

22nd November 2006

Via electronic lodgement

APPOINTMENT OF TECHNICAL CONSULTANT AND PLACEMENT

Appointment of Technical Consultant

The Directors of Lefroy Resources Limited ("the Company") are pleased to announce the appointment of Corporate & Resource Consultants Pty Ltd ("CRC") as Technical Consultants to the Company. The primary function of CRC will be to identify quality assets for acquisition by the Company.

The relationship will be managed by Mr. Klaus Eckhof (MAusIMM), a senior exploration geologist who has global contacts and has been instrumental in sourcing successful projects in Australia, Africa, Russia, South America and the Philippines.

Placement

CRC, its Directors or nominees, have agreed to subscribe to a placement for 3,000,000 shares and 3,000,000 attaching options (25 cents June 2009) to raise \$600,000. The funds are to be used for carrying out specific project evaluation and due diligence.

As part of this proposal the Company will undertake an option issue to its existing shareholders, on the same terms and conditions, at a price of 1 cent per option, and on the basis of one (1) new option for every two (2) fully paid ordinary shares held. CRC will act as underwriters for the above option issue. These options are to be quoted on the Australian Stock Exchange.

Both the placement and issue of options will be subject to the successful passing of Resolution 3 at the Annual General Meeting to be held on 28 November 2006. (Resolution 3 relates to the ratification by the shareholders of a previous placement for 5,300,000 shares therefore reinstating the Company's capacity to issue up to 15% of its issued capital in the next 12 months without shareholder approval (ASX Listing Rule 7.1)). The record date for the options issue will be released in due course.

Yours Sincerely



Malcolm James
Chairman