

ASX Announcement

ASX: CLZ ACN 119 484 016

19 July 2017

NEAR-SURFACE, HIGH GRADE GOLD ZONE EXTENDED AT LADY ADA DEPOSIT, FORRESTANIA GOLD PROJECT, WA

Highlights:

- Drilling at Lady Ada has returned spectacular high-grade results from outside the current Scoping Study pit design, highlighting significant potential to expand current Mineral Resource estimate at FGP (refer to ASX announcement dated 14th March 2017)

Additional results (for Lady Ada only) include:

- **MARC001: 9m @ 6.23 from 36m – including 6m @ 9.06, and 2m @ 15.74 from 37m (new zone)**
- Best results for Lady Ada (for the 2017 drilling campaign - to date) include:
 - **MARC001: 9m @ 6.23 from 36m – including 6m @ 9.06 and 2m @ 15.74 from 37m**
 - **MARC003: 12m @ 1.74 from 64m – including 3m @ 2.03 from 72m**
 - **MARC015: 2m @ 9.77 from 109m – including 1m @ 18.6 from 109m**
 - **MARC002: 11m @ 1.25 from 64m – including 2m @ 3.58 from 73m**
 - **MARC001: 2m @ 3.53 from 48m**
- Intersected high-grade zone remains open at depth and along strike, warranting further follow up drilling. This will be aggressively targeted, along with the SE-plunging depth extension at Lady Ada reported in ASX announcement dated 5 July 2017.
- Scale of alteration and mineralisation observed in all holes drilled to date continues to be indicative of a potentially large-scale gold system
- Further assays for Lady Magdalene drilling expected to be received imminently

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I. INTRODUCTION

WA-focused gold exploration and development company Classic Minerals Limited (ASX: CLZ) ("Classic", or "the Company") is pleased to advise that it has received additional assay results for the initial holes drilled at the Lady Ada deposit as part of the Phase I drilling program at the Company's Forrestania Gold Project ("FGP") in Western Australia.

MARC001 was a standout hole which yielded very impressive, high-grade gold mineralisation at a shallow depth (38m) in an area that is outside of the current optimised pit design.

The strong results support the work that is currently planned to upgrade the Mineral Resources at the Forrestania Gold Project. The drilling was designed to target mineralisation outside of the current resource model as well as high-grade extensions below -and adjacent to- the current pit design. This is in line with Classic's strategy to sufficiently grow its Mineral Resources to a size that supports establishment of an on-site processing facility at FGP, as assessed in FGP Scoping Study (see ASX announcement released 2nd May 2017).

The Reverse Circulation (RC) drill program drilled to date comprised a total of 18 holes for 3,670m (MARC001 - MARC018), of which eight holes were drilled at Lady Ada. Additional results are presented for three holes (MARC001 - MARC003). Assay results for the remaining intersections and holes are expected to be announced as they are received.

An additional POW ("Program of Works") was lodged with the DMP ("Department of Mines and Petroleum") for an in-fill and extensional drilling program. This has now been approved, allowing Classic to rapidly move to the next phase of exploration and development at the FGP. The Company will update the market accordingly.

Table I Best Lady Ada drill results received to date

Hole	From	To	Length	Results	Comment
MARC001	36	45	9	9m @ 6.23 from 36m	Including 6m @ 9.06, and 2m @ 15.74 from 37m
MARC003	64	76	12	12m @ 1.74 from 64m	Including 3m @ 2.03 from 72m
MARC015	109	111	2	2m @ 9.77 from 109m	Including 1m @ 18.6 from 109m
MARC002	64	75	11	11m @ 1.25 from 64m	Including 2m @ 3.58 from 73m
MARC001	48	50	2	2m @ 3.53 from 48m	
MARC001	53	58	5	5m @ 1.24 from 53m	
MARC003	54	56	2	2m @ 3.05 from 54m	
MARC004	47	48	1	1m @ 3.82 from 47m	

Classic's Managing Director, Justin Douch, commented:

"Lady Ada is a stacked, shallow-dipping ore body which is open at depth and along strike. These latest assay results are very exciting, as they suggest that one of the near-surface lower grade zones has high-grade extensions, reaffirming our view that the Forrestania Gold Project potentially hosts a much larger gold system."

We see this as a great opportunity to increase the Mineral Resource at Lady Ada, but also, in the longer term, improve the project economics as pre-stripping for the planned cut-back may now be able to incorporate some of this high-grade material into the mine design."

Lady Ada now has several follow up exploration target zones, and with drilling approvals already in place, further drilling around this particular hole is planned to ascertain the extent of the zone."

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This is a great result for our Phase 1 exploration campaign at the Forrestania Gold Project and we are looking forward to reporting the subsequent Lady Magdalene assay results in the coming weeks. Our success at Lady Ada gives us confidence that drilling at Lady Magdalene will also confirm the existence of potentially economic mineralisation trending SE at depth."

2. ABOUT THE FORRESTANIA PROJECT

The FGP Tenements 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. Hannans' 20% interest is free-carried, meaning Hannans is not required to fund any activities on the FGP until a decision to mine has been made. For the avoidance of doubt Hannans Ltd owns a 100% interest in non-gold rights on the FGP Tenements including but not limited to nickel, lithium and other metals.

The Forrestania Gold Project contains an existing Mineral Resource of 5.9 Mt at 1.25 g/t for 240,000 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 Lady Lila 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 14th March 2017 and 21st March 2017.

Prospect	Indicated			Inferred		
	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (Au g/t)	Ounces Au
Lady Ada	283,500	1.78	16,200	260,000	2.2	18,750
Lady Magdalene	1,828,500	1.08	63,700	2,450,000	1.5	118,000
Lady Lila				541,000	1.38	24,000
Total	2,112,000	1.17	79,900	3,251,000	1.53	160,750

Notes:

1. The Mineral Resource is classified in accordance with JORC, 2012 edition
2. The effective date of the mineral resource estimate is 31 December 2016.
3. The mineral resource is contained within FGP tenements
4. Estimates are rounded to reflect the level of confidence in these resources at the present time.
5. The mineral resource is reported at 0.5 g/t Au cut-off grade
6. Depletion of the resource from historic open pit mining has been taken into account

3. DRILLING AT LADY ADA – CONFIRMING RESOURCE DEVELOPMENT MODEL

Upon first examination of the generally east-dipping mineralisation, the mineralisation appears to be diminishing at depth. However, when the high-grade intervals (>5.0 g/t Au) are displayed in plan-view (see appendix 2 of ASX Announcement dated 14 March 2017) a south-easterly plunging trend is readily observable. When cross-sections are created parallel to the high-grade plunge, it is clear the mineralisation is open at depth as shown in the oblique -and cross sections provided in Figures 2 & 3.

The mineralisation at Lady Ada is hosted within the Sapphire Shear, which presents as two zones of stacked shallow dipping faults. The grades within the shear are variable (typical of shear hosted systems) and present commonly as intervals of 2-3 m, with average grades frequently ranging up to 5.0-15.0 g/t Au. Figure 2 and Figure 3 show high-grade intercepts that have not been closed off at depth. The main (eastern) high-grade part of the Mineral Resource is 55 m wide with a down-dip length of 230 m; the second (western) high-grade part of the Mineral Resource is approximately 35 m wide with a down-dip length of 170 m (as first reported in the ASX announcement from 9 March 2017).

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MARC002 and MARC003 hit wide zones of mineralisation, which appear to be an extension to one of the flatter lying mineralised zones, which also continues along the same general SE direction. Assays for the deeper zone that was targeted by MARC002 and MARC003 (see Figure 2) have not been returned yet.

MARC001 showed significant mineralisation near surface (including 6m @ 9.06 and 2m @ 15.74 from 38m) and this zone is interpreted as a higher grade extension of the uppermost flatter dipping zones (Figure 1). It is evident from reviewing all drilling results that seemingly low-grade zones may taper into, or include significant high-grade and wide zones. CLZ is carrying out additional sampling at MARC004 and other holes where close-to-surface intervals were not assayed, to add to geological understanding.

Classic's next drilling programme will focus on infill drilling to upgrade – and on extension drilling to extend – the existing Mineral Resource. Based on recent interpretations, part of the drilling will also focus on new targets directly adjacent to Lady Ada and Magdelene deposits.

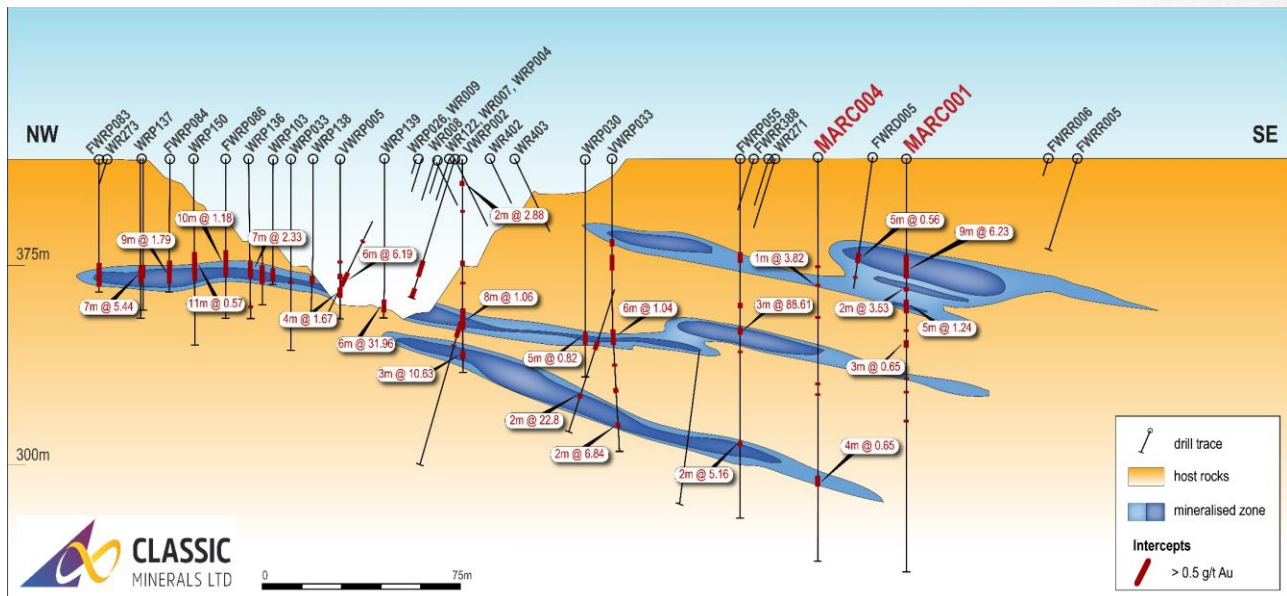


Figure 1: Lady Ada cross section looking north east showing CLZ drill holes MARC001 and MARC004

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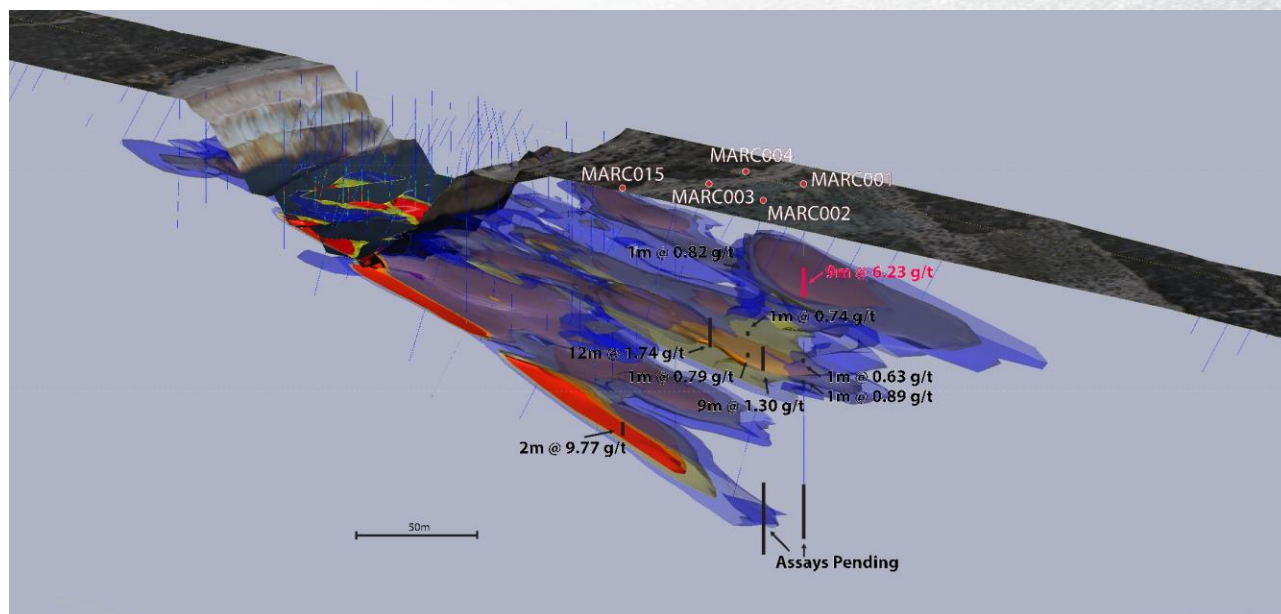


Figure 2: Lady Ada oblique section looking North, showing the implicit mineralisation model and the exploration drilling results.

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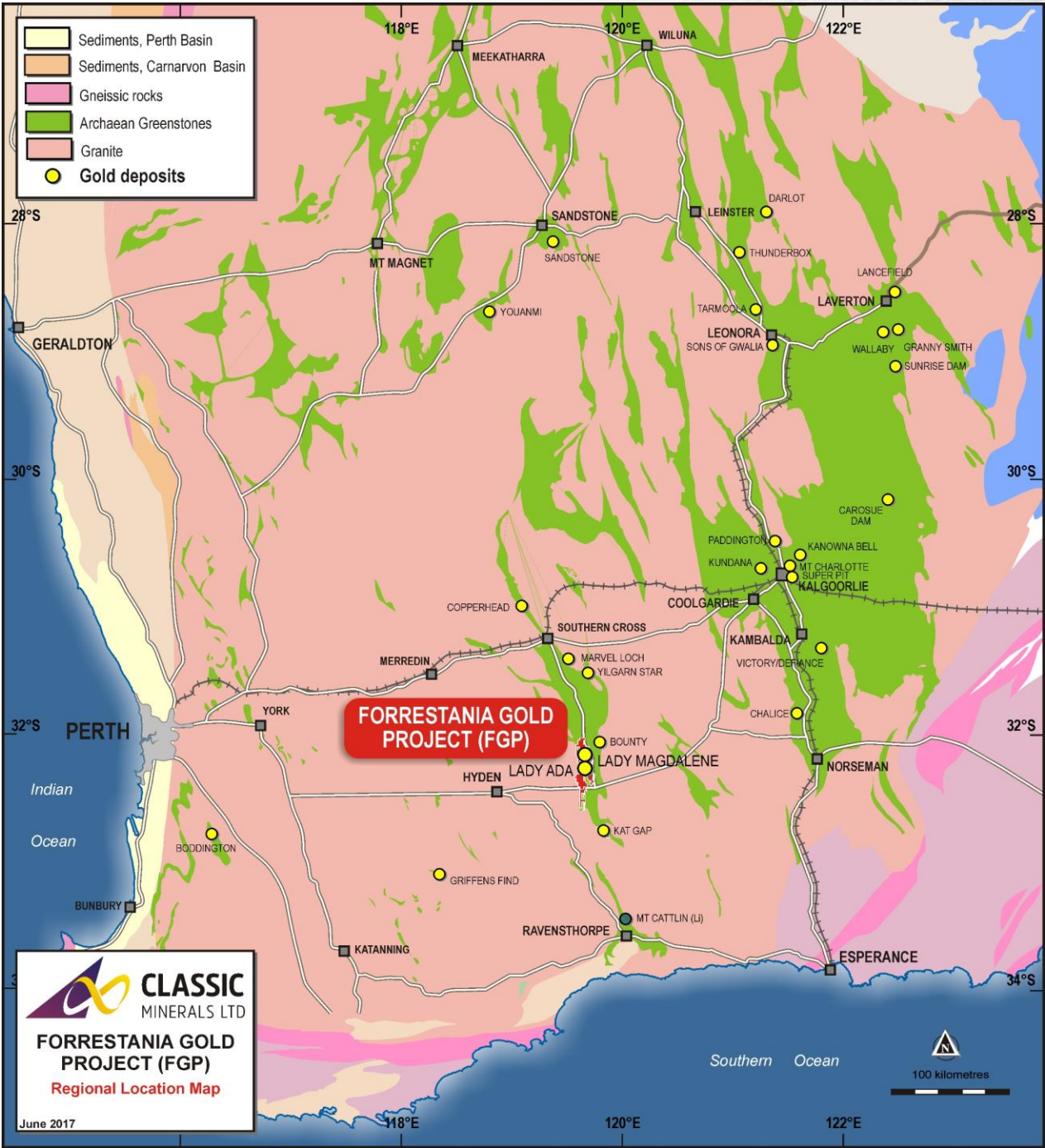


Figure 3: Regional Map

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On behalf of the board,

Justin Douth
Managing Director



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Forward Looking Statements

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward looking statements are subjected to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to Resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the Countries and States in which we operate or sell product to, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s annual reports, as well as the Company’s other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward-looking statements” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Competent Persons Statement

The information contained in this report that relates to Mineral resources and Exploration Results is based on information compiled by Edward S. K. Fry, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Fry is a consultant exploration geologist with BGM Investments Pty Ltd and consults to Classic Minerals Ltd. Mr. Fry 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. Fry consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Summary of all 2017 drilling results to date (including Magdelene), reported at maximum 2m internal dilution and with a 0.5 g/t Au cut-off

Hole	From	To	Length	Results	Comment
MARC001	36	45	9	9m @ 6.23 from 36m	Including 6m @ 9.06, and 2m @ 15.74 from 37m
MARC001	48	50	2	2m @ 3.53 from 48m	
MARC001	53	58	5	5m @ 1.24 from 53m	
MARC001	64	65	1	1m @ 0.58 from 64m	
MARC001	68	71	3	3m @ 0.65 from 68m	
MARC001	82	83	1	1m @ 0.63 from 82m	
MARC001	87	88	1	1m @ 0.89 from 87m	
MARC001	98	99	1	1m @ 0.62 from 98m	
MARC002	49	50	1	1m @ 1.4 from 49m	
MARC002	54	57	3	3m @ 0.38 from 54m	
MARC002	64	75	11	11m @ 1.25 from 64m	Including 2m @ 3.58 from 73m
MARC002	79	80	1	1m @ 0.51 from 79m	
MARC002	145	146	1	1m @ 1.25 from 145m	
MARC003	45	46	1	1m @ 0.65 from 45m	
MARC003	54	56	2	2m @ 3.05 from 54m	
MARC003	64	76	12	12m @ 1.74 from 64m	Including 3m @ 2.03 from 72m
MARC003	113	114	1	1m @ 0.55 from 113m	
MARC004	40	41	1	1m @ 0.90 from 40m	
MARC004	47	48	1	1m @ 3.82 from 47m	
MARC004	59	60	1	1m @ 0.64 from 59m	
MARC004	84	85	1	1m @ 0.74 from 84m	
MARC004	88	89	1	1m @ 0.79 from 88m	
MARC004	119	123	4	4m @ 0.65 from 119m	
MARC005	70	71	1	1m @ 0.66 from 70m	
MARC005	79	81	2	2m @ 0.84 from 79m	
MARC005	92	94	2	2m @ 1.04 from 92m	
MARC005	105	106	1	1m @ 9.99 from 105m	Ending in mineralisation, pending laboratory results
MARC005	179	186	7	7m @ 2.43 from 179	Including 1m @ 10.15 from 181m. Ending in mineralisation, pending laboratory results
MARC006	43	46	3	3m @ 0.51 from 43m	
MARC006	50	53	3	3m @ 1.87 from 50m	
MARC006	59	60	1	1m @ 0.62 from 59m	
MARC006	65	66	1	1m @ 0.94 from 65m	
MARC006	104	106	2	2m @ 0.82 from 104m	
MARC006	115	116	1	1m @ 0.53 from 115m	
MARC007	37	40	3	3m @ 0.71 from 37m	
MARC007	43	44	1	1m @ 0.66 from 43m	

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MARC007	76	80	4	4m @ 4.66 from 76m	
MARC007	88	89	1	1m @ 0.82 from 88m	
MARC007	99	100	1	1m @ 2.12 from 99m	
MARC008	57	58	1	1m @ 0.67 from 57m	
MARC008	81	87	6	6m @ 1.18 from 81m	Including 2m @ 2.06 from 83m
MARC008	139	151	12	12m @ 2.08 from 139m	Including 3m @ 4.59 from 142m
MARC009	68	70	2	2m @ 1.4 from 68m	
MARC009	75	77	2	2m @ 2.52 from 75m	
MARC009	138	145	7	7m @ 4.95 from 138m	Including 3m @ 10.00 from 141m
MARC010	101	102	1	1m @ 0.94 from 101m	
MARC010	110	114	4	4m @ 3.25 from 110m	Including 3m @ 4.10 from 111m
MARC010	186	191	5	5m @ 1.08 from 186m	
MARC011	45	46	1	1m @ 0.82 from 45m	
MARC011	110	111	1	1m @ 0.63 from 110m	
MARC011	111	112	1	1m @ 0.78 from 111m	
MARC011	117	122	5	5m @ 1.22 from 117m	
MARC012	115	117	2	2m @ 3.05 from 115m	
MARC012	122	127	5	5m @ 0.86 from 122m	
MARC012	133	134	1	1m @ 0.65 from 133m	
MARC013	117	118	1	1m @ 1.04 from 117m	
MARC013	140	141	1	1m @ 1.08 from 140m	
MARC013	226	228	2	2m @ 2.12 from 226m	
MARC014	117	118	1	1m @ 0.57 from 117m	
MARC014	130	131	1	1m @ 0.84 from 130m	
MARC014	134	135	1	1m @ 0.56 from 134m	
MARC014	212	214	2	2m @ 0.78 from 212m	
MARC015	44	45	1	1m @ 1.69 from 44m	
MARC015	48	49	1	1m @ 0.61 from 48m	
MARC015	109	111	2	2m @ 9.77 from 109m	Including 1m @ 18.6 from 109m

Summary of drilling details:

hole_id	hole_type	E_UTM	N_UTM	RL	depth	azimuth	dip
MADD001	DD	751265	6430540	415	85	270	-60
MADD002	DD	751397	6429510	415	130	315	-65
MARC001	RC	751423	6429483	415	165	0	-90
MARC002	RC	751399	6429470	415	165	0	-90
MARC003	RC	751384	6429498	415	150	0	-90
MARC004	RC	751408	6429513	415	150	0	-90
MARC005	RC	751475	6430331	424	225	270	-60

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MARC006	RC	751445	643023I	419	210	270	-60
MARC007	RC	751395	6430280	420	185	270	-60
MARC008	RC	751409	6430380	420	185	270	-60
MARC009	RC	751434	643043I	420	175	270	-60
MARC010	RC	751519	643038I	424	225	270	-60
MARC011	RC	751394	6430480	419	150	270	-60
MARC012	RC	751565	643028I	423	265	270	-60
MARC013	RC	751596	6430182	422	300	270	-60
MARC014	RC	751545	643033I	422	250	270	-60
MARC015	RC	751345	6429503	416	165	0	-90
MARC016	RC	751454	642951I	416	225	0	-90
MARC017	RC	751466	6429545	416	235	0	-90
MARC018	RC	751471	642958I	416	245	0	-90

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Appendix 1: JORC (2012) Table1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• The samples were taken by a RC face sampling hammer drill. All RC holes were sampled at one-metre intervals.• Care was taken to control metre delineation, and loss of fines.• The determination of mineralisation was done via industry standard methods, including RC drilling, followed by splitting, crushing and fire assaying
Drilling techniques	<ul style="list-style-type: none">• 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).	<ul style="list-style-type: none">• All drilling was completed using reverse circulation method, using a 685 Schramm 2010 model rig and 6m Remet Harlsen 4 ½ inch rods. The rig mounted Airtruck has 1150 cfm 500 psi auxiliary couples with a hurricane 7t Booster 2400 cfm /1000 psi booster. The bit size was 5 5/8,
Drill sample recovery	<ul style="list-style-type: none">• Method of recording and assessing core and chip sample recoveries and results assessed.	<ul style="list-style-type: none">• Recoveries from the drilling are not known, as sample weights were not recorded at this stage of exploration, but visual inspection of plastic sample bags in the field indicate that recoveries were sufficient.

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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The shroud tolerance was monitored, and metre delineation was kept in check. Loss of fines was controlled through mist injection. It is not clear whether a relationship between recovery and grade occurs as recovery data was not collected (e.g. bag weights).
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Core and chips were logged to a level of detail to support the Mineral Resource estimation. Logging was qualitative in nature. All intersections were logged
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> Sample splitting on the rig was carried out using a Sandvik static cone splitter. Most sampling was dry, however, some sampling occurred wet. Further preparation at the laboratory was carried out using standard Rocklands crushers and linear sample dividers, followed by pulverising and scooping out of the bowl for final aliquot weighing. The nature and quality of the rig sampling suits the purpose, being exploration. The laboratory preparation is standard practice and has not been further refined to match the ore. Rig split duplicates were submitted. QC in the lab prep stage was limited to taking pulp duplicates (e.g. no coarse crush duplicates were submitted) The sample split sizes (4-5 kg are regarded as more than adequate for the nature and type of material sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Standard 50g fire assays with an AAS finish were used to get assay results. This is a total technique, and considered appropriate for this level of exploration. Quality control was carried out by inserting blanks and standards into the sampling chain and 5% intervals. These all showed acceptable levels of accuracy and precision.

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	<ul style="list-style-type: none"> 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. 	
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant intersections have not been validated by independent or alternative personnel. No twin holes were included in this programme, as it is not relevant to the stage of exploration and purpose of this drilling. All primary data was collected on spread sheets which have been validated for errors and included into an Access database. Assay data has not been adjusted
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill hole locations were determined by GPS in the field in UTM zone 50. Topographic control is available through a detailed satellite-derived DTM.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Holes were not drilled on a pattern and there was no specific drill hole spacing. In general holes are drilled within 50-75m from previous intersections. The data spacing is considered sufficient to demonstrate geological and grade continuity for estimation procedures. Samples were not composited.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The orientation of sampling has achieved unbiased sampling of structures, with drilling perpendicular to the dip and strike of the mineralised zones The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were immediately dispatched to the laboratory and have at all times been in possession of CLM or its designated contractors. Chain of custody was maintained throughout.

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Audits or reviews	<ul style="list-style-type: none">The results of any audits or reviews of sampling techniques and data	<ul style="list-style-type: none">No audits of any of the data have been carried out.
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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	<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 FGP Tenements are registered in the name of Reed Exploration Pty Ltd, which is a wholly owned subsidiary of ASX-listed Hannans Ltd (ASX code: HNR). Classic has acquired 80% of the gold rights only, with the remaining 20% of the gold rights held free-carried by Hannans Ltd until a decision to mine. Hannans Ltd also holds all of the non-gold rights on the FGP tenements including but not limited to nickel, lithium and other metalsThe acquisition includes 80% of the gold rights (other mineral rights retained by tenement holder) in the following granted tenements: E77/2207; E77/2219; E77/2239; P77/4290; P77/4291; E77/2303; E77/2220.
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">All exploration was carried out by previous owners of the tenements (Aztec Mining, Forerestania Gold NL, Viceroy Australia, Sons of Gwalia)
Geology	<ul style="list-style-type: none">Deposit type, geological setting and style of mineralisation.	<ul style="list-style-type: none">The deposit is a Archean shear-zone hosted gold deposit.Geological interpretation indicates that the general stratigraphy consists of metasediments, BIF's and cherts to the east of the tenement, overlying an older sequence of metamorphosed komatiitic and high-magnesian basalts to the west. Black shales/pelites occur as small interbedded units throughout the stratigraphy, which dips gently to the east (10-35°) and strikes N-S, bending in a NNW direction in the far north of the tenement.An Archean-aged quartz dolerite unit (informally the 'Wattle Rocks Dolerite') is emplaced along a contact between high-MgO basalt to the

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		<p>west and low-MgO ultramafic to the east, in the western part of the tenement and is the host rock for the Lady Ada (and Lady Magdalene) mineralisation. Strongly magnetic Proterozoic dolerite dykes cross-cut the stratigraphy in an east-west direction, splaying to the ENE, following fault directions interpreted from the aeromagnetics. A number of narrow shear zones lie subparallel to the shallow-dipping metasediment-mafic contact within the host stratigraphy and are important sites and conduits for the observed mineralisation. The Sapphire shear zone strikes approximately ENE, dipping to the SE at about 25°, and appears to crosscut all lithologies. This shear zone and associated shears host the bulk of the gold mineralisation at Wattle Rocks. Similar flat-dipping shears are known to crosscut the Lady Magdalene area. Approximately 8-12 metres of transported sands and a gold depleted weathering profile of saprolitic clays overly the Lady Ada and Lady Magdalene mineralisation.</p> <ul style="list-style-type: none">Structurally, the Wattle Rocks area is quite complex and is positioned near the intersection of several major breakages and flexures in the regional stratigraphy in this part of the Forresteria Greenstone belt. Numerous shear zones are evident throughout the area, particularly at changes of rock stratigraphy where there are rheological differences. Narrow, stacked, flat-dipping shear zones are evident within the quartz dolerite unit and may have resulted from thrusting of the younger sedimentary sequence over the mafic package from east to west. A similar model is predicted for Van Uden (10 km northwards) where mineralised quartz veins appear to 'stack' through a host ferruginous metasediment.
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	<ul style="list-style-type: none">This information is provided in attached tables

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	<ul style="list-style-type: none"> ○ 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. <ul style="list-style-type: none"> • 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. 	
Data aggregation methods	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • High grades were not cut in the reporting of weighted averages in this Report. • Summary drill hole results as reported in figures and in the appendix 2 to this Report are reported on a 2m internal dilution and 0.5 g/t Au cut-off.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • In almost all cases, the drill holes are perpendicular to the mineralisation. The true width is not expected to deviate much from intersection width.
Diagrams	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Appropriate images have been provided in the Report.

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Balanced reporting	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">Figures represent specific selected drill intervals to demonstrate the general trend of high grade trends. Cross sections show all relevant result in a balanced way.
Other substantive exploration data	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">No other relevant data is reported
Further work	<ul style="list-style-type: none">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.	<ul style="list-style-type: none">Further RC drilling is being considered.Figures clearly demonstrate the areas of possible extensions