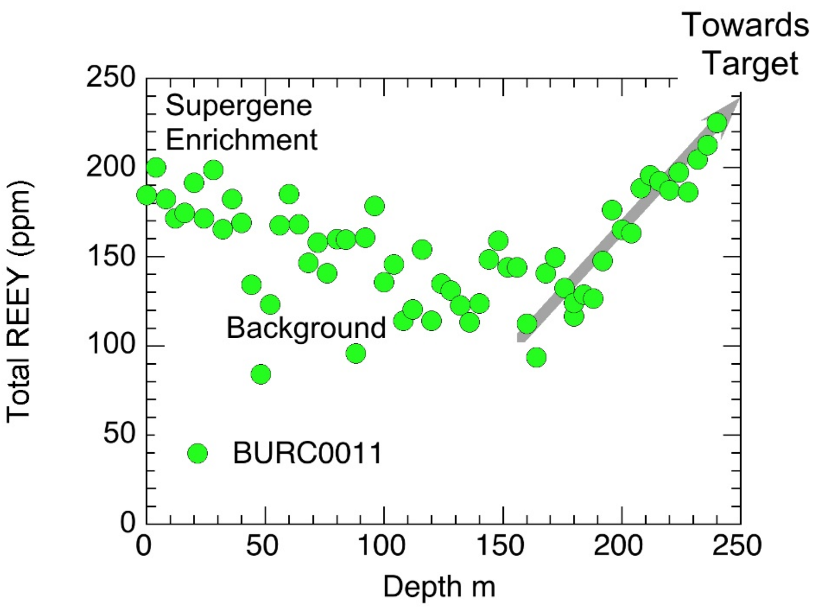
13th February 2020

MARKET RELEASE

PRE-COLLAR ASSAY RESULTS INDICATE POTENTIAL LARGE ULTRA MAFIC MINERAL SYSTEM AT BURRA, SA

- RC pre-collar drilling for deeper diamond core holes at Princess Royal intersects REE and indicator minerals for a large alkaline, ultramafic mineral system above Conductive Target 1 (Drill holes BURC011 & BURC012), (see Figure 1 below)
- The metal association of rare earth elements, yttrium, scandium, nickel, chromium, cobalt and copper as well as gold, suggests the likely presence of a deeper alkaline ultramafic sourced mineral system corelating with the AMT Conductive Target 1.
- From 150 m to ~250 m within hole BURCO11, total REE plus Y are positively correlated lying on a vector that extends at depth to target 1.
- Interpreted by Independent Expert Emeritus Professor Ken Collerson as evidence that the distinctive mineral vector profiles are related to the conductivity anomalies (MT flares) identified in magneto-telluric data below Burra.
- These two pre-collar holes were drilled to ~ 240 m by RC as preparation for further drilling using diamond core to the target 400 m depth.
- Deeper drilling with diamond tails planned to continue to target this potential higher grade mafic to ultramafic hosted mineralisation.



Plot 1 showing variation in total REE plus Y with depth in BURC0011. From 150 m to ~ 250 m total REE plus Y are positively correlated lying on a vector that extends to the AMT Conductive target 1.
(Refer Collerson report in Appendices)

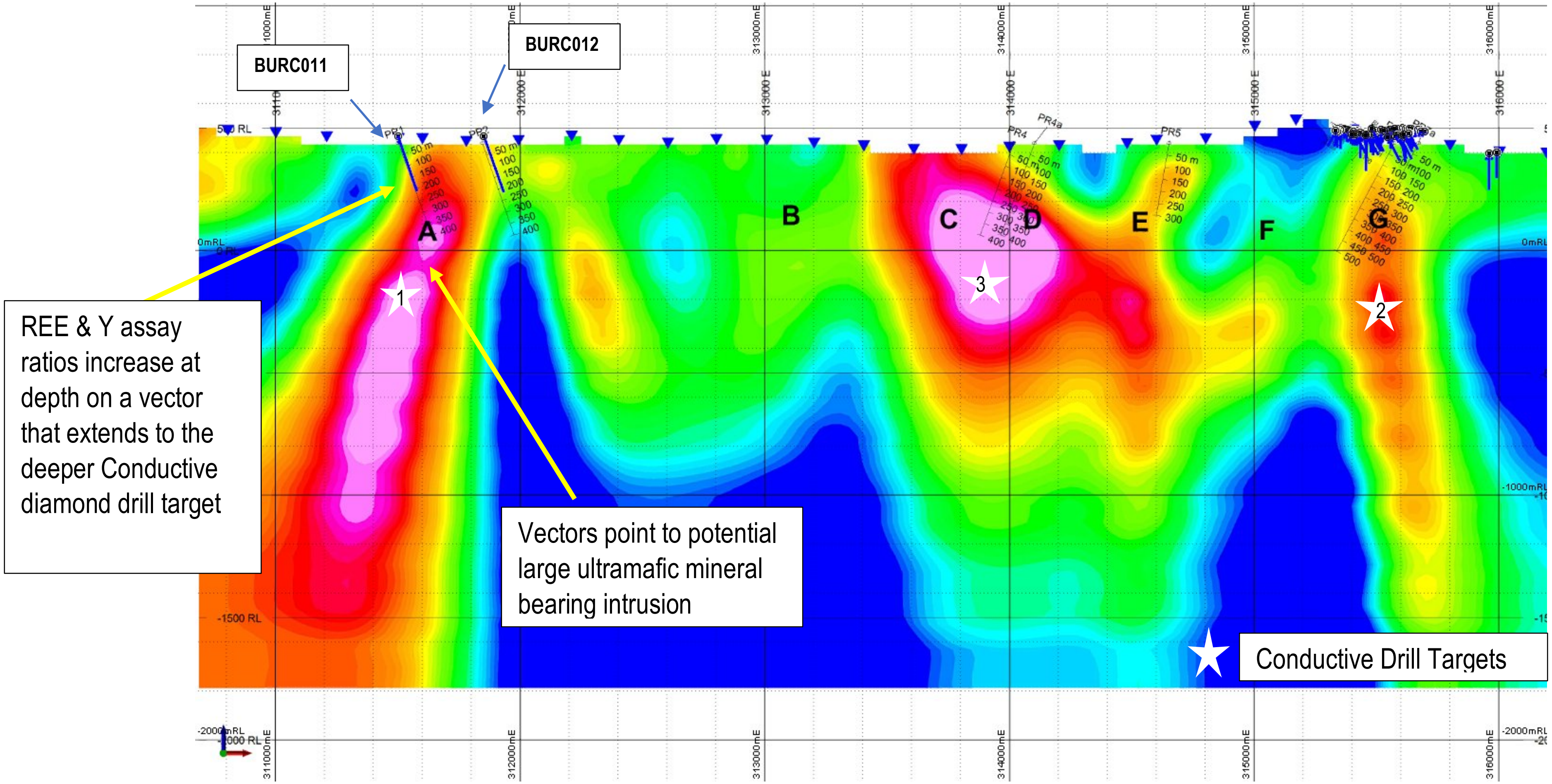


Figure 1: Figure showing locations of BURC0011 (PR-1) and BURC0012 (PR-2). BURC0011 intersects the conductive target 1 at >50 m , yet from 150 m to ~ 250 m total REE plus Y are positively correlated lying on a vector that is interpreted as extending to AMT Conductive Target 1. (Refer ASX release 26th November 2019 for more details on AMT results)

Ausmex Mining Group (ASX: AMG) ("Ausmex" or "The Company") is pleased to update shareholders on initial drilling results at Princess Royal Prospect, located approximately 15 km south of Burra township, (Figure 3).

Independent Expert Emeritus Professor Ken Collerson was recently engaged to review multi-element assay data from the first two RC pre collar drill holes (BURC0011 and BURC0012) to assess the potential source of the conductive anomalies (MT flares) identified in the Company's AMT magnetotelluric survey at Burra. (Refer ASX release 26th November 2019 for more details on AMT results), *The full independent Report including assays is contained in the Appendices below.*

RC pre collar holes BURC0011 and BURC0012 were drilled to a maximum of 246 m as preparation for deeper diamond core drilling targeting the AMT conductive zones.

Seven RC pre collar holes totalling 1,562 m, have been completed for a deeper diamond drilling campaign into the Princes Royal conductive targets, with additional pre collar assays recently dispatched to ALS in Adelaide for analysis (Figure 2 & Table 1).

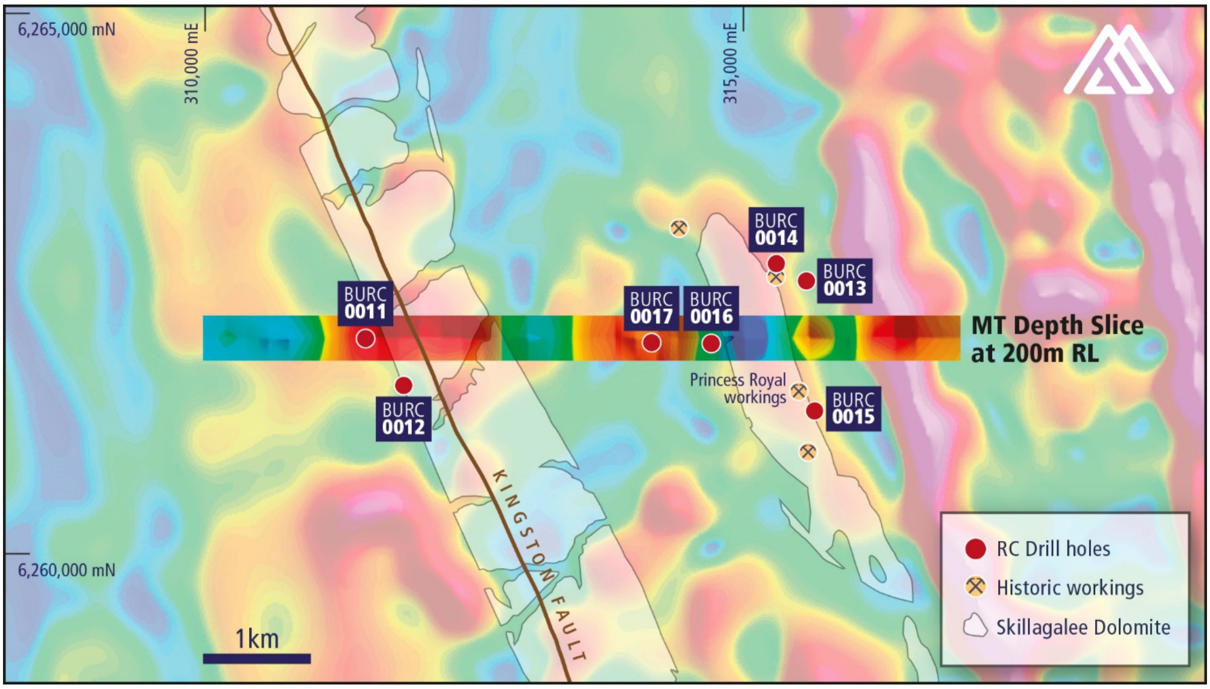


Figure 2: Map showing locations of seven Ausmex RC pre collar drill holes at Princess Royal, overlaid onto a magnetotelluric depth slice at 200 m RL with 3D magnetic MVI depth slice as background image.

This "MT flare" at Burra is similar in scale and character to a large MT conductive anomaly below Olympic Dam ~380 km to the northwest, interpreted by Heinson et al., (2018) to image the metal migration regime involved in formation of this world class IOCG system. (Source, Collerson Report – refer Appendices below)

Key Findings by Emeritus Professor Ken Collerson include:

- Profiles showing variation in elemental abundances with depth are useful in showing compositional gradients in the vicinity of the computed conductive anomalies. In BURC0011 there is clearly some near surface REE supergene enrichment. ***However, in the depth interval from 50 m to ~ 250 m, total REE plus Y concentrations are strongly positively correlated and defining a vector towards higher TREY values at Conductive Target 1.***

- Ba, Th, U, Cr and Sc, display virtually identical depth profiles indicating that the entire suite of metals is useful as geochemical vectors for targeting deeper mineralisation.
- This is interpreted as evidence that the distinctive vector - depth profiles are in some way related to that the conductivity anomalies (MT flares) identified in magneto-telluric data below Burra. **Thus, they are most likely the result of mineralisation**.

- **Very importantly, the metal association of rare earth elements, yttrium, scandium, nickel, chromium, cobalt and copper as well as gold, suggests the likely presence of a deeper alkaline ultramafic sourced mineral system at Conductive Target 1.**

Ausmex Managing Director Matt Morgan stated:

"The initial assay results and interpretation within the Collerson Report have far exceeded our expectations yet confirm the prospectivity for Burra to host significant mineralisation associated with the AMT Conductive targets. The combination of an AMT conductive target, with indicator mineral assemblage ratios increasing at depth towards the conductive unit, present highly prospective Diamond Drill targets. This is further confirmed by Professor Collerson's interpretation that the mineral assemblage may be associated with a deeper alkaline mafic source adds to the prospectivity.

The company will continue to update shareholders on further drilling results from Burra as we carefully evaluate all that we have learnt from the recent drilling program, we consult with our independent experts and advisors and as progress towards Diamond core drilling at Burra. "

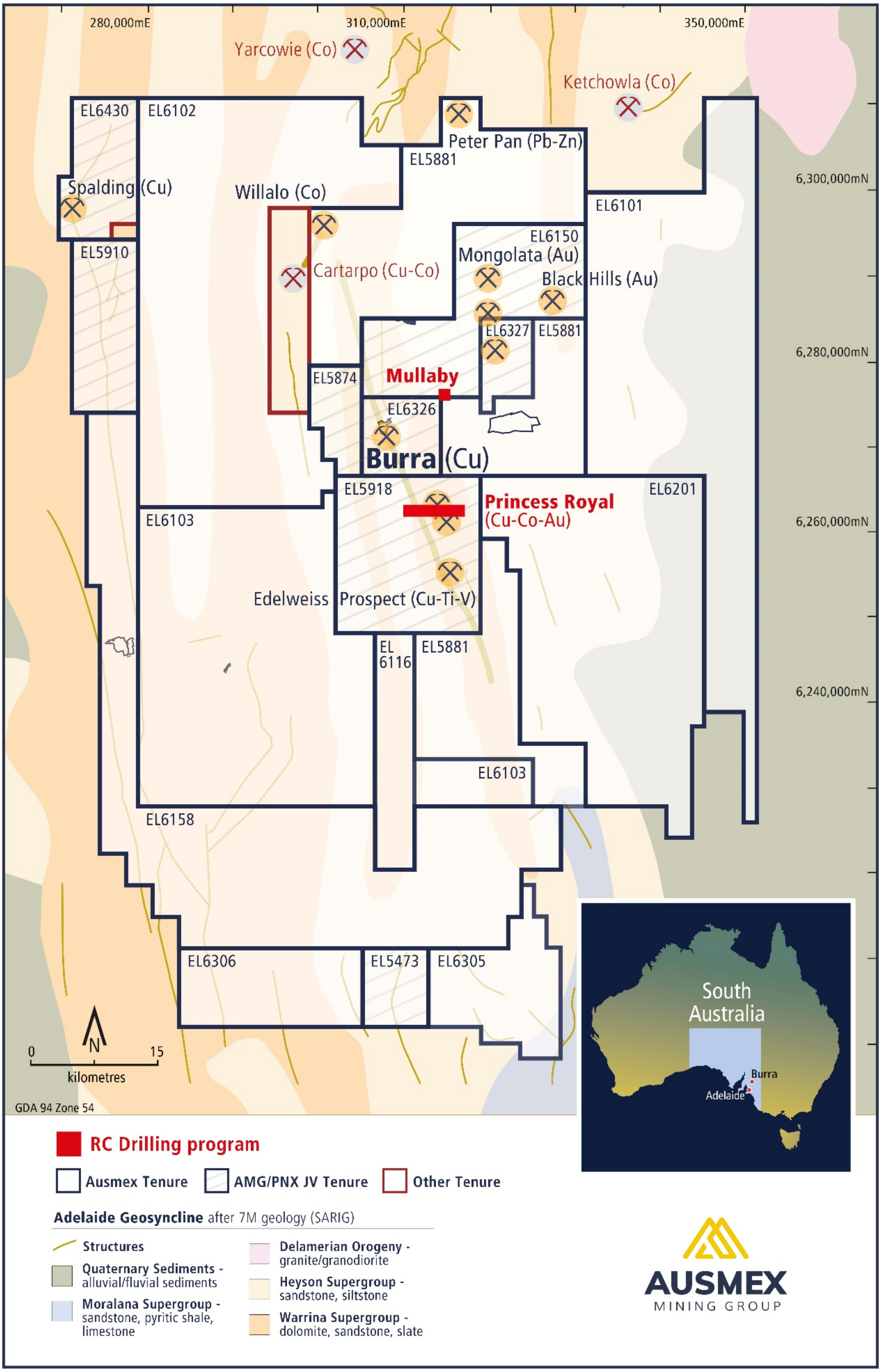


Figure 3: Location Map showing Princess Royal Prospect over AMG controlled tenure.

END.

Approved by the Board of Ausmex Mining Group Limited.

For further information please contact Matt Morgan, Managing Director on mattm@ausmexgroup.com.au.

AusLAMP is the Australian Lithospheric Architecture Magnetotelluric Project, which allows geoscientists to understand the deep geology of the crust, including signatures of world-class mineral deposits.

Magnetotellurics (MT) is defined by Geoscience Australia as a passive geophysical method which uses natural time variations of the Earth's magnetic and electric fields to measure the electrical resistivity of the sub-surface.

Audio-Magnetotellurics (AMT) is defined in Geoscience Australia's documentation as "The Audio-Magnetotelluric method (AMT) samples signal frequencies in the range of 20k Hz down to ~1Hz and provides data pertaining to the upper few kilometres of the Earth' crust."

Forward Looking Statements

The materials may include forward looking statements. Forward looking statements inherently involve subjective judgement, and analysis and are subject to significant uncertainties, risks, and contingencies, many of which are outside the control of, and may be unknown to, the company.

Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on forward looking statements.

Any forward-looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, the company does not undertake any obligation to publicly update or revise any of the forward-looking statements, changes in events, conditions or circumstances on which any statement is based.

Prospect	Hole_Id	MGA_East	MGA_North	Orig_RL	Dip	Azimuth_TN	Total_Depth
Princess Royal	BURC0011	311501	6261999	468	-70	92.0	240
Princess Royal	BURC0012	311852	6261555	468	-70	77.0	246
Princess Royal	BURC0013	315578	6262525	441	-60	250	120
Princess Royal	BURC0014	315295	6262696	468	-60	235	156
Princess Royal	BURC0015	315655	6261324	480	-60	282	150
Princess Royal	BURC0016	314696	6261945	452	-75	262	300
Princess Royal	BURC0017	314152	6261950	444	-70	270	350

Table 1.

RC Drill pre collar details

(Full assay reporting is included in Appendices within the Professor Ken Collerson report, pages 6- 25 inclusive).

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Competent Person Statement

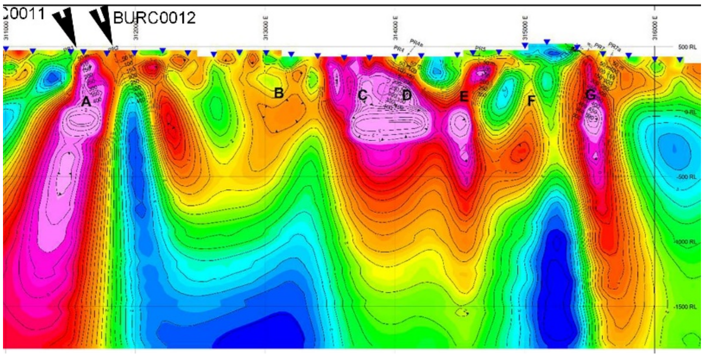
Statements contained in this report relating to exploration results and potential are based on information compiled by Mr. Matthew Morgan, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Morgan is the Managing Director of Ausmex Mining Group Limited and Geologist whom has sufficient relevant experience in relation to the mineralization styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC Code 2012). Mr. Morgan consents to the use of this information in this report in the form and context in which it appears.

Competent Person Statement

Statements contained in this report relating to exploration results and potential are based on information compiled by Professor Ken Collerson, who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Professor Ken Collerson is an independent consultant to Ausmex Mining Group Limited and Geologist whom has sufficient relevant experience in relation to the mineralization styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC Code 2012). Professor Ken Collerson consents to the use of this information in this report in the form and context in which it appears.

Appendices

Target Vectoring in the Burra Mineral System, South Australia



Professor Ken Collerson
PhD., FAusIMM

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Brisbane, Queensland

February 11th 2020

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The key to successful exploration:

"Seeing what other people see; but thinking what no one else has thought before"

Roy Woodall - Former Head of Exploration at Western Mining Corporation

Executive Summary

Multi-element assay data from two RC drill holes (BURC0011 and BURC0012) are reviewed in this report to assess the source of conductivity anomalies (MT flares) identified in magneto-telluric data (AusLAMP survey) at Burra.

Information regarding the nature of the mineral system is first provide by the transition group elements. For example, Ni and Co are positively correlated and lie on the same trend as data for samples from other Burra area deposits. This, together with Cu and Ni systematics suggests the probability that BURC0011 and BURC0012, and the Princess Royal mineralisation, ~ 5 km to the east, are genetically related.

Samples from BURC0012 are more Cu rich (72±83 ppm) than BURC0011 (36 ± 16 ppm) indicate that this hole appears to have targeted a different part of the mineral system.

Profiles showing variation in elemental abundances with depth are also useful in showing compositional gradients in the vicinity of the computed conductive anomalies. In BURC0011 there is clearly some near surface REE supergene enrichment. However, in the depth interval from 50 m to ~250 m, total REE plus Y concentrations are strongly positively correlated and defining a vector towards higher TREY values.

Samples from BURC0012 define a different pattern with significantly elevated TREY values of ~250 ppm in the first 50m. This might indicate that the drill hole initially intersected the metasomatic aureole above the deeper conductive anomaly seen in Figure 2.

Ba, Th, U, Cr and Sc, display virtually identical depth profiles indicating that the entire suite of metals is useful as geochemical vectors for targeting deeper mineralisation.

This is interpreted as evidence that the distinctive vector - depth profiles are in some way related to that the conductivity anomalies (MT flares) identified in magneto-telluric data below Burra. Thus, they most likely are the result of mineralisation and not artefacts caused by saline groundwater.

Very importantly, the metal association of rare earth elements, yttrium, scandium, nickel, chromium, cobalt and copper as well as gold, suggests the likely presence of a deeper alkaline ultramafic sourced mineral system.

Chondrite normalised plots of REE data from Princess Royal rock chips, with negative Eu anomalies and sub-chondritic Y/Ho ratios, could be the result of a flux of fluorine, a common volatile in alkaline igneous systems.

Deeper drilling with diamond tails is recommended to intersect this putative higher grade mineralisation.

It is also recommended that Pt and Pd analyses be included in the fire assay suite, as these platinum group elements are commonly enriched in alkaline ultramafic sourced mineral systems.

1 Introduction and Scope

This report was commissioned to provide geochemical advice concerning targets currently being drilled by Ausmex in the Burra Cu-Ni-Co-REE-Au mineral system, South Australia. The drilling program was undertaken to assess if mineralisation at Burra, South Australia was related to crustal scale conductivity anomalies (MT flare) identified from magnetotelluric data (AusLAMP survey) at Burra.

This "MT flare" at Burra is similar in scale and character to a large MT conductive anomaly below Olympic Dam ~380 km to the northwest, interpreted by Heinson et al., (2018) to image the metal migration regime involved in formation of this world class IOCG system.

2 Assays

This report focusses on assays of reverse circulation (RC) rock chips from two drill holes shown in Figures 1 and 2. Assays in this report are from drill holes BURC0011 and BURC0012 which are located approximately 5 km west of the Princess Royal mine.

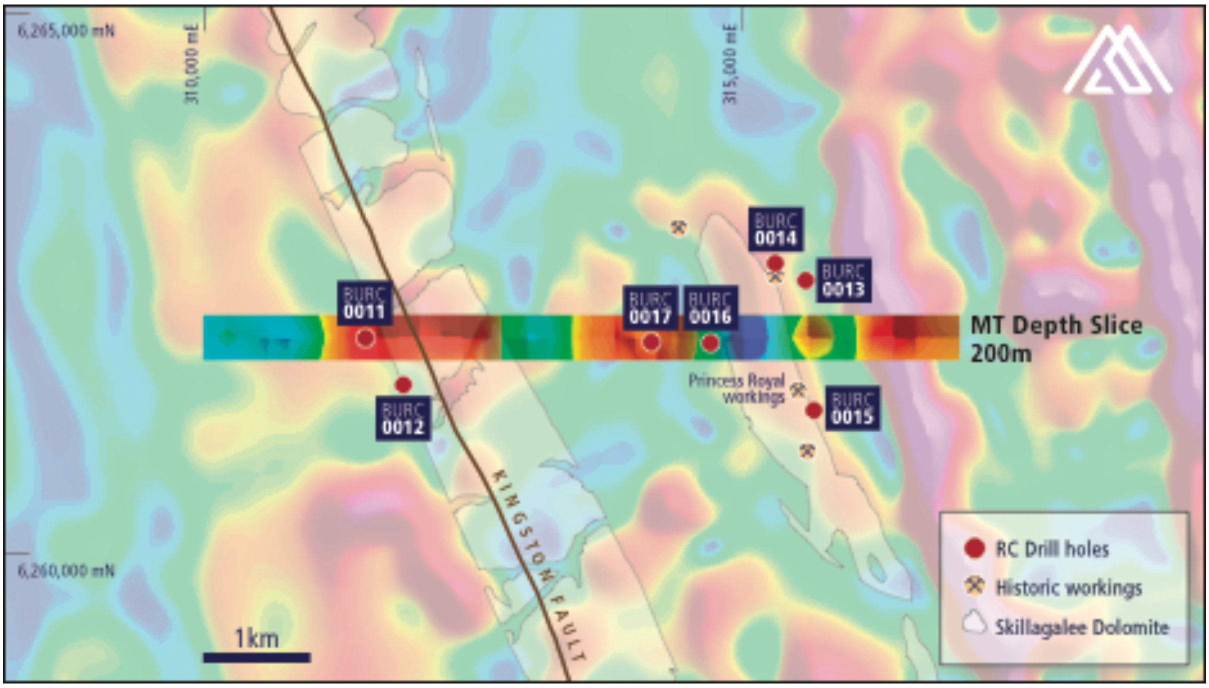

Figure 1: Map showing locations of Ausmex drill holes overlaid onto a magneto-telluric depth slice of conductivity at 200 m.

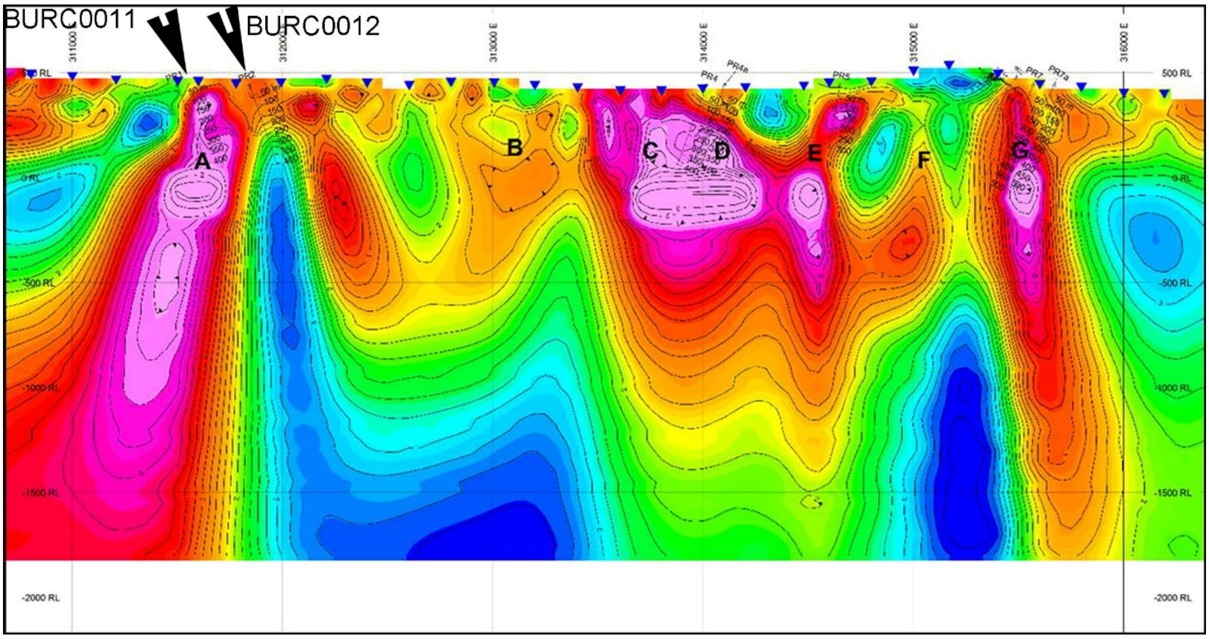

Figure 2: Figure showing locations of BURC0011 (PR-1) and BURC0012 (PR-2). BURC0011 intersects the conductive target at >50 m. BURCOO12 cuts an inferred alteration zone above the conductive target from surface to ~150 m.

Analyses were undertaken by ALS. Most elements were analysed using ME-ICP61 by four acid dissolution ICP-AES (Table 1). Other elements, including the rare earth elements, listed in Table 2, were analysed by ME-MS81 by fusion dissolution ICPMS. This method provides accurate concentrations of the REEs because it enables dissolution of refractory REE-bearing phases that are not dissolved by four acid procedures.

Table 1: Elements analysed by four acid dissolution ICP-AES

Element	Units	Element	Units
Ag	ppm	Ni	ppm
Al	%	P	ppm
As	ppm	Pb	ppm
Ba	ppm	Rb	ppm
Be	ppm	S	%
Bi	ppm	Sb	ppm
Ca	%	Sc	ppm

Cd	ppm	Se	ppm
Co	ppm	Sn	ppm
Cr	ppm	Sr	ppm
Cu	ppm	Ta	ppm
Fe	%	Te	ppm
Ga	ppm	Th	ppm
K	%	Ti	%
La	ppm	Tl	ppm
Li	ppm	U	ppm
Mg	%	V	ppm
Mn	ppm	W	ppm
Mo	ppm	Y	ppm
Na	%	Zn	ppm
Nb	ppm	Zr	ppm

Table 2: Elements analysed by fusion dissolution ICP-MS

Element	Units	Element	Units
Ba	ppm	Pr	ppm
Ce	ppm	Rb	ppm
Cr	ppm	Sm	ppm
Cs	ppm	Sn	ppm
Dy	ppm	Sr	ppm
Er	ppm	Ta	ppm
Eu	ppm	Tb	ppm
Ga	ppm	Th	ppm
Gd	ppm	Tm	ppm
Hf	ppm	U	ppm
Ho	ppm	V	ppm
La	ppm	W	ppm
Lu	ppm	Y	ppm
Nb	ppm	Yb	ppm
Nd	ppm	Zr	ppm

Selected results from BURC0011 and BURC0012 are listed in Tables 3 and 4.

Table 3: BURC0011 Selected Assay Data by Fusion Dissolution ICPMS

D_Frm (m)	D_To (m)	Ni ppm	Cu ppm	Co ppm	Cr ppm	P ppm	U ppm	Th ppm	Ba ppm	Sc ppm	Y/Ho	Zr/Hf	Σ REE	ΣREY	La/Yb
0.00	4.00	40	42	20	85	730	1.68	11.40	449	20	27.3	39.5	160.6	200.2	10.1
4.00	8.00	40	34	17	82	790	1.57	11.15	459	19	27.6	37.5	154.5	182.4	12.5
8.00	12.00	49	54	28	82	810	1.62	11.00	446	19	27.2	38.9	145.7	171.5	12.2
12.00	16.00	42	42	20	78	960	1.87	11.40	411	18	26.1	39.0	148.8	174.6	11.7
16.00	20.00	43	36	22	82	1000	2.11	12.05	453	18	26.5	39.4	163.8	191.4	12.0
20.00	24.00	48	37	19	85	810	1.86	11.30	437	19	26.0	40.6	147.7	171.6	11.9
24.00	28.00	42	57	21	89	780	2.11	12.90	500	20	27.0	38.6	166.9	198.8	11.0
28.00	32.00	42	56	22	74	710	1.66	10.35	411	16	27.2	38.7	139.9	165.5	11.2
32.00	36.00	46	55	29	77	730	1.62	11.40	458	17	26.9	39.1	156.4	182.5	12.5
36.00	40.00	46	75	29	75	810	1.63	10.55	412	16	26.7	38.3	141.9	169.1	11.0
40.00	44.00	35	43	14	62	680	1.52	8.75	344	14	26.5	39.2	116.9	134.4	13.0
44.00	48.00	19	16	9	36	630	0.88	5.00	198	10	25.7	37.7	68.6	84.0	9.7
48.00	52.00	30	22	19	61	710	1.56	7.80	256	14	26.2	39.6	105.9	123.2	12.2
52.00	56.00	33	33	14	63	770	1.86	10.25	391	16	27.4	39.0	143.2	167.6	12.5
56.00	60.00	44	47	16	72	960	1.41	10.70	396	16	28.0	37.9	157.7	185.1	13.0
60.00	64.00	41	47	21	67	780	2.39	10.40	416	16	27.1	38.0	142.9	168.1	11.9
64.00	68.00	36	35	17	61	750	1.28	8.95	359	15	26.8	38.3	126.1	146.5	12.7

68.00	72.00	45	47	19	76	720	1.80	9.93	366	16	26.7	37.8	129.9	157.9	10.3
72.00	76.00	33	31	13	59	960	1.32	8.26	269	14	26.5	38.1	117.4	140.7	11.0
76.00	80.00	44	40	22	76	710	1.68	10.65	369	16	27.2	39.8	136.2	159.9	11.5
80.00	84.00	39	33	18	74	770	1.73	10.65	413	16	26.7	39.6	137.3	159.5	12.5
84.00	88.00	22	21	17	30	810	1.03	4.65	188	8	27.4	37.8	75.9	95.6	9.1
88.00	92.00	49	46	13	72	780	1.83	10.90	427	15	26.7	39.6	140.3	160.6	13.8
92.00	96.00	28	32	15	74	760	1.97	11.20	414	18	26.3	38.4	149.8	178.5	11.7
96.00	100.00	44	56	24	62	660	1.66	8.41	299	14	26.3	38.5	114.7	135.7	10.9
100.00	104.00	37	38	19	63	700	1.68	9.17	337	14	27.6	38.7	123.5	145.6	12.0
104.00	108.00	29	17	16	50	720	1.35	6.44	245	12	25.8	37.0	95.7	114.0	11.6
108.00	112.00	24	19	14	53	650	2.47	7.26	220	12	28.6	40.2	100.5	120.5	10.2
112.00	116.00	47	69	20	71	720	1.81	9.92	335	15	26.4	37.0	132.5	153.9	12.9
116.00	120.00	28	24	12	51	600	1.55	7.00	226	12	28.9	39.0	96.4	114.0	10.1
120.00	124.00	43	27	22	57	640	1.59	8.39	276	13	27.5	39.2	113.6	134.8	10.8
124.00	128.00	37	40	12	56	640	1.83	7.95	262	14	26.8	38.3	110.0	130.9	10.1
128.00	132.00	42	51	17	49	700	1.44	7.00	235	12	27.7	39.7	103.5	122.6	10.6
132.00	136.00	34	20	12	48	600	1.48	6.94	225	12	27.3	42.4	93.8	113.2	9.5
136.00	140.00	36	47	19	50	630	1.28	7.01	272	12	27.4	35.0	103.0	123.8	10.1
140.00	144.00	43	43	19	65	730	1.72	9.02	341	15	27.5	37.3	126.2	148.5	11.3
144.00	148.00	59	78	39	76	860	1.74	10.35	358	17	26.2	35.5	134.4	159.0	10.6

148.00	152.00	23	7	14	43	750	2.04	9.85	233	13	25.9	36.2	123.6	144.1	12.3
152.00	156.00	36	25	22	61	710	1.87	9.50	290	15	27.3	35.1	122.4	144.0	11.0
156.00	160.00	25	32	18	45	580	1.21	6.77	283	11	26.5	36.1	92.8	112.4	9.3
160.00	164.00	16	20	14	37	580	1.37	5.57	239	9	28.6	37.2	77.4	93.7	9.2
164.00	168.00	30	32	23	52	700	1.79	9.25	300	13	26.2	35.6	120.5	140.7	11.4
168.00	172.00	34	31	23	59	720	1.71	9.90	282	14	25.9	36.6	127.2	149.7	10.5
172.00	176.00	28	20	23	50	700	1.46	8.44	249	13	26.2	35.8	111.9	132.3	10.0
176.00	180.00	24	23	18	49	590	1.45	7.90	255	12	26.6	36.0	99.2	116.5	10.3
176.00	180.00	29	29	17	49	620	1.49	8.38	255	12	25.3	35.9	105.4	123.9	10.8
180.00	184.00	33	31	17	49	690	1.45	7.80	235	13	27.4	36.8	110.0	128.6	11.8
184.00	188.00	36	33	22	53	720	1.48	7.98	243	14	27.0	35.5	107.4	126.6	11.2
188.00	192.00	33	28	19	61	690	1.64	9.59	311	14	26.8	35.5	124.0	147.6	10.5
192.00	196.00	43	46	25	96	600	2.03	12.20	419	20	26.6	35.0	152.2	176.1	12.0
196.00	200.00	36	29	19	74	750	2.09	10.20	251	16	26.3	35.7	140.6	165.1	10.5
200.00	204.00	36	53	21	75	620	1.97	11.55	292	17	25.0	35.7	140.3	163.3	11.0
204.00	208.00	40	36	23	101	550	2.36	13.05	410	20	26.7	35.5	162.7	188.3	12.7
208.00	212.00	43	44	25	104	570	2.20	13.00	400	20	27.1	35.7	168.5	195.6	11.6
212.00	216.00	49	27	28	106	610	2.21	13.40	409	20	26.8	35.2	165.7	192.5	11.3
216.00	220.00	33	6	18	109	630	2.24	13.60	401	20	26.3	35.0	160.0	187.4	11.1
220.00	224.00	30	8	18	111	590	2.08	13.25	379	20	28.0	34.9	171.4	197.2	13.1

224.00	228.00	33	15	17	113	610	1.96	12.55	361	18	26.6	36.7	160.0	186.3	11.0
228.00	232.00	44	25	20	136	650	2.30	13.90	386	20	26.8	34.9	177.5	204.6	12.9
232.00	236.00	46	42	22	124	750	2.56	15.10	458	20	26.9	35.7	180.8	212.5	11.2
236.00	240.00	68	61	40	131	470	3.18	15.70	619	20	28.8	35.0	186.9	225.2	10.6

Table 4; BURC0012 Selected Assay Data by Fusion Dissolution ICPMS

D_Fr (m)	D_Tor (m)	Ni ppm	Cu ppm	Co ppm	Cr ppm	P ppm	U ppm	Th ppm	Ba ppm	Sc ppm	Y/Ho	Zr/Hf	Σ REE	ΣREY	La/Yb
0.00	4.00	64	23	15	30	470	2.81	8.95	562	20	27.4	37.8	83.6	96.2	12.13
4.00	8.00	26	5	10	59	260	2.86	19.65	645	19	28.1	36.4	232.4	262.2	13.82
8.00	12.00	30	6	13	61	930	4.01	18.90	635	19	27.2	37.2	218.0	250.9	11.89
12.00	16.00	45	10	22	70	2400	3.05	19.25	664	18	28.8	37.0	220.7	254.1	13.38
16.00	20.00	32	6	13	61	1500	2.67	20.30	654	18	28.4	36.6	231.9	264.3	13.42
20.00	24.00	36	7	12	73	1670	2.81	20.30	681	19	28.6	37.4	237.2	276.1	11.86
24.00	28.00	32	14	13	87	3100	3.03	20.20	738	20	28.8	36.6	239.9	276.7	14.13
28.00	32.00	34	13	14	73	1490	2.25	19.00	638	16	27.8	37.0	224.9	263.0	11.49
32.00	36.00	30	13	16	63	2700	2.53	16.60	640	17	29.1	37.8	200.6	233.8	11.64
36.00	40.00	32	13	23	57	3590	2.64	17.05	564	16	27.9	39.5	203.3	241.2	10.52
40.00	44.00	30	11	20	62	1980	2.21	16.30	544	14	28.9	39.6	201.8	237.3	11.39
44.00	48.00	37	33	25	59	2120	3.01	16.70	616	10	28.8	43.7	203.8	238.6	11.32
48.00	52.00	14	40	8	15	390	1.24	5.48	94	14	26.6	38.3	61.8	71.9	10.92
52.00	56.00	12	16	9	10	190	0.89	3.17	61	16	28.6	36.9	39.1	47.1	9.15
56.00	60.00	27	171	11	37	310	1.78	8.55	167	16	28.5	38.4	98.0	115.4	11.42
60.00	64.00	29	288	13	68	1170	1.78	12.55	305	16	27.0	35.6	151.1	179.5	10.91

64.00	68.00	33	135	17	111	840	1.38	8.51	276	15	27.5	34.9	108.8	128.9	10.72
68.00	72.00	26	36	12	76	1820	1.34	10.10	231	16	26.2	36.3	131.0	153.0	11.89
72.00	76.00	28	59	10	84	1910	1.30	10.60	267	14	28.0	39.5	139.3	165.6	9.57
76.00	80.00	48	149	19	128	650	1.70	11.15	379	16	28.6	36.1	135.9	163.6	9.89
80.00	84.00	44	82	14	128	500	1.64	9.63	360	16	27.9	34.3	123.4	148.5	10.37
84.00	88.00	39	218	12	116	540	1.56	12.20	329	8	27.9	33.1	122.7	149.5	9.54
88.00	92.00	35	117	13	114	3340	1.73	8.18	290	15	27.1	38.4	109.1	133.2	8.67
92.00	96.00	38	112	20	112	690	1.54	8.83	328	18	27.5	34.7	119.4	141.7	10.57
96.00	100.00	35	298	18	110	2870	1.59	8.70	312	14	26.1	38.5	133.1	163.6	9.61
100.00	104.00	36	503	18	118	660	1.49	10.05	351	14	28.2	36.6	136.8	172.3	8.84
104.00	108.00	37	94	21	101	850	1.50	11.10	365	12	27.2	37.9	150.5	178.8	11.33
108.00	112.00	31	60	18	111	860	1.13	10.40	326	12	25.7	36.7	141.5	166.4	12.35
112.00	116.00									15					
116.00	120.00	45	56	24	97	570	1.62	9.40	278	12	26.7	37.4	119.6	141.2	11.22
120.00	124.00	31	36	17	80	1250	1.63	8.07	228	13	27.4	40.0	110.5	135.2	9.10
124.00	128.00	47	120	30	96	1200	1.60	8.96	272	14	28.3	37.9	121.3	143.1	11.08
128.00	132.00	32	36	19	91	1140	1.38	9.81	281	12	26.8	34.6	122.8	142.1	12.52
128.00	132.00	35	31	18	89	1150	1.31	9.56	275	12	27.4	35.6	123.3	142.2	12.61
136.00	140.00	28	17	18	80	700	1.23	8.31	226	15	25.2	34.1	112.6	130.5	12.46

140.00	144.00	33	162	18	78	610	1.50	9.14	345	17	26.1	36.9	123.8	144.4	11.94
144.00	148.00	39	96	20	113	500	1.73	11.40	370	13	25.9	33.6	159.0	181.5	12.78
148.00	152.00	43	88	25	124	410	1.60	12.05	383	15	25.3	35.0	162.5	187.5	11.93
152.00	156.00	37	18	18	117	510	1.77	11.80	340	11	26.9	34.8	173.0	208.2	10.63
156.00	160.00	44	27	25	129	620	1.67	10.95	331	9	25.1	34.0	150.8	175.4	11.53
160.00	164.00	35	114	21	124	570	1.55	10.50	315	13	25.2	37.6	145.4	170.3	12.05
164.00	168.00	41	57	22	131	650	1.69	10.45	336	14	24.6	38.0	152.5	176.4	12.72
168.00	172.00	39	46	21	136	880	1.96	11.10	353	13	26.9	38.3	154.0	180.6	11.58
172.00	176.00	42	36	23	146	970	1.78	11.05	328	12	26.6	38.1	145.3	169.0	11.56
176.00	180.00	40	43	20	154	990	2.05	11.45	373	12	26.9	39.1	156.9	185.9	11.54
180.00	184.00	38	55	24	147	980	1.96	11.30	409	12	26.8	38.8	156.4	183.5	12.25
184.00	188.00	45	56	28	150	1040	1.88	10.95	384	13	26.6	38.3	152.8	179.1	12.23
188.00	192.00	43	41	26	151	1000	1.87	10.60	374	14	25.8	38.3	156.3	181.6	12.43
192.00	196.00	39	69	25	147	1040	2.02	10.20	357	14	25.9	36.7	146.6	171.5	12.33
196.00	200.00	41	90	28	133	1080	1.90	9.78	338	20	26.7	38.1	140.9	164.7	12.18
200.00	204.00	38	48	22	124	1080	1.90	9.36	296	16	26.6	38.0	135.4	167.0	10.16
204.00	208.00	40	43	26	121	1140	1.71	8.38	281	17	26.1	37.9	120.6	140.4	12.38
208.00	212.00	36	70	24	122	1090	1.73	9.82	333	20	26.3	38.6	139.9	164.1	12.64
212.00	216.00	42	42	32	138	1170	1.65	10.30	307	20	26.2	39.2	152.9	180.1	12.50
216.00	220.00	41	63	31	131	1240	1.57	10.15	312	20	25.9	39.5	147.6	174.5	11.33

220.00	224.00	37	57	24	138	1270	1.45	10.00	321	20	25.8	38.8	152.0	179.9	11.73
224.00	228.00	37	30	21	147	1290	1.42	10.55	349	20	25.7	37.9	156.7	182.7	11.48
228.00	232.00	32	35	24	161	1390	1.62	11.85	416	18	25.1	36.0	168.1	194.7	12.87
232.00	236.00	29	25	19	172	1290	1.39	11.85	438	20	26.3	39.3	161.4	185.9	13.97
236.00	240.00	45	57	19	131	840	1.37	11.30	479	20	25.8	38.6	145.0	166.4	13.80
240.00	244.00	44	114	14	101	1000	1.40	10.70	499	20	27.0	40.0	132.3	156.1	12.11
244.00	246.00	37	54	16	101	1320	1.36	9.37	451		26.6	38.3	121.9	145.3	11.68

3 Results and Interpretation

3.1 Ni and Co Co-variation

Ni and Co in samples from BURC0011 and BURC0012 are positively correlated and lie on the same trend (i.e., similar range in Ni/Co ratio) as data for samples from other Burra area deposits (Figure 3). This suggests that they are related mineral systems and were derived from a mafic to ultramafic source containing up to ~1000 ppm Ni and 1 wt.% Cu.

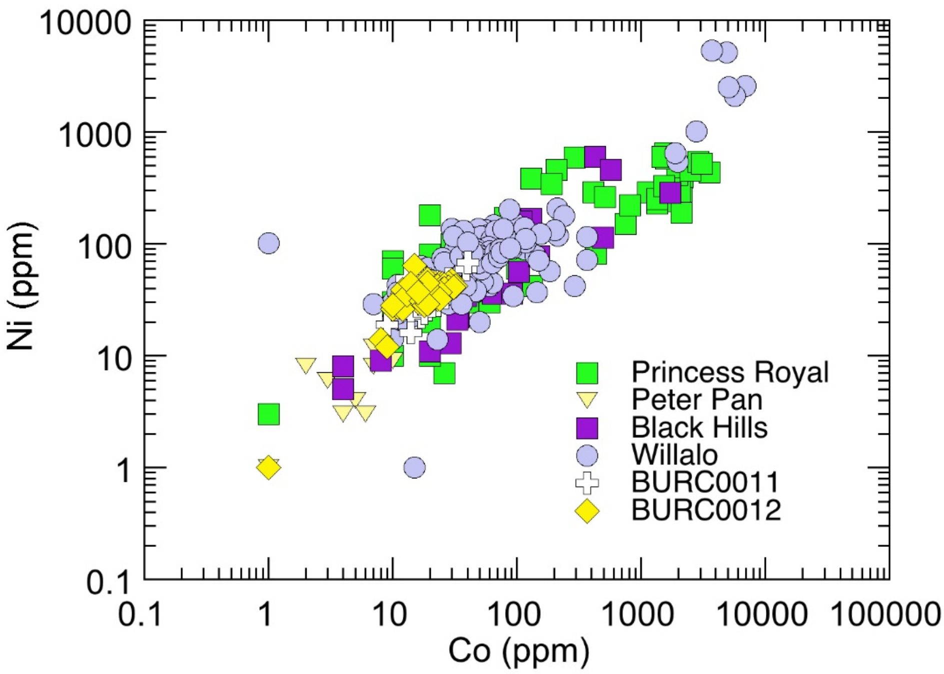

Figure 3: Positive correlation between Ni and Co in samples from BURC0011 and BURC0012 showing that they lie on the same trend (i.e., similar range in Ni/Co ratio) as data for chip samples from Burra area mineralisation.

Ni and Cu covariation in samples from BURC0011 and BURC0012 (Figure 4) fall on a trend of increasing Cu from ~<10 ppm to >1000 ppm, but with almost constant Ni, between ~20 and ~80 ppm. The BURC0011 and BURC0012 trend crosses the positive correlation trend shown by Cu and Ni from Peter Pan, Black Hills and Willalo and extends towards the extreme Cu enrichment shown by Princess Royal. This is interpreted to indicate that the Princess Royal and BURC0011 and BURC0012 mineralisation are possibly genetically related.

It is recommended that deeper diamond core drilling be undertaken to intersect this putative higher-grade Cu mineralisation.

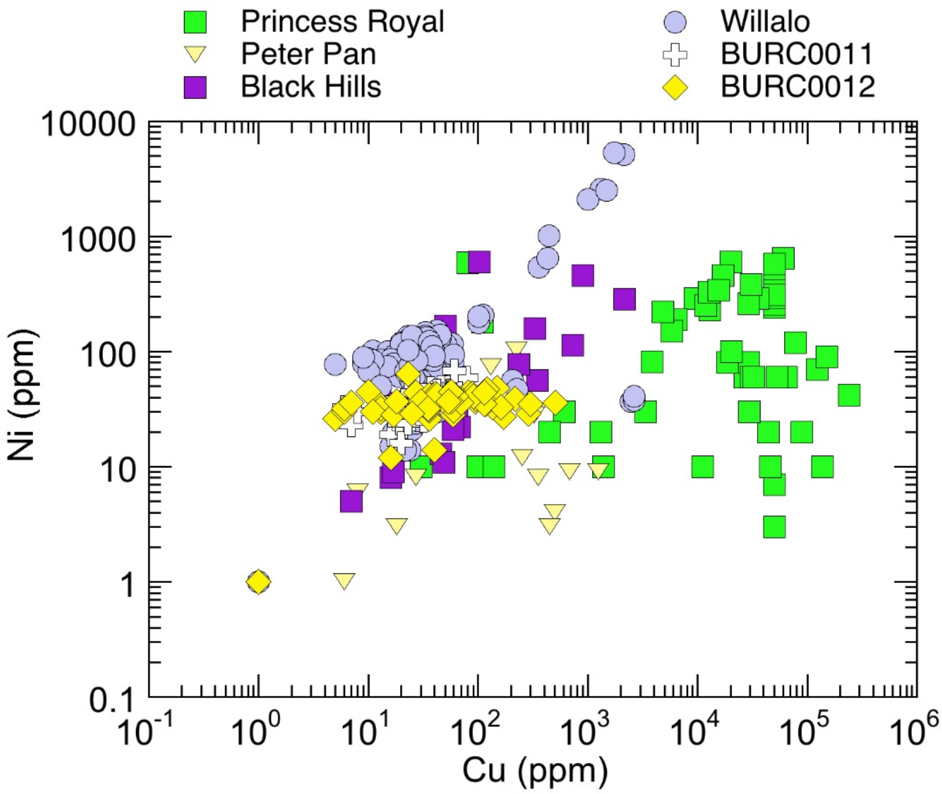

Figure 4: Ni and Cu covariation in samples from BURC0011 and BURC0012 cores compared with data for chip samples from Burra area mineralisation. Both cores show a trend of increasing Cu at relatively constant Ni concentration that extends towards Cu-rich Princess Royal mineral system.

3.2 Variation in Cu with Depth

Cu concentrations in BURC0011 are quite uniform (36 ± 16 ppm) over the depth interval 0 to ~250 m (Figure 5). By contrast, BURC0012 (Figure 6) shows a considerably greater range in Cu (72±83 ppm) showing that this portion of the mineral system is significantly more Cu-rich.

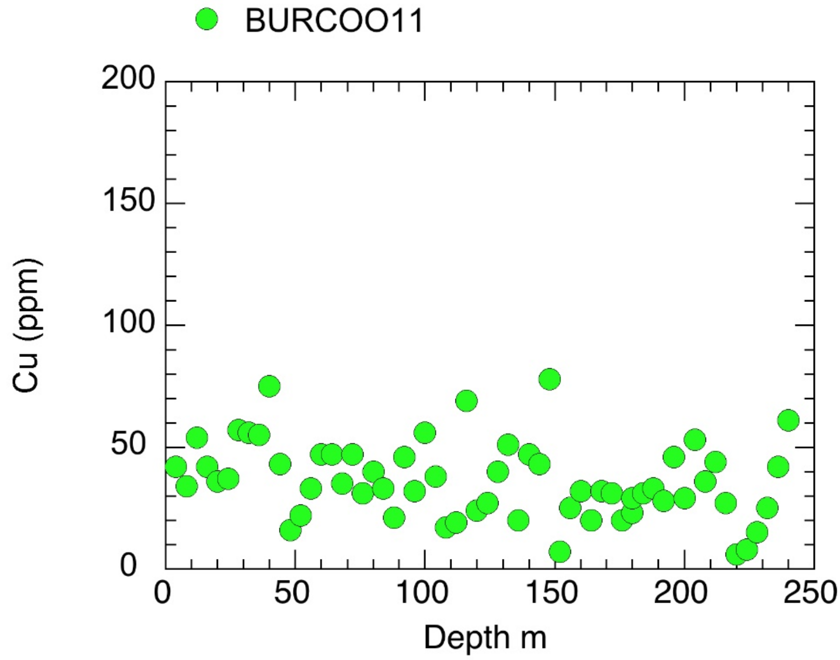

Figure 5: Depth profile for Cu in BURC0011 for except one off scale assay.

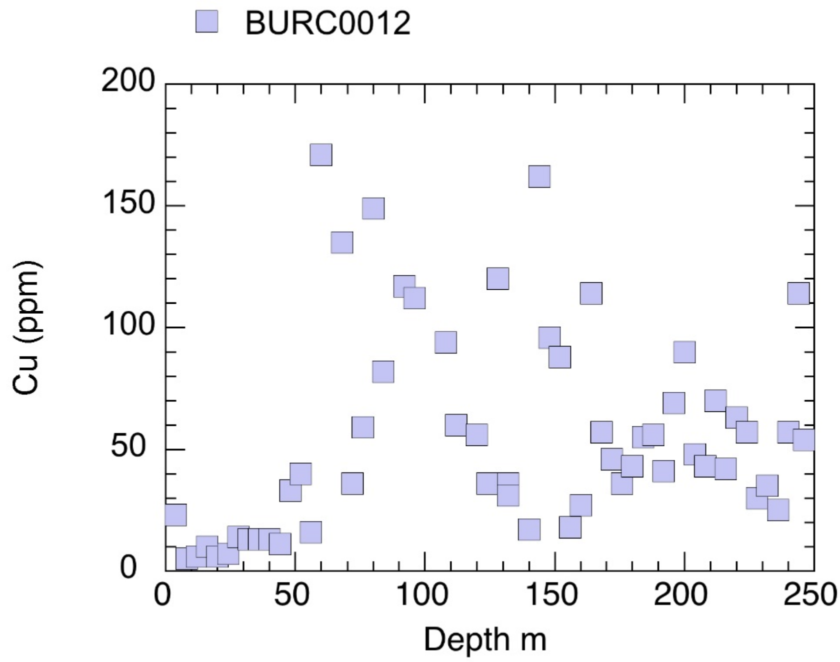

Figure 6: Depth profile for Cu in BURC0012 showing that this portion of the mineral system is significantly more Cu-rich.

3.3 Variation in TREY with Depth

Figure 7 shows variation in total REE plus Y with depth in BURC0011. There appears to be some near surface supergene enrichment which decreases from ~200 ppm to 100 ppm with depth*. **From 150 m to ~250 m total REE plus Y are positively correlated lying on a vector that extends to the target.***

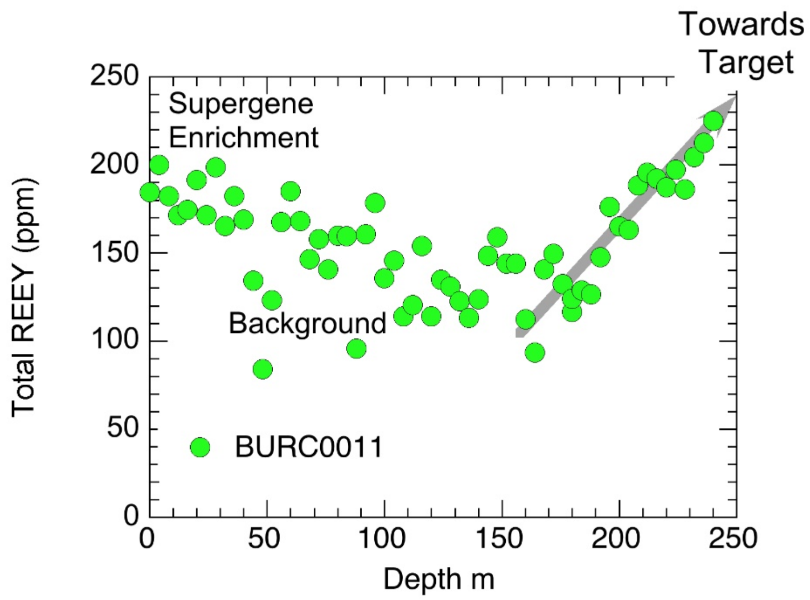

Figure 7: Plot showing variation in total REE plus Y with depth in BURC0011. There appears to be some near surface supergene enrichment which decreases from ~200

ppm to 100 ppm with depth. From 150 m to ~250 m total REE plus Y are positively correlated lying on a vector that extends to the target.

Figure 8 shows variation in total REE plus Y with depth in BURC0012. The elevated TREY ~250 ppm for the first ~ 50m reflects the fact that BURC0012 appears to have initially intersected an aureole above the conductive target. These values are similar to those from BURC0011 at > 200 m. From 50 m to ~250 m total REY concentrations are interpreted to be background values.

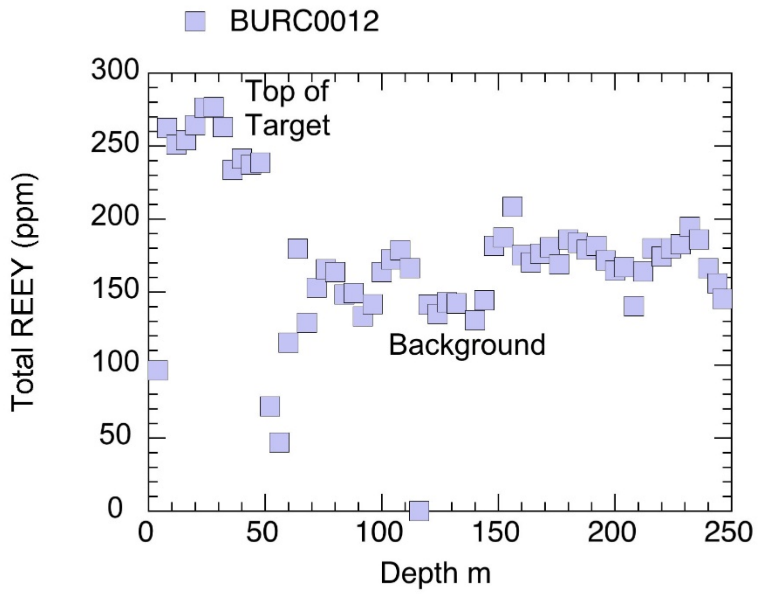

Figure 8: Plot showing variation in total REE plus Y with depth in BURC0012. The elevated TREY ~250 ppm for the first ~ 50m reflects the fact that BURC0012 appears to have initially intersected an aureole above the conductive target. These values are similar to those from BURC0011 at > 200 m. From 50 m to ~250 m total REY concentrations are interpreted to be background values.

3.4 Variation in Ba, Th, U, Cr and Sc with Depth

Variations in Ba, Th, U, Cr and Sc with depth in BURC0011 and BURC0012 are illustrated in Figures 9 to 13.

They all exhibit remarkably similar depth profile that appear to confirm the observation made for TREEY in Figures 7 and 8. ***The observation is that BURC0012 appears to have intersected an alteration aureole above the possible mineralized target deeper than 250 m at BURC0011.***

An increase in Ba, Th and U in both cores from ~150 m is interpreted to indicate that the metal source target for mineralisation at Burra is a Ba-rich mafic to ultramafic alkaline mineral system previously suggested based on Ni-Co-Cu and also TREY systematics.

Depth profiles for Sc and Cr in BURC0011 and BURC0012 are shown in Figures 12 and 13. They show correlated enrichment in Sc and Cr with depth. The enrichment in Sc in at the top of BURC0011 and BURC0012 may reflect enrichment due to surficial weathering. The correlation between Sc and Cr in Figures 12 and 13 is likely to reflect the role of Sc partitioning into Cr-bearing clinopyroxene. Cr-diopside is a typical phase in alkaline mafic and ultramafic systems. The rapid increase in Sc and Cr n both RC cores from ~150 m provides additional support for the hypothesis that the metal source for mineralisation at Burra is a mafic to ultramafic mineral system.

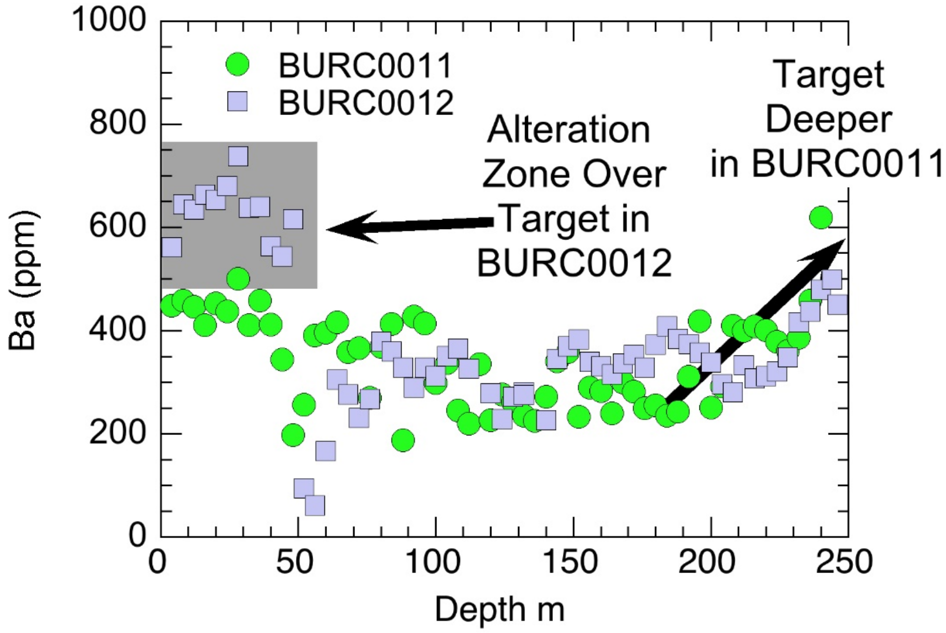

Figure 9: Depth profile for Ba in BURC0011 and BURC0012. An increase in Ba occurs in both cores from ~150 m is interpreted to indicate that the metal source target for mineralisation at Burra is a Ba-rich mafic to ultramafic mineral system.

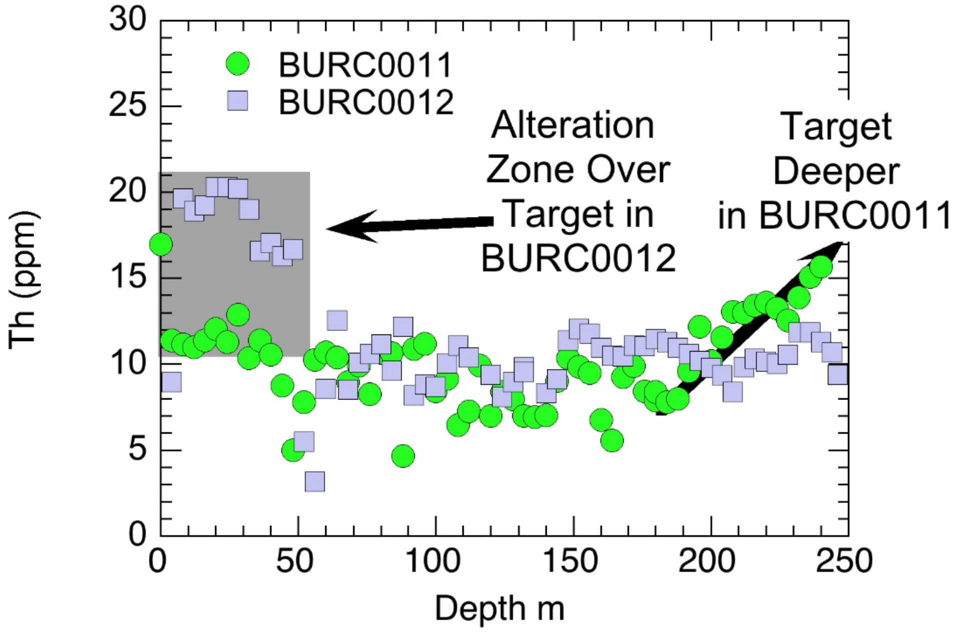

Figure 10: Depth profile for Th in BURC0011 and BURC0012. The top of the target sampled in BURC0012 is Th - rich probably an alteration halo. In BURC0011 there is a rapid increase in Th from ~150 m. This is interpreted to indicate that the metal source target for mineralisation at Burra is a Th-rich mafic to ultramafic mineral system.

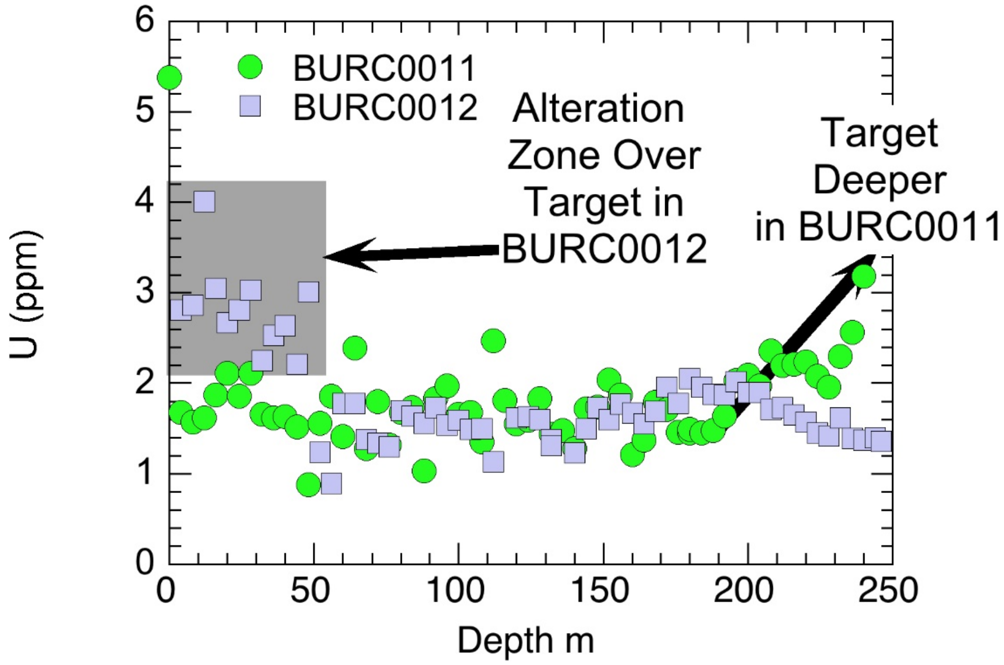

Figure 11: Depth profile for U in BURC0011 and BURC0012. The top of the target sampled in BURC0012 is Th - rich probably an alteration halo. In BURC0011 there is a

rapid increase in Th from ~150 m. This is interpreted to indicate that the metal source target for mineralisation at Burra is a Th-rich mafic to ultramafic mineral system.

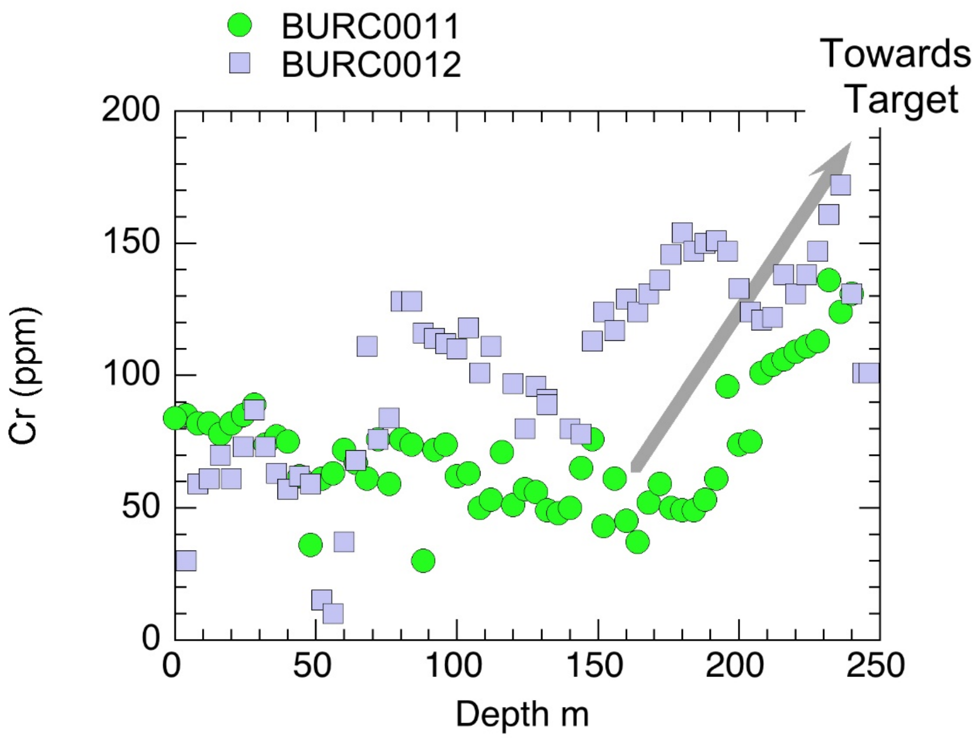

Figure 12: Depth profile for Cr in BURC0011 and BURC0012. The rapid increase in Cr in both cores from ~150 m suggests that the metal source for mineralisation at Burra is a mafic to ultramafic mineral system.

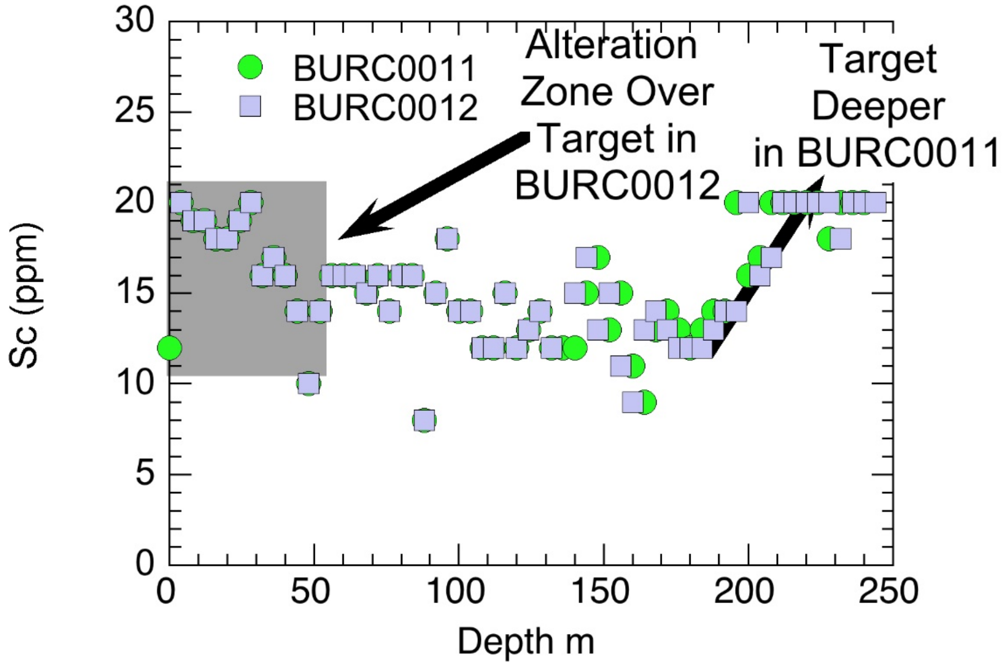

Figure 13: Depth profile for Sc in BURC0011 and BURC0012. The rapid increase in Sc in both RC cores from ~150 m suggests that the metal source for mineralisation at Burra is a mafic to ultramafic mineral system. The Sc enrichment seen in BURC0011 and BURC0012 at the top of both holes may reflect enrichment due to surficial weathering. The correlation between Sc and Cr in Figures 12 and 13 shows that Sc is partitioned into Cr-bearing clinopyroxene. Cr-diopside is a typical phase in alkali basalts.

3.5 La/Yb versus Total Rare Earth Discrimination Projection

La/Yb (a proxy for LREE/HREE ratio) plotted against total REE concentrations is a very useful diagram to discriminate between REE sources in different REE-bearing mineral systems (Loubert *et al.,* 1972).

Samples investigated in this study are plotted in Figure 14. BURC0011 and BURC0012 define similar, very homogeneous fields, that correspond to compositions reported from differentiated alkaline intrusions.

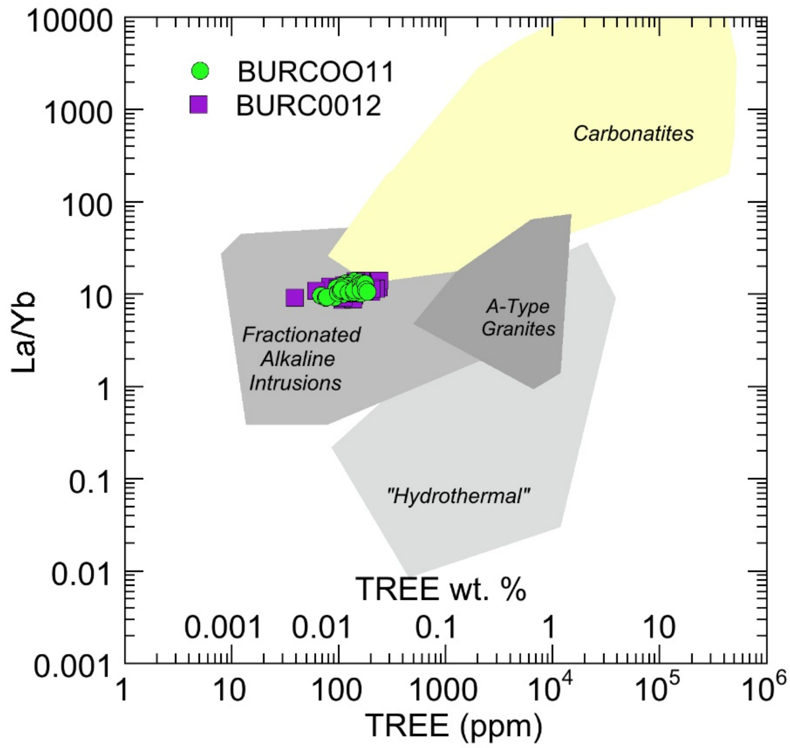

Figure 14: The La/Yb ratio (a proxy for LREE/HREE ratio) versus total REE diagram (after Loubet et al.,1972) showing that RC samples from BURC0011 and BURC0012 define similar, very homogeneous fields, that correspond to the compositional range of differentiated alkaline intrusions.

3.6 CHARAC Ratio Systematics

Ratios of the high field strength elements Zr and Hf, as well as Y and the heavy rare earth element Holmiun (Ho), are useful to evaluate the effect of hydrothermal processes on mineral systems. These so called **CHARAC ratios** (Y/Ho and Zr/Hf) enable magmatic source characteristics in mineral deposits to be distinguished from systems affected by hydrothermal processes (Bau, 1996). If a geochemical system is characterized by CHArge and-RAdius-Controlled (CHARAC) trace element behaviour, elements with similar charge and ionic radius, such as the twin pairs Y-Ho and Zr-Hf, should display coherent behaviour during crystallization and retain their respective chondritic ratios. Mantle-derived igneous rocks, for example, have Y/Ho and Zr/Hf ratios close to the ratios recorded by chondritic meteorites, viz. 28 and 38.

Carbonatites and alkaline igneous systems display this characteristic (de Andrade et al., 2002). These ratios are within error of values exhibited by mantle plume generated ocean island basalts (OIBs) viz., Y/Ho = 27.7±2.7 and Zr/Hf = 36.6.±2.9 (Bau, 1996). Thus, the CHARAC ratios are useful indicators of mantle plume magmatism.

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In Figure 15, assays for BURC0011 and BURC0012 fall entirely within the CHARAC field with chondritic Y/Ho and Zr/Hf ratios. This indicates that the HFSEs (high field strength elements) and REEs in these RC chips were derived from, and buffered by, a very homogeneous source possibly a large intrusion.

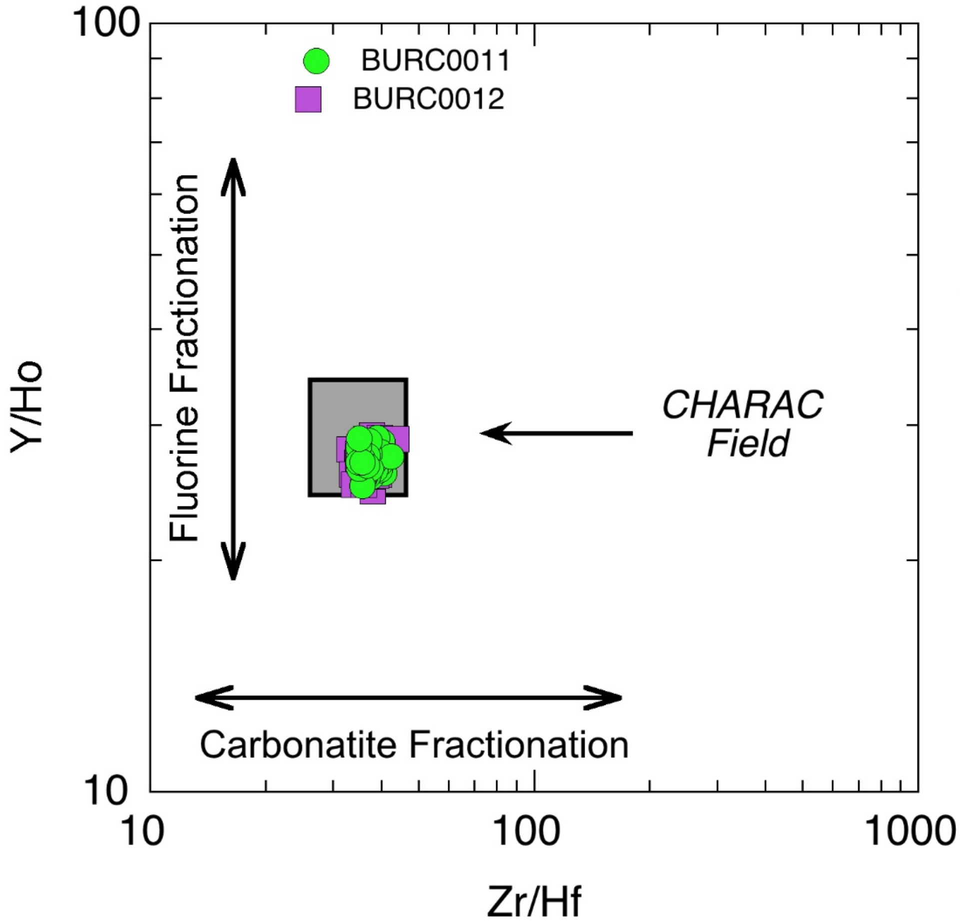

Figure 15: Y/Ho and Zr/Hf ratios in fall entirely within the CHARAC field with chondritic Y/Ho and Zr/Hf ratios. This indicates that the HFSEs and REEs in these RC chips were derived from and buffered by a very homogeneous source.

3.7 REE Systematics.

Figure 16 shows chondrite normalised REE patterns for selected chip samples from Burra (Princess Royal), to understand the nature of the Burra REE system. Samples are LREE enriched between 100 x and 600 x chondrites These surface samples have +ive Ce anomalies produced by oxidation resulting in the crystallization of cerite.

It is significant that most samples have relatively unfractionated (flat) HREE concentrations, given that lithologies with >~100 x chondritic HREE values (Gd-Lu) are potentially economic for this (heavy) group of the rare earth elements.

The presence of negative Eu anomalies and non-chondritic Y/Ho ratios indicates that mineralisation in the Burra mineral system was transported in halogen-rich fluids. Such halogen-rich metasomatic (fenite) zones are common around alkaline intrusions (Elliot et al., 2018). The data therefore indicate the strong possibility that the conductive target and the source of Burra mineralisation is an alkaline igneous intrusion.

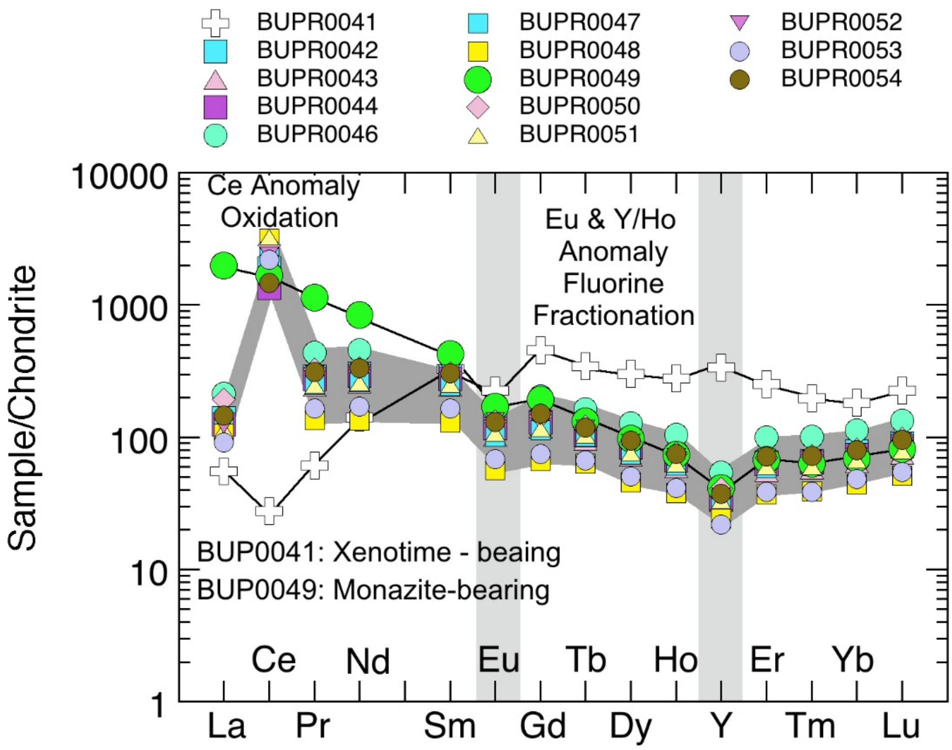

Figure 16: Chondrite normalised REE pattern for selected chip samples from Burra (Princess Royal). Samples with >~100 x chondritic HREE values (Gd-Lu) are potentially economic. These surface samples have +ive Ce anomalies produced by oxidation. They also have negative Eu anomalies and non-chondritic Y/Ho ratios, indicating that the mineralisation was transported in halogen-rich fluids. Such metasomatic (fenite) zones are common around alkaline intrusions. There is a strong possibility that the conductive target and the source of Burra mineralisation is an alkaline mafic-ultramafic igneous intrusion.

4 Summary and Recommendations

- Multi-element assay data from two RC drill holes (BURC0011 and BURC0012) are reviewed in this report to assess the source of conductivity anomalies (MT flares) identified in magneto-telluric data (AusLAMP survey) at Burra.
- Information regarding the nature of the mineral system is first provide by the transition group elements. For example, Ni and Co are positively correlated and lie on the same trend as data for samples from other Burra area deposits. This, together with Cu and Ni systematics suggests the probability that BURC0011 and BURC0012, and the Princess Royal mineralisation, ~ 5 km to the east, are genetically related.
- Samples from BURC0012 are more Cu rich (72±83 ppm) than BURC0011 (36 ± 16 ppm; based on data less one sample with 2730 ppm Cu) indicate that this hole appears to have targeted a different part of the mineral system.
- Profiles showing variation in elemental abundances with depth are also useful in showing compositional gradients in the vicinity of the computed conductive anomalies. In BURC0011 there is clearly some near surface REE supergene enrichment. However, in the depth interval from 50 m to ~250 m, total REE plus Y concentrations are strongly positively correlated and defining a vector towards higher TREY values.
- Samples from BURC0012 define a different pattern with significantly elevated TREY values of ~250 ppm in the first 50m. This might indicate that the drill hole initially intersected the metasomatic aureole above the deeper conductive anomaly seen in Figure 2.
- Ba, Th, U, Cr and Sc, display virtually identical depth profiles indicating that the entire suite of metals is useful as geochemical vectors for targeting deeper mineralisation.
- This is interpreted as evidence that the distinctive vector - depth profiles are in some way related to that the conductivity anomalies (MT flares) identified in magneto-telluric data below Burra. Thus, they most likely are the result of mineralisation and not artefacts caused saline groundwater.

- Very importantly, the metal association of rare earth elements, yttrium, scandium, nickel, chromium, cobalt and copper as well as gold, suggests the likely presence of a deeper alkaline ultramafic sourced mineral system.
- Chondrite normalised plots of REE data from Princess Royal rock chips, with negative Eu anomalies and sub-chondritic Y/Ho ratios, could be the result of a flux of fluorine, a common volatile in alkaline igneous systems.
- Deeper drilling with diamond tails is recommended to intersect this putative higher grade mineralisation.
- It is also recommended that Pt and Pd analyses be included in the fire assay suite, as these platinum group elements are commonly enriched in alkaline ultramafic sourced mineral systems.

5 References

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6. Certificate of Qualified Person

I, Emeritus Professor Kenneth D. Collerson, am the Principal of KDC Consulting (KDC[2]) at 33 Cramond St, Wilston, 4051 Queensland, Australia.

This certificate applies to this technical report titled:

"Target Vectoring in the Burra Mineral System, South Australia" that has an effective date of 11th February 2020.

I am a Fellow of the Australasian Institute of Mining and Metallurgy (#100125). I graduated in 1993 as Doctor of Philosophy (Geology) from the University of Adelaide, South Australia and also have a Bachelor of Science degree with 1st Class Honors from University of New England, N.S.W., Australia (awarded in 1997). Emeritus Professorial status at the University of Queensland acknowledges of my contribution to research, management and teaching in the University sector.

I have practiced my profession as a Principal Consultant with Salva Resources, HDR Salva and Caracle Creek (Toronto) and as a self-employed consultant for more than 35 years. As a Principal Consultant in mineral exploration I have an excellent record of discovery. I have worked on a variety of multi-commodity metals exploration projects through high-level consulting activities in more than 15 countries.

In a consultancy for Geological Survey of Queensland (2014-2016) using spinifex grass as a biogeochemical exploration medium in the Simpson Desert, in 2014 I discovered a Devonian age alkaline metallogenic province, (Diamantina Province). Importantly, I showed that the Diamantina Province is part of a much larger belt (a plume track) of ~ 440 Ma to 365 Ma igneous activity that extends more than 2000 km from central NSW to the Northern Territory. The entire belt is prospective for a range of metals including scandium, cobalt, PGEs, copper, and gold, as well as for diamond.

Recent industry and Government consultancies include:

- Transition Resources 2019 to present Targeting Cu-Co-Au-HREE-Sc mineral systems in the Cloncurry area.
- Havilah Resources February 2020 - Technical Review of Havilah Resources Rare Earth Element Data from the Curnamona Craton, SA.
- Chinova Resources February 2020 - Targeting New Economy Minerals in the Sc-REE-Cu-Co-Ni-Au PGE Bearing Mount Cobalt - New Hope Mineral System
- Mayur Resources January 2020 - Prospectivity Assessment PNG Basilaki
- Chinova Resources December 2019 Lithochemical Characterisation and Exploration Vectoring - Mt Hope/Mt Cobalt Mineral System, south Cloncurry region, Northern Queensland
- Mayur Resources Sept. 2019 Prospectivity assessment of porphyry and epithermal Feni Konos, Rambutyo, Basilaki and Sidea Projects, PNG

- Mayur Resources July to August. 2019 Prospectivity assessment of Hardie Pacific assets in PNG viz., (1) Epithermal (Au) Gameta (EL2546) and Oredi Creek (EL2572) - Fergusson Island
- Qld. DNRM December 2018 - Cobalt and HREE Mineral Systems in the Mount Isa Block
- AusMex Ltd September 2018 - Rare Earth Element - Cobalt-Copper-Gold Mineral System at Burra, S.A: Significance of the AusLAMP Magnetotelluric Anomaly
- Hammer Metals August 2018 - U-Pb Titanite Geochronological Constraints on Origin and Age of the Mount Philip Breccia
- Northern Cobalt June 2018 - Review of Wollogorang Project Chemistry: Mineral System and Exploration Vectors.
- Longford Resources Feb. 2018 - present. Targeting Co and PGE mineralisation in the Goodsprings area, Nevada.
- Hammer Metals Feb. 2018 - present. Identification of key mineralisation geochemical vectors, as well as mineralisation and alteration styles in the Mary Kathleen Belt
- Encounter Resources May 2017 - present. Spinifex biogeochemistry proof of concept survey over gold and Co anomalies in the Telfer area, WA
- Laconia Resources Ltd May 2017 - present. Au-Ni-PGE target generation in the Kraaipan Greenstone Belt, Botswana
- Caracle Creek International 2016 - present. Associate Pegmatite Specialist Providing field geological, petrological and geochemical advice for international clients on exploration for LCT pegmatites
- Tyranna Resources June 2016 - present. Improved understanding of calcrete gold geochemistry in the western Gawler Craton that allowed discrimination between true and false calcrete Au anomalies with great success.
- Macarthur Lithium 2016. Provided field geological, petrological and geochemical advice to the MD on lithium exploration in the Pilbara and Yilgarn Cratons. Developed a technique using trace elements in K-feldspar to identify the Li content of the source pegmatite. This IP has global application.
- Impact Minerals Ltd 2015 - present. Petrology and geochemistry of outcrop and drill core samples from Red Hill and Mulga Springs-Moorkaie Intrusions at Broken Hill. Decoded the geochemistry and petrology of PGE-Au-Cu-Ni-Zn mineralisation at Broken Hill, resulting in enhanced understanding of the entire mineral system at Broken Hill, one of Earth’s largest accumulations of metals.
- Providence Natural Resources 2012 - present. LCT pegmatite exploration for lithium at Järkvissle in Central Sweden. Currently contracted to find a JV Partner for a JORC Li resource.
- Exco/Copper Chem 2014. Preparation of a geological briefing paper for the Mary Kathleen rare earth Government tender bid.
- Exco 2014. Preparation of a prospectivity assessment for the White Dam area, South Australia, specifically identifying geochemical vectors that allowed improved understanding of the style of mineralisation.
- Chinalco Yunnan Copper Resources Limited 2013 - April 2014.Reviewed and reinterpreted drill core at Elaine and Blue Caesar and developed new model for Cu-Au-Co-REE-U mineralisation in the Mary Kathleen Belt, NW Queensland. I identified the alkaline igneous source of metals in the terrane and demonstrated

that these ~1526 Ma alkaline intrusions were emplaced at a shallow crustal depth and produced epithermal mineralisation. As well as improving knowledge of Mary Kathleen Belt mineral systems, this discovery also explains Cloncurry Belt IOCG mineralisation.

- Viti Mining Pty Ltd. 2013 April - Present. Confirmed the existence of world-class very high-grade Mn mineralisation (DSO) at a number of locations on Viti Levu, Fiji. Showed that mineralisation was hydrothermal and occurred as part of an epithermal alteration system above Au-Ag-Cu bearing shoshonite intrusions
- Golden Island Resources Pty Ltd. 2013 April - Present. Undertook a literature review and discovered “lost” reports showing very widely distributed high grade Au and Ag assays (up to 35 g/t) on Waya and Wayasewa. Showed that these islands formed an extension of the shoshonite – gold trend west of Viti Levu and following recovery of excellent panned concentrate results the islands are now being investigated using soil geochemistry to delineate drill targets.
- Golden Island Resources Pty Ltd. 2013 April - Present. I reprocessed magnetic and gravity data for Viti Levu and discovered a previously unknown ~40 km diameter Au-bearing shoshonite caldera south of Tavua caldera that has never been drilled. The Tavua caldera is host for the >1MOz epithermal Au-Ag Emperor goldmine on Viti Levu.
- Waratah Resources 2012 December. Prospectivity assessment of Gabon and the Republic of the Congo. Reviewed the geochemistry of BIFs in Waratah Resources tenements in Gabon and the Republic of the Congo to facilitate regional exploration and resource estimation.
- ASERA Iron Project 2012. December Geochemical evaluation of Lake Vättern orthomagmatic Fe-Ti-V project, Southern Sweden. Concluded that mineralisation is hosted by an anorogenic anorthosite intrusion not IOCG as previously believed.
- Triton Gold 2012 – August to December. Geochemical interpretation, Au and Mn target assessment on Viti Levu.
- Pacific Wildcat Resources 2011 – July to October. Fieldwork in Kenya and interpretation of DD core from Mrima Hill carbonatite and outcrops of nepheline syenite in a nearby intrusion. Showed that carbonatites and syenites were genetically related forming part of a >10 km diameter intrusion. Discovered an untested mineral system and identified zones of rare earth mineralisation for a subsequent RC and DD drilling program.

I am responsible for all sections of this draft report and am independent of the Department of Natural Resources and Mines as is described by Section 1.5 of NI 43-101.

I am confident that this report has been prepared in compliance with the JORC 2012 Code and with the instrument NI 43-101.

As of the effective date of the technical report, to the best of my knowledge, information and interpretation in the report contains all scientific and technical details that are required to be disclosed.

Dated 11th February 2020

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Competent Person Statement

Statements contained in this report relating to exploration results and potential are based on information compiled by Professor Ken Collerson, who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Professor Ken Collerson is an independent consultant to Ausmex Mining Group Limited and Geologist whom has sufficient relevant experience in relation to the mineralization styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC Code 2012). Professor Ken Collerson consents to the use of this information in this report in the form and context in which it appears.

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 1 m samples from which 3 kg was pulverised to produce a 30 g 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.*	AMG Drill Program • Reverse Circulation chip samples are composited at 4m intervals and collected via cone splitter on the base of the drill cyclone. • Samples are split to approximately 3kg on eth drill rig cone splitter. • An Olympus Vanta pXRF is available at drill rig to aid geological interpretation. No XRF results are reported for drilling. • BURC0011 and BURC0012 were analysed by Australian Laboratory services (ALS). A 3kg sample was pulverised to produce a 50g charge fr fire assay and ICP-AES finish. A four-acid digest was used for digestion with an ICP finish – (ME-ICP61) to assay for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu. Fe, Ga, k, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, U, V, W, Zn. A lithium borate fusion of the sample was used prior to acid dissolution and ICP-MS analysis (ME-MS81) to assay for Ba, Ce, Cr, Cs, Dy. Er. Eu, Ga, Gd, Hf, Ho, La, Lu, Nb, Nd, Pr, Rb, Sm, sn, Sr, Ta, Tb, Th, Tm, U, V, W, Y, Yb, Zr.
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).*	AMG Drill Program • Reverse Circulation (RC) drilling. • A 2006 Schramm T685WS RC drill rig with 1350cfm/500psi on-board compressor • 5 ¾ RC Hammer with face sampling bit.
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.*	AMG Drill program • Reverse circulation chip samples. • Sample recovery, moisture content and contamination are noted in an ipad tablet by AMG filed personnel. • AMG drill contractors and AMG personnel monitor sample recovery, size and moisture, making appropriate adjustments as required to maintain sample quality, such as using compressed air to keep sample dry. • A cone splitter is mounted beneath cyclone to ensure representative samples are collected. • Cyclone and splitter are cleaned as necessary to minimize contamination. • No significant sample loss, contamination or bias has been noted in reported

Criteria	JORC Code explanation	Commentary
		drilling.
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.*	• Logging of lithology, structure, alteration, mineralization, veining, weathering, colour and other features of the RC chips is undertaken from every 1m sample drilled. • Level of logging is considered appropriate for early exploration. • Data is logged into ipad tablet on site and backed up each day. • All drill samples are measured for magnetic susceptibility and analysed on-site using pXRF instrument, with these logs quantitative. • Representative 1m RC chip samples are sieved, washed and collected and stored in chip trays for all AMG drill holes. • All chip trays are photographed for reference. • Every meter sample of RC drilling is logged by site geologist.
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.* • *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.*	• RC samples are collected at 4m and 1m intervals via the cone splitter. • Sample preparation is undertaken by the laboratory – ALS. • ALS use method PUL23; 3kg samples are pulverised to 85% passing 75 microns. • AMG field procedure includes the use of certified reference standards (1:100), duplicates (1:50) and blanks (1:100) at appropriate intervals considered for early exploration. High, medium and low gold, copper and basemetal standards are used. • ALS introduce QAQC samples and complete duplicate check assays on a routine basis. • Duplicate samples are collected by AMG field personnel using a spear method. • Filed QC is checked after analysis. • Sample size is considered appropriate to the material 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.*	• ALS is a registered laboratory. • Internal certified laboratory QAQC is undertaken including check samples, blanks and internal standards. • The methods are considered appropriate for gold, copper and basemetal mineralization at the exploration phase.

Criteria	JORC Code explanation	Commentary
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.*	• Due to the early stage of exploration no verification of significant results has been completed at this time. • No twin drilling has been conducted by AMG during drilling program. • All drilling data is collected in a series of excel templates including geological logging, sample information, collar data and survey information. • All data is digitally recorded in the AMG electronic database. • No adjustments are made to assay data recorded
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.*	• AMG drill collars are recorded by handheld GPS with +/- 2-5 m accuracy range • AMG procedure to achieve accurate collar is gps, then oriented by compass for azimuth and a clinometer for drill dip. • Downhole survey undertaken every ~60m with digital camera within rods. No significant hole variation reported. • Geocentric Datum of Australia (GDA 94) Zone 54 • Topographic control is via handheld GPS to +/- 2-5 m accuracy and appropriate for this level of regional exploration.
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 applied.*	• Variable hole spacing used to adequately test conductive target and considered appropriate for early exploration. • 4m compositing of samples was done via splitter on drill rig
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.*	• Drill holes were oriented at 090degrees which is approximately perpendicular to the geology and conductive MT targets. • The dip of the Drillholes is -70degrees which is thought to be appropriate for early exploration • No orientation sampling bias is known at this time.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by AMG personnel. Samples are collected at the drill rig in numbered calico bags, the details of each sample recorded into ipad. • Samples are bagged and labelled into polyweave bags and transported to ALS. Sample submission form outlining sample numbers and analytical analysis requested emailed laboratory with hardcopy attached to sample bags. • ALS use industry standard procedures to maintain sample security at the laboratory.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data collection, processing and modelling protocols aligned with academic and industry best practice.

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.*	• The RC drilling program was carried out on princess Royal prospect – EL5918, whilst Mullaby Prospect is located on EL6150. • Both exploration licences are held by PNX Metals Ltd. Ausmex SA Pty Ltd (a wholly owned subsidiary of Ausmex Mining Group Limited) currently has 60% control of tenure with the rights to earn 90% through JV with PNX. • The drilling was completed on freehold pastoral land; Native Title extinguished. All statutory forms with continuous communication served to all landholders. • Current land use is agriculture and grazing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration over the tenure has been conducted by several companies exploring for copper and/or gold in the area since 1845. • PNX Metals (Phoenix Copper Limited) have held a significant portion of the ground since 2004. • Princess Royal Prospect - PNX Metals Ltd compiled JORC 2004 Inferred Mineral Resource in 2011 based on drilling completed between 2009-2011. Copper Range held the ground 2007-2009. • Mullaby Prospect – MIM completed IP survey and magnetic survey over prospect with one drillhole drilled in 1991.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Princess Royal and Mullaby Prospects are within the Burra Project. • AMG is primarily exploring for intrusive related copper-cobalt -gold style mineralization in the Adelaide Geosyncline, South Australia. • Copper-gold and Base metal mineralization is interpreted as Intrusive related, associated with structural and /or lithological contacts.
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*	• For AMG RC drilling reported refer to this within the report and appendices

Criteria	JORC Code explanation	Commentary
	○ *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.*	
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 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.*	• No averaging or sample aggregation has been conducted for this release. • No metal equivalents used.
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').*	• Mineralization orientation and dip is not yet confirmed due to early stage exploration • Drilling is designed to test conductive targets perpendicular to strike.
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.*	• See main body of this release.
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.*	• The reporting of drilling data is considered balanced. • Low grade and REE analysis have been reported along with reference to historic workings, historic resource estimate, and is considered balanced reporting by competent person.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;*	• Considerable historic work was completed with mapping, sampling and geophysics. AMG have reported on historic work in the past and

Criteria	JORC Code explanation	Commentary
	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.	referenced previous releases where appropriate.
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.*	• Early stage exploration, DHEM and follow up of any significant copper and/or gold anomalies, including additional interpretation of geophysics data, reviews and assessments of targets and infill geochemical sampling of anomalies in preparation of follow up drill testing. • Refer to figures in this report