

## ASX Announcement

24 August 2017

# LADY ADA EXTENSIONAL DRILLING COMPLETE, CLASSIC MOVES TO UNLOCK 1.7KM+ LONG GOLD SYSTEM AT FGP

### Highlights:

- 2,840m RC drilling program completed at Lady Ada deposit - with a further ~13,000m to be drilled at Lady Magdalene and Lady Lila deposits
- Classic aiming to unlock significantly larger gold system with mineralisation potentially continuing along strike from the current FGP resource
- Phase 2 drilling program targeting high-grade extensions along strike and down dip at both Lady Ada and Lady Magdalene deposits
- Assay results expected in mid-late September, with Lady Ada Mineral Resource estimate to be updated in October (Lady Magdalene Mineral Resource estimate to be updated in November)

### 1. INTRODUCTION

Classic Minerals Ltd ("Classic" or the "Company") is pleased to announce that it has completed the Phase 2 reverse circulation ("RC") drilling program at the Lady Ada deposit, within the Forrestania Gold Project in Western Australia.

A total of 2,840m has been drilled at Lady Ada with a further ~10,000m to be drilled at Lady Magdalene and ~3,000m to be drilled at Lady Lila in the coming weeks.

The program, which is expected to be completed within 40 days, has been designed to further test high-grade extensions of both the Lady Magdalene and Lady Ada deposits identified during the recently completed Phase 1 drilling program.

Significantly, drill chip sampling from the recently completed drilling program has identified a potential new zone of mineralisation at Lady Ada based on samples from drill holes MARC0031, MARC0032 and MARC0035. A new hole (LAPL003a) was designed a further 50m SE along strike from the original Phase 2 drill holes. This is a highly encouraging outcome for the Company as it represents the possibility of a larger ore body continuing along strike from the current extent of the known mineralisation – see Figure 2 below.

The RC drill rig has now moved to the Lady Magdalene deposit to undertake the holes planned directly between the existing Lady Ada and Lady Magdalene deposits. Classic's exploration team is investigating the potential for a repetition of the Lady Ada and Lady Magdalene deposits between the existing ore bodies – potentially delineating a single ore body over 1.7km in length.

This Phase 2 drilling will assist with improving the confidence in the existing Mineral Resource at the Lady Magdalene and Lady Ada deposits respectively, and has the potential to add significant ounces to the Company's existing resource base at the FGP.

The Forrestania Gold Project contains an existing Mineral Resource of 5.9Mt at 1.25g/t for 240,000 ounces of gold, classified and reported in accordance with the JORC Code (2012), with a recent scoping study (released 1 May 2017) highlighting both the technical and financial viability of the project.

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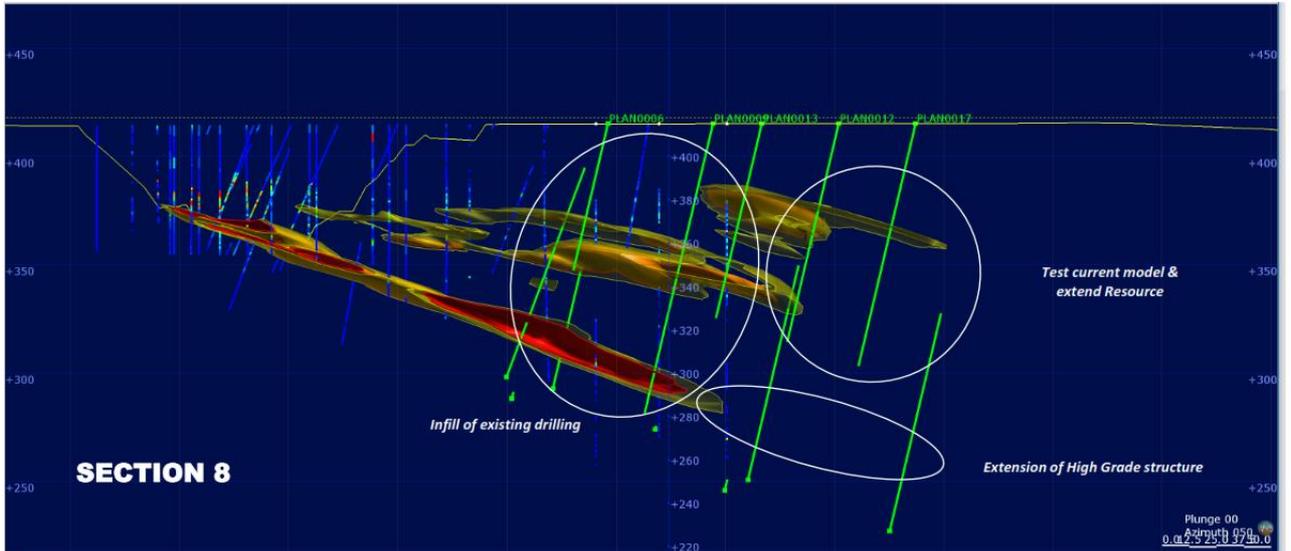


Figure 1: Lady Ada cross section 8 looking north-east showing a number of CLZ completed drill holes

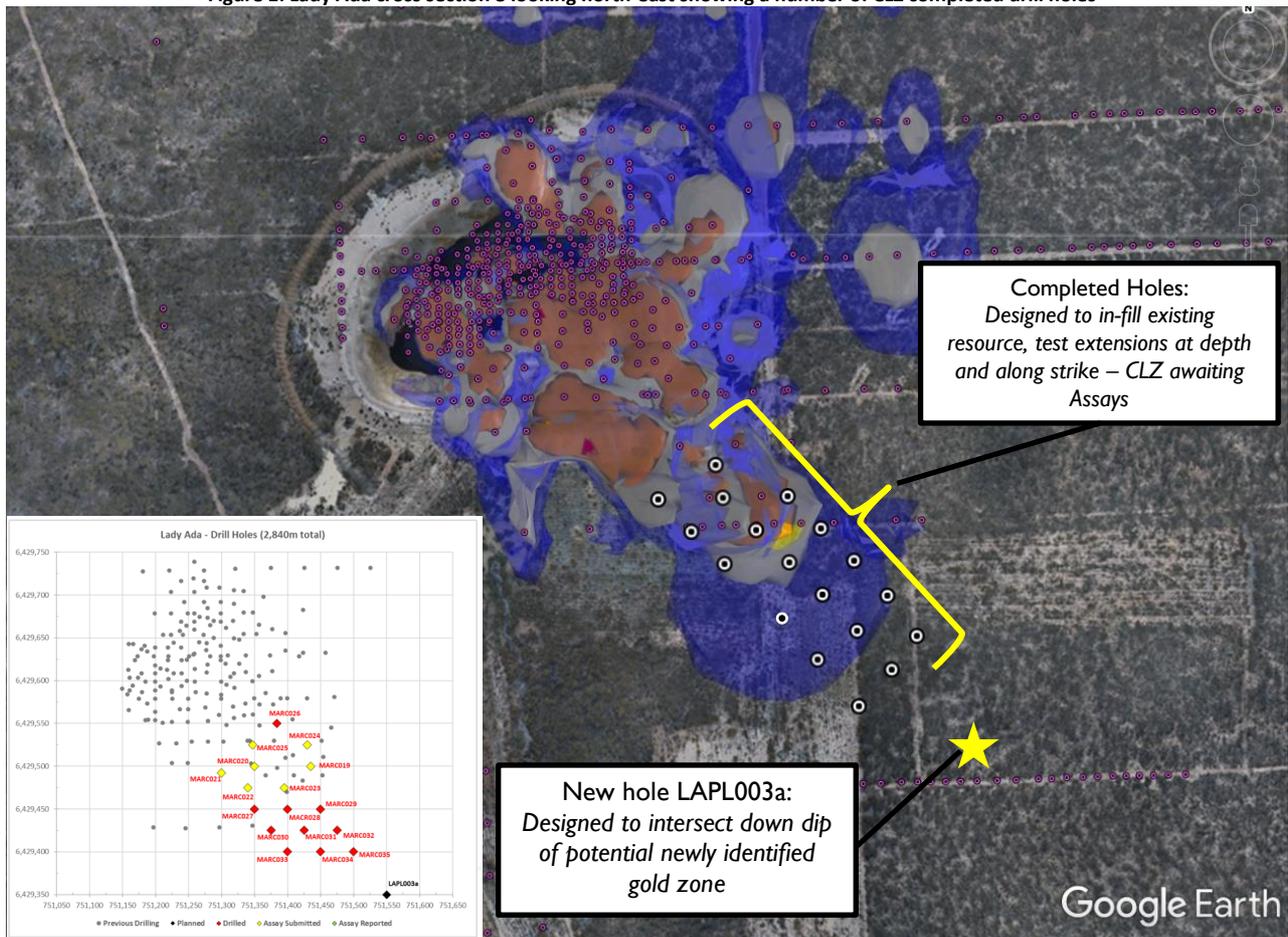


Figure 2: Completed Phase 2 holes (white) at Lady Ada plotted against previous drill collars (pink) and the latest implicit model

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## 2. TARGETING THE DELINEATION OF A 1.7KM+ OREBODY

After extensive geological review and interpretation (including use of data generated from the Phase I drill campaign) Classic believes there is significant potential to uncover a repetition of the Lady Ada/Lady Magdalene ore bodies between the existing deposits. Furthermore, Classic has identified analogous characteristics between Lady Ada and Lady Magdalene (ore body starting off with a flat structure and then deepening on an SE trend whilst increasing in grade).

This area between the Lady Ada/Lady Magdalene ore bodies has previously only been subjected to very shallow drilling, with some near surface hits indicative of the flat lying feature shared by both Lady Ada and Lady Magdalene. In order to further investigate this potential, Classic has planned a number of drill holes to test this theory. The potential identification of an additional ore body linking both the Lady Ada and Lady Magdalene deposits would result in a significant increase to the existing Mineral Resource base – unlocking a gold system that is approximately 1.7km in length (or longer if mineralisation continues to extend to the south of Lady Ada).

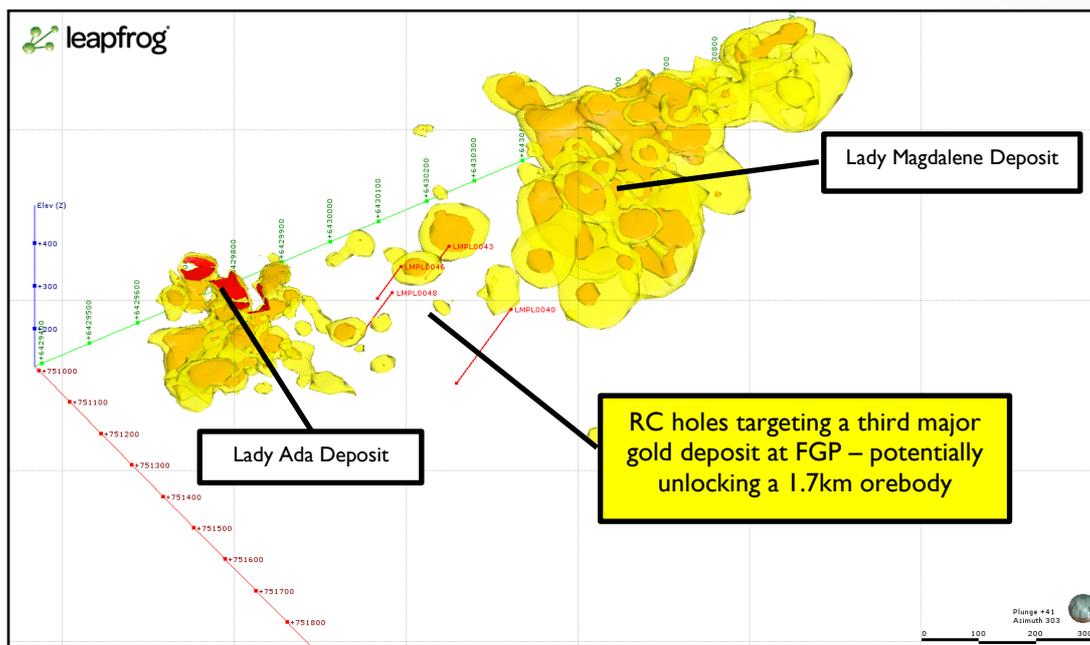


Figure 3: Proposed Drill Holes Between the Existing Lady Ada and Lady Magdalene Ore Bodies (high grade +1.5 g/t shells shown)

## 3. ABOUT THE FORRESTANIA GOLD PROJECT

The FGP Tenements 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. Hannans' 20% interest is free-carried, meaning Hannans is not required to fund any activities on the FGP until a decision to mine has been made. For the avoidance of doubt Hannans Ltd owns a 100% interest in non-gold rights on the FGP Tenements including but not limited to nickel, lithium and other metals.

The Forrestania Gold Project contains an existing Mineral Resource of 5.9 Mt at 1.25 g/t for 240,000 ounces of gold, classified and reported in accordance with the JORC Code (2012), with a recent Scoping Study (see ASX Announcement released 2<sup>nd</sup> May 2017) suggesting both the technical and financial viability of the project. The current post-mining Mineral Resource for Lady Ada, Lady Magdalene and Lady Lila is tabulated below.

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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 14<sup>th</sup> March 2017 and 21<sup>st</sup> March 2017.

Prospect	Indicated			Inferred		
	Tonnes	Grade (Au g/t)	Ounces Au	Tonnes	Grade (Au g/t)	Ounces Au
Lady Ada	283,500	1.78	16,200	260,000	2.2	18,750
Lady Magdalene	1,828,500	1.08	63,700	2,450,000	1.5	118,000
Lady Lila				541,000	1.38	24,000
<b>Total</b>	<b>2,112,000</b>	<b>1.17</b>	<b>79,900</b>	<b>3,251,000</b>	<b>1.53</b>	<b>160,750</b>

**Notes:**

1. The Mineral Resource is classified in accordance with JORC, 2012 edition
2. The effective date of the mineral resource estimate is 31 December 2016.
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 taken into account

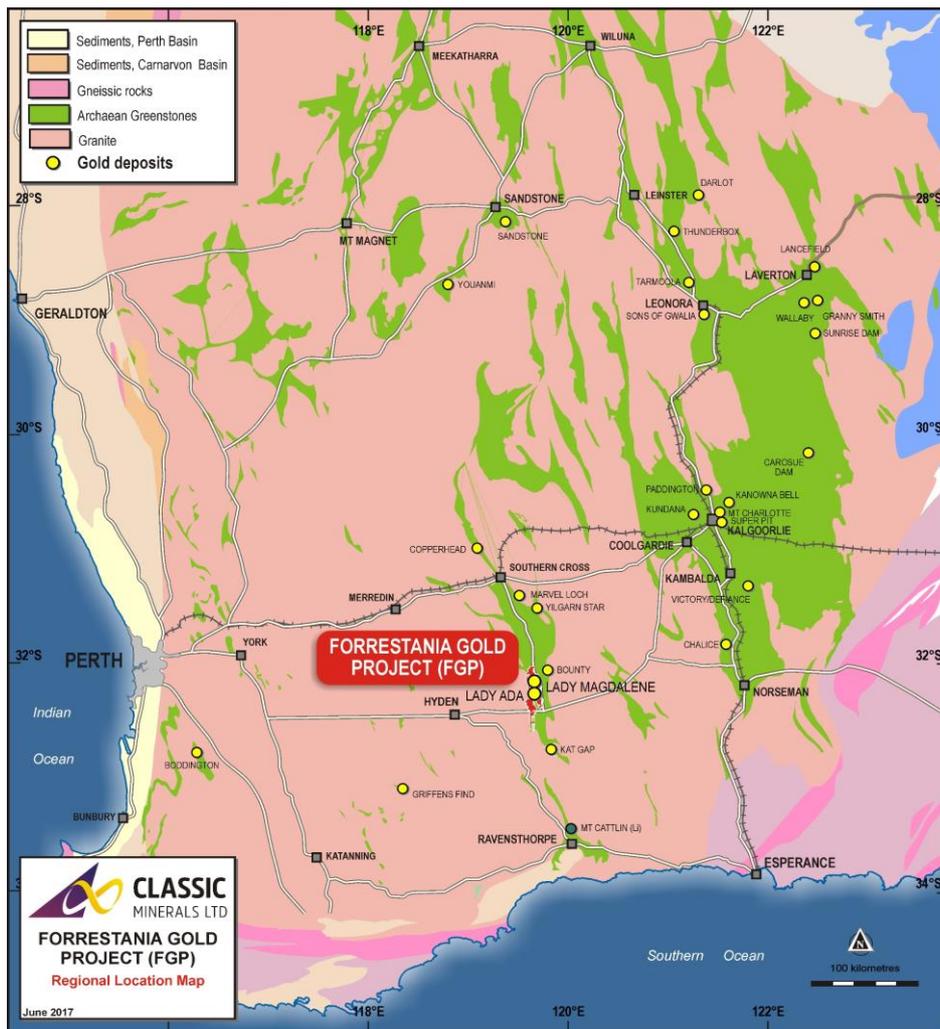


Figure 4: Regional Map

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On behalf of the board,

Justin Douch  
Managing Director



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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 Edward S. K. Fry, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Fry is a consultant exploration geologist with BGM Investments Pty Ltd and consults to Classic Minerals Ltd. Mr. Fry 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. Fry consents to the inclusion in this report of the matters based on his information in the form and context in which it appears*