

Rafaella Secures 142 New Claims Adjoining the McCleery Project in Yukon Canada

Highlights:

- Secured 142 new claims adjoining the McCleery copper/cobalt skarn style project in Yukon, Canada
- Engaged local geological consultants to review all regional historical exploration information
- Identified numerous neighbouring base metal occurrences as a result of this review
- Rafaella is currently planning the first geophysics survey ever done in the area

Exploration company **Rafaella Resources Limited (ASX: RFR)** (“Rafaella”, “the Company”) is pleased to announce that it has recently secured an additional 142 prospective claims immediately adjoining the McCleery Copper/Cobalt Skarn style project (Figure 1 below).

The McCleery Project is located within the Yukon Territory, Canada. The Project is approximately 170km southeast of Whitehorse, the territorial capital of the Yukon. Teslin, the nearest town, with a population of 2,000 is approximately 40km southwest of the Project.

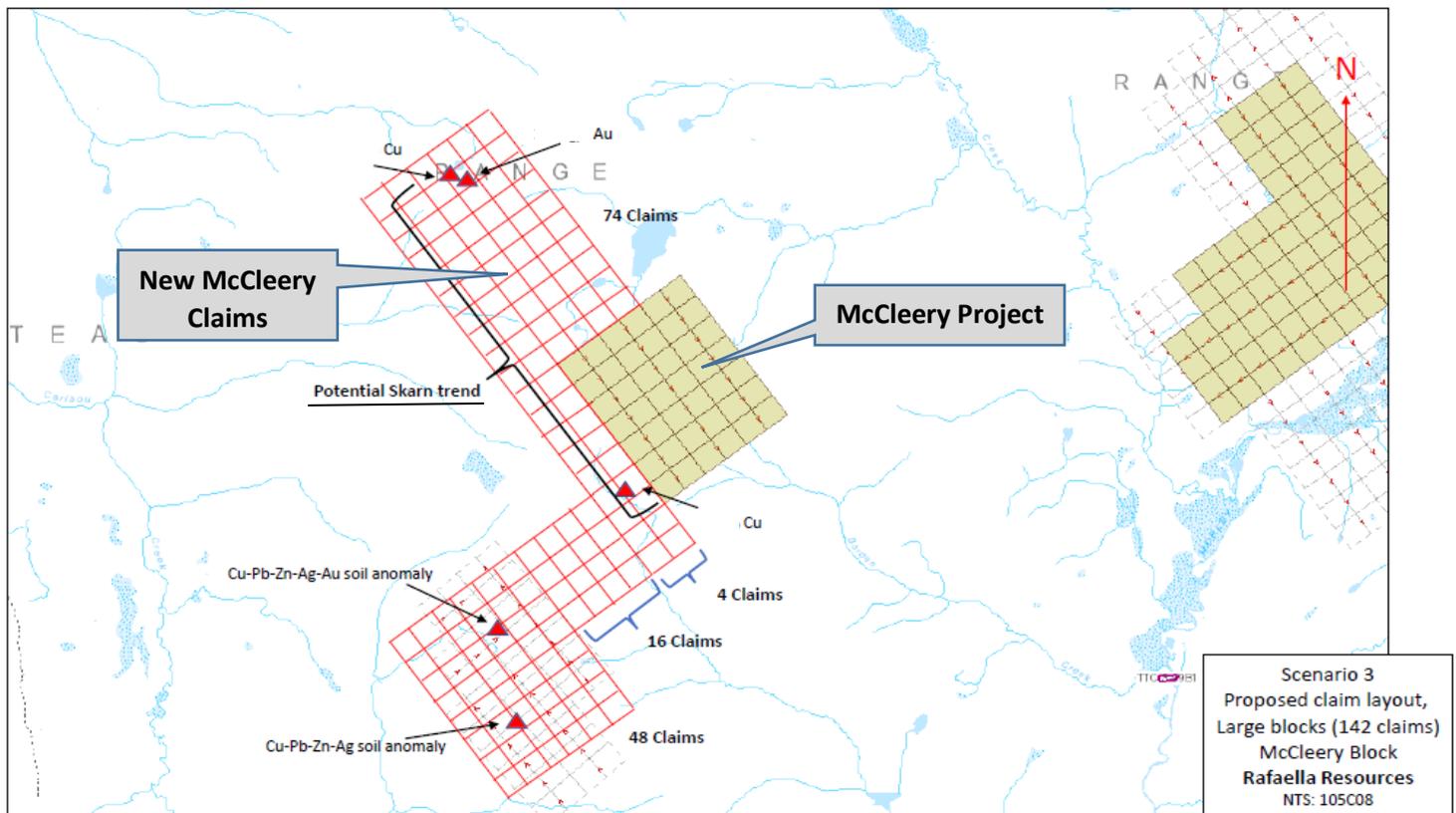


Figure 1. New 142 Claims, see figure 2 for the McCleery project geology

The Company engaged local geological consultants in Whitehorse to study open file material available including all regional historical exploration information. This review has identified numerous neighbouring base metal occurrences including recordings of copper occurrences which are described as having similar geological features to the McCleery Project.

Data on these occurrences is sourced from statutory government reports which includes limited detail on assay methods and other QA/QC information, therefore no assay results are able to be presented at this time. The geological consultants have postulated that these occurrences may represent either a potential VMS system or additional Skarn style occurrences along strike from the known mapped skarns at the McCleery project.

The Company thought it was prudent to add neighbouring claims to cover these potential mineralisation sites and strike extensions prior to listing. In addition to locking down potential extensions to mineralisation, airborne VTEM surveys are currently being planned over the Project. This will be the first geophysical survey ever done in the area and given the reported information available on the known mineral occurrences (specifically Cu-Co-Zn) the Company looks forward to keeping the market up-to-date as this survey progresses.

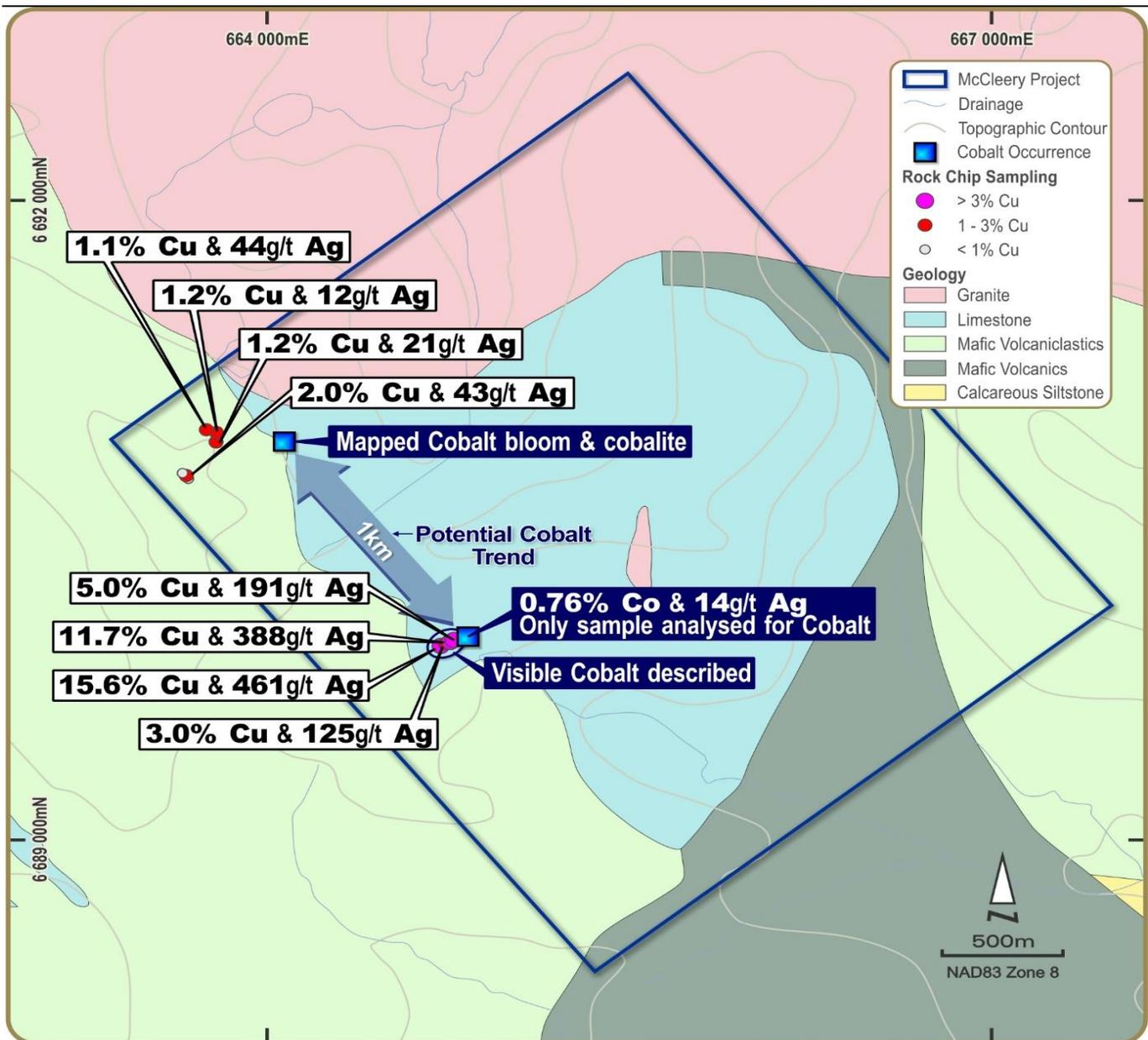


Figure 2. McCleery Interpreted Project Geology (modified from ASX:OVR Announcement 12 April 2017)

Rafaella Managing Director Ashley Hood: “We are very pleased to have secured these additional new claims and commenced the planning of survey work in the area. Preliminary studies of the extent and grade of the known mapped mineralisations are encouraging. The Company looks forward to updating the market once further information becomes available.”

About Rafaella Resources

Rafaella is a junior exploration company who holds 100% of the McCleery project, a highly prospective mineral exploration project in the Yukon Territory, Canada and a 100% interest in the Sandstone Project, a gold and base metals exploration project in Western Australia. Rafaella was established with the purpose of exploring and developing gold, cobalt, copper and other mineral opportunities.

Visit www.rafaellaresources.com.au for additional information including past announcements.

Ashley Hood
Managing Director

Julia Maguire
Media enquiries
The Capital Network
+61 419 815 386
julia@thecapitalnetwork.com.au

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources has been compiled under the supervision of Mr Bill Oliver, a consultant to the Company. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. He has sufficient experience that is relevant to the style of mineralisation and 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 (JORC Code). Mr Oliver consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.