

21 August 2023

ASX ANNOUNCEMENT

TRIAL MINING OF GOLD ORE TO COMMENCE AT KAT GAP

Highlights:

- **Following the extraction of the bulk sample last year from the Kat Gap Gold project, Classic Minerals Ltd will shortly commence a phase of trial mining.**
- **Trial mining to test the veracity of the recently announced indicated resource to enable a more effective calculation of a mining reserve.**
- **Targeting the fully oxidized component of the indicated resource down to a depth of approximately 45m. The stage one trial pit is testing approximately half of the indicated resource.**
- **Run the oxide ore through the Gekko gravity plant reconciling it against the current indicated resource.**
- **Trial mining to provide data for more accurate determination of project economics.**
- **Gain much more detailed geotechnical data on the behaviour of oxidized granite and ultramafic in terms of pit wall angle and stability.**
- **Data from the trial mining exercise to set the scene for a potentially much larger stage two open pit down to fresh rock.**

Classic Minerals Limited (ASX: CLZ, “the Company” or “CLZ”) is pleased to announce its intention to commence a trial mining exercise at its 100% owned Kat Gap Gold Project. The mining and processing of this stage one trial pit will assist in providing the company with **data it needs to derive an ore reserve**. It will also aid in the **calibration of mining and metallurgy parameters prior to full-scale mining and production** from its Kat Gap gold project.

Mining and processing of this trial mining ore is an important step ahead of full-scale production activities, as it affords the Company the opportunity to fully test and refine the Gekko plant along with its mining methods.

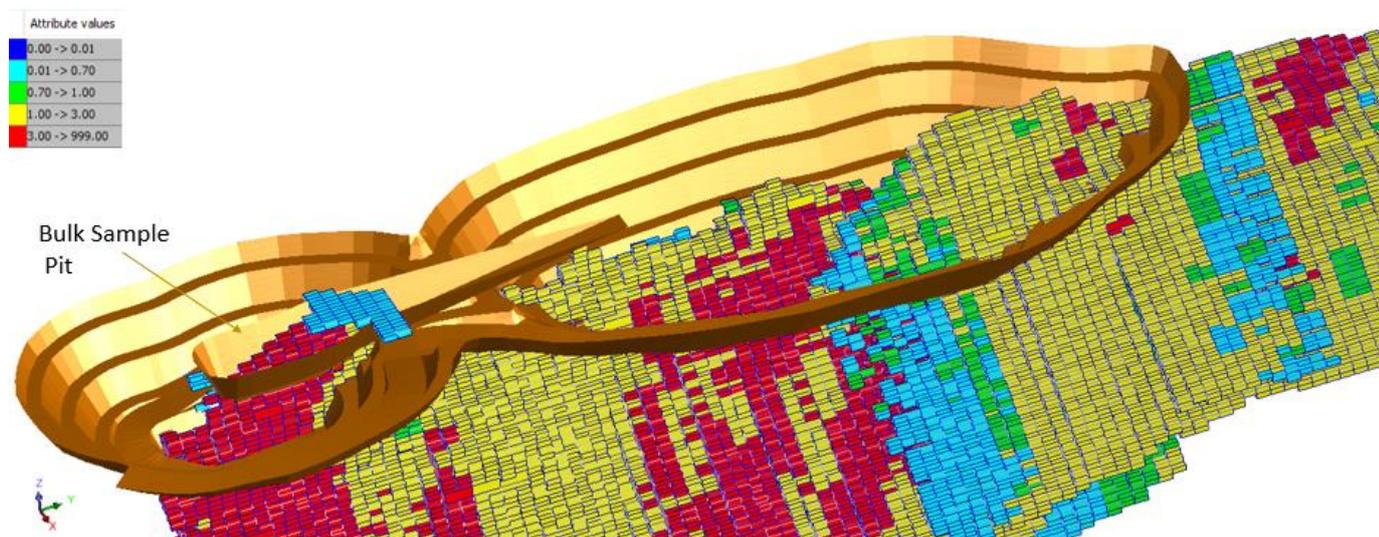


Figure 1: Kat Gap Indicative Stage 1 Trial Open Pit Draped over Block Model (coloured by gold grade)¹

The company recently announced an update to its gold resource base at Kat Gap. The enhanced resource confidence level, resulting from re-estimation following the integration of two years' worth of additional drill data, underscores Classic Minerals' commitment to the long-term success of the Kat Gap Project and its vision to become a profitable gold miner. The indicated upgrade allows for the calculation of JORC Compliant Reserve ounces, facilitating monetisation and value creation at Kat Gap.

Rescat	Au (ppm)	Tonnes	Au (ppm)	Oz
Inferred	0.0 -> 0.7	61,068	0.49	962
	0.7 -> 999.0	825,444	2.23	59,181
Sub Total		886,512	2.11	60,139
Indicated	0.0 -> 0.7	18,558	0.47	280
	0.7 -> 999.0	236,342	2.66	20,212
Sub Total		254,900	2.5	20,488
Grand Total		1,141,412	2.19	80,367

Table 1: Kat Gap Indicated and Inferred JORC resources²

¹ ASX Announcement 21 June 2023

² ASX Announcement 21 June 2023

Classic will look to trial mine a good portion of the oxide component of the indicated resource down to a depth of 45m. The trial pit is likely to take approximately 2 months to complete³. The derivation of the Ore Reserve should take about 2 months from the trial mining data and would cost about \$ 100,000.00. Based on the results received, the Company anticipates moving into production within 2 months of an economically viable Ore Reserve.

The company is confident that the following three (3) processes will provide it **with the data it requires to obtain an ore reserve**.

1. **Conversion of Indicated Resource to Mining Ore Reserve.** To enable an effective conversion from the current indicated resource to a mining ore reserve, an oxidised portion of the indicated block model needs to be interrogated by a trial mining open pit. Ore from the trial pit will be mined according to the current block model outline. It will then be processed through the Gekko gravity plant allowing for an accurate reconciliation of the tonnes, grade and recoverable ounces of gold from the indicated block model. In essence, **the trial pit will test the block model against what is actually mined.** This information will ultimately test the veracity of the existing block model and indicated resource and provide invaluable data to obtain a mining ore reserve.
2. **Mine engineering data.** A trial pit will give the geological and engineering teams the ability **to measure structural data** firsthand from the walls and floor of the trial pit. This additional data will allow selection of the best geotechnical parameters to **maximise safety and minimize strip ratios**. Realistic dilution and ore loss parameters will also be gleaned. This will greatly assist in a more effective mining ore reserve determination.
3. **Geological data.** The trial pit will allow **direct structural measurements to be taken of exposed gold mineralisation**. Trial mining may also shed light on the presence and attitude of additional lodes that could be targeted for increases to the overall resource, which in turn could have a positive effect on project economics. Grade distribution can also be studied to determine how varying grade models stand up to results of the trial, allowing optimisation of both modelling and drilling activities.

Data from the trial pit mining exercise will hopefully set the scene for a potentially much larger future stage two open pit down to fresh rock.

Classic CEO Dean Goodwin said: *I'm so excited about getting those earthmoving machines back to work on the trial pit because in the next month or so we'll finally get a good hard look at the high-grade portion of the main ore zone within the new indicated resource. It's going to be one of those special moments. They don't come along very often in one's career so I can't wait. It's a proud moment for me and the rest of the team to see all that hard work that has gone into the drilling and resource work over these last few years come to fruition.*

³ ASX Announcement 18 August 2023



Figure 2: Dean Goodwin, CEO, Examining Bulk Sample Pit at 14 m below surface⁴

⁴ ASX Announcement 16 May 2022



Figure 3 & 4: Classic's Bulk Sample Pit.



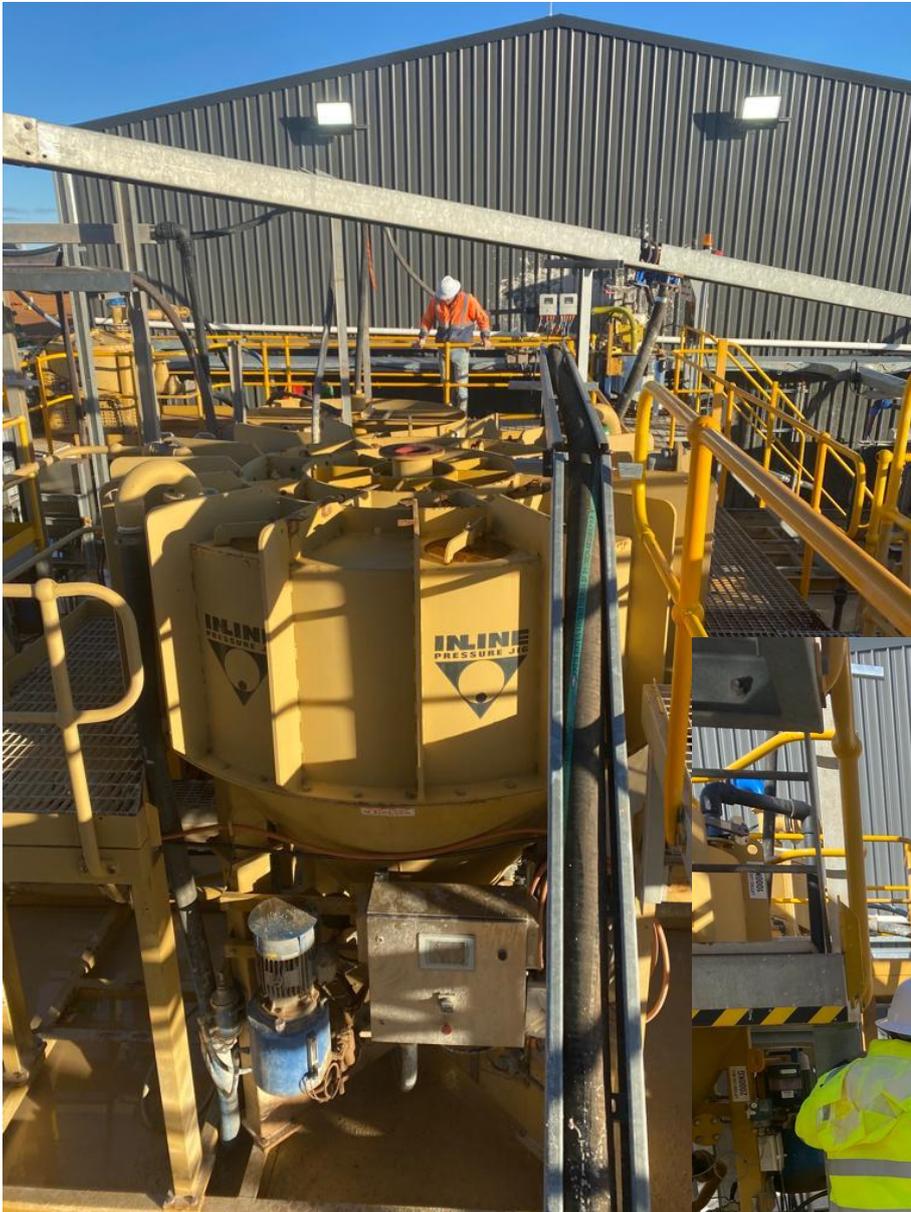


Figure 5 & 6: Classic's Gekko plant.

This announcement has been approved by the Board.

ENDS:

For further information, please contact:

Company Secretary

Madhukar Bhalla

contact@classicminerals.com.au

ABOUT THE FORRESTANIA GOLD PROJECT

The FGP Tenements (excluding Kat Gap) are registered in the name of Reed Exploration Pty Ltd, a wholly owned subsidiary of ASX listed Hannans Ltd (ASX: HNR). Classic has acquired 80% of the gold rights on the FGP Tenements from a third party, whilst Hannans has maintained its 20% interest in the gold rights. For the avoidance of doubt Classic Ltd owns a 100% interest in the gold rights on the Kat Gap Tenements and also non-gold rights including but not limited to nickel and lithium.

Classic has inferred and indicated mineral resources of **8.41 Mt at 1.45 g/t for 391,417 ounces of gold**, classified and reported in accordance with the JORC Code (2012), with a recent Scoping Study (see ASX Announcement released 2nd May 2017) suggesting both the technical and financial viability of the project. The current post- mining Mineral Resource for Lady Ada, Lady Magdalene and Kat Gap is tabulated below. Additional technical detail on the Mineral Resource estimation is provided, further in the text below and in the JORC Table 1 as attached to ASX announcements dated 18 December 2019, 21 January 2020, and 20 April 2020.

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Oz Au	Tonnes	Grade (Au g/t)	Oz Au	Tonnes	Grade (Au g/t)	Oz Au
Lady Ada	257,300	2.01	16,600	1,090,800	1.23	43,100	1,348,100	1.38	59,700
Lady Magdalene				5,922,700	1.32	251,350	5,922,700	1.32	251,350
Kat Gap	254,900	2.5	20,488	886,512	2.11	60,139	1,141,412	2.19	80,367
Total	512,200	2.25	37,088	7,900,012	1.40	354,589	8,412,212	1.45	391,417

Notes:

- The Mineral Resource is classified in accordance with JORC, 2012 edition
- The effective date of the mineral resource estimate is 14 June 2023.
- The mineral resource is contained within FGP tenements
- Estimates are rounded to reflect the level of confidence in these resources at the present time.
- Mineral resources for Lady Ada and Lady Magdalene (Ladies) are reported at 0.5 g/t Au cut-off grade, Kat Gap at 0g/t Au.
- Depletion of the resource from historic open pit mining has been considered for the Ladies deposits. Trial pit mining depletion at Kat Gap has not been accounted for in the block model due to the ore remaining unprocessed.

The Company confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements - Disclaimer

This ASX announcement (Announcement) has been prepared by Classic Minerals Limited ("Classic" or "the Company"). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Classic, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Classic.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Classic's securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Classic and of a general nature which may affect the future operating and financial performance of Classic and the value of an investment in Classic including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel.

Certain statements contained in this announcement, including information as to the future financial or operating performance of Classic and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;*
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Classic, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,*
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.*

Classic disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

Competent Persons Statement

The information contained in this report that relates to Mineral resources and Exploration Results is based on information compiled by Dean Goodwin, a Competent Person who is a Member of the Australian Institute of Geoscientists (AIG). Mr Goodwin is a consultant exploration geologist with Reliant Resources Pty Ltd and consults to Classic Minerals Ltd. Mr. Goodwin has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Goodwin consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.