Scoping Study shows potential for a new gold mine at Katanning

Highlights:

- **A Scoping Study for Ausgold's 100% owned Katanning Gold Project (KGP) project confirms viability of standalone gold mining operation based on a revised Resource estimate of 33.9Mt @ 1.10 g/t Au for 1.2 Moz**

- **Scoping Study completed to a high standard by experienced team of Western Australia based consultants who have applied conservative operating parameters and used an extensive database of local capital and operating cost estimates, providing a high degree of confidence in study outcomes.**

- **The Scoping Study has identified key areas where the project can be further optimised to provide improvement in project economics, these include:**
  - *Further drilling in areas identified during the study with limited drilling required to add mineable ounces and potentially reduce stripping ratios.*
  - *Metallurgical test work to optimise the current gold recovery estimates, throughput and plant performance and reduce operating costs.*
  - *Detailed assay test work of high-grade mineralization where conservative top cuts have been applied to ensure the high-grade gold is captured in the mineable ounces.*

- **Additional Drilling is planned to target further low cost-ounces and further expand the current Mineral Resource**

Ausgold Limited (ASX: AUC) ("**Ausgold**", the "**Company**") is pleased announce the results of a Scoping Study for the Company's 100% owned Katanning Gold Project (**"KGP**", the **"Project"**), with key outcomes highlighting the potential of the Project to support a viable standalone gold mining and processing operation.

The Scoping Study incorporates a revised Mineral Resource Estimate of **33.9Mt at 1.10 g/t Au for 1.2 million ounces of gold** (Table 1), which includes recent drilling and a lower cut-off grade of 0.6 g/t. The lower cut-off grade is based on results from the current Scoping Study. The preliminary economics indicate the Project has positive financial metrics over an initial mine life of 7 years with capital payback early in the life of the project.

As a result of the positive outcome of the Scoping Study the Ausgold Board has approved the commencement of the further studies and metallurgical test work, as well as a new drilling program with the aim of expanding the current Resource with a focus on targeting high-grade mineralisation within the Central Zone.

ABN 67 140 164 496
Level 16, AMP Building, 140 St Georges Terrace, Perth WA 6000
T: 08 9220 9890 **F:** 08 9220 9820 **E:** info@ausgoldlimited.com **W:** www.ausgoldlimited.com

Scoping Study – Cautionary Statements

The Scoping Study referred to in this announcement is a preliminary technical and economic study of the potential viability of developing the KGP by constructing a mine and processing plant. The Scoping Study referred to in this announcement is based on lower-level technical and preliminary economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or certainty that the conclusions of the Scoping Study will be realised.

Approximately 67% of the Life-of-Mine (LOM) Production Target is in the Measured and Indicated Mineral Resource categories and 33% is in the Inferred Mineral Resource category. The Company has concluded it has reasonable grounds for disclosing a Production Target which includes 33% Inferred Mineral Resources, given that the Scoping Study assumes first three years of production 80% of the mill feed is scheduled from Measured and Indicated Resource categories.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of further Measured or Indicated Mineral Resources or that the Production Target or preliminary economic assessment will be realised.

The Scoping Study is based on the material assumptions outlined elsewhere in this announcement. These include assumptions about the availability of funding. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the potential mine development outcomes indicated in the Scoping Study, funding in the order of A$102 million will likely be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed, however the Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the Project. It is also possible that such funding may only be available on terms that may be dilutive to, or otherwise affect the value of the Company's existing shares. It is also possible that the Company could pursue other strategies to provide alternative funding options including project finance.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

Management Comment

Ausgold's Managing Director, Matthew Greentree commented:

"The Scoping Study is a huge step forward for the Katanning Gold Project highlighting as it does the potential for a standalone mining operation. The Scoping Study outlines a base case for a 1.25 Mtpa mining operation capable of producing over 350Koz over an initial 7-year mine life with an attractive payback period of less than two and half years. The Study has been completed to a high standard by an experienced team of independent Western Australian based consultants who have developed conservative operating parameters providing a high degree of confidence in study outcomes. This provides a realistic base case at an A$2,000 per oz gold price providing an attractive payback period of less than 2½ years, with these economics being significantly improved when current spot gold prices are considered. The project is located less than 300km from Perth and close to high-quality infrastructure which supports the near-term development of the project. The significant near Resource exploration potential, improves the economics of this project with a planned drill program to further enhance projects economics."

"The Scoping Study highlights the potential for the development of a robust standalone gold operation and, as a result, the Ausgold Board has approved the commencement of further studies, metallurgical test work and new drilling programs with the aim of expanding the current Resource with a focus on targeting high-grade mineralisation to expand the current Resource within the Central Zone."

Scoping Study Financial Outcomes

Based on a proposed 1.25 Mtpa standalone mining and processing operation, the Scoping Study has demonstrated potentially strong financial metrics for the KGP (Table 1). The Scoping Study is based on the Mineral Resource Estimate for the KGP reported in this announcement comprising Measured, Indicated and Inferred Resources totalling **33.9Mt at 1.10 g/t Au for 1.2 million ounces of gold,** which includes 14.3Mt @ 1.29 g/t for 590Koz, with 49% of Resource ounces in Measured and Indicated categories**.**

Table 1 - Katanning Gold Project – Base Case Key Metrics

Study Outcomes	
Pre-tax $NPV_{8\%}$	Base Case of A$77M
Pre-tax Internal Rate of Return (IRR)	Base case IRR of 28.2%
Payback period	~ 2.5 years
C1 operating costs	A$1,276
All-In-Sustaining Costs (AISC)	A$1,615
Life of mine (LOM)	~7.2 years (including ramp-up)
Pre-production capital cost	~ A$102.5M
Net Cashflow	~A$136.0M
Annual Production	~ 50,000 Ounces Gold

C1 Cash operating costs include all mining, processing, state royalties, site administration and overhead costs
AISC includes C1 Costs and includes sustaining capital, site rehabilitation and corporate costs.

Approximately 67% of the LOM Production Target is in the Measured and Indicated Mineral Resource categories and 33% is in the Inferred Mineral Resource category. 80% of the first 3 years of production is scheduled from Measured and Indicated Mineral Resource category. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of further Measured or Indicated Mineral Resources or that the Production Target will be realised.

Figure 1 provides an indication of the sensitivities on the project economics.

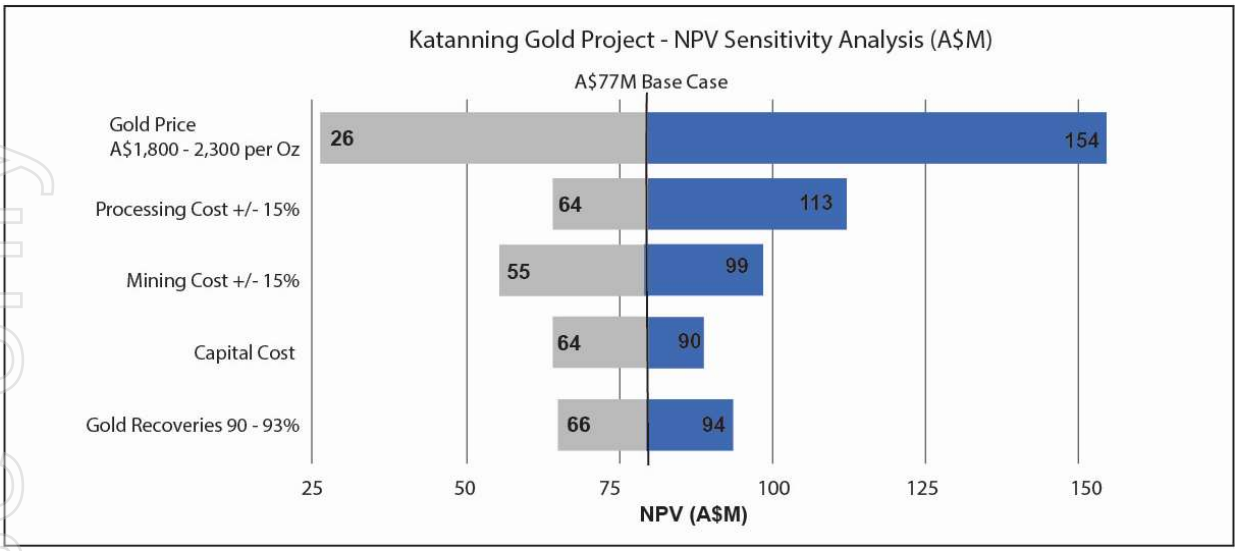


Figure 1 - NPV Sensitivity Analysis

Scoping Study Parameters and Assumptions

The Scoping Study was completed to an overall +/- 30% accuracy using the key parameters and assumptions set out in Table 2 and as further outlined in the Appendix 1. The Scoping Study has been completed with the assistance of a highly experienced and reputable group of independent consultants, including:

- GR Engineering Ltd – Process and Infrastructure Design, CAPEX and OPEX
- SRK Consulting Pty Ltd – Geology and Resources, Open Pit Optimisation and Mine Planning
- Knight Piesold Ltd – Tailings Management Facilities
- Sextant Pty Ltd – Environmental and Permitting

The recovery and grade assumptions in this ASX announcement are based on a historic test work and past mill performance. These assumptions will be further evaluated in the next phase of metallurgical testing.

Table 2 - Key Scoping Study parameters and assumptions

Parameter	
General and Economic	
Discount Rate	8%
Gold Price	A$2,000
Mining and Production	
Average LOM strip ratio	6.0
Processing Rate	1.25 Mtpa
LOM Production target	7.2 years
Average mined gold grade (diluted)	1.29 g/t Au
Gold Recoveries	90% (including 20% gravity)
Cost Assumptions	
LOM average open pit mining costs (A$/t mined)	A$3.30
LOM average processing costs (A$/ ore milled)	A$23.75
General and Admin (A$/t ore milled)	A$1.16
Western Australian State royalty	2.5%
Corporate tax rate	30%
Estimated opening tax losses	A$70M

Site Layout

Preliminary layout of the mine, process plant, Tailings Storage Facility (TSF) and waste dumps shown in Figure 2.

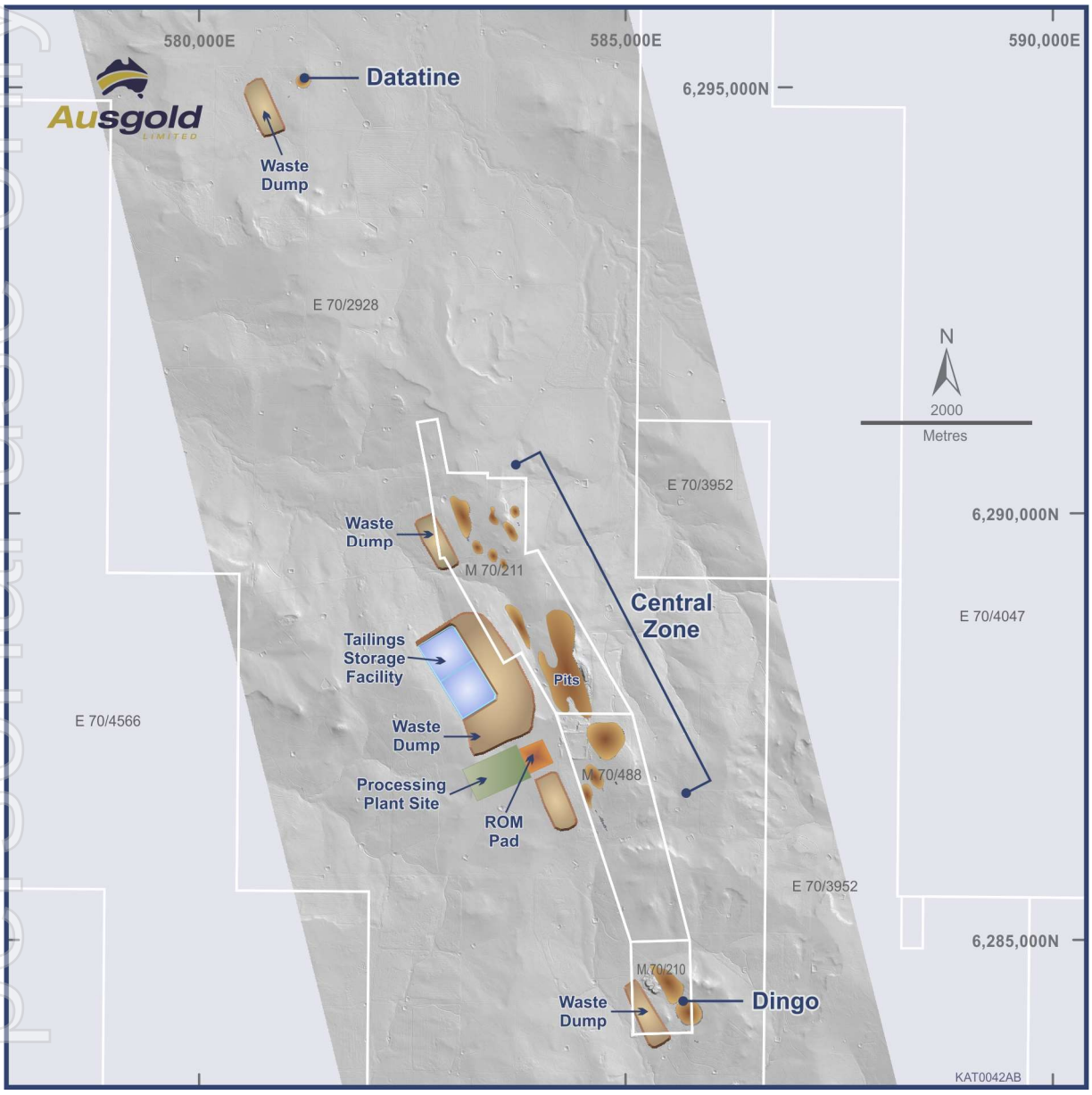


Figure 2 - Project layout showing the location of infrastructure and pits

Next Steps

Drilling is planned on the Central zone prior to the commencement of a Pre-Feasibility Study. Further exploration and resource drilling within the Central Zone is planned to further enhance the financial metrics and to de-risk key elements of the project. Metallurgical testing is planned to provide a better understanding of recoveries and processing costs, which have been conservatively estimated in the Scoping Study based on historical metallurgical results.

Growth Potential – Mineral Resource

The current Mineral Resource remains open both along strike and down-dip, and optimisation work indicates that the conceptual open pits are largely constrained by the limit of drill data. Exploration targets are outlined in ASX Release (26 Nov 2018) as well as additional extensional drilling within the Central Zone and Jackson Resource areas.

A comprehensive review is in progress to determine the potential Resource upside and the amount of drilling required to confirm this opportunity. High-grade gold targets have been identified at Jinkas South and Jackson which have the potential to add to the size and grade of the KGP Resource.

Metallurgical Optimisation

Historic metallurgical test work and plant performance from the previous mining operation undertaken between December 1995 until May 1997 was used as the basis for the development of the Scoping Study.

The purpose of the proposed test work program is to develop and confirm the design criteria, reagent consumption, optimise gold extraction and to investigate the variability in the deposits particularly for lower grade feed samples.

Key points

Inputs used in any future Prefeasibility Study will include:

- Metallurgy for different ore types or lithologies. Selection of samples representing head grades for each ore type to better establish gold grades and recoveries;
- Additional Resource and exploration drilling focused on the Central Zone;
- Confirming geotechnically competent ground conditions assumed from past mining;
- Receiving statutory clearances and environmental permitting; and
- Capital and operating cost estimates.

About Ausgold Limited

Ausgold Limited (ASX: AUC) 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 1.2Moz gold (Table 3).

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

Table 3 - Current Mineral Resource (details in of this ASX release)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	2.26	2.05	149
Indicated	11.99	1.14	441
Inferred	19.68	0.97	611
Total	**33.93**	**1.10**	**1,201**

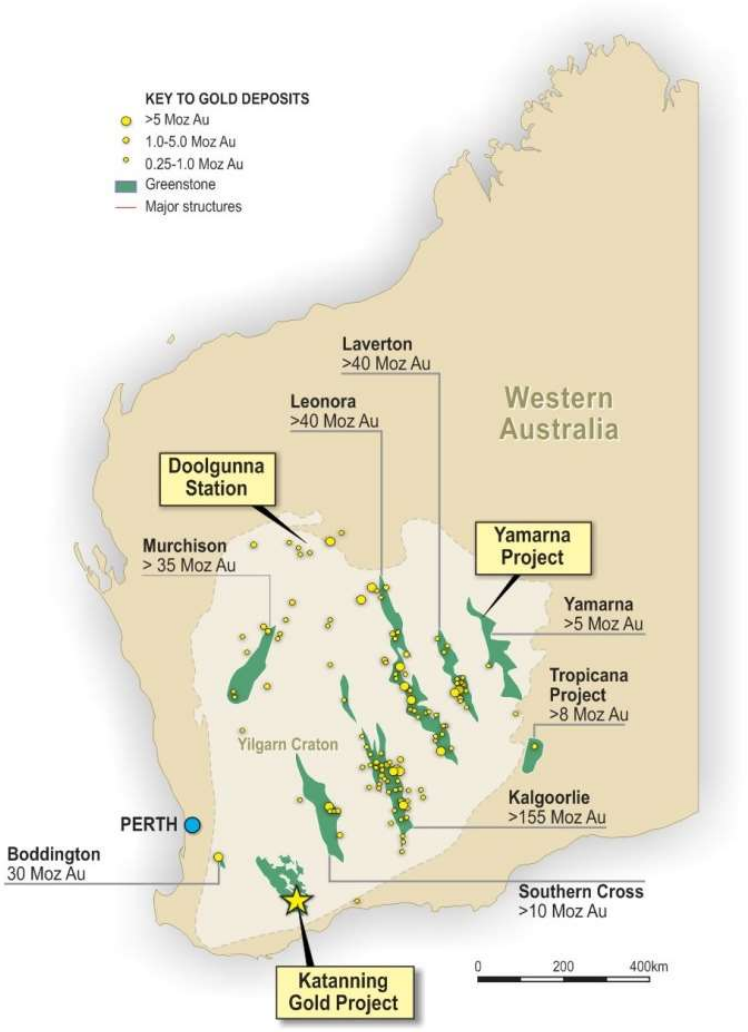


Figure 3 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

On behalf of the Board,

Matthew Greentree
Managing Director
Ausgold Limited

For further information please visit Ausgold's website or contact:

Matthew Greentree
Managing Director, Ausgold Limited
T: +61 (08) 9220 9890
E: info@ausgoldlimited.com

Appendix 1

Scoping Study Material Assumptions and Additional Information

Project Location and Tenure

The 100% owned KGP is located on granted Mining Licenses and exploration tenements within the Lake Grace Terrane, South West Yilgarn Craton, approximately 275km southeast of Perth, Western Australia (Figure 4). The Project is located near to the town of Katanning along sealed roads and has access to grid power in a well-regulated and established mining jurisdiction.

Figure 4 - KGP project location and Tenure

Mineral Resource and Geology

The Mineral Resource was prepared by independent consulting group SRK Consulting Pty Ltd ("SRK") and comprises **33.9Mt @ 1.10 g/t Au for 1.2 million ounces of gold using a cut-off of 0.6 g/t** with 42% of the Mineral Resource classified as Measured or Indicated (Table 4 and Table 14). The updated Katanning Gold Project Mineral Resource estimate involved using the 2019 drilling data to update the geological models for each of the mineralised lodes and then subsequent grade estimation using Ordinary Kriging interpolation. The Mineral Resource classification was primarily governed by areas of relatively uniform drill coverage with Mineral Resource boundaries extended approximately half the nominal drill hole spacing (Table 5). Details for this estimate are outlined in Appendix 1, the SRK Resource statement in Appendix 2 and the attached JORC Table 1 in Appendix 3. The Resource block model is show in plan (Figure 5) and long section (Figure 6).

Key Points:

- Additional 8.8 Mt and 162,070 Ounces of gold was added to the Mineral Resource when compared to the 2018 KGP Mineral Resource Statement, which was reported using a cut-off of 0.7 g/t.
- The updated Resource includes 589,690 ounces in Measured and Indicated categories
- An additional 33 drill holes have been included and have increased the total Measured and Indicated resource estimates. Remodelling of lodes within Jinkas and Jackson now includes more material categorised as Indicated
- The Total Mineral Resource is reported using a lower cut-off grade-off grade of 0.6 g/t Au, which is in-line with optimisation results. Details of the Mineral Resource estimate are provided in Table 4 and Table 14

Table 4 - Summary Gold Resources for the KGP

Resource category	Tonnes Mt	Grade (g/t au)	Contained gold (oz)
MEASURED	2.26	2.05	149,000
INDICATED	11.99	1.14	440,690
INFERRED	19.68	0.97	611,340
TOTAL RESOURCE	**33.93**	**1.10**	**1,201,030**

Notes to Table 4:
The 2019 Mineral Resources for the Central zone deposit are reported using a 0.6 g/t Au cut-off applied to individual model cells located above 200 mRL (approximately 160 m depth) at Dingo, Datatine, Jackson, Olympia and White Dam and above 130mRL (approximately 230m depth) at Jinkas whereas the 2018 Mineral Resources were reported above a 0.7 g/t Au cut-off applied to individual model cells located above 200 mRL Details are shown in Appendix 1 and 2. Tonnes have been rounded to the nearest 100t, Au ounces have been rounded to the nearest 10 ounces.

Table 5 - Resource categories drill spacing

Resource Category	Nominal Drill Spacing
Measured	20m x 20m
Indicated	30m x 30m
Inferred	<150mN x 150mE

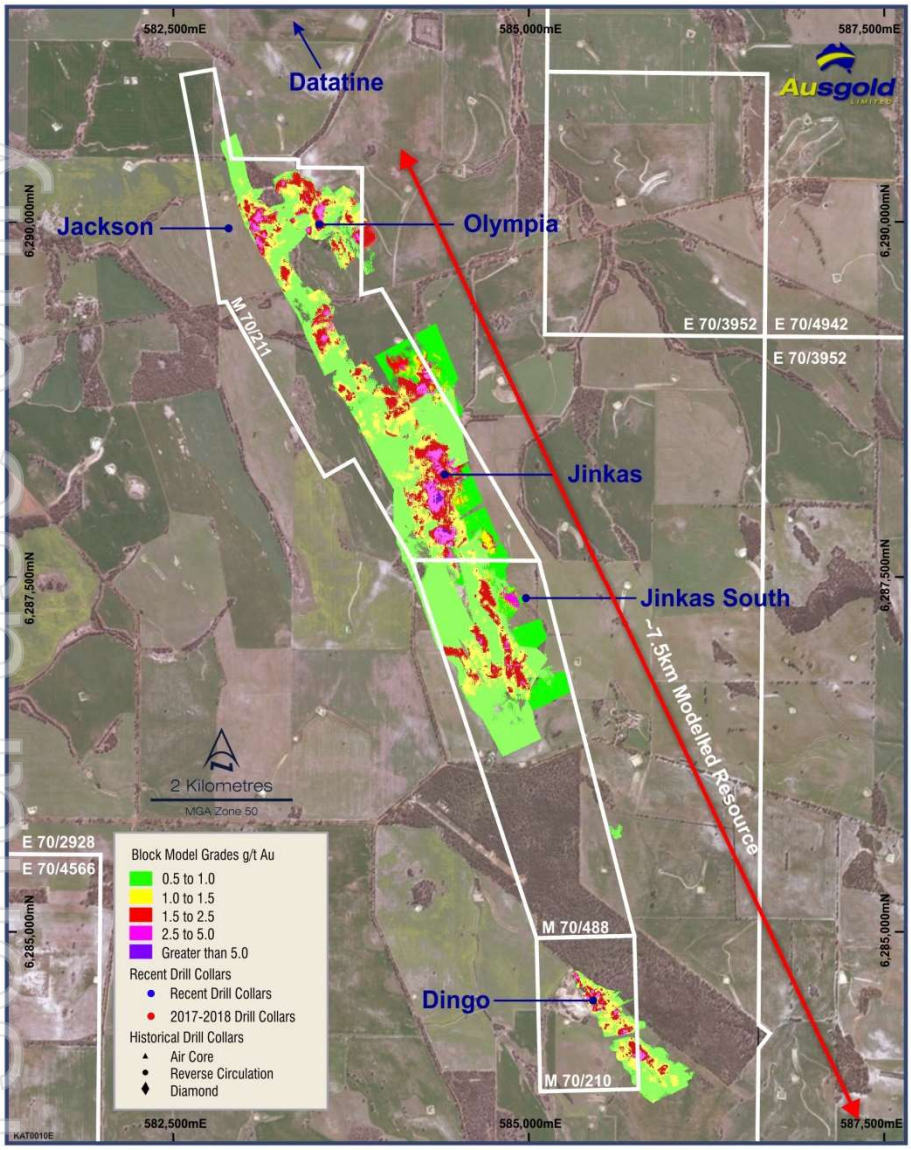


Figure 5 - Plan view of the KGP showing the Resource block model with high grade values highlighted

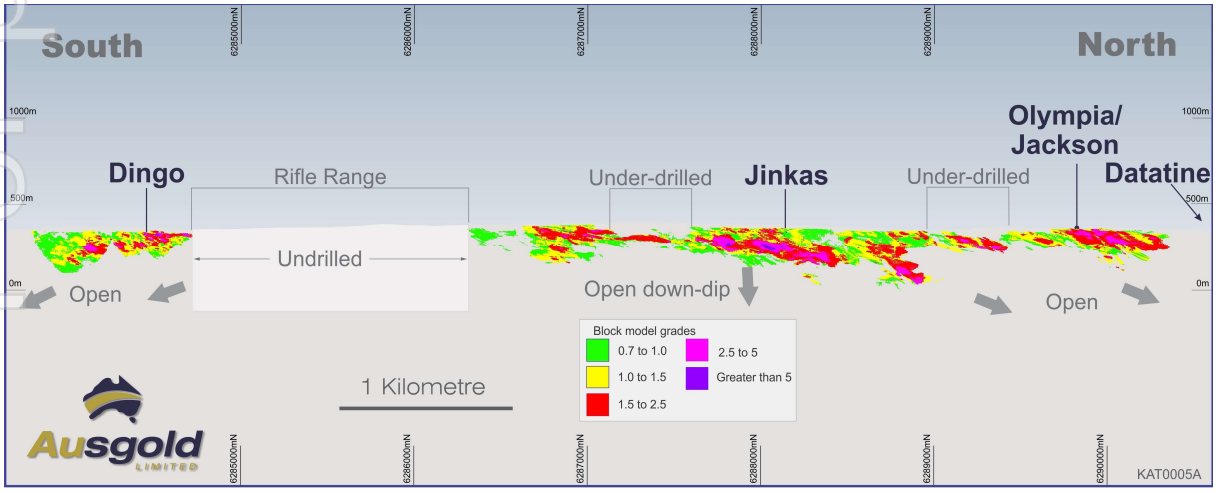


Figure 6 - Long section of view of the KGP Resource

Mining

SRK Consulting Pty Ltd (SRK) carried out an open pit optimisation and mining schedule study on the Mineral Resource to determine the appropriate scale of the operation. The optimisation concluded that the in-pit resource provides sufficient material to supply 1.25 Mtpa to the plant over 7.2 year LOM, which delivered the highest Net Present Value (NPV) under the Scoping Study (Figure 7).

The Scoping Study assumes that head grades will be diluted approximately 10% (to 1.29% Au) due to waste or sub-grade material being excavated along with ore during mining. A conceptual pit designs optimised on a A$1,900 gold price for this Scoping Study are shown in Figure 8, Figure 9 and Figure 10.

As shown in Table 5 below, 70% of the mill feed is scheduled from Measured and Indicated Resource categories during the proposed 7.2 years of operation, with mining over the first three years consisting of 80% Measured and Indicated Resource categories during the time when the initial estimated capital is paid back.

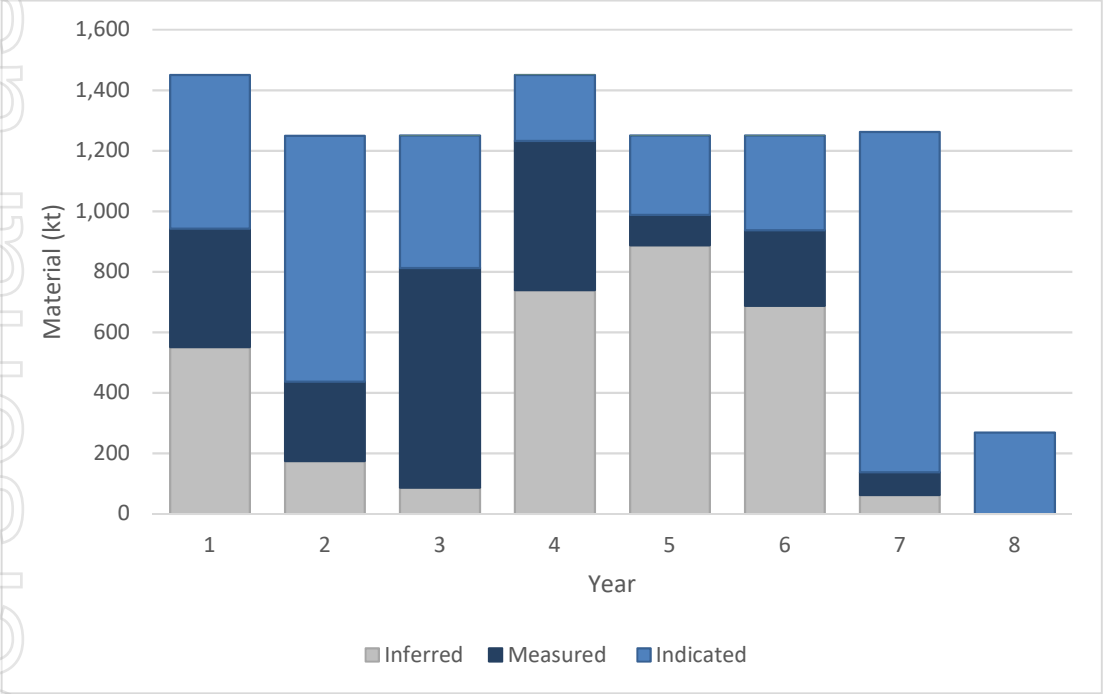


Figure 7 - Production by Year showing Resource classification

Geotechnical

Limited geotechnical work has been completed, however, based on existing historic open cut the ground is expected to be competent and no allowance has been made to cover the risk of poor ground conditions.

Overall slope design parameters were based on a preliminary review of geological structures and slopes of existing historic open pits. A slope angle of 46° has been applied to pit designs and this will be further refined with future studies.

Dewatering

Based on data from existing open pits, analysis suggests that pit inflows will be manageable by conventional dewatering.

Open Pit Mine Design Physicals

The open pit shells and the site lay out for the KGP is illustrated (Figure 8, Figure 9 and Figure 10). The pit-optimisation estimates a marginal cut-off grade of 0.56 g/t Au based on the parameters in Table 6.

Open pit mining is scheduled using a two-stage approach. Stage 1 mining focuses on the Central Zone and Dingo where higher-value material which has lower stripping ratios and higher gold grades is targeted in years 1 - 5. The second stage commences from Year 5, with the addition of material from a cut-back (Stage 2; Figure 8 and Figure 9) within the Central Zone and the southern Dingo deposits in years 5 – 7. Mining at the Datatine deposit is undertaken in year 8.

The deposits area described below:

- Central Zone contains 7.1 Mt contained ore and 44 Mt of waste, with a stripping ratio of 6.2:1
- Dingo contains 2.07Mt contained ore and 10.9 Mt of waste, with a stripping ratio of 5.3:1
- Datatine contains 0.27 Mt contained ore and 1.3 Mt of waste, with a stripping ratio of 4.8:1

Table 6 - Pit Optimisation Parameters

Description	Units	Value	Source
Maximum slope angle	degrees	46°	measurements of existing open pit
Mining unit costs	$/ t material mined	3.30	mining contractor quotation and industry benchmarking
Ore loss and waste dilution	%	10	In-pit insitu rock, drill core, resource model and consideration of mining methodology
Processing Cost	A$/t ore	23.76	GR Engineering
Recoveries	%	90	
Surface haulage Dingo	A$/t ore	0.40	mining contractor quotation and industry benchmarking
Surface haulage Datatine	A$/t ore	1.40	
Grade Control costs	A$/t ore	1.00	developed from first principles
ROM Rehandle	A$/t ore	0.40	benchmarked
Gold price	A$/oz	1,900	Assumed with no escalation
Minimum mining width	M	20	SRK study
Block size	M	5 x 10 x 2.5	

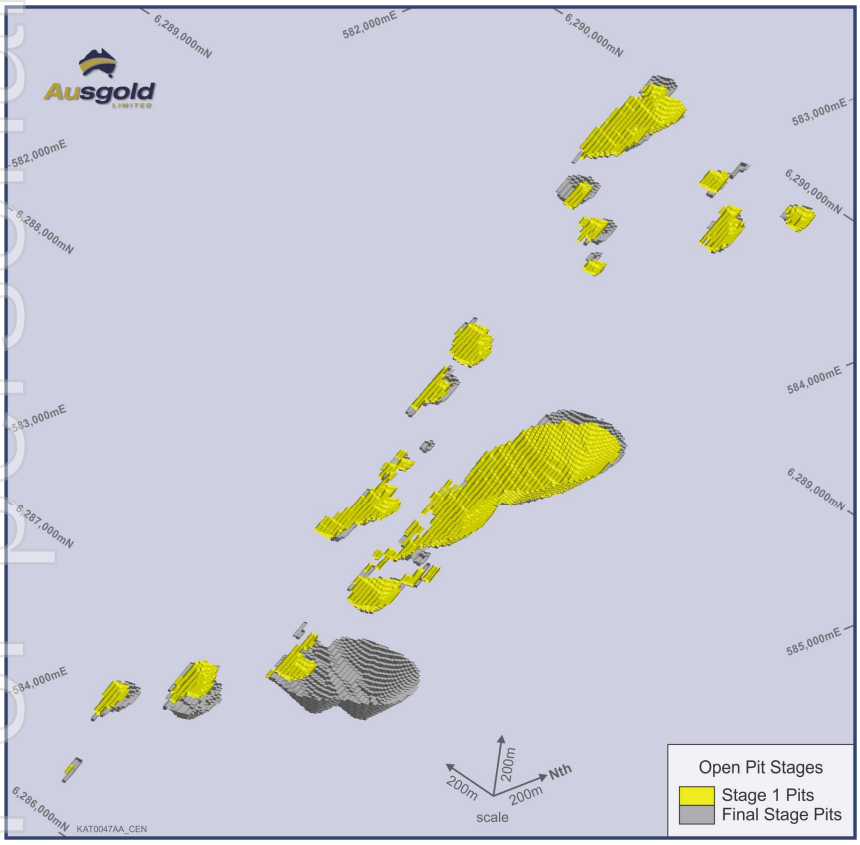


Figure 8 - Central zone optimised pit shells showing stage 1 and stage 2 cut-backs

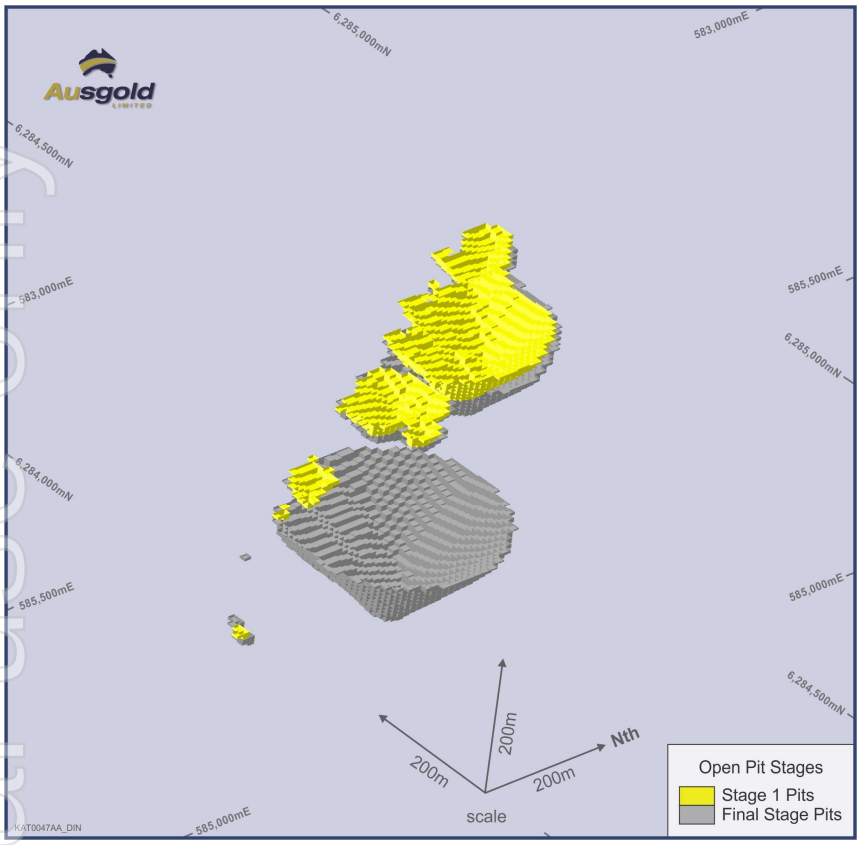


Figure 9 – Dingo optimised pit shells showing stage 1 and stage 2 cut-backs

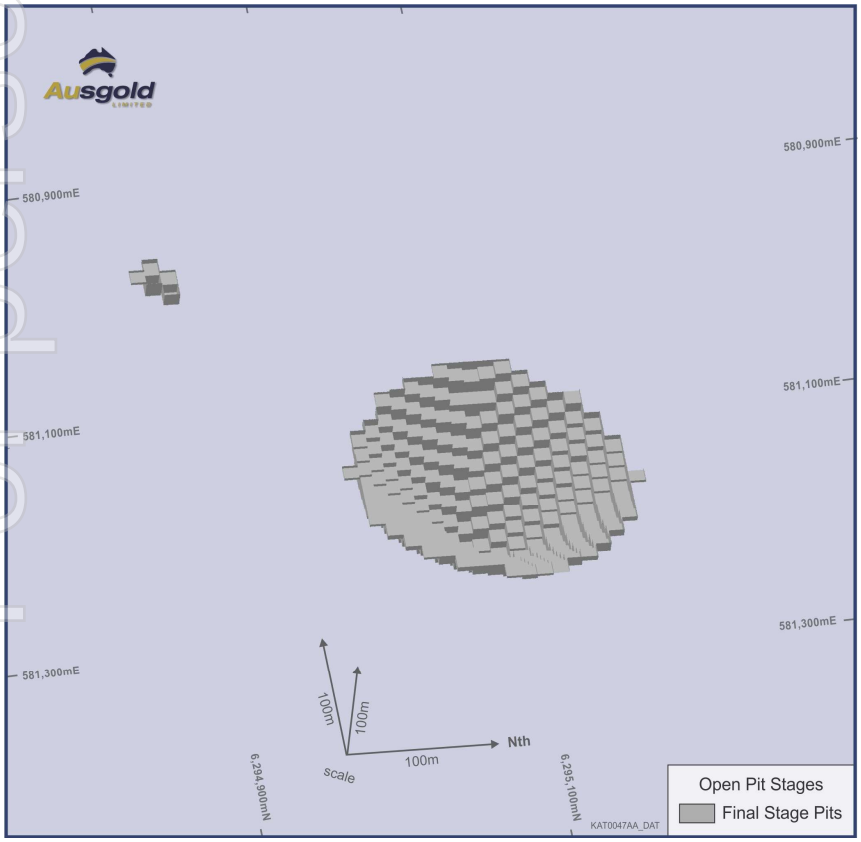


Figure 10 - Datatine optimised pit shell

Mine Production Schedule

The proposed mine schedule for the KGP is shown in Figure 11 and was developed from the in-pit Resource inventories. The first year of mining includes a 7Mt pre-strip. In the following years the average mining rate of 8.2 Mtpa continues for a mine life of 7.2 years. It is assumed that the KGP will be a contract mining operation, with these metrics being based on a standard, 3-panel, 2-on-1-off drive-in drive-out roster for personnel based in Katanning with a single fleet including approximately 84 mining, maintenance and supervision personnel that will be required for the majority of the project.

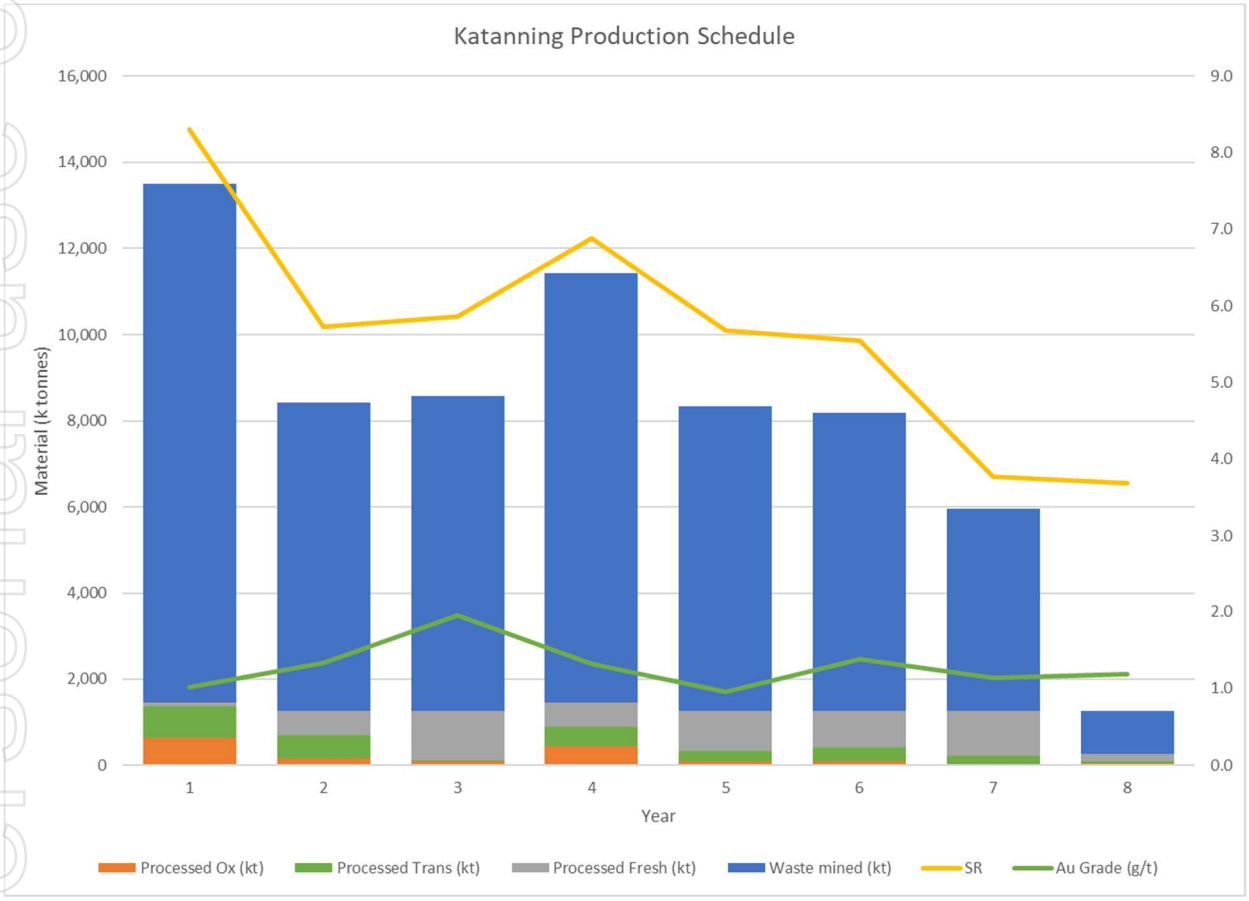


Figure 11 - Production by Year showing material movement and grade

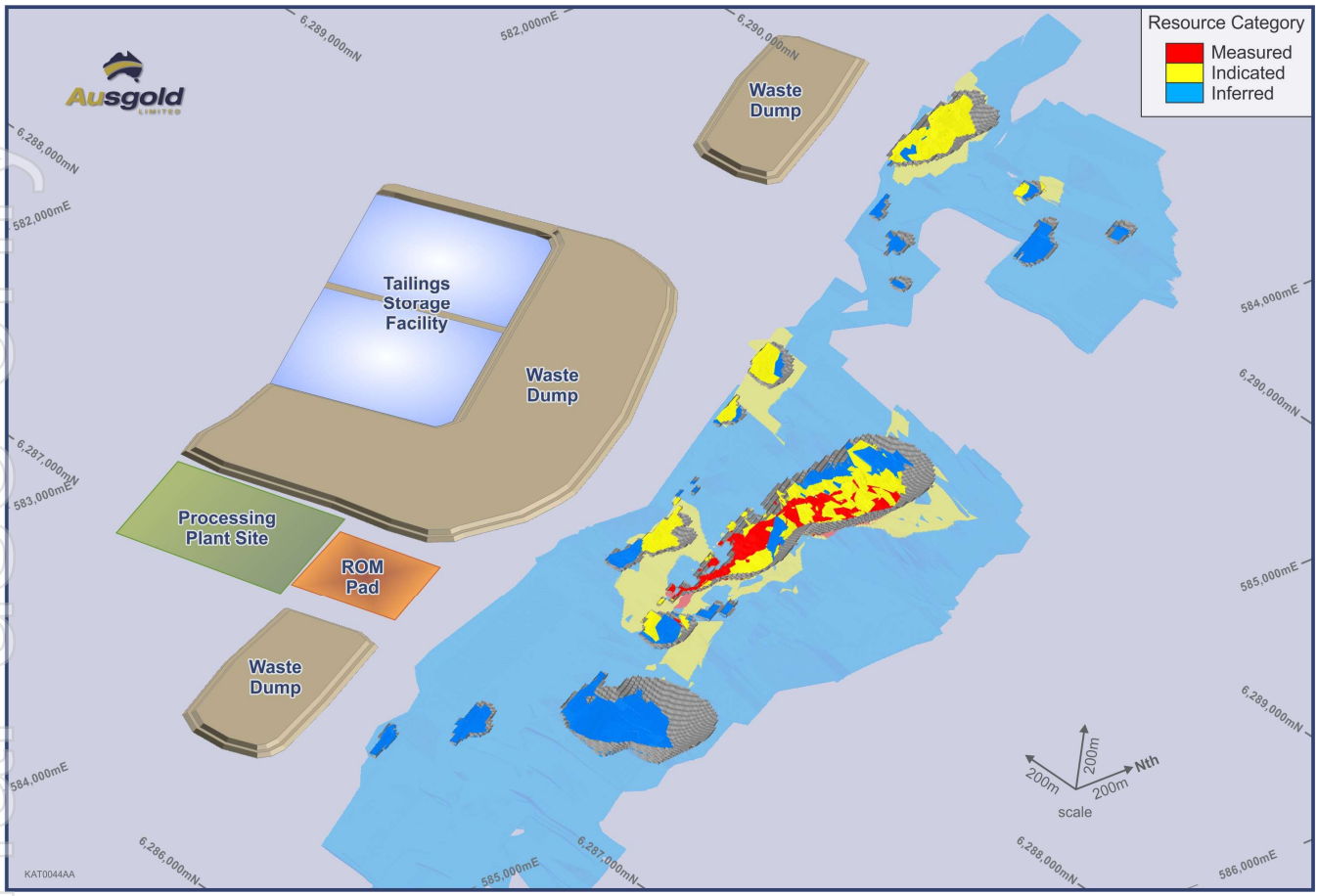


Figure 12 - Central Zone conceptual pit and plant layout with Resource block model shown by Resource category

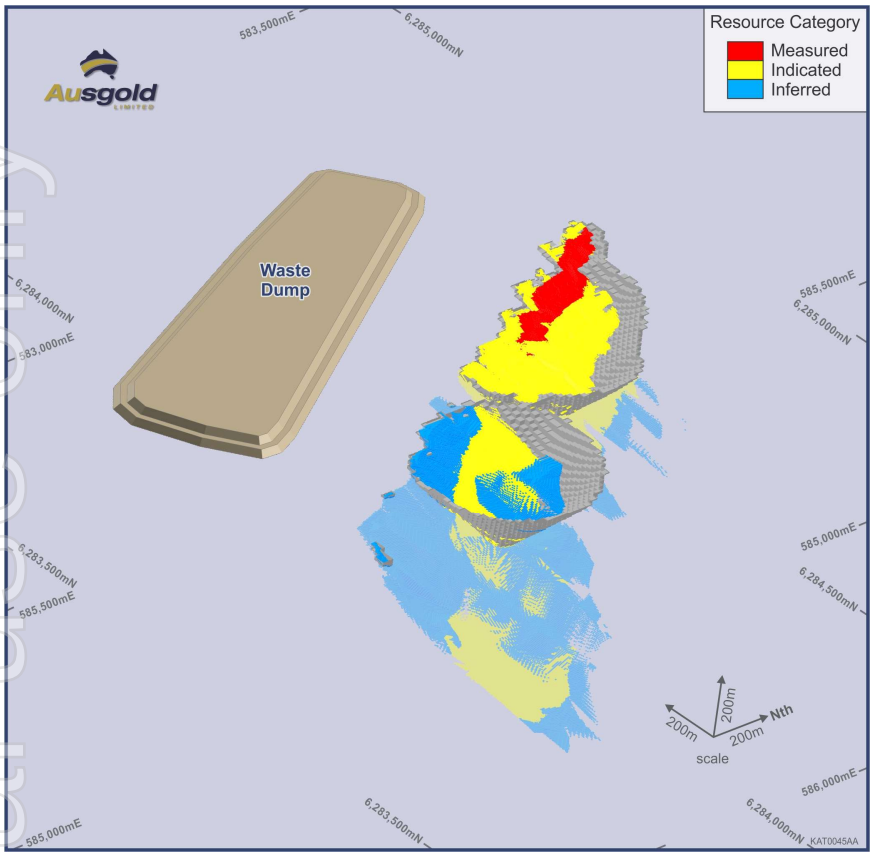


Figure 13 – Dingo Conceptual pit design with Resource block model shown by Resource category

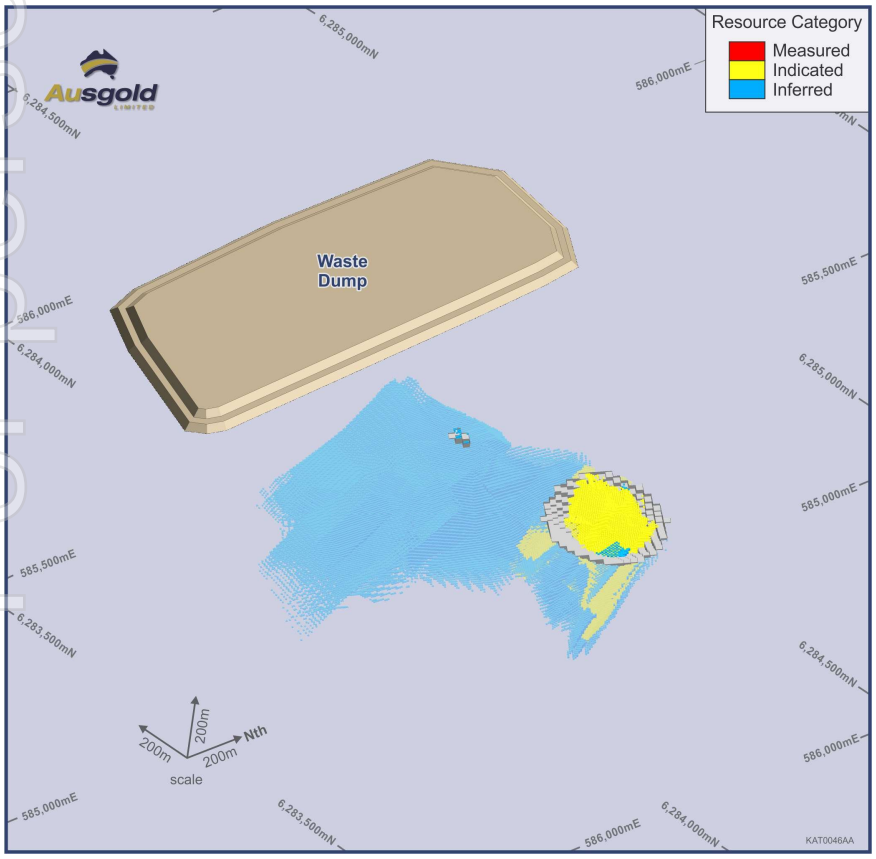


Figure 14 – Datatine conceptual pit design with Resource block model shown by Resource category

Metallurgy

Test work on samples from the KGP was undertaken over the period 1984 to 2014. This test work and the results from the plant operation in 1996 and 1997 have been used in interpreting the metallurgical behaviour of the material comprising the KGP, and in generating the process plant design and metallurgical performance reported in the Scoping Study.

The test work focussed on samples from the Jinkas Hill and Dingo Hill deposits. Treatment comprised both oxide and primary ore from the Jinkas Hill and Dingo Hill pits. No testing or treatment of material from the Jackson, Olympia and Datatine deposits has been done and it has been assumed for scoping level that these deposits will behave in a similar manner.

Key Design Parameters

The key process design parameters for the process plant of the KGP, derived from the test work and operation are as follows:

Milling Circuit Design

- Annual throughput 1.25 Mtpa
- Bond ball mill work index 25 kWh/t
- Abrasion index Ai 0.35
- Crushing circuit product size -12 mm
- Crushing circuit utilisation 70%
- Milling circuit product size P80 106 µm
- Milling circuit utilisation 95%
- Milling circuit treatment rate 150 t/h

Extraction Design – Gravity-Leach-Adsorption

- Head grade (design) 1.7 g/t Au
- Gravity gold recovery 20%
- Leach gold extraction (design) 90%
- Residence time 24 hours
- Pulp density 42% w/w solids
- pH 10

Process Plant Description

The processing facility has been designed based on the historical test work and operating data for ore from the Jinkas Hill and Dingo Hill deposits. The remnant ore in these deposits, their pit extensions (Jinkas North and South), and from the nearby Jackson, White Dam, Olympia and Datatine deposits will consist of oxide and primary ore types and several lithologies. The processing plant will incorporate the following unit operations:

- Three stage crushing to a P80 of 9.5 mm;
- Grinding in a single stage ball mill to a P80 of 106 µm;
- Leach feed thickening;
- Cyanidation and carbon adsorption using a leach and CIP circuit;
- Elution, electrowinning and gold recovery;
- Tailings disposal;
- Reagent mixing, storage and distribution;
- Electrical power distribution and control systems;
- Water and air services.

The key process design criteria are presented in Table 7.

Table 7 - Summary of Design Criteria

Description	Units	Value	Source
Annual Throughput	tpa	1,250,000	Calculated
Crushing Plant Utilisation	%	70	GRES
Grinding Circuit Utilisation	%	95	GRES
Operating Hours	h/a	8,000	Calculated
Head Grade - Gold	g/t	1.29	LOM Mine Schedule
Estimated Gold Recovery	%	90	Calculated by GRES
Gold Production	oz/a	50,000	Calculated by GRES

The crushing circuit will have a throughput of 250 dry tonnes per hour to generate a crushed product size P_{80} of 9.5 mm. The crushing plant will comprise three stages of crushing and operate with an utilisation of 70%. Product will be conveyed to a fine ore storage bin.

The jaw crusher will be a 150 kW single toggle jaw crusher having a gape of 1,220 mm by 950 mm (48” by 36”). The crusher will operate with a closed side setting of 90 mm and generate a product with a P_{80} of 100 mm. The crusher product will be discharged onto the primary crusher discharge conveyor.

The primary crusher discharge conveyor will discharge onto the secondary crusher feed scalping screen, a double deck vibrating screen, 1.8 m wide by 3.0 m long. The scalping screen will be fitted with a 70 mm square aperture rubber top deck and 35 mm square aperture rubber bottom deck. The oversize from both decks will report to the secondary cone crusher.

The secondary cone crusher discharge and undersize from the scalping screen will report to the product screen feed conveyor along with the discharge from the tertiary crushers.

Two, short head cone crushers will do the tertiary crushing duty. Each crusher will be fed by a 1.0 m wide by 4.0 m long vibrating pan feeder from a dual compartment tertiary crushing feed bin.

The tertiary crushers will operate with a closed side setting of 12 mm and will be driven by 225 kW motors. The discharge from the tertiary crushers will report to the product screen feed conveyor.

The product screen will be a double deck vibrating screen fitted with a top deck square aperture of 25 mm and a bottom deck aperture of 12 mm to generate a product size P_{80} of 9.5 mm. Oversize from both decks of the product screen will be conveyed to the tertiary crusher feed bin. A cross belt, self-cleaning magnet located over the tertiary crusher feed conveyor will remove any tramp metal prior to the tertiary crushers. A metal detector will also be fitted to the tertiary crusher feed conveyor.

The product screen undersize will fall onto the fine ore bin feed conveyor which will have a weightometer fitted to record the crushed ore tonnage.

The fine ore bin will have a capacity of 2,500 tonnes equivalent to 17 hours of milling.

The grinding circuit will have a design throughput of 150 t/h and utilisation of 95% and product size P_{80} of 106 μm. It will consist of a single stage ball mill operating in closed circuit with a cluster of cyclones. A gravity circuit will be fed a split from the cyclone underflow.

The ball mill will be a 5.7 m diameter (inside shell) by 8.1 m long mill driven by a 5,000 kW motor. The ball mill has been sized to operate at 75% of critical speed with a ball charge of 32% drawing 4,900 kW. It will be rubber lined. Oversize from the mill discharge trommel fitted with 8 mm by 18 mm slotted apertures will report into a scat bay while undersize will report to the cyclone feed hopper. Two cyclone feed pumps will be arranged in a duty – standby configuration. The mill discharge slurry will be pumped to a cyclone cluster of ten 250 mm diameter cyclones (eight duty and two standby). The cyclone overflow will gravitate to a 1.2 m wide by 3.6 m long horizontal vibrating, trash screen with 0.8 mm cross flow apertures.

The cyclone underflow will be split between a gravity circuit and return to the ball mill feed. The gravity circuit will comprise a step deck feed screen, 1.2 m wide by 3.0 m long, a centrifugal concentrator and an in-line leach reactor. The gravity feed screen will have slotted apertures 2.4 mm wide and 10 mm and 20 mm long to remove coarse material which will be returned to the ball mill feed. The undersize will feed the concentrator. Concentrate batches will discharge to the feed hopper of the ILR where intensive cyanidation will leach the precious metals. The pregnant solution will be pumped to the gravity electrowinning feed tank.

The leaching and adsorption circuit will consist of two leach tanks and six adsorption tanks to provide a hybrid CIL circuit with 6 hours of leaching and 18 hours of CIL. Sodium cyanide solution mixed to 15% strength will be dosed to the leach feed slurry.

The leaching train will consist of two 800 m^3 agitated leach tanks and six 800 m^3 adsorption/CIL tanks arranged in series providing a total of 24 hours residence time. Each tank will be able to be bypassed. Each adsorption tank will be fitted with a single 5 m^2, cylindrical interstage screen.

Carbon will be advanced through the adsorption circuit counter current to the pulp, on a batch basis, by airlifts. Loaded carbon from the first stage of adsorption will be pumped to the loaded carbon screen. The loaded carbon screen will be a 1.2 m wide by 2.4 m long, horizontal, wet vibrating screen with 0.8 mm apertures. Loaded carbon from the loaded carbon screen will gravitate into the acid wash column.

The design advance rate for the split AARL elution circuit will be 3 t/d and seven strips per week will be completed. Two columns will be provided – one for the acid wash and one for elution.

The batch of pregnant eluate will be pumped by the elution electrowinning pump to a 800 mm by 800 mm electrowinning cell. The electrowinning cell discharge solution will gravitate back to the pregnant eluate tank.

The barren carbon will be transferred from the elution column to the kiln dewatering screen. The regeneration kiln will be a horizontal rotary type unit, LPG fired and capable of a nominal 200 kg/h throughput.

The gold recovered by electrowinning will be pressure washed from the electrowinning cell cathodes, filtered and dried prior to smelting to produce gold doré. A safe and a vault will be provided in the gold room to store the valuable products.

Tailings from the adsorption circuit will gravitate to the carbon safety screen, a 1.5 m wide by 3.6 m long vibrating screen. Screen undersize will be pumped to a tailings thickener to dewater the slurry to an underflow density of 60% solids, the tailing will then be pumped to the TSF for disposal.

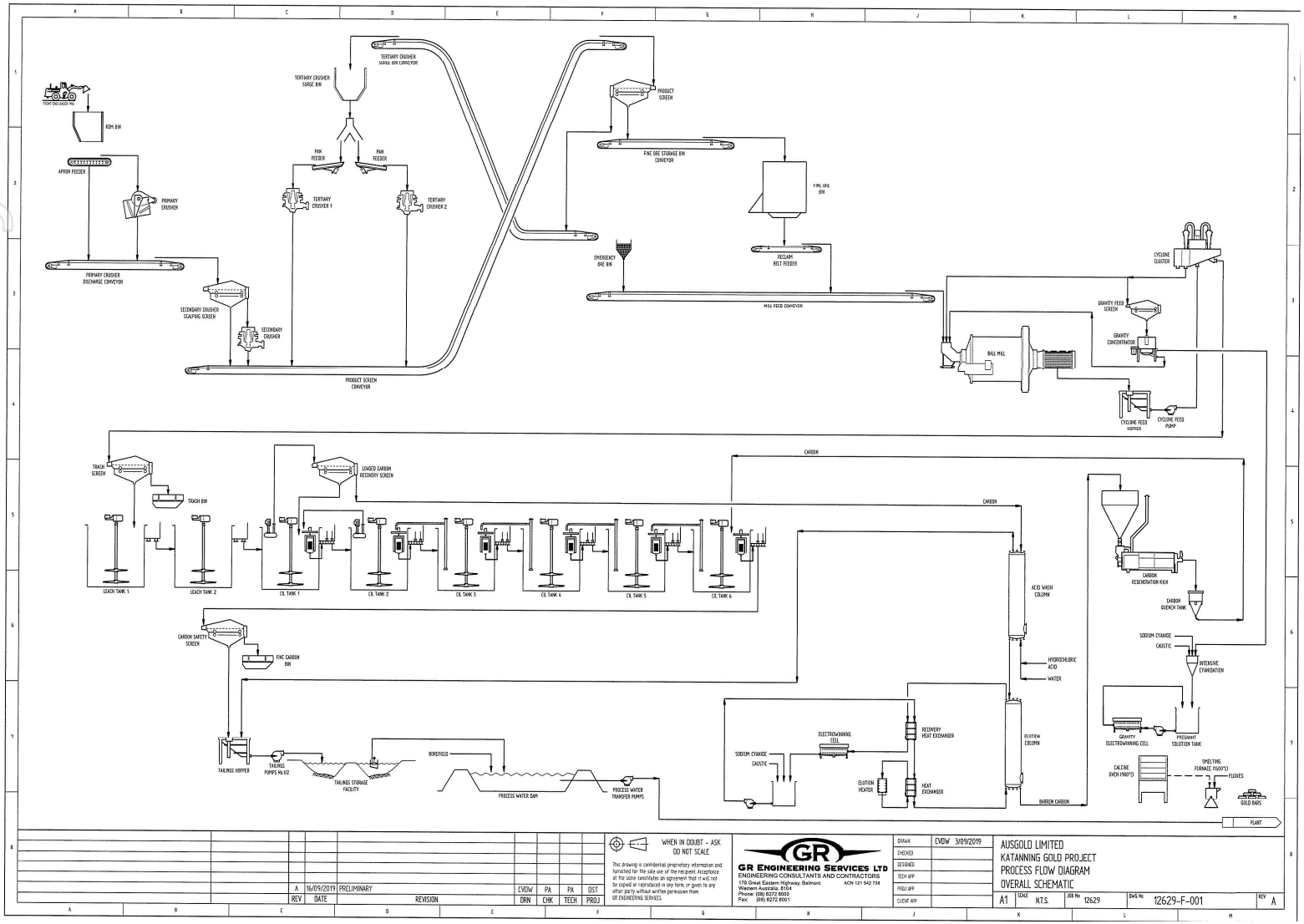


Figure 15 - Processing flow diagram

Project Infrastructure

Site Development and Access Roads

Existing shire roads will provide access to and from Katanning and the Project site

Power Supply

Based on the proposed processing rate 55.6 GWhr per year of power will be required. In this study power is assumed as being supplied by an onsite Liquified Natural Gas (LNG) power station operated by a specialist power generation company with power charged at a $0.17/kWhr tariff, which includes capital costs.

Discussions with Western Power are in progress as a 22kV Western Power overhead power lines run adjacent to the Project site and may provide part of the Projects power requirements.

Water Supply

A bore field will supply the raw water demand for the process plant. The plant will use tailings thickener and a decant return system to maximise water recycle from the TSF.

Accommodation

Accommodation for the operations workforce will be provided in Katanning approximately 35km from the project. Workers will be bused or will drive-in and out on a daily basis.

Plant Buildings

Several plant buildings have been allowed including administration office, first aid room, plant office, ablutions, crib room, maintenance workshop, warehouse, reagent storage, laboratory and control room.

Mine Services

An allowance for mine services and other facilities is included on the basis of provision by the selected mining contractor.

Tailings and Water Management

Tailings Storage Facility (TSF)

The tail from the process plant will be thickened and then pumped into a two-cell clay lined TSF located west of the plant and open pit. The TSF has been designed to provide an initial 1.87 Mt capacity with an additional cell is added after 18 months, with annual lifts added progressively to support production with a total TSF capacity of 9.42 Mt.

Water Management

Surface water runoff around the mine area and associated infrastructure will be managed to limit the environmental impacts in the area. Water from adjacent streams will be controlled away from mine infrastructure (waste rock dumps, open pits, process plants, roads and mine camp infrastructure). Also, runoff generated from mine infrastructure will be managed to make certain that any water discharged off the mine areas has no impacts on the downstream environment.

Permitting

Tenements

The Project has the following mining tenure; M70/210, M70/211, M470/488, L70/13 (tailings pipeline and road), G70/84 (tailings), G70/85 (process plant), L70/32 (water) and L70/33 (pipeline).

Infrastructure including processing facility, TSF and waste dumps are likely to be located on E70/2928 with conversion to an appropriate tenement classification to be progressed.

Approvals

Approvals will be potentially required for the proposed project under the following legislation:

- Mining Act;
- Environment Protection and Biodiversity Conservation Act;
- Environmental Protection Act;
- Mines Safety and Inspection Act;
- Dangerous Goods Safety Act;
- Health Act.

Environmental Assessment and Community

Environmental

The majority of the project is located on cultivated land, with the project layout designed to minimise any environmental impact on any remnant native vegetation. Mattiski Consulting completed an environmental review of the flora and fauna in the existing environment for the Project and its surrounds during October 2018.

Social Impact and Consultation

Stakeholder consultation is ongoing and includes local landowners, particularly those affected by the Project. Consultation is also planned for the Shires of Wagin, Dumbleyung and Katanning, the local community and businesses, as well as special interest groups.

Aboriginal Heritage

Written consent under section 18(3) of the Aboriginal Heritage Act 1972 for Jinkas Hill dated 24 January 2018 was granted by the Honourable Ben Wyatt MLA to disturb and remove the registered Aboriginal Heritage Site 5353 known as “Jinkas Hill”, which is located on the eastern side of the Jinkas Pit. Archaeological studies have shown no evidence for any other heritage sites in the project area.

Financial Information

A financial evaluation was completed using the Base Case production target of 9.4 million tonnes of potential mill feed at an average mill feed grade of 1.29 g/t Au and a life of mine strip ratio of 6:1.

Life of Mine Financials

Table 8 - Life of Mine Cash flows (±30% accuracy)

Item		A$M
Revenues		704.0
Operating costs		442.0
Capital expenditure	- pre-production	102.5
	- sustaining	16.7
Royalties		17.6
Corporate tax		28.2
Life of Mine Project Net Cash Flow		**136.0**

Capital Expenditure

The Project capital cost estimate was compiled by GR Engineering Services Ltd and reflects the assumptions and parameters outlined in the Scoping Study.

Table 9 - Capital Cost Estimate Summary (±30% accuracy)

Main Area	Capital (A$M)
Treatment Plant	87.9
Mining	14.6
Project Total	**102.5**

Sustaining capital is estimated at A$2.09 per annum.

Operating Cost Estimate

The Project has an estimated C1 cash cost exclusive of royalities of A$1,206 per ounce.

Mining Estimate

The total ore excavated for the project is 9.4 million tonnes with a mining operating cost of $199.7M over the life of the mine. Costs have been derived from Mining contractor estimates with the assumption that the contractor is engaged over the life of the Project. The mining cost estimate is summarised in (Table 10).

Table 10 - Mining Operating Cost Summary (±30% accuracy)

	A$ per Tonne Mined		
Operating Cost	**Central**	**Dingo**	**Datatine**
Mining	3.06	2.92	2.92
Grade Control	1.00	1.00	1.00
Haulage	0.00	0.60	1.20
General & Administration	0.20	0.20	0.20
Royalties	1.87	1.87	1.87
Total ($/tonne)	**6.13**	**6.59**	**7.19**

Processing and G&A Estimate

Process plant operating cost estimates for the Project have been developed by GR Engineering based on a design treatment rate of 1.25 Mtpa with the plant operating 24 hours per day, 365 days per year and a 91.3% plant utilisation (nominal 8,000 hours per year). The plant operating cost estimate is summarised in Table 11

Table 11 - Process and G&A Operating Cost Summary (±30% accuracy)

Cost Centre	A$ tonne of ore milled	
	Oxide	**Fresh**
Power	6.28	8.00
Maintenance Spares & Consumables	1.13	1.37
Operating Consumables	7.03	8.58
Labour	5.59	5.52
General & Administration	1.05	1.05
Total (A$/tonne)	**20.47**	**24.19**

Figure 16 and Figure 17 illustrate the net cash flows after tax per annum and the revenue streams and operating costs associated with the project including royalties and taxes. This demonstrates a potential payback in year 3 of production.

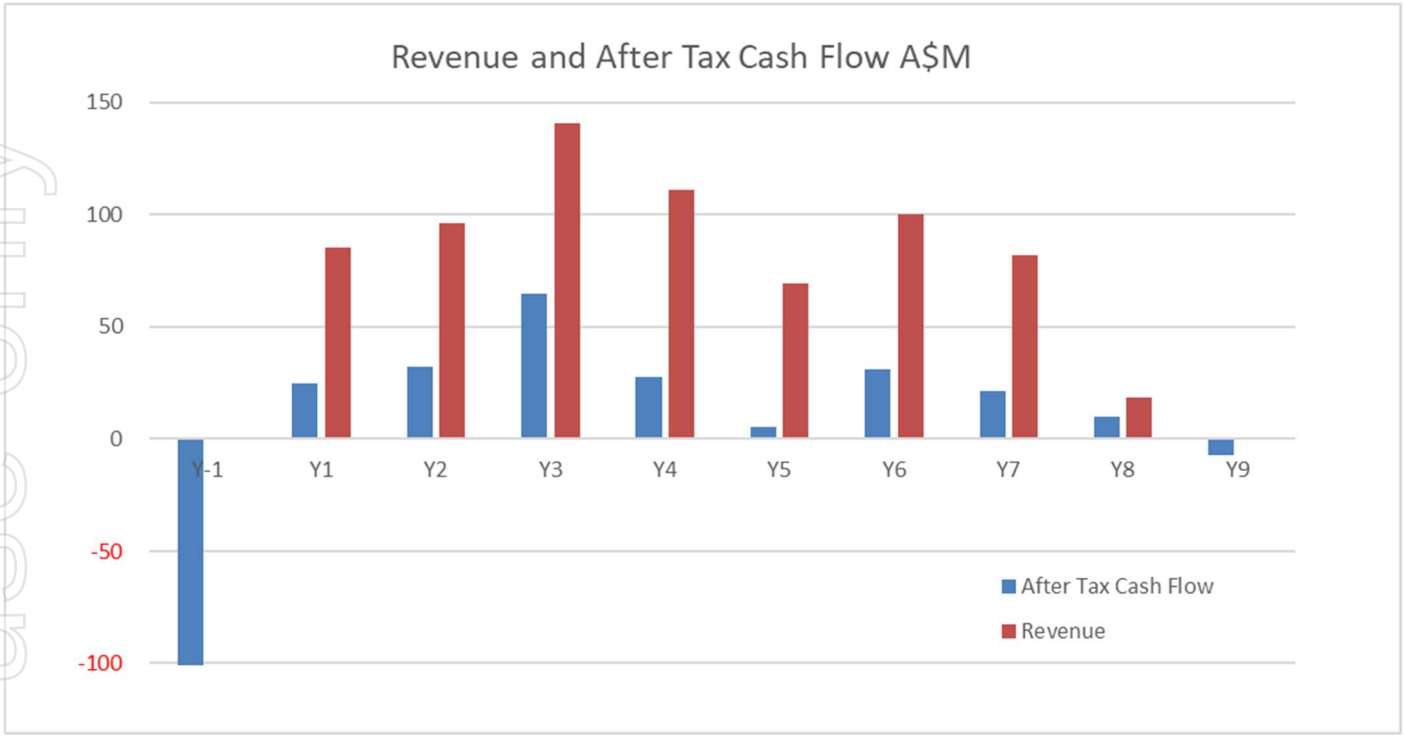


Figure 16 - After tax free cash flow and revenue

Figure 17 - Operating costs

Foreign Exchange

All capital and operating prices and costs are provided in Australian dollars (A$).

Commodity pricing

Independent gold pricing forecasts have not been obtained for this Scoping Study. A gold price of A$2,000 per ounce has been assumed for the life of mine in this Scoping Study. Pricing has been obtained from various public domain analyst reports and company reports from gold developers and producers.

Project Funding

Based on the Scoping Study results, there are reasonable grounds to believe that the KGP can be financed to development in the future. It is most likely that any financing would be undertaken via a combination of debt and equity, in a similar manner to several comparable projects in Western Australia which have been funded in the past 24 months.

Under current conditions, debt may be secured from several sources including Australian banks, international banks, the high yield bond market and resource credit funds.

There are several factors that will influence the ability of Ausgold to secure funding including (but not limited to) a requirement to have Mineral Reserves that could be hedged.

The Company remains confident that its market capitalisation will converge closer to the Companies future funding Requirement, particularly as the project is further de-risked and the great certainty of initial development capital cost funding is obtained. Any share price appreciation and the resultant increase in market capitalisation facilitates larger equity component to funding improving the Companies ability to finance the project.

The companies Board and management have significant experience in securing financing and developing gold projects in Australia. The company has a strong history of successful capital raises with A$9.8M raised in the past 2 years to sophisticated investors, institutions and shareholders.

In addition, the Company is confident that the current project will be further expanded with a larger Mineral Resource than has been used as a basis for the current Scoping Study.

It is possible that funding may be dilutive to, or otherwise affect the value of the Company's existing shares.
It is also possible that the Company could pursue other strategies to provide alternative funding options including undertaking a corporate transaction, or, seeking a joint venture partner.

Implementation

Further feasibility studies will now commence and are expected to be completed in early 2021. It is currently estimated that construction could commence at the end of 2021 and with first production in early 2023.

Appendix 2

Resource Estimation

The upgraded Resource used by Ausgold within this Scoping Study at its 100% owned Katanning Gold Project has been conducted in accordance with industry accepted best practice for gold Mineral Resource estimation and classification in accordance with the 2012 edition of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012).

Mineral Resource updates were completed for the Jinkas, Jackson, Olympia and White deposits (collectively the Central Zone deposits) following the completion of seven diamond (DD) and twenty-five reverse circulation (RC) drill holes targeting infill areas of Jinkas, Jackson and White Dam which were completed between March and May 2019. In addition, the 2019 Mineral Resources for the Central Zone are reported using a lower cut-off grade of 0.6 g/t Au after guidance from the associated KGP scoping study (Table 12 and Table 14).

SRK completed a review of the previous 2018 geological models and resource estimation settings for all four deposits. There were only minor geological model updates conducted on the White Dam lodes, with more extensive updates required for the Jinkas lodes and the northern half of the Jackson lodes. There were no changes to the Olympia mineralised lodes. Changes to the estimation settings included updated estimation domains and search neighbourhoods.

SRK considers that there are reasonable prospects for eventual economic extraction for the KGP deposits using industry-standard open pit mining techniques. This has been considered when classifying the Mineral Resources by choosing an appropriate cut-off grade of 0.6 g/t Au as identified in the KGP mining scoping study as being above breakeven and placing a depth restriction of approximately 160 m (Jackson, White Dam and Olympia) and 160–230 m (Jinkas). Resource Statements and a summary of the resource estimation are presented below (Table 12). The JORC Code 2012 Edition – Table 1 is included in Appendix 3.

A summary of the most recent Mineral Resource estimates for the KGP deposits is presented in Table 12

Table 12 - KGP Mineral Resource Estimates – October 2019

Material	Measured			Indicated			Inferred			Total		
	Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces
Oxide	178,900	1.39	8,000	662,700	1.07	22,730	969,700	0.84	26,040	1,811,300	0.98	56,770
Transition	535,400	1.33	22,950	1,419,300	1.07	48,890	2,096,900	0.86	57,700	4,051,600	0.99	129,540
Fresh	1,548,500	2.37	118,050	9,908,300	1.16	369,070	16,611,600	0.99	527,600	28,068,400	1.12	1,014,720
Total	**2,262,800**	**2.05**	**149,000**	**11,990,300**	**1.14**	**440,690**	**19,678,200**	**0.97**	**611,340**	**33,931,300**	**1.10**	**1,201,030**

Notes for Table 12 *Mineral Resource for the Central Zone (Jinkas, Jackson, Olympia and White Dam) deposits are reported using a 0.6 g/t Au cut-off applied to individual model cells located above 200 mRL (approximately 160m depth) at Jackson, Olympia and White Dam and above 130 mRL (approximately 230 m depth) at Jinkas. Mineral Resource for the Dingo and Datatine deposits have not changed from those reported in 2015 (Dingo) and 2018 (Datatine). Tonnes have been rounded to the nearest 100t, Au ounces have been rounded to the nearest 10 ounces. Figures may not add up due to rounding.*

Geological Interpretation and Estimation parameters

Within the KGP gold mineralisation is a regionally developed, significant thrust fault bounded block, which extends over 17km. Thrust faults define the eastern and western boundaries of the KGP internally and these thrust bounded block localised gold mineralisation define three laterally continuous mineralised lodes, which can be traced for at least 5 km. From west to east are named the Jackson - Dingo, White Dam and Jinkas lodes (Table 14). Within these lodes are higher grade zones which reflect dilatational zones within the tightly folded rocks which generally plunge northward.

The Datatine deposit has a distinctive geology being hosted within an altered pyroxenite, which dips at ~45° towards the south. The change in orientation is accommodated by a regionally significant fault which separates the Datatine domain from the KGP to the south.

The strong lateral continuity of mineralised lodes follows the strike of the main gneissic foliation. Confidence in the geological interpretation is high, with mineralisation being correlated between holes and drill sections along strike and down dip. Geological logging and structural measurements from drill holes have been used to constrain Sections and were interpreted and digitised, with a 3D wireframe model constructed and geological continuity interpreted along strike and down-dip. The wire frame model was developed by Ausgold geologists and has been guided by geological modelling to interpret mineralisation envelopes and subsequent mineralisation wireframe modelling.

Jinkas has seven sub-parallel lodes which were defined with lodes striking towards the NNW and dipping at approximately 35° to the ENE. Consisting of defined strike length of 2,000 m, and dip extents ranging from 150 to 420 m, the Main and Hanging wall lodes average 5m and 3m thick respectively. The lodes have been interpreted to the surface and to a depth of up to 420m.

The estimates were prepared from a total of 8,771 lode composites from 663 drill holes. This included 188 new lode composites from 14 drill holes completed since the 2018 model update. The 2019 mineralised lode modelling resulted in some reduction in down-dip extents in the central and southern parts of the deposit where the lodes were cut-off with new drilling. This was balanced with some of the drill holes adding additional width and continuity to some of the lodes. Changes to the Mineral Resources can also be attributed to revised resource estimation parameters and reporting at a lower 0.6 g/t Au cut-off and block located above 200-130 mRL (approximately 160-230m depth). The revised modelling recent drill holes revealed that the Jinkas and Jinkas South lodes form seven continuous mineralised lodes.

The Olympia deposit was initially reported in the 2018 Mineral Resource announcement. Positioned along strike from Jinkas, there are insufficient drilling results between the 680m from Olympia to Jinkas to demonstrate continuity between the two deposits. The estimates were prepared from a total of 437 lode composites from 58 drill holes, where drill spacing is variable and ranges from 30 m to 100 m along 20–100 m spaced section lines. Most holes are angled at 60° towards 244°.

Four mineralised lodes extending over a strike of 720m were interpreted occurring and remain open along strike to the south and north. The estimates were prepared from a total of 440 lode composites from 58 drill holes. This included six new lode composites from one drill hole completed since the 2018 model update.
There were no material changes made to the Olympia mineralised lode models. The changes to the Mineral Resources can be attributed to revised resource estimation parameters and reporting at a lower 0.6 g/t Au cut-off.

White Dam has two sub-parallel lodes comprising a main lode and a smaller footwall lode, which are located approximately 80m below the lowermost Jinkas lode. Both strike to the NNW and dip at approximately 35° to the ENE. The Main Lode has a defined strike length of 1400m, a dip extent exceeding 500m in places, and an average thickness of approximately 5.5m. The Footwall Lode has a defined strike extent of 230m, a dip extent of approximately 350m, and an average thickness of approximately 2.6m. The lodes have been interpreted to the

surface and to a depth of up to 300m. The Resource Estimation was based on a Based on a block Au cut-off grade of 0.6g/t and block located above 200 mRL (approximately 160m depth).

The estimates were prepared from a total of 705 lode composites from 246 drill holes. This included 21 new lode composites from 4 drill holes completed since the 2018 model update. Drill spacing is variable and ranges from 20 m to 40 m along 20–80 m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly on the western side of the deposit), and deeper holes angled at 60° towards 244°.

The revised geological modelling using the 2018 drill holes revealed that the White Dam and Fraser #4 and #5 lodes form a series of continuous mineralised lodes throughout the central and southern areas of the KGP, occurring above the Jackson mineralised lodes and below the Jinkas mineralised lodes. Changes to the Mineral Resources can also be attributed to revised resource estimation parameters and reporting at a lower 0.6 g/t Au cut-off.

The revised geological modelling using the 2019 drill hole revealed that the White Dam and Fraser #4 and #5 lodes form a series of continuous mineralisation throughout the central and southern areas of the KPG, occurring above the Jackson mineralised lodes and below the Jinkas mineralised lodes.

Jackson has nine sub-parallel lodes striking to the NNW and dip at approximately 30° to the ENE. These have defined strike lengths up to 3,620 m and dip extents ranging from 100 to 160 m. The Main and Hanging wall lode thicknesses average 5 m and the Footwall lode thicknesses averages 3m. The lodes have been interpreted from the surface to a depth of 160m. The Resource Estimation is based on block Au cut-off grade of 0.6 g/t with block located above 200 mRL (approximately 160m depth).

The estimates were prepared from a total of 2,539 lode composites from 313 drill holes. This included 80 new lode composites from 12 drill holes completed since the 2018 model update. Drill spacing is variable and ranges from 20 m to 60 m along 30–120 m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly in the southern half and on the western side of the deposit), and deeper holes angled at 60° towards 244°.

The geological model revised in 2018 revealed that the Jackson and Lone Tree deposits are in fact connected and continue southwards to the previously defined Fraser #1, #2 and #3 lodes. Nine mineralised lodes have now been modelled for the Jackson Deposit occurring below the Olympia deposit in the north and the White Dam deposit in the central and southern areas. The 2019 mineralised lode modelling highlighted some disruption and the reduction of lateral continuity in the north-western parts of the deposit interpreted as cross-cutting dikes aligned along an east–west striking fault zone. Changes to the Mineral Resources can also be attributed to revised resource estimation parameters and reporting at a lower 0.6 g/t Au cut-off.

Table 13 - Grade, tonnes and contained gold at various cut-off grades for the KGP as indicated by current resource block model

Cut-off Grade	Tonnes	Grade g/t Au	Contained Gold (Oz)
0.00	65,814,700	0.77	1,632,440
0.10	65,173,600	0.78	1,630,810
0.20	64,524,700	0.78	1,627,480
0.30	60,547,800	0.82	1,594,440
0.40	53,721,000	0.88	1,516,390
0.50	43,400,100	0.98	1,366,200
0.60	33,931,300	1.10	1,201,030
0.70	26,702,900	1.22	1,049,330
0.80	20,858,700	1.35	908,670
0.90	16,571,700	1.49	791,950
1.00	13,346,000	1.62	693,550
1.10	10,695,000	1.76	604,180
1.20	8,590,200	1.91	526,470
1.30	6,903,000	2.07	458,750
1.40	5,642,200	2.23	404,080
1.50	4,671,200	2.39	358,860
1.60	3,926,600	2.55	321,790
1.70	3,346,000	2.71	291,000
1.80	2,930,900	2.84	267,710
1.90	2,558,500	2.99	245,580
2.00	2,286,300	3.11	228,540

Notes to Table 11 :*The estimates at various Au cut-off grades applied to individual model cells within the Central Zone (Jinkas, Jackson, Olympia and White Dam) deposits located above 200 mRL (approximately 160 m depth) at Jackson, Olympia and White Dam and above 130 mRL (approximately 230 m depth) at Jinkas. Mineral Resource for the Dingo and Datatine deposits are reported individual model cells located above 200 mRL (approximately 160 m).*

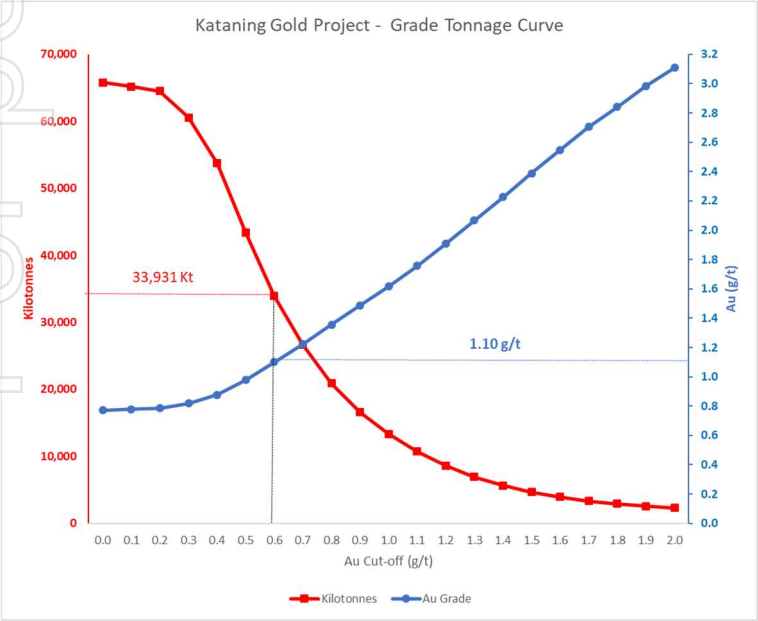


Figure 18 - Grade tonnage curve for KGP resource categories

Table 14- KGP Mineral Resource estimates using cut-off grade 0.6 g/t Au

Lode	Material	Measured			Indicated			Inferred			Total		
		Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces	Tonnes	Au g/t	Ounces
Jinkas	Oxide	40,100	1.08	1,390	97,000	1.04	3,240	242,900	0.93	7,280	380,000	0.98	11,910
2019	Transition	357,000	1.40	16,100	347,200	1.24	13,830	395,600	0.91	11,530	1,099,800	1.17	41,460
	Fresh	1,461,800	2.45	114,980	4,117,800	1.12	148,000	4,147,600	1.05	139,780	9,727,200	1.29	402,760
	Total	**1,858,900**	**2.22**	**132,470**	**4,562,000**	**1.13**	**165,070**	**4,786,100**	**1.03**	**158,590**	**11,207,000**	**1.27**	**456,130**
Jackson	Oxide				205,100	1.20	7,940	253,600	0.80	6,490	458,700	0.98	14,430
2019	Transition				457,000	1.09	16,050	662,800	0.81	17,270	1,119,800	0.93	33,320
	Fresh				1,233,100	1.02	40,440	3,819,700	0.88	108,220	5,052,800	0.92	148,660
	Total	**0**	**0.00**	**0**	**1,895,200**	**1.06**	**64,430**	**4,736,100**	**0.87**	**131,980**	**6,631,300**	**0.92**	**196,410**
White Dam	Oxide				66,800	0.94	2,020	265,600	0.78	6,680	332,400	0.81	8,700
2019	Transition				206,900	1.06	7,030	517,400	0.85	14,220	724,300	0.91	21,250
	Fresh				1,378,800	1.42	63,170	7,196,100	1.03	237,360	8,574,900	1.09	300,530
	Total	**0**	**0.00**	**0**	**1,652,500**	**1.36**	**72,220**	**7,979,100**	**1.01**	**258,260**	**9,631,600**	**1.07**	**330,480**
Olympia	Oxide				51,200	1.07	1,760	126,800	0.79	3,240	178,000	0.87	5,000
2019	Transition				11,200	0.85	310	384,300	0.89	10,950	395,500	0.89	11,260
	Fresh				1,400	0.70	30	980,500	0.90	28,360	981,900	0.90	28,390
	Total	**0**	**0.00**	**0**	**63,800**	**1.02**	**2,100**	**1,491,600**	**0.89**	**42,550**	**1,555,400**	**0.89**	**44,650**
Datatine	Oxide				67,600	1.22	2,650	16,600	1.40	750	84,200	1.26	3,400
2018	Transition				52,900	1.25	2,120	10,400	1.15	380	63,300	1.23	2,500
	Fresh				327,900	1.23	12,930	196,500	1.12	7,060	524,400	1.19	19,990
	Total	**0**	**0.00**	**0**	**448,400**	**1.23**	**17,700**	**223,500**	**1.14**	**8,190**	**671,900**	**1.20**	**25,890**
Dingo	Oxide	138,800	1.48	6,610	175,000	0.91	5,120	64,200	0.77	1,600	378,000	1.10	13,330
2015	Transition	178,400	1.19	6,850	344,100	0.86	9,550	126,400	0.82	3,350	648,900	0.95	19,750
	Fresh	86,700	1.10	3,070	2,849,300	1.14	104,500	271,200	0.78	6,820	3,207,200	1.11	114,390
	Total	**403,900**	**1.27**	**16,530**	**3,368,400**	**1.10**	**119,170**	**461,800**	**0.79**	**11,770**	**4,234,100**	**1.08**	**147,470**
Total	Oxide	178,900	1.39	8,000	662,700	1.07	22,730	969,700	0.84	26,040	1,811,300	0.98	56,770
	Transition	535,400	1.33	22,950	1,419,300	1.07	48,890	2,096,900	0.86	57,700	4,051,600	0.99	129,540
	Fresh	1,548,500	2.37	118,050	9,908,300	1.16	369,070	16,611,600	0.99	527,600	28,068,400	1.12	1,014,720
	Total	**2,262,800**	**2.05**	**149,000**	**11,990,300**	**1.14**	**440,690**	**19,678,200**	**0.97**	**611,340**	**33,931,300**	**1.10**	**1,201,030**

Note: Mineral Resource for the Jinkas, Jackson, Olympia and White Dam deposits are reported using a 0.6 g/t Au cut-off applied to individual model cells located above 200 mRL (approximately 160 m depth) at Jackson, Olympia and White Dam and above 130 mRL (approximately 230 m depth) at Jinkas. Mineral Resource for the Dingo and Datatine deposits have not changed from those reported in 2015 (Dingo) and 2018 (Datatine) and are reported using a 0.7 g/t Au cut-off applied to individual model cells located above 200 mRL (approximately 160 m depth). Tonnes have been rounded to the nearest 100t, Au ounces have been rounded to the nearest 10 ounces.

Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Mr Michael Lowry of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited. Dr Greentree is Managing Director and is a Share and Option holder 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. Mr Michael Lowry takes responsibility for the Mineral Resource Estimate.

Mr Lowry 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).

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 within 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 time frame and within estimated costs currently planned; variations in global demand and price for coal and base metal materials; fluctuations in exchange rates between the U.S. 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. They are internally generated goals set by the board of directors of Ausgold Limited. The ability of the company to achieve any targets will be largely determined by the company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. Although Ausgold Limited believes that its 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.

Appendix 3

Table 12 - JORC Code 2012 Edition
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	The database that Ausgold has compiled for the KGP area contains over 3,000 drill holes, totalling over 195,000 m of drilling comprising a variety of techniques, including diamond coring (DD), reverse circulation (RC), aircore (AC), and rotary air blast (RAB). Approximately 30% of the holes (20% of the metres) were drilled prior to Ausgold's involvement in 2011, and the derived information is hereafter referred to as historical data. Only RC and DD data were used for the preparation of the Jinkas, Jackson, White Dam, and Olympia resource estimates, equating to 1,280 holes and 12,443 m of drilling used directly for estimation. For the estimation datasets, the Ausgold programs represent 55% of the holes and 62% of the metres. Core drilling represents 3% of the holes and 4% of the metres. Only limited information is available for the historical programs, and the descriptions below primarily pertain to the Ausgold programs. The validity of the historical data has been assessed by local comparisons with the Ausgold data. RC drill samples were collected on 1 m intervals. In mineralised zones, a one-eighth split (approximately 3 kg) was collected from a cyclone-mounted cone splitter for assaying, and the remainder of the sample was retained for reference. In non-mineralised zones, a spear sample was collected from each 1 m interval and composited to 4 m. Where composite samples returned assays at or above 0.5 g/t Au, the original 1 m samples were riffle split and submitted for assaying. Diamond core samples were terminated at lithological contact or at a nominal interval length of 1 m. The samples were sent to Perth-based laboratories (ALS, QAS, and Ultratrace) for sample preparation and assaying. Sample preparation included crushing and pulverising up to 3 kg samples to a nominal size of 95% passing 75 µm, with a 200–300 g aliquot taken for assaying (see below).
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	The sample data used for resource estimation were derived from RC or DD drilling. The RC drill rigs were equipped with 5.5" face sampling hammers and button bits. DD drilling was conducted using HQ or NQ coring equipment.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/ coarse material.*	A semi-quantitative assessment of RC recovery was performed by weighing the reject component of each sample. For core samples, recoveries were measured during logging. In general, sample recovery was observed to be high (+95%). The cyclone-mounted cone splitter or standalone riffle splitter was cleaned on a regular basis to eliminate/ minimise down-hole and cross-hole contamination. Most of the RC samples are generally dry, with limited moist or wet samples. The relationship between sample recovery and grade, and whether bias had been introduced, has not been investigated at this stage.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	All drill holes in the current program have been geologically logged to a level of detail deemed sufficient to enable the delineation of geological domains appropriate to support Mineral Resource estimation and classification. The core samples were geologically and geotechnically logged, photographed, and marked up for sampling. Sieved rock chips from each RC sample were collected in chip trays and logged. Sample condition and degree of weathering were recorded. Lithology, weathering (oxidation state), structure, veining, mineralisation and alteration were recorded using standard digital logging codes and lookup tables to ensure consistent data recording. The data were collected directly into a field computer and validated by the site geologist prior to export into an acQuire database.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	RC chip samples were collected from each 1 m interval from the rig-mounted or standalone splitter configured to give a one-eighth split. A second split was collected at a frequency of 1 in 30 as a field duplicate. Core samples were terminated at lithological contact or at 1 m intervals within lithological units. The cores were split using a core saw, with quarter-core samples submitted for assaying. Upon receipt by the laboratory, the samples were sorted and oven-dried before being crushed. Splits of up to 3 kg were pulverised to a nominal size of 95% passing 75 µm, and a 200–300 g aliquot was collected for assaying. The sample weight and grind size combinations are considered to be appropriate for the oxide and fresh mineralisation at KGP. Certified standards, blanks, field duplicates and laboratory duplicates were inserted into the sample batches at a frequency of approximately 1:25 to 1:50 samples by Ausgold staff. The standards were inserted as pulps. The blanks were inserted as pulps during the initial programs and as coarse samples for the subsequent programs.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Gold determination was performed using either 40 g aqua regia with an atomic absorption spectrometry (AAS) finish or 50 g fire assay with an AAS finish. Fire assay was used for the 2013–2018 RC and diamond drill programs. Duplicates, blanks and standards were included in the laboratory batches to monitor accuracy and precision. The standards were sourced from Geostats Pty Ltd and Gannet Holdings, with certified gold values ranging between 0.38 g/t and 7.07 g/t. Quality assurance/ quality control (QAQC) samples were monitored on a batch-by-batch basis, with a result deemed acceptable if the blank samples were below five times the lower detection limit and the standards within ±3SD. The batch was also re-assayed when assay results from two or more standards were outside the acceptable limits. The performance of the standards, blanks, and field duplicates was considered to be reasonable. The laboratories also inserted internal QAQC samples to monitor the quality of the analysis. These included standards, blanks, and duplicates. These results were compiled and monitored by Ausgold personnel on a regular basis, with no significant issues identified.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data*	Significant and anomalous intersections were assessed by alternative Ausgold personnel by review of geological logging data, physical examination of remaining samples and review of digital geological interpretations.

Criteria	JORC Code explanation	Commentary
	verification, data storage (physical and electronic) protocols. • *Discuss any adjustment to assay data.*	The database contains a number of RC and DD core holes that are sufficiently close to be used to prepare twinned datasets. Twinned data comparisons indicated similar characteristics in terms of grade tenor and intercept thicknesses, with no significant issues identified. All assay data were accepted into the database as supplied by the laboratory, with no adjustments applied. Data importation into the database was controlled by documented standard operating procedures, and by a set of validation tools included in acQuire import routines. Geological, structural and density data were entered into Toughbook™ field computers, and directly imported into the database. The laboratory and survey data were provided in electronic form (as well as locked pdf certificates) and imported into the database.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	Drill hole collars (and drilling foresight/ backsight pegs) were set out and picked up by an independent survey contractor using differential GPS to a stated accuracy of ±100 mm. All survey data are reported according to MGA94 Zone 50, with elevations based on Australian Height Datum (AHD). Most of the Ausgold holes were downhole surveyed using a downhole camera at 20–30 m intervals. Some check recordings were taken using a gyroscope.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Jinkas: Drill spacing is typically 10–20 m along 20 m spaced section lines through the central and north-western parts of the deposit. In the south-eastern part of the deposit, drill spacing is approximately 40–60 m along 100 m spaced section lines. Most holes are angled at 60° towards 244°. • Jackson: Drill spacing is variable and ranges from 20 m to 60 m along 30–120 m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly in the southern half and on the western side of the deposit), and deeper holes angled at 60° towards 244°. • White Dam: Drill spacing is variable and ranges from 20 m to 40 m along 20–80 m spaced section lines. The dataset comprises a mix of shallow vertical holes (mainly on the western side of the deposit), and deeper holes angled at 60° towards 244°. • Olympia: Drill spacing is variable and ranges from 30 m to 100 m along 20–100 m spaced section lines. Most holes are angled at 60° towards 244°. At these drill spacings, the lodes could be clearly traced between drillholes. The variography indicated practical grade continuity ranges of approximately 30–50 m. Over 90% of the data used for resource estimation were derived from samples collected on 1 m intervals, with most of the remainder derived from smaller intervals. The datasets were composited to 1 m intervals prior to grade estimation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The orientation of the mineralised lodes is consistent over the project area. Most of the drillholes are oriented orthogonal to the regional strike, and with a declination of 60°. This results in an approximate right-angle intersection with the lodes, which typically dip at between 30° and 45°.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	The samples were collected from the drill rig into calico bags, with batches placed into labelled polyweave bags. These were sealed and transported to a storage area prior to dispatch to the Perth laboratories by Katanning Logistics. The sample dispatches were accompanied by supporting documentation signed by the geologist and showing the sample submission number, analysis suite and number of samples. Upon receipt, the chain of custody was maintained by the laboratory, with a full audit trail for every sample available through the laboratory tracking system. Assay results were emailed to the responsible geology administrators in Perth and loaded into the acQuire database.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	An independent review of the primary and quality assurance data was conducted by Snowden in 2011. Ausgold conducted internal audits in 2013 and 2015. Before the commencement of the 2017–2018 RC and DD program, the sampling process was fully reviewed and documented as a standard company process. A number of operational and technical adjustments were identified to improve validation of collected data, interpretation of data and management of QAQC practices. These improvements have been updated into standard operating procedures.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The reported resources are all from 100% owned Ausgold Exploration Pty Ltd Mining Tenements (wholly owned subsidiary of Ausgold Limited), which includes M70/210, M70/211, E70/2928 and M70/488.* • *Apart from reserved areas, the rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities.* • *The tenement is in good standing, and all work is conducted under specific approvals from the Department of Mines, Industry Regulation and Safety (DMIRS). Apart from reserved areas, rights to surface land use are held under freehold titles. Ausgold has entered into access and compensation agreements with freehold landowners that permit exploration activities.* • *Written consent under section 18(3) for Jinkas Hill dated 24 January 2018 was granted by Honourable Ben Wyatt MLA to disturb and remove the registered Aboriginal Heritage Site 5353 known as 'Jinkas Hill', which is located on the eastern side of the Jinkas Pit.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Gold mineralisation was discovered by Otter Exploration NL (Otter) in 1979 at Jinkas Hill, Dyliabing, Lone Tree and White Dam when investigating stream sediment anomalies. Between 1984 and 1988, Otter and related companies evaluated the region with several other explorers including South West Gold Mines and Minasco Resources Pty Ltd.* • *In 1987, Glengarry Mining NL purchased the project and in 1990 Glengarry entered into a joint venture with Uranerz, who agreed on minimum payments over three years to earn 50% interest. Uranerz withdrew from the project in 1991 after a decision by its parent company in Germany to cease Australian operations.* • *International Mineral Resources NL (IMR) purchased the mining leases and the Grants Patch treatment plant from Glengarry in 1995 and commenced mining at the Jinkas deposit in December 1995. Ausgold understands the mine was closed in 1997 after producing approximately 20,000 oz of gold from the Jinkas and Dingo Hill open cuts at a head grade of approximately 2.4 g/t Au. It is understood that mine closure was brought about by a combination of the low gold price at the time (<US$400/oz) and the inability of the processing plant's comminution circuit to process hard ore from below the base of weathering. Reports from the period indicate that the orebodies were reasonably predictable in terms of grade and continuity and appeared to produce consistent and reproducible results from grade control (Ravensgate, 1999).* • *Great Southern Resources Pty Ltd (GSR) purchased the mining and exploration leases from IMR in August 2000.* • *Ausgold entered into a joint venture with GSR in August 2010, and the mineral titles were transferred to Ausgold in entirety in August 2011.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The project includes three main deposit areas, comprising Datatine in the north, Jinkas, Jackson, White Dam and Olympia in the central areas, and Dingo in the south.* • *The majority of the project area is overlain by residual clays with outcrop mostly limited to remnants of lateritic duricrust on topographic highs.* • *Gold mineralisation is hosted by medium- to coarse-grained mafic and felsic gneisses, which dip at around 30–45° towards grid east (68°). These units represent Archaean greenstones metamorphosed to granulite facies.* • *The mineralised gneissic units are interlayered with barren quartz-monzonite sills up to approximately 120 m thick and are cross-cut by several Proterozoic dolerite dykes that post-date mineralisation and granulite metamorphism.*

Criteria	JORC Code explanation	Commentary
		• *Gold predominantly occurs as free gold associated with disseminated pyrrhotite and magnetite, with lesser amounts of pyrite and chalcopyrite and traces of molybdenite. Thin remnant quartz veins are associated with higher grade zones.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• *A total of 137 RC drillholes for 18,829 m and 14 DD holes for 1,826 m have been completed since 2017. The results of this drilling has been reported in ASX Announcements: Datatine (01/06/18, 13/12/17, 23/03/17,14/02/17 & 11/04/17), Jackson (28/05/18, 23/03/18 & 28/05/2019), Jinkas (16/11/18, 18/05/18, 14/05/18, 03/04/18, 6/03/18, 28/05/2019 & 16/07/2019), and Lukin (28/03/18).* •
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *For RC assay results, the intervals reported are thickness weighted averages. Reported intervals are calculated using ≥0.3 g/t Au cut-off grade and ≤2 m minimum Internal Dilution (unless otherwise stated).* • *Higher-grade intervals within larger intersections are reported as included intervals and noted in results tables. No top-cut grades have been applied when reporting exploration results.*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• *The drillholes were designed to intersect the plane of mineralisation (where this is known) at 90° so that reported intersections approximate true thickness, unless otherwise noted.* • *All intersections are subsequently presented as downhole lengths. If downhole length varies significantly from known true width, then appropriate notes are provided.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Please refer to figures in the text.*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and*	• *All results used have been reported in ASX announcements.*

Criteria	JORC Code explanation	Commentary
	high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *At this stage, there are no substantive exploration data from the recent drilling that are meaningful and material to report.*
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *As mineralisation is not closed off along strike and down-dip of all interpreted lodes, further drilling will test the extent of mineralisation.*

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• *Resource data are stored in an acQuire database, which is managed by a database administrator. All data loading was via electronic transfer from checked primary data sources. The import scripts contain sets of rules and validation routines to ensure the data are of the correct format and within logical ranges. Extracts were checked to ensure the consistency of data across related tables. External and internal reviews of the database were conducted in 2011, 2013, 2015 and 2017.* • *The Ausgold data were provided to SRK as a series of spreadsheets (collars, assays, downhole survey and geological logging) downloaded from Ausgold's acQuire database. SRK spot-checked selected datasets against the original source files. The datasets were checked for internal consistency and logical data ranges when preparing data extracts for resource estimation.*
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• *Regular site visits have been conducted by the Ausgold Competent Person (CP), who takes responsibility for the geology model and data integrity. A site visit was undertaken by the SRK CP in August 2019, who takes responsibility for resource estimation.*
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• *The geological interpretation is considered consistent with site observations and with the broadly accepted understanding of the regional geology by the mining community. Structural studies were performed to derive conceptual models of lode geometry and controls on mineralisation. Lode definition was primarily based on geochemical data, with boundaries typically defined by distinct changes in gold grade. Lode geometry was observed to be relatively constant over the defined extents, and the interpreted models were consistent with the structural models.*
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• *Seven sub-parallel lodes were defined for Jinkas (one footwall lode and six hanging wall lodes). The lodes strike to the NNW and dip at approximately 35° to the ENE. They have defined strike lengths of 2,700 m, and dip extents ranging from 150 m to 420 m. The footwall and hanging wall #2 lodes average between 3 m and 5 m, whereas the other five hanging wall lodes vary between 1 m and 3 m in thickness. The lodes have been interpreted to the surface and modelled to a depth of up to 300 m; however, Mineral Resource reporting has been limited to a depth of approximately 160–203 m.* • *Eight sub-parallel lodes were defined for Jackson (three footwall lodes, one main lode, and four hanging wall lodes). The lodes strike to the NNW and dip at approximately 30° to the ENE. They have defined strike lengths ranging from 150 m to 4,500 m, and dip extents ranging from 100 m to 450 m. The main and hanging wall lodes' thicknesses range between 1 m and 5 m and the footwall lodes' thicknesses range between 1 m and 3 m. The lodes have been interpreted to the surface and modelled to a depth of up to 500 m; however, Mineral Resource reporting has been limited to a depth of approximately 160 m.* • *Two sub-parallel lodes were defined for White Dam, comprising a main lode and a smaller footwall lode. The lodes strike to the NNW and dip at approximately 30–35° to the ENE and have a strike extent of 3,500 m and a dip extent of 450 m. The main lode has a thickness ranging between 1 m and 5 m, whereas the footwall lode has a thickness ranging between 1 m and 3 m. The lodes have been interpreted to the surface and modelled to a depth of up to 500 m; however, Mineral Resource reporting has been limited to a depth of approximately 160 m.* • *Four sub-parallel lodes were defined for Olympia. The lodes strike to the NNW and dip at*

Criteria	JORC Code explanation	Commentary
		approximately 25° to the ENE. They have a defined strike length of approximately 850 m and a dip extent of approximately 400 m. The average lode thicknesses range from approximately 1 m to 2 m. Mineral Resource reporting has been limited to a depth of approximately 160 m.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• *The resource estimates were prepared using conventional block modelling and distance-weighted estimation techniques. Single models were prepared to represent the defined extents of the mineralisation for each deposit. The modelling study was performed using Datamine Studio 3®, Vulcan®, and Supervisor®.* • *Kriging Neighbourhood Analysis (KNA) studies were used to assess a range of estimation cell dimensions, and sizes ranging from 10 mE × 10 mN × 2 mRL to 30 mE x 30 mN x 2 mRL were considered appropriate given the localised drill spacing, grade continuity characteristics, and the expected mining method. The nominal drill spacings range from 10 × 20 m to 30 × 30 m.* • *The lode wireframes were used as hard boundary estimation constraints. The drill data did not show evidence of significant supergene enrichment or grade trending with depth, and for this reason, the weathering surfaces were not used as estimation constraints.* • *Probability plots and distribution disintegration plots were used to identify outlier values, with grade cuts applied accordingly. A summary of the top-cuts is presented below:* • *Jinkas top-cuts: 2.5–50 g/t Au* • *Jackson top-cuts: 3–14 g/t Au* • *White Dam top-cuts: 8–15 g/t Au* • *Olympia top-cuts: 7 g/t Au* • *The estimation cell grades were estimated using Ordinary Kriging. Search orientations and weighting factors were derived from variographic studies. A multiple-pass estimation strategy was invoked, with KNA used to assist with the selection of search distances and sample number constraints. Extrapolation along strike and down dip was limited to approximately half the nominal drill spacing.* • *Gold is deemed to be the only constituent of economic importance, and no by-products are expected.* • *The model does not contain estimates of any deleterious elements. Gold mineralisation is associated with sulphides, with the dominant minerals being pyrrhotite, pyrite, chalcopyrite, and molybdenite. Testwork conducted in the 1990s indicates the potential for acid formation.* • *A previous estimation study for selected deposits in the KGP area was completed in 2017. This study used similar estimation techniques and parameters.*
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• *The resource estimates are expressed on a dry tonnage basis, and in situ moisture content has not been estimated. A description of density data is presented below.*
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• *A cut-off grade of 0.6 g/t Au has been used for resource reporting for the Jinkas, Jackson, White Dam and Olympia deposits. An assessment of the geological data shows the mineralised lodes to be well defined at grade thresholds of 0.3–0.7 g/t Au. Ausgold has recently conducted a scoping study based upon the new Mineral Resource estimates, which indicate that mineralised material above a cut-off of 0.6 g/t has prospects of eventual economic extraction.*
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding*	• *A mine scoping study has recently been completed by SRK for Ausgold. It is expected that ore will be extracted using conventional selective open pit mining methods, which include drilling and blasting, hydraulic excavator mining, and dump truck haulage. Mining dilution assumptions have not been factored into the resource estimates.*

Criteria	JORC Code explanation	Commentary
	mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• *Detailed metallurgical testwork is planned to be completed as part of a pre-feasibility study.* • *Preliminary metallurgical studies were performed in the 1980s and 1990s. Commentary in the study reports indicated recoveries exceeding 90% with modest reagent consumption, and that the gold was not refractory, although a component was slow leaching.* • *In 2013–2014, oxide and sulphide ore bulk samples tested by Gekko Systems indicated that the material was amenable to gravity and cyanide leach processing, with expected recoveries exceeding 90%.*
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• *It is anticipated that material included in the resource will be mined under the relevant environmental permitting, which will be defined as a part of scoping and feasibility studies.* • *The characterisation of acid-generating potential will be completed during a definitive feasibility study and factored into waste rock storage design.* • *The future mine cutback is located in pastoral areas with proximal homesteads, and Ausgold will continue to engage and inform landowners on matters such as noise, dust, vibration, discharge of surplus water, rainfall runoff, management of traffic movement and community consultation.* • *Community consultation, including site visits by local Aboriginal elders, is also ongoing as part of the evolving exploration, mine planning and mine closure planning efforts.*
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• *The KGP density dataset contains a total of 657 results, comprising 394 water immersion tests performed on sealed core samples, 76 water replacement tests performed on pit samples, and 187 gamma logging tests conducted on RC holes. The core samples were acquired from 9 Jinkas holes and 3 Dingo holes, the gamma logging was performed on 7 Jinkas RC holes, and 39 and 37 pit samples were acquired from Jinkas and Dingo, respectively.* • *The samples were grouped according to weathering, with approximately 70% of the samples representing fresh material. The dataset averages were used to define a suitable density for each weathering type.* • *For dry tonnage estimation, model cells were assigned the following dry in situ bulk densities based on weathering code: Oxide = 1.8 t/m3, Transition = 2.4 t/m3, Fresh = 2.8 t/m3. These are similar to the dataset averages for Oxide and Transition material, and slightly lower than the dataset average for Fresh material.*
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• *The resource classifications have been applied based on a consideration of the confidence in the geological interpretation, the quality and quantity of the input data, the confidence in the estimation technique, and the likely economic viability of the material.* • *The defined lodes can be traced over several drill lines and, although there is some evidence of localised pinching and swelling, they are generally quite consistent in terms of thickness, orientation, and grade tenor.* • *It is considered that adequate QA data are available to demonstrate that the Ausgold datasets, and by extension the historical datasets, are sufficiently reliable for the assigned classification.*

Criteria	JORC Code explanation	Commentary
		• *The model validation checks show a good match between the input data and estimated grades, indicating that the estimation procedures have performed as intended, and the confidence in the estimates is consistent with the classifications that have been applied.* • *Past mining activities in the KGP area, and the numerous operations with similar mineralisation style and grade tenor within the Yilgarn, support the potential economic viability of the deposits.* • *Based on the findings summarised above, it was concluded that the controlling factor for classification was sample coverage. A resource boundary was defined approximately half the drillhole spacing beyond the extents of relatively uniform drill coverage, and an initial classification of Inferred was assigned. This was upgraded to Indicated in areas with a regular coverage of 30m × 30 m, and further upgraded to Measured where the regular coverage was 20 × 20 m and most of the cells were estimated using the first search pass.* • *SRK considers that there are reasonable prospects for eventual economic extraction for the KGP deposits using industry-standard open pit mining techniques. This has been considered when classifying the Mineral Resources by choosing an appropriate cut-off grade of 0.6 g/t Au as identified in the KGP mining scoping study as being above breakeven and placing a depth restriction of approximately 160 m (Jackson, White Dam and Olympia) and 160–230 m(Jinkas).*
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• *No independent audits or reviews have been conducted on the latest resource estimates; however, SRK has completed internal peer review on the resource estimates.*
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• *The resource estimates have been prepared and classified in accordance with the guidelines of the JORC Code (2012), and no attempts have been made to further quantify the uncertainty in the estimates.* • *The largest source of uncertainty is considered to be related to lode interpretation. However, based on pit exposures and core logging, general lode geometry is well understood and, coupled with the relatively dense data coverage, the likelihood of an alternative interpretation that would yield significantly different grade and tonnage estimates is considered to be low.* • *In a stacked lode system, the incorrect linking of individual lodes between drill lines is possible, but the relatively close drill spacing would mean that any such occurrences may have an impact on the localised estimates but are not expected to significantly affect the regional or global estimates.* • *The resource quantities should be considered as global estimates only. The accompanying models are considered suitable to support mine planning studies, but are not considered suitable for production planning, or studies that place significant reliance on the local estimates.*

Level 1, 10 Richardson Street
West Perth WA 6005, Australia

PO Box 943
West Perth WA 6872, Australia

T: +61 8 9288 2000
F: +61 8 9288 2001
E: perth@srk.com.au

www.asia-pacific.srk.com

Competent Person's Consent Form

Pursuant to the requirements of ASX Listing Rule 5.6, 5.22 and 5.24 and Clause 9 of the JORC Code 2012 Edition (Written Consent Statement)

Report name:
ASX Press Release – 'Scoping Study shows potential for a new gold mine at Katanning' dated 1 November 2019.

Company the report is issued by: Ausgold Limited

Project: Katanning Gold Project

1 November 2019

Statement

I, Michael Lowry, confirm that I am the Competent Person for the compilation of the Mineral Resource estimates included in the Release and:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code 2012 Edition, having at least five years' experience which is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am a Member of *The Australasian Institute of Mining and Metallurgy*.
- I have prepared the Mineral Resource Statement to which this Consent Form applies.

I am a consultant working for SRK Consulting (Australasia) Pty Ltd and have been engaged by Ausgold Limited to prepare the documentation for the Mineral Resources for the Katanning Gold Project on which the statement is based.

I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Mineral Resource Statement is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Mineral Resources.

Consent

I consent to the release of the Report and this Consent Statement by the directors of:

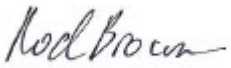
Ausgold Limited

Signature of Competent Person

Date: 1 November 2019

Professional Membership: AusIMM

Membership Number: 300998



Signature of Witness

Witness Name and Residence:
Rodney Brown
Sorrento, WA