Jackson drilling highlights extensions to mineralisation

Highlights:

- **Twenty-four RC holes drilled for 2,867m along a total 3.4km strike length**
- **Mineralisation intersected in areas previously untested**
  - ***Mineralisation continuous along strike from Jackson resource***
  - ***Several high-grade intercepts show mineralisation remains open along strike and down dip***
  - ***New significant intercepts at Jackson including 2m @ 6.07 g/t Au from 54m in BSRC0804, and 6 m @ 1.48 g/t Au from 121m in BSRC0807***
  - ***New significant intercepts at Olympia including 2m @ 3.56 g/t Au from 94m in BSRC0800***
- **Geological interpretation confirmed, with new drilling highlighting exploration potential of the northern portion of the Jinkas and White Dam trends**
- **Further drilling planned targeting high-grade shoots**

Ausgold Limited (ASX: AUC) ("Ausgold" or "the Company") is pleased to announce the results of recent reverse circulation drilling (RC) at the Jackson, Olympia and Devil's Elbow prospects within its 100%-owned Katanning Gold Project (KGP) in Western Australia's south-west.

The 24 RC holes drilled for 2,867m at Jackson, Olympia and Devil's Elbow were designed to test mineralisation along the northern extensions of the White Dam and Jinkas trends (Figure 1). Previous drilling has shown both trends to be laterally extensive with recent drilling targeting mineralisation along 3.4 km of previously untested strike extent (Figures 1 and 2).

The Jinkas and White Dam Resources comprise the majority of the total KGP Mineral Resource, which stands at 20.98 million tonnes grading 1.17 g/t Au for 785,000 ounces of gold (Table 3). The Jackson Resource is the most northern extent of White Dam mineralisation. The recent drilling is likely to provide geological confidence to better delineate mineralisation over this considerable strike length.

Jackson

Thirteen RC holes for 1,494 m were drilled at Jackson targeting mineralisation along strike as well as down dip of the current resource area. The recent drilling was conducted at a wide spacing (80m x 120m and 100m x 140m) to determine the extent of mineralisation over 1km of strike.

Significant intercepts included:

- 2m @ 6.07 g/t Au from 54m in BSRC0804
- 6 m @ 1.48 g/t Au from 121m in BSRC0807
- 3 m @ 1.93 g/t Au from 13 m in BSRC0793
- 14 m @ 0.65 g/t Au from 47m in BSRC0797

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The moderately dipping quartz monzonite hanging wall of the Jackson mineralisation separates it from Olympia to the east. With this quartz monzonite body outcropping east of the Jackson resource area where three RC holes (BSRC0798, BSRC0807 and BSRC0808) drilled in the Jackson resource area, show the continuity of gold mineralisation beneath this body (Figures 3 - 5).

Further north, four RC holes were drilled to test gold anomalism intersected in AC drilling along the margin of the quartz monzonite sill. This area is geologically similar to the Jinkas South prospect where high-grade mineralisation occurs along the edge of this quartz monzonite body. The new drilling has shown the potential for higher gold grades north along strike of this body (BSRC0804, Figure 2 and Table 1). Further work is currently underway to delineate high grade mineralised shoots in this area, it is noted these have a more northerly orientation, opposed to the overall northwest strike direction (Figure 2).

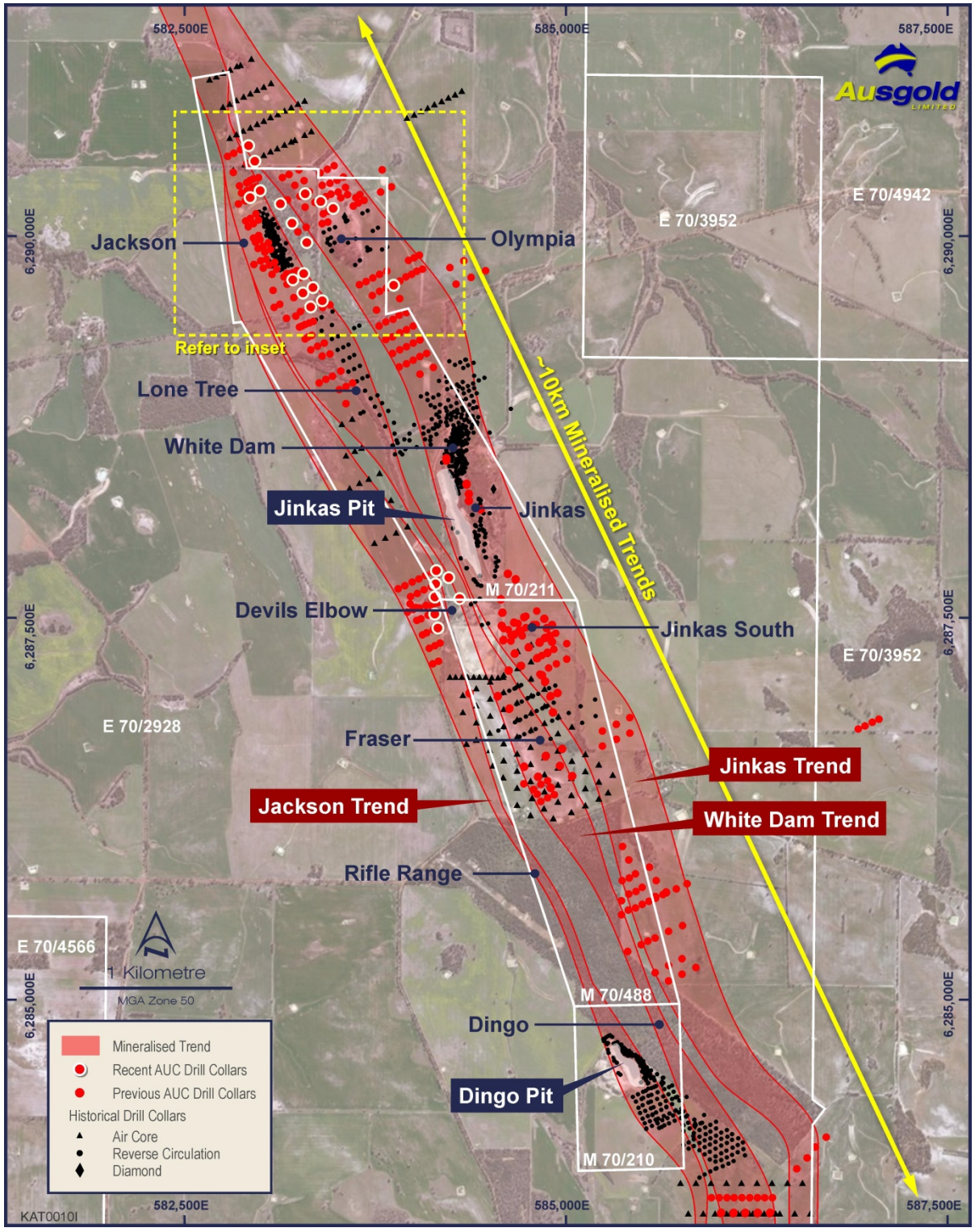

Figure 1 *- Location of the prospects within the KGP*

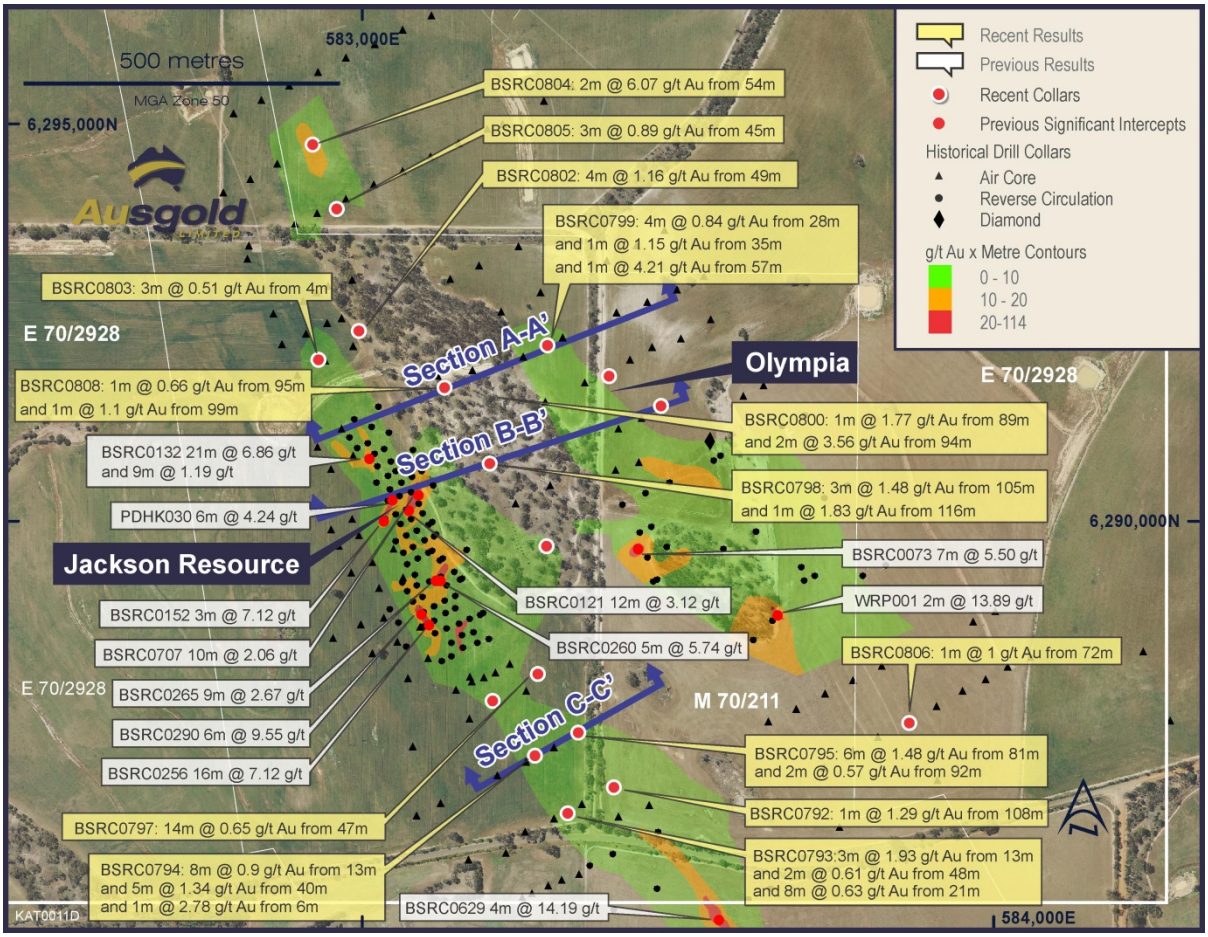

Figure 2 *- Grade shown as gram-metres and location of recent RC drilling at Jackson and Olympia (plan location shown as inset on Figure 1)*

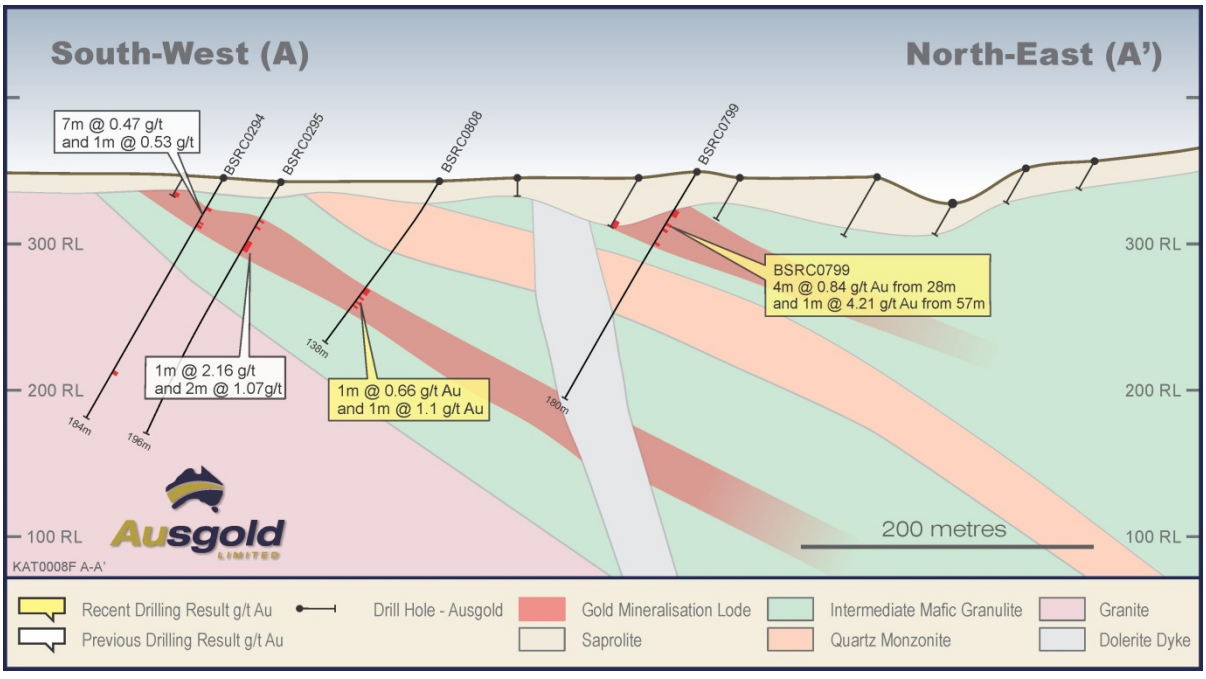

Figure 3 *- Section A-A' see Figure 2*

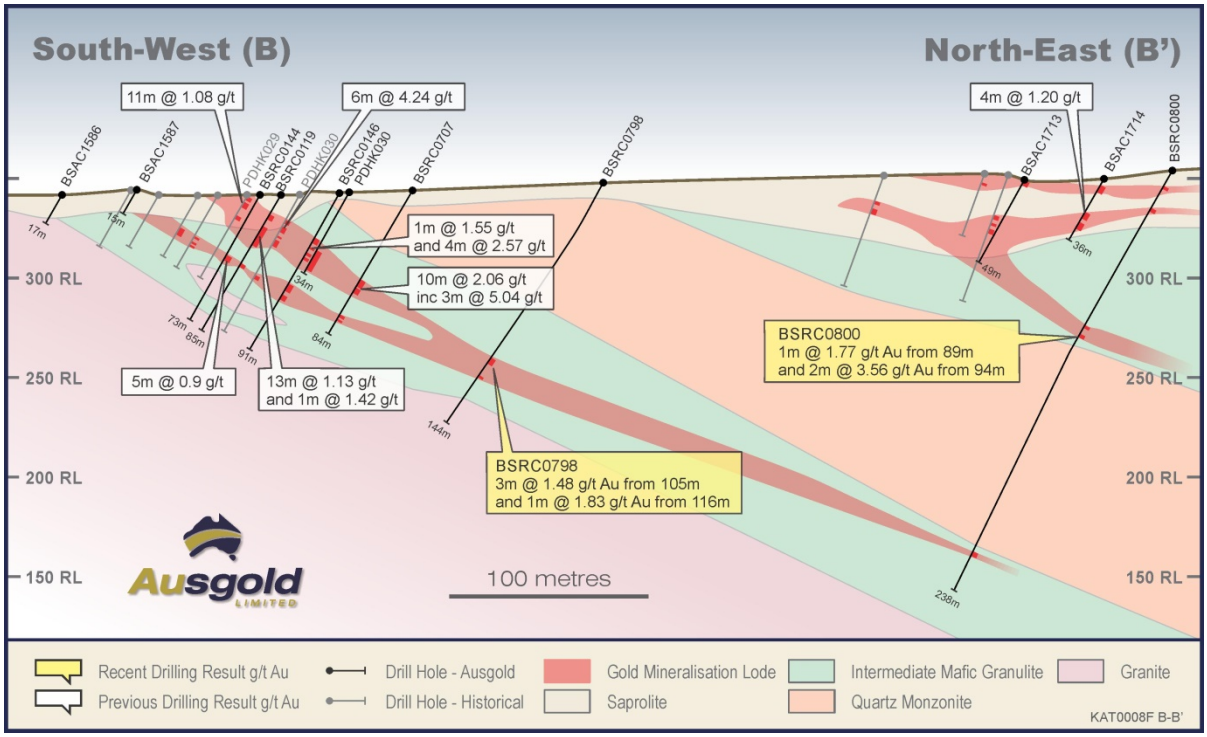

***Figure 4** - Section B-B' see Figure 2*

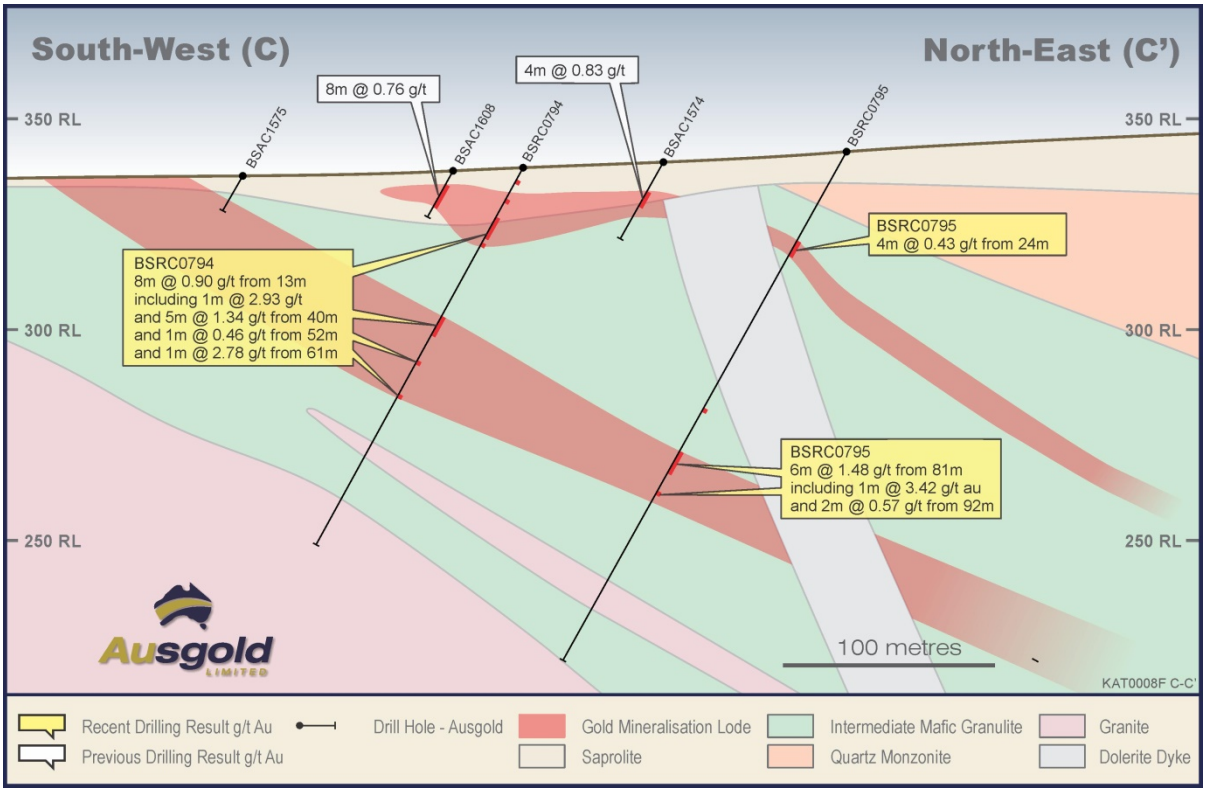

***Figure 5** - Section C-C' see Figure 2*

Olympia

Four reconnaissance RC holes for 677m were drilled at the Olympia prospect on wide spacing of approximately 100m. This drilling was targeting near surface gold mineralisation identified in recent AC drilling (ASX announcement, 23 January 2018).

Olympia is located 820m north along strike from the Jinkas deposit and has a similar moderate easterly dip. The prospect has seen significantly less exploration drilling than Jackson and remains outside of the current Resource (Figure 2). The mafic granulite in this area is locally folded around a quartz monzonite body which acts as the footwall to the Olympia mineralisation separating it from Jackson to the west. Recent work has shown that the quartz monzonite terminates at the northern end of the Olympia and Jackson prospects and the two lodes intersecting in a scenario geological similar to the Jinkas South prospect.

Significant intercepts from the reconnaissance drilling at Olympia include:

- 2m @ 3.56 g/t Au from 94m in BSRC0800

Devil's Elbow

Seven reconnaissance RC holes for 696m were drilled in the Devil's Elbow area on wide spacing. This area is approximately 150m west of the southern Jinkas Pit (Figure 1). Previous soils and Aircore drilling have identified near surface mineralisation along the western portion of the KGP following the Lone Tree trend extending from the Dingo to Jackson deposits over a strike length of 10km. Mineralisation has a moderate dip and is parallel to the White Dam and Jinkas lodes, with mineralisation located adjacent to the footwall granite.

Other work programs

Ausgold commenced a significant RC drill program of 24,000m at the start of February (ASX announcement 7 February 2018), with over 103 holes for 14,048m having already been completed. Assay results are still being received and analysed for this drilling. Currently, downhole electromagnetic (EM) surveys are being conducted on holes recently drilled at Jackson, Jinkas Hill and Jinkas South. Ground magnetic surveys have been completed at the Jinkas South and Datatine prospects, which will be used to define key structures and target RC drilling. Geological mapping and surface sampling are being conducted at the regional Katanning Gold Project and Red Hill Vanadium Project.

Management Comment

Ausgold's Managing Director, Matthew Greentree, said:

"The recent round of reconnaissance RC drilling on the northern portion of the KGP has shown extensive mineralisation along 3.4 km of strike length. This untested potential along the Jinkas trend and at the Jackson and Olympia prospects could deliver material additions to the KGP's global Resource. Further work is being undertaken to better delineate high grade shoots within the Jackson and Olympia prospects intercepted previously which will have a significant impact on the overall grade of this deposit. A program of downhole EM and additional geological modelling is being undertaken to plan future drill programs."

Table 1 - Significant Intercepts

Hole ID	From	To	Interval (m)	Grade g/t Au
BSRC0786	5	6	1	0.34
BSRC0786	22	27	5	0.63
BSRC0787	1	2	1	0.32
BSRC0788	88	90	2	0.54
BSRC0789	77	78	1	0.52
BSRC0790	0	1	1	2
BSRC0790	25	26	1	1.08
BSRC0790	33	39	6	0.45
BSRC0791	37	38	1	0.38
BSRC0791	41	42	1	0.39
BSRC0791	52	53	1	0.95
BSRC0791	92	93	1	0.64
BSRC0792	74	82	8	0.33
BSRC0792	95	96	1	0.32
BSRC0792	108	109	1	1.29
BSRC0793	7	8	1	0.34
BSRC0793	13	16	3	1.93
Including	*14*	*15*	*1*	*4.55*
BSRC0793	21	29	8	0.63
Including	*21*	*23*	*2*	*1.85*
BSRC0793	48	50	2	0.61
BSRC0794	2	4	2	0.87
BSRC0794	8	10	2	0.46
BSRC0794	13	21	8	0.9
BSRC0794	40	45	5	1.34
BSRC0794	52	53	1	0.46
BSRC0794	61	62	1	2.78
BSRC0795	24	28	4	0.43
BSRC0795	69	70	1	0.3
BSRC0795	81	87	6	1.48
BSRC0795	92	94	2	0.57
BSRC0796	31	39	8	0.36
BSRC0797	47	61	14	0.65
BSRC0797	64	68	4	0.36
BSRC0797	78	81	3	0.69
BSRC0797	90	91	1	0.53
BSRC0798	105	108	3	1.48
BSRC0798	112	113	1	0.52
BSRC0798	116	117	1	1.83
BSRC0798	136	137	1	0.62
BSRC0799	28	32	4	0.84
BSRC0799	35	36	1	1.15
BSRC0799	43	44	1	0.41
BSRC0799	57	58	1	4.21
BSRC0800	8	9	1	0.48
BSRC0800	21	22	1	0.33

BSRC0800	89	90	1	1.77
BSRC0800	94	96	2	3.56
BSRC0800	121	122	1	0.3
BSRC0800	218	219	1	0.35
BSRC0801	23	24	1	0.39
BSRC0801	54	55	1	0.32
BSRC0801	60	62	2	0.34
BSRC0801	69	70	1	0.56
BSRC0801	93	94	1	0.32
BSRC0802	25	26	1	0.51
BSRC0802	37	38	1	0.88
BSRC0802	49	53	4	1.16
BSRC0802	56	57	1	0.31
BSRC0803	4	7	3	0.51
BSRC0803	10	14	4	0.35
BSRC0804	43	46	3	0.42
BSRC0804	49	50	1	0.34
BSRC0804	54	56	2	6.07
BSRC0805	45	48	3	0.89
BSRC0805	61	62	1	0.39
BSRC0806	24	25	1	0.66
BSRC0806	34	35	1	0.47
BSRC0806	61	62	1	0.33
BSRC0806	67	68	1	0.32
BSRC0806	72	73	1	1
BSRC0807	121	127	6	1.49
BSRC0808	95	96	1	0.66
BSRC0808	99	100	1	1.1
BSRC0808	103	104	1	0.44
BSRC0808	106	107	1	0.33
BSRC0808	111	112	1	0.34

Notes to Table 1.
For AC assay results the intervals reported are thickness weighted averages (ie. XXm grading XX grams per tonne gold content). Reported intervals are calculated using ≥ 0.3g/t Au cut-off grade and using a ≤ 2m minimum internal dilution (unless otherwise stated).

Table 2 - Collar location for RC drilling

Hole ID	Total Depth	MGA North	MGA East	RL (m)	Azimuth	Dip	Tenement	Prospect
BSRC0785	72	6287525	584141	373	246	-60	E70/2928	DEVIL's ELBOW
BSRC0786	90	6287638	584139	369	244	-61	E70/2928	DEVIL's ELBOW
BSRC0787	60	6287435	584160	372	247	-60	E70/2928	DEVIL's ELBOW
BSRC0788	120	6287625	584300	371	245	-61	M70/211	DEVIL's ELBOW
BSRC0789	144	6287763	584233	366	243	-61	M70/211	DEVIL's ELBOW
BSRC0790	96	6287725	584145	365	241	-60	M70/211	DEVIL's ELBOW
BSRC0791	114	6287810	584150	362	244	-60	M70/211	DEVIL's ELBOW
BSRC0792	150	6289580	583400	342	246	-60	M70/211	JACKSON
BSRC0793	114	6289540	583325	339	245	-61	M70/211	JACKSON
BSRC0794	102	6289630	583275	338	244	-61	M70/211	JACKSON
BSRC0795	138	6289667	583343	338	245	-61	M70/211	JACKSON
BSRC0796	102	6289717	583207	341	244	-61	M70/211	JACKSON
BSRC0797	138	6289760	583278	344	244	-60	M70/211	JACKSON
BSRC0798	144	6290088	583202	347	243	-60	M70/211	JACKSON
BSRC0799	180	6290280	583292	349	248	-60	M70/211	OLYMPIA
BSRC0800	238	6290183	583471	354	244	-60	M70/211	OLYMPIA
BSRC0801	108	6290231	583390	352	244	-60	M70/211	OLYMPIA
BSRC0802	96	6290303	582995	342	242	-60	M70/211	JACKSON
BSRC0803	60	6290258	582931	339	246	-59	E70/2928	JACKSON
BSRC0804	84	6290598	582921	344	242	-60	E70/2928	JACKSON
BSRC0805	66	6290497	582960	343	243	-61	E70/2928	JACKSON
BSRC0806	151	6289681	583867	352	247	-57	M70/211	OLYMPIA
BSRC0807	162	6289960	583299	350	246	-61	M70/211	JACKSON
BSRC0808	138	6290217	583128	345	247	-60	M70/211	JACKSON

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 3 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**

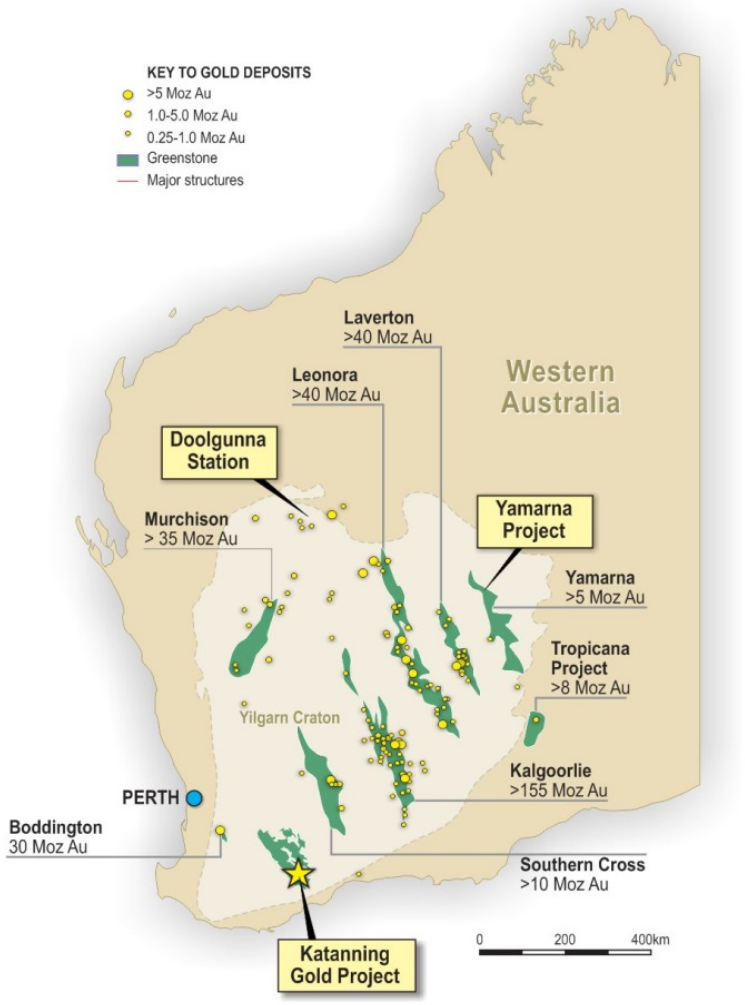

Figure 6 - *Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts*

On behalf of the Board,

Matthew Greentree
Managing Director
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 Managing Director 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.*	The reverse circulation ("RC") drilling program referred to in this announcement consisted of 24 reverse circulation holes for 3,496m. Samples from RC drilling were collected in one metre intervals in mineralised zones with a 1/8 split for assay, split by a cyclone-mounted cone splitter, bagged in pre-numbered calico bags and the remainder retained in large plastic bags. QAQC samples consisting of field duplicates (additional split from RC), with standards and blanks inserted into the sequence of assay samples at a rate of 1 in 10. Each RC metre sampled weighed approximately 2 to 3 kilograms. All RC samples were sent to ALS Laboratories for crushing and pulverising to produce a 25 gram sample charge for analysis by fire assay and flame atomic absorption spectrometry (AAS).
Drilling	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger,*	All samples in this program were from RC drilling conducted by Top Drill Pty Ltd. Drilling was undertaken

Criteria	JORC Code explanation	Commentary
techniques	*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).*	by Top Drill utilising a truck mounted 685 Schramm reverse circulation drill rig.
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, sample 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 bags 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. The relationship between sample recovery and grade and whether bias has been introduced has not been investigated at this stage.
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 1m sampling is appropriate for mineral resource estimation. Representative rock chips 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 RC samples. Lithology, weathering (oxidation state), structure, 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 preparation	• *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.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	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. All RC samples were sorted, dried, crushed to 10mm, pulverised to -75µm, split to produce a 25g charge or fire assay (1 m bottom of hole).

Criteria	JORC Code explanation	Commentary
	• *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.*	
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.*	The 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. The performance of field duplicates in RC 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.

Criteria	JORC Code explanation	Commentary
		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.*	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. The grid system is MGA94 datum, UTM zone 50. Elevation values were in AHD. 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. Validated surveys are entered into the acQuire data base by data entry personnel.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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*	RC drilling was conducted on 80 by 100 or 160m spacing. This new drilling followed AC drilling conducted at 40m or 80m hole spacing and a line spacing of 100 and 160m. RC results reported are based on 1m samples for gold within the gneissic units and 4m composite samples through the quartz monzonite rocks.

Criteria	JORC Code explanation	Commentary
	applied.	
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 RC drilling (-60 towards 224°) tested the east dipping Jinkas lode (40 – 50°) gneissic foliation as to minimise bias. Steeper drilling was conducted (-70 to - 80° dip) to test the White Dam lode, the azimuths of BSRC0834-835 were varied to accommodate local site logistics. At this stage primary mineralisation is assumed to have the same orientation as historic drilling in the area. The angled orientation of RC drilling may introduce sampling bias due to any unknown orientation of primary mineralisation/structures. This would be considered minimal as the mineralisation is largely foliation parallel.
Sample security	• *The measures taken to ensure sample security.*	RC 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 RC 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 and M 70/488. 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. Written consent under section 18(3) for Jinkas Hill dated 24 January 2018 was granted by Honourable Ben Wyatt MLA to disturb and remove the registered Aboriginal Heritage Site 5353 known as "Jinkas Hill" which is located on the eastern side of the Jinkas Pit.
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*	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
	of mineralisation.	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 grid east (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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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 results are provided in tables 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*	All reported RC assays have been arithmetically length weighted. A nominal 0.3g/t Au lower cut- off is reported with internal waste intervals (i.e. <0.3 g/t) to not exceed the width of a 2m. 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.

Criteria	JORC Code explanation	Commentary
	short lengths of high grade results and longer lengths of low grade results, the 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.*	
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 RC 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	• *Other exploration data, if meaningful and*	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
substantive exploration data	*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 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.