

6 April 2020

Market Release

AUSMEX IS LARGELY UNAFFECTED BY COVID-19 RESTRICTIONS

Ausmex (AMG or the Company) is pleased to update shareholders on the effects of virus restrictions on our Operations to date.

While the Company is mindful of its obligations to comply with all Coronavirus directives from all three levels of Government, to be a good corporate citizen within the communities in which we operate, and to the health & wellbeing of our Landowners, Employees, Contractors, Consultants, Directors and other stakeholders, we are pleased to advise that to date our activities have been largely unaffected and our projects are progressing on numerous fronts and as required.



Image 1. Ausmex site preparations commenced at the Mt Freda Complex.

While our Employees, Contractors and Directors are primarily working remotely, from their home offices, all continue to caucus regularly electronically and many times daily on key issues and to regularly communicate as required with our expert Consultants who are all also working productively from their home offices.

To date, we are not aware of any delays that have arisen from working in this way, although as all shareholders would be aware, the Virus regulations are changing almost daily and it is likely that some of our activities will be restricted in some way over the coming virus control period, although nobody yet knows how long that period may be.



Image 2. Ausmex minesite safety preparations commenced at the Mt Freda Complex.

Such electronic communications are also working well in our ongoing interaction, as required, with the relevant Politicians, Government Departments, and other State and Local Government officials. While on several occasions face-to-face meetings would have previously been desirable and the norm for some important discussions, our experience to date is that all parties are cooperating well electronically to address the issues that need to be progressed.

Similarly with our interactions with our Joint Venture partners, and potential partners, which continue unabated.

In Cloncurry, our Director Aaron Day, has been progressing pre-mining activities at Mt Freda and the photos herein show work proceeding on the site at end March 2020. Infrastructure roads are being re-opened/developed as well as laydown pads put in place for any incoming equipment, including the pit dewatering pumps and pipework.

For the commencement of all necessary work to advance the Mt Freda Gold Production, we have good communication underway with potential contractors & partners, including we are currently progressing discussions with landowners and for

mining contracting, ore haulage, processing and the provision of all related infrastructure.

An exception to the above is where a crew is required to be mobilised across State boundaries. In this case mobilisation costs have blown out because of the need for the entire crew to self-isolate for 2 weeks prior to the work and then for 2 weeks on completion after crossing the state boundary again. This adds considerable cost and time to potential drilling, geophysics and like work, which are all being reconsidered to investigate local sourcing.

One of our major South Australian landowners have closed their property to other than employees from close of business April 3rd in order to protect their large workforce that is vital to their operations. In addition, our colleagues at the University of Adelaide, where all are working from home running on-line courses and lectures, are unable to undertake any further MT field work until the Government restrictions are lifted.



Image 3. Pump installation Mt Freda.

Ausmex Director and COO, Geoff Kidd commented “While these are pressing and unprecedented times, most of us in Ausmex have previously worked on major mine developments initially from within mine owner’s head offices, which has effectively been working remotely from the minesite in the early stages of all developments and while the bulk of our activity will transfer to the site at some stage, where we expect that we may be hampered by potential further restrictions, we are pleased to advise that all present necessary activities are still progressing well and we are investigating how best to work within these previously unseen Government regulations as we progress Mt Freda towards construction, mining and production.

We have also learnt this morning (03.04.20) that the SA Government has announced that they are deferring tenement licence fees for 6 months together with a 12 month waiver of committed expenditure for all EL holders, and we thank the SA Government and our friends at the DEM for those initiatives. In addition we are closely following the new NSW 'Planning System Acceleration Program' which is aimed specifically at advancing projects that can be ready for development & construction in 6 months when the Covid restrictions may be lifted. Ausmex anticipates that all States may follow suit and we have initiated moves to be in the forefront of such a program if the Qld Government implement something similar."

This announcement is approved by the Board of Ausmex Mining Group Limited.

For further information please contact Geoff Kidd – Director and COO

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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.

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