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The Manager  
ASX Company Announcements  
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## FARM-IN AGREEMENT INCREASES EXPLORATION OPPORTUNITIES WITHIN BODDINGTON SOUTH GOLD PROJECT

- Ausgold can earn a 60% interest in Dominion's Bullock Pool and Nanicut Bridge prospects
- 33 kilometre gold anomaly over greenstones at Bullock Pool
- 5 kilometre long gold anomaly delineated at Nanicut Bridge
- Primary gold mineralisation largely untested by drilling

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Ausgold Limited (Ausgold or the Company) (ASX: AUC) has entered into a Farm-In and Joint Venture Agreement (Farm-In) with Quadrio Resources Pty Ltd, a wholly owned subsidiary of Dominion Mining Limited (Dominion) to acquire a 60% interest in their *Bullock Pool* and *Nanicut Bridge* prospects adjacent to Ausgold's Boddington South Gold Project in the southwest Yilgarn (Figure 1).

### **Bullock Pool Prospect**

The *Bullock Pool* prospect comprises two granted exploration licences (E70/2908 & E70/2970) and an exploration licence application (E70/3201) covering a total area of 385 square kilometres.

*Bullock Pool* sits along strike of Ausgold's Boddington South mining leases, which host the Company's Jinkas gold deposit. This prospect is also adjacent to Ausgold's Hudson gold target.

Exploration by Dominion has mapped an extensive zone of gold anomalism within *Bullock Pool* whose strike length currently exceeds 33 kilometres<sup>1</sup>. This large mineralised zone is centred on an Archaean greenstone similar to that hosting Ausgold's Jinkas gold deposit.

Regional drilling has also confirmed the presence of an intrusive granite in close proximity to these greenstones.

Limited reverse circulation (RC) drilling has been undertaken within this prospect to date. The small number of holes that penetrated fresh bedrock, however, has confirmed the presence of primary gold mineralisation within Bullock Pool with intersections including 9m @ 2.0 g/t Au from 30m and 4m @ 2.4 g/t Au from 36m.



Encouragingly, this gold mineralisation was associated with similar sulphides to those presently being observed by Ausgold during its RC drilling of the Jinkas ore body.

Exploration licence application E70/3201 is approximately 200 square kilometres in area and occupies the northern extension of Ausgold's Armstrong gold anomaly.

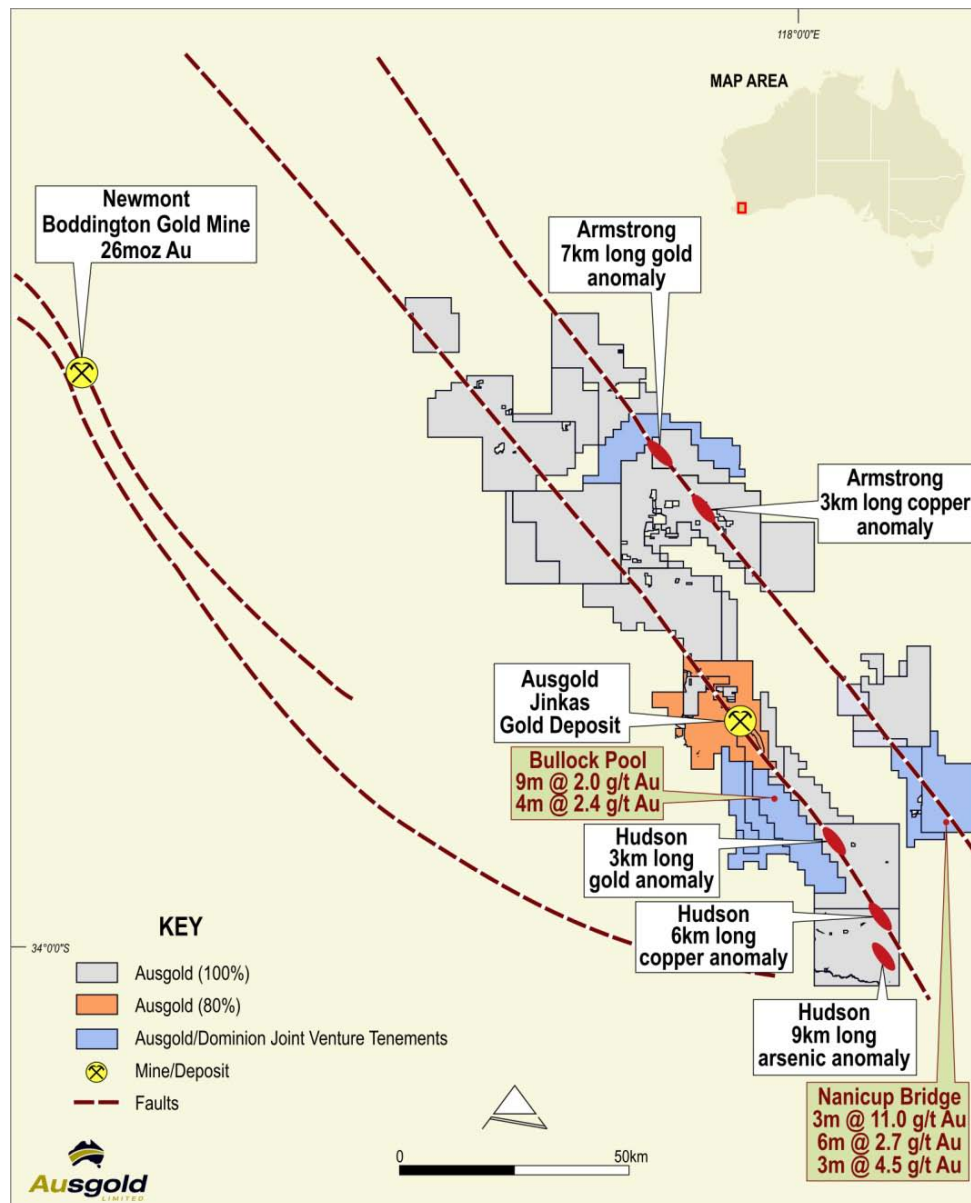


Figure 1: Location of Bullock Pool and Nanicip Bridge prospects in relation to Ausgold's Boddington South Gold Project

### Nanicup Bridge Prospect

The *Nanicup Bridge* prospect comprises two granted exploration licences (E70/2910 and E70/3754) and covers an area of almost 300 square kilometres.



Air core drilling at *Nanicup Bridge* has defined a 5 kilometre long and 350 metre wide gold anomaly at >100ppb Au near the weathered rock – fresh bedrock interface<sup>1</sup>.

Intersections returned from this interface drilling program included 3m @ 11.3 g/t Au from surface<sup>1</sup> with a subsequent drilling program undertaken by Dominion intersecting a sequence of felsic to mafic gneisses.

Broad-spaced interface drilling completed by Dominion also delineated a gold-in-soil anomaly along the western side of an 8 kilometre-long granite interpreted from aeromagnetics in the northern half of the *Nanicup Bridge* Prospect. This gold anomaly appears to correspond to the mafic – granite contact. The eastern side of this granite contact is currently untested.

### Farm-In Agreement

Pursuant to the terms of the Farm-In:

- Ausgold may earn a 60% interest in the Bullock Pool and *Nanicup Bridge* and *Kukerin* tenements (E70/2908, E70/2970, E70/3201, E70/2910, E70/3754, E70/3012) by spending \$600,000 in exploration expenditure within 2 years
- Ausgold has a right to withdraw after spending at least \$300,000 in expenditure on these tenements within 6 months
- Once Ausgold has earned the 60% interest, Dominion has the election to contribute to the tenement expenditure at its respective interest or dilute using an industry standard dilution formula
- Ausgold will be the manager of these tenements
- If earned, 20% of Ausgold's interest in E70/3201, E70/2908 and E70/2970, will be held for Great Southern Resources Pty Ltd under the terms of the *Boddington South* Joint Venture Agreement.

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*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Benjamin Bell, who is a Member of the Australian Institute of Geoscientists. Mr Bell is the Chief Executive Officer and a full-time employee of Ausgold Limited, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

<sup>1</sup> Dominion Mining Limited, Annual Report, 2008