AUSTRALASIAN GOLD

ASX Announcement | ASX: A8G | 22 November 2021

# High priority targets identified at Mt Clermont and Capella, Central Queensland

## Highlights

**Mt Clermont polymetallic project**

- Surface epithermal gold mineralised veining identified and assayed, with 3 samples returning over 2g/t gold
- Identification of untested potential at a new prospect (Retro South) located 1.5km south of the Retro Extended mineralisation
- Recent field investigation discovered and mapped extension of the Retro Extended veining for at least 400 metres south of the most southern drillhole at the prospect
- Gold-in-rock samples highlight untested potential at the Retro and Retro Extended prospects
- Auger soil geochemical sampling planned to firm up targets for RC drilling

**Capella gold project**

- Thick, high-grade gold mineralisation plunge has been interpreted
- RC drilling program planned for early 2022 to test shallow priority targets

Australasian Gold Limited (**ASX: A8G**, **Australasian** or the **Company**) is pleased to advise shareholders that an initial field work program has been completed at the Mt Clermont polymetallic project and the Capella gold project, with the identification of high priority targets to be drill tested in early 2022.

Australasian Gold Managing Director Dr Qingtao Zeng said:

*"Our consultant geologist, Mr Ian Cooper, has now completed an initial field visit at Mt Clermont and Capella, following the completion of a detailed database review. We are encouraged by the historical results at both projects which highlight areas of highly anomalous gold mineralisation that warrant further investigation.*

*"Mr Cooper was involved with the Capella gold project in the 1990s, including the exploration program which returned the best hole so far (ARC009), which included* ***32m at 3.8g/t gold****.*

*"Several rock chips from the recent field visit have returned over 2g/t gold with associated base metal anomalism, which potentially extends the strike of gold mineralisation for 400m to*

*the south of Retro Extended. This gives us confidence that both the Mt Clermont and Capella projects have good potential to define a maiden resource through further drilling".*

## Mt Clermont Polymetallic project

Mt Clermont hosts the regionally significant Retro, Retro Extended and Nanya prospects, which are associated with the Retro Fault Zone. The project lies within the Anakie Province of the Drummond Basin, which is composed of a sequence of Devonian to Carboniferous sediments in Central Queensland, approximately 60 km by road north-west of the town of Emerald. Mt Clermont has over 6,700m of historical drilling, showing potential for a high-grade polymetallic epithermal system.

## Retro prospect

Recent field work has highlighted that quartz veining is epithermal in texture, and is observed over a zone of 400 metres wide and for the length of the prospect (**Figure & 2**). In the area just north of the road, only four drill holes have been completed. Australasian believes that these holes did not properly test the significant veining identified at Retro.

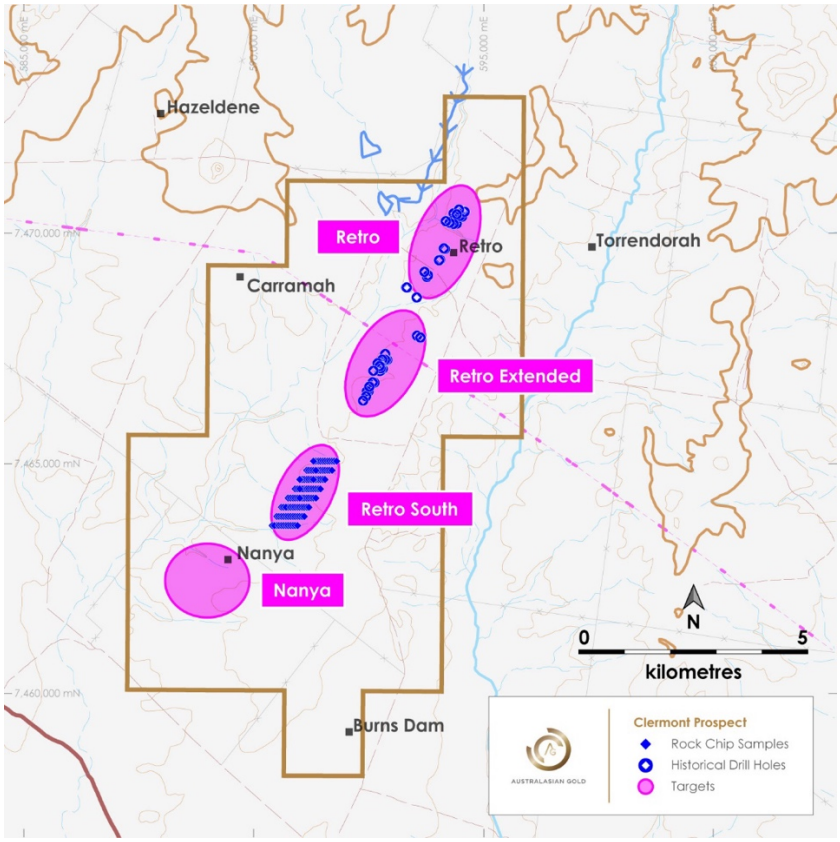


***Figure 1**: Mt Clermont Prospect locations*

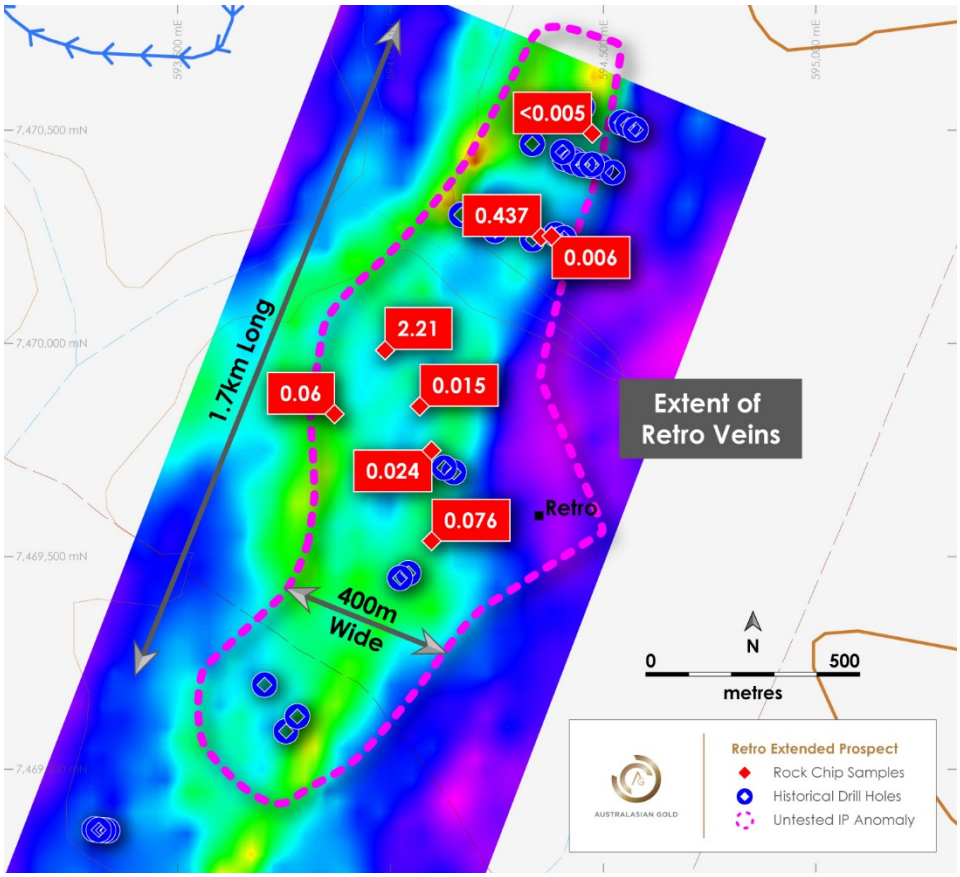


***Figure 2**: Retro Prospect mineralised system size potential. The highlighted numbers, e.g. 2.21, means 2.21 g/t gold assays*

## Retro Extended

Recent field work located and mapped epithermal veins extending at least 400 metres south of the most southerly historical drill hole at Retro Extended Prospect (**Figure & 3**). When plotted in 3D, it appears that numerous drill holes in the prospect did not intersect the down-drip extension of this vein. Significant gold results were returned for recent rock chip sampling along this mapped vein (Au ppm results are shown in ***Figure*** , detailed assays in **Table 2**).

The vein as seen on the surface, in places, has gossanous or boxwork textures. These textures may be the weathered replacements of sulphides identified in the previous drilling, where massive sulphide mineralisation was intersected.

Future drilling will focus on extending the mineralisation towards the south and test the interpretation that the mapped vein system was not intersected by previous drilling.

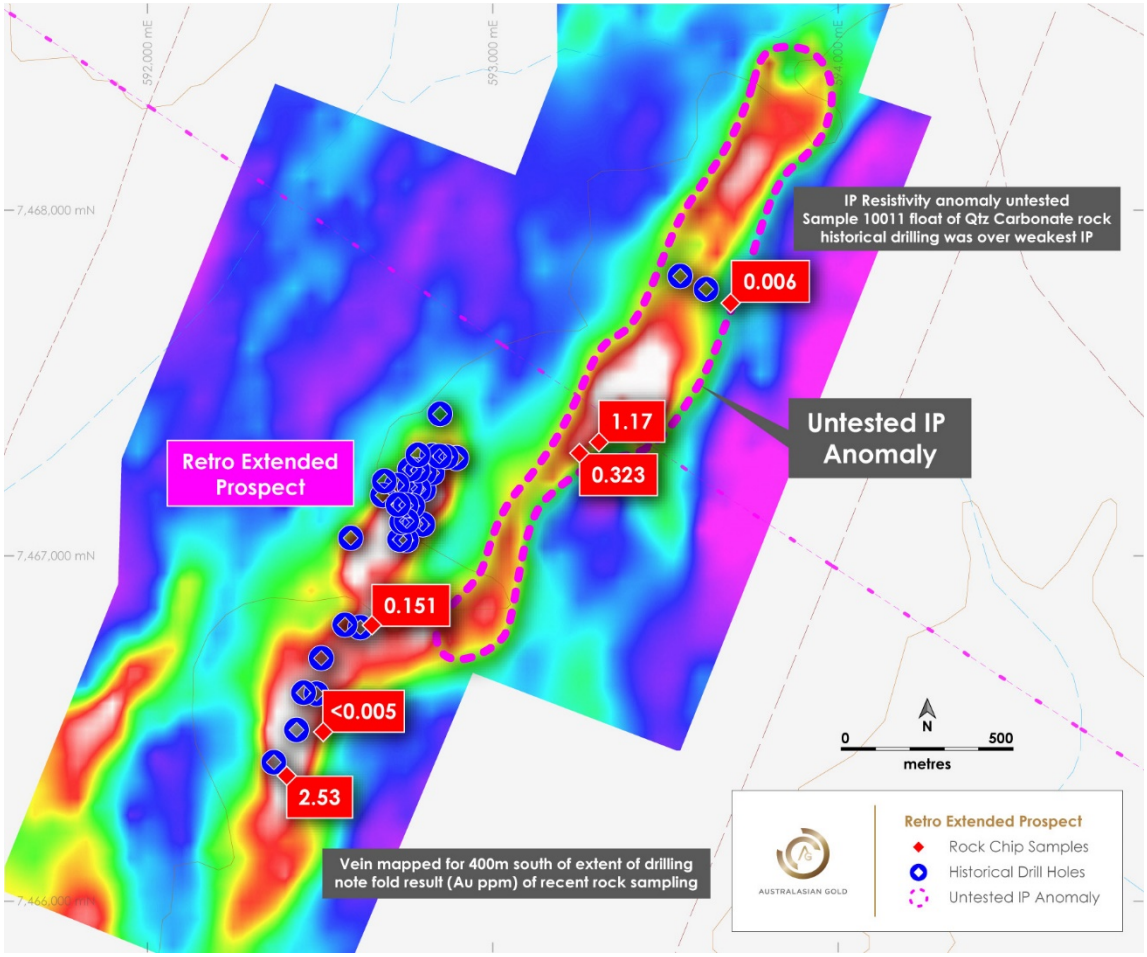


***Figure 3**: Retro Extended Prospect mineralised system size potential*

## Retro South

During the recent field work, Australasian identified untested potential at the new Retro South prospect. Historically, no work was undertaken at Retro South, despite it sitting along the Retro trend. When overlayed with satellite imagery this unsampled area is located within cultivated paddocks. Mr Cooper commented that he *"found occasional float of silica carbonate coliform textures rock over at least 500 metres in strike length. Float of an andesitic rock with porphyritic plagioclase was also observed; these are the first volcanic rocks observed in the tenements and indicate a possible epithermal origin of the Retro gold bearing veins"* (see **Figure** ). Next steps for this target may include an auger geochemical sampling program to 'see through' the shallow overburden.


***Figure 4**: Quartz carbonate coliform banded rock found as float in the Retro South prospect area*

## Capella gold project

The Capella gold project has over 66 previously drilled RC holes for a total of ~6,500m drilled across the tenement. **Figures 5** and **6** outlines some of the historical exploration work undertaken at Capella.

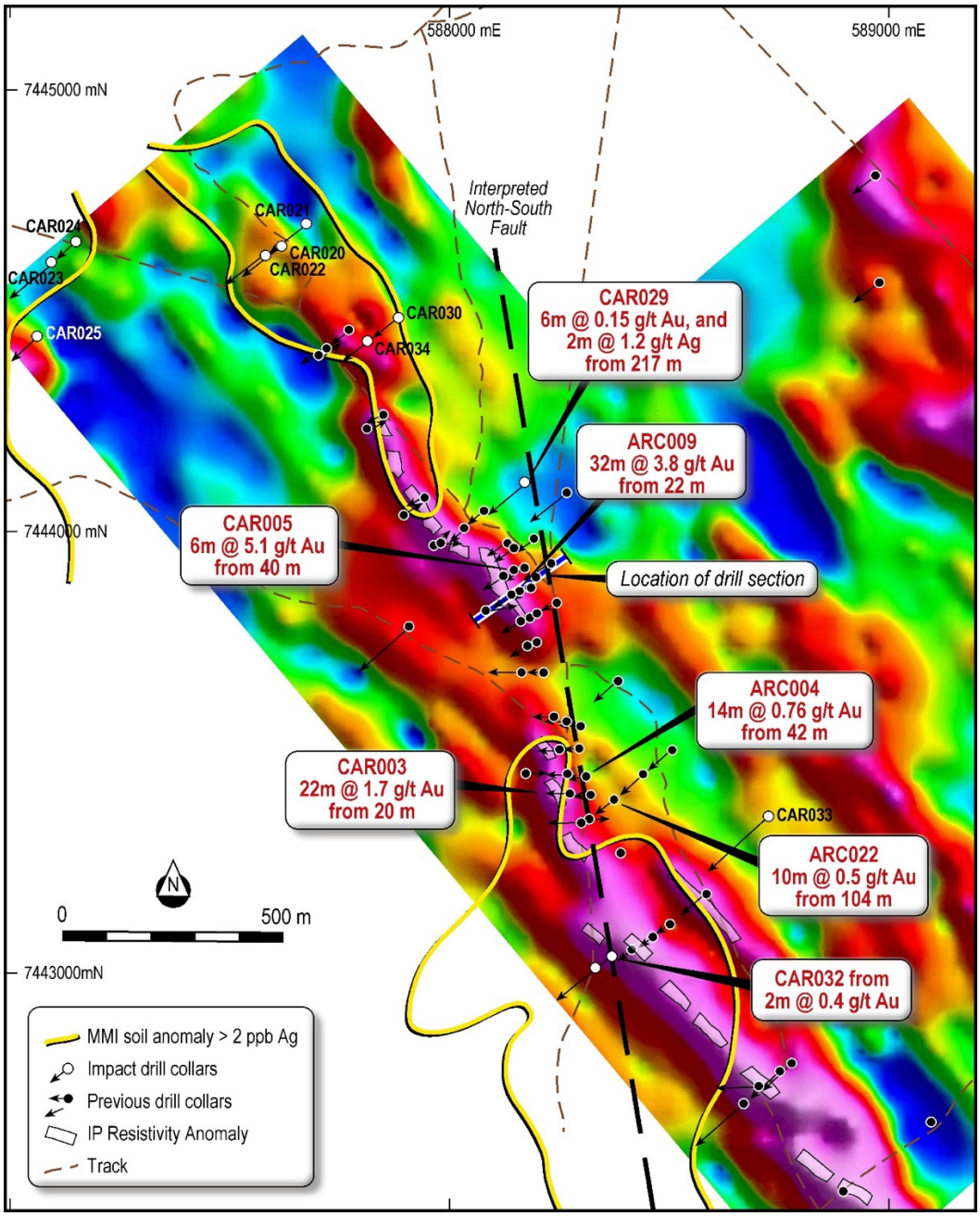


***Figure 5:*** *Historical drilling data at Capella, with MMI soil anomaly on the map of magnetic base map (Impact Minerals, 2016)*

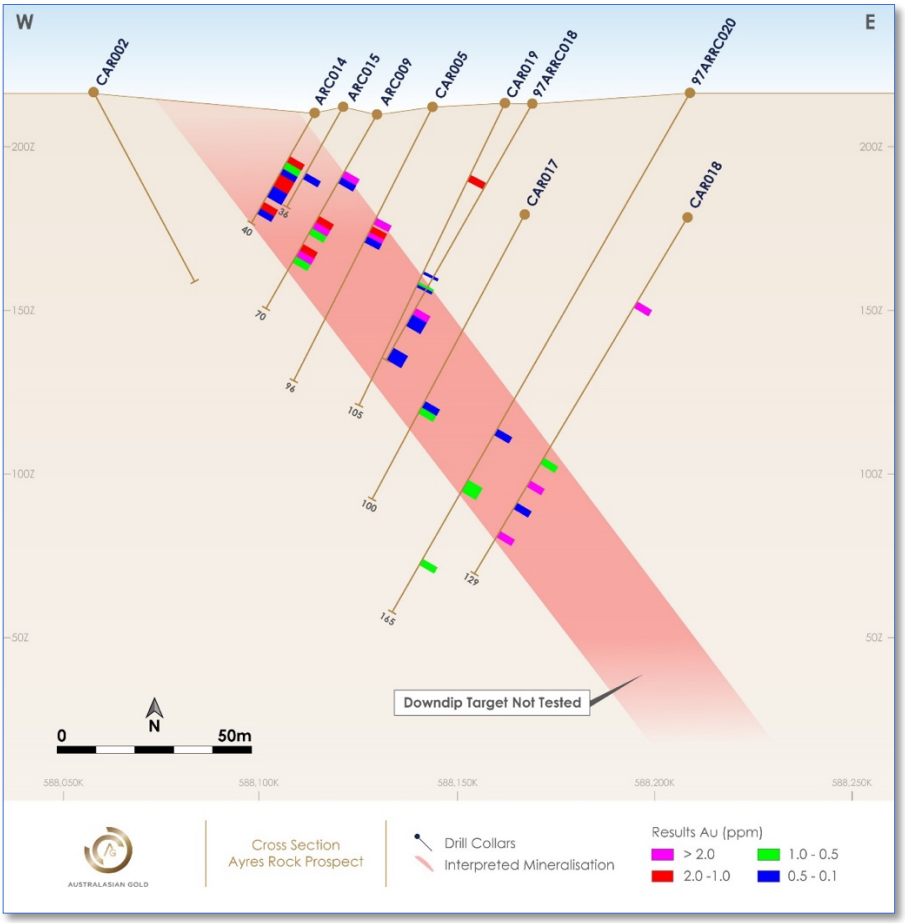


***Figure 6:*** *Cross-section marked in Figure 4 showing continuous mineralisation and grade*

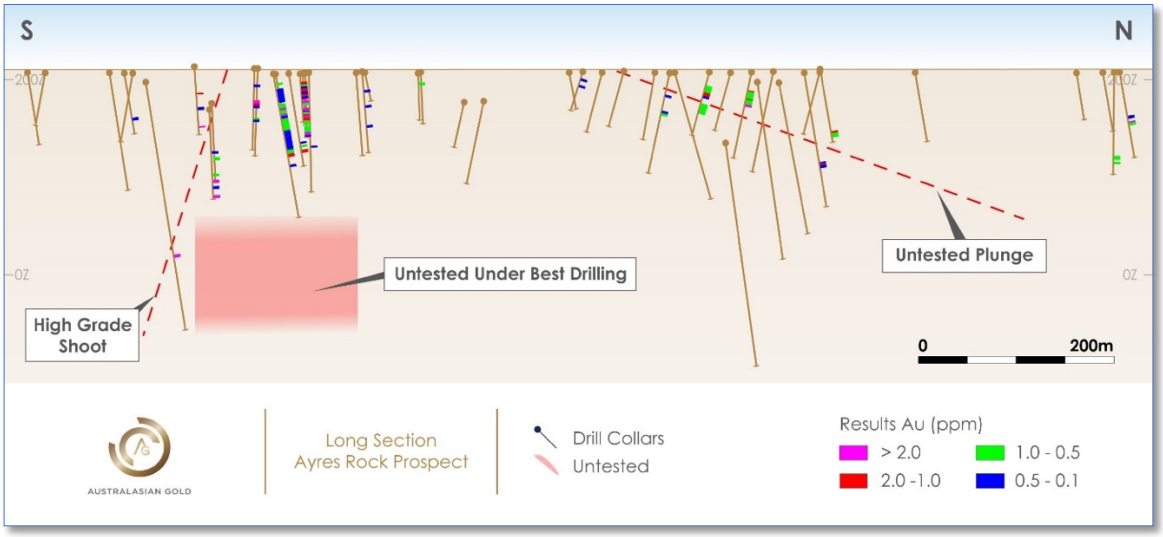


***Figure 7****: Long-section of the drilling at the Capella Prospect showing untested targets*

**Table 1** below summarises some of the material high grade drilling intercepts at Capella gold project (full data is referred to in ASX Announcement on 7 June 2021).

| HOLE ID | FROM | TO | Au (g/t) |
|---|---|---|---|
| ARC009 | 22 | 24 | 32.8 |
| ARC009 | 50 | 52 | 18.9 |
| ARC016 | 68 | 70 | 2.8 |
| CAR003 | 36 | 37 | 4.1 |
| CAR003 | 38 | 39 | 8.3 |
| CAR003 | 39 | 40 | 3.4 |
| CAR005 | 40 | 42 | 10.7 |
| CAR005 | 43 | 44 | 2.3 |
| CAR005 | 44 | 45 | 4.1 |

***Table 1**: Material high grade drilling intercepts at the Capella gold project*

## Upcoming Exploration

The Company is planning a RC drilling program at Retro Extended designed to extend the mineralisation trend southwards, and to test the new potential vein system that has not been intersected previously. Drilling will also aim to validate and infill historical drilling where significant mineralisation has been identified.

At the Capella prospect in the Capella tenement, the recently completed data study has identified several targets with potential for further mineralisation. The targets are open on strike and down dip. Drill holes are proposed to test these targets for possible extensions of mineralisation (**Figures 6** and **7**). The Company also plans to carry out a first pass auger sampling program over the new Retro South prospect.

This announcement is approved for release by the Board of Directors.

**ENDS**

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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 Ian Cooper, a consultant geologist of Australasian Gold Limited. Mr Cooper is a Fellow 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". Mr Cooper consents to the inclusion in this release of the matters based on the information in the form and context in which they appear.

**Table 2:** Rock chip sampling locations and assays

| X | Y | SAMPLE NUMBER | Au ppm | Ag ppm | Co ppm | Cu ppm | Ni ppm | Pb | Sn ppm | Zn ppm | Pb % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 147.921 | -22.8708 | 10001 | **1.17** | 1.705 | 0.864 | 95.6 | 2.64 | 89.5 | 1.71 | 3.8 | |
| 147.9198 | -22.873 | 10002 | 0.168 | 2.26 | 0.973 | 64.4 | 3.85 | 88.8 | 1.94 | 7.1 | |
| 147.92 | -22.8729 | 10003 | **2.53** | 13.65 | 2.36 | 137.5 | 11.2 | 235 | 3.09 | 33.1 | |
| 147.8618 | -23.1153 | 10004 | **2.21** | 0.856 | 0.668 | 5.13 | 1.58 | 3.92 | 0.57 | 4.2 | |
| 147.8587 | -23.0763 | 10005 | 0.009 | 0.016 | 1.77 | 1.73 | 3.22 | 2.64 | 0.54 | 2 | |
| 147.901 | -22.9082 | 10006 | **2.24** | 42.9 | 10.7 | 174.5 | 28.2 | **>10000** | 5.15 | **326** | **2.38** |
| 147.902 | -22.907 | 10007 | **2.22** | 28 | 12.7 | 164 | 48.9 | **1580** | 1.7 | **679** | |
| 147.9034 | -22.9042 | 10008 | 0.437 | 5.28 | 24.7 | 124.5 | 27.2 | **575** | 2.91 | **385** | |
| 147.9098 | -22.8994 | 10009 | 0.015 | 0.213 | 3.19 | 17.85 | 7.52 | 57.6 | 0.74 | 25.7 | |
| 147.9092 | -22.8997 | 10010 | 0.006 | 0.091 | 11.9 | 16.75 | 16.35 | 56.2 | 2.15 | 38.5 | |
| 147.9135 | -22.8957 | 10011 | 0.151 | 5.6 | 41.1 | 45.7 | 7.47 | **580** | 0.5 | 86.7 | |
| 147.8544 | -22.9214 | 10012 | 0.007 | 0.05 | 1.28 | 3.49 | 3.69 | 7.38 | 0.27 | 3.6 | |
| 147.859 | -22.9222 | 10013 | <0.005 | 0.18 | 1.345 | 3.74 | 3.58 | 14.35 | 0.15 | 4.9 | |
| 147.8929 | -22.9203 | 10014 | <0.005 | 0.022 | 5.1 | 10.85 | 27.2 | 3.29 | 0.17 | 14.5 | |
| 147.8921 | -22.9215 | 10015 | <0.005 | 0.02 | 1.38 | 13.5 | 24.3 | 1.3 | 0.05 | 7.5 | |
| 147.8914 | -22.9228 | 10016 | <0.005 | 0.139 | 10.1 | 12.05 | 29.8 | 10.25 | 1.91 | 21.3 | |
| 147.8912 | -22.9234 | 10017 | <0.005 | 0.007 | 1.96 | 12.25 | 9.6 | 0.72 | 0.06 | 15.1 | |
| 147.9151 | -22.8767 | 10018 | 0.024 | 0.982 | 8.34 | 27.7 | 24.4 | 8.15 | 7.54 | 28.1 | |
| 147.9162 | -22.8754 | 10019 | 0.006 | 0.247 | 4.57 | 176.5 | 21.7 | 10.95 | 1.35 | 33.1 | |
| 147.9171 | -22.8766 | 10020 | 0.006 | 0.195 | 4.56 | 103.5 | 14.95 | 4.23 | 5.72 | 16.8 | |
| 147.9173 | -22.8775 | 10021 | 0.323 | 8.29 | 1.345 | 78.3 | 2.64 | 145 | 2.61 | 3.3 | |
| 147.9173 | -22.8794 | 10022 | 0.076 | 2.25 | 2.26 | 182.5 | 8.84 | 145 | 15.45 | 14.3 | |

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

## Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| *Sampling techniques* | • Rock Chip Samples<br>During recent field review consultant geologist Ian Cooper collected rock samples of 2 to 4 kg in weight for each sample. Samples were under supervision of the geologist until submitted to the laboratory.<br>Sample location, descriptions and sample photos were recorded in the field using purpose software from Konect.<br>Samples were submitted to the ALS laboratory located in Brisbane Australia with sample preparation method as per the following laboratory code:<br>LOG-22_CRU-21_PREP-22 (CRUSH/PULVERISE EACH SAMPLE)<br>And analysis for gold and multi-elements by the following methods (Laboratory codes) Au-AA24_ME-MS61L<br>• RC Drilling<br>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.<br>The 1m bulk samples were spear sampled using standard techniques to produce a 4 metre composite for assay. Anomalous zones were re-assayed using the 1 m split samples.<br>• Diamond drilling<br>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.<br>• Drill Samples<br>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.<br>• RC Samples<br>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. |
| *Drilling techniques* | • Historical RC drilling using 4-inch face sampling hammer. |
| *Drill sample recovery* | • RC samples were visually checked for recovery, moisture and contamination. |

| Criteria | Commentary |
|---|---|
| | • Diamond core recoveries are logged and recorded. Recoveries are estimated to be >97% and no significant core loss related to mineralisation is noted.<br>• RC drilling<br>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.<br>• No sample bias has been established. |
| *Logging* | • 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.<br>• Magnetic Susceptibility measurements were taken by Invictus Gold for each 1m RC sample.<br>• 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.<br>• Rock Chips<br>Sample location, descriptions and sample photos were recorded and geologically logged in the field using purpose software from Konect by on-site geologists. |
| *Sub-sampling techniques and sample preparation* | • RC samples were split using a riffle splitter.<br>• Company procedures were followed to ensure sub-sampling adequacy and consistency.<br>• 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.<br>• All QA/QC results were reported by Impact as being within acceptable levels of +/- 15-20%.<br>• The samples sizes at Mt Clermont are considered appropriate for reporting Exploration Results.<br>• Rock Chip Samples<br>During recent field review consultant geologist Ian Cooper collected rock samples of 2 to 4 kg in weight for each sample. Samples were under supervision of the geologist until submitted to the laboratory.<br>Sample location, descriptions and sample photos were recorded in the field using purpose software from Konect.<br>Samples were submitted to the ALS laboratory located in Brisbane Australia with sample preparation method as per the following laboratory code:<br>LOG-22_CRU-21_PREP-22 (CRUSH/PULVERISE EACH SAMPLE) |
| *Quality of assay data and* | • 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 |

| Criteria | Commentary |
|---|---|
| *laboratory tests* | total digest apart from certain refractory minerals not relevant to exploration at Clermont.<br>• 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. |
| *Verification of sampling and assaying* | • The historic drilling has not yet been verified by independent or alternative companies.<br>• All historical drill data had been entered by Impact and verified internally against the original reports.<br>• No significant adjustments to the assay data have been required. |
| *Location of data points* | • The drill holes have been reported as being located by hand-held GPS.<br>• The grid datum for Clermont is MGA_GDA94, Zone 55.<br>• 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.<br>• Rock Chip Samples<br>Sample location, descriptions and sample photos were recorded in the field using purpose software from Konect. |
| *Data spacing and distribution* | • Drill spacing of drill holes is widely variable given the reconnaissance nature of the program to date.<br>• Length weighting of drill samples has been applied for quoting drill composite results. |
| *Orientation of data in relation to geological structure* | • 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.<br>• No significant sample bias has been identified from drilling due to the optimum drill orientation described above. Where present, sample bias will be reported. |
| *Sample security* | • 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.<br>• Security of historic drill samples is unknown.<br>• Rock Chip Samples<br>During recent field review consultant geologist Ian Cooper collected rock samples of 2 to 4 kg in weight for each sample. Samples were under supervision of the geologist until submitted to the laboratory. |
| *Audits or reviews* | • 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 |
|---|---|
| *Mineral tenement and land tenure status* | • 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.<br>• 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.<br>• 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. |
| *Exploration done by other parties* | • A total of 66 drill holes at EPM 25956 have been completed at the Clermont Project by previous explorers prior to the Company. |
| *Geology* | • The Capella Project is interpreted as an epithermal high grade gold-silver deposits that occur to the south of the Nanya Intrusive. |
| *Drill hole Information* | • Drill hole details are tabulated in the body of this report. |
| *Data aggregation methods* | • 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.<br>• High grade gold intervals internal to broader zones of lower grade mineralisation are reported as included intervals. |
| *Relationship between mineralisation widths and intercept lengths* | • 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. |
| *Diagrams* | • Please refer to Figures in body of text. |
| *Balanced reporting* | • All results reported are representative. |
| *Other substantive exploration data* | • Interpretation of Drill Hole Assay Data<br>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. |
| *Further work* | • Follow up work programmes will include geochemical Auger drilling sampling and RC drilling |