

Lefroy Resources Limited

ACN 107 118 673

ANNOUNCEMENT

March 15, 2006

Visible Gold Intersected at Pinafore Reef, Lefroy Goldfield, NE Tasmania

Targeted RC drilling in March 2006 at the Pinafore Reef, within the Company's 100% owned Lefroy Goldfield, has intersected visible gold at shallow depths. Diamond drill-hole LFD070 intersected quartz-sulphide veining with visible gold, from an interpreted shear from the Pinafore Reef.

SUMMARY OF DRILL RESULTS

Hole ID	*Easting	*Northing	Dip-60°	From	**To
LFD070	498600	8451170	Azimuth-000	000	160

*Coordinates in GDA 94 UTM Zone 55. **Planned depth, hole in progress

Diamond drill hole LFD070 was stepped north from previous drilling to test the up-dip continuity of gold mineralisation, beneath historically mined stope at the Pinafore Reef. The hole was also deepened beneath the stope to test for potential mineralised "shears" parallel to the historically mined Pinafore main lode.

The hole was successful in first passing through approximately 6 metres of predicted stope (historically mined) from the Pinafore main lode (approximately 95 to 105 metres down hole). Characteristically, the footwall material showed associated quartz stockwork alteration and sulphide related mineralisation. LDF070 is in progress and assay results have not been received.

The hole then passed through the interpolated up-dip projection of a mineralised "shear" from the main lode (116 to 125 metres down-hole). Within this shear zone a one metre wide quartz-sulphide "lode" was intersected at approximately 123 to 124 metres (down-hole). The lode is comprised of pale grey quartz veining with minor brecciated quartz matrix. The lode contains abundant sulphides including pyrite, sphalerite, arsenopyrite and chalcopyrite. **Visible gold has been observed within the quartz veining.**

It is anticipated that assay results from this core will confirm the presence of gold mineralisation up-dip from the existing Pinafore resource; previous drilling at the Pinafore Reef has returned excellent grades below historically mined stopes allowing for a JORC Inferred Resource of 225,000oz Au (ASX Announcement November 7, 2005) to be estimated.

The shallow mineralisation currently being tested (above) is not included the Company's JORC Inferred Resource of 225,000oz Au for the Pinafore Reef. This highlights the potential for the Company's resource base to be increased by limited drilling and for substantial near surface mineralisation to be defined at Lefroy.

BACKGROUND

Exploration to date has focused on the discovery and development of “lode-style” gold-bearing quartz-sulphide veining below the numerous old workings at the Lefroy Goldfield. Recent drilling at the Pinafore Reef aims to test mineralisation in wall-rock material surrounding shallow stoped-out lode, and newly defined disseminated sulphide mineralisation. This mineralisation is now recognised by the Company as being almost ubiquitous as a mineralised “halo” around the known quartz-sulphide lodes. Promising grades and ore zone thicknesses encountered are highly encouraging. Best results from the Pinafore Reef to date include:

LFC018	6 metres @ 5.38g/t Au (including 1 metre @ 20.58g/t Au)
LFC018	7 metres @ 2.66g/t Au (including 1 metre @ 8.39g/t Au)
LFC023A	4 metres @ 12.0g/t Au (including 1 metre @ 42.36g/t Au)
LFC024	7 metres @ 3.58g/t Au (including 1 metre @ 10.17g/t Au)
LFC045	10 metres @ 2.41g/t Au (including 1 metre @ 8.39g/t Au)
LFC045	3 metres @ 3.45g/t Au (including 1 metre @ 7.94g/t Au)
LFC050	22 metres @ 6.60g/t Au (including 1 metre @ 82.13g/t Au)
LFC050	18 metres @ 6.74g/t Au (including 1 metre @ 20.63g/t Au)

VOLUNTEER REEF DRILLING SCHEDULED

Drilling at the Lefroy Goldfield commenced in November 2005 and is continuing into the 2006 field season. The Volunteer Reef is the single largest historically mined reef in the Goldfield, with extensive workings extending to approximately 150 metres vertically. Average recovered grades were spectacular, ranging around 60g/t from ore zones consistently wider than elsewhere in the Goldfield. Despite this the Reef remains largely untested and will be drilled next by the Company. Drilling is scheduled to commence in mid March upon completion of LFD070.

This note is to advise the reader that encouraging mineralisation has been intersected in LFD070, and it does not purport to provide a Report of Exploration Results as per the JORC Code (2004). Samples from LFD070 and others are still being analysed and assayed, and the interpretation of these exciting new results is continuing.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by John Canaris who is a Member of the Australian Institute of Geoscientists. John Canaris is a full-time employee of the Company. John Canaris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. John Canaris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.