



Ausgold secures access to major new targets within the Katanning Gold Project

Highlights:

- **Approval received** from DAWES to conduct a 35-hole, 5,250m RC drill program within Rifle Range Reserve
 - Area contains over **2.5 km of previously untested strike length**, with new targets supported by **coincident EM anomalies and gold-in-soils anomalies**
 - New drilling to be conducted outside of current Resource areas, located between existing the Dingo and Central Zone Resources
 - Potential to significantly add to the KGP's existing 1.2 million ounce gold Resource
-

Ausgold Limited (ASX: AUC) ("**Ausgold**" or the "**Company**") is pleased to announce that the Company has received key approval to access the Rifle Range Reserve and enable RC drilling within its 100%-owned **Katanning Gold Project (KGP)**, located 270km from Perth in Western Australia's south-west Yilgarn Craton.

Ausgold will undertake a targeted 35-hole, 5,250m RC drill program to test the extensions to KGP gold mineralisation within the Rifle Range Reserve. These targets are along the same geological trend as the Jinkas Resource and immediately adjacent to the Dingo Resource area (Fig. 1 and 2). No previous exploration drilling has been conducted in this area.

The result of the recently submitted referral to Department of Agriculture, Water and the Environment (DAWES) under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) has recommended a non-controlled action. The Exploration Environmental Management Plan (EEMP) has been prepared to be consistent with the Commonwealth's Environmental Management Plan Guidelines and is designed to ensure that activities will have negligible impact on vegetation, fauna or recreational activities within the area.

Past work included soil geochemical sampling, ground gravity and airborne geophysical surveys, as well as drilling on surrounding farmland, indicates potential for mineralisation in Rifle Range within tenements M70/210, M70/488 and E70/2928 (Fig. 3).

Initial RC drilling within the Rifle Range Reserve will target high priority areas and take place in coming weeks. The drilling is anticipated to be completed in Q2 2021. This work will be done in conjunction with Resource definition drilling in the Central Zone and on targets within farmland adjacent to the Reserve area.

Management Comment

Ausgold's Managing Director, Matthew Greentree, commented:

"Drilling access to the Rifle Range Reserve has been eagerly anticipated and is highly significant as it allows us to finally start to develop an understanding of the true scale of the KGP gold mineralisation. The targets within this area have the potential to add material value to the project."

"The planned drilling provides a further test of our geological model, which has enabled better targeting of high-grade mineralisation within both the Jinkas and Jinkas South lodes and will be a feature of the upgraded KGP Resource due in March 2021."

Other work programs

The KGP Resource upgrade of the current 1.2 million-ounce Resource is on target for release later this month. RC drilling is continuing to target high-grade gold mineralisation with the aim to substantially add to the current Resource. Regional exploration has included diamond drilling targeting gold mineralisation at the Nanicup Bridge and Bullock Pool prospects, which is covered by EIS co-funded drilling agreements with the Western Australian Government. A regional soils sampling program is underway in preparation for an aircore drill program to begin in April 2021.

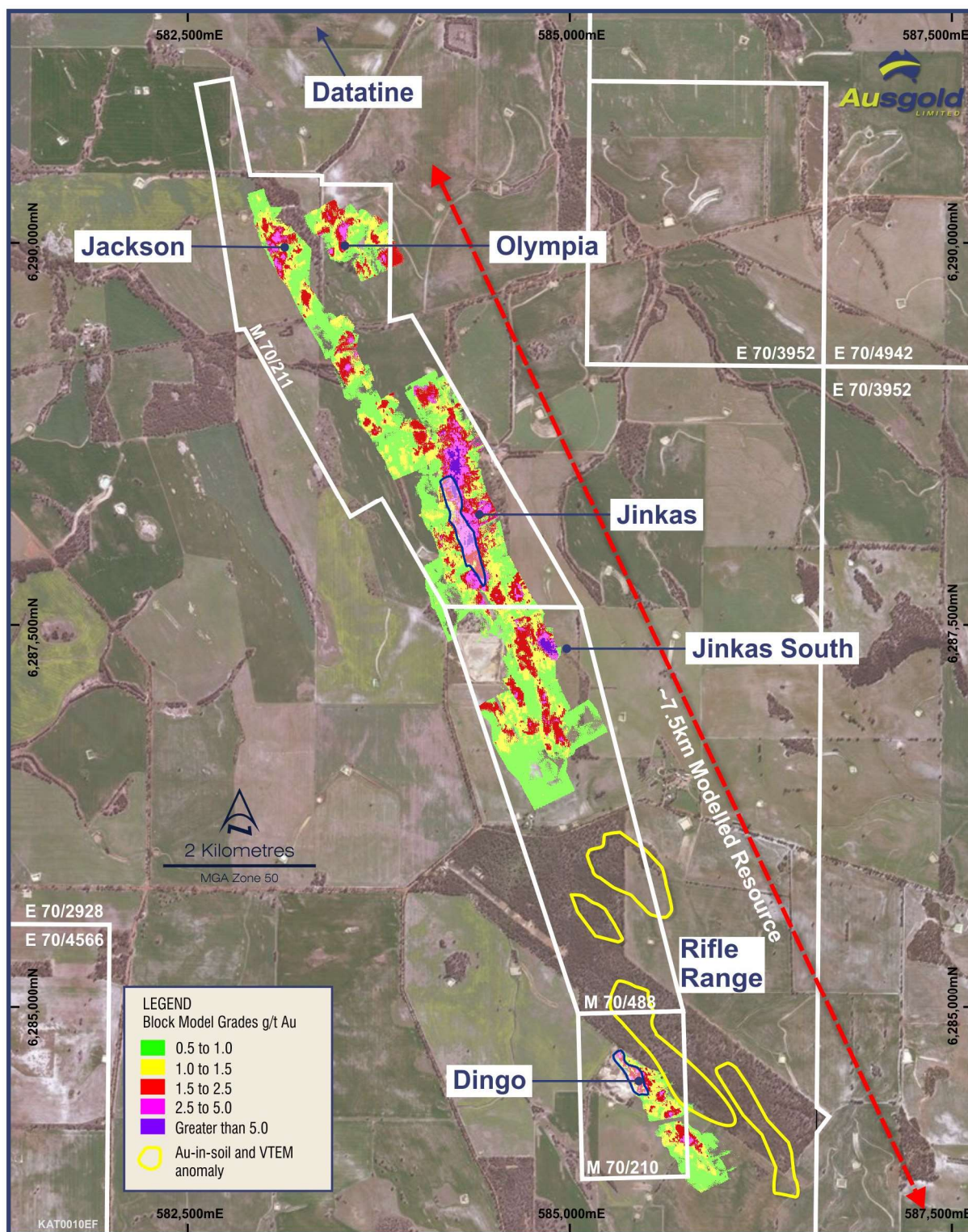


Figure 1 – Location of the Rifle Range area, located between Central Zone and the Dingo Resource areas

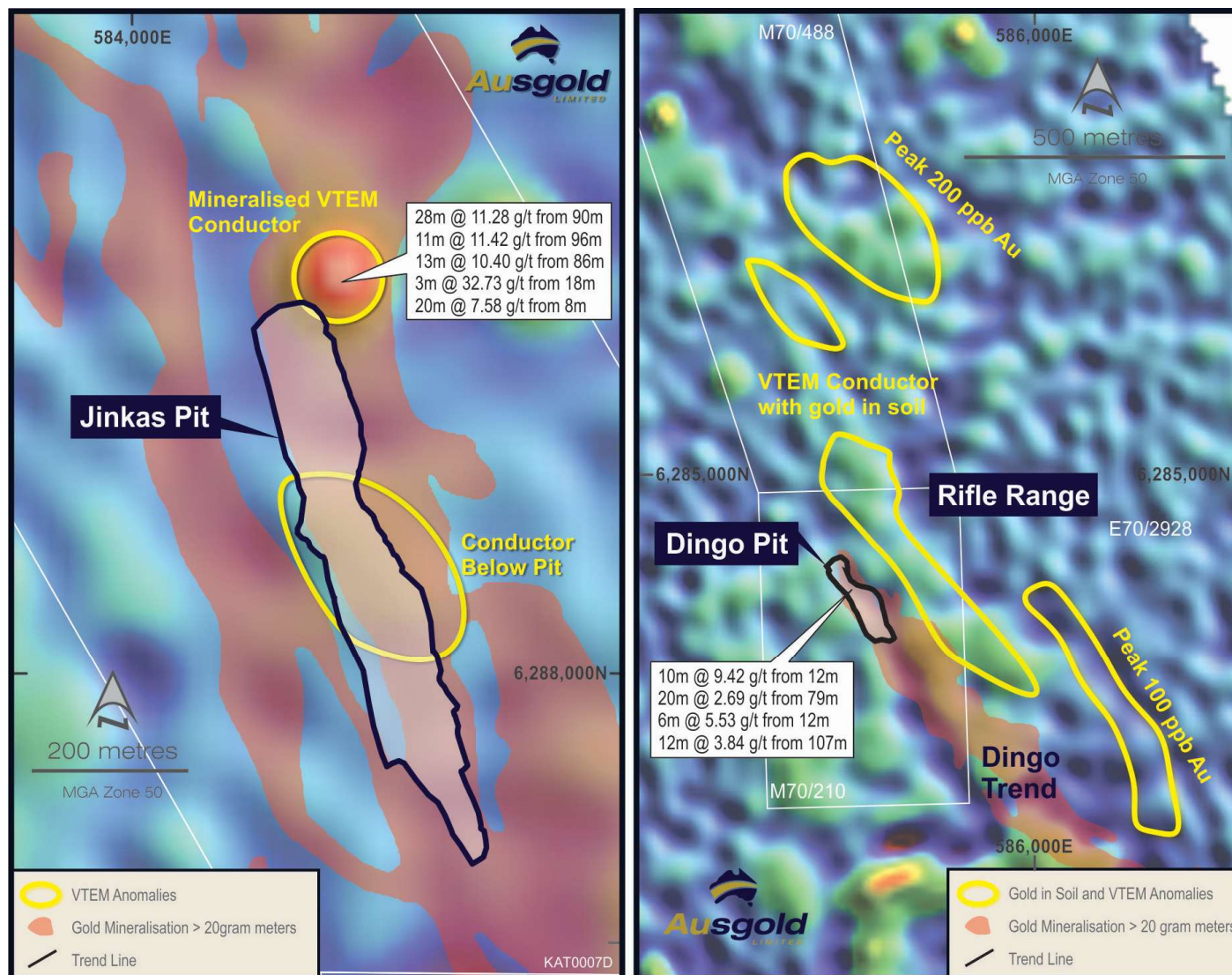


Figure 2 – VTEM and coincident gold-in-soil anomalies identified with the Rifle Range area.

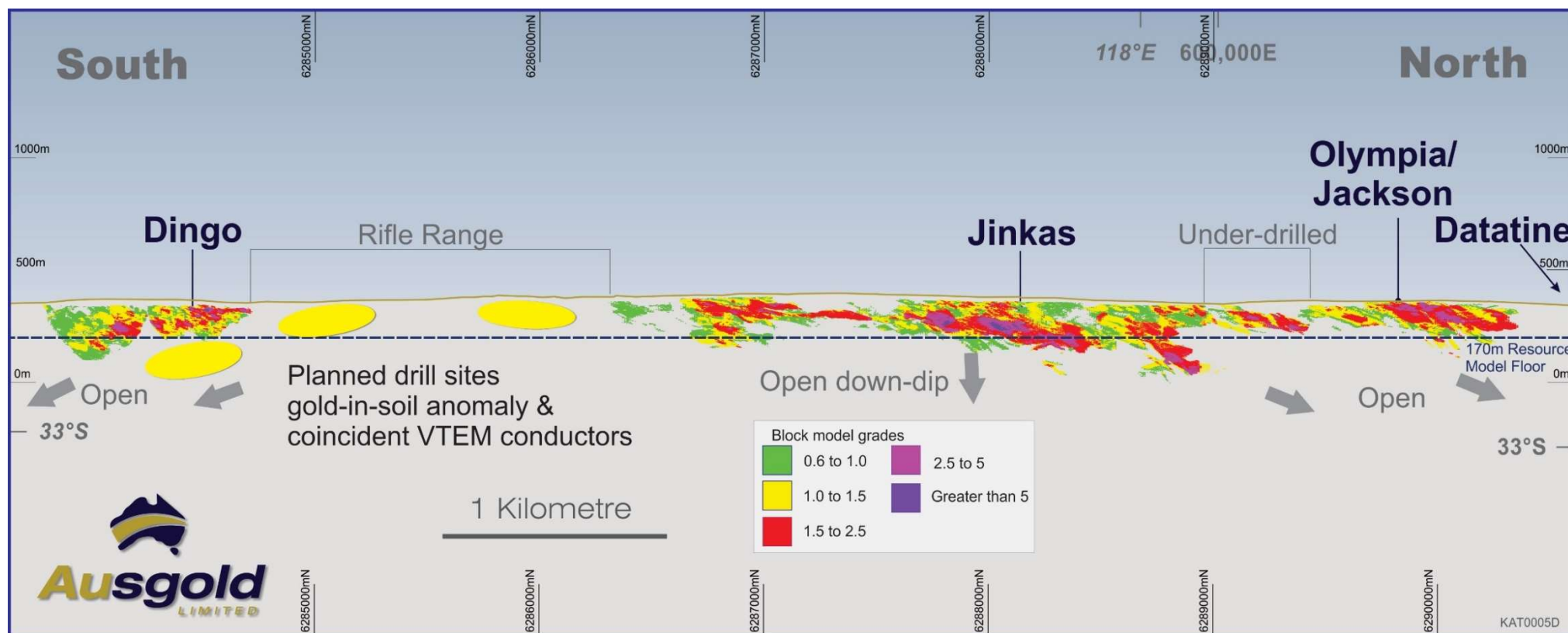


Figure 3 - Long section (view towards west) through the KGP Resource highlighting the likely extensions between the Central Zone and Dingo Resource areas currently within the Rifle Range area

About Ausgold Limited

Ausgold Limited is a gold exploration and development company based in Western Australia.

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a significant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 1.2 Moz gold (Table 1).

Ausgold's portfolio also includes the Doolgunna Station Cu-Au project and the Yamarna Ni-Cu-Co project in Western Australia and the Cracow Au Project in Queensland.

Table 1 - Current Mineral Resource
(Details in ASX release 1 November 2019)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	2.26	2.05	149
Indicated	11.99	1.14	441
Inferred	19.68	0.97	611
Total	33.93	1.10	1,201

The information in this report that relates to the Mineral Resource in Table 1 is based on information announced to the ASX on 1 November 2019. Ausgold confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

The Board of Directors of Ausgold Limited approved this announcement for release to the ASX.

On behalf of the Board,

Matthew Greentree
Managing Director
Ausgold Limited

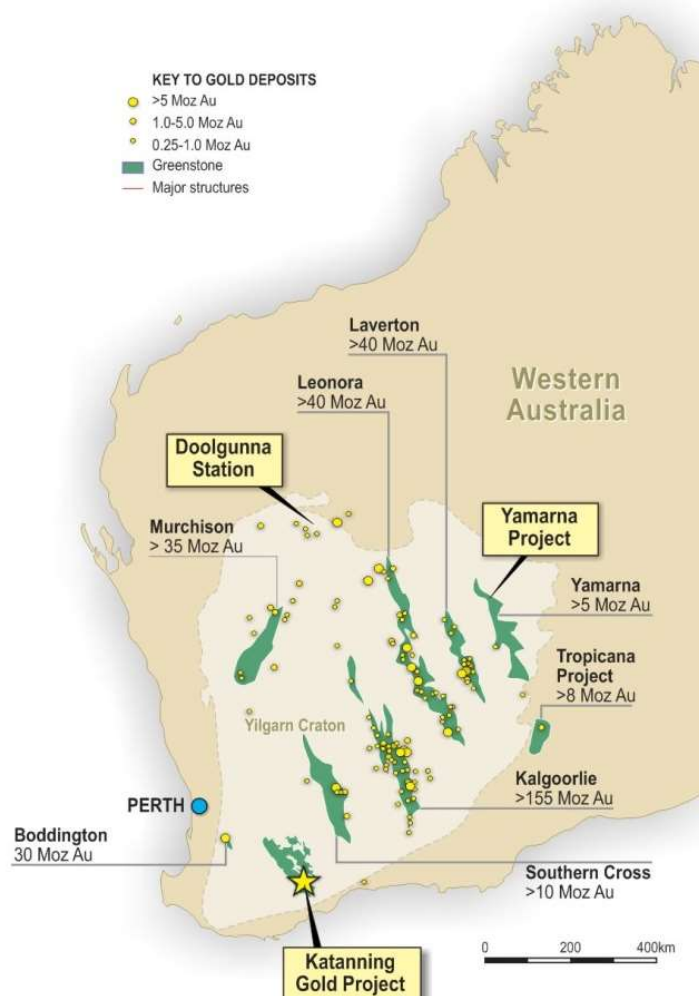


Figure 4 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

For further information please visit Ausgold's website or contact:

Matthew Greentree
Managing Director, Ausgold Limited
T: +61 (08) 9220 9890
E: investor@ausgoldlimited.com

Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Mr Michael Lowry of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited. Dr Greentree is Managing Director and interests associated with Dr Greentree hold shares and performance rights issued by Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results including sampling, assaying, QA/QC, the preparation of the geological interpretations and exploration targets. Mr Michael Lowry takes responsibility for the Mineral Resource Estimate.

Mr Lowry and Dr Greentree are Members of The Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

Forward-Looking Statements

This announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for coal and base metal materials; fluctuations in exchange rates between the U.S. Dollar, and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Ausgold Limited. The ability of the Company to achieve any targets will be largely determined by the Company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. Although Ausgold 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.