

20 April 2020

Market Release

Sale of Gilded Rose Gold project for \$4 million consideration

Binding Term Sheet executed for the divestment of the Gilded Rose project.

Terms include:

- **Total cash consideration \$3,000,000**
 - **\$100,000 non-refundable option fee.**
 - **\$1,400,000 due on completion, targeted by 30 June 2020.**
 - **Additional \$500,000 cash payment due 18 months following completion on 31 December 2021.**
 - **\$1,000,000 milestone payment due upon 10,000 Oz gold production**
- **Additional \$1,000,000 scrip payment in listed shares (ASX:PNN).**

Ausmex Mining Group (ASX: AMG) (“Ausmex” or “The Company”) is pleased to announce the divestment of the “non-core asset” Gilded Rose project for a total consideration of \$4,000,000. The project is being acquired by ASX Listed Company PepinNini Lithium Limited (ASX:PNN) and the divestment is subject to a number of conditions, including completion of satisfactory due diligence, approval by PNN’s shareholder (including for a proposed capital raising by PNN) and negotiation and execution of formal transaction documents.

The total cash consideration includes \$3,000,000, with \$1,500,000 to be received by completion, including the \$100,000 non-refundable option fee (with \$20,000 payable immediately and \$80,000 on completion of due diligence), together with an additional \$1,000,000 in listed shares on completion.

The cash payment combined with the current working capital in hand will provide the Company with adequate funding to progress the Mt Freda Complex, whilst simultaneously progressing the Golden Mile Mining Lease application, as well as additional drilling program at the exciting Burra Copper and Gold project in South Australia.

The Company is targeting September 2020 gold production from the Mt Freda Complex. The Company has an agreement with Round Oak Minerals Pty Ltd (100% Subsidiary of Washington H Soul Pattinson & Company Limited) where all ore from the Golden Mile Joint Venture must be processed at the Great Australian Mine 650 ktpa Gold CIP plant in Cloncurry.

The Board of Ausmex Mining Group Limited has approved this announcement.

For more information please contact Managing Director Matt Morgan:
mattm@ausmexgroup.com.au