 2). The pre mining resource at Salt Creek was 4.6million tonnes at 2.7g/t Au for 400,000oz of contained gold (refer Integra Mining Limited ASX release dated 21 July 2008). The drilling at Red Dale during the period 2007-2010 by Integra identified a large regolith hosted gold anomaly approximately 1.6kms in length by up to 1km in width.

The Company recognised the significance of this gold anomaly and commenced drilling in 2017.

Numerous gold intersections were reported at or near the base of an extensive ancient (Eocene age) river bed, known as a palaeochannel. The gold mineralisation is hosted by transported sedimentary units (transported overburden) comprising sand and gravel horizons at the base of the palaeochannel unconformably overlying a bedrock package of rocks (bedrock) similar to those found at Salt Creek. The Company believes that this broad gold anomaly and the intersections are reflecting anomalous gold in transported basal gravels and sands derived from a nearby primary bedrock source, and that the coarse gravelly material in the channel is unlikely to have been transported a significant distance.

Several programs of RC drilling targeting the gold in palaeochannel system were completed by the Company in 2017. Those programs intersected a flat lying gold mineralised horizon containing angular sub rounded fragments of quartz cobble and pebbles that suggest a primary source may be nearby.

In April 2018 (refer LEX March 2018 Quarterly Report) the Company announced a maiden resource estimate for the Red Dale palaeochannel hosted mineralisation. That estimated an indicated resource of 484,000tonnes at 1.26g/t Au (Au cut grade) for 19,600 ounces of gold.

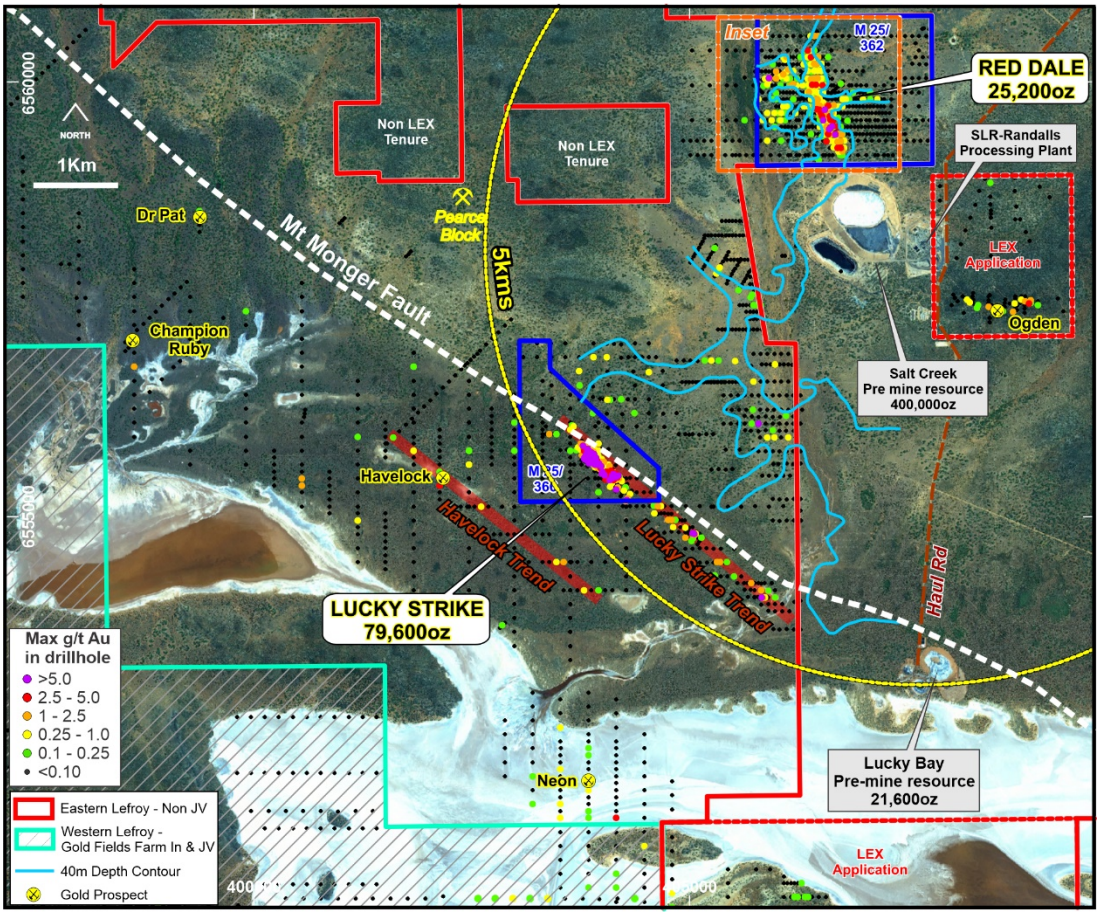


Figure 2 Location of Red Dale deposit relative Lucky Strike, the Randalls Processing Plant. The Red Dale Mining Lease M25/362 is highlighted. The extent of the Red Dale palaeodrainage network is highlighted by the 40m depth of channel contour. Refer to Figure 3 for inset drill hole plan.

The Company completed a successful 35 RC drill hole program targeting extension to the palaeochannel resource in March 2020 (refer LEX ASX release 7 April 2020). The results from that program form the basis for the increase to the Red Dale resource reported below

Resource Estimate

The Red Dale in situ Mineral Resource Estimate ("MRE" or "estimate") was prepared by Stephen Godfrey, principal of Resource Evaluation Services (RES). The estimate was based on 61 Lefroy RC drill holes available as of 1 May 2020. The Red Dale tenement contains 708 drill holes (Diamond, Reverse Circulation and Aircore) but only the Lefroy drill holes were used in the estimate (refer Figure 3).

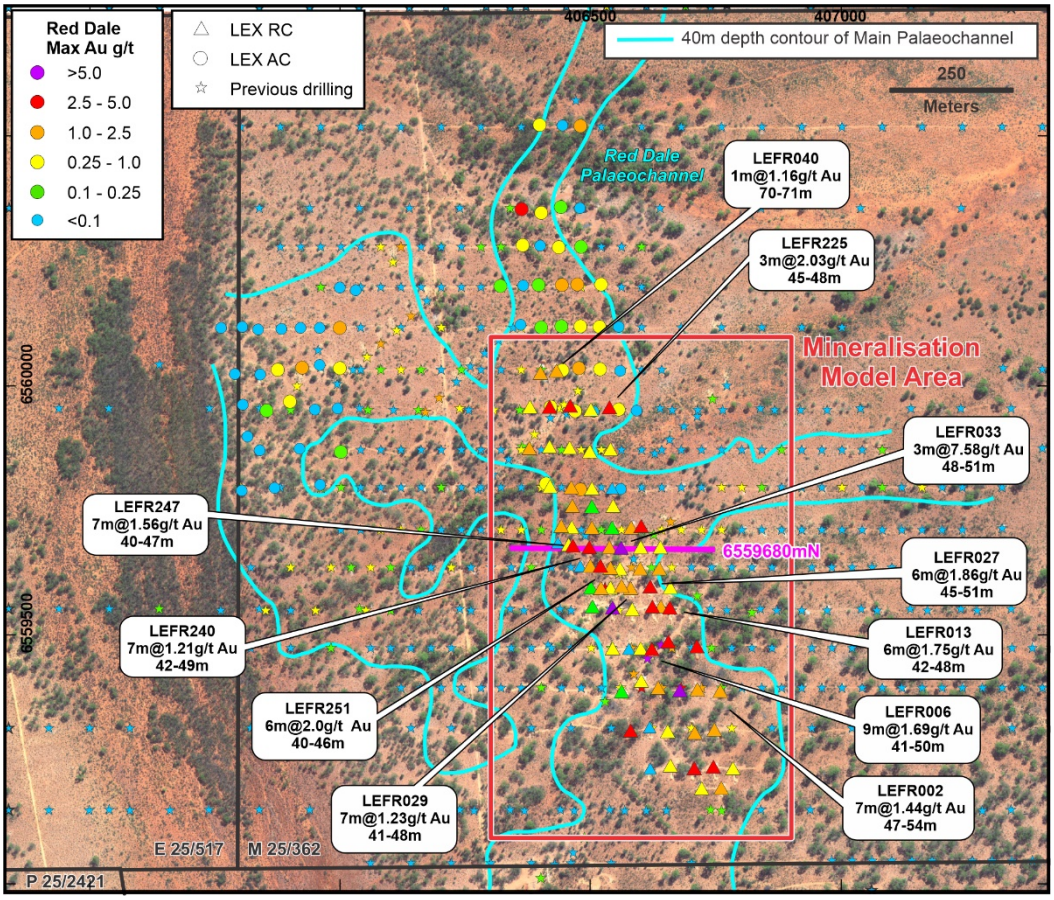


Figure 3 Inset map of Red Dale showing RC drilling completed by Lefroy and the mineralisation model area. The extent of the Red Dale palaeodrainage network is highlighted by the 40m depth of channel contour

A geological model was constructed defining the Mineralised Alluvium, the Base of Alluvium (BOA) and Base of Complete Oxidation (BOCO). One continuous domain of mineralisation representing the main alluvial channel was modelled along with five other, smaller, discontinuous partial-channels above. Only the mineralised domains were estimated for Au. Figure 4 illustrates the relative positions and orientations of the mineralised domains.

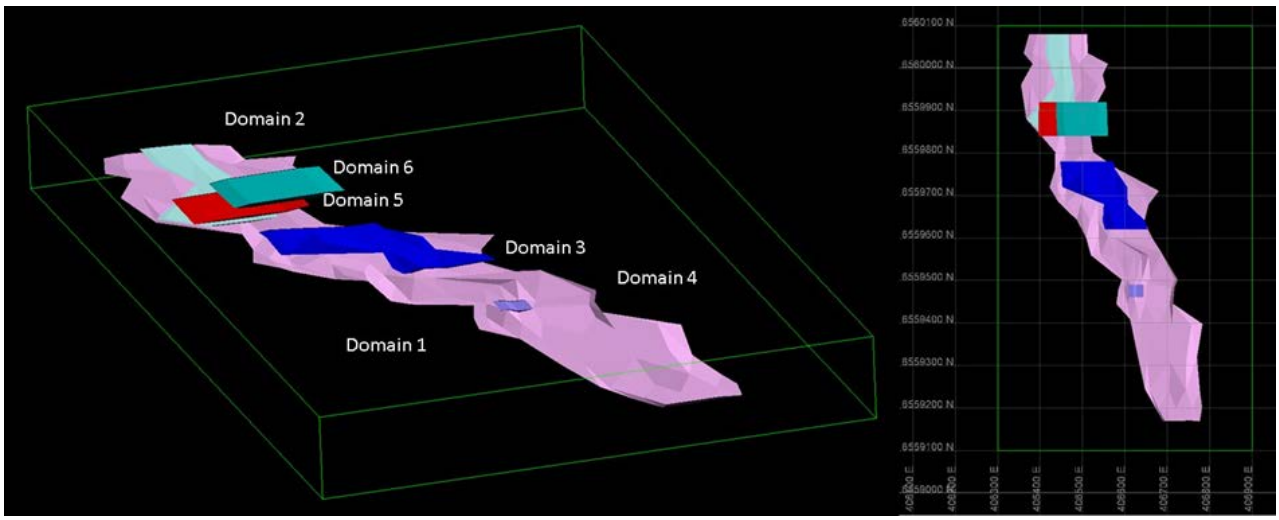


Figure 4 Red Dale mineralised domains March 2020 (taken from Lefroy Red Dale Resource statement Rev0320_1)

QAQC data for the drill sampling was reviewed. Standard samples (CRMs) returned good results. Duplicate samples show a relatively high degree of scatter for field and coarse residue samples. This is interpreted as the presence of coarse gold or the 'nugget' effect, common in this type of deposit.

For statistical data analysis, exploration data was composited to one-metre downhole lengths and flagged by mineralisation domain. An Ordinary Kriging (OK) algorithm was used to estimate Au in the modelled mineralised domains only.

Analysis indicates a grade bias between the Air Core and Reverse Circulation drill samples. Only samples from Reverse Circulation drill holes were used in the estimation of grades.

Statistical analysis indicated outlier samples that required management in selected domains. Top-cutting of 6 g/t Au and 0.6 g/t Au was applied, during the estimation, to domains 1 and 2 respectively.

Kriging parameters were based on variographic modelling of composites from all domains combined. Hard boundaries were used between domains types so that a domain was estimated with only the samples within that domain. Estimations were made into the parent cell. Parent cell grades were assigned to sub-cells. Estimation results were satisfactorily validated against the sample data.

Search ellipses are anisotropic reflecting the variogram ranges. Search distances were based on the variogram range and incremented proportionally with each estimation pass. Two estimation passes were run, with pass 2 increasing the search radius and relaxing the sample selection criteria to capture adequate samples for the estimation of peripheral blocks. 98% of blocks were estimated by the first pass.

Nominal Dry Bulk Density values were assigned as 2.0 tm^{-3} for the mineralised alluvium and 2.3 tm^{-3} for the tertiary sediments and saprolite.

Un-Cut Au and Cut Au grades were estimated as grams per tonne (ppm) into the variables au uncut and au cut respectively

The resource is classified as Indicated and Inferred under the JORC (2012) guidelines. The main alluvial channel (Domain 1) is classified as Indicated. The discontinuous smaller channel deposits are classified as Inferred. The drill hole density, geological logging and interpretation and sample quality are sufficient to support this classification. The entire MRE is oxidised ore.

The resource classification constraints consider all the JORC 2012 Table 1 assessment parameters detailed in Appendix 1.

Table 1 Total Indicated and Inferred Red Dale Mineral Resource Estimate

Red Dale Mineral Resource Estimate - Au - 0.5 g/t reporting cut-off									
Deposit	**Indicated**			**Inferred**			**Total Resource**		
	Mt	**Au (g/t)**	**Oz**	**Mt**	**Au (g/t)**	**Oz**	**Mt**	**Au (g/t)**	**Oz**
Red Dale	0.64	1.21	24,660	0.03	0.6	570	0.67	1.18	25,230
TOTAL	0.64	1.21	24,660	0.03	0.6	570	0.67	1.18	25,230

Notes to Table 1-Refer to Appendix 1 for further details on the resource table. Totals may differ due to rounding

The delivery of the updated Red Dale resource estimate has significantly increased the global MRE for the Lefroy Gold Project, which is now 1.94Mt @ 1.71g/t Au for 104,830oz of gold (Table 2).

Table 2 Lefroy Gold Project Mineral Resource Estimate

Mineral Resource Estimate by class - 0.5g/t Au reporting cut-off									
Deposit	**Indicated**			**Inferred**			**Total Resource**		
	Mt	**Au (g/t)**	**Oz**	**Mt**	**Au (g/t)**	**Oz**	**Mt**	**Au (g/t)**	**Oz**
Red Dale	0.64	1.21	24,660	0.03	0.60	570	0.67	1.18	25,230
Lucky Strike	0.70	1.93	43,400	0.57	1.97	36,200	1.27	1.95	79,600
TOTAL	1.34	1.58	68,060	0.6	1.90	36,770	1.94	1.71	104,830

Notes to Table 2-The Lucky Strike resource estimate was announced to the ASX on 20 May 2020. Refer to notes 1 & 2 below for Competent person statement for the Lucky Strike resource. The Company confirms that there has been no further exploration activity including resource compilation at Lucky Strike since 20 May 2020 that would alter the resource statement. Totals may differ due to rounding

Discussion and Work Program

The March 2020 RC drilling program at Red Dale has delivered a 28% increase to the resource estimate and also succeeded in

a) confirming the extension of the palaeochannel a further 340m to the north to now total 840m based on RC drilling and is open
b) discovering a new zone of mineralisation over a 100m strike length hosted within black palaeochannel sands and
c) refining the geometry of the palaeochannel that has defined two possible gold bearing tributary channels that adjoin the north south main channel.

Recent compilation of previous drill data by the Company has highlighted that Red Dale is party of a much more extensive and larger north south trending palaeodrainage system. That system extends and meanders to the south partly within the Company's tenure (Figure 2). The Company has recognised and interpreted from previous drilling that the palaeodrainage has gold occurrences along its length that is likely derived from one or multiple primary (bedrock) sources. The Red Dale palaeochannel deposit has the strongest gold signature and footprint.

The Company interprets that the gold in the Red Dale deposit is locally derived from a nearby primary source or sources. To assist in this search, the Company has produced a palaeosurface digital terrain model (DTM) to produce a 3D view of the ancient landscape (Figure 5), improved definition of the channels and potential primary bedrock source targets.

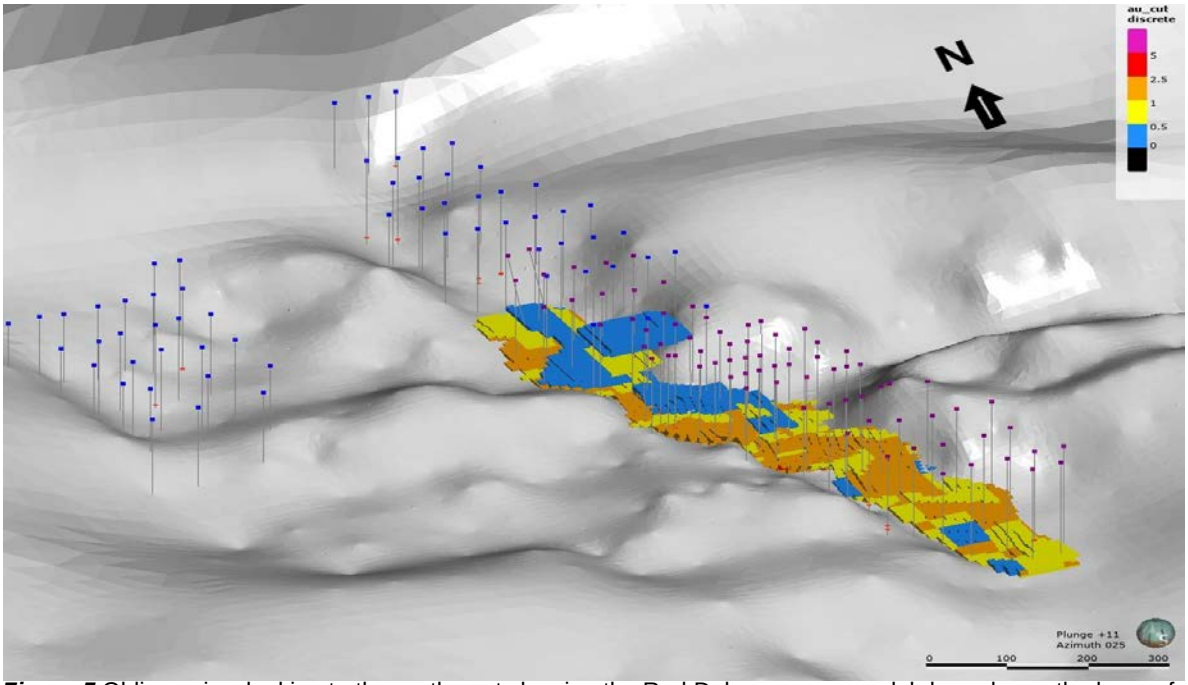


Figure 5 Oblique view looking to the north east showing the Red Dale resource model draped over the base of alluvium or palaeosurface DTM that highlights the gold mineralisation positioned within the palaeodrainage. Only Holes drilled by Lefroy are shown. Purple hole collars are RC holes. The palaeosurface DTM has a vertical exaggeration of 3.5x.

Two key target areas have been recognised within the Red Dale tenure and drill planning is underway to evaluate these target areas.

The Company continues to compile and assess previous exploration drill data within the palaeodrainage network to the south of Red Dale. The aim of this work is to assess the opportunity for additional palaeochannel hosted gold deposits similar to Red Dale.

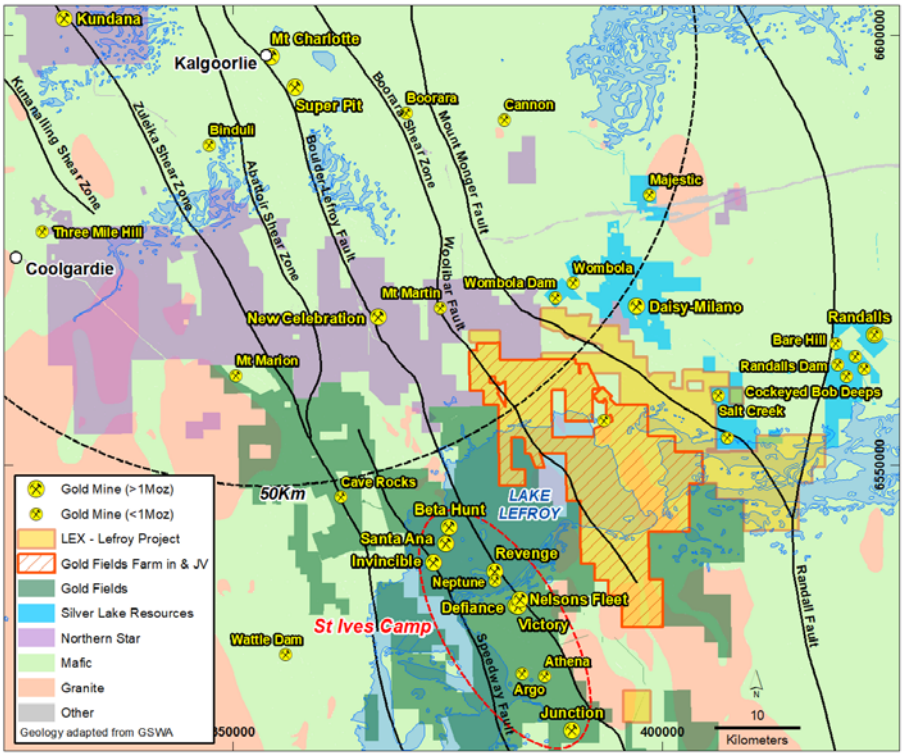
This announcement has been authorised for release by the Board

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 searching 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 621km^2 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, major gold deposits in the district and land holdings of Gold Fields, Northern Star Resources Ltd and Silver Lake Resources Limited.

For Further Information please contact:

Wade Johnson
Managing Director
Telephone: +61 8 93210984

Email: wjohnson@lefroyex.com

Notes Specific-ASX Announcements

The following announcements were lodged with the ASX and further details (including supporting JORC Reporting Tables) for the drill results 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 RC and diamond drilling results at Red Dale at the Lefroy Gold Project.

- Lefroy Exploration Limited-Prospectus: 8 September 2016
- Managing Directors AGM Presentation: 5 December 2016
- Exploration Update: RC Drilling Commenced at Red Dale 24 April 2017
- Investor Roadshow Presentation 9 May 2017
- Drilling Commences at Red Dale:11 August 2017
- September 2017 Quarterly Activities Report: 25 October 2017
- RC Drilling Commenced at Red Dale: 14 November 2017
- High Grade Drill results at Red Dale: 15 December 2017
- March 2018 Quarterly Activities Report:27 April 2018
- RC Drill Results Extend the Red Dale Palaeochannel: 7 April 2020

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.

The Red Dale resource estimate was compiled in accordance with the guidelines of the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC, 2012). The resource estimate has been undertaken by Stephen Godfrey, Principal Resource Geologist with Resource Evaluation Services, who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Godfrey has sufficient relevant experience to be considered a "Competent Person" as defined the JORC Code (2012).

Notes

1)The Lucky Strike deposit is situated within the Company's Lefroy Gold Project located approximately 50km to the south east of Kalgoorlie, Western Australia. The resource is situated wholly within the Company's granted Mining lease M25/366. The Company enagaged Resource Evaluation Services in 2020 to complete the Mineral Resource estimate. The Company announced the Resource to the ASX on 20 May 2020 and reported in accordance with JORC 2012.

2)The information in this report that relates to the Mineral Resource estimate at the Lucky Strike deposit is based on, and fairly represents, information which has been compiled by Mr Stephen Godfrey. Mr. Godfrey is Principal Resource Geologist at Resource Evaluation Services, a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr. Godfrey has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Godfrey consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

3)Supporting information for the Red Dale Mineral Resource Estimate is documented in the JORC Tables attached to this document.

JORC CODE, 2012 Edition-Table 1 Report –Lefroy Gold Project –Red Dale deposit June 2020

The JORC Code (2012) describes criteria, which must be addressed in the documentation of Mineral Resource estimates, prior to public release of the information. These criteria provide a means of assessing whether the data inventory used in the estimate is adequate for that purpose. The resource estimate stated in this document was based on the criteria set out in Table 1 of that Code. These criteria are discussed in the main body of the resource report for the deposit and are summarised below. Only sections relevant to the reported resource have been addressed. The JORC Code Assessment Criteria in the following table are italicised

SECTION 1: SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code Explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information)*	• The deposit has been sampled by RAB, RC, Air Core and Diamond drilling. Lefroy Exploration Limited (LEX) drilling has included RC and AC. • 2-3 kg chips samples have been taken by cone splitter or scoop/spear. Half core has been sampled by Integra. • ASD sample analysis was used by Integra. • Samples have all been taken to industry standard practice, however a population bias exists in the analyses between the AC and RC drilling. Geological logging is considered accurate.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RAB, RC, Air Core and Diamond drilling has been used across the tenement. RC and AC sampling has intersected the mineralisation. AC samples are interpreted as being too small and analyses are biased. LEX RC drilling uses a face sampling hammer returning sample to a cone splitter.
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.*	• Sample recovery monitored by site geologists. • Sample weights and condition are not routinely recorded.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Integra Mining Limited (Integra)– samples have been geologically logged. Methods not recorded • Lefroy - All samples are geologically logged into an electronic device. Chip trays are kept for all sampling, photographed and digitally stored in the database. • The level of detail is adequate to support a Mineral Resource estimation
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.*	• Integra diamond drill hole core was cut in half for sampling (none intersects deposit). • LEX RC samples were cone split at the drill rig. Discard was retained. • LEX AC samples were scoop/spear sampled from

Criteria	JORC Code Explanation	Commentary
	• *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.*	sample pile. • Large diameter AC was trialled with preliminary results indicating the larger volume produces a more representative sample.
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.Ba, Mo* • *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.*	• Fire Assay procedure is considered appropriate for this type of deposit. • ASD analyses were not used for the resource estimation. • Lefroy RC drilling QAQC procedures include the submission of standards and field duplicate samples. • Analysis of RC QAQC data indicates and acceptable level of preparation and analysis quality. Accuracy is good, precision is moderate.
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.*	• No verification sampling has been undertaken. • No hole pairs were considered suitable for twin analysis. • Limited information on Integra logging and sampling exists. • Lefroy Logging and sampling procedures are fully documented. • Narrow tube AC and ASD samples were removed from the resource estimation due to quality concerns.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Lefroy Drill hole location surveys have been field checked and corrected where necessary. • Relative collar locations of other drilling matches Lefroy data. • Grid - MGA94_51
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.*	• Data spacing is adequate to confirm the continuity of the mineralisation and is suitable for a mineral resource estimate. • No sample compositing has been used for the samples intersecting the resource.
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.*	• The drilling defining the mineralisation is predominantly vertical providing the best orientation to intersect the sub horizontal palaeochannel deposit.
Sample security	• *The measures taken to ensure sample security.*	• Integra – no detail of sample Chain of custody is available. • Lefroy – Chain of custody of samples was maintained and procedures documented. Sample security is considered accurate.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external audits or reviews have been undertaken.

SECTION 2: REPORTING OF EXPLORATION RESULTS

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

Criteria	JORC Code 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 exploration Tenement, E 25/517, is held by Monger Exploration PTY LTD a 100% owned subsidiary of Lefroy Exploration Ltd. • The resource and drilling are entirely within granted mining lease M25/362 held by Monger Exploration Pty Ltd, a wholly owned subsidiary of Lefroy Exploration Ltd. • No other impediments or issues have been noted.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 1995-2003 Previous geochemical and RAB reconnaissance was undertaken by Hampton Hill Mining NL • 2005-2006 Red Dale Exploration conducted a review of the airborne magnetic survey • 2006- 2014 Integra – general reconnaissance, AC, Diamond drilling
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Buried Palaeochannel, coarse quartz sands and gravel, gold interpreted as derived from nearby source.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  • *easting and northing of the drill hole collar*
	  • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  • *dip and azimuth of the hole*
	  • *down hole length and interception depth*
	  • *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Drill holes listed in Appendix B.
		• Tenement contains 708 drill holes, 216 drilled by Lefroy.
		• 61 Lefroy RC drill holes intersect the palaeochannel mineralisation.

Data aggregation methods	• *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.* • *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 data aggregation has been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Drill holes are vertical, and intersections represent the true thickness of the deposit.
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.*	• See main body of the report

Criteria	JORC Code Explanation	Commentary
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.*	• Exploration results are not being reported.
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.*	• Exploration results are not being reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Exploration results are not being reported.

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	JORC Code 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.*	• RES has undertaken a data validation comparing the resource database to available original data. • RES has checked the internal integrity of the resource database. • No errors or omissions material to the resource estimation were identified
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.*	• A site visit was undertaken by the competent person on 10 February 2019. There was no exploration activity at this time.
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.*	• The deposit is a palaeochannel with relatively simple geometry. • The deposit is open 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.*	• 900 m strike • 50 – 150 m wide • 1 – 6 m thick, commonly ~4 m
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Dry tonnes are reported
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The estimate has been reported at a 0.5 g/t Au cut off. • An economic analysis of the deposit has not been undertaken to determine a mining 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 mining assumptions have influenced the resource estimation.

Criteria	JORC Code Explanation	Commentary
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.* • *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 (eg 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 modelling and grade estimations for Red Dale were completed using Vulcan software. • Model block size (50 x 25 x 2) is based on drill hole spacing. • Grade estimation for the Red Dale deposit was carried out using linear estimation methods. A multi pass estimation plan was used for all estimation domains. The estimation was made into the parent cell. • An Ordinary Kriging (OK) was used to estimate Au in the paleo channel only. • Only RC drill hole samples were used in the estimation of grades. • Statistical analysis indicated outlier samples that required management. Domains 1 and 2 used cut composite samples. • Hard boundaries were used between domains so that a domain was estimated with only the samples within that domain. • Search ellipses are anisotropic reflecting the variogram ranges. Search distances were based on the variogram range and incremented proportionally for Pass 2 and Pass 3. • The estimation plan parameters used for grade interpolation are summarised in the body of the text in this report. Three estimation passes were run, with passes 2 and 3 relaxing the search criteria to capture adequate samples for the estimation of peripheral blocks. Estimations were made into the parent cell. Parent cell grades were assigned to sub-cells. 98% of blocks were estimated in pass 1 and the remainder in pass2. • Un-Cut Au and Cut Au grades were estimated as grams per tonne (ppm) into the variables au_uncut and au_cut respectively. • Statistical and visual validations of the deposit were made. The model is considered a robust representation of the drilling data.
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 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.*	• No metallurgical assumptions have influenced the resource estimate.

Criteria	JORC Code Explanation	Commentary
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 influenced the resource estimation
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.*	• Bulk density of the palaeochannel material is assumed at 2.0 tm-3. • The palaeochannel material is a consolidated quartz-rich sandy gravel. • Other tertiary sediments and saprolite were assigned a nominal dry bulk density of 2.3 tm-3.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie 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.*	• The deposit has been systematically drilled and sampled over the resource area on a 40 m by 40 m to 40 m by 80 m grid. • The geology is simple. • Drilling, sampling and analysis methods are appropriate. • Quality standards have been maintained. • The classification of Indicated reflects the competent persons view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No external audits or reviews have been undertaken.
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 resource reported accurately represents a global estimate of the size and grade of the deposit. • The simple geology makes the estimation of the deposit volume very accurate. • The high nugget nature of the deposit makes local estimations unreliable and precludes classification of the deposit as Measured.