

ASX Release: 19 May 2017

Drilling at Red Dale Identifies Broad Zone of Gold Mineralisation

Key Points:

- **Significant gold results returned from RC drilling at the Red Dale Prospect, located at the Company's flagship Lefroy Gold Project, south east of Kalgoorlie**
- **Program designed to target the source of the extensive gold footprint in the regolith from historic drilling, and also improving definition of gold located at base of palaeochannel**
- **New drilling has confirmed and reinforced tenor of the gold mineralisation at the base of a palaeochannel over a 320m strike length and open to the north and south**
- **Multiple significant shallow gold intersections returned from the 26 holes drilled, including 9m at 1.69g/t Au from 41m in LEFR006, 6m at 1.75 g/t Au from 42m in LEFR013 and 7m at 1.44 g/t Au from 47m in LEFR002**
- **Gold system identified located 1km north of Silver Lake Resources, Randall's Processing Plant**
- **Gold mineralisation also intersected in the altered basement rocks with a best intersection of 1m at 4.85 g/t Au from 66m in LEFR 017.**
- **The results demonstrate the robust nature and tenor of gold at the base of the palaeochannel and opens the opportunity to evaluate numerous other occurrences at the Red Dale Prospect**
- **Preparations underway to conduct follow up RC drilling with a Programme of Works-Exploration recently lodged.**

The Board of Lefroy Exploration Limited (ASX: LEX) ("Lefroy" or "the Company") is pleased to announce the results from an initial reverse circulation (RC) drilling program at the Red Dale Prospect at its flagship Lefroy Gold Project ("LGP" or "Project"), located approximately 50km to the south east of Kalgoorlie (Figure 1).

The LGP is a commanding contiguous land package covering in excess of 540km² in the heart of the world class gold production area between Kalgoorlie and Norseman. The Project adjoins the Gold Fields owned St Ives gold camp and mining centre, which contains the Invincible gold deposit, now in production and located in the western part of Lake Lefroy. The LGP is also immediately south of the Mount Monger Gold Operation and adjoins the site of the Randalls Processing Facility, both operated by Silver Lake Resources (ASX: SLR).

Lefroy Exploration

ARBN 052 123 930

Phone +61 08 9321 0984

Fax +61 08 9226 2636

Email info@lestroyex.com

www.lestroyex.com

Australian Registered Office:

Level 1 11 Ventnor Avenue
West Perth 6005
Australia

Head Office:

Palm Grove House
Roadtown Tortola British Virgin Islands

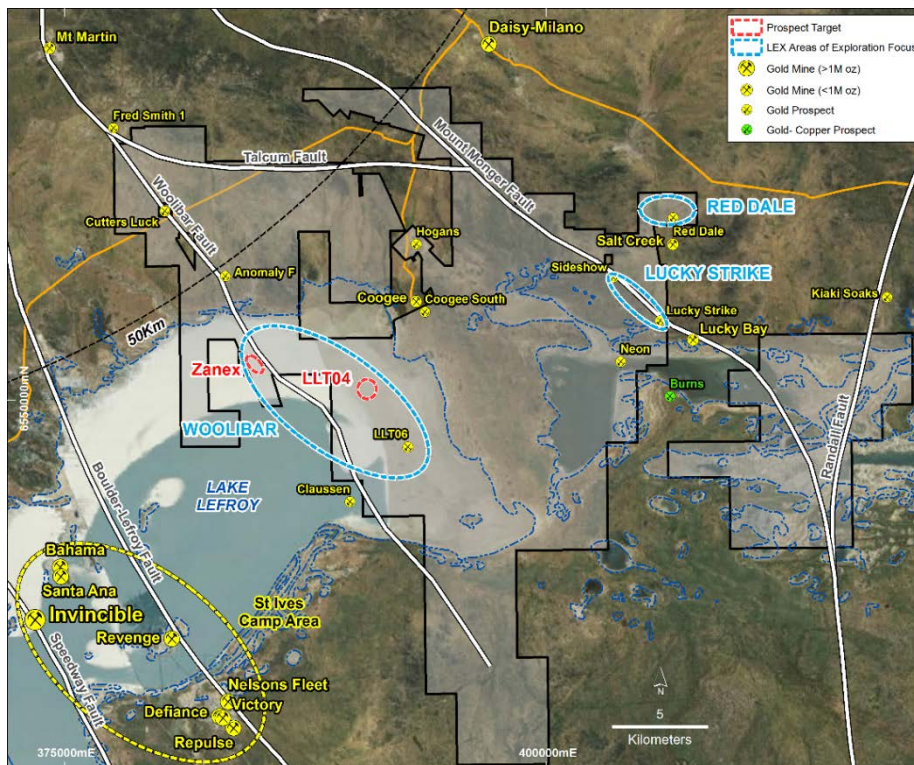


Figure 1-Lefroy Gold Project highlighting location of the Red Dale Prospect, and current exploration focus by LEX

The Red Dale Prospect adjoins (Figure 2), and is immediately north of the Randalls Processing Plant and Salt Creek Open pit held by Silver Lake Resources (ASX:SLR). Gold mineralisation was identified in 2007 by Integra Mines Limited (“Integra”) following on from their discovery of the Salt Creek deposit located 2.5km to the south of Red Dale. Integra’s aircore drilling at Red Dale during the period 2007-2010 identified a large gold anomaly of approximately 1.2km in length by up to 1km in width. Numerous gold intersections were reported at or near the base of the palaeochannel sediments (transported overburden), in gravel horizons overlying a similar package of rocks as at Salt Creek.

The Company considered that this broad anomaly and intersections are likely to be reflecting gold anomalous transported basal gravels derived from a nearby bedrock source, and that the material in the channels is unlikely to have been transported a significant distance. In late April the Company completed a twenty six (26) hole vertical reverse circulation (RC) drilling program totaling 2197m primarily aimed at exploring for primary mineralisation that could be the source of the gold mineralisation identified in the basal transported gravels and sands by previous drilling.

RC drilling by the Company was focused on an area within the southern part of the broad gold geochemical anomaly. This drill technique was selected to firstly obtain a better sample return from the basal channel material but also to penetrate deeper into the basement in the search for primary mineralisation. Five 80m spaced drill traverses were completed on lines with prior air core (AC) drilling, evaluating a 320m length of the palaeochannel. All holes successfully penetrated the transported overburden, several with basal channel sand and gravel, and ending in fresh basement lithologies.

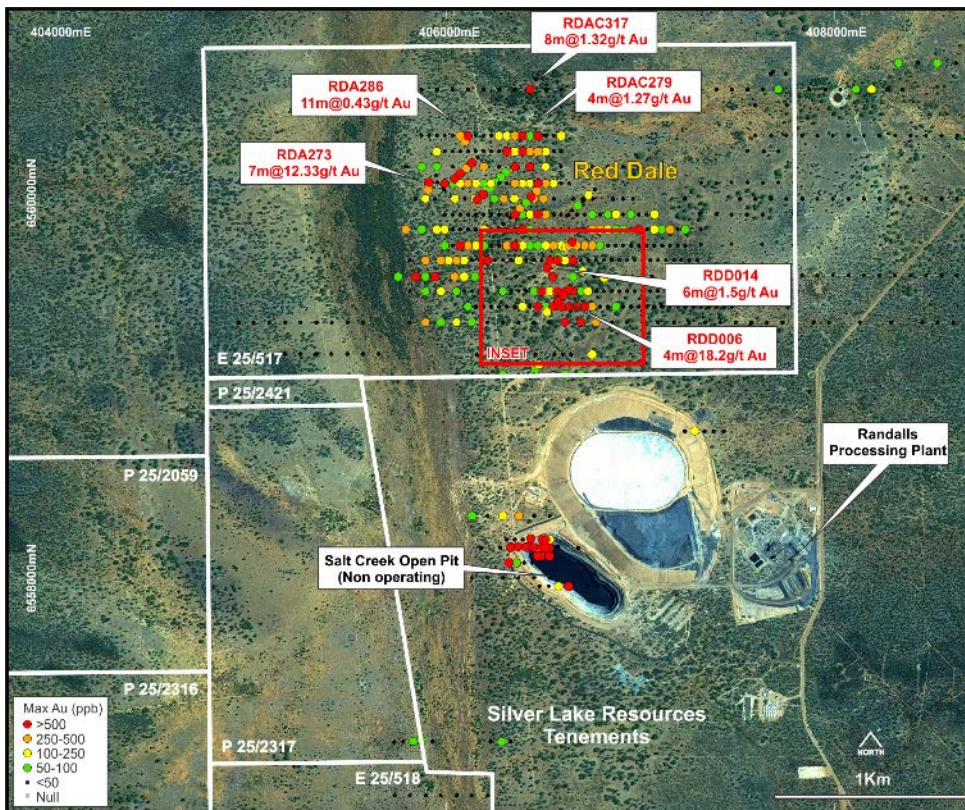


Figure 2 Red Dale Prospect location plan highlighting maximum gold in historical drill holes and key intercepts (refer Figure 3 Inset for LEX recent drilling) [drill hole location and results originally depicted in Figure 13 of the Independent Geologist's Report contained in the Lefroy Exploration Limited Prospectus dated 8 September 2016]

The results (Table 1) from 1m samples collected from this early stage program have succeeded in confirming a gold mineralised palaeochannel system over 320m of strike and open to the north and south (Figure 3). Better gold intersections from the basal channel gravels include:-

- **6m at 1.75g/t Au from 42m in LEFR013**
- **9m at 1.69g/t Au from 41m in LEFR006**
- **7m at 1.44g/t Au from 47m in LEFR002**
- **7m at 1.16g/t Au from 49m in LEFR018**

Importantly the thickness of the gold mineralised basal gravels-sands varies from 1m to a maximum of 9m, but in the core of the channel is a consistent 5-7m thick and over a width of 40-60m. The gold mineralised channel gravels remain open to the north and south and previous drilling has demonstrated gold intersections within this horizon to the north. The Company believes the strike dimensions of this mineralised channel host unit could be extended beyond the 320m defined from the recent RC drill program.

Palaeochannel hosted gold deposits are not uncommon in the Eastern Goldfields and have been mined successfully and profitably by open pit methods in the Kalgoorlie area such as, Higginsville (Swordsman), St Ives (Argo), and Mt Pleasant (Rose Dam, Lady Bountiful Extended). The Company is conscious of the opportunity to improve the size of the channel hosted system identified at Red Dale, but also the opportunity for further similar systems at the Project given the expanse of the existing regolith geochemical gold anomaly.

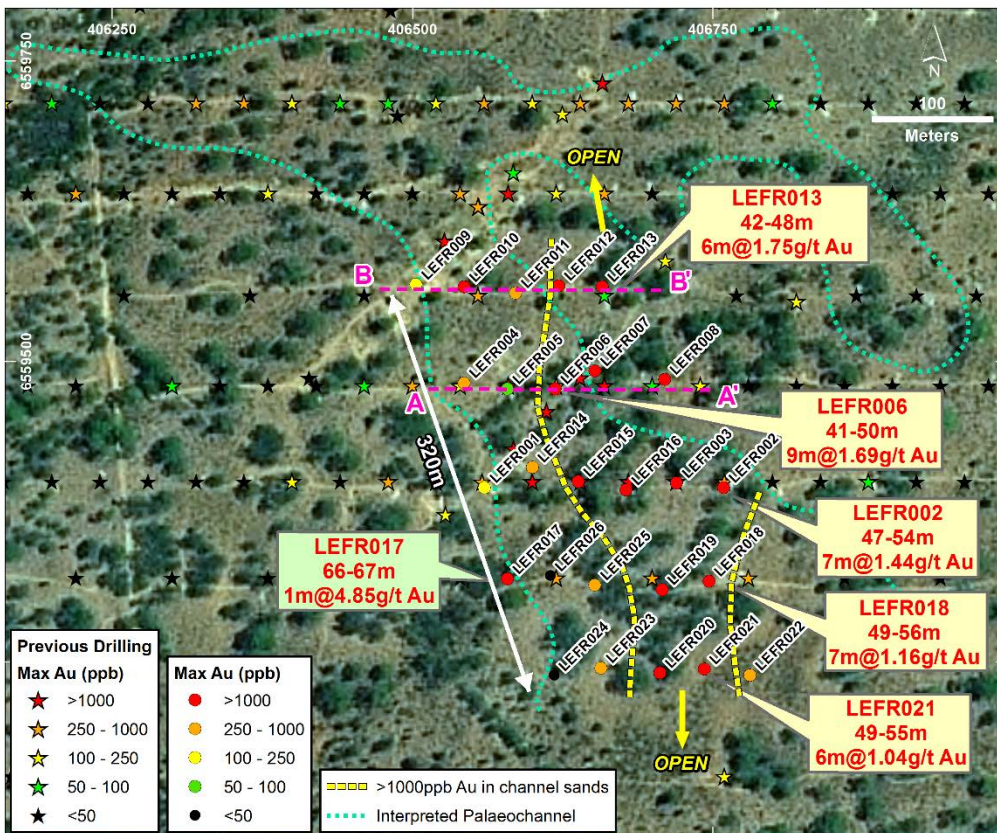


Figure 3 Red Dale Prospect drill hole location plan showing LEX drill holes, refer to Figure 4 & 5 for Drill Section A-A' and B-B'

In addition to the channel hosted gold intersections from the recent program, the Company is pleased to report encouraging gold intersections from the bedrock beneath the transported palaeochannel cover (Table 2). The primary aim of the RC program was to identify primary mineralisation or vectors to primary mineralisation that could be the source for the gold in the transported gravels and sands at the base of the channel.

An encouraging intersection of **1m at 4.85g/t Au from 66m in LEFR017** in an altered high Mg Basalt was returned, and located at the end of the drill traverse. Low level (0.10-0.50g/t Au) gold mineralisation in bedrock was returned from a further seven holes, with hole LEFR002 returning multiple intervals.

These bedrock results are considered positive from an early stage drill program, and when placed in the context of the altered high Mg basalt host rock. The combination of these results and detailed appraisal of the characteristics of the mineralised channel gravels and sands will provide additional vectors to be used to explore for a primary source.

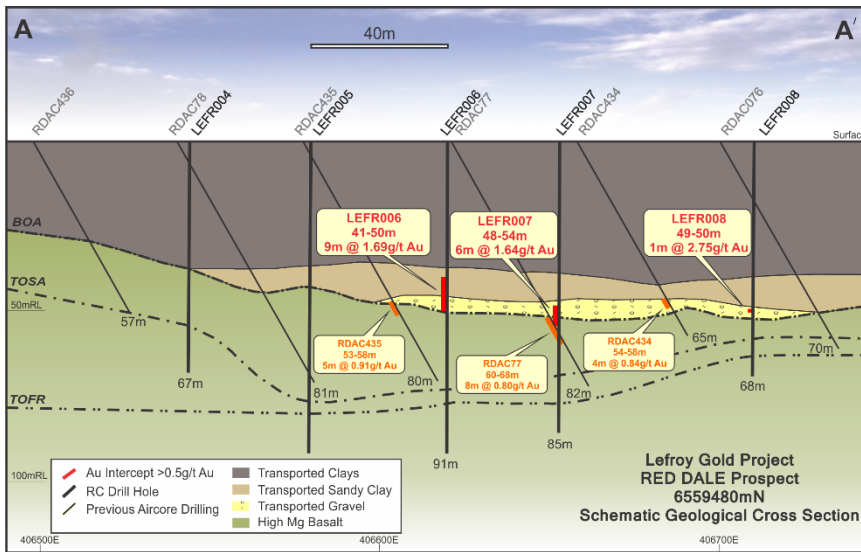


Figure 4 Schematic cross section at 6559480N depicting new RC and previous aircore drilling, with gold intersections at base of the palaeochannel. View: North

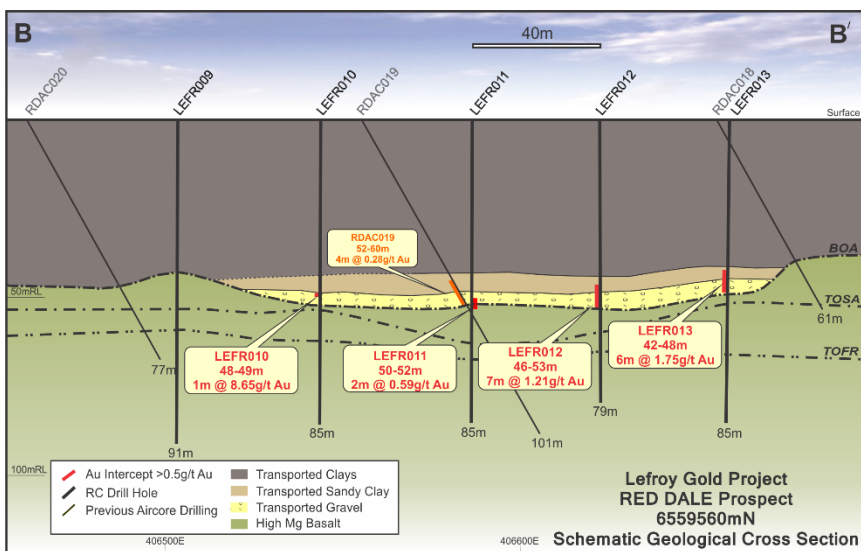


Figure 5 Schematic cross section at 6559560N depicting new RC and previous aircore drilling, with gold intersections at base of the palaeochannel. View: North

ONGOING WORK PROGRAM

The Company is encouraged by both the tenor and extent of the gold mineralisation defined in the basal channel gravels and sands from this initial drill program. The focus of exploration at Red Dale remains fixed on the discovery of a primary source to the broad gold in palaeochannel anomaly, in conjunction with the opportunity to delineate one or more channel hosted gold systems. In light of the recent results the Company has a pending Program of Works-Exploration (PoWE) with the Department of Mines and Petroleum (DMP) for additional infill and extensional RC Drilling. This is expected to be granted in June 2017. In addition the Company will progress analysis of the recent results to gain further understanding of the geomorphology of the palaeochannel system to provide vectors for a primary gold system.

The Red Dale Prospect, is one of number of exploration targets the Company is actively exploring in the Lefroy Gold Project, with aircore drilling currently underway in Lake Lefroy.

Table 1: 2017 RC Drilling-Lefroy Gold Project-Red Dale Prospect

RC Drill hole intersections tabulated below are calculated with a 0.50g/t Au lower cut for the entire drill program. These represent the intersections from individual 1m sample results and include 1m of internal dilution. Samples are routinely collected as 1m sample intervals from a cyclone. 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 (>0.50ppm 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)	Downhole Intersection (m)	Au Value (g/t)
LEFR002	6559395	406759	307	-90	NA	82	47	54	7	1.44
LEFR003	6559399	406720	309	-90	NA	97	48	52	4	1.00
LEFR006	6559477	406619	304	-90	NA	91	41	50	9	1.69
LEFR007	6559492	406652	304	-90	NA	85	48	54	6	1.64
LEFR008	6559485	406710	306	-90	NA	68	49	50	1	2.75
LEFR010	6559562	406543	305	-90	NA	85	48	49	1	8.65
LEFR011	6559557	406586	308	-90	NA	85	50	52	2	0.59
LEFR012	6559563	406622	307	-90	NA	79	46	53	7	1.21
LEFR013	6559562	406658	307	-90	NA	85	42	48	6	1.75
LEFR014	6559412	406600	306	-90	NA	91	46	47	1	0.76
LEFR015	6559400	406638	305	-90	NA	85	48	50	2	1.31
LEFR016	6559393	406678	305	-90	NA	97	47	51	4	1.79
LEFR017	6559319	406579	305	-90	NA	73	38	41	3	0.82
LEFR017	6559319	406579	305	-90	NA	73	47	48	1	0.81
LEFR017	6559319	406579	305	-90	NA	73	66	67	1	4.85
LEFR018	6559317	406747	305	-90	NA	80	49	54	5	1.51
LEFR019	6559310	406708	305	-90	NA	91	54	55	1	2.29
LEFR020	6559241	406706	306	-90	NA	97	54	55	1	2.74
LEFR021	6559244	406743	306	-90	NA	85	49	55	6	1.04
LEFR022	6559239	406781	305	-90	NA	91	54	55	1	0.59
LEFR025	6559314	406652	300	90	NA	73	50	51	1	0.54

Note: Azimuth is not applicable as the drill holes are vertical.

Table 2: 2017 RC Drilling-Lefroy Gold Project-Red Dale Prospect- Gold intersections reported below Base of Alluvium (BOA)

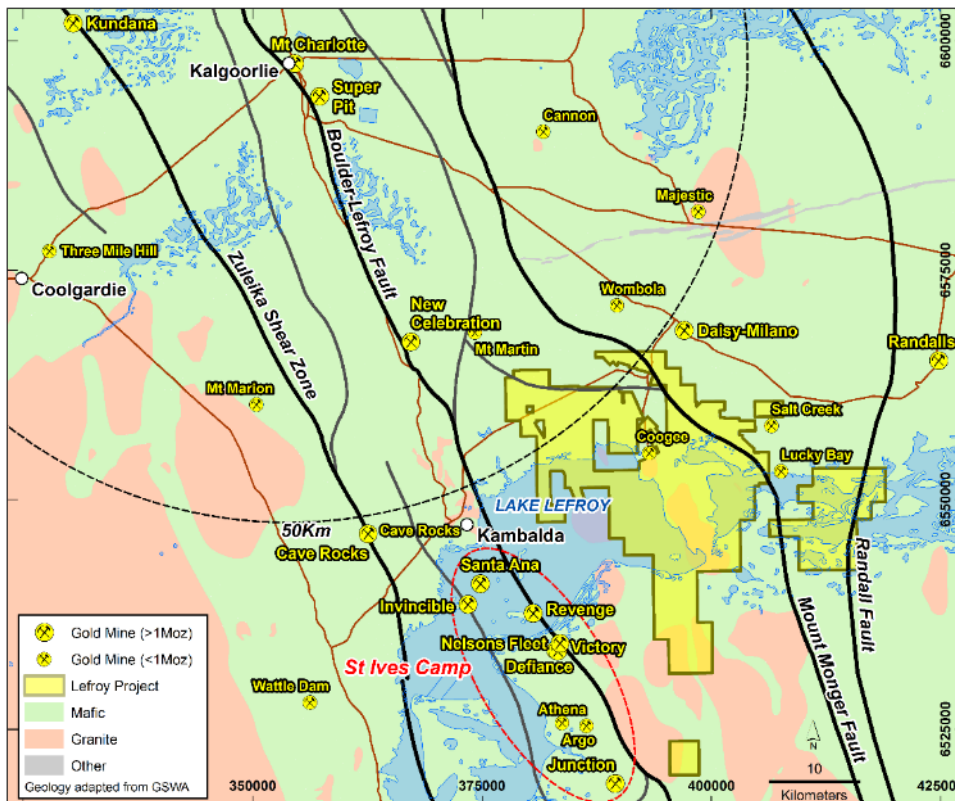
Drill hole intersections tabulated below are calculated with a 0.10g/t Au lower cut for the drill program. These represent the intersections from individual 1m sample results. Samples are routinely collected as 1m sample intervals from a cyclone. The last sample of each hole is dedicated 1m interval, and the prior sample can vary from 1-4m depending on final depth. **Only significant (>0.10ppm Au) intersections that occur below the Base of Alluvium (BoA) to highlight gold mineralisation in the bedrock 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)	Downhole Intersection (m)	Au Value (g/t)	Base of Alluvium (m)
LEFR002	6559395	406759	307	-90	NA	82	61	62	1	0.34	53.00
LEFR002	6559395	406759	307	-90	NA	82	62	63	1	0.33	53.00
LEFR002	6559395	406759	307	-90	NA	82	63	64	1	0.27	53.00
LEFR002	6559395	406759	307	-90	NA	82	72	73	1	0.15	53.00
LEFR002	6559395	406759	307	-90	NA	82	77	78	1	0.14	53.00
LEFR002	6559395	406759	307	-90	NA	82	79	80	1	0.21	53.00
LEFR006	6559477	406619	304	-90	NA	91	62	63	1	0.24	50.00
LEFR006	6559477	406619	304	-90	NA	91	64	65	1	0.32	50.00
LEFR009	6559564	406503	306	-90	NA	91	89	90	1	0.13	35.00
LEFR013	6559562	406658	307	-90	NA	85	68	69	1	0.33	48.00
LEFR017	6559319	406579	305	-90	NA	73	66	67	1	4.85	43.00
LEFR019	6559310	406708	305	-90	NA	91	59	60	1	0.39	52.00
LEFR019	6559310	406708	305	-90	NA	91	66	67	1	0.41	52.00
LEFR021	6559244	406743	306	-90	NA	85	57	58	1	0.39	54.00
LEFR021	6559244	406743	306	-90	NA	85	67	68	1	0.22	54.00
LEFR025	6559314	406652	300	90	NA	73	69	70	1	0.16	52.00

About Lefroy Exploration and the Lefroy 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.

For Further Information please contact:

Wade Johnson

Telephone: +61 8 93210984

Email: wjohnson@lestroyex.com

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 Red Dale Prospect 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

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 –Red Dale Prospect 19 May 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 Reverse Circulation (RC) drilling at the Red Dale Prospect, south west of the Daisy Milano gold mine. The RC program comprised 26 vertical holes for 2197m, holes varying in depth from 67-97m with an average depth of 85m. Hole spacing was a nominal 40m centres on traverses located 80m apart. Sampling and QAQC protocols as per industry best practice with further details below. RC samples were collected from the cyclone at 1m intervals in plastic bags and arranged in rows of 20m (20 samples). A combination of composite (2-4m) samples were then collected by PVC spear or scoop. One (1m) split samples directly off the drill rig were also collected 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 charge for analysis by fire assay with Au determination by Atomic Absorption Spectrometry (AAS).
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 Reverse Circulation (RC) drilling was completed by a Schramm Rotodrill rig from Raglan Drilling (Kalgoorlie). A 5" (approximately 125mm) face sampling hammer was used for the drilling program. Low air face sampling hammer drilling proved satisfactory to penetrate the regolith and reduce contamination risk.
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 samples varied from dry in the upper regolith and weathered/transitional sequence to moist/wet in the clay and sand/gravel lithologies. Diligent drilling and ROP (Rate of Penetration) provided generally reasonable sample recovery. Sample recovery size and sample condition (dry, wet, moist) recorded at time of drilling. 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 intersections logged.</i> 	<ul style="list-style-type: none"> Detailed logging of, regolith, lithology, structure, veining, alteration, mineralisation and recoveries recorded in each hole by qualified geologist. Logging carried out by sieving individual 1m sample cuttings, washing in water and the entire hole collected in plastic chip trays for future reference. 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,</i> 	<ul style="list-style-type: none"> No core drilling completed Composite samples of 2-4m were collected by scoop or PVC spear and

Criteria	JORC Code Explanation	Commentary
	<p><i>etc and whether sampled wet or dry.</i></p> <ul style="list-style-type: none"> • <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> 	<p>sampling of 1m intervals directly off rig-mounted splitter into pre-numbered calico bags. Sample weight 2 - 3 kg. End of hole (EOH) samples collected separately for future petrology and whole rock analysis studies. Collected samples bags placed in labelled and numbered plastic and/or polyweave bags for despatch to assay laboratory. Composite samples are yet to be despatched to the laboratory.</p> <ul style="list-style-type: none"> • The sample preparation of the RC samples follows industry best practice, involving oven drying, pulverising, to produce a homogenous sub sample for analysis. • Along with submitted samples, standards and blanks were randomly inserted (approximately every 40 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.
<p>Quality of assay data and laboratory tests</p>	<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"> • 1m interval samples routinely analysed for gold using the 40gram Fire Assay digest method with an AAS finish at Bureau Veritas's Kalgoorlie Laboratory (FA40AAS) Bottom of Hole (BOH) sample was also collected but is yet to be analysed. This sample was carefully selected and collected by the geologist to represent near fresh (Saprock) rock at the base of the hole and will be analysed for a suite of elements. • Magnetic Susceptibility measurements collected via Fugro RT-1 Magnetic Susceptibility (SI units). • Quality control process and internal laboratory checks demonstrate acceptable levels of accuracy. At the laboratory regular assay repeats, lab standards, checks and blanks were analysed.
<p>Verification of sampling and assaying</p>	<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 and verified by alternative company personnel. • 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 is then loaded to the Company's DATASHED database and validation checks completed to ensure data accuracy. Assay files are received electronically from the laboratory and filed to the Company's server, and provided to the external database manager. • There has been no adjustment to the assay data. The primary gold (Au) field reported by the laboratory is the priority value used for plotting, interrogating and reporting.
<p>Location of data points</p>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drill hole positions were surveyed using a hand held Garmin GPS 60 with a horizontal (Easting Northing) accuracy of +/-5m. Drill location is set up by the supervising geologist. No downhole

Criteria	JORC Code Explanation	Commentary
		<p>surveys completed.</p> <ul style="list-style-type: none"> • 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"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Hole spacing at nominal 40m centres on east west orientated drill lines with line spacing nominal 80m. • RC sample batch included both 1m split samples and composite samples (Range 2-4m). No assay compositing has been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • The East West orientated drill traverses considered effective to evaluate the northerly trending palaeochannel and north to north-westerly interpreted bedrock structures of interest. The RC drill holes were intended as follow up work to assess previous explorers' encouraging gold intercepts and were orientated appropriately to ensure unbiased sampling of the geological trends • The RC drill holes were intended as followup work to assess previous explorers' encouraging gold intercepts and were orientated appropriately to ensure unbiased sampling of the geological features and trends.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples were bagged in labelled and numbered polyweave or plastic bags, collected and personally delivered to the Bureau Veritas Laboratory (Kalgoorlie) by Company field personnel. Samples were then sorted and checked for inconsistencies against lodged Submission sheet by Bureau Veritas staff. • Bureau Veritas checked the samples received against the Lefroy Exploration Limited (LEX) submission sheet 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"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • All sampling and analytical results of the drill program were reviewed by the Senior Exploration Geologist and Managing Director. Anomalous gold intersections were checked against library chip trays to correlate with geology. No specific audits or reviews have been conducted.

Section 2: REPORTING OF EXPLORATION RESULTS – LEFROY PROJECT-Red Dale Prospect 19 May 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 it's wholly owned subsidiary's Hogans Resources Pty Ltd. The tenement E25/517 is current and in good standing with the Department of Mines and Petroleum (DMP) of Western Australia. The tenement is held by Hogans Resources Pty Ltd, a wholly owned subsidiary of Lefroy Exploration Limited. The tenement is 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"> Considerable previous exploration work was completed on the Red Dale tenure by Integra Mining Limited and Silverlake Resources Limited. The bulk of this work included phases of Aircore (AC), Reverse Circulation (RC) and Diamond drilling (DDH) and was completed mainly in the period 2007-2014. This work reported numerous anomalous and significant gold values (ASX: LEX Release dated 24th April, 2017).
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. Archean geology at the Red Dale prospect is concealed by overlying transported clay, laterite and sand/gravel. Drill information has revealed major lithology types including schistose in part ultramafic sequence, dolerite/gabbroic rocks and intermediate intrusives. Aeromagnetic data reveals (truncated in part) NNW trending features.
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 >0.50gpt Au) drill holes are included in the Table in the body of the announcement. No Information has been excluded. Historical drill holes (mainly Integra origin) were completed within the Red Dale Prospect and these are depicted on the drill hole plan and section in the announcement.

Criteria	JORC Code Explanation	Commentary
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. Where present, higher grade values are included in the intercepts table and assay values equal to or > 1.0 g/t Au have been stated on a separate line below the intercept assigned with the text 'includes' . Reported RC results have been calculated using 1m split samples. Composite samples collected from the initial 30m of each hole are yet to be submitted to the laboratory. The initial 20-30m of each hole is within barren overburden clays and not considered a priority to assay. 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. Previous drill coverage has provided guidance for the relatively flat-lying palaeochannel gold trend and vertical drilling is considered the most appropriate hole angle to assess. Vertical holes were also considered effective for testing for potential, local bedrock dipping bedrock.
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 assay results are provided in Tables 1 and 2 for the recent LEX RC drill program. Drill holes with no significant results are not reported. Significant assay results from historical drilling are noted in the body of the report and on Figures 2, 4 and 5.
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"> The appropriate next stage of exploration planning is currently underway and may be influenced by pending multielement and ongoing petrology studies.