



AUSTRALASIAN GOLD

ASX Announcement | ASX: A8G | 6 September 2021

Capella gold project title transfer completed

Highlights

- The title of Capella gold project (EPM 25956) has been transferred to the Company
- Historical drilling at the Capella gold project includes high-grade gold intercepts, including:
 - ARC009: **32m at 3.8 g/t Au** from 22m, including **2m at 32.8 g/t Au** from 22 m and **2m at 18.9 g/t Au** from 50m; and
 - CAR005: **6 m at 5.1 g/t Au** from 40m depth.
- 500,000 ordinary shares will be issued to the vendor of the Capella gold project, escrowed for 12 months
- Appointment of technical advisor on the project with 30+ years of experience in the Clermont region
- Ground reconnaissance underway, ahead of infill sampling and targeting programs

Australasian Gold Limited (**ASX: A8G, Australasian** or the **Company**) is pleased to advise that the title of Capella gold project (EPM25956, 100%) (**Capella**) has been transferred to the Company. Capella is highly-prospective for gold and base metals, and has over 6,000m of historical drilling data available.

Australasian Gold Managing Director Dr Qingtao Zeng said: *“We know the Clermont region is well endowed in gold. The acquisition of the Capella project is highly complementary to our existing Mt Clermont polymetallic project with wide zones of high-grade gold intercepts. Field work will commence immediately to better understand structures and find continuity of the known gold mineralisation.”*

“I am pleased with the engagement of Mr Ian Cooper, who was involved in the Capella project back in the 1990s and has been actively working in this region since. Mr Cooper is based in Brisbane, which will enable the Company to conduct exploration without the inconvenience of interstate travel restrictions.”



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Capella gold project

The Capella gold project was acquired by the Company from Cape Coal Pty Ltd (refer to ASX announcement dated 7 June 2021). Previously extensive historical work has been conducted across the project by Billiton, Southern Goldfields and Australian Gold Fields, and Impact Minerals Limited, including detailed soil sampling, ground geophysical surveys, mineral alterations studies and RC drilling.

Upcoming Exploration

At Capella, the northwest trending mineralisation structure has been drilled by previous explorers, however, there is little understanding of the potential northeast trending structure evidenced by the previous soil geochemistry and MMI sampling (**Figure 1**), which may have offset the mineralisation or host mineralization itself. The immediate exploration focus will concentrate on gaining a better understand these northeast striking slip displacements and explore for continuity of the high-grade mineralisation revealed by historical drilling. With Ian's appointment, Australasian will immediately commence reconnaissance work across the project to better understand these structures.



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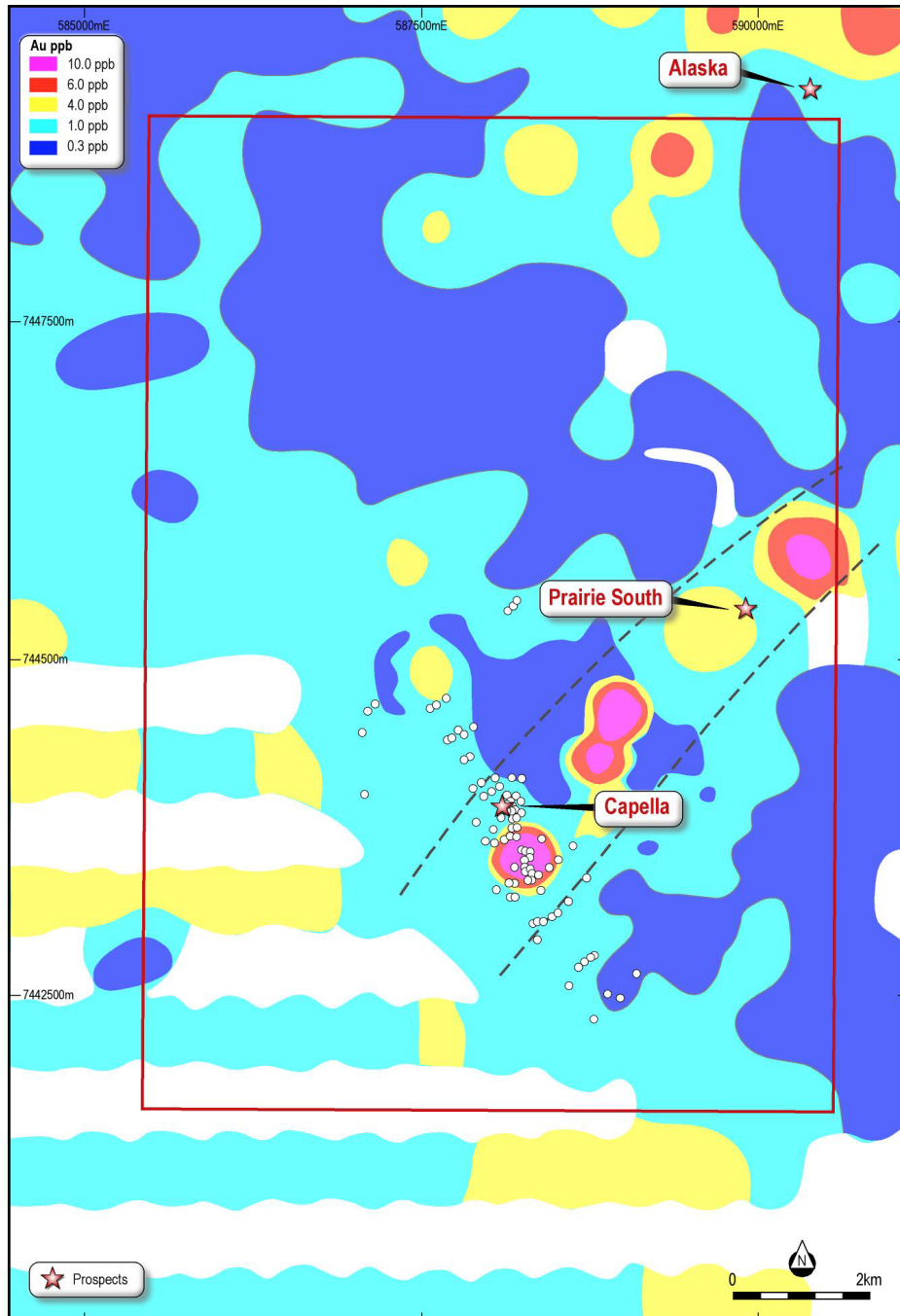


Figure 1 Soil geochemical data background with historical drilling collars. The northeast structure will be the focus of the next phase of program. NOTE that Alaska Prospect is outside Company's tenement boundary.

This announcement is approved for release by the Board of Directors

ENDS
For Further Information



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Competent Person Statement

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Dr Qingtao Zeng, Managing Director of Australasian Gold Limited. Dr Zeng is a member of the Australasian Institute of Mining and Metallurgy and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Dr Zeng consents to the inclusion in this release of the matters based on the information in the form and context in which they appear. Dr Zeng is a shareholder of Australasian Gold Limited.

Historic data by Impact Minerals and previously reported compliant with the JORC Code (2012).

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none">• Soil Sampling and MMI Several campaigns of soil sampling were completed in the area at the scales of 500m by 500 m grid and detailed MMI sampling was completed at the grid of 100 m by 50 m by Impact Minerals Limited. Standard sampling procedures for soil and MMI were followed based on the IPT’s announcement.• RC Drilling Reverse Circulation (RC) percussion drilling was used to produce a 1m bulk sample (~25kg) which was collected in plastic bags. 1m split samples (nominally 3kg) were collected using a riffle splitter and placed in a calico bag. The cyclone was cleaned out with compressed air at the end of each hole and periodically during the drilling. Holes were drilled to optimally intercept interpreted mineralised zones. The 1m bulk samples were spear sampled using standard techniques to produce a 4 metre composite for assay. Anomalous zones were reassayed using the 1 m split samples.• Diamond drilling Diamond drilling was used to produce drill core with a diameter of 47.6 mm (NQ). A handheld XRF instrument was used to analyse the drill core at 50 cm intervals. This data is not reported here and is used only as a guide to general understanding of the system.• Drill Samples



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Criteria	Commentary
	<p>Sample representivity was ensured by a combination of quality control (QC) and quality assurance/testing (QA) procedures including daily workplace and equipment inspections, drilling and sampling procedures collection of “field duplicates”, the use of certified standards and blank samples approximately every 50 samples.</p> <ul style="list-style-type: none"> • RC Samples RC and diamond core samples were submitted to ALS Laboratories Townsville for ME-MS61 48 element 4 acid digest with ICP-MS finish and AA24 Fire Assay technique for gold. Sample preparation involved: sample crushed to 70% less than 2mm, riffle split off 1 kg, pulverise split to >85% passing 75 microns.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • RC drilling using 4-inch face sampling hammer.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • RC samples were visually checked for recovery, moisture and contamination. • Diamond core recoveries are logged and recorded. Recoveries are estimated to be >97% and no significant core loss related to mineralisation is noted. • RC drilling The RC samples were collected by plastic bag directly from the rig-mounted cyclone and laid directly on the ground in rows of 10. The drill cyclone and sample buckets are cleaned between rod-changes and after each hole to minimise down-hole and/or cross contamination. • No sample bias has been established.
<i>Logging</i>	<ul style="list-style-type: none"> • Geological logging of samples followed company and industry common practice for all drill holes. Qualitative logging of samples included (but not limited to); lithology, mineralogy, alteration, veining and weathering. Diamond core logging includes additional fields such as structure and geotechnical parameters. • Magnetic Susceptibility measurements were taken by Invictus Gold for each 1m RC sample. • All logging was quantitative, based on visual field estimates. Chip trays with representative 1m RC samples were collected and photographed then stored for future reference. • All RC chips samples were geologically logged by on-site geologists.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • RC samples were split using a riffle splitter. • Company procedures were followed to ensure sub-sampling adequacy and consistency. • Laboratory QC procedures for rock sample assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates. Impact used field duplicates and standards for every 1 in 50 samples and blanks every 1 in 100 samples. • All QA/QC results were reported by Impact as being within acceptable levels of +/- 15-20%. • The samples sizes at Mt Clermont are considered appropriate for reporting Exploration Results.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • RC and diamond drill samples Industry standard fire assay and 4 acid digest analytical techniques were used. Both techniques are considered to be almost a total digest apart from certain refractory minerals not relevant to exploration at Clermont. • Drill Assay Data Field duplicates: 1 in every 50 samples. Standards 1 in 50 samples. Blanks 1 in 100 samples. In addition standards, duplicates and blanks were inserted by the analytical laboratory at industry standard intervals.



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Criteria	Commentary
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> The historic drilling has not yet been verified by independent or alternative companies. All historical drill data had been entered by Impact and verified internally against the original reports. No significant adjustments to the assay data have been required.
<i>Location of data points</i>	<ul style="list-style-type: none"> The drill holes have been reported as being located by hand-held GPS. The grid datum for Clermont is MGA_GDA94, Zone 55. Government topographic maps were used for topographic validation. The hand held GPS is considered sufficiently accurate for elevation data at this stage of exploration. For the Impact and Invictus RC drill holes, down hole dip surveys were taken at approximately 30m intervals and at the bottom of the hole. For previous RC drill holes down hole surveys were not taken.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Drill spacing of drill holes is widely variable given the reconnaissance nature of the program to date. Length weighting of drill samples has been applied for quoting drill composite results.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Drilling is oriented sub-perpendicular to the mineralised trend and stratigraphic contacts as determined by field data and cross section interpretation. Intersection widths will therefore be longer than true widths. No significant sample bias has been identified from drilling due to the optimum drill orientation described above. Where present, sample bias will be reported.
<i>Sample security</i>	<ul style="list-style-type: none"> Chain of custody for all samples done from 2006 to 2017 was managed by Invictus Gold and Impact Minerals Ltd. Samples for Clermont are delivered by Invictus Gold and Impact Minerals Ltd personnel via courier service to ALS in Townsville, Qld or to SGS Brisbane, or to ALS in Perth, for prep and assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples. Security of historic drill samples is unknown.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> There has been no review of the sampling techniques and data.

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> The Mt Clermont Project currently comprises 1 exploration licence covering 69.6 km². The tenement is held 100% by the Company. This new acquisition on EPM 25956 will increase the land holding over 50%. The EPM25956 is over 100% exclusive land so there is no Native Title. No aboriginal sites or places have been declared or recorded in areas where Impact had explored. There are no national parks over the license area. Australasia have assured the author that the tenements are in good standing with no known impediments. A legal opinion on the status of the tenements is provided in the Legal section of this prospectus.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> A total of 66 drill holes at EPM 25956 have been completed at the Clermont Project by previous explorers prior to the Company.



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Criteria	Commentary
<i>Geology</i>	<ul style="list-style-type: none"> The Capella Project is interpreted as an epithermal high grade gold-silver deposits that occur to the south of the Nanya Intrusive.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> Drill hole details are tabulated in the body of this report.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> All reported assays have been length weighted. No top cuts have been applied. A nominal lower cut -off of approximately 0.5 g/t Au has been applied. High grade gold intervals internal to broader zones of lower grade mineralisation are reported as included intervals.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> The majority of drill holes to date have been sub-perpendicular to the mineralised trend and stratigraphy so intervals are slightly longer than true width unless otherwise stated.
<i>Diagrams</i>	<ul style="list-style-type: none"> Please refer to Figures in body of text.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> All results reported are representative.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Interpretation of Drill Hole Assay Data A simple Z-score was calculated by previous explorer for all elements and simple additive indices of the scores are used to identify zonation. Z scores are a standard statistical calculation of the number of standard deviations a raw data (assay) value is from the mean of the data, for example a z score of 2 indicates a value 2 standard deviations above the mean. It is a method of normalising data so that statistically meaningful associations between datasets can be made.
<i>Further work</i>	<ul style="list-style-type: none"> Follow up work programmes will be subject to interpretation of recent and historic results which is ongoing.