

## Large surface gold anomaly recognised near Lucky Strike Trend

### Key Points

- Newly identified, broad, untested surface gold anomaly known as Capstan located adjacent and parallel to the Lucky Strike Trend, at the Lefroy Gold Project
- Anomalous trend defined from auger and soil sampling over a 3500m strike length is untested by drilling and located 500m to the north east of the Lucky Strike gold trend.
- Lucky Strike and newly identified Capstan anomaly straddle interpreted position of the regional Mt Monger Fault
- Anomaly is situated over interpreted north west trending sequence of dolerite and High Mg basalt that are considered prospective for brittle hosted lode gold style mineralisation
- Capstan and Lucky Strike are located within 5km south west of Silver Lake Resources' Randall's Processing Plant.
- The Capstan anomaly provides further evidence to support the Company's view of the gold mineral potential of the area.



**Figure 1** View from Capstan anomaly looking north east to Randalls Processing Plant in back ground (Photo Location: GDA94 6557316N 404293E)

#### **LEFROY EXPLORATION LIMITED**

Western Australian Focused  
Gold Explorer

**ASX Code:** LEX

**Shares on Issue:**  
64.5m

**Current Share Price:**  
15c

**Market Capitalisation:**  
\$10.75m

#### **Board of Directors**

Chairman  
Gordon Galt

#### **Non-Executive Directors**

Michael Davies  
James Beecher  
Geoffrey Pigott

Managing Director  
Wade Johnson

#### **Flagship Exploration Project**

Lefroy Gold Project

#### **Growth Exploration Projects**

Lake Johnston Project  
Murchison Project

#### **Australian Registered Office**

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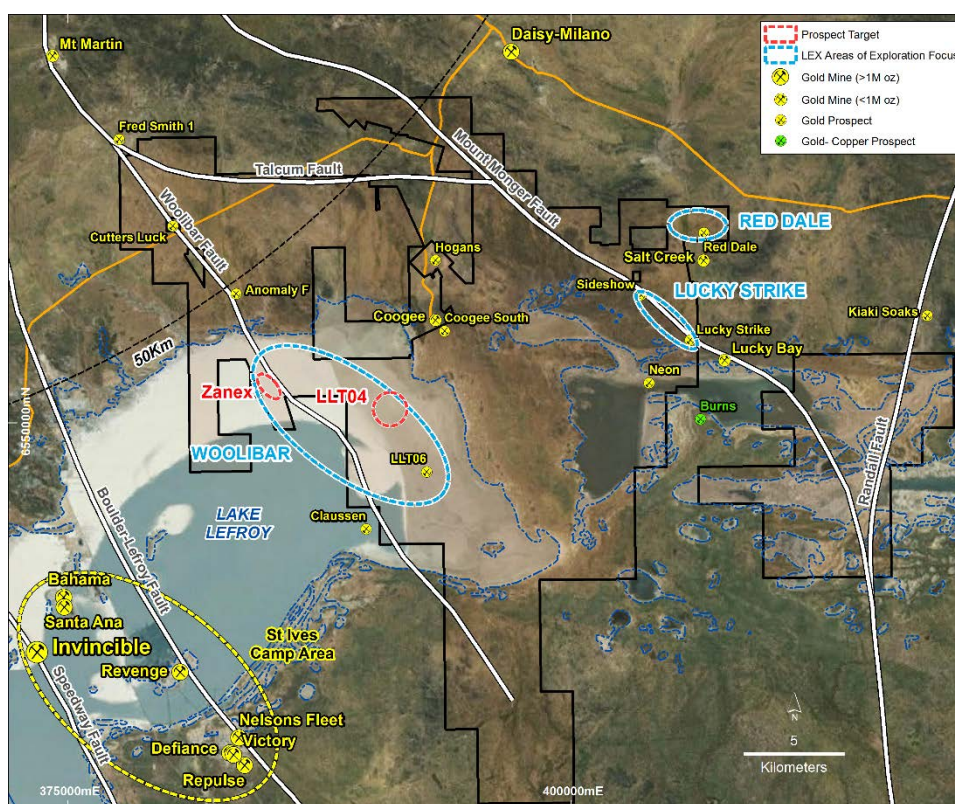
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The Board of Lefroy Exploration Limited (ASX: LEX) (“Lefroy” or “the Company”) is pleased to report the newly identified Capstan surface gold anomaly adjacent to the Lucky Strike Trend at its flagship Lefroy Gold Project (“LGP” or “Project”), located approximately 50km to the south east of Kalgoorlie (Figure 1).

The Lefroy Project is wholly owned by the Company and the commanding semi-contiguous granted land package covers 547km<sup>2</sup> immediately east of the St Ives Gold camp, (operated by Gold Fields) and south of the Mt Monger gold centre (operated by Silver Lake Resources Limited (ASX:SLR)). Four operating gold plants are located within 50km of the LGP and provide potential processing options for the Company for the development of small gold resources whilst remaining focused on its search for the discovery of a major gold deposit.



**Figure 1** Location of the Lefroy Gold Project land package and current key areas of LEX exploration focus, including Lucky Strike.

The Company has maintained a focus of gold exploration during 2017 along the Lucky Strike Trend and at Red Dale both within close proximity to the Randalls Processing Facility operated by SLR (Figure 2). Exploration to date has discovered a new sediment hosted gold system at Lucky Strike and a developing palaeochannel hosted gold system at Red Dale that is considered secondary to a primary bedrock source. The exploration approach is driven by reinterpretation of geophysical datasets, particularly ground gravity data, as the basis for focused targeting in the area.

The Company recently initiated compilation and assessment of previous exploration data in the area focused on surface sampling techniques such as auger, soil and pedogenic carbonate sampling. This work was undertaken as a secondary exploration stage behind the more project wide emphasis over the last 12 months of compiling historical drilling data, extending back to the early 1990's.

With this valuable drilling data compilation near complete, the data search has recently focused on the soil sampling conducted by previous explorers dating back again to the early 1990's. Much of this data is pre digital era and has required careful transfer from hardcopy to spreadsheets prior to import and validation in the Company's Datashed database.

Compilation of historical surface sampling was initiated subsequent to the positive results from recent drilling along the Lucky Strike Trend and at Red Dale. This work involved sourcing surface sampling geochemical data comprising auger, soil and pedogenic carbonate point samples from open file WAMEX reports sourced from the Department of Mines, Industry Regulation and Safety.

The previous exploration was mainly completed in the early 1990's by Solomon (Australia) Pty Ltd (Solomon), Western Mining Corporation Ltd, Eagle Bay Resources, Titan Resources Ltd, General Gold NL and Ramsgate Resources NL (Table 1). The compilation of this data, much of it from hard copy sources, has resulted in the capture of high value surface geochemical data to support GIS targeting and interrogation with the Company's existing geological data sets.

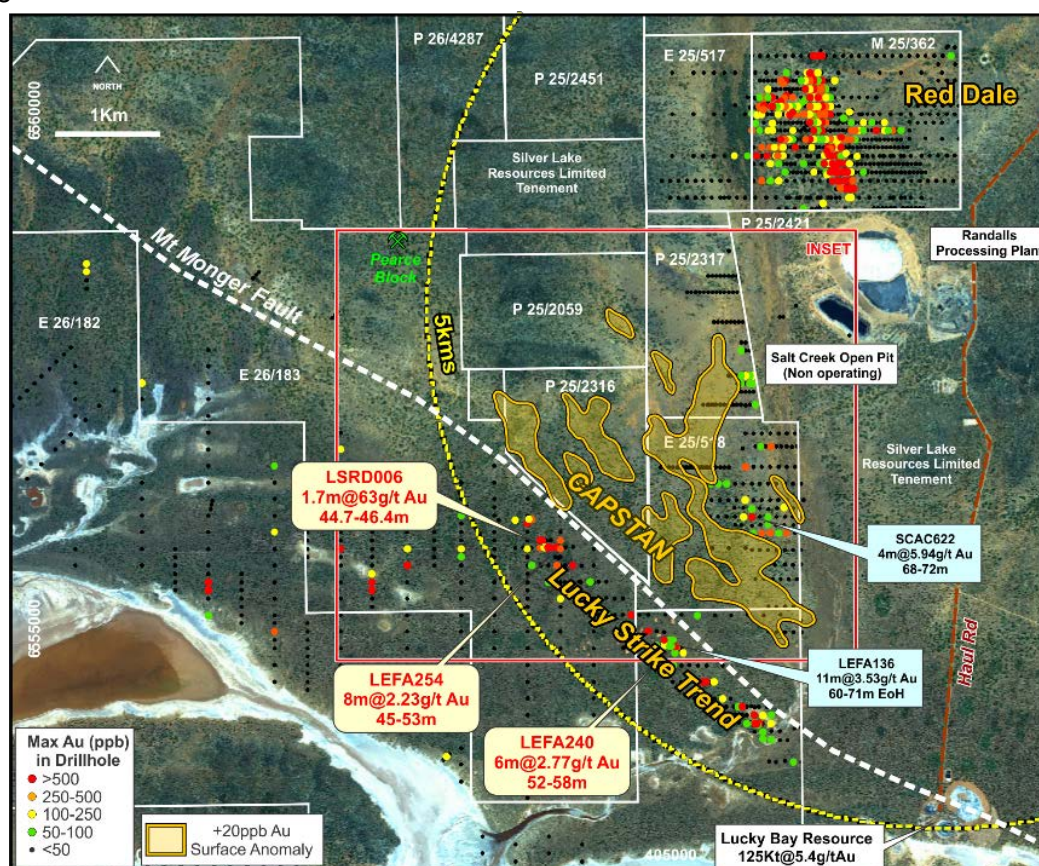
Compilation and assessment of the multiple surface sample techniques by the various previous exploration companies has generated a large robust gold anomaly (plus 20ppb Au contour) approximately 500m to the north of the Lucky Strike Trend and extending over a 3500m strike (Figures 2&3). The anomaly, named the **Capstan**, lies subparallel to the Lucky Strike Trend, and most of the anomaly is untested by drilling. It is important to note that the auger sampling by Solomon and General Gold that defines the eastern part of the Capstan anomaly also defined a gold anomaly, with a peak value of 90ppb Au, over the Salt Creek deposit. This demonstrates that the techniques applied at the time are considered appropriate in the present time.

Auger sampling on an east west pattern by Ramsgate Resources NL during 1993-1995 and General Gold NL in 1998-1999 provide the more robust definition of the anomalous Capstan anomaly, relative to the earlier soil sampling by Titan Resources and WMC Limited. This is likely due to the auger technique providing a sample from a deeper soil horizon (1m) that likely comprises a pedogenic carbonate horizon.

Peak gold values from the soil sampling within the anomaly include 31ppb Au in auger by Ramsgate Resources, 42ppb Au in auger by Solomon/General Gold and 27ppb in soils by Eagle Bay Resources. The area of the gold anomaly is devoid of outcrop but is interpreted from geophysical data and GSWA mapping to be underlain by dolerite and High Mg basalt rock units.



Importantly, 2km along strike to the north west are the Pearce Block historical (1890's) gold workings (Figure 2) that occur over a 250m strike length and which are sited on a quartz reef within dolerite host rocks. The orientation of this quartz reef is parallel to the Lucky Strike Trend and Capstan anomaly. The gold occurrences support the Company's interpretation of these being part of a major gold mineralised structural corridor that occurs adjacent to the Mt Monger Fault.



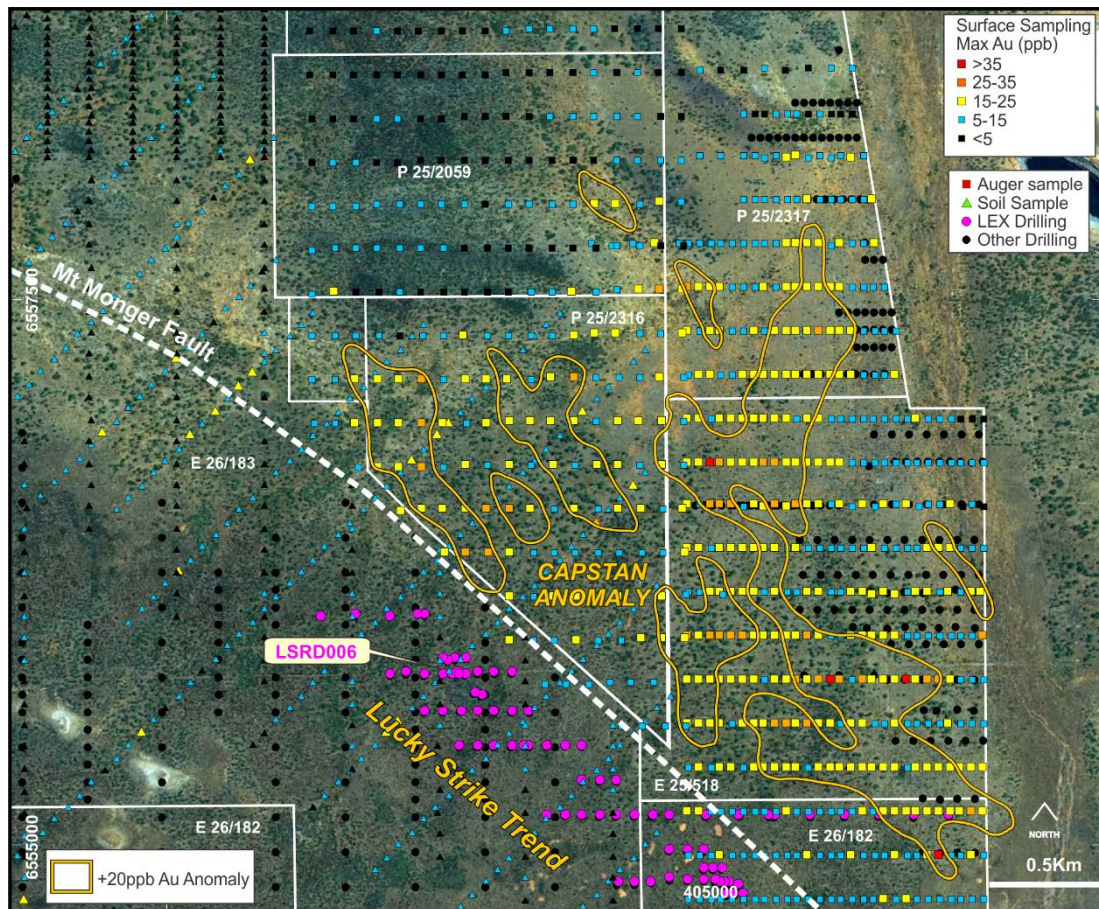
**Figure 2** Location of the Capstan anomaly relative to the LEX Lucky Strike Trend and Red Dale Prospect and proximity to the Randalls Processing Facility and infrastructure operated by SLR. The key Lucky Strike air core gold intersections are also highlighted (refer to Figure 2 for detailed inset map and surface sampling plan)

The recent recognition of the Capstan anomaly further enhances the gold prospectivity and potential of the area within 5km's of the Randalls Processing Facility as demonstrated by the Salt Creek and Lucky Bay Deposits, the Red Dale Prospect and the emerging Lucky Strike Trend.

## Next Steps

Given the proximity to the Lucky Strike Trend the Company considers the Capstan anomaly a high priority target in its Lefroy Project portfolio. Previous sampling, although considered effective, has been completed by multiple explorers, with varying sampling and assaying techniques. An infill auger geochemical program is planned as an initial validation program to ensure a consistent sample medium and assay technique across the entire Capstan anomaly. This will provide greater confidence in and enhance the definition of the anomaly and is expected commence in January 2018.





**Figure 3-Inset Map** Location of the Capstan Anomaly relative to the LEX Lucky Strike Trend and the extent of the previous soil sampling completed. LEX Diamond hole LSRD006 at Lucky Strike is provided for reference.

### Background- Lucky Strike Trend

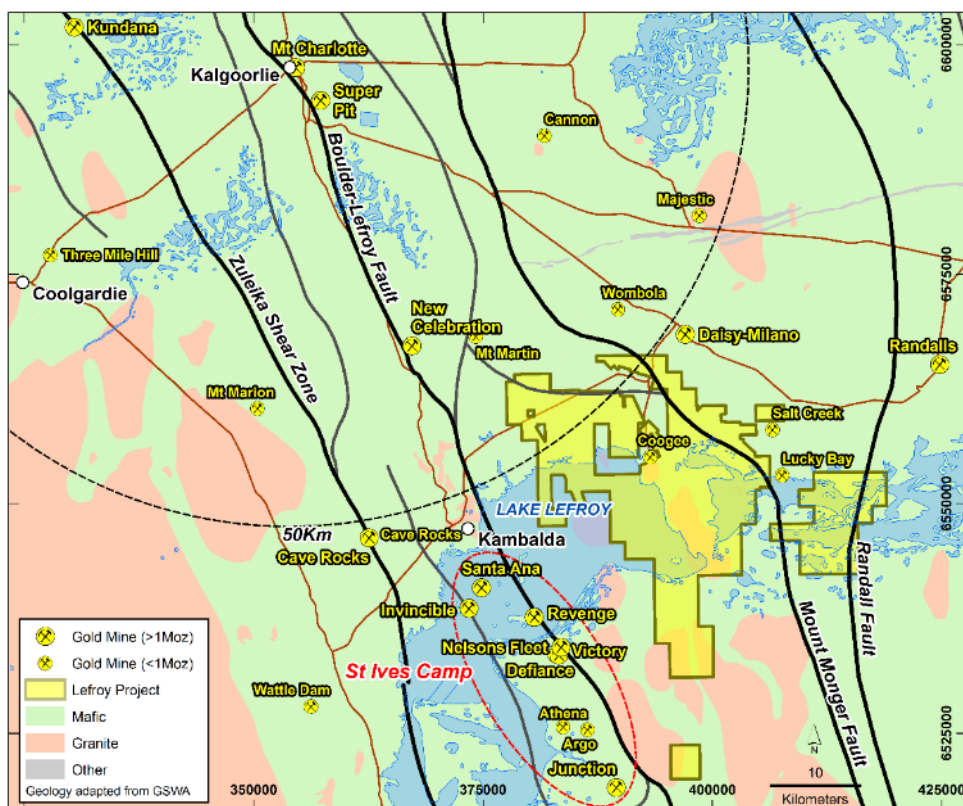
The Lucky Strike Trend is located approximately 2km to the northwest of the high grade Lucky Bay open pit mined by Silver Lake Resources (ASX:SLR) during 2015 and 4km to the south west of the Randalls Processing Plant operated by SLR (Figure 2). The Company has interpreted from geophysical and geological data that the Lucky Strike Trend shares a similar geological and structural setting to the Lucky Bay deposit, being adjacent to the regional Mt Monger Fault that separates mafic units of the Bulong Antiform to the north and metasedimentary rocks to the south.

Reconnaissance early stage air core drilling by the Company since November 2016 has defined a new and emerging gold mineralised trend hosted within sedimentary rocks over a 3000m strike length. A six hole diamond drilling program completed in September 2017 returned a best intercept of 1.7m at 63g/t Au from 44.7m in hole LSRD006, and demonstrated the 4.5km gold mineralised trend from the Lucky Bay deposit to the northwest, along the Lucky Strike Trend, and coincident with the interpreted position of the Mt Monger Fault.

### About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a new 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 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 547km<sup>2</sup>, 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 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.*

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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 on the Lucky Strike Trend at the Lefroy Gold Project. The Company confirms that it is not aware of any new information or data that materially affects the information on the Lucky Strike Trend included in the following announcements.

- Managing Directors AGM Presentation: 5 December 2016
- Drilling at Lucky Strike Supports and Extends Gold Trend: 23 December 2016
- Exploration Update: Aircore Drilling to Recommence at Lucky Strike: 29 March 2016
- Significant Intersections at Lucky Strike Prospect: 18 April 2017
- Aircore Drill results enhance the Lucky Strike Trend: 7 July 2017
- Exploration Update: Diamond Drilling Commences at the Lucky Strike Trend 31 August 2017
- September 2017 Quarterly Activities Report: 25 October 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.*

Table 1 Summary of Previous Exploration within the Capstan anomaly tenements  
(E25/518, P25/2317, P25/2316)

Year	Company	WAMEX Number	Tenement	Summary of Activities	Comment
1993-1994	Titan Resources	41940	E25/91	Surface soil surveys	Generated soil anomaly
1995-1996	Titan Resources	48535	E25/91	RAB and aircore drilling to test the soil anomaly. Geological and regolith mapping	No anomalous results obtained. Tertiary cover sediments not sampled
1994-1995	Eagle Bay Resources	45447	E26/63, P25/1353-1354	Pedogenic carbonate sampling	PLs adjoined Titan's EL to west. Weak soil anomaly delineated
1994-1995	Ramsgate Resources NL/General Gold	45072	M26/399-400	Exploration greater Mt Monger Area-drilling and reporting	Reported auger sample data
1995-1997	Westex Resources	52880	P25/1353-1354	No new activity	Inactive
1996-1997	WMC Resources Ltd	54587	E26/63 & E26/56	Soil sampling 200m by 40m	3 Nickel and 4 Gold soil anomalies identified.
1998-1999	General Gold	59739	E25/162	Auger pedogenic carbonate sampling	Generated gold in auger anomaly over the same area as Titan's
1999-2005	Solomon (Australia) Pty Ltd	68800	E25/162	RAB drilling to test the pedogenic carbonate anomalies	Incomplete programme due to ground conditions.
2001-2003	Hampton Hill Mining NL	66656	E25/158	Aircore drill traverse within northern part of P25/2317	Shallow holes in area of outcrop. No Au anomalism
2006-2012	Integra Mines Limited	105060	E25/162	Aircore drill traverses testing the Salt Creek-Lucky Bay "corridor", gravity survey	Au anomalism in Tertiary drainage palaeochannel
2007-2015	Westex Resources		P25/1854-1855	No work reported	PLs over P25/2316



**JORC CODE, 2012 Edition-Table 1 Lefroy Gold Project: Capstan Anomaly — 9 November 2017**

**SECTION 1: SAMPLING TECHNIQUES AND DATA (Commentary on Historical Exploration information described below at Capstan has been derived from WAMEX Open File reports sourced from the Department of Mines, Industry Regulation and Safety and information in the Independent Geologists Report contained in the Lefroy Exploration Limited Prospectus dated 8 September 2016 )**

Criteria	JORC Code Explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><b>Aircore(AC) drilling</b> Historic AC drilling SCAC series reconnaissance drill pattern on 120-200m line spacing and nominal 80m centres (WAMEX Report A104013). One metre AC samples were collected from the cyclone and laid out in rows on the ground. Composite 4m samples were then collected by spear or scoop sampling the 1m piles to produce a bulk 2-3kg sample which were sent to the Laboratory. Historic aircore drilling PDA series by Titan Resources on three reconnaissance lines over northern extent of Capstan Anomaly WAMEX A41940). Two metre AC sample composites were collected from the cyclone and laid out in rows on the ground.</li> <li><b>Geochemistry sampling</b> Soil sample grid patterns include North South orientated 400 m x 80 m and 200m x 40 m (WAMEX Report A54587); auger sampling on east west 400m x100m (0.5-2.0 m deep auger holes) (WAMEX Report A59739) and auger sampling on 400m x 40m (approx. 1.0 m deep auger holes)(WAMEX Report A45447).</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>AC drilling-refer to WAMEX reports A104013, A78793 &amp; A41940</li> <li>Soil sampling/auger sampling-refer to WAMEX report A45072, A45447, A54587, and A59739.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><b>AC Drilling</b> -Sample recovery insufficiently recorded in previous explorer's reports.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Previous Explorers drill holes were geologically logged for the entire length of the hole.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>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.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li><b>AC Drilling</b> Collection of 2m or 4m composite samples and if considered anomalous 1m intervals resampled.</li> <li>The sample preparation of the AC followed industry best practice at the time, involving oven drying, pulverising, to produce a homogenous sub sample for analysis.</li> <li>Titan PDA series drilling samples were composited from the base of transported material generally as 6m composites and analysed at Genalysis Laboratories</li> </ul>

Criteria	JORC Code Explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Previous explorers AC drill samples completed by laboratories such as Genalysis (WAMEX Report A104013) and ALS. Drill samples routinely analysed for gold by Aqua Regia digest or 40g Fire Assay digest method with an AAS finish. Previous explorer's geochemistry samples routinely analysed for gold via Aqua Regia digest method and AAS finish. Detection Limit Au – 1ppb. Geochemistry multielement samples (including Cu,Pb,Zn,As,Ni (WAMEX Report A59739) and Ni,Cr,As,Fe,Cu,Zn (WAMEX Report A54587) routinely completed by Aqua Regia digest with OES finish.</li> <li>No geophysical tools, spectrometers or hand held XRF instruments used.</li> <li>Previous explorers did not document detailed QAQC procedures.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not documented in the historical WAMEX reports.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><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></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Survey method for historic drill hole collar and auger/soil sampling pickup was GPS unit.</li> <li>Previous Explorers used GDA94 Z51 and AMG84 Z51 grid depending on year of activities. Any AMG84 Z51 collars converted to GDA94Z51 by transformation.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><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></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li><b>AC drilling:</b> Line spacing at 200-120m spacing with nominal hole centres at 80m on reconnaissance east west orientated drill lines.</li> <li>AC samples composite range generally 4m but up to 6m ( PDA series drill holes).</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>The AC drilling is reconnaissance in nature, being relatively wide spaced and the orientation of the gold mineralised structures intersected is yet to be confirmed.</li> <li>There is insufficient information to determine if the reconnaissance AC holes were orientated perpendicular to the mineralised structures.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not documented in historic reports</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not documented in historic reports.</li> </ul>

**Section 2: REPORTING OF EXPLORATION RESULTS – Lefroy Gold Project-Capstan Anomaly – 9 November 2017**  
(Commentary on Historical Exploration Results described below has been derived from WAMEX Open File reports sourced from the Department of Mines, Industry Regulation and Safety and information in the Independent Geologists Report contained in the Lefroy Exploration Limited Prospectus dated 8 September 2016)

<b>Criteria</b>	<b>JORC Code Explanation</b>	<b>Commentary</b>
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Lefroy Project is located approximately 50km in a south easterly direction from Kalgoorlie, Western Australia and consists of a contiguous package of tenements covering approximately 547 square kilometres.</li> <li>The tenement group E25/518, P25/2316 and P25/2317 form the Capstan Anomaly area. These tenements are current and in good standing with the Department of Mines, Industry Regulation and Safety (DMIRS) of Western Australia. The tenement are held by Lefroy Exploration Limited (LEX) or held outright by LEX.</li> <li>The tenements have expiry dates ranging from 09/08/2019 and 28/05/2020.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>For Full details of exploration completed by other parties at the Lefroy Project refer to the Independent Geologists Report ('IGR') attached to the prospectus. Previous work on, or adjacent to, the Capstan Anomaly area was completed by Solomon (Australia) Pty Ltd, Ramsgate Resources NL, WMC Ltd, Eagle Bay Resources, Titan Resources Ltd, Integra Mining Limited and Silver Lake Resources Ltd. ( Refer Table 1 in the body of the report for WAMEX reference numbers)</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>For full details of the geological settings at the Lefroy Project refer to the Independent Geologists Report attached to this prospectus and also documented in the WAMEX reports noted in Table 1.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li><b>Capstan-</b> Previous drilling information used for current targeting and no LEX drilling completed over the Capstan anomaly. Historic drill data sourced from the following WAMEX reports: A104013, 78793, A41940 and refer to Independent Geologists Report attached to the prospectus.</li> <li><b>Figures 2 &amp; 3</b> in the body of this announcement displays positions of all historical holes drilled on tenement E25/518, P25/2316 and P25/2317.</li> <li>Titan Resources Limited completed three traverses of air core drilling over the northern part of the anomaly during 1993-1994.</li> </ul>



Criteria	JORC Code Explanation	Commentary
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li><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></li> <li><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></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Soil and auger sample values extracted from historic report assay files with no weighting averaging, maximum and/or minimum grade truncations or cut off grades applied.</li> <li>Historic and recent LEX drill intercepts previously reported</li> <li>No assumptions used for any metal equivalent values.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable for the surface samples reported..</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Appropriate summary diagrams are included in this announcement.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Previous explorer's geochemistry data summarised in the body of announcement and grade ranges of point samples depicted on Figure 3.</li> <li>Drill holes with no significant results are not reported but are shown on the plans in Figures 2 &amp; 3 of this release.</li> <li>Maximum gold value in the drill hole depicted in Figure 3</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Other relevant exploration data for Capstan and its relationship to the nearby Lucky Strike has been included in this announcement</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>Initial exploration at Capstan will consist of a infill and validation auger sampling program to provide a consistent geochemical dataset.</li> <li>Follow up air core drilling and exploration will be contingent on the results from this current phase of exploration.</li> </ul>