



## Ausgold Raises A\$12M to Continue Expansion and Development of its 2.16Moz Katanning Gold Project

### Highlights:

- Ausgold successfully raises A\$12 million at 4.5c per share in a Placement to institutional and sophisticated investors, reflecting continued strong support for its 2.16Moz Katanning Gold Project (KGP)
- The Placement was cornerstoned by leading international & domestic institutional investors including, Dundee Corporation, which will maintain its 12.5% holding and Jupiter Asset Management, which will increase its existing stake in Ausgold to 9.5% at the completion of the Placement
- Funds raised will be substantially used for resource expansion drilling and regional exploration, completing a definitive feasibility study for KGP, advancing a scoping study for increased KGP plant throughput/annual gold production and property acquisitions.

Ausgold Limited (ASX: AUC) (**Ausgold** or the **Company**) is pleased to announce it has received firm commitments to subscribe for 266,666,667 new fully paid ordinary shares in the Company (**New Shares**) from domestic and international institutional and sophisticated investors at an issue price of \$0.045 per New Share (the **Issue Price**) to raise \$12 million (before costs) (**Placement**). The Issue Price represents a 6.3% discount to the last traded price of A\$0.048 per share (31 March 2023). New Shares are expected to be issued on Thursday 13 April 2023 and will be issued without shareholder approval under the Company's placement capacity available under Listing Rules 7.1 and 7.1A.

The Placement was strongly supported by new and existing institutional investors including Dundee Corporation, which will maintain its shareholding at 12.5%, and Jupiter Asset Management, which will increase its shareholding to 9.5% at the completion of the Placement.

Proceeds from the Placement will be used to continue resource expansion drilling and regional exploration, complete the KGP definitive feasibility study, a scoping study for increased KGP plant throughput/annual gold production, settle property acquisitions and for general and corporate purposes.

### Management Comment:

**Ausgold's Managing Director, Matthew Greentree, said:**

*"Ausgold appreciates the continued support from our cornerstone institutional investors, Dundee Corporation and Jupiter Asset Management, as well as existing shareholders. I would also like to welcome new investors to the register that also recognise the significant scale potential of Katanning as the largest undeveloped free milling open cut gold mining project in Western Australia."*

*Recent high-grade drilling results have shown that the Katanning Gold Project is capable of supporting a materially larger operation. This Placement enables Ausgold to advance a number of high-value workstreams, including a Scoping Study to assess our strong view that the KGP is able to support a long term mine life exceeding 150Koz pa of gold production, along with a Definitive Feasibility Study for the Project."*

*The knowledge gained from these workstreams will be a critical input for our Strategic Review to unlock the considerable value of the KGP for our new and existing shareholders. The Company is in a fantastic position to become Australia's next mid-tier gold producer underpinned by excellent financial metrics demonstrating low cost, low technical risk, and a high-margin operation."*

## Placement Details

The Placement will be completed pursuant to section 708 of the *Corporations Act 2001* (Cth) (Act) and in accordance with Listing Rules 7.1 and 7.1A of the ASX Listing Rules. The Placement will be issued under the Company's existing placement capacity available under the ASX Listing Rules and without shareholder approval. In total, the Placement comprises:

- 64,000,000 New Shares to be issued pursuant to Listing Rule 7.1; and
- 202,666,667 New Shares to be issued pursuant to Listing Rule 7.1A.

Settlement is scheduled for Wednesday, 12 April 2023. Allotment and commencement of trading is scheduled for Thursday 13 April 2023.

The Issue Price of \$0.045 cents per share represents:

- a 6.3% discount to the last closing price of A\$0.048 per share (31 March 2023); and
- for the purposes of ASX Listing Rule 7.1A.3, a 9.8% discount to the 15-day volume weighted average (VWAP) of Ausgold shares (ASX:AUC) of \$0.0499 (to 31 March 2023, being the last trading day prior to the Company's trading halt on 3 April 2023).

New Shares issued under the Placement will rank *pari passu* with existing fully paid ordinary shares in the Company on issue.

Argonaut Securities Pty Ltd and Euroz Hartleys Limited acted as Joint Lead Managers to the Placement.

The Placement timetable is set out below.

Event	Date (2023)
Trading Halt lifted and announcement of Placement	Wednesday 5 April
Settlement of New Shares under the Placement	Wednesday 12 April
Allotment and commencement of trading of New Shares issued under the Placement	Thursday 13 April

All dates and times set out in this timetable are indicative only and subject to variation. The commencement and quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, the Company reserves the right to amend this timetable at any time, either generally or, in particular cases, without notice.

The Board of Directors of Ausgold Limited approved this announcement for release to ASX.

On behalf of the Board,

**MATTHEW GREENTREE**

**Managing Director**

Ausgold Limited

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All dollar amounts are in Australian dollars unless otherwise indicated. For further information please visit Ausgold's website or contact:

**Matthew Greentree**

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## About Ausgold Limited

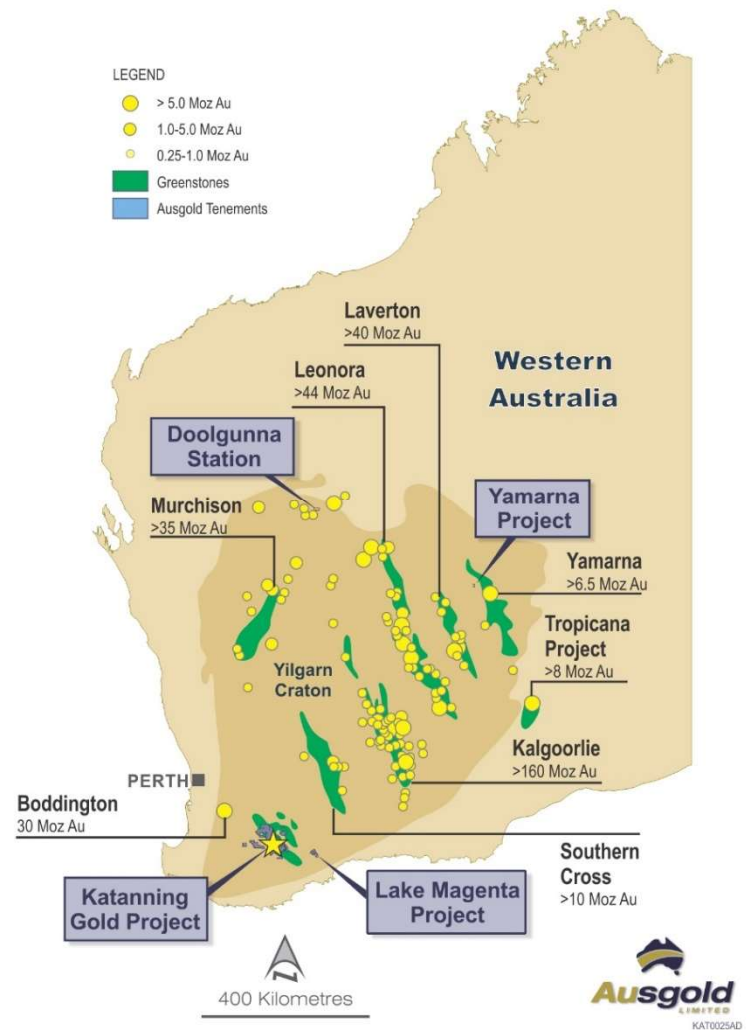
Ausgold Limited is a gold exploration and development company based in Western Australia.

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 2.16 Moz gold (Table 1).

Ausgold's portfolio also includes the Doolgunna Station Cu-Au project and the Yamarna Ni-Cu-Co project in Western Australia

**Table 1 - Current Mineral Resource and Ore Reserves**

Mineral Resource	Tonnes (Mt)	Grade (g/t)	Contained gold MOz
Measured	19.0	1.31	0.80
Indicated	26.8	1.14	0.98
Inferred	9.5	1.03	0.37
<b>Total</b>	<b>56.0</b>	<b>1.21</b>	<b>2.16</b>
<b>Ore Reserve</b>			
Probable	32	1.25	1.28
<b>Total</b>	<b>32</b>	<b>1.25</b>	<b>1.28</b>



**Figure 1 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts**

The information in this report that relates to the Mineral Resource and Ore Reserve in Table 1 is based on information announced to the ASX on 25 May 2022 (Resource) and 1 August 2022 (Ore Reserve) and Ausgold confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

## Competent Persons' Statements

The information in this statement that relates to the Mineral Resource estimates is based on work carried out by Dr Michael Cunningham of Sonny Consulting Services Pty Ltd, Mr Daniel Guibal of Condor Geostats Services and Dr Matthew Greentree of Ausgold Limited in 2021 and 2022. The information in this statement that relates to the Ore Reserve estimates is based on work carried out by Mr Andrew Hutson of Resolve Mining Solutions in 2022.

Dr Greentree is Managing Director and a shareholder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results, including sampling, assaying, QA/QC, the preparation of the geological interpretations, and Exploration Targets. Dr Michael Cunningham is an option holder in Ausgold Limited and takes responsibility for the Mineral Resource estimates for the Jackson, Olympia, Dingo and Datatine deposits. Mr Daniel Guibal takes responsibility for the Mineral Resource estimates for the Jinkas and White Dam deposits.

Dr Cunningham, Mr Guibal and Dr Greentree are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

Mr Hutson is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

## Forward-Looking Statements

This announcement includes 'forward-looking statements' as that term is understood the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as 'aim', 'anticipate', 'assume', 'believe', 'continue', 'could', 'estimate', 'expect', 'forecast', 'intend', 'may', 'plan', 'potential', 'predict', 'project', 'risk', 'should', 'will' or 'would' and other similar expressions.

Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the timeframe and within estimated costs currently planned; variations in global demand and price for commodities; fluctuations in exchange rates between the US dollar and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements.

The information concerning possible production in this announcement is not intended to be a forecast, but relates to internally generated goals set by the Board of Directors of Ausgold Limited. Ausgold's ability to achieve any targets will be largely determined by its ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary offtake arrangements with reputable third parties. Although Ausgold Limited believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

## Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.