Lefroy Exploration

Exploration Progress: Eastern and Western Lefroy Projects

Lefroy Exploration Limited (ASX: LEX) ("Lefroy" or "the Company") is pleased to continue to update shareholders on exploration activities recently completed and planned near term at its Lefroy Gold Project (LGP or Project), 50km to the south east of Kalgoorlie. The LGP, which spans approximately 594km^2, consists of two contiguous tenement packages following the recent Joint Venture agreement with Gold Fields, ie.

- Eastern Lefroy wholly owned tenements (Figure 1), covering 222km^2 including Lucky Strike, Red Dale, Capstan, Hang Glider and other sub-projects along the Mt Monger fault, and

- Western Lefroy JV tenements (Figure 1), covering 372km^2 adjoining the Gold Fields tenements that make up the St Ives mining operation. Gold Fields can earn up to a 70% interest in the LEX tenements by spending up to a total of $25million on exploration activities within 6 years of the commencement date.

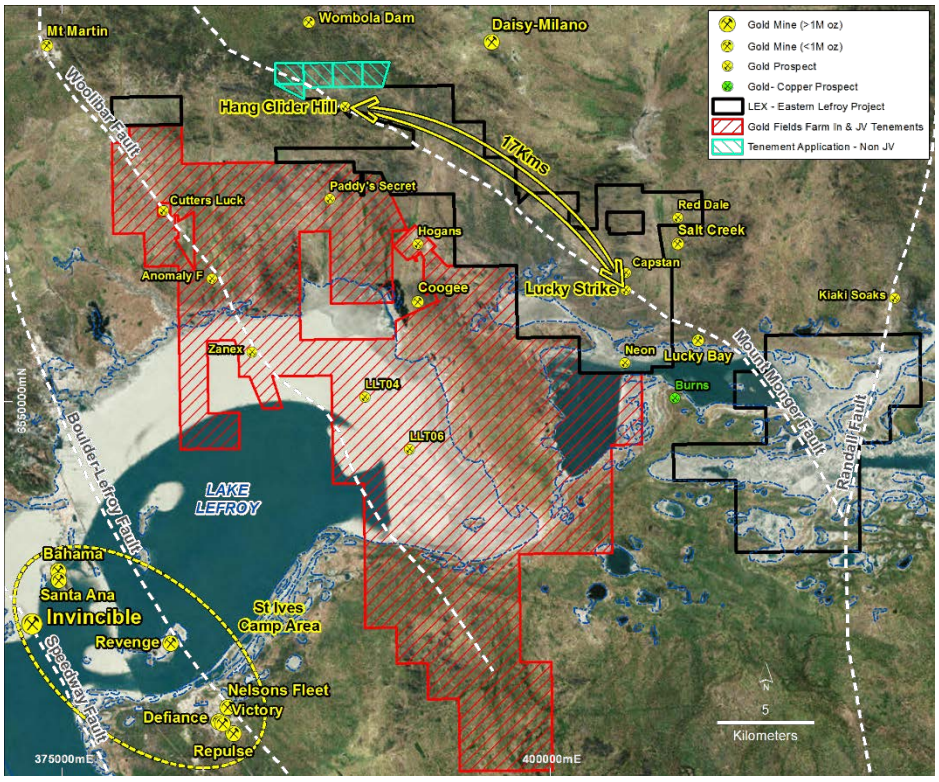

Figure 1 Lefroy Gold Project tenement plan showing Western Lefroy in red and Eastern Lefroy in black outline and proximity to St Ives. Lucky Strike, Capstan, Hang Glider Hill and recent tenement applications are also highlighted.

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WESTERN LEFROY (Farm-In and JV: Gold Fields earning 70%)

The Western Lefroy tenements being farmed into cover Lake Lefroy and the surrounding area, comprise 372km^2 of the total 594km^2 of the Lefroy Gold Project and are adjacent to Gold Fields' +10 million ounce St Ives Gold operations (Figure 1).

Gold Fields have commenced a major program to capture additional detailed geophysical data (gravity & magnetics) over tenements in Lake Lefroy to infill and compliment the work completed by LEX. Acquisition of ultra-detailed magnetic data has commenced using Gold Fields in house unmanned aerial system colloquially referred to as 'TRAMPE (Tethered Rotary Airborne Magnetic Platform for Exploration) (refer Figure 2 below). This major geophysical data acquisition program is expected to take 3 months to complete. Once complete this data will provide a key foundation dataset for drill target generation.

Figure 2 Photos of TRAMPE activity over LEX tenure at Lake Lefroy (view looking south)

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EASTERN LEFROY

Lucky Strike

Lucky Strike is approximately 5km northwest along strike from the high grade Lucky Bay open pit mined by Silver Lake Resources (ASX:SLR) during 2015, and 5km south west of SLR's Randalls Processing Plant. High grade (+5g/t Au) gold mineralisation has been intersected in a banded iron formation (BIF) host rock in several phases of RC and diamond drilling since November 2017. The deep RC drill program that commenced on 13 August 2018 is now complete. A total of 1803m of drilling in 11 holes was completed evaluating the extension of the multiple BIF host rocks to approximately 150m from surface. Samples have been dispatched to the laboratory for analysis with results from the program anticipated to be reported in late September.

Capstan

The Capstan prospect is immediately north of Lucky Strike and consists of a large and robust surface gold anomaly (plus 20ppb Au) generated from auger drilling (refer LEX ASX announcement 7 February 2018). An early stage aircore drilling program consisting of 36 vertical holes for 2050m was completed in July 2018. Multiple shallow bedrock gold intersections were reported (refer LEX: ASX release 21 August 2018) that form a semi coherent bedrock gold anomaly. A follow up air core drill program to both infill and extend the anomaly is scheduled to commence in late September.

Hang Glider Hill

The Hang glider Hill gold prospect (refer LEX-ASX release 26 June 2018) is located close to the interpreted position of the regional scale Mt Monger Fault, along which (some 17km along strike to the south east) the Company has identified the high grade Lucky Strike prospect and adjacent Capstan surface anomaly (Figure 1). Continued prospecting to the north-west along the trend of Hang Glider has yielded additional gold nuggets totaling 39grams (Figure 3). This recent find now extends the strike of the nugget trend to approximately 2.3km originating from Hang Glider Hill.

The discovery of nuggets along a plus 2km trend, proximal and parallel to the Mt Monger Fault has elevated the prospect in the Company's gold prospect portfolio. Planning is well advanced to complete an auger sampling program along the trend, scheduled to commence in mid-September.

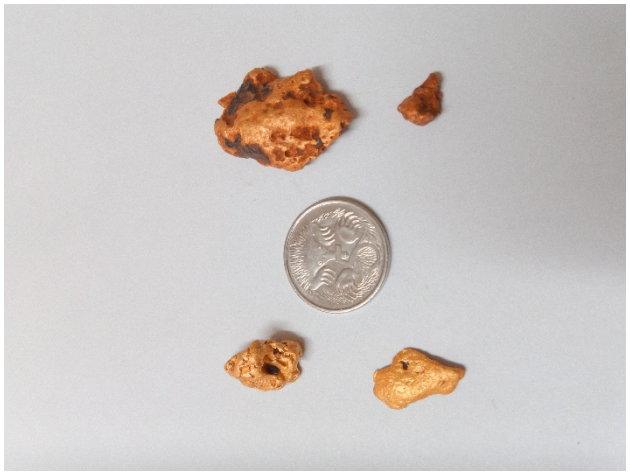


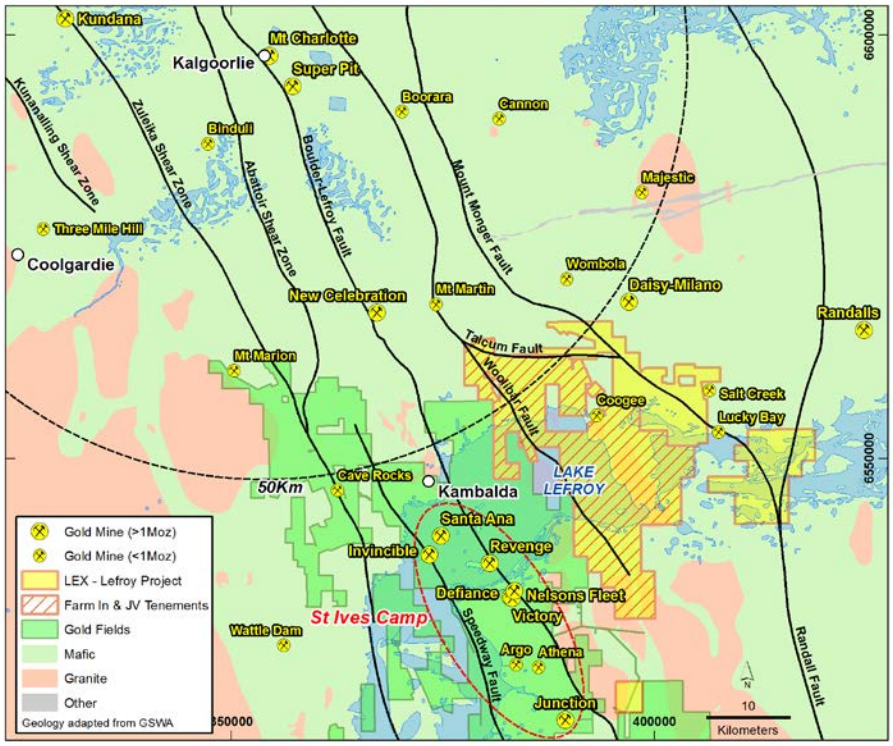
Figure 3 Gold nuggets sourced from LEX tenure along the Hang Glider trend. The larger nugget weighing 20g.

ASX Announcement
3 September 2018

About Lefroy Exploration Limited and the Lefroy Gold Project

Lefroy Exploration Limited is a 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 594km^2, 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 and the Western Lefroy tenement package (Red Hatch) subject to the Gold Fields joint venture.

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JORC CODE, 2012 Edition-Table 1 Report –Lefroy Gold Project –Hang Glider Hill Prospect 3 September 2018 –Metal Detecting

SECTION 1: SAMPLING TECHNIQUES AND DATA

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.*	• No drilling or sampling conducted. The gold nuggets were located by metal detecting.
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 completed by LEX
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 may have occurred due to preferential loss/gain of fine/coarse material.*	• No drilling completed by LEX
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.*	• No drilling competed by LEX
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.*	• No samples were collected for analysis
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.*	• No samples were collected for analysis
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.*	• No drilling was completed
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*	• No drilling was completed. Nuggets

Criteria	JORC Code Explanation	Commentary
	Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	located were surveyed with GPS control.
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.*	• No Drilling completed
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.*	• No drilling or sampling undertaken. • The relationship of the location of the gold nuggets to a primary source is unknown.
Sample security	• *The measures taken to ensure sample security.*	• No samples collected
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No drilling undertaken to audit sampling techniques

Section 2: REPORTING OF EXPLORATION RESULTS – Lefroy Gold Project- Hang Glider Hill Prospect- 3 September 2018-Metal Detecting

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.*	• 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 its wholly owned subsidiary's Hogans Resources Pty Ltd. The work described in this report was completed on Exploration Licence E26/183 held 100% Hogans Resources Pty Ltd and Prospecting Licence Application P26/4423 applied for by Lefroy Exploration Limited. • The tenement E26/183 is current and in good standing with the Department of Mines and Petroleum (DMP) of Western Australia. • Prospecting for gold (metal detecting) is undertaken under agreement with the company.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Some previous exploration work was completed at Hang Glider Hill by Sovereign Resources NL and documented in an Annual Report to the WA Mines Department for the period 1 October 1992 to 30 September 1993. The Annual report WAMEX file number is A39666. The report documents 6 RC holes being drilled at Hang Glider Hill. There has been no exploration at Hang Glider since then. • WAMEX-West Australian Mineral Exploration Reports
Geology	• *Deposit type, geological setting and style of mineralisation.*	• 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	• *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:*
	  • *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.*
		• No Drilling completed by LEX and as noted in the body of the announcement the company intends to compile the previous drilling by Sovereign Resources and field check hole location. Prospecting for nuggets is ongoing.

Criteria	JORC Code Explanation	Commentary
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 Drill results 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 drill results reported.
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 summary diagrams are included in the accompanying announcement.
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.*	• No exploration results to report.
Other substantive exploration data	• *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.*	• All relevant data has been included within this report.
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.*	• The appropriate next stage of exploration planning is currently underway and noted in the body of the report. Prospecting along the Hang Glider Hill trend to determine the full extent of the gold nugget distribution in the landscape is ongoing.