ASX Announcement | 29 November 2018

Rafaella Resources Limited (ASX:RFR)

Rafaella Receives High-Grade Copper Results from its McCleery West Project in Yukon Canada

Highlights:

- **Received results from McCleery West Project in Canada and Sandstone Project in Australia**
- **High-grade copper assay returned from the McCleery West Project**
- **Three-quarters of the soils geochemistry assays from the Sandstone Project have been received**
- **Additional data collected from both projects currently being processed and is scheduled to be ready by year-end**

Exploration company **Rafaella Resources Limited (ASX: RFR**) ("Rafaella", "the Company") is pleased to announce that it has received results from a sample taken at its wholly-owned McCleery West Project in the Yukon Territory, Canada.

The sample was taken from a previously unmapped area of talus float hosting fine-grained bornite (a copper sulphide mineral) and minor chalcopyrite with moderate to strong malachite staining in calcareous siltstone. Analysis of this sample has returned an assay value of **2.9% Cu, 128ppb Au and 51.9ppm Ag.**

The Company views the presence of copper mineralisation at this location as adding support to the potential for a larger mineralised system in the area of the McCleery projects. Rafaella's investigations at the McCleery West Project are the most comprehensive carried out at the site to date.

Interpretation of data from the recently completed VTEM survey at the McCleery project area is currently being peer-reviewed and as soon as this report is finalised the Company will release an update announcement.

Table 1. Significant Assay Table

Cu (%)	Au (PPB)	Ag (PPM)
2.912	128	51.9

Sandstone Project data received, final sample processing underway

Rafaella has also received data from its other wholly-owned project, the Sandstone Project, a gold and base metals exploration project in Western Australia.

Approximately 75% of the soils geochemistry assays from the Sandstone Project have been received. This data is currently with the Company's technical team and being assessed. As soon as the final samples are received from the ALS laboratory where they are currently being analysed, these will be incorporated with the data recently received and interpreted. The Company looks forward to keeping the market informed as final results become available.

Rafaella Executive Director Ashley Hood: *"The initial results from our two wholly-owned projects are very encouraging. We are very pleased with both the discovery of high-grade copper at the McCleery Project and the progress being made with the Sandstone Project data. Our technical team is currently working hard to process the remaining data and we anticipate having more results to share with the market by year end."*

Ends

For further information, please contact:

Rafaella Resources

Ashley Hood

Executive Technical Director

Ph: 0427 268 999

E: ashley.hood@rafaellaresources.com.au

Media & Investor Enquiries

Julia Maguire

The Capital Network

M: +61 419 815 386

E: julia@thecapitalnetwork.com.au

About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is a junior exploration company which owns the McCleery cobalt and copper project in the Yukon territory Canada, and the Sandstone gold project in Western Australia.

The Company was established with the purpose of exploring and developing gold, cobalt, copper and other mineral opportunities. Rafaella sees the McCleery and Sandstone projects as having excellent potential due to being under-explored, with limited drilling and exploration completed at the sites to date.

To learn more please visit: www.rafaellaresources.com.au

Competent Persons Statement

The information in this announcement that relates to Exploration Results 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.

Hand specimen observations were provided to the Competent Person by Carl Schulze, Senior Project Manager (Geology) for Aurora Geosciences, Canadian consultants to the Company. Mr Schulze is a Professional Geoscientist in good standing with APEGBC, APGO and NAPEG, Recognised Professional Organisations under the JORC Code.

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.

Table 2. Sample Data

Sample ID	Easting	Northing
1464135	663710	6689740

- *Coordinates in NAD83 Zone 8*
- *Results should be read in conjunction with the information in Appendix 1*

APPENDIX 1: JORC TABLE

The following Tables are provided to ensure compliance with the JORC Code (2012 Edition) requirements for the reporting of Exploration Results.

Section1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling technique	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used* • *Aspects of the determination of mineralisation that are material to the Public report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	Rock chip sample collected was a grab sample from subcrop and float.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).*	No drilling results are being presented.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed* • *Measurements taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and wether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No drilling results are being presented.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography.* • *The total length and percentage of the relevant intersections logged*	Samples were geologically described and a summary is presented in the body of this announcement.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and wether quarter, half or all core taken.* • *If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The rock chip sample collected weighed 0.54kg. The sample is a rockchip sample and given the nature of rockchip sampling it is likely that the sample may not be representative and instead is indicative of specific geological feature or point.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Samples were sent to Bureau Veritas (BV) in Vancouver, Canada for analysis. Sample prep and analysis included the following: • Crush, split and pulverise 250g of rock to 200 mesh • Analysis for Au, Pt, Pd using method FA350 – 50g FA analysis by ICP • Analysis for Mo, Cu, Pb, Zn, Ag, Ni, Co, Mn, Fe, As, Th, Sr, Cd, Sb, Bi, V, Ca, P, La, Cr, Mg, Ba, Ti, B, Al, Na, K, W, S, Hg, Tl, Ga, Sc using method AG300 – aqua regia digest with ICP-ES analysis No standards, blanks, duplicates, or external laboratory checks were submitted. Internal laboratory QAQC procedures were followed by BV.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes* • *Documentation of primary data, data entry procedures, data verification, data storage (physically and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No drilling results are being presented. • No significant intersections are being reported. • Assay results were sent by the lab in excel spreadsheet. • No adjustment to assay data has been made.

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The grid system for the McCleery Project is NAD83 MTM Zone 8 (North American Datum of 1983). • The accuracy of sample location is considered adequate for this stage of work.
Data spacing and distributio n	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Single sample so no spacing. No Mineral Resources or Ore Reserves are being declared. No sample compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Rockchip samples are selective and therefore biased sampling. No drilling has taken place.
Sample security	• *The measures taken to ensure sample security.*	Samples were submitted directly to the laboratory by consultants to the Company.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of and audits or reviews of sampling techniques and data.*	No audits or reviews have taken place

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenements and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interest, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The McCleery Project comprises 42 contiguous Mineral Claims, claims MM1-42, covering a land area of 9 km2. Rafaella has entered into a conditional sale agreement with the current holder, Overland Resources Limited (ASX: OVR) and its wholly owned subsidiary, Overland Resources (BC) Limited (Overland BC), pursuant to which Rafaella will purchase 100% of issued capital in Overland BC and its interests in the McCleery Project. • The tenement is in good standing. Mineral claims in the Yukon can be maintained in good standing by performing approved exploration work to a value of $100 per claim per year or by making a $100 per claim per year cash payment to the Watson Lake Mining Recorder in lieu of work.
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	• Limited exploration has been undertaken on the McCleery Project. The Project was initially staked in 1974. Exploration to date includes soil sampling and rockchip sampling. • The results detailed in this report were from geochemical sampling undertaken by Atlas Explorations Limited during 1970, United Keno Hill Mines Ltd during 1975 and JC Stephen Explorations Ltd (on behalf of DC Syndicate) during 1982-1983. • All previous known exploration has been acknowledged and detailed in the IGRs accompanying the Company's prospectuses.
Geology	• *Deposit type, geological settings and style of mineralisation.*	• The McCleery Project is located within the composite Yukon-Tanana Terrane. The Project is underlain by highly deformed limestone and clastics of the Mississippian Englishman's Group, intruded by Cretaceous granite and granodiorite.

Criteria	JORC Code explanation	Commentary
		• There are three main skarn zones and many additional small 1-2m pods documented within the McCleery Project. Skarn, with significant copper, silver and cobalt values occurs in association with the limestone horizon.

Drill hole information	• *A summary of all information material for the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *Easting and northing of the drill hole collar*
	  ○ *Elevation or RL (Reduced level-elevation above sea level in metres)and the drill hole collar*
	  ○ *Dip and azimuth of the hole*
	  ○ *Down hole length and interception depth*
	  ○ *Hole length*
		No drilling results are being presented.

	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	No drilling results are being presented.
Data aggregation methods	• *In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable, geochemical sampling results presented are single point data. • No top cuts have been considered in reporting of grade results, nor was it deemed necessary for the reporting of significant intersections. • No metal equivalent values are currently being used for reporting exploration results.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known')*	Rockchip sample results represent point values only (i.e. no widths are being reported or assumed).
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited too plan view of drill hole collar locations and appropriate sectional views.*	See diagrams and tables in announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All rock chip assay results have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations, geophysical survey results, geochemical survey results, bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or containing substances.*	All known exploration activities have been summarised in previous announcements.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.*	Detailed geochemistry and geology to determine trends of known mineralised zones and to delineate other cobalt and copper anomalies. Acquisition, process and interpretation of geophysical data across the project area.