ASX Announcement

ASX: CLZ ACN 119 484 016

18 April 2018

FRASER RANGE UPDATE – HIGH GRADE SURFACE COBALT MINERALISATION

Highlights:

- Contiguous Cobalt surface mineralisation at Rubys Reward
- Further data review underway with onsite mapping and additional sampling to occur following completion of current FGP drilling program
- Aircore Drilling planned once final Govt approvals received

1. INTRODUCTION

WA-focused gold exploration and development company Classic Minerals Limited (ASX. CLZ) ("Classic", or "the Company") is pleased to provide an update on its Fraser Range Ni-Cu project in WA.

Although Classic has been primarily focused on gold exploration at its flagship Forrestania Gold Project ("FGP"), the Company is pleased to announce that a recent review of its Fraser Range dataset has identified excellent cobalt anomalism at Rubys Reward including a reading of up to 1,399ppm Co.

Furthermore, the Company notes increased interest in cobalt exploration in the Fraser Range with the proposed IPO of Mark Creasy's Galileo Mining Ltd.

Classic is planning additional sampling and shallow aircore drilling in the near future to test the Cobalt mineralisation at Rubys Reward.

Classic CEO Dean Goodwin said:

> *Classic's Fraser Range project is an exciting asset with proven Ni-Cu mineralisation discovered by the Company at Mammoth and Alpha and apparent prospectivity for Cobalt and other minerals.*
>
> *After reviewing the company's data and historical reports, it became apparent that the Rubys Reward prospect has cobalt potential worth following up. After plotting rock chip and soil sampling data, we could see a clear trend of anomalous cobalt mineralisation trending S/SW within our Tenement.*
>
> *We are planning a field trip in the near term to collect further samples and to carry out some geological mapping of the prospect, with an air core drill program planned as soon as necessary approvals are received from the Govt.*
>
> *Our focus is on FGP but Fraser Range remains an important asset in the stable and we look forward to releasing the results of the sampling and Air Core drill results in due course.*

2. CLASSICS FRASER RANGE PROJECT – A HOTSPOT FOR COBALT EXPLORATION

The following map shows Classic's Fraser Range tenure in relation to tenements held or applied for by Mark Creasy controlled entities or related parties. It is noteworthy that famed prospector Mark Creasy has recently signalled his interest in exploring for Cobalt in the Fraser Range via the upcoming float of Galileo Mining Ltd. Classic views the proximity of its tenure in relation to Creasy Group holdings as encouraging.

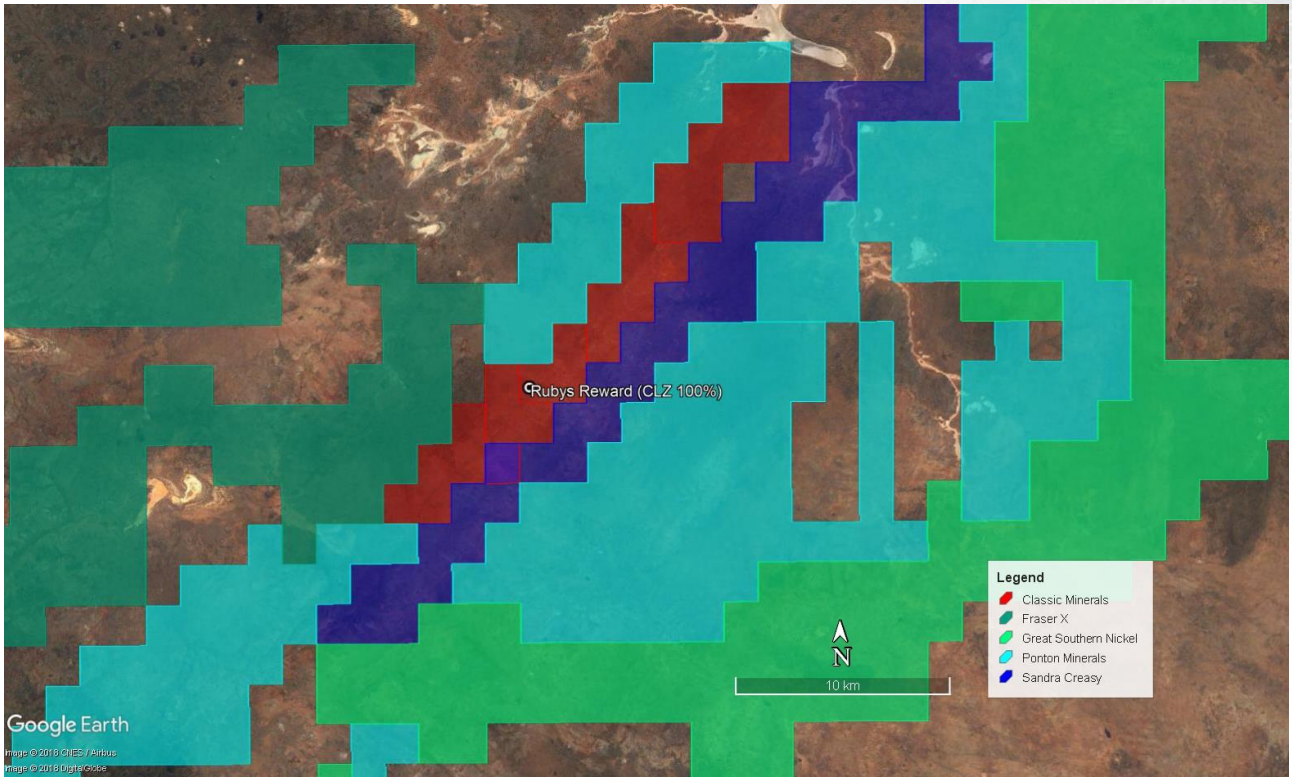

Figure 1: CLZ tenements in red, Creasy group tenements in blue and green

3. RUBYS REWARD – SIGNIFICANT GRADE COBALT AT SURFACE

Rubys Reward is located on Classic's wholly owned E28/1904 and lies ~15km south-west of the Company's mammoth nickel deposit. E28/1904 is located within the Albany-Fraser Orogeny on the margin of the Yilgarn Craton. Occasional outcrop occurs with most of the tenement under shallow cover. From the work completed by the GSWA, the tenement group is interpreted to be underlain by the Fraser Zone and the Nornalup Zone. Previous exploration relevant to project development in the tenement area included work by Newmont (base metals exploration, 1965—1972), Growth Resources (platinum-nickel-chromite exploration, 1988 - 1990) and Geographe Resources Ltd/Homestake Gold of Australia Ltd (Fraser Range gold/base metals exploration, 1997—2001).

The potential for new discoveries remains high, as past advanced exploration campaigns have been very limited.

In 2012, Classic carried out a rock chip sample program at various prospects within the tenement, including Rubys Reward. At the time the company's focus was on nickel and copper mineralisation. Once the rock chip samples were re-plotted with cobalt readings, a clear trend emerged as shown in the plan below:

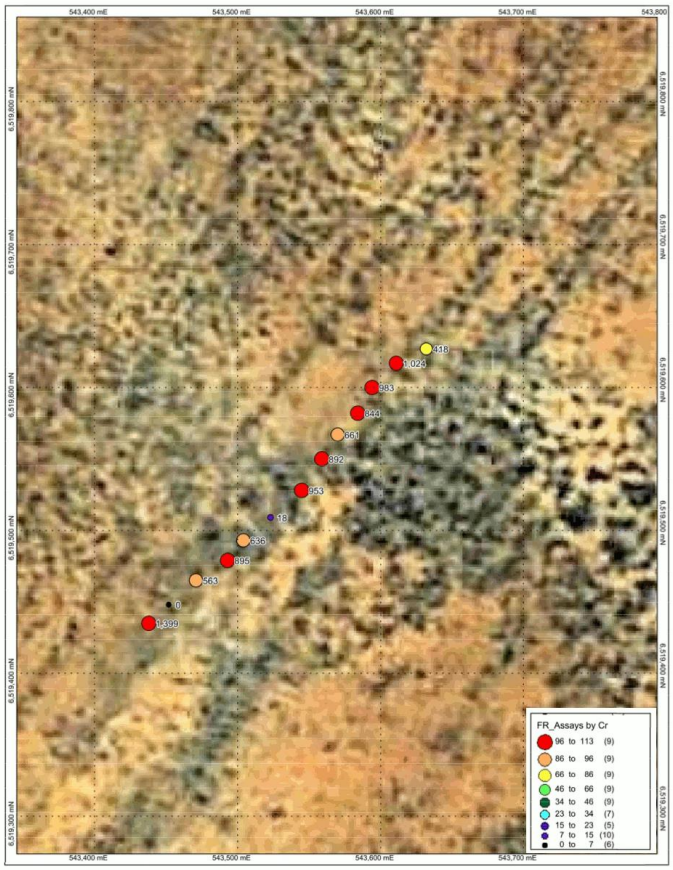

Figure 2 Rubys Reward Cobalt Sample Locations

The cobalt readings from the 2012 Rubys Reward rock chip sampling are as follows:

Customer Sample ID Method Units Detection Limit	North	East	Cobalt AD02_1CP ppm 1
RR-001	6519435	543438	1399
RR-012	6519617	543611	1024
RR-011	6519600	543594	983
RR-007	6519528	543545	953
RR-004	6519479	543484	895
RR-008	6519550	543559	892
RR-010	6519582	543584	844
RR-009	6519567	543570	661
RR-005	6519493	543504	636
RR-003	6519465	543471	563
RR-013	6519627	543632	439
RR-006	6519509	543523	18

Table 1 Rubys Reward Cobalt Sample Locations and Results

With the price of Cobalt rising steadily as demand increases, as well as the increased interest from other explorers in the area, the Company is of the opinion that the rock chips demonstrate potential for large scale economic mineralisation and warrant further follow up.

Image 1 Field sampling at Fraser Range using portable XRF

4. NEXT STEPS AT FRASER RANGE

A closed spaced geochemical sampling program will be undertaken at Rubys Reward during the current quarter. Classic will also undertake geological mapping and reconnaissance. Following the interpretation of this data and other data sources, a first pass air core drilling program will be undertaken, most likely to occur in the June quarter.

Classic will continue to review relevant technical and historical data and will keep the market informed of developments.

On behalf of the board,

Dean Goodwin
CEO

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

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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	• *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.*	• 13 rock chip samples were collected at surface. • Fist sized representative samples from outcrop were collected to a maximum weight of 3kg and averaging 1 – 1.5kg. • Rock chip samples were sent to Bureau Veritas Laboratory in Perth, sorted, crushed and pulverised to -75um, split to produce a 40g charge for Aqua Regis digest and analysis for Au, Ag, As, Co, Cr, Cu, Fe, Li, Mn, Mo, Ni, P, Pb, Sc, Sn, Sr, Ti, U, V, W, Zn by ICP and OES or MS finish.
Drilling techniques	• *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).*	• No drilling conducted
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *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*	• No drilling conducted

	may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	• *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.*	• Geological information for each sample has been recorded.
Sub-sampling techniques and sample preparation	• *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.*	• Additional samples were collected from single locations where considered necessary for representation • No field duplicates samples were considered necessary for first pass reconnaissance • Appropriate sampling protocols were used to maximise representivity.
Quality of assay data and laboratory tests	• *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.* • *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.*	• All rock chip samples were analysed using a 40g aqua regia digest with an MS finish. This is considered a partial digest Technique however in weathered samples it is considered to approximate a total digest assay. • The laboratory inserted standards, blanks and duplicate samples. Results are within tolerable limits
Verification of sampling and assaying	• *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.*	• All data has been checked internally by senior CLZ staff • Location data was coillected using a handheld GPS and maps. Locational data is validated using GIS software in the office. • No adjustment to assay data has been made.

Location of data points	• *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.*	• All location points were collected using handheld GPS in MGA 94 – Zone 51
Data spacing and distribution	• *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.*	• Sample spacing was adequate for first pass reconnaissance work of this nature and a product of access and exposure to the targeted lithologies. • The rock chip sampling does not have adequate information on geological and grade continuity and cant be used for the purpose of Mineral Resource estimation • No compositing of samples was conducted
Orientation of data in relation to geological structure	• *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.*	• There is not enough information available from this sampling to determine an average grade or determine sample bias.
Sample security	• *The measures taken to ensure sample security.*	• 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.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data*	• Data is audited and reviewed in house by senior geological staff.

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	• 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.	• All sampling is located within granted E28/1904 which is held 100% by CLZ. • The tenement is in good standing.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Newmont carried out exploration in the area between 1965 and 1972, undertaking an aeromagnetic survey, limited geological mapping, and

		geochemistry of about 40 000 samples for base metals over the general area. Drilling of minor Cu and Ni anomalies failed to find economic mineralisation. • During 1997 to 1999, Geographe Resources Limited and Homestake Gold of Australia Limited undertook an aeromagnetic survey, regolith mapping and calcrete sampling over the area with analysis for gold, As, Co, Cr, Cu, Mo, Pb, Zn, Ca and Mg, with Pt and Pd also analysed by Geographe Resources. Only weak calcrete geochemistry anomalies were located. • Exploration for garnet sand was undertaken in 1997 to 2007. A deposit estimated to contain 253 000 tonnes of garnet at 14.3% recovery with 0.31% rutile and zircon was averaging 5-6m thick in a deposit 1.5km long and 400m wide (1996-1997).
Geology	• Deposit type, geological setting and style of mineralisation.	• The local geology comprises rocks of the Fraser Complex as described in the regional geology section above, with sheared granitoid with garnets widely occurring in the area, and small included lenses of gabbro. However, initial mapping has located elongate areas of apparent sedimentary origin including thin Banded Iron Formation (BIF) and fine to medium grained rocks which were possibly originally mudstone and sandstone. The presence of manganese staining and replacement at these areas is consistent with a marine sedimentary origin. The rock units have a strike of 040 degrees true within the tenement. • The area is largely covered in Quaternary aeolian sands of variable thickness. • The soil in the south of the tenement area has a considerable garnet sand content, and this has been explored in the past to delineate a resource.
Drill hole Information	• 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:	• N/A

	○ 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.	
Data aggregation methods	• 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.	• No weighted averages, aggregates or metal equivalent values are reported
Relationship between mineralisation widths and intercept lengths	• 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').	• No drilling conducted
Diagrams	• 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.	• Appropriate images have been provided in the Report.
Balanced reporting	• 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.	• All sample results from the program are included in the report.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;	• No other relevant data is reported

	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.	
Further work	• 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.	• Further mapping and geochemical sampling is planned followed by drilling which is expected to commence within Q1-2 2018