

## ASX Announcement

5 November 2018

# RC DRILLING PROGRAM GETS UNDERWAY AT KAT GAP

### Highlights:

- 1000m of RC drilling underway at Kat Gap after highly successful campaign in August 2018
- Assay results expected late November
- Drilling to extend strike and up-dip extensions of Kat Gap high grade mineralisation

### 1. INTRODUCTION

WA-focused gold exploration and development company Classic Minerals Limited (ASX: CLZ) ("Classic", or "the Company") is pleased to announce that it has commenced RC drilling at its Forresteria Gold Project (FGP) in Western Australia.

Classic CEO Dean Goodwin said:

*Following the stunning results of our last drilling program, including multiple high-grade gold hits at Kat Gap and Lady Magdalene, we are very excited to be heading back to the FGP to undertake further follow up drilling. This latest round will be focused solely on our Kat Gap project which delivered outstanding results over the previous 3 drill campaigns. Drilling will again focus on the main granite – greenstone contact of which only 160m of a total 3.5km of potential strike has been tested by the Company.*

*We are planning to drill north along strike and also test for high grade gold mineralisation up-dip from previous bonanza intersections to see how close the gold gets to the surface. This information will be extremely important in any future mine planning and pit design work.*

*Future drilling programs at Kat Gap will then focus on testing an 800m long section of the main granite – greenstone contact where current drill line spacings are 100m apart. Our current drilling is located right in the middle of this 800m long section. We are of the firm belief that significant gold mineralisation is lurking between these sections similar to what we have seen during the last 3 drilling programs. I can't wait to get stuck into it.*

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## 2. DRILLING PROGRAM

Following on from the very encouraging results (see ASX announcement dated 8 October 2018) from its last program at Kat Gap, the Company will be targeting this area again with additional drilling.

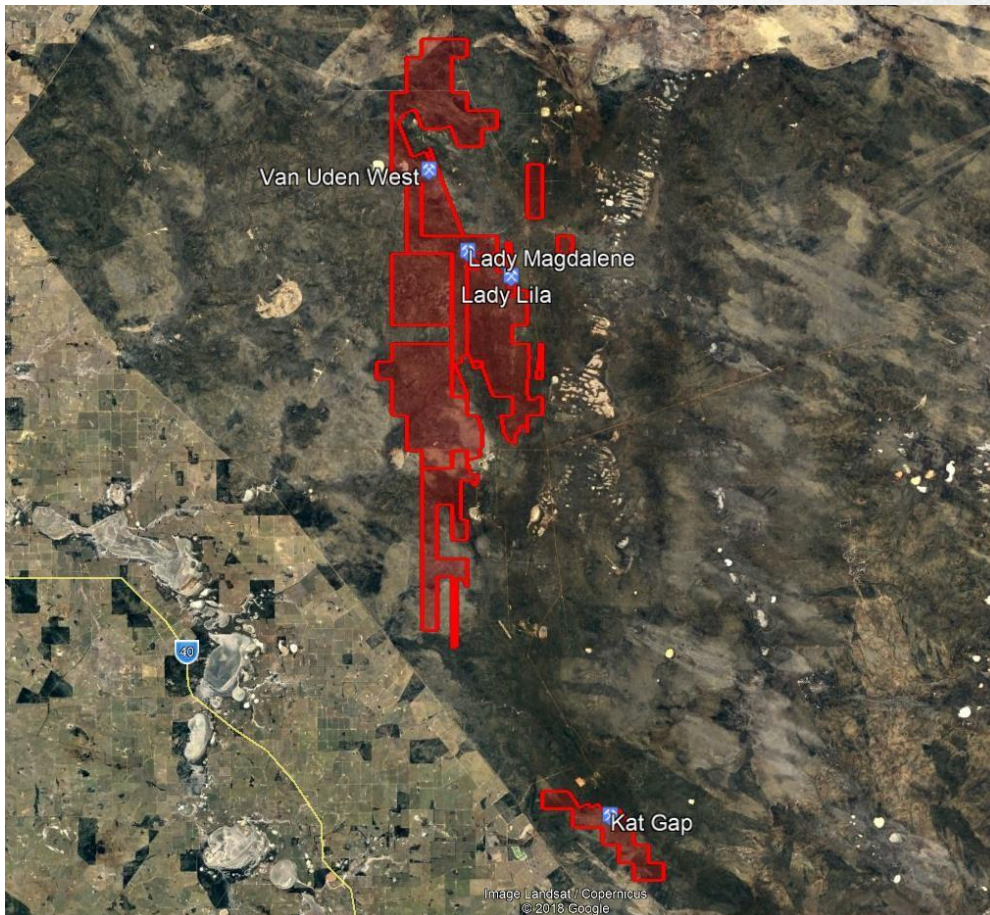


Figure 1: FGP tenure shown in red and drill targets

## 3. KAT GAP DRILLING

Kat Gap contains a shallow unmined gold deposit discovered in the 1990s, which was the subject of resource estimations and scoping study by Sons of Gwalia in 2003. The open-ended deposit lies within a 5 km long geochemical gold anomaly that has seen very little drill testing, and after the previous drill program completed in August, Classic sees great potential for the discovery of a substantial shallow high-grade gold deposit within the Kat Gap project area. The upcoming program will be testing for extensions of the high-grade gold system.

The most recent drilling completed in August was focused on testing the main granite-greenstone contact which has been the main focus since the prospect was discovered by previous holders. A few holes were drilled up against the cross-cutting Proterozoic dyke where high-grade gold mineralisation appears to have concentrated. Several holes were also drilled deeper testing the interpreted plunge of the main mineralisation. Drill holes FKGR017 - FKGR019, FKGR022 - 024 and FKGR028 - 033 (inclusive), all tested the main contact lode with holes FKGR020 - 021 and FKGR027 drilled close to the Proterozoic dyke. Holes FKGR025 and FKGR026 were drilled deeper down the potential plunge of the main system. Better results from these holes included: 10m @ 30.78 g/t Au from 28m including 2m @ 116.10 g/t Au from 31m in FKGR018; 9m @ 8.08 g/t Au from 95m including 1m @ 62.30 g/t Au from 101m in FKGR025; 10m @ 4.18 g/t Au from 26m including 1m @ 15.10 g/t Au from 31m in FKGR022 and 5m @ 4.85 g/t Au from 16m including 1m @ 19.10 g/t Au from 16m in FKGR017.

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Holes FKGR025 and FKGR026 were drilled deeper than previous holes to test the potential down plunge extent of the main granite-greenstone contact lode. Both holes intersected significant gold mineralisation supporting the interpretation of a seventy-degree plunge to the north. Results include: **9m @ 8.08 g/t Au from 95m** including **1m @ 62.30 g/t Au from 101m** in FKGR025 and **1m @ 18.80 g/t Au from 86m** in FKGR026. The plunge line is wide open along strike and down dip.

As part of the November drilling campaign, Classic has 17 holes planned at Kat Gap for a total of 1,000m. These holes will test further north along strike from existing RC drilling along the granite-greenstone contact zone. In addition, the drilling will also test for up-dip continuations of high-grade gold mineralisation up against the Proterozoic dyke.

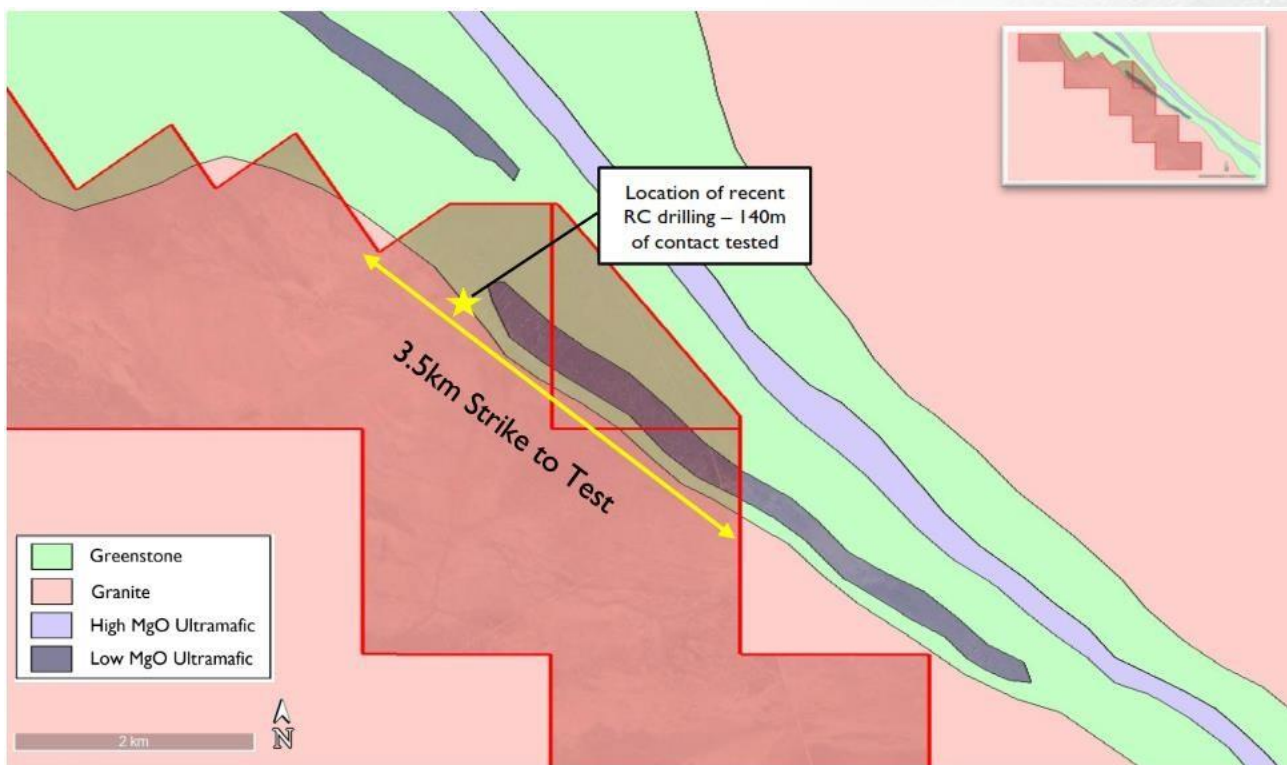


Figure 2: Plan view showing strike to be tested at Kat Gap

#### 4. ABOUT THE FORRESTANIA GOLD PROJECT

The FGP Tenements (excluding Kat Gap and Lady Lila) 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 Classic Ltd owns a 100% interest in non-gold rights on the Kat Gap and Lady Lila Tenements including but not limited to nickel, lithium and other metals.

The FGP contains an existing Mineral Resource of 5.3 Mt at 1.39 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 1 as attached to ASX announcements dated 14<sup>th</sup> March 2017 and 21<sup>st</sup> March 2017.

| Prospect       | Indicated |                |        | Inferred  |                |           | Total     |            |         |
|----------------|-----------|----------------|--------|-----------|----------------|-----------|-----------|------------|---------|
|                | Tonnes    | Grade (Au g/t) | Ounces | Tonnes    | Grade (Au g/t) | Ounces Au | Tonnes    | Grade (au) | Ounces  |
| Lady Ada       | 283,500   | 1.78           | 16,200 | 260,000   | 2.2            | 18,750    | 543,500   | 1.99       | 34,950  |
| Lady Magdalene | 1,828,500 | 1.08           | 63,700 | 2,450,000 | 1.5            | 118,000   | 4,278,500 | 1.32       | 181,700 |
| Lady Lila      |           |                |        | 541,000   | 1.38           | 24,000    | 541,000   | 1.38       | 24,000  |
| Sub-Total      | 2,112,000 | 1.17           | 79,900 | 3,251,000 | 1.53           | 160,750   | 5,363,000 | 1.39       | 240,650 |

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

On behalf of the board,



Dean Goodwin CEO

## Classic Minerals Limited

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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 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.