

25 May 2020

ASX Market Release

Gilded Rose Gold Project Sale Completion

Ausmex Mining Group Limited ("Ausmex" and the Company) is pleased to announce the divestment of the "non-core asset" Gilded Rose gold project for a total cash consideration of \$A4,000,000.

The project has been acquired by Hong Kong company Jin Resources (HK) Limited ("Jin") with the project transferred to its Australian subsidiary.

A total cash payment of \$A2,500,000 has already been received by Ausmex, which, when combined with the current working capital in hand will provide the Company with adequate funding to progress the Mt Freda Complex, while simultaneously progressing the Golden Mile mining lease application and development, both projects located at Cloncurry, Queensland. Funds will further be contributed toward additional programs at the exciting Burra Copper and Gold Project in South Australia.

Ausmex has been advised by Jin that it has appointed a management team based across Melbourne and Queensland, who have significant experience in developing mining assets to production with a track record of success in both Australia and overseas. The team comprises individuals who have held senior positions at BHP Billiton and Rio Tinto in addition to executive roles with junior mid-tier mining companies based in Australia and London. The management team of Jin will be seeking to recommence production of gold at Gilded Rose in the coming months.

The complete transaction is as follows:

- (a) The sum of \$A2,300,000 was paid on completion. Therefore, including the \$200,000 previously paid, total monies received from Jin to date total \$A2,500,000.
- (b) The sum of \$A500,000 shall be paid to Ausmex, 12 months from the date of completion being 22 May 2021 and;
- (c) \$A1,000,000 shall be paid to Ausmex on the production of 10,000oz of gold or within 2 years of completion, whichever should occur first.

Ausmex is also targeting 2020 gold production from the Mt Freda Complex. Ausmex 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 Australia Mine 600,000 tpa Gold CIP Plant in Cloncurry.

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.

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

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