

ASX Announcement

29 July 2020

Update on Classic's Gekko Processing Plant for use at flagship Kat Gap Gold Project

Highlights:

- Classic Minerals expects delivery of plant during first half of August 2020;
- Gekko plant features for Classic: -
 - Future on-site processing at Kat Gap gold deposit now possible
 - The Gekko gravity concentration processing plant with 30 tph of capacity eminently suited to Kat Gap style of ore which has a very unique high level of gravity gold concentration;
 - Gekko is a flexible, modular design mounted on containerised sections that allows for
 - Mobility and
 - Scalability.
 - Modular design also allows the plant to be scalable and gives Classic the flexibility to increase throughput, based on information the Company receives from resource definition, metallurgical testing and exploration;

WA-focused gold exploration and development company Classic Minerals Limited (ASX: CLZ) ("Classic", or "the Company") is pleased to announce that it has confirmed that the plant that it secured, as announced on 20/7/2020, will be ready for delivery to Perth WA during the first half of August 2020.

This is a Gekko gold gravity processing plant to be used for future on-site processing of Gold ore at its Kat Gap Gold Project.

Kat Gap is located approx. 120 km's south east of Southern Cross, Western Australia and has an existing 93K ounce JORC Resource with a strong exploration upside and scope for high grade open pit mining.

Gekko are world leaders in the manufacture of gold processing plant and machinery with their plants boasting small footprints and low environmental impact.

An added attraction to Classic is that the Australian-made Gekko plant is modular and mounted on containerised elements providing for scalability and ease of modification. The plant has a 30 tonne per hour capacity and is scalable to a Gekko Python plant with a processing capacity of 250 tph.

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Classic's purchase is for a two-stage gravity concentration plant from Gekko which will be provided fully refurbished to new condition. The two-part plant will form the basis of the processing facility to be set up and operated by Classic at its Kat Gap gold deposit.

Classic is now on track to set-up, commission and test the Gekko plant and commence processing of the gold rich ore at Kat Gap. The Gekko plant is ideally suited to processing Kat Gap ore which has a unique high gravity gold concentration. Classic will have the capability and capacity to commence production as soon as the Mining approvals (**MLA 74/249**) have been granted.

In order to provide an immediate revenue stream, Classic has the option and has also commenced negotiations to toll treat any initial parcels of ore from Kat Gap.

Figure 1: File image of Gekko plant



Figure 2: File Image of a Gekko Python Plant:



Low Profile Feeder
Reduced height for ease underground and easy transport

Closed Circuit Jaw Crushing

Dust & Spillage Management
Vacuum system essential for equipment use underground. Material not wet in fine circuit

3rd Stage Crushing
Only 2 stages of crushing required to achieve target particle size distribution

Closed Circuit, High Reduction Crushing
Highly effective crushing design in a critical factor at the Python's low power usage

Low Profile Multi Stage #1 Gravity Circuit
The Silex Processor Jig is a proven low cost proprietary continuous gravity device. Low profile due to its pre-concentration

High Capacity Cleaner Flotation
Flash Flotation operates as a recycling system to recover mineral from gravity tails

Water Recycled to Plant
Both the Flotation and Silex Processor Jig systems can operate effectively on recycled water

Fully Automated Control System
The Python has been designed with full automation for ease of operation

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About Forrestania Gold Project and Kat Gap Gold Project

The main thrust of exploration at the Forrestania belt has been the Lady Ada and Lady Magdalene (Ladies) tenements. These have a JORC-defined gold resource outlined in the following table.

Classic has made a major discovery at the 100% owned Kat Gap tenements about 50 km to the South East of the Ladies. Here very significant high-grade gold intersections have been made. Classic has upgraded the potential of Kat Gap and is making it the main focus of its exploration. Classic has great faith in Kat Gap and has made arrangements to purchase a Gekko Gravity Feed Plant to exploit it. Kat Gap is now the Flagship project of the Company.

The FGP Tenements (excluding Kat Gap) 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.

Classic Minerals owns a 100% interest in the gold rights on the Kat Gap Tenements and also non-gold rights including but not limited to nickel, lithium and other metals.

Classic has a Global Mineral Resource of **8.24 Mt at 1.52 g/t for 403,906 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 Kat Gap is tabulated below.

Additional technical detail on the Mineral Resource estimation is provided, further in the text below and in the JORC Table I as attached to ASX announcements dated 18th December 2019, 21st January 2020, and 20 April 2020.

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade Au g/t	Ounces Au	Tonnes	Grade (au)	Ounces
Lady Ada	257,300	2.01	16,600	1,090,800	1.23	43,100	1,348,100	1.38	59,700
Lady Magdalene				5,922,700	1.32	251,350	5,922,700	1.32	251,350
Kat Gap				975,722	2.96	92,856	975,722	2.96	92,856
Total	257,300	2.01	16,600	7,989,222	1.50	387,306	8,246,522	1.52	403,906

Notes:

1. The Mineral Resource is classified in accordance with JORC, 2012 edition
2. The effective date of the mineral resource estimate is 20 April 2020.
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 considered

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About Classic Minerals

Classic is an Australian-based, ASX-listed exploration company which is widening its focus from exploration to mining. The Company holds approximately 578 km² of tenements across two major regional exploration areas in Western Australia. Classic's tenements are in areas with identified high grade gold and base metal targets.

Classic's Forrestania Gold Project is located approximately 120 km south of Southern Cross, Western Australia. The Kat Gap Gold Project which Classic has focused the majority of its recent exploration effort is strategically located some 50km south-east of the Company's Forrestania Gold Project.

Classic also holds tenements in the world class Fraser Range province. These tenements are currently under JV with Independence Group (IGO).

On behalf of the board,



Dean Goodwin CEO

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 Australian Institute of Geoscientists (AIG). 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 appears.

Classic Minerals Limited A.C.N. 119 484 016

Phone: (08) 6305 0221
Address: 71 Furniss Road, Landsdale WA 6065
Postal: PO Box 1318, Wangara DC WA 6947
Website: www.classicminerals.com.au
Email: contact@classicminerals.com.au

