

Lefroy Exploration Raises \$3.8 million to Advance Gold Exploration

Highlights

- LEX has received firm commitments to raise over \$3.8 million (before costs) in an oversubscribed share placement to institutional and sophisticated investors.
- Largest shareholder Gold Fields has supported the raising by acquiring approximately 3.45 million shares in the placement to maintain its position at 18.12% of LEX after completion of the Placement.
- LEX is now well funded to advance exploration, with drilling programs to be undertaken in the near future at the Lucky Strike and Hang Glider Hill prospects within the Eastern Lefroy Gold Project.

Placement

Lefroy Exploration Limited (ASX: LEX) (“LEX” or “the Company”) is pleased to advise that it has received firm commitments to raise over \$3.8 million (before issue costs) through an oversubscribed placement to institutional and sophisticated investors (“Placement”). The Placement will result in the issue of a total of 19,026,845 fully paid ordinary shares at an issue price of \$0.20 per share. New shares issued under the Placement will rank equally with the Company’s existing fully paid ordinary shares.

The Placement issue price is equal to the immediate last closing share price of \$0.20 and an 8.1% discount to the 10-day VWAP. The proceeds of the Placement will be used to accelerate exploration at the Company’s 100% owned Eastern Lefroy Gold Project and for general working capital purposes.

The Company’s largest shareholder (18.12% holding), St Ives Gold Mining Company Pty Ltd, a wholly owned subsidiary of Gold Fields Ltd (NYSE/JSE: GFI), participated in the placement by taking a pro rata allocation, equal to 3.45 million shares to maintain its holding. Gold Fields will continue to hold 18.12% of LEX after completion of the Placement. The balance of the Placement was taken up by new institutions and sophisticated investors as well as existing shareholders.

The Company advises that the Directors of the Company have committed to participate in the Placement for a total of \$285,369. Issue of shares to the Directors will be subject to shareholder approval at the Company’s next General Meeting of Shareholders.

LEX Chairman, Mr Gordon Galt stated, “We are grateful for the ongoing support of existing shareholders, including Gold Fields and the Company’s Directors, and are very pleased to welcome a number of new shareholders to our register. We are now in a strong financial position to accelerate exploration activities at the Eastern Lefroy Gold Project, including the highly prospective Lucky Strike Trend, and to complete initial drilling at Hang Glider Hill. These programs, together with the continued exploration activity in the western portion of the Lefroy Gold Project through our JV with Gold Fields, means there will be substantial drilling activity and news flow going forward.”

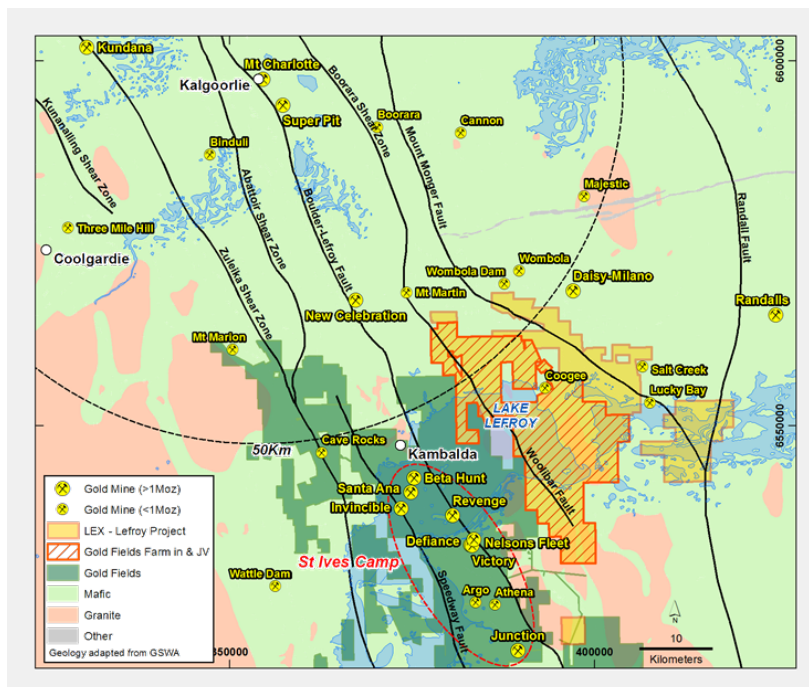
The Placement is being undertaken under the Company's existing ASX Listing Rule 7.1 and 7.1A placement capacity (in the order of 11,638,235 shares are expected to be issued under Listing Rule 7.1 and 5,961,765 shares are expected to be issued under Listing Rule 7.1A). Settlement of the Placement is expected to take place on or around Thursday, 22 August 2019, with quotation of the new shares expected to occur on Friday, 23 August 2019.

Bridge Street Capital Partners acted as Lead Manager and Bookrunner of the Placement and was supported by New Holland Capital.

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 and covers 598km² 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. The Project is divided into the Western Lefroy package, subject to a Farm-In Agreement with Gold Fields and the Eastern Lefroy package (100% Lefroy owned). The Farm-In Agreement with Gold Fields over the Western Lefroy tenement package commenced on 7 June 2018. Gold Fields can earn up to a 70% interest in the package by spending up to a total of \$25million on exploration activities within 6 years of the commencement date.



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