

Gold Fields to spend additional \$15 million to earn 70% interest in Western Lefroy

- Gold Fields (GFI) satisfied the Stage 1 Farm-In requirement for the Western Lefroy Farm-In (WLFI) & JV on 30 July 2021. GFI therefore earned a 51% interest in the WLFI as at that date.
- Gold Fields has now elected to increase its interest in the WLFI to 70% by sole funding a further \$15 million of exploration over the next three years

The Board of Lefroy Exploration Limited (ASX: LEX) ("**Lefroy**" or the "**Company**") is pleased to provide a further update to the Western Lefroy farm-in ("**WLFI**") with St Ives Gold Mining Company Pty Ltd, a wholly owned subsidiary of Gold Fields Limited (NYSE: GFI) ("**Gold Fields**").

The Lefroy Gold Project (LGP) is wholly owned by the Company and is located approximately 50km to the southeast of Kalgoorlie in the Eastern Goldfields Province of Western Australia (Figure 1). The commanding, semi-contiguous, granted land package covers 637.6km² immediately east of and adjoining the world class +10Moz St Ives Gold camp, which is owned and operated by Gold Fields. The project is also immediately south of the high-grade Mt Monger gold centre operated by Silver Lake Resources Limited (ASX:SLR) ("**Silver Lake**"). Four gold processing operations are strategically located within 50km of the project and provide commercial options for processing any gold resources discovered.

LGP is referenced in two packages:

- **Eastern Lefroy** covering 265.6km² of wholly owned tenements (Figure 1) including Lucky Strike, Red Dale, Hang Glider Hill, Havelock, Burns and other sub-projects along or near the regional scale Mt Monger fault, and
- **Western Lefroy Farm-in ("WLFI")** tenements (Figure 1) covering 372km² adjoining the Gold Fields tenements that make up the St Ives mining operation. Gold Fields can earn up to a 70% interest in the LEX tenements by spending up to a total of \$25million on exploration activities within 6 years of the commencement date, 7 June 2018.

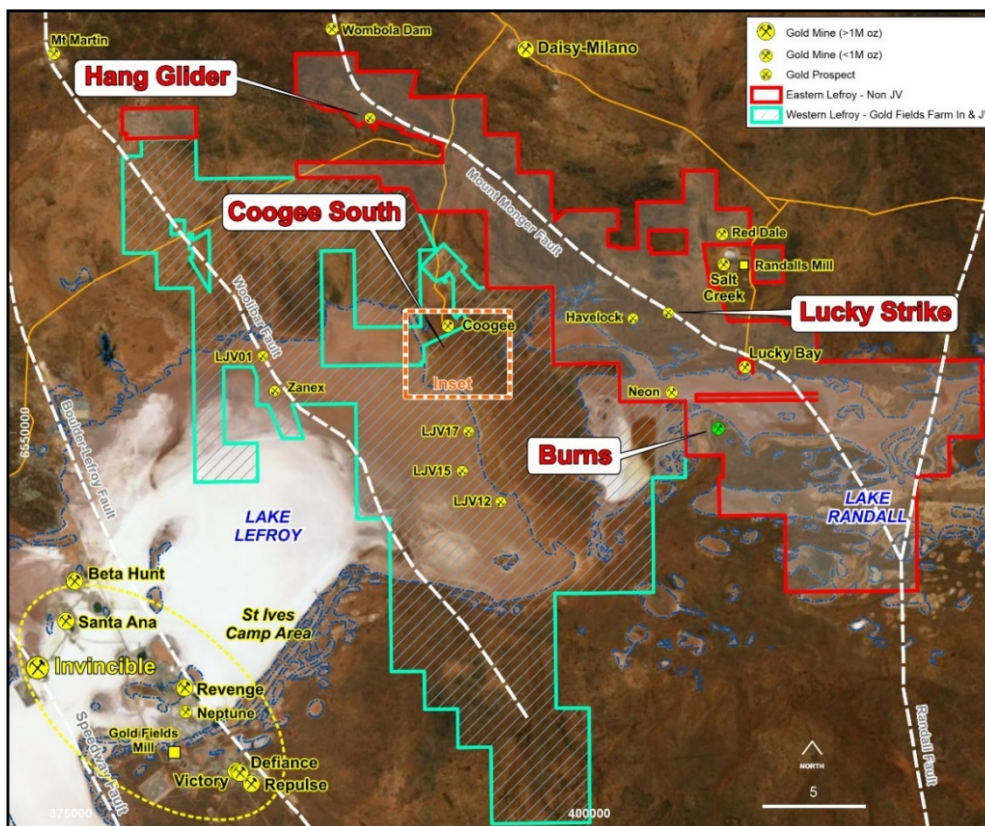


Figure 1 Lefroy Gold Project, highlighting Eastern and Western Lefroy, the location of the Burns prospect and proximity to Lucky Strike. Refer to Figure 2 for Coogee South excision

Western Lefroy Gold Project (Farm-In and JV: Gold Fields right to earn 70%)

In accordance with the Farm-in and Joint Venture Agreement dated 7 June 2018 (Principal Agreement) and as described in the Lefroy Exploration Limited ASX release dated 7 June 2018, Gold Fields through its wholly owned subsidiary St Ives Gold Mining Company Pty Ltd (St Ives), had the right to fund \$10million of expenditure within 3 years of the commencement date to earn the right to a 51% joint venture interest in a tenement package known as Western Lefroy which is held by Hogans Resources Pty Ltd, a wholly owned subsidiary of Lefroy.

Gold Fields notified Lefroy that the full Stage 1 commitment would not be met due to operational delays and delays in accessing land-based exploration targets, and that it would rely on the Shortfall clause in the Principal Agreement to satisfy the Stage 1 Farm-in Requirement (refer LEX ASX release 21 June 2021) The shortfall in expenditure was \$2.76million.

The parties executed a Side Deed on 18 June 2021 (refer LEX ASX release 21 June 2021) to allow the terms of the payment of the Shortfall to be satisfied in two parts:

On 30 July 2021 St Ives provided Hogans with the Stage 1 Satisfaction Notice to confirm;

1. St Ives has satisfied the Stage 1 Farm In requirement by.
 - a. Payment of one half of the shortfall amount (plus GST), being \$1,518,797.50 paid by funds transfer to Hogans on 24 June 2021, and
 - b. Excising the Excluded Area from the Principal Agreement from the effective date of the Side Deed, being 18 June 2021.
2. St Ives has provided Hogans with an itemised breakdown of Direct Expenditure incurred by St Ives during the Stage 1 Farm in Period
3. St Ives elects to earn the Stage 2 Participating Interest.

The Stage 2 earn-in allows St Ives to sole fund a further \$15 million of expenditure over 3 years to earn an additional 19% interest to bring its total interest to 70%.

With the receipt of the shortfall funds (\$1.5million incl. GST) the Company has approximately \$3.3million in closing cash (refer LEX June quarterly cash flow report) and is now well funded to advance exploration at the Burns Cu Au prospect, where drilling is underway, and commence early-stage exploration involving an airborne geophysical survey and aircore drilling at Coogee South (scheduled for August 2021).

Coogee South Prospect

The Coogee South Prospect is located immediately along strike to the south of the high grade Coogee open pit (Figure 2), which was successfully mined by Ramelius Resources Limited ("Ramelius" and ASX: RMS) during 2014.

The Company believes that the Coogee deposit is part of a larger gold system that surrounds a buried felsic intrusion (Figure 2). Further evidence of this is the discovery of a new occurrence of gold and copper mineralisation by Victory Mines Limited ("Victory" and ASX:VIC) in recent reverse circulation (RC) drill holes north and south of the Coogee open pit (VIC ASX release 11 May 2021).

The priority target at Coogee South is the area immediately along strike to the south of the Coogee Open pit, where RC drilling in 2006 recorded a best intersection of 17m at 1.67g/t Au from 99m in CSRC03 (Figure 2). This remains open down dip and along strike. The RC drilling results are supported by a gold-copper anomaly defined by rotary air blast (RAB) drilling completed in the mid 1990's that extends for approximately 500m to the south of the VIC- LEX tenement boundary.

The Company considers Coogee South to be a high priority, drill ready gold target. This prospect was the priority target in the Company's 2016 Prospectus. The occurrences in earlier drilling of gold and copper mineralisation rimming a granitic intrusion (Figure 2), with associated magnetite alteration, are encouraging indicators with similarities to the nearby Burns prospect.

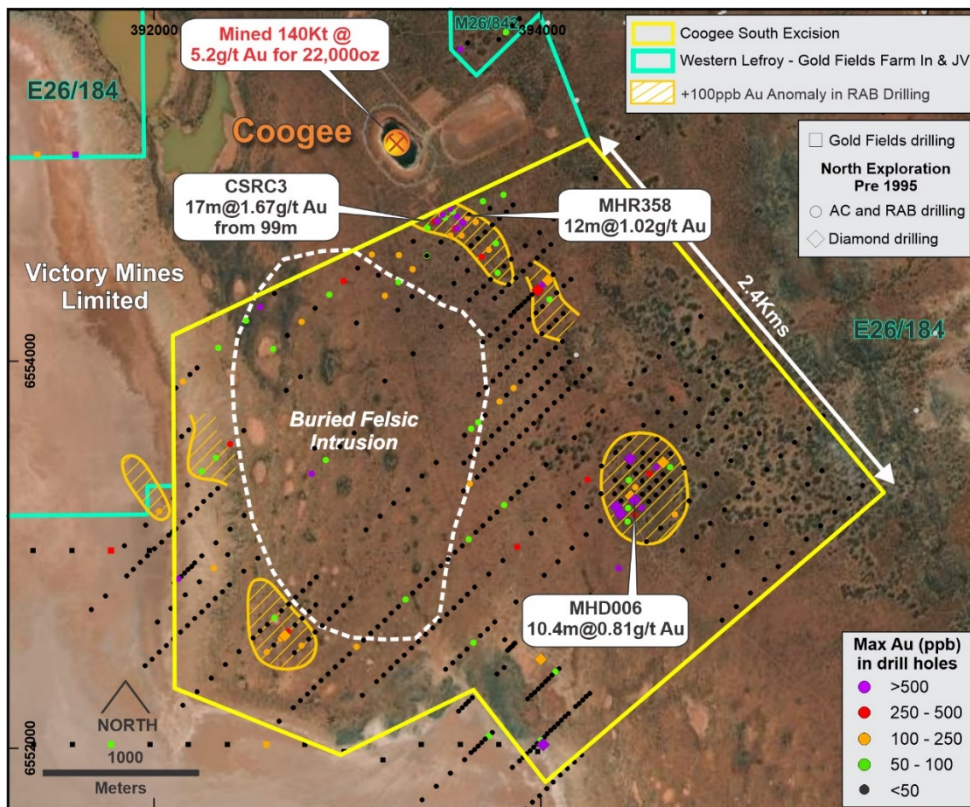


Figure 2 Inset Map showing the extent of the Coogee South excision from granted exploration licence 26/184 and proximity to the Coogee Open pit (Figure adapted from Figure 8 Independent Geologists Report in Lefroy Exploration Limited-Prospectus: 8 September 2016)

This announcement has been authorised for release by the Board

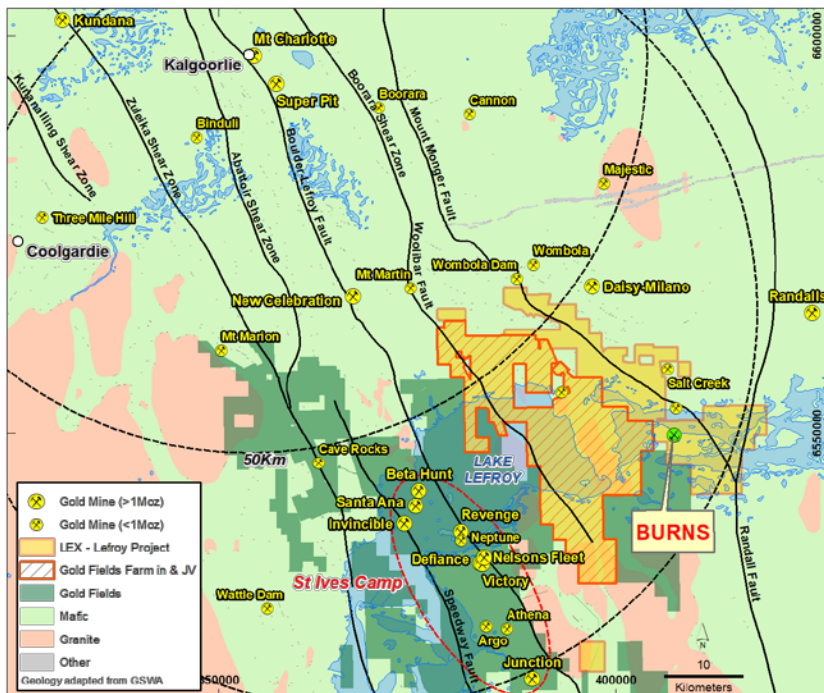


Wade Johnson
Managing Director

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 in the search for high value gold 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 638km² 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. The Western Lefroy tenement package subject to the Gold Fields Farm In and Joint Venture, and Gold Fields tenure are also highlighted

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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 by the Company of previous exploration at Coogee South at the Lefroy Gold Project. Exploration results by the previous explorer that refer to the Coogee South prospect are prepared and disclosed by the Company in accordance with the JORC 2004 code. The Company confirms that is it not aware of any new information or data that materially affects the information included in this market announcement.

- Lefroy Exploration Limited-Prospectus: 8 September 2016
- Managing Directors AGM Presentation: 5 December 2016
- Western Lefroy Farm-In (WLFIn) and JV Update-Stage 1 Commitment to include Shortfall Payment: 21 June 2021
- Shortfall Cash Payment Strengthens Funding of Burns Exploration Program;25 June 2021

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