



AUSTRALASIAN GOLD

ASX Announcement | ASX: A8G | 12 October 2021

Australasian Gold secures \$2.5M strategic placement

Highlights

- Australasian Gold (ASX:A8G) has raised \$2.5M at \$0.45 per share to accelerate lithium exploration at the Mt Peake Lithium project in the Northern Territory
- Shandong Ruifu Lithium Industry Co Ltd and Tangshan Xinfeng (Hong Kong) Limited have each subscribed for \$1M as part of the capital raise
- Funding will allow A8G to ramp up exploration activities at its 100% owned Mt Peake lithium project

Australasian Gold Limited (**ASX: A8G**, or the **Company**) is pleased to advise that it has received firm commitments to raise \$2.5 million via a share placement at A\$0.45 per share, with 5,555,553 new fully paid ordinary shares to be issued (**Placement**). The Placement is being made to major lithium industry players Shandong Ruifu Lithium Industry Co Ltd (**Ruifu**) and Tangshan Xinfeng (Hong Kong) Limited (**Xinfeng**) (\$1 million investment each) and sophisticated and professional investors.

The Placement provides A8G with significant funding capacity to progress its exploration activity at the Mt Peake lithium project. In particular, the Placement proceeds will be used for:

- surface mapping, geochemical sampling, geophysics and future drilling programs at the Mt Peake lithium project;
- exploration activities at future lithium exploration projects; and
- general working capital.

About Ruifu and Xinfeng

Ruifu based in Shandong Province, China, has a production capacity of 25,000 tonnes per year lithium carbonate and 10,000 tonnes lithium hydroxide per year. Xinfeng is associated with Tangshan Xinfeng Lithium Industry Co Ltd based in Hebei Province China. Its production capacity is 10,000 tonnes lithium carbonate and 10,000 tonnes lithium hydroxide per year. Both are in production and actively buying spodumene concentrate from Australia.

Australasian Gold Managing Director Dr Qingtao Zeng said: *"We are delighted to have attracted major industry participants at this early stage of our discovery journey. We have an*



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exciting lithium project in an under-explored pegmatite province and we look forward to accelerating our exploration efforts over the coming weeks and months.”

Mt Peake Lithium project

The Mount Peake Lithium project is located in the Anningie Sn-Ta pegmatite field within the Northern Arunta pegmatite province approximately 200km north of Alice Springs and 250km south of Tennant Creek along the Stuart Highway in the Northern Territory.

The project area is a known Lithium-Caesium-Tantalum pegmatite district in Central Northern Territory. The Esther granite suite contains biotite-muscovite granites and, leucocratic, medium-grained, even-grained to porphytic, tourmaline bearing, pegmatite and aplite (Offe, 1978). These mapping works were conducted via vehicle and foot traverse observations according to the 1: 250,000 scale geological map of Mt Peake (Donnellan, 2008). There is Sn-Ta-bearing coarse-grained Paleoproterozoic pegmatite identified at the Reward Tin prospect at surface, 70m long and 5-20m wide, which is located 3km to the north of ELA 32830.

According to the geochemical analysis by Frater (2005), three reward pegmatite samples were assayed with results of up to 747ppm Li. Similar pegmatites have been identified across ELA 32830. Lepidolite (Li-bearing mica) and spodumene were identified in pegmatite sample by petrological examination in 1965 by Pontifex. The location of this sample is ~7 km east of ELA 32830. The Stuart Highway runs through the tenement area and the Central Australia Railway is only 30km from the project boundary, which provides excellent logistics support for the project down the track.

Todd River Resources Ltd (ASX:TRT) in 2017 discovered strong lithium (spodumene) mineralization in the Bismark Prospect within the nearby Walabanba Project in NT with 15 samples over 1.0% Li₂O from rock chip sampling. Some of the samples contained 20-50% spodumene. In 2019, Core Lithium Ltd (ASX:CXO) acquired the project. TRT's ASX Announcement dated 21 December 2017, states: "Sampling of the numerous pegmatites mapped in the Bismark area has returned results with an outstanding maximum lithium grade of 4.63% Li₂O. The best grade is associated with spodumene-quartz pegmatite and albite-spodumene-quartz pegmatite, confirmed by XRD analysis". The location of these samples is shown in Figure 1.



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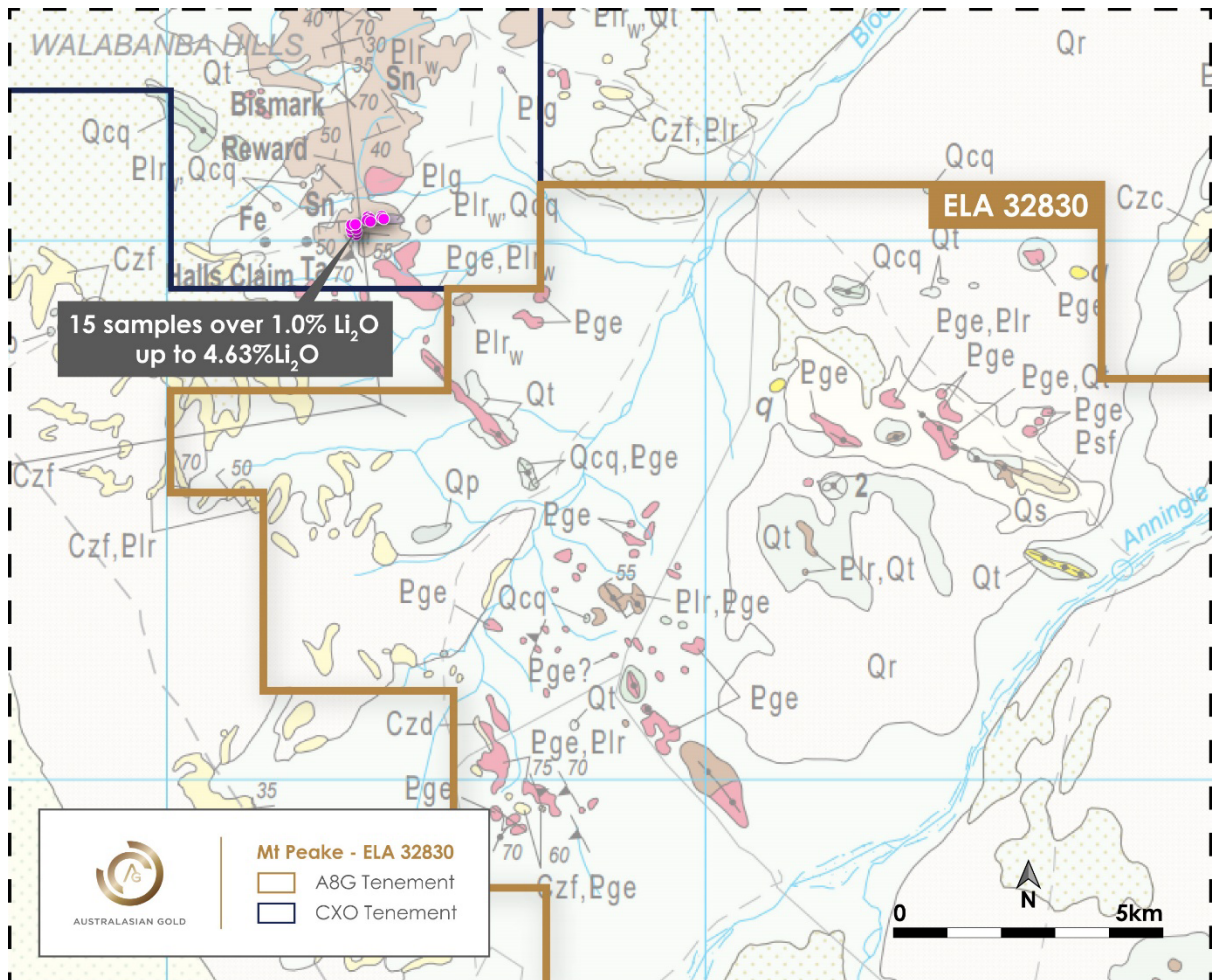


Figure 1: Location of the Todd River Resources sampling in the tenement map. Both EL26848 (ASX: CXO) and ELA32830 were shown with base map of 1: 250,000 Mt Peake Geological map. Pge: Esther Granite, biotite granite, aplite and pegmatite, locally phyllonitic or mylonitic. Plr: Quartz-mica schist. Psf: Quartz arenite and siltstone. Qcq, Quartz-rich colluvium and scree

Placement Details

Australasian Gold has received strong support for the Placement from Ruifu, Xinfeng and sophisticated and professional investors. The Placement will comprise the issue of 5,555,553 new fully paid ordinary shares (**New Shares**) at an issue price of A\$0.45 per share. No fees were payable for the Placement. The New Shares will be issued within the Company's existing placement capacity under ASX Listing Rule 7.1. Settlement of the Placement is expected to occur on or around 18th October 2021, and the New Shares will rank equally with the Company's existing shares on issue.



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This announcement is approved for release by the Board of Directors

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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.

Australasian confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. Australasian confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.