24 August 2020

ASX Market Announcements

GROUND IP SURVEY COMMENCES AT KANBARRA EL 8745 COBALT-ZINC EXPLORATION, BROKEN HILL NSW

- ***Ground IP Survey with 8 lines of 1.4 km each to depth of 300 m***
- ***Focussing on a 1.5 km base metal exploration target***

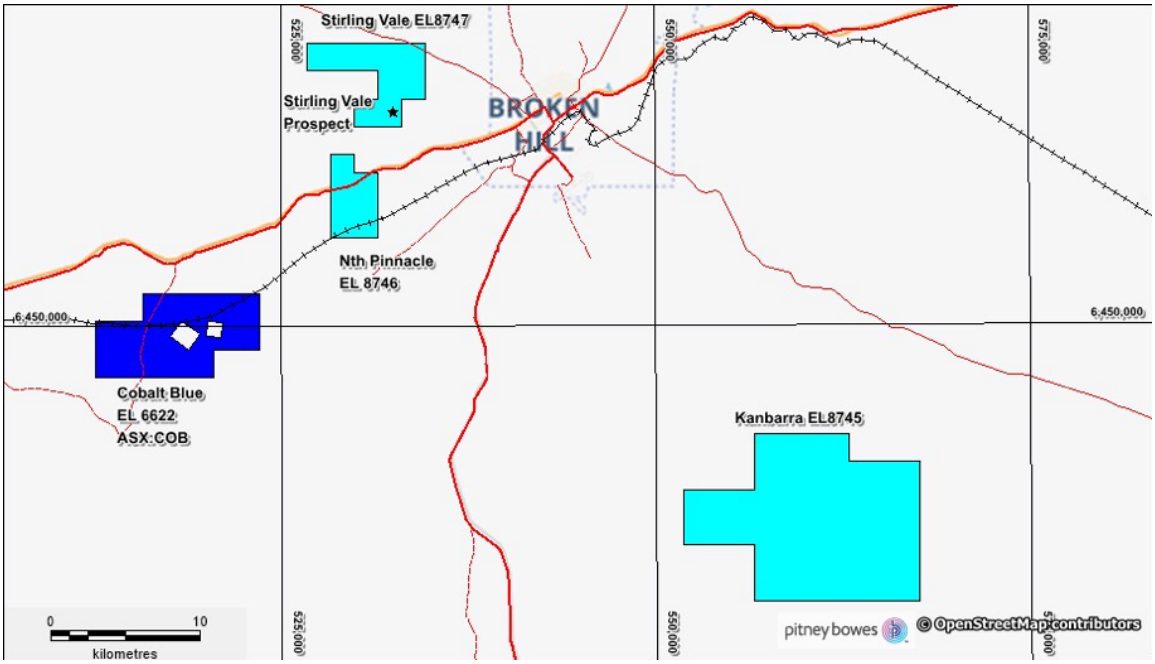

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Figure 1: Ausmon Resources Broken Hill Projects

Ausmon Resources Limited ("Company") (ASX: AOA) is pleased to announce that following the encouraging results from the June/July 2020 soil and rock sampling at Nth Kanbarra within EL 8745 near Broken Hill, it will commence tomorrow the planned Ground IP Survey at Nth Kanbarra. The Company has secured the services of Merlin Geophysical Solutions, who were already in the area and therefore cutting out the usual delays and costs associated with mobilisation of equipment and crew. The survey will comprise 8 lines of 1.4 km long across a 1.5 km base metal exploration target identified from the sampling results.

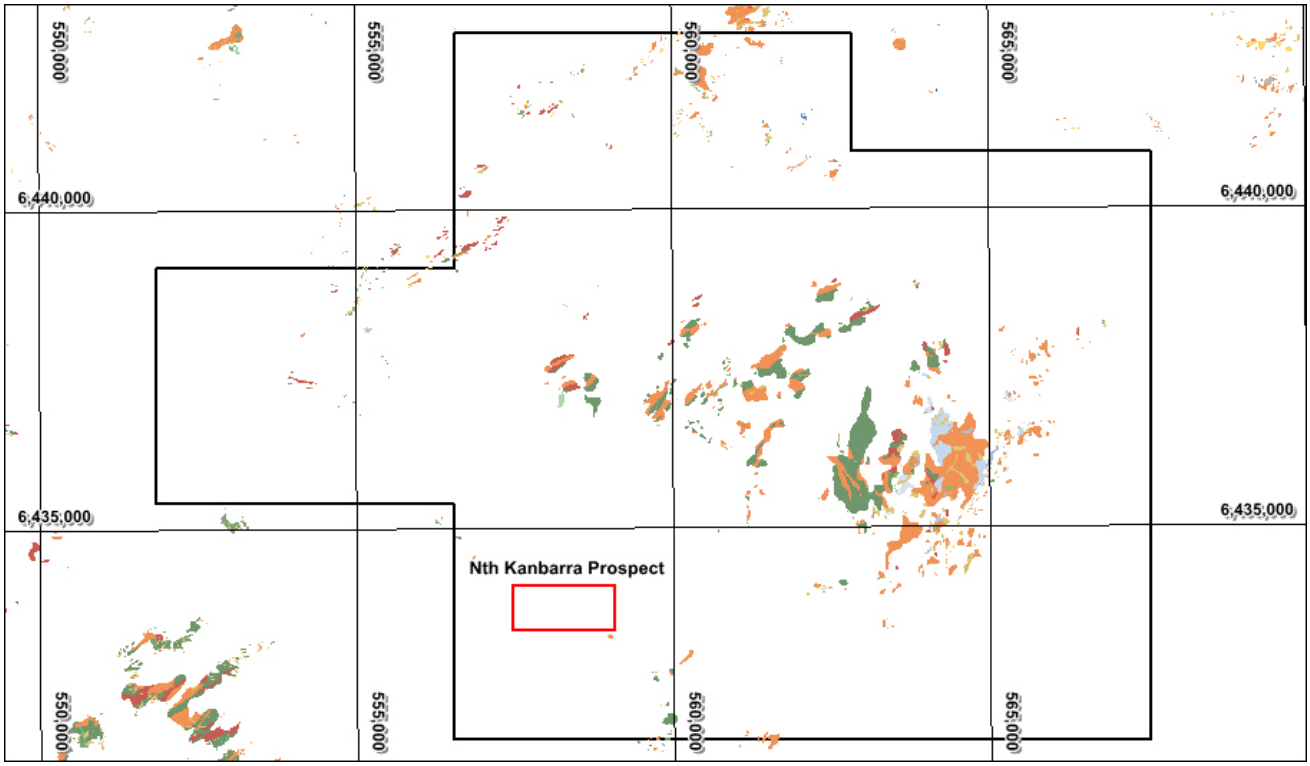

Figure 2: Nth Kanbarra Prospect Location

Figure 2 shows the location of the Nth Kanbarra Prospect in an area of little outcrop and recent cover sediments of variable thickness. Exploration work in the area discovered a small outcrop of siliceous limonite gossan (locally brecciated) and gossan float over a 20 m^2 area (**Figure 3**) with boxwork texture. The only other outcrop comprises quartz feldspar gneiss mapped by the Geological Survey of NSW as part of their 1:25,000 geological mapping program of the Broken Hill Area.

During the soil sampling (see ASX announcement on 10 August 2020 for the results) some small pieces of rock float (not in situ) were noted to the SW of the gossan outcrop.The occurrence of a small gossanous zone **(Figure 4)** and a broader Zinc in soil anomaly in addition to extensive sediments that are likely to have masked or subdued the surface geochemical response led to the decision to carry out a Ground Induced Polarisation survey (IP) to explore for sub surface base metal sulphide mineralisation.

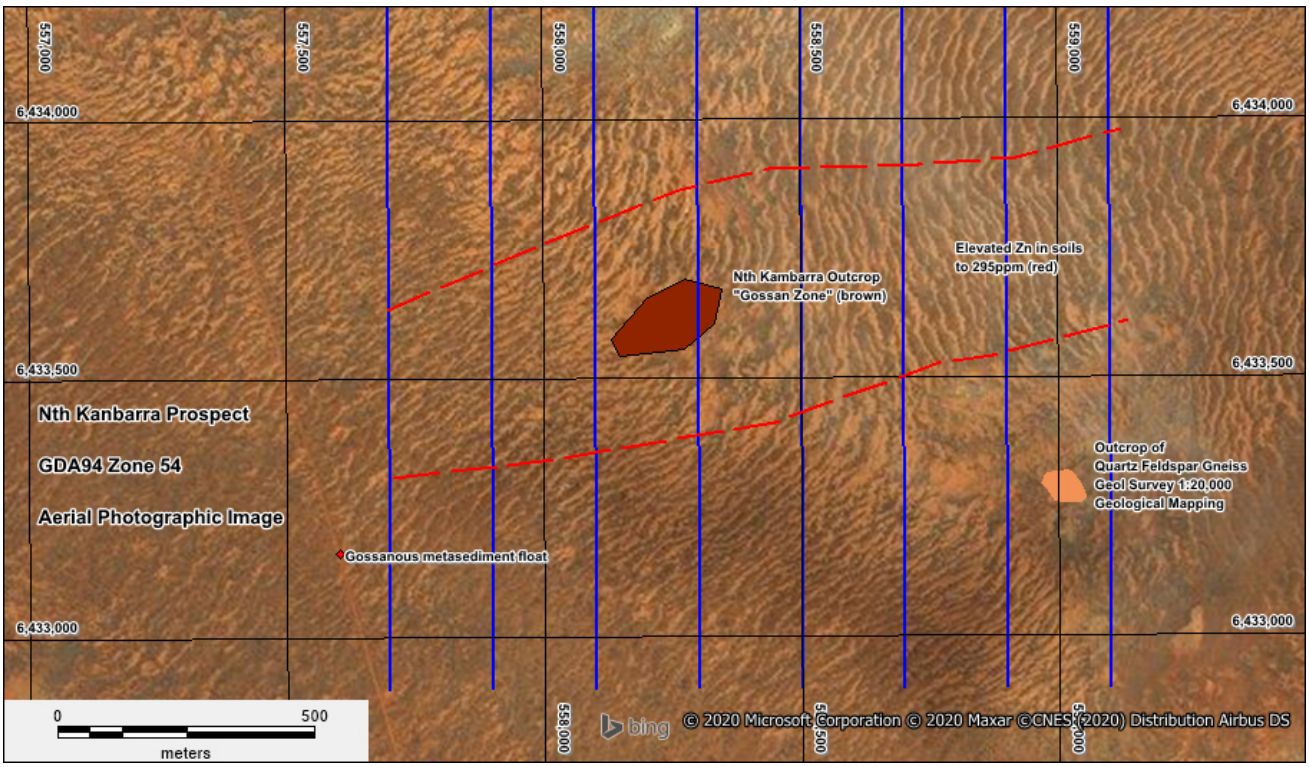

Figure 3: Nth Kanbarra Prospect showing extensive cover which masks the bedrock and the 8 proposed IP lines in blue

The IP survey (Figure 3) of 8 x 1.4 km N-S oriented lines will cover the elevated Zinc in soil zone which encompasses the outcropping “gossan zone”. The lines will be spaced 200 m apart and use the dipole-dipole array method with 50 m electrode spacing. The lines are long enough so as to give 300 m depth penetration.

It is planned to process the data from each line as it is completed so as to define any targets early as the survey progresses. The survey is expected to be completed within 2 weeks.

The Company aims to drill any identified targets back to back after completion of the RC drilling within EL 8747, also at Broken Hill that is planned to commence in the first week of September 2020, subject to timely receipt of IP interpretation results and necessary Department of Industry approval for new holes location. Ideally the Company may avoid costs and delays usually associated with rig mobilisation for a new drilling programme.

Figure 4: Nth Kanbarra Prospect showing siliceous limonite gossan (TL) and the outcropping "gossan zone" (BR)

Induced Polarisation Method

Induced Polarisation (IP) is a measure of a delayed voltage response in earth materials. The IP effect is caused by a current-induced electron transfer reaction between electrolyte ions and metallic-luster minerals. IP is a low frequency measurement of the electrical energy storage capacity of the earth. By passing an induced current into the ground and measuring the change in voltage with respect to time, or changes in phase at a given frequency with respect to a reference phase, the IP effect can be determined.

To produce an IP effect, fluid-filled pores must be present since the rock matrix is basically an insulator. The IP effect becomes evident when these pore spaces are in contact with metallic-luster minerals, graphite, clays, or other alteration products. IP effects make the apparent resistivity of the host rock change with frequency - generally the rock resistivity decreases as the measurement frequency increases.

The TX electrode is a 1 m long x 150 mm x 5 mm mild steel plate that is buried at about 200 mm deep and socked in with water. These are picked up after the dirt is put back into the hole. After the first rain shower it is difficult to find the TX location. The receiver pots are coffee cup size and are buried into a mud slurry, these leave a small round hole about 100 mm deep after use.

Phoenix TX electrode TR and Smartem 24 IP

Next Phase of Exploration at EL 8745 after the IP Survey

- Post processing of the IP data using either 2D and/or 3D inversion modelling of data, and overall interpretation.
- Select drill hole location for sub-surface target.
- Further field evaluation of additional geochemical/geological targets.
- Drill new holes selected after approval of locations by Department of Primary Industry.

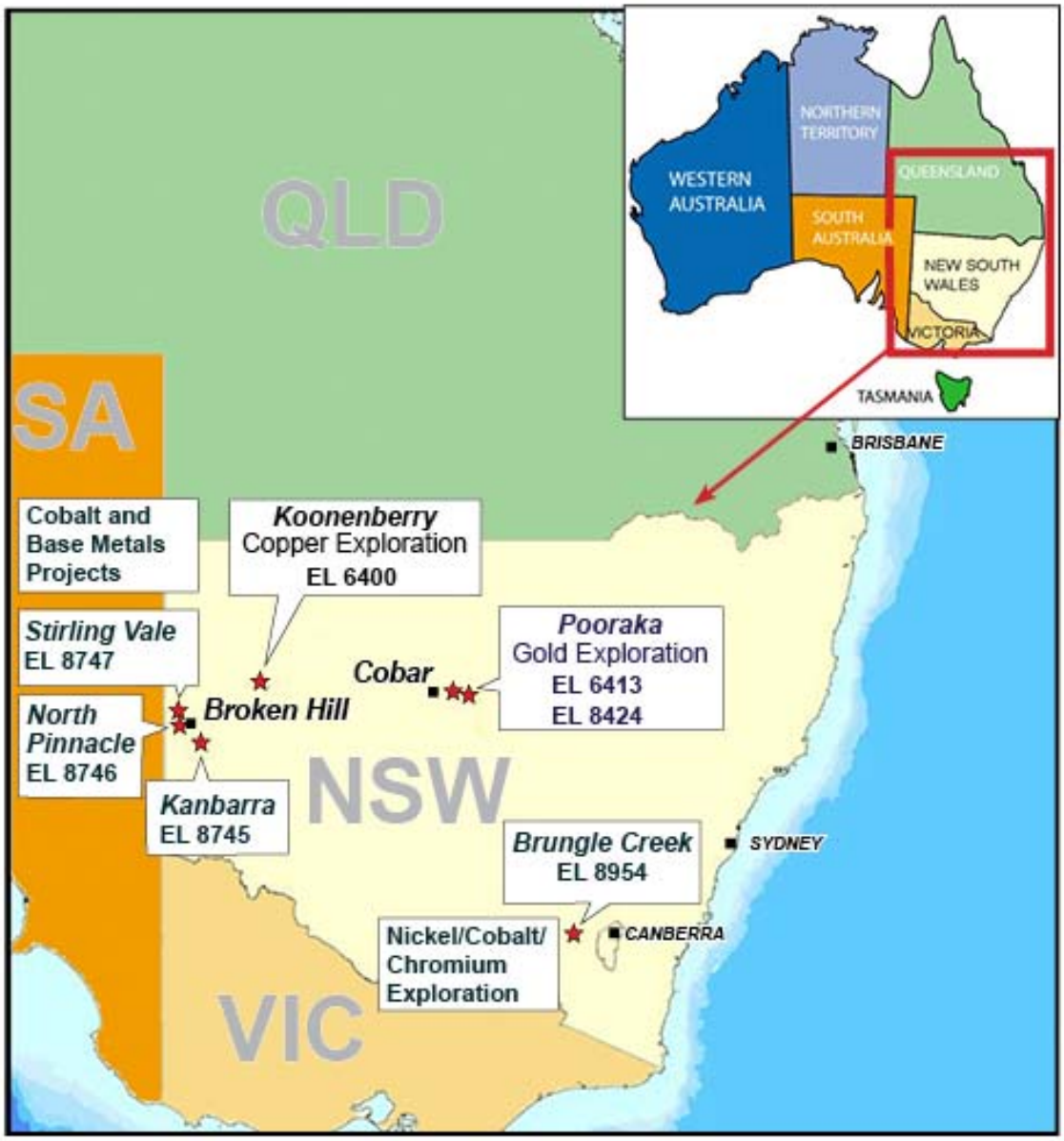

Figure 5: Ausmon Resources New South Wales Projects

Competent Person Statement

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

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