

RECORD WEEKLY DORE POUR AS GOLD PRODUCTION RAMPS UP AT MORNING STAR

Highlights

- ✓ A record 6.074kg of Dore bullion was poured this week for processing days 9 April and 17 → 22 April.
- ✓ Continuing processing and mine optimization efforts are yielding production gains at Morning Star.

AuStar Gold Limited (ASX: AUL, or the Company) is pleased to report that the ramp-up of gold production at the Morning Star mine is proceeding well, with a record 6.074kg of Dore bullion poured from seven production days, from a total of only 423 tonnes of McNally's Reef feedstock.

McNally's Reef continues to deliver very impressive gold grade consistent with pre-mining geological expectations. McNally's Reef remains open to the south with further resource definition drilling planned.

Management are now confident this successful re-start demonstrates the capacity of the Morning Star mine to make a material contribution to AuStar Gold's long term production goals, complementing the high potential Rose of Denmark operation.

Morning Star mining operations and gold production have continued through to Monday April 22 when cut-off for Dore production occurred, and will resume on Wednesday May 1. The latest week of production resulted in 6.074 Kg of Dore being poured, totalling 11.778 kg of Dore for April. Maiden precipitate product has been delivered to the Company's refiners.



Photo 1: Dore poured from the current week's production (photo 24/4/2019)

Dore production is from on-site gravity recovery only with concentrate treatment independently reconciled. Production outcomes also do not yet include concentrate from the middlings high speed centrifuge which will be delivered in the near future for treatment in the custom Gekko Intensive Leach Reactor (ILR) and add further to the production for April tonnes.

Production was halted earlier than planned April 22 for necessary repairs and maintenance of the processing plant's jaw crusher, with completion of this work expected Friday. The lost ~1.5 days from the current production run will be made up with additional production to occur in the run starting May 1 and is not considered material.

A reconciliation of March performance based upon final assays is under preparation. With refining of precipitate from the ILR still in progress, as well as a final assay of residue from the treatment of concentrate in the ILR yet to be completed, the Company now advises that the maiden (March) comprehensive production report and grade reconciliation announcement is expected to be made May 1, rather than April 26 as originally advised. Going forward these comprehensive monthly reports should be issued mid-month following the relevant production month.

About AuStar Gold Limited:

AuStar Gold is an emerging gold producer with the objective of generating sustainable gold production from its portfolio of high-grade gold projects, utilising its significant operational infrastructure located at Woods Point in Victoria.

The near term focus is to further identify economic volumes of ore within its portfolio of mining leases whilst further exploring its adjoining tenements in the Walhalla to Jamieson gold district (particularly the prolific Woods Point Dyke Swarm).

For Further Information:

Tom de Vries
Chief Executive Officer
AuStar Gold Limited
info@austargold.com
P: +61 7 33194120

Frank Terranova
Executive Chairman
AuStar Gold Limited
info@austargold.com
+61 448 187 557