ASX Release **14 January 2021**

AuStar Gold Limited ACN 107 180 441
Registered office: 6 Bridge Street, Woods Point, VIC 3723

AUSTAR GOLD COMMENCES SECOND CONCENTRATE SALE

Highlights:

- **Second Shipment of Concentrates effected with MCC Non-Ferrous Trading (NY)**
- **Initial sale proceeds of $500,000 received. Final payment of an anticipated $60,000 - $100,000 to occur when concentrate processor assay results finalised**
- **Enhanced recovery circuit installed and commissioned with the intent of increasing concentrate volumes**

AuStar Gold Limited **(ASX: AUL,** or **the Company)** is pleased to advise shareholders that the Company's second scheduled concentrate shipment has occurred in early January with MCC Non-Ferrous Trading, for the sale of the Company's high-grade concentrate product.

MCC, a New York based metals trading house, is active in the global market for gold and other metal concentrates. The terms of the Concentrate Sale Agreement remain commercial-in-confidence, but represent realisation of a very attractive proportion of contained gold, at prevailing market prices, without any further costs or administrative obligations on the part of AuStar Gold beyond point of sale. (ASX Release 3 August 2020)

The second shipment of concentrate, delivered to Shipment Port in late December, comprised in excess of 5,800kg (dry weight) of concentrates with an agreed average assay of approximately 1,640g/t gold. A provisional (initial) payment of $382,000 USD (~$500,000 AUD) has recently been banked by the Company. Final payment of an anticipated $60,000 - $100,000 (AUD) to occur once shipment has been receipted by concentrate processor and assay results are finalised and agreed between both parties.

This shipment represents high-grade concentrates generated through the Morning Star Processing Plant in July through November 2020, along with residual concentrate produced in the first half of the 2020 year through the previously utilised ILR process.

The Company has invested in a further high-volume tabling circuit, designed to enhance recoveries and further reduce gold diversion to the tails stream. This circuit should deliver an additional 20 → 30 tonnes of lower grade concentrates (expected to grade 80 → 100g/t gold) on a monthly basis. The tabling circuit has been installed and commissioned and is currently being optimised as an additional circuit within the recovery process.

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Released for, and on behalf of, the board of AuStar Gold Limited.

AuStar Gold welcomes shareholder communication and invites all interested shareholders to make contact at any time.

For Further Information:

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About AuStar Gold Limited:

AuStar Gold is focused on building a valuable minerals inventory to generate sustainable economic production from its portfolio of advanced high-grade gold projects - with significant infrastructure including processing plant, a strategic tenement footprint, and current production from Morning Star. In addition, AuStar Gold intends to develop its adjoining tenements in the Walhalla to Jamieson gold district (particularly the prolific Woods Point Dyke Swarm) into low-cost high-grade gold production projects.

Disclaimer:

Statements in this document that are forward-looking and involve numerous risk and uncertainties that could cause actual results to differ materially from expected results are based on the Company's current beliefs and assumptions regarding a large number of factors affecting its business. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or their extent or likely impact; (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate; (iii) the Company's analysis is correct; or (iv) the Company's strategy, which is based in part on this analysis, will be successful.