Exploration update - Datatine prospect, Katanning

Highlights:

- **Results received from four diamond holes drilled at Datatine**
  - Gold mineralisation intersected in all holes
  - Presence of silver and zinc suggests a new deposit style that will inform regional targeting
  - Mineralisation intersected a further 300m south along strike
  - New geological interpretation to provide support for future RC drill program

- **Aircore drilling program also completed**
  - 24 AC drill holes for 816m
  - Drilling has extended the strike extent of the prospective mafic-granite contact a further 200m's
  - Gold intersected along a southern trend extends strike length a further 400 m's

Ausgold Limited (ASX: AUC) ("Ausgold" or "the Company") is pleased to announce encouraging results from diamond and aircore (AC) drilling at the Datatine prospect, approximately 8km north of the main resource areas within its 100%-owned Katanning Gold Project (KGP) in Western Australia's south-west.

The diamond drilling program comprised six holes for 676m and was conducted with funding assistance from the WA government under the Exploration Incentive Scheme (EIS). Its aim was to gather information that would aid Ausgold in improving its understanding of the geometry of high grade gold mineralisation in the prospect area.

The AC drill campaign of twenty four holes for 816m was completed over the course of December 2017 and January 2018, with the program designed to target the geological contact between the granite footwall and greenstones in the northern part of the Datatine prospect (Figure 1).

Mineralisation identified at Datatine is not currently included in the KGP Mineral Resource (20.98 Mt at 1.17 g/t gold for 785,800 ounces of gold) and has the potential to add materially to the KGP's gold inventory.

Diamond drilling

Datatine differs to the more southern portions of the KGP in that the host rocks and mineralisation strike in an easterly direction with a southerly dip as opposed to north-westly strike with an easterly dip.

The EIS co-funded drilling was planned to better understand this geometry and was completed along three separate sections: three holes along strike from previously identified mineralisation and a fourth (BSDD014) drilled 278m to the southwest (Figures 1-3). Results from the eastern most drill holes (BSDD015 and BSDD015a) are yet to be received.

Gold mineralisation was intersected in all holes drilled in the program. It was noted through structural analysis of drill core that the mineralisation has an east-west strike direction and a dip towards the south, with gold mineralisation plunging towards the east following the trend of a larger tightly folded structure. The highest gold grades are hosted within mafic granulite and a pyroxenite unit. Both BSDD0011 and BSDD013 were drilled through the relatively thin footwall granite (between 3 - 20m) and back into mafic gneiss.

BSDD015 was drilled along a more southerly east-west striking trend identified from the recent AC drilling (BSAC1549; Figures 1 and 3) and is interpreted to be the southern limb of this fold. This interpretation is supported from the observations in the diamond drill core.

Significant gold intercepts include:

5.2m @ 3.03 g/t Au from 47.8m including 2m @ 6.51 g/t Au from 51m in BSDD011

13.4m @ 1.7 g/t Au from 66m including 1.35m @ 5.58 g/t Au in BSDD011

1m @ 1.39 g/t Au from 23m in BSDD012

8.7m @ 1.0 g/t Au from 28.3 m including 1m @ 5.7 g/t Au in BSDD012

8m @ 0.84 g/t Au from 31 m including 1m @ 2.0 g/t Au from 34m in BSDD013

2m @ 3.91g/t Au from 92 m in BSDD014

Elevated silver (up to 53.5 g/t) and zinc (up to 0.16 %) adjacent to gold mineralisation, as identified in holes BSDD011 and BSDD013, has not be previously recognised at the KGP. The significance of the presence of silver and zinc is not currently well understood and previous drill campaigns have only been assayed for gold. However, it suggests a previously un-recognised style of mineralisation within the KGP, with recent work completed on samples from BSDD011 identifying the mineral gahnite ($ZnAl_2O_4$), which is more commonly associated with metamorphosed base metal deposits.

Two significant silver intercepts were returned:

3m @ 21 g/t Ag from 22m including 1m @ 53.5 g/t Ag in BSDD011

2m @ 26 g/t Ag from 21m including 1m @ 43.5 g/t Ag in BSDD012

Aircore Drilling

Twenty four holes for 816m were drilled along strike from the previously intersected mineralisation. The bottom-of-hole geology has been used to map the geological contact between the granite and previously undrilled areas of mafic-intermediate granulite similar to the rocks that are known to host gold mineralisation.

Drilling has extended the contact a further 600m west and highlights a second parallel mineralised trend to the south. Results from drilling have shown continuity in mineralisation, along strike towards the west with seven intercepts > 0.1 g/t (Table 1 & Figure 1).

Significant gold intercepts include:

12m @1.34 g/t Au from 28m including 1m @ 14.7g/t Au from 34m in BSAC1549

6m @ 0.2g/t Au from 20m inBSAC1560
4m @ 0.13g/t Au from 8m inBSAC1568
4m @ 0.11g/t Au from 28m inBSAC1551
4m @ 0.1g/t Au from 0m inBSAC1557
2m @ 0.11g/t Au from 28m inBSAC1548
1m @ 0.16g/t Au from 48m inBSAC1550

Other work programs

Significant Reverse Circulation (RC) drill program is continuing to testing targets within the KGP including high priority areas identified by moving loop and down hole EM at the Jackson White Dam and Jinkas prospects. Follow-up RC drilling of the Datatine deposit is expected to test the strike extents of mineralisation.

Management Comment

Ausgold's Chief Executive Officer, Matthew Greentree noted:

"This EIS co-funded diamond drill program has significantly advanced our knowledge of the geology of the Datatine prospect and identified the potential for the discovery of new mineralisation styles at the Katanning Gold Project. The knowledge gained from this drill program will be applied both in the exploration at Datatine and further afield within Ausgold's regional tenement package at Katanning."

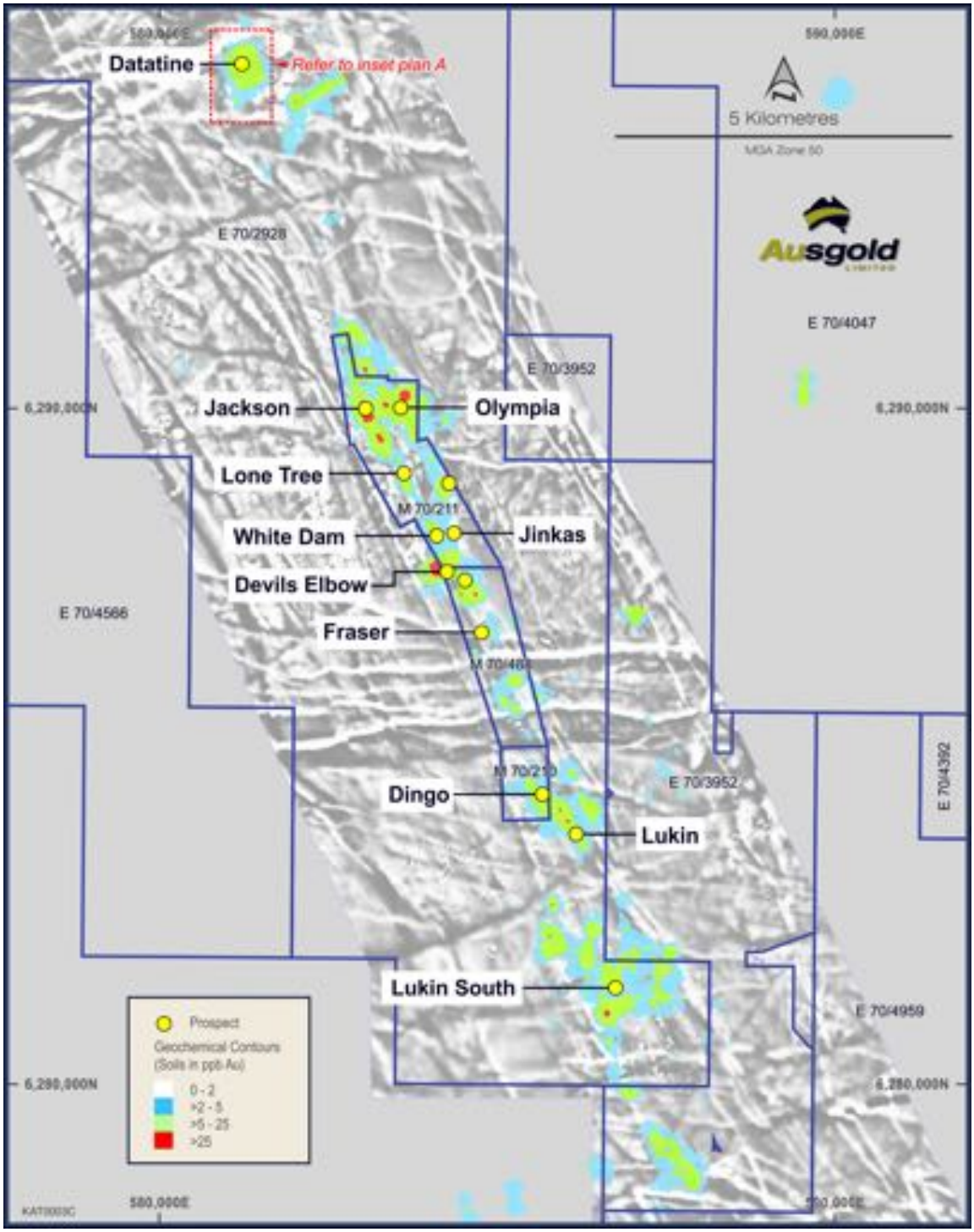

Figure 1 *- KGP project area showing the location of prospects and drill collars (Inset A shown in Figure 2)*

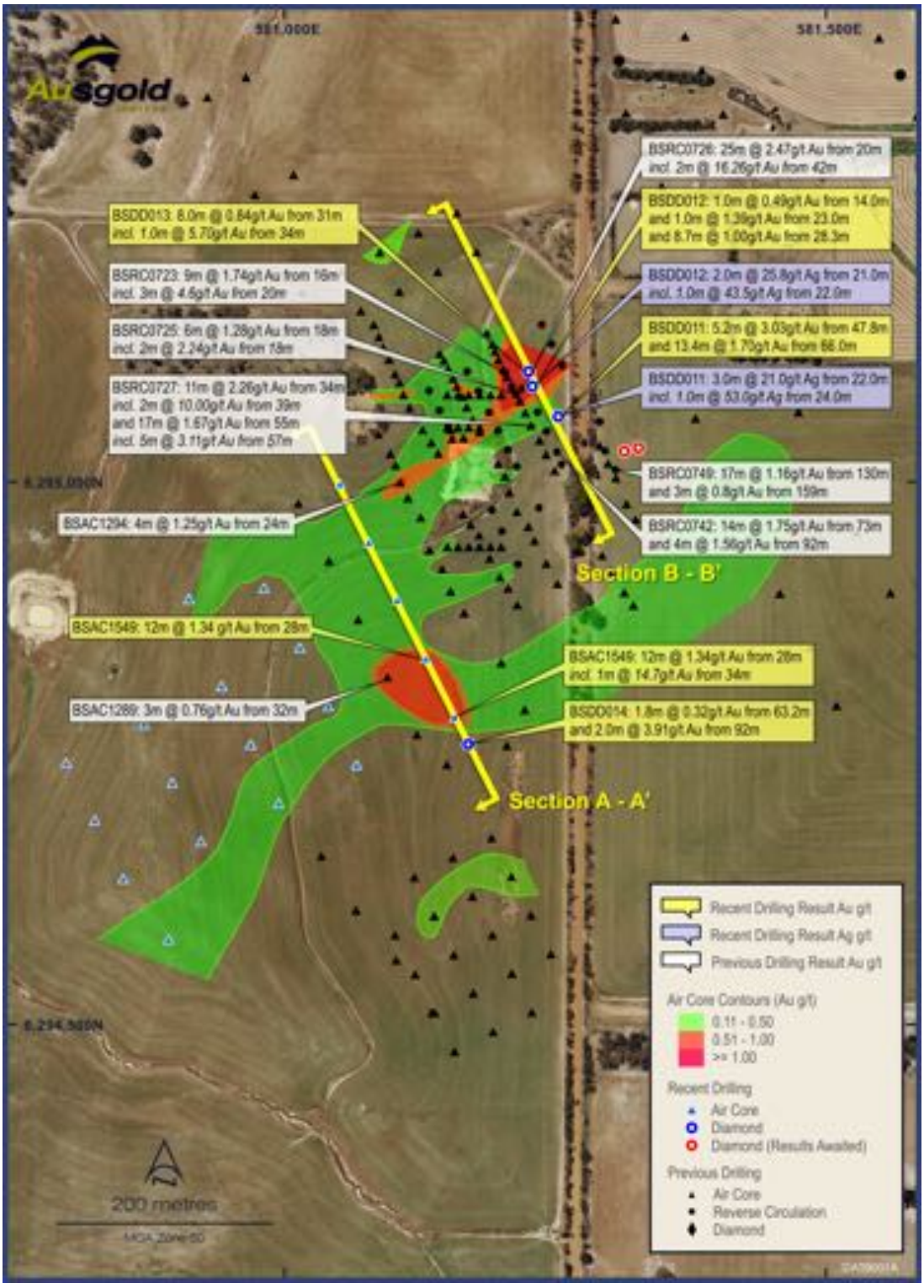

Figure 2 *- Location of Datatine prospects with contoured maximum downhole gold intercepts in Aircore drilling (Inset A shown in Figure 1)*

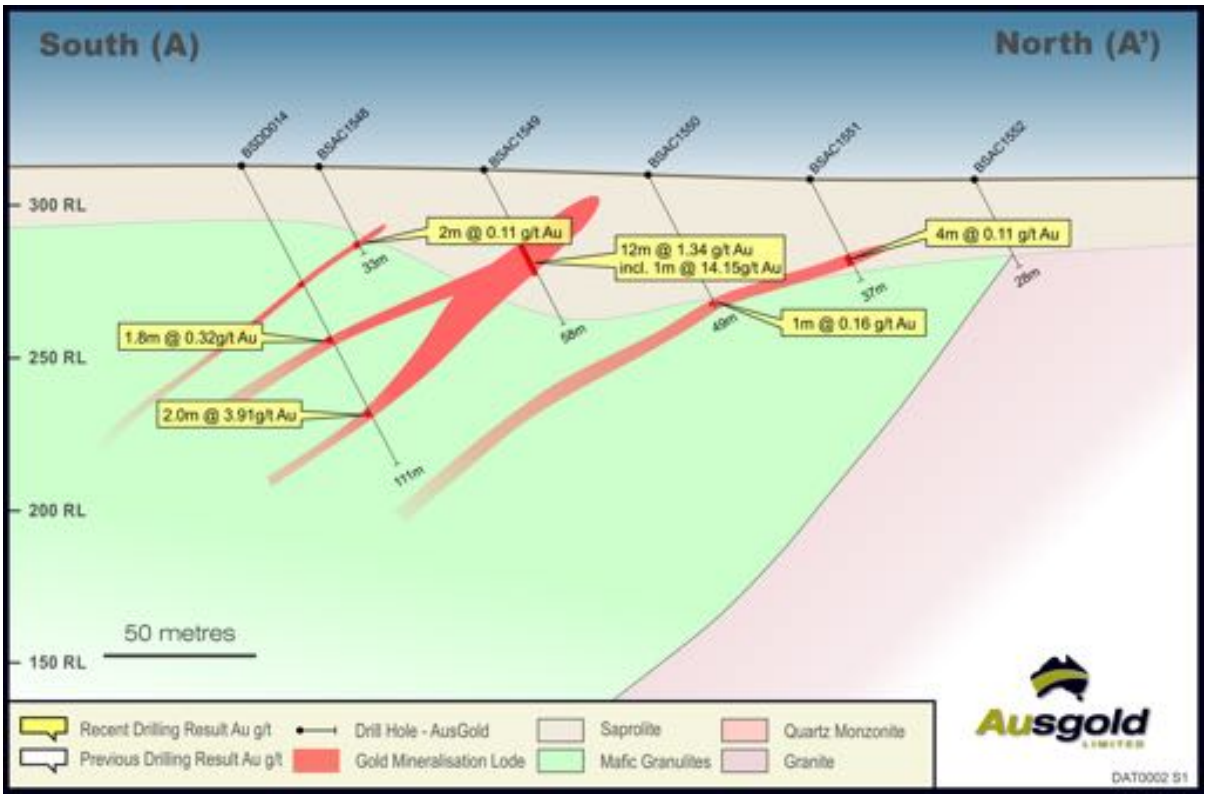

Figure 3 - *Section A-A' (see figure 2)*

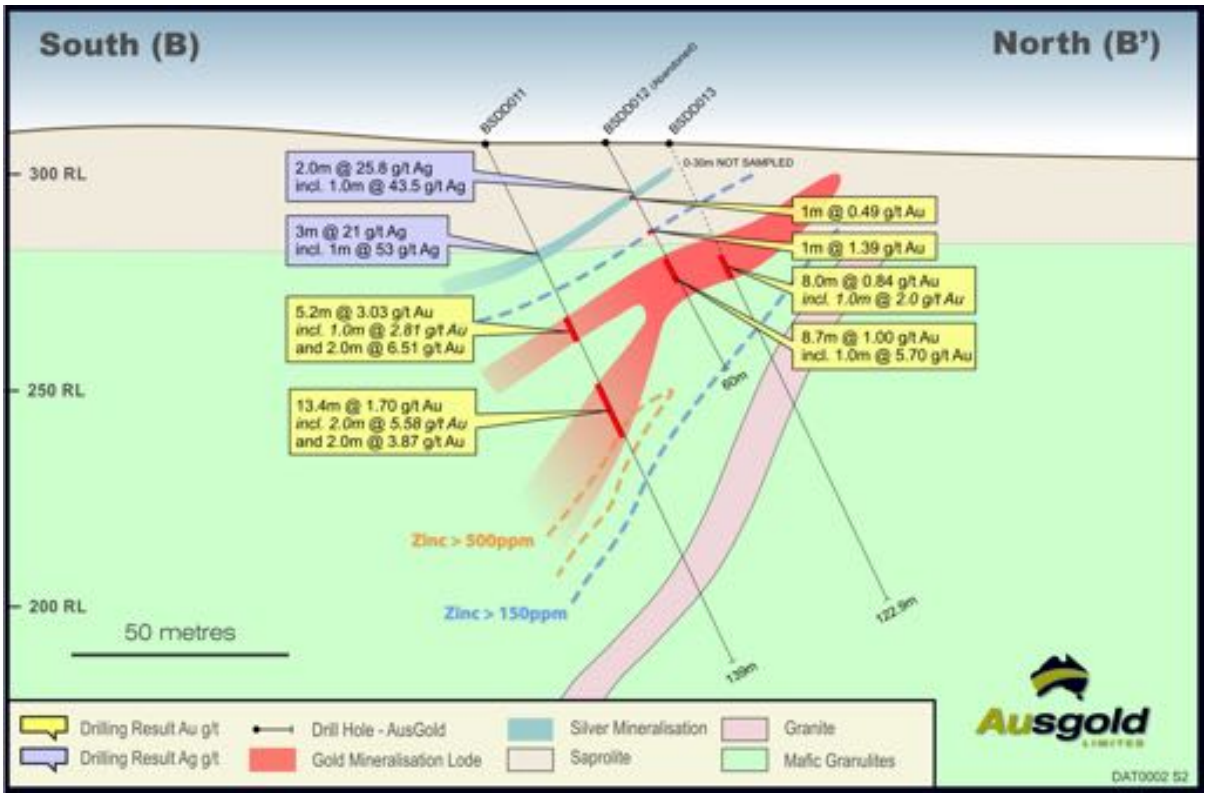

Figure 4 - *Section B-B' (see figure 2)*

Table 1 – Drill Collar location

Drill type	Hole ID	MGA East	MGA North	AHD RL	Total Depth	Dip	Azimuth
Diamond	BSDD011	581253	6295060	300	138.6	-59.4	327.9
Diamond	BSDD012	581229	6295088	400	60.3	-60	338
Diamond	BSDD013	581231	6295086	400	122.9	-62	340.6
Diamond	BSDD014	581170	6294758	400	111.4	-60.1	334.9
Diamond	BSDD015	581319	6295030	307	86	-60	334
Diamond	BSDD015a	581333	6295034	307	157	-60	334
Aircore	BSAC1548	581156.6	6294783	302	33	-60	334
Aircore	BSAC1549	581130.3	6294837	302.65	58	-60	334
Aircore	BSAC1550	581104	6294891	302.65	49	-60	334
Aircore	BSAC1551	581077.6	6294944	302.6	37	-60	334
Aircore	BSAC1552	581051.3	6294998	302	28	-60	334
Aircore	BSAC1553	581066.7	6294739	302.65	22	-60	334
Aircore	BSAC1554	581040.4	6294793	302	32	-60	334
Aircore	BSAC1555	581014.1	6294847	302	45	-60	334
Aircore	BSAC1556	580981	6294902	306	42	-60	334
Aircore	BSAC1557	580911.8	6294892	302	37	-60	334
Aircore	BSAC1558	580942.2	6294812	302.65	31	-60	334
Aircore	BSAC1559	580968.5	6294758	302.65	24	-60	334
Aircore	BSAC1560	580994.8	6294704	302	27	-60	334
Aircore	BSAC1561	581034	6294655	310	28	-60	334
Aircore	BSAC1562	580922.9	6294669	302.65	30	-60	334
Aircore	BSAC1563	580896.6	6294723	302	47	-60	334
Aircore	BSAC1564	580870.3	6294777	302.65	38	-60	334
Aircore	BSAC1565	580798.4	6294741	310	36	-60	334
Aircore	BSAC1566	580824.7	6294688	302	32	-60	334
Aircore	BSAC1567	580851	6294634	302	31	-60	334
Aircore	BSAC1568	580893	6294578	302	27	-60	334
Aircore	BSAC1569	581066	6294605	318	27	-60	334
Aircore	BSAC1570	581103	6294559	310	28	-60	334
Aircore	BSAC1571	581136	6294511	302	27	-60	334

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 dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 785,000 oz 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 3 August 2017)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	3.0	1.94	190
Indicated	6.7	1.07	232
Inferred	11.2	1.01	363
Total	**20.9**	**1.17**	**785**

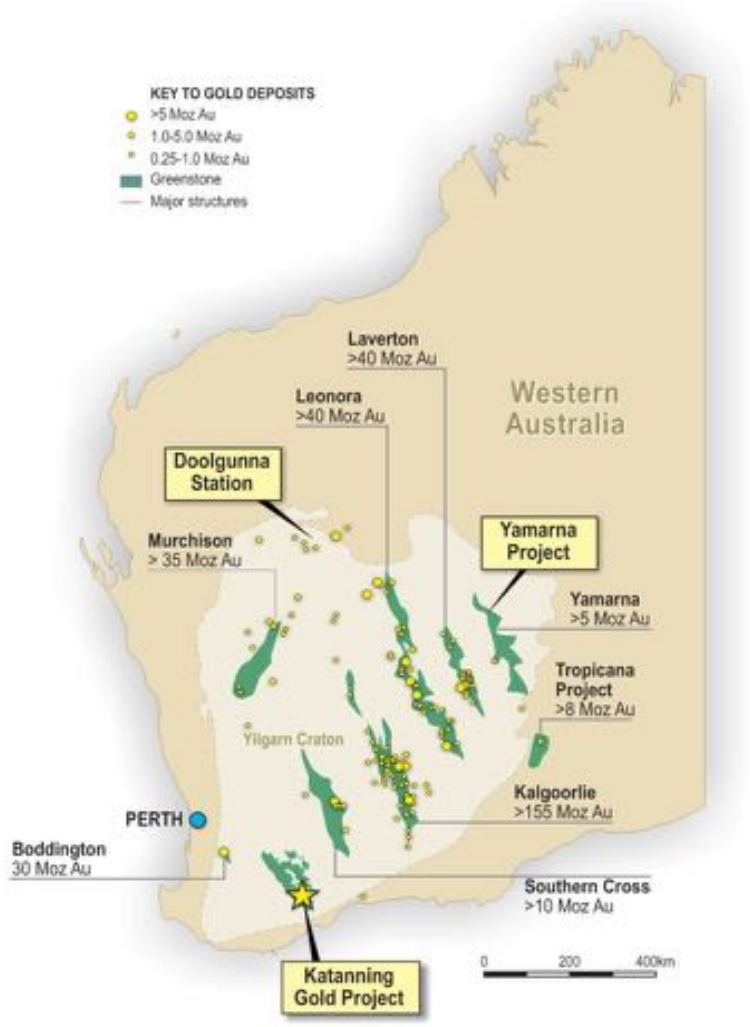

Figure 5 *- Regional map showing the KGP, other Ausgold Projects and mineralised greenstone belts*

On behalf of the Board,

Matthew Greentree
Chief Executive Officer
Ausgold Limited

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Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Mr Rod Brown of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited. Dr Greentree is Chief Executive Office and is a Share and Option holder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results including sampling, assaying, and QA/QC, and the preparation of the geological interpretations. Mr Brown takes responsibility for the Mineral Resource Estimate.

Mr Brown 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).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

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.

APPENDIX 1 – TABLE 3.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Air Core ("AC") drilling program consisted of 24 air core drill holes for 816m and six holes diamond drill holes for 676 m. Drilling was on a nominal line spacing of 100m, 200m or 400m. All AC holes were drilled to blade refusal. Samples from AC drilling were collected a rig-mounted cyclone by bucket in one meter intervals. Sample material was placed directly on the ground from the buckets in rows of ten. A spear sample was taken from each bulk sample and composited to 4m, weighing to approximately 3kg. Spear samples were taken as consistently full and level for each sample. An additional 1m end-of-hole (EOH) sample was taken for multi-element and gold assay. Sampling was undertaken using Ausgold's sampling protocols and QAQC procedures in line with industry best practice. The 3kg AC composite samples were sent to ALS Laboratory in Perth. Samples were sorted, dried, crushed to 10mm, pulverised to -75µm and split to produce a 0.5g sub sample (charge) for aqua regia digestion and gold analysis and multi element analysis by ICP- MS and ICP-AES Ag,Al,As,Au,B,Ba,Bi,Be,Ca,Cd,Ce,Co,Cr,Cs,Cu,Fe,Ga,Ge,Hf,Hg,In,K,La,Li,Mg,Mn,Mo,Na,Nb,Ni,P,Pb,Rb,Re,S,Sb ,Sc,Se,Sn,Sr,Ta,Te,Th,Ti,Tl,U,V,W,Y,Zn & Zr. Analyses over 0.1 ppm Au were reanalysed for gold only using a larger 25 g charge in an aqua regia digest and analysed by ICP-MS. EOH AC samples were prepared in the same manner but a 25 g charge underwent a four acid digestion (total digest) and analysis by ICP-OES and ICP-MS for 63 elements (Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Hg, Ho, In, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pd, Pr, Pt, Rb, Re, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr). Gold was analysed from a separate 30g charge and using fire assay. HQ Diamond drill core was split using a diamond bladed saw into half core to be sent to the Geological Survey of Western Australia as per the EIS agreement. The remaining half core was split again into quarter core, with one quarter being sent for assay and the remaining quarter retained on site. 25 g charge underwent a four acid digestion (total digest) and analysis by ICP-OES and ICP-MS for 63 elements (Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Hg, Ho, In, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pd, Pr, Pt, Rb, Re, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr). Gold was analysed from a separate 50g charge and using fire assay.

Criteria	JORC Code explanation	Commentary
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	All drilling in this program was conducted by Top Drill Pty Ltd. AC drilling was carried out using a 6½" slimline blade bit to refusal, generally at the fresh rock interface. AC Drilling was undertaken by Top Drill utilising a truck mounted Sandvik UDR-KL150 drill rig. Diamond drilling undertaken by Top Drill utilising a track mounted Sandvik DE710 rig with holes BSDD011,BSDD012, BSDD014 BSDD015 being drilled from surface using triple tube HQ diamond drill with each run being oriented. BSDD012 and BSDD015 failed to reach target depth and BSDD013 and BSDD15a where redrilled adjacent to the original collar with the first 29m of BSDD013 being drilled using a roller bit to fresh rock.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Samples were collected dry with occasional damp samples, AC drill recoveries were visually estimated as a semi-quantitative range and recorded in the log. Recoveries were generally excellent (>90%), with reduced recovery in the initial near- surface sample and transported cover material. Drill cyclone and sample buckets were used to collect the 1m samples and cleaned between rod changes. In addition, the cyclone was generally cleaned several times during each hole (at the base of transported cover and the base of completed oxidation) and after each hole to minimise downhole and/or cross- hole contamination. Diamond drilling had generally good recoveries (> 90%) throughout the holes, however some core loss was experienced in weathered rock within first 30m.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All drill holes in the current program have been geologically logged to a level of detail to support the definition of geological domains appropriate to support exploration work. The 4m composited sampling is not appropriate for mineral resource estimation, but provides indicative results to target future drilling campaigns. Representative rock chips from the EOH were collected in chip trays, and logged by the geologist at the drill site. Sample condition and degree of weathering were recorded qualitatively; geotechnical logging is not possible on AC samples. Diamond drilling was logged in intervals less than 1m in length recording Lithology, weathering (oxidation state), structure, geotech, veining, mineralisation and alteration are recorded in detail using standard digital logging sheets and defined look up tables to ensure that all data is collected consistently. This data is logged using tablet computers. All data is validated by the logging geologist before being entered in an acQuire database. All drill holes are logged.
Sub-sampling techniques and sample	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	AC composite samples and EOH samples are collected with a sample scoop. Dry samples below transported cover are riffle split to obtain representative 1m samples (submitted when anomalous). The samples were recorded as dry, damp or wet. Sample duplicates were obtained by repeating the composite sampling process.

Criteria	JORC Code explanation	Commentary
preparation	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	All AC samples were sorted, dried, crushed to 10mm, pulverised to -75µm, split to produce a 0.5g charge (4m composites) or 25g charge (bottom of hole or re-analysis of samples > 0.1 g/t Au) prior to digestion via aqua regia (for 4 m composites) or fire assay (1 m bottom of hole). All diamond core samples were sorted, dried, crushed to 10mm, pulverised to -75µm, split to produce a 25g charge prior to digestion via aqua regia (for 4 m composites) or fire assay (1 m bottom of hole). HQ Diamond drill core was split using a diamond bladed saw into half core to be sent to the Geological Survey of Western Australia as per the EIS agreement. The remaining half core was split again into quarter core, with one quarter being sent for assay and the remaining quarter retained on site. 25 g charge underwent a four acid digestion (total digest) and analysis by ICP-OES and ICP-MS for 63 elements (Ag, Al, As, Ba, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Hf, Hg, Ho, In, K, La, Li, Lu, Mg, Mn, Mo, Na, Nb, Nd, Ni, P, Pb, Pd, Pr, Pt, Rb, Re, S, Sb, Sc, Se, Sm, Sn, Sr, Ta, Tb, Te, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn, Zr). Gold was analysed from a separate 50g charge and using fire assay.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Gold and multi-element values for AC composite samples were determined by ICP-MS and ICP-AES using a 0.5g charge (ME-MS41) with an aqua regia digest (partial digestion), which is considered appropriate for analysis of regolith samples as intercepted by AC drilling. Assays which returned values greater than 0.1 g/t Au where reanalysed using ICP-MS for gold only using a larger 25 g charge and an aqua regia diagest (Au-OG43). End of hole AC samples underwent a four acid digest which is considered a total digest to collect multielement data (ME-MS61) and gold was determined using a 25 g charge using fire assay (Au-AA25). For QAQC samples, a sequence of matrix matched certified reference materials, commercial certified reference materials and blanks were inserted into the sample run at a frequency of approximately one in 14 samples. Sample sizes are considered to be appropriate for the style/texture of oxide and sulphide mineralisation at the Katanning Gold Project. CRM's field duplicates, blanks and standards were inserted approximately every 10m. Blank samples are inserted to check for contamination in field sampling, laboratory sample preparation and analysis. The blank material used should be below detection limits. The gold standards were sourced from Geostats Pty Ltd and RockLabs with gold certified values ranging between 0.10g/t and 2.4g/t. Standard reference materials are used to check accuracy and bias of the analytical method. The results were similar to the standard concentration for the specific standard. QAQC samples were monitored on a batch by batch basis. An assay batch is accepted if the blank samples are within the acceptable limits (5 times the lower detection limit) and the standards are within the + 3SD (standard deviations). One failed standard can cause rejection if the results around the failed standard are not in the normal grade range. A batch is also re-assayed when assay results from two or more standards are outside the acceptable limits. The inserted blank materials did not show any consistent issues with sample contamination. 100% of the gold standards assays were within acceptable limits with no low or high bias.

Criteria	JORC Code explanation	Commentary
		The performance of field duplicates in AC samples is generally reasonable and the variations are related to the style of mineralisation. ALS also insert QAQC samples to internally test the quality of the analysis. These results are received with the assay results in each batch. The ALS QAQC included standards, blanks and duplicates for independent quality control. The results of the lab standards were also monitored on a batch to batch basis by the data geologist. The results did not show any issues with the laboratory. The sample sizes are considered to be appropriate to correctly give an accurate indication of mineralisation given the qualitative nature of the technique and the style of gold mineralisation sought.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	High standard QAQC procedures are in place (and will be audited), therefore repeatability issues from a QAQC point of view are not considered to be significant. Significant and/or unexpected intersections were reviewed by alternate company personnel through review of geological logging data, physical examination of remaining samples and review of digital geological interpretations. All assay data was accepted into the database as supplied by the laboratory. Data importation into the database is documented through standard operating procedures and is guided by acQuire import validations to prevent incorrect data capture/importation. Geological, structural and density determination data is directly captured in the database through a validation controlled interface using Toughbook computers and acquire database import validations. Primary data is stored in its source electronic form. Assay data is retained in both the original certificate (.pdf) form and the text files received from the laboratory. Data entry, validation and storage are discussed in the section on database integrity below. No adjustments to assay data were undertaken.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	AC Drill hole collars were located by handheld GPS. Expected accuracy is +/- 4m for easting, northing and +/- 10m elevation coordinates. This is considered acceptable for these regional style exploration activities Diamond drillhole collars (and drilling foresight/backsight pegs) were set out and picked up by Ausgold personnel using a differential GPS; which provided +/- 100 millimetre accuracy. An end of hole gyroscopic drill hole survey was completed by the drilling contractors using a Reflex tool. The gyro measured the first shot at 0m followed by every 10m down-hole. The data was examined and validated onsite by the supervising geologist. Any surveys that were spurious were re-taken. The grid system is MGA94 datum, UTM zone 50. Elevation values were in AHD. Validated surveys are entered into the acQuire data base by data entry personnel.
Data spacing and	• *Data spacing for reporting of Exploration Results.*	Sampling was conducted via AC on a nominal top-to-tail, 40m or 80m hole spacing and a line spacing of

Criteria	JORC Code explanation	Commentary
distribution	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	100m, 200m or 400m. AC results reported are based on 4m composite samples for gold unless otherwise stated. New diamond drilling followed previous AC and RC drilling conducted at 40m or 80m hole spacing and a line spacing of 80 and 160m.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Angled AC and diamond drilling (-60° towards 334°) tested the east dipping (40 – 50°) gneissic foliation as noted in drill core to minimising bias. At this stage primary mineralisation is assumed to have the same orientation as the main foliation of the host rocks. The angled orientation of AC and diamond drilling may introduce sampling bias due to any unknown orientation of primary mineralisation/structures. This would be considered minimal as drilling coverage is essentially restricted to the overlying regolith and rarely penetrates fresh rock by more than a couple of metres.
Sample security	• *The measures taken to ensure sample security.*	Samples are systematically numbered and placed in pre-printed (numbered) calico bags and placed into numbered polyweave bags which were tied securely and marked with flagging. Assay samples were stored at a dispatch area and dispatched, depending on the frequency of pickups and length of the program. Samples were shipped via Katanning Logistics directly to ALS in Perth. The sample dispatches were accompanied by supporting documentation signed by the geologist and showing the sample submission number, analysis suite and number of samples. The chain of custody is maintained by ALS once the samples are received on site and a full audit trail for every sample is available through the ALS' Webtrieve application. Assay results are emailed to the responsible geology administrators in Perth and are loaded into the acQuire database through an automated process. QAQC on import is completed before the results are finalised.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	Before the commencement of the current drill program, the sampling process was fully reviewed and documented as a standard company process. A number of operational and technical adjustments were identified to improve validation of collected data, interpretation of data and management of QAQC practices. These improvements have been updated into standard operating procedures.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Reported results are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), including E70/2928. The land is used primarily for grazing and cropping. The tenement is in good standing, and all work is conducted under specific approvals from the Department of Mines and Petroleum ("DMP"). Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities. The registered Aboriginal Heritage Site 5353 known as "Jinkas Hill" which is located on the eastern side of the Jinkas Pit. Ausgold received Ministerial consent pursuant to section 18A of the Aboriginal Heritage Act over the Jinka Hill aboriginal site on 24 January 2018. The consent enables Ausgold to use the site for purposes of exploration, infrastructure and mining.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Gold mineralisation was discovered by Otter Exploration NL in 1979 at Jinkas Hill, Dyliabing, Lone Tree and White Dam after following up stream sediment anomalies. Between 1984 and 1988 Otter and related companies evaluated the region with several other explorers including South West Gold Mines and Minasco Resources Pty Ltd. In 1987 Glengarry Mining NL purchased the project and in 1990 entered into a joint venture with Uranerz who agreed on minimum payments over three years to earn 50% interest. Uranerz withdrew from the project in 1991 after a decision by their parent company in Germany to cease Australian operations. International Mineral Resources NL ("IMR") purchased the mining leases and the Grants Patch treatment plant from Glengarry Mining NL in 1995 and commenced mining at the Jinkas deposit in December 1995. Ausgold understands the mine was closed in 1997 after producing approximately 20,000 oz of gold from the Jinkas and Dingo Hill open cuts at a head grade of approximately 2.4g/t. In addition, the mine closure was brought about by a combination of the low gold price of the time (<US$400/oz) and the inability of the processing plant's comminution circuit to process hard ore from below the base of weathering. Reports from the period indicate that the ore bodies were reasonably predictable in terms of grade and continuity and appeared to produce consistent and reproducible results from grade control (Ravensgate, 1999). Great Southern Resources Pty Ltd ("GSR") purchased the mining and exploration leases from IMR in August 2000. Ausgold entered into a joint venture with GSR in August 2010, and the mineral titles were transferred to Ausgold in entirety in August 2011.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The project includes two main deposit areas comprising Jinkas in the north, and Dingo in the south. The Jinkas area is further subdivided into a set of mineralised zones.

Criteria	JORC Code explanation	Commentary
		The majority of the project area is overlain by residual clays with outcrop mostly limited to remnants of lateritic duricrust on topographic highs. Gold mineralisation is hosted by medium to coarse-grained mafic gneisses which dip at around 30° to 45° towards south (68°). These units represent Archaean greenstones metamorphosed to granulite facies. The mineralised gneissic units are interlayered with barren quartz-monzonite sills up to approximately 120 metres thick and are cross cut by several Proterozoic dolerite dykes that post-date mineralisation and granulite metamorphism. Gold predominantly occurs as free gold associated with disseminated pyrrhotite and magnetite, lesser pyrite and chalcopyrite and traces of molybdenite. Thin remnant quartz veins are associated with higher grade zones.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		Plans showing location of drill holes and location of significant results and interpreted trends are provided in the figures of report.
		
		Any new significant AC and diamond drilling results are within the report.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the*	All reported assays have been arithmetically length weighted. Intervals reported are thickness-weighted averages (ie. XXm grading XX grams per tonne). Diamond drill intercepts are calculated using ≥ 0.3g/t Au cut-off grade and using a ≤ 2m minimum internal dilution (unless otherwise stated). Reported silver intervals are calculated using ≥ 5g/t Ag cut-off grade and using a ≤ 2m minimum internal dilution (unless otherwise stated). AC drilling a nominal 0.1g/t Au lower cut- off is reported as being potentially significant in the context of

Criteria	JORC Code explanation	Commentary
	procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	the grassroots geological setting. Internal waste intervals (i.e. <0.1 g/t) to not exceed the width of a 4m composited sample. Higher grade intervals within larger intersections are reported as included intervals and noted in results table. No top-cut off grades have been applied until more assay results become available to allow statistical determination.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The geometry of any primary mineralisation is not known at present due to the early stage of exploration. The angled orientation of AC drilling may introduce some sampling bias (increasing the intercept width of flat lying or vertical mineralisation). All intersections are subsequently presented as downhole lengths. If down hole length varies significantly from known true width then appropriate notes are provided.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to figures
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Please see information provided in results tables in Report
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating*	At this stage there is no substantive exploration data from the recent drilling that is meaningful and material to report.

Criteria	JORC Code explanation	Commentary
	substances.	
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further work is discussed in the document in relation to the exploration results.