



ASX Announcement | 27 May 2020
Rafaella Resources Limited (ASX:RFR)

Rafaella Resources is selected for Canadian - Yukon Government Funding in support of its McCleery Project

Investment Highlights

- ① Rafaella Resources holds the McCleery Copper-Cobalt Project, an undrilled, early stage Copper-Cobalt exploration opportunity in the Yukon Territory, Canada.
- ① The Company intends to further investigate the EM anomalies mapped during the VTEM survey in 2018 with a geochemistry mapping programme prior to drill testing.
- ① The Company applied and has been successful in obtaining approval from the Yukon Government to receive funding support for this programme up to a maximum recovery of 60% of costs and C\$40,000.
- ① The Project has also received Class 1 notification allowing it to proceed with the planned exploration activities.

Rafaella Resources Limited (ASX:RFR) (“Rafaella” or “the Company”) is pleased to announce that the Company has been selected to receive government funding from the Yukon Mineral Exploration Program (YMEP) for exploration expenditure in 2020.

The Yukon Mineral Exploration Program (YMEP) is a funding program designed to support individuals and companies exploring for mineral occurrences by providing part of the risk capital to locate, explore and develop mineral projects to an advanced exploration stage.

The McCleery Project was one of only 33 of at least 124 applications to be approved for funding. Maximum reimbursement is 60% of eligible expenses up to a maximum of \$40,000.

Furthermore, the Company has successfully received the Class 1 notification for the Project. Class 1 notification is a process that requires claimholders and operators to submit a notice to the Yukon government to carry out Class 1 exploration work in identified areas around the territory.

Background

The McCleery Copper-Cobalt Project is an undrilled, early stage Copper-Cobalt exploration opportunity in 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.

Historical rockchip sampling returned results up to 15.6% Cu and 461 g/t Ag, including one sample which returned 0.76% Co and 14 g/t Ag¹. Soil sampling has delineated 3 discrete copper-in-soil anomalies coincident with a magnetic anomaly, but no drilling has been carried out.

The presence of the modelled VTEM anomalies as announced in February 2019² coupled with the established copper, gold and base metal occurrences within the McCleery Project has given the Company significant confidence to plan a geochemistry mapping programme within the Project to commence in late June or early July 2020.

The proposed programme covers follow-up sampling of historic areas of reported cobalt bloom (never assayed for cobalt) and other recorded areas of high historic gold/copper and zinc all favourable for a skarn or a VMS system.

Geological Highlights at McCleery

In 1982, J.C. Stephen Explorations Ltd carried out geological mapping over the northern project and submitted 35 rock samples from several skarn horizons for analysis. Only 14 of the 35 samples were assayed for copper, with over half returning values greater than 1.0% Cu. A single rock chip was analysed for cobalt, this returned 0.76% Co and 14 g/t Ag. Tungsten and tin have also been mapped within the McCleery project.



Figure 1. McCleery Project location and access.

Rafaella’s Managing Director Steven Turner said: “With the recently completed sale of the Sandstone gold exploration project, the Company now has a streamlined portfolio where due focus can be given to the fast tracking of its Santa Comba tungsten and tin project and the advancement of its highly prospective McCleery copper-cobalt exploration project. The support of the Yukon Government in the planned geochemistry mapping programme is testimony to the validity and potential that may be generated from this exercise. I look forward to updating the market with the results from this activity later in the year.”

¹ Refer to ASX announcement dated 31 July 2018 “Rafaella Secures 142 New Claims - Yukon, Canada”

² Refer to ASX announcement dated 19 February 2019 “McCleery Project VTEM Modelling Update”

This announcement has been authorised by the Board of Directors of the Company.

Ends

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About Rafaella Resources

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits worldwide. Rafaella owns the Santa Comba tungsten and tin development project in Spain and the McCleery cobalt and copper exploration project in Canada. The Santa Comba project is located in a productive tungsten and tin province adjacent to critical infrastructure and the McCleery project was previously under-explored and holds significant potential.

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

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 development.