

## Lefroy secures crucial funding via BML Lucky Strike Profit Cash Advance Agreement

16 July 2025

### HIGHLIGHTS

- Lefroy Exploration Limited (Lefroy) and BML Ventures Pty Ltd (BML) have entered into a Profit Cash Advance Facility Agreement in relation to the Lucky Strike Gold Project, which contains a total MRE of 1.27 Mt @ 1.95 g/t Au for 79,600 ounces.
- Lefroy is now fully funded until profit-share distributions commence at Lucky Strike in 1/H 2026, avoiding dilution of existing shareholders.
- Total funding commitment of \$2.5 million, with the first cash advance of \$1 million to be completed by the end of the September FY26 quarter.
- Additional advances of \$500,000 to be available in each of the December, March and June FY26 quarters.
- All cash advances to be offset against Lefroy's 50% entitlement under its existing Profit-Sharing Agreement with BML.
- Recourse under the facility security is limited to the Lucky Strike mining tenement, no upfront fees and a coupon rate of 8% per annum.
- Substantially strengthens our cash position, which will enable the Company to embark on additional high impact exploration programs across the broader Lefroy tenure throughout the remainder of 2025 and beyond.

Lefroy Exploration Limited (“Lefroy” or “the Company”) (ASX: LEX) is pleased to announce that it has entered into a Profit Cash Advance Facility Agreement with BML Ventures Pty Ltd (“BML”) with regards to the Lucky Strike Gold Deposit (“Lucky Strike”).

The Lucky Strike Gold Deposit contains an MRE of 1.27Mt @ 1.95 g/t Au for 79,600 ounces (Indicated 0.70Mt @ 1.93 g/t Au for 43,400 oz. Inferred 0.57Mt @ 1.97 g/t Au for 36,200 oz).

**LEFROY CEO, GRAEME GRIBBIN, COMMENTED:**

*“Securing a funding solution for Lefroy with our profit-sharing partner BML places the Company in a strong cash position as we advance towards operations at Lucky Strike in late 2025.*

*BML’s support is a major vote of confidence in the Company and the Lucky Strike project, ensuring that Lefroy is fully funded as both parties advance toward profit share distribution in FY 2026.*

*Lastly, and most importantly, this funding agreement avoids dilution of both new and long-term loyal Lefroy shareholders, whilst retaining 100% ownership of our Mineral Resources and the tenements that underlie them”.*

BML is a privately owned mining contractor based in Kalgoorlie and has a strong track record of funding, developing, and operating open pit gold mines.

With a strong technical focus, BML uses its low-cost owner/operator mining fleet and its relationships with local toll treatment operators to maximise profitability and cash generation from small to medium sized mining projects.

Lefroy entered into a Profit-Sharing Agreement with BML in February 2025 in relation to the Lucky Strike Gold Project (refer ASX announcement 12 February 2025).

**PROFIT CASH ADVANCE FACILITY AGREEMENT**

The binding Profit Cash Advance Facility Agreement between BML and Lefroy is in relation to the Lucky Strike Gold Project (**Figure 1**).

**LUCKY STRIKE - PROFIT CASH ADVANVE FACILITY AGREEMENT:**

The material commercial terms of the Lucky Strike – Profit Cash Advance Agreement are as follows:

- BML, as the Lender agrees to provide funds to Lefroy, as the Borrower by way of cash advances up to the total available lending commitment of \$2.5 million (“Commitment”).
- The Commitment is to be drawn down in quarterly increments of \$500,000, following provision of a Lefroy Drawdown Notice to BML.
- Lefroy will draw down the first two (2) increments of up to \$500,000 each (totalling a maximum of \$1 million) by the end of the September FY26 quarter.
- Three further draw down increments of up to \$500,000 are to be drawn down by the end of each of the December, March and June FY26 quarters.
- Fixed interest rate of 8% applied monthly, and capitalised monthly in arrears, with interest to be paid (deducted) from Lefroy’s 50% entitlement under the Profit-Sharing Agreement between LEX and BML (refer ASX announcement 12 February 2025).
- The Maturity Date for the repayment of the Principal Outstanding is 31 December 2026.
- As security, Lefroy agrees to grant BML a tenement mortgage on usual terms over the Lucky Strike tenement M25/366 (under Lefroy’s wholly owned subsidiary Monger Exploration Pty Ltd).

This agreement represents a significant achievement for Lefroy, securing funding through its Profit-Sharing Agreement partner BML.

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It will ensure that the Company maintains a strong cash position as it navigates the final stages of its regulatory and pre-mining activities in preparation for the commencement of operations at Lucky Strike towards the end of 2025.

## **NEXT STEPS**

The Lucky Strike Deposit is the first of three separate resources held by Lefroy, with total resources of over 1 million ounces, that the Company seeks to develop over the next few years (Refer **Table 1**).

While ensuring the maintenance of a strong cash position for Lefroy, the Profit Cash Advance Facility Agreement will also enable the Company to embark on additional exploration programs across the broader Lefroy tenure throughout the remainder of 2025.

Our immediate focus will be to expand the Company's resource base, specifically targeting shallow resource extensions at both Mt Martin and the high-grade extensions of the Burns deposit.

Furthermore, and extending into 2026, we will assess a set of exciting early stage through to more advanced pre-resource exploration opportunities, across our 635km<sup>2</sup> contiguous tenement holding in the heart of the prolific Kalgoorlie -Kambalda gold mining district.

**- ENDS -**

This announcement has been authorised for release by the Board of Directors.



Graeme Gribbin  
CEO

For further information please contact:

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## ABOUT LEFROY EXPLORATION LIMITED

Lefroy Exploration Limited (ASX:LEX) is an active West Australian exploration company focused on developing its flagship Lefroy Project (**Figure 1**), a contiguous land package of 635km<sup>2</sup> located in the heart of the world-class Kalgoorlie and Kambalda gold and nickel mining districts and the Lake Johnston Project 120km west of Norseman.

Lefroy is pursuing a low-cost gold production strategy through profit share mining agreements on its shallow, high-grade gold deposits. The company's Lucky Strike Deposit with 79,600oz is subject to the first of such agreements, with key milestones completed on the way to production targeted for early 2026. Additional deposits Mt Martin (439,000oz at 1.47g/t Au) and Burns Central (159,285oz at 1.18g/t Au) offer additional potential for similar agreements and show significant resource growth potential through ongoing exploration.

With over one million ounces in resources and a zero-cost development pathway, LEX is well-positioned to generate cash flow and advance its broader portfolio.

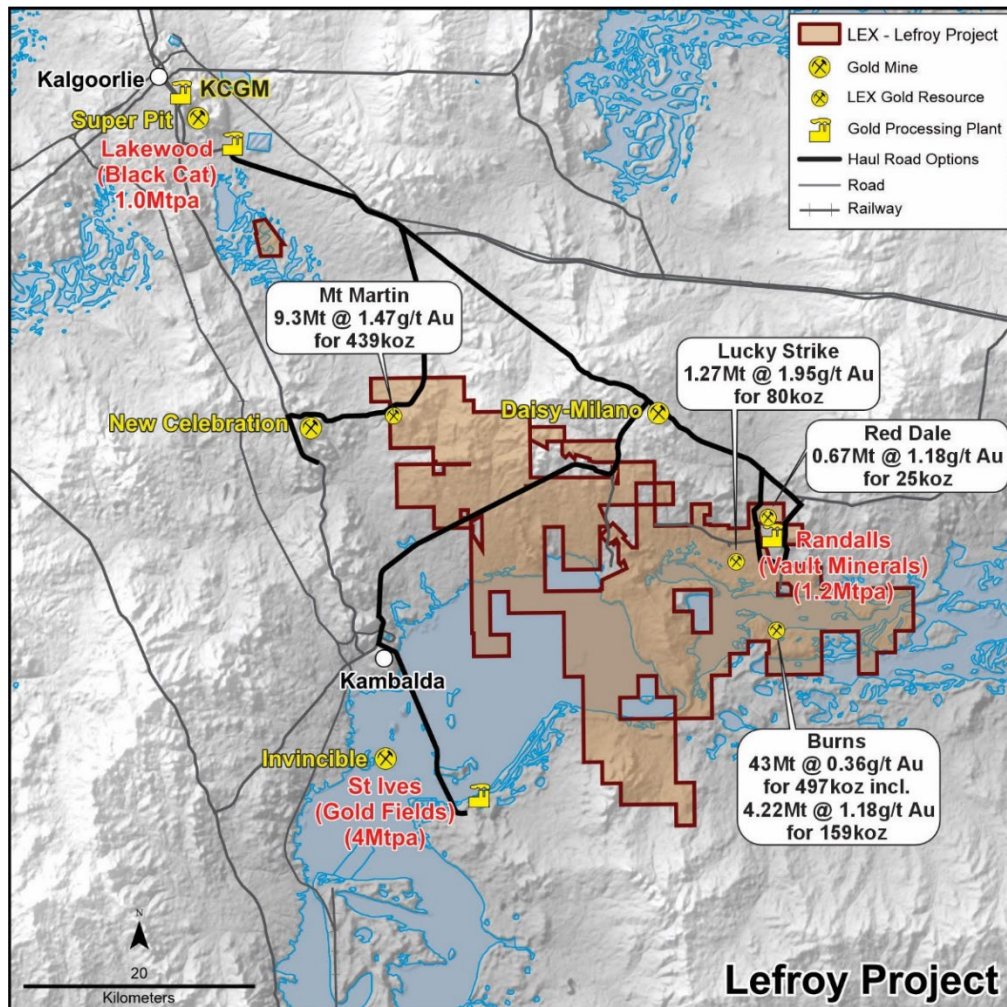


Figure 1: Regional location map of the Lefroy Project

## SUPPORTING ASX ANNOUNCEMENTS

The following announcements were lodged with the ASX and further details (including supporting JORC Tables) for each of the sections noted in this announcement can be found in the following releases. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. In the case of all Mineral Resource Estimate's (MRE), the Company confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

- Outstanding Results Reinforce Lucky Strike Potential: 26 February 2020
- Maiden Lucky Strike Resource Estimate: 20 May 2020
- Half a million ounces of gold in Burns Central maiden resource: 4 May 2023
- Strategy to focus on Gold Development and Exploration: 23 February 2024
- High Grade Shallow Resource to Unlock Value at Burns Central: 3 October 2024
- Lefroy builds near-surface gold resources at Mt Martin: 10 October 2024
- Lefroy signs Agreement with BML Ventures to advance development of the Lucky Strike gold deposit: 18 December 2024
- Lefroy executes Agreement with BML Ventures to mine the Lucky Strike gold deposit: 12 February 2025
- Drilling Underway at Lucky Strike Gold Project: 26 February 2025
- Drilling identifies upside at Lucky Strike with pre-permitting works underway: 26 March 2025
- Major Grade Control drilling campaign commences at Luck Strike: 06 May 2025
- Exceptional grade control results as Diamond drilling commences at Lucky Strike: 03 June 2025
- Major Milestone as Lefroy Secures first Toll Milling agreement: 10 June 2025
- More High-Grade Results at Lucky Strike Gold Deposit: 24 June 2025

## COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Graeme Gribbin, a competent person who is a member of the Australian Institute of Geoscientists (AIG). Mr Gribbin is employed by Lefroy Exploration Limited. Mr Gribbin has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Gribbin consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

## FORWARD LOOKING STATEMENTS

This announcement contains “forward-looking statements”. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “expect”, “predict”, “forecast”, “estimate”, “target” and “intend” and statements that an event or result “should”, “could”, “may”, “will” or “might” occur or be achieved and other similar expressions. Forward-looking statements are subject to business, legal and economic risks and uncertainties and other factors that could cause actual results to differ materially from those contained in forward-looking statements. Forward-looking statements including estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and performance) are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may or may not occur. The statements involve known and unknown risks, uncertainties and other factors associated with LEX and the mining exploration industry such as resource risk, environmental and regulatory risks, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates and operational risks. Many of risks these are beyond the control of LEX. It is believed that expectations reflected in the statements are reasonable but they may be affected by market conditions and a range of other variables which could cause actual results or trends to differ materially from those stated.

**Table 1: Total Indicated and Inferred Mineral Resources (small discrepancies may occur due to the effect of rounding)**

Orogenic Gold Style									
Deposit	Indicated			Inferred			Total Resource		
	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Red Dale	0.64	1.21	24,660	0.03	0.60	570	0.67	1.18	25,230
Lucky Strike	0.70	1.93	43,400	0.57	1.97	36,200	1.27	1.95	79,600
Mt Martin	5.60	1.40	2,47,500	3.69	1.61	191,500	9.29	1.47	439,000
<b>TOTAL</b>	<b>6.94</b>	<b>1.41</b>	<b>315,560</b>	<b>4.29</b>	<b>1.66</b>	<b>228,270</b>	<b>11.23</b>	<b>1.51</b>	<b>543,830</b>

Porphyry Gold-Copper Style														
Deposit	Indicated					Inferred					Total Resource			
	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Au (Oz)	Cu (t)
Burns Central	32.31	0.38	0.16	394,308	50,253	10.65	0.3	0.08	103,165	8,047	42.96	0.36	497,472	58,300
<b>Total</b>	<b>32.31</b>	<b>0.38</b>	<b>0.16</b>	<b>394,308</b>	<b>50,253</b>	<b>10.65</b>	<b>0.3</b>	<b>0.08</b>	<b>103,165</b>	<b>8,047</b>	<b>42.96</b>	<b>0.36</b>	<b>497,472</b>	<b>58,300</b>
<i>Inclusive of</i>														
Burns High Grade	4.11	1.19	0.22	157,215	9,119	0.1	0.63	0.18	2,070	184	4.22	1.18	159,285	9,303

Nickel									
Deposit	Indicated			Inferred			Total Resource		
	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal
Goodyear	-	-	-	392,000	3.78	14,780	392,000	3.78	14,780
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392,000</b>	<b>3.78</b>	<b>14,780</b>	<b>392,000</b>	<b>3.78</b>	<b>14,780</b>