HARDEY
RESOURCES LIMITED

ASX ANNOUNCEMENT 13 June 2018

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HARDEY DRILLING TARGETS LLOYD'S COPPER RESOURCE AT BURRAGA PROJECT

Highlights:

- **Drilling program to commence at Hardey's flagship Lloyd's Copper Mine, Burraga**
- **Hardey to utilise hyperspectral technology to better understand complex Lloyd's ore body and Burraga prospectivity**
- **Remodelling of Lloyd's ore body to guide future drilling**
- **Lloyd's Copper Mine EIS progressing, with a view to securing Mining Licence for potential processing of copper-rich stockpiles**

Hardey Resources Limited ("Hardey" or **"the Company") (ASX: HDY)** is pleased to announce the imminent commencement of a new exploration program at its flagship Burraga Project in New South Wales' Lachlan Fold Belt, with drilling to focus on the historic Lloyd's copper mine.

Hardey has a significant exploration budget for 2018 and continues to progress all of the assets within its portfolio. In the upcoming quarter, the Company has made a strategic decision to direct focus to Lloyd's copper mine based on the outlook for copper and the geological potential recognised around the historic workings.

Drilling to commence at Burraga

Hardey has concluded preparatory work for a significant drilling program at its Burraga project. The Lloyd's copper mine will be the primary focus of the drilling which will be conducted ahead of schedule, commencing in the September 2018 quarter.

The exploration program, which will be the most progressive conducted at Lloyd's in modern times, will have several objectives including:

- Building on the results of previous drilling (see ASX release 07/08/17);
- Further extending known mineralisation;
- Testing the model of the ore body, which suggests that mineralisation has been deposited in a series of stacked lenses, and;
- Testing for mineralisation at depth and to the eastern extent of the ore body as predicted by the stacked lens model.

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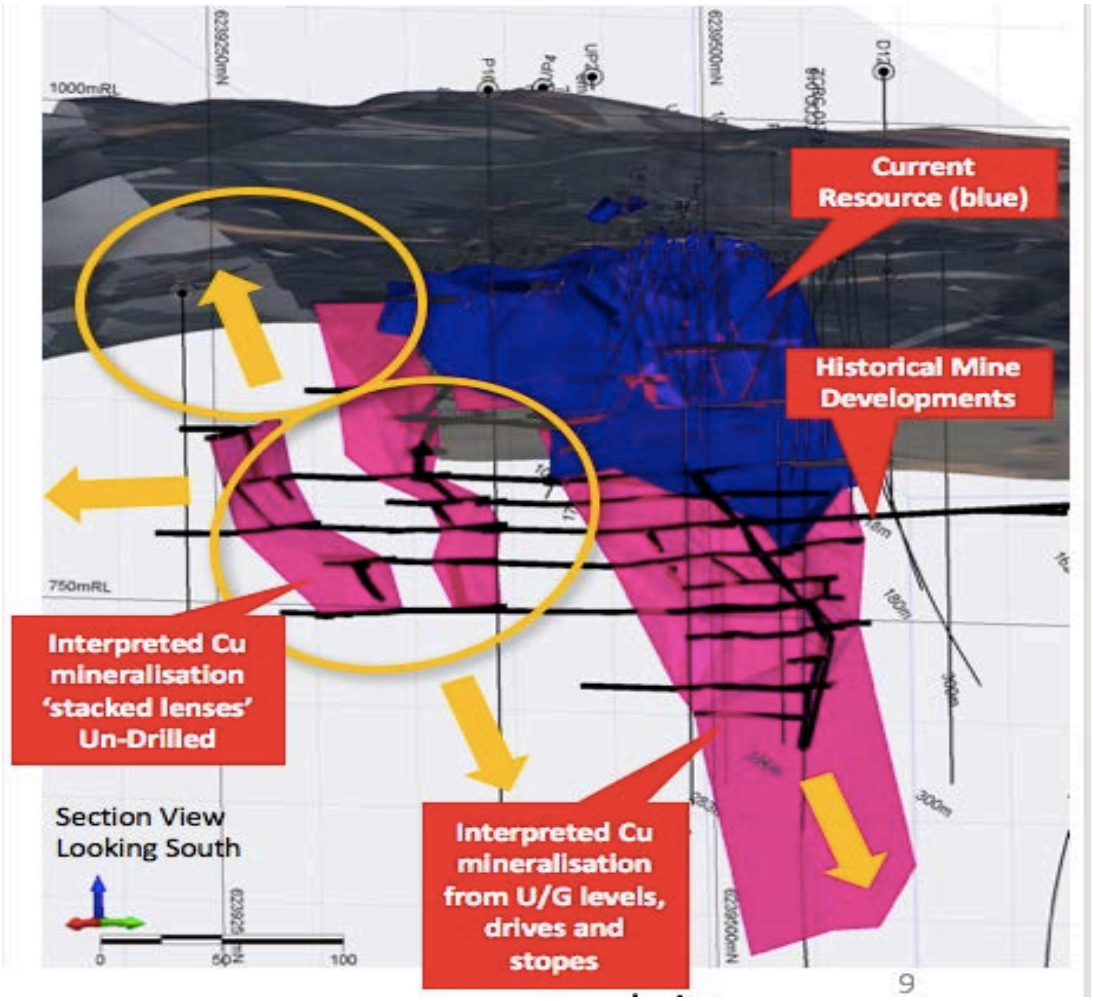


Figure 1. Ore body model at Lloyds.

Drilling will provide additional data for the hyperspectral model of the Lloyd's site (described below). The Company plans to drill exploration targets across the Burraga Project in the remainder of 2018. The hyperspectral model produced for the Lloyd's copper mine will drive future target generation for drilling, whilst the team is also in the process of finalising holes at Hackneys and Isabella (see ASX release dated 17/05/18 for further details) within the Burraga leases.

Hyperspectral ore body modelling

Hardey is continuing to embrace cutting-edge technology to increase its understanding of the Lloyd's ore body.

The Company has engaged a specialist consultant who has worked for several large ASX listed miners to produce a model of the Lloyd's site which will lead to better exploration strategy. The consultant has produced similar models of many globally significant ore bodies and continues to work with many major resources companies.

Hyperspectral analysis of existing drill core and chips will be used in conjunction with existing GIS and geochemical data to provide a holistic model of the Lloyd's ore body and its alteration halo. The findings of this project will direct future drilling programs. This type of

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analysis is becoming common-place in the minerals industry as it has proven to be one of the most accurate and cost-effective exploration tools for assessing structurally complex ore bodies such as Lloyd's.

Environmental Impact Statement.

As outlined above, Hardey has made the strategic decision to focus efforts on the Lloyd's Copper Mine. The Environmental Impact Statement (EIS) for the Lloyd's Copper Mine continues to progress following the engagement of environmental specialists. The Company continues to review and collate data from the Lloyd's site in order to fast track the progress of the EIS.

Gaining approval of the EIS at Lloyd's remains a priority with the company ultimately aiming to obtain a mining license for the Lloyd's site. As part of the Company's renewed focus on Burraga, a review of the tailing stockpiles and slag heaps at the Lloyd's copper mine commenced earlier in the year, with the aim to identify a suitable strategy for commercialising the copper-rich stockpiles.

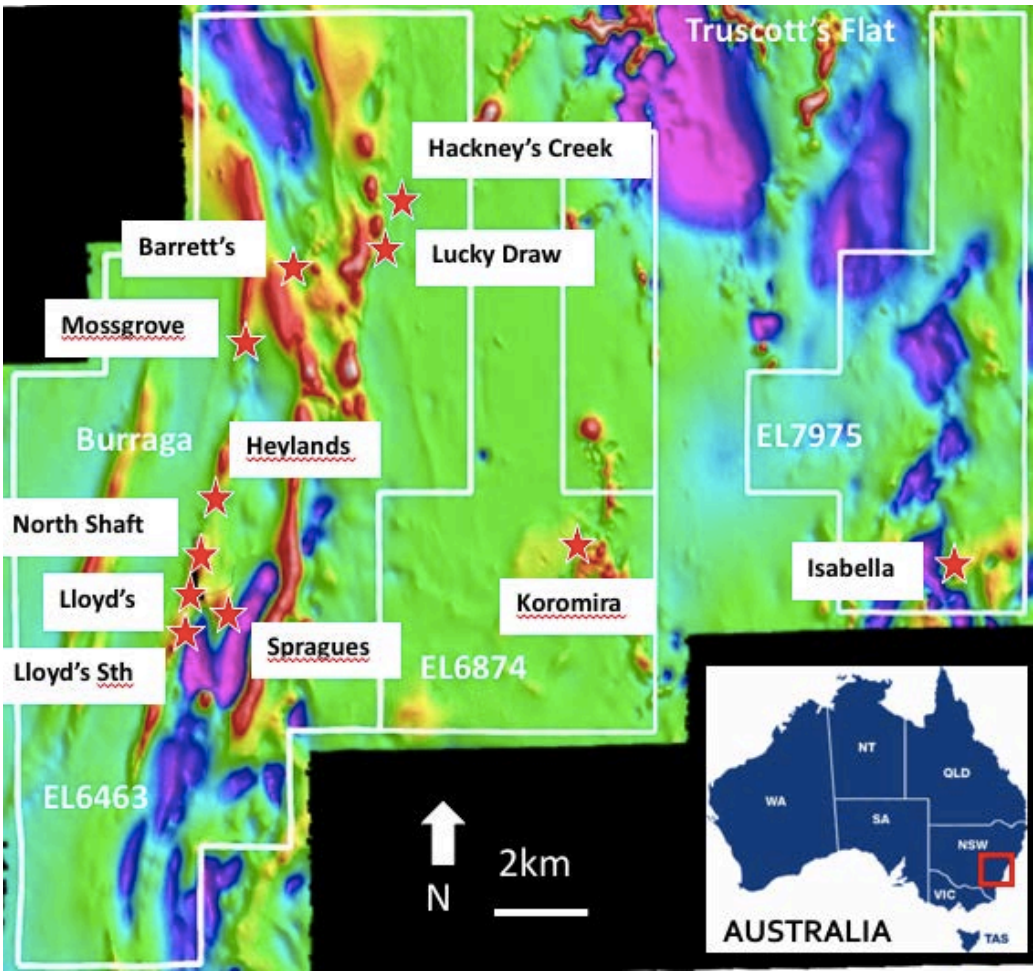


Figure 2. Location of Burraga Project, NSW. Map shows known polymetallic, copper and gold prospects projected on regional magnetic anomaly map.

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For further information, please visit www.hardeyresources.com.au or contact:

Sarah Smith
Company Secretary
+61 8 6559 1792

ABOUT HARDEY RESOURCES:

Hardey Resources (ASX:HDY) is a publicly listed, junior mineral resources company focused on the exploration and development of gold and copper projects. Hardey has aggregated a diversified portfolio of assets that are at multiple stages, commodities and jurisdictions. The Burraga Copper-Gold Project, located in the world class minerals province of the East Lachlan Fold Belt in central western New South Wales consists of three contiguous exploration licences (EL6463, EL6874 and EL7975) and one exploration licence application (EL5454) covering a total area of approximately 221km². The Grace Gold Project located in the world class Paterson mineral province in Western Australia consists of one granted exploration licence and five granted prospecting licences (E45/4524, P45/2905, P45/2906, P45/2907, P45/2908, and P45/2909) with additional applications pending (E45/5130, E45/5131, E45/5132). The Company also has an extensive landholding prospective for Pilbara conglomerate-hosted gold in Western Australia, with three exploration licences (E47/3578, E47/3827, and E45/5020). Hardey is an active explorer with the aim of discovering a valuable mineral resource and delivering shareholder value.