

ASX Announcement

14 August 2019

RC RIG DRILLING AGAIN AT KAT GAP

Highlights:

- 1700m of RC drilling underway at Kat Gap after highly successful campaign in July 2019;
- Assay results expected late August;
- Drilling to test down-dip projections of Kat Gap high grade mineralisation on the granite-greenstone contact over the 400m of strike already tested by the Company;
- Previous RC drilling by Classic at Kat Gap has returned outstanding high-grade gold intercepts from shallow depths including:

5m @ 14.10g/t Au	from 17m	in FKGRC001
12m @ 7.52g/t Au	from 39m	in FKGRC006
8m @ 19.05g/t Au	from 32m	in FKGRC008
8m @ 7.14g/t Au	from 82m	in FKGRC010
12m @ 5.39g/t Au	from 30m	in FKGRC012
4m @ 9.53g/t Au	from 70m	in FKGRC014
10m @ 30.78g/t Au	from 28m	in FKGRC018
10m @ 4.18g/t Au	from 26m	in FKGRC022
9m @ 8.08g/t Au	from 95m	in FKGRC025
10m @ 8.17g/t Au	from 7m	in FKGRC059
7m @ 24.34g/t Au	from 24m	in FKGRC060
9m @ 15.21g/t Au	from 22m	in FKGRC061

Classic CEO Dean Goodwin said:

*Following on from the great results of our last drilling program, including multiple high-grade gold hits close to the surface, extensions at depth down dip and along strike to the north, we are very excited to be heading back to Kat Gap so soon to undertake more follow up drilling. This latest round will be focused solely on Kat Gap which has delivered outstanding results from the previous 5 drill campaigns. Drilling will again focus on the main granite – greenstone contact of which **only 400m of a total 3.5km of potential strike has been tested** by the Company.*

We are planning to drill down dip from recent high-grade gold intercepts along the entire 400m of strike we have delineated so far. To date we have only affectively tested down to an average depth of 50m vertical below surface. This program is designed to probe 100m below surface.

*Future drilling programs at Kat Gap will focus on testing an 800m long section of the main granite – greenstone contact where current drill line spacings are 100m apart and also within the granite itself where previous geochemical surveying detected high grade gold near the surface. **The granite has been pretty well much overlooked by previous explorers. We are of the firm belief that significant gold mineralisation is lurking out in the granite.***

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INTRODUCTION

WA-focused gold exploration and development company Classic Minerals Limited (ASX: CLZ) ("Classic", or "the Company") is pleased to announce that it has recommenced RC drilling at its 100% owned Kat Gap Gold Project covering exploration licences E74/422 and E74/467.

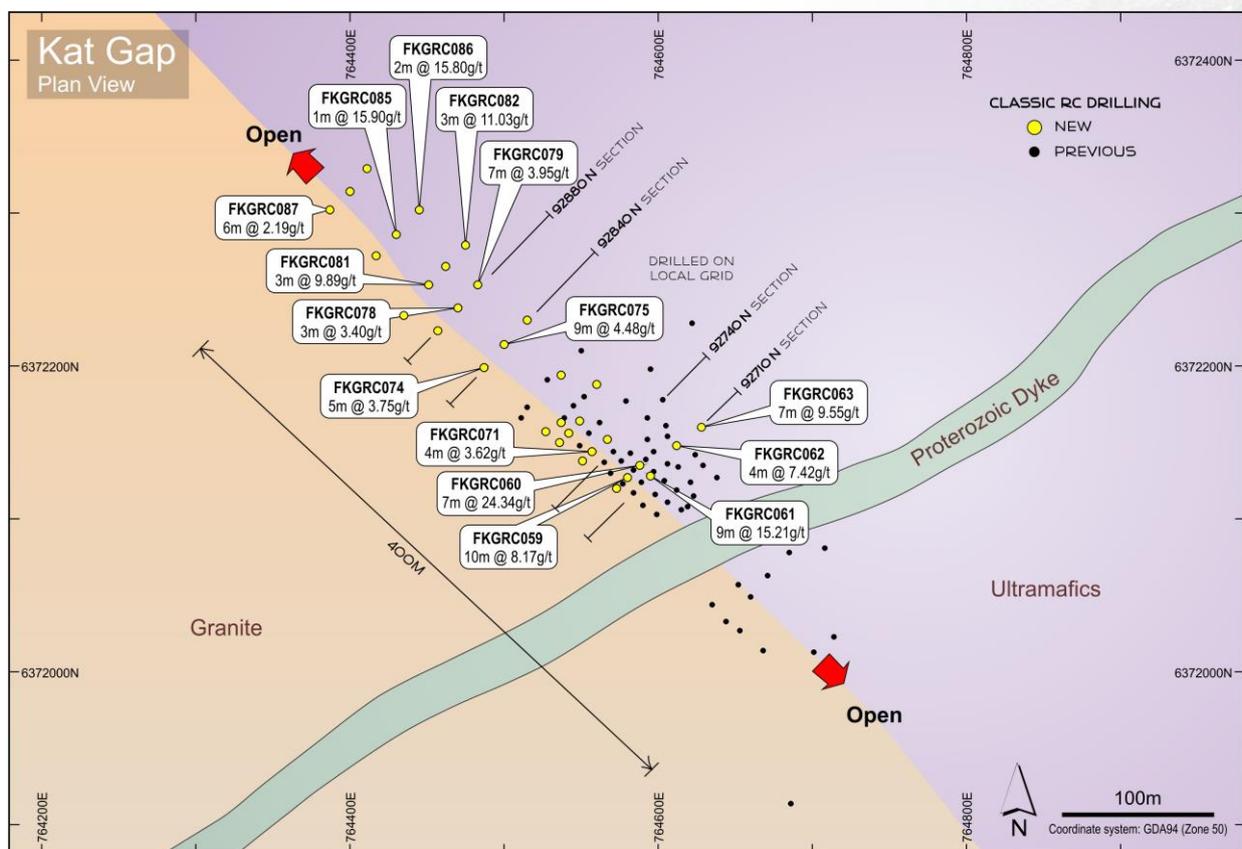


Figure 1: Kat Gap plan view showing recent and previous Classic RC drilling plus significant gold intersections.

I. PREVIOUS RC DRILLING AT KAT GAP BY CLASSIC

Previous historical high-grade RC drill intercepts prior to Classic's drilling include 15 m @ 15.1 g/t Au from 39 m depth and 6 m @ 19.1 g/t from 17 m depth. The open-ended mineralisation lies within a 5 km long geochemical gold anomaly that has seen very little drill testing, and there is potential for the discovery of a substantial gold deposit within the project area. Previous exploration work includes airborne geophysical surveys; aircore, RAB, RC and diamond drilling; and soil geochemical surveys.

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Classic has completed 5 separate drilling campaigns at Kat Gap. A total of 89 holes for 5931m have been completed between May 2018 and July 2019 all returning significant high-grade gold intercepts. The majority of the drilling is relatively shallow, down to approximately 50m vertical depth below surface and covered a strike length of the granite – greenstone contact of approximately 400m. The main area of drilling has been focused primarily on and adjacent to both contacts of a cross-cutting Proterozoic dyke where it intersects the main granite-greenstone contact. At this location the gold mineralisation has been significantly enriched. **See ASX announcement dated 29th July 2019 for a full summary of previous drilling results from the Kat Gap project.**

2 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. 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 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 Lady Lila is tabulated below.

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 14th March 2017 and 21st 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
6. Depletion of the resource from historic open pit mining has been considered

On behalf of the board,



Dean Goodwin CEO

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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.