

29th January 2021

ASX MARKET RELEASE

ACTIVITY REPORT DECEMBER QUARTER 2020

ACTIVITY HIGHLIGHTS CLONCURRY QLD

- Mt Freda Upgrade Drilling Completed with Multiple High Grade Gold Intercepts. Upgraded Mt Freda JORC resource expected shortly.
- Diamond Core Drill Hole at Trump Copper/Gold Project Intersected a Separate Zone of Gold.
- Costing Studies, Pre-Feasibility and Plan of Ops for Mt Freda and Golden Mile Near Completion.
- Golden Mile Resource JORC Upgrade Drilling Program Almost Completed.

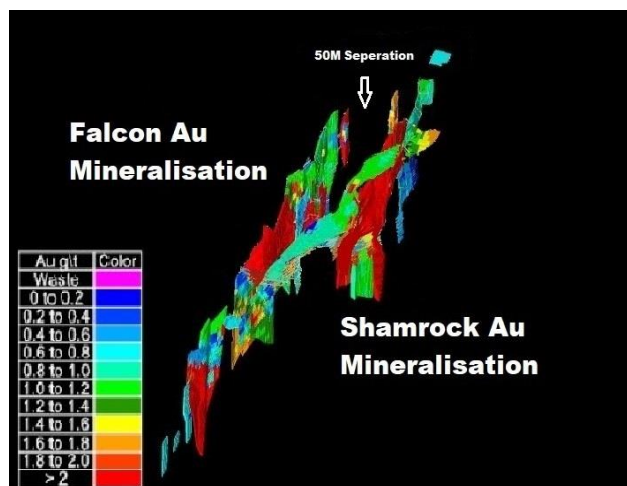


Image 1. Drilling to date at Shamrock and Falcon historical Gold Mines located only 50m apart.

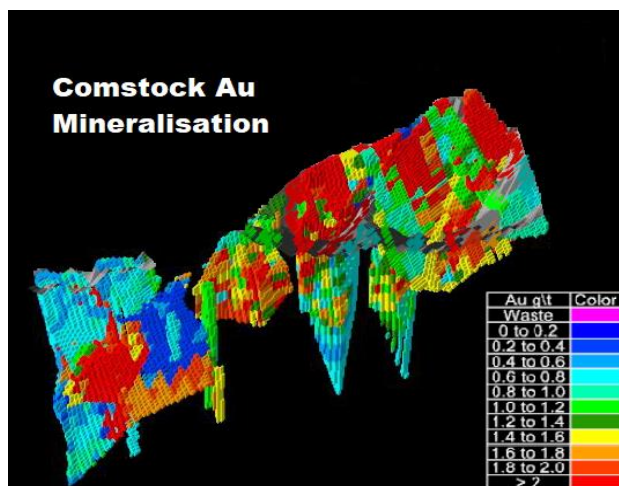


Image 2. Drilling to date at Comstock historical Gold Mine.

Mt Freda Infill RC Drill Results: (ASX: AMG 15th January 2021):

MF20DD001: 2 metres @ 13.80g/t Au within 11m @ 3.60g/t Au from 41-52m
 MF20DD002: 4 metres @ 8.34g/t Au within 12m @ 3.54g/t Au from 43-55m
 MF20DD003: 3 metres @ 18.59g/t Au within 5m @ 11.24g/t Au from 133-138m
 MF20DD004: 4 metres @ 11.40g/t Au within 8m @ 5.93g/t Au from 48-56m
 MF20DD005: 3 metres @ 5.76g/t Au from 119-122m
 MF20RC008: 3metres @ 2.01g/t Au from 243-246m
 MF20RC010: 12metres @ 2.23g/t Au from 181-193m including 4m @ 3.60g/t Au from 189-193m
 MF20RC011: 6metres @ 4.37g/t Au from 97-103m including 2m @ 5.37g/t Au from 97-99m and 3metres @ 5.01g/t Au from 100-103

INTRODUCTION

Ausmex Mining Group Limited ("Ausmex" or "the Company") Directors welcome shareholders to our December 2020 Quarterly Report.

Mt Freda Gold Mine, Cloncurry QLD

RC & Diamond Core infill resource upgrade drilling at Mt Freda Gold Mine confirms continuity of high Gold grades and Gold mineralisation continuing at depth (ASX: AMG 10th December 2020). The Infill drilling program was designed to drill between, already drilled holes to establish continuity of the Gold grades and mineralisation. With the latest diamond core holes and RC holes confirms the continuity of grade and Gold mineralisation, both at depth. This will now be used for the upgraded JORC resource estimate currently in progress, expected within 14 days. Drilling confirms Gold mineralisation continues to a depth of 230m, which is almost six (6) times deeper than the bottom of the (40m deep) historical open cut Mt Freda mine and still open at depth.

Mt Freda was a producing Gold Mine until 1990 and ceased operations when the Gold price went below \$380 in the late 1980's. Mt Freda mine is located approx 60klms by road (27klms straight line) from the regional mining town of Cloncurry in NW Queensland.

Mt Freda Additional Recent Drill Results (ASX: AMG 7th January 2021):

MF19DD186: 6m @ 10.10g/t Au and 2m @ 24g/t Au within 24m @ 2.80g/t Au
MF19DD193: 5m @ 6.90g/t Au within 16m @ 2.60g/t Au
MF19DD177: 3m @ 11.60g/t Au within 12m @ 4.10g/t Au
MF19RC170: 1m @ 32.70g/t Au within 5m @ 7.90g/t Au
MF19DD197: 2m @ 13.20g/t Au and 1m @ 21.80g/t Au within 6m @ 4.80g/t Au
MF19RC133: 1m @ 19.30g/t Au within 4m @ 6.30g/t Au
MF19RC116A: 1m @ 29.30g/t Au within 5m @ 7.53g/t Au



Image 3. Mt Freda commencement of open cut mining 1986.

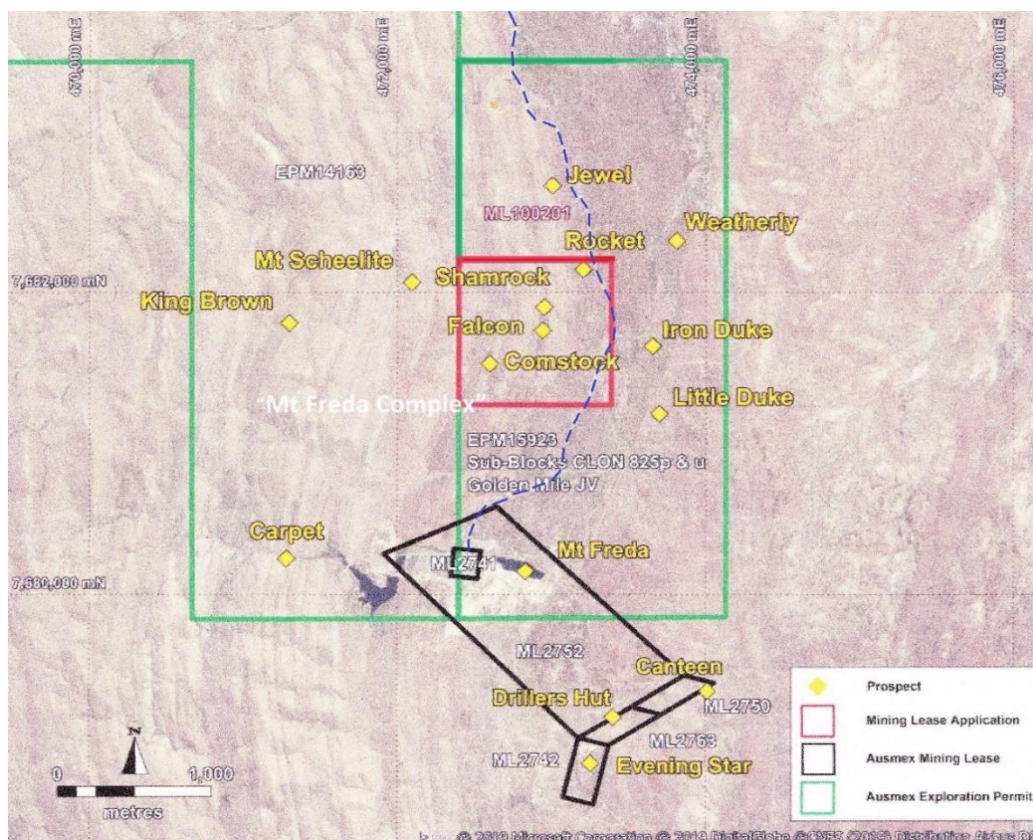


Image 4. Mt Freda Group mining tenement plan including Golden Mile Project.

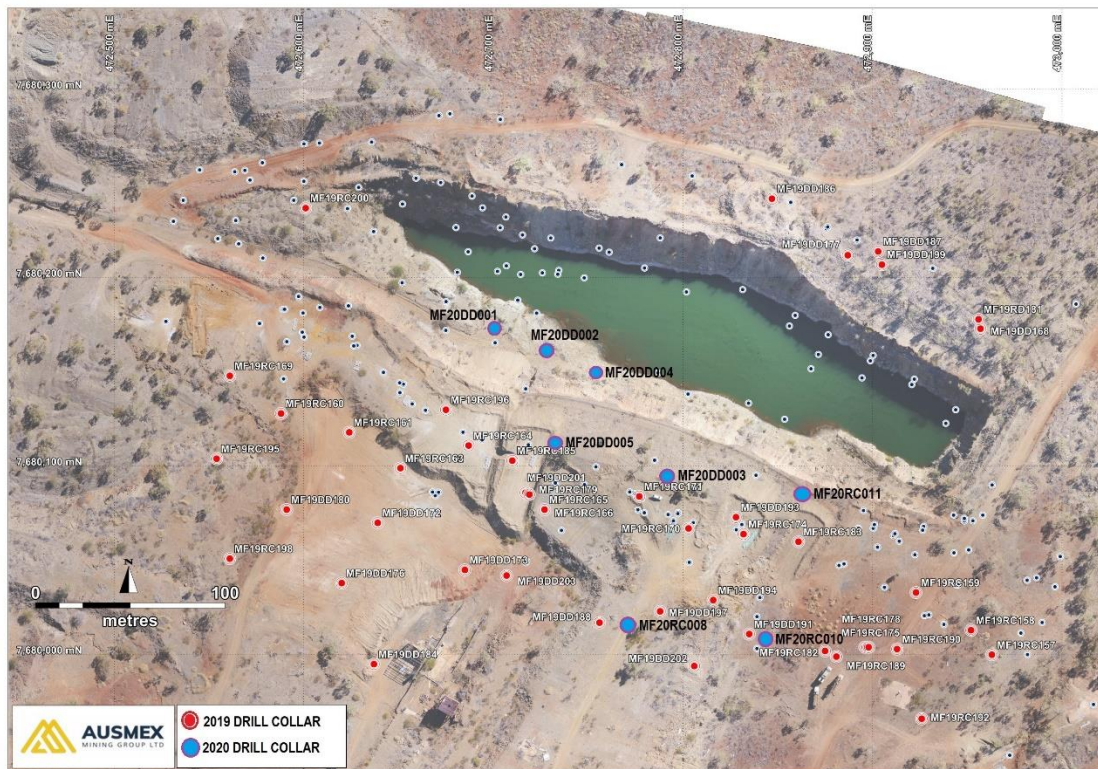


Image 5. Infill Resource drill program now completed (pit now de-watered).

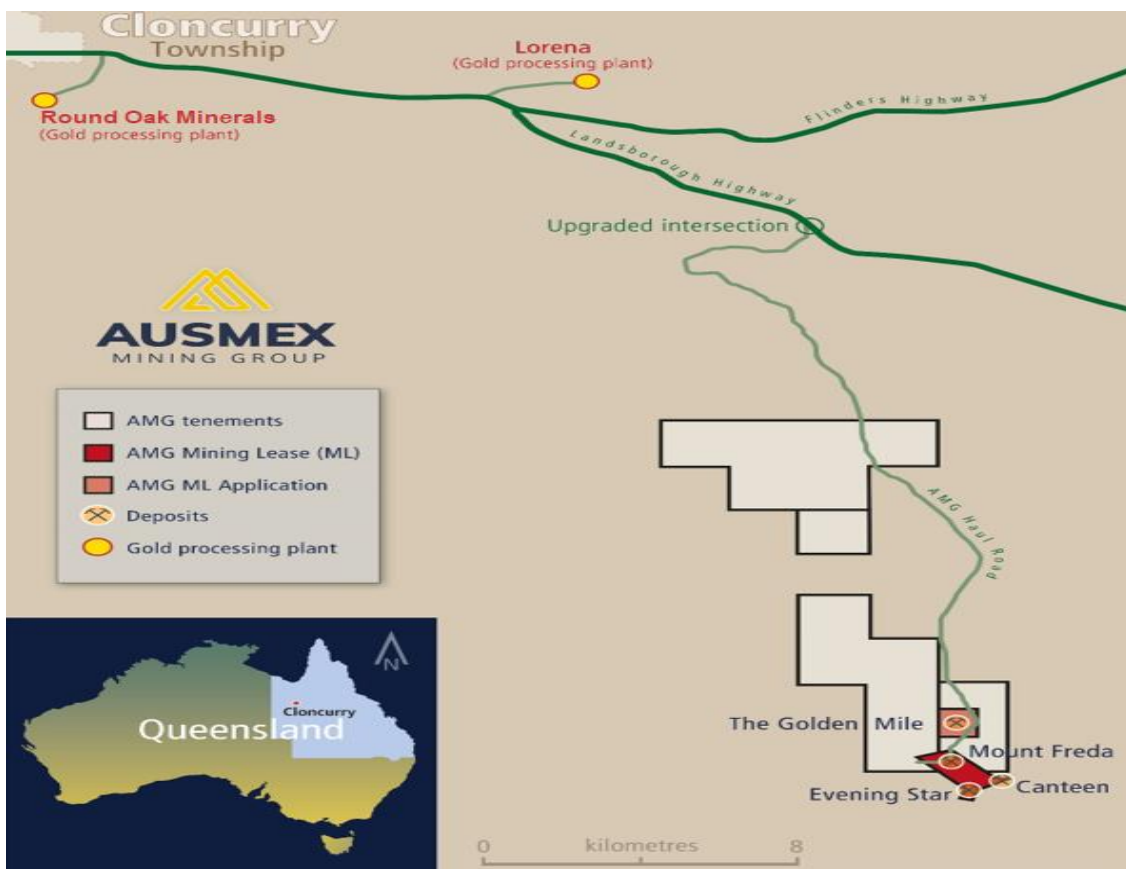


Image 6. Map of the Golden Mile and Round Oak Minerals Cloncurry Gold Processing Plants.

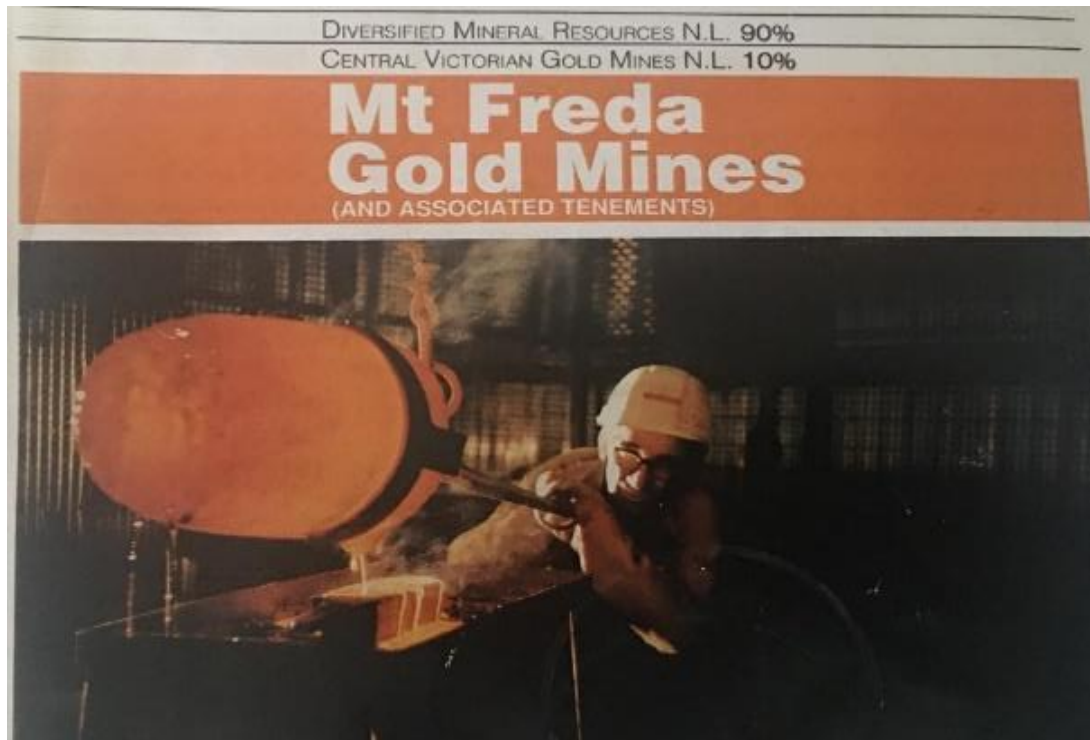


Image 7. Gold pour at Mt Freda during operations late 1980's.

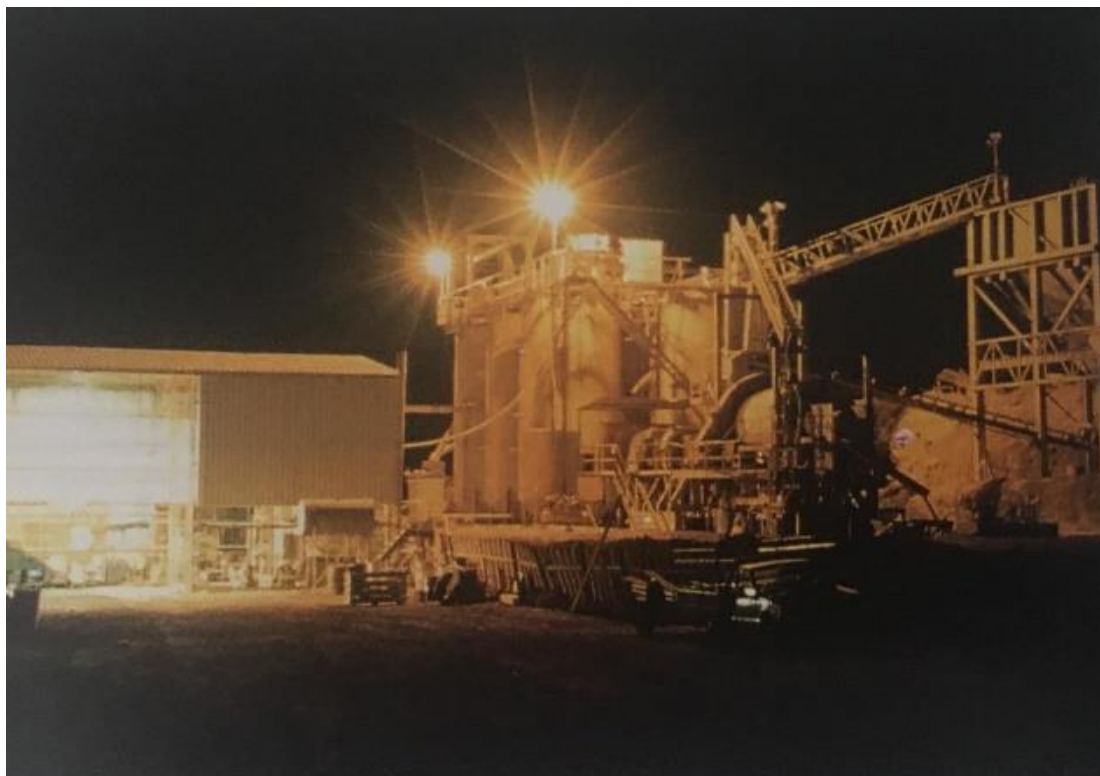


Image 8. Mt Freda 24-hour operational Gold CIP processing plant late 1980's.

Trump Prospect, Cloncurry QLD

The latest diamond core drill hole at the Trump Prospect was drilled to test a new zone of high-grade gold that intersected up to 172 g/t Au in hole TR17RC07. The latest diamond core hole TR20DD001 was drilled in the opposing direction to test the intersection which then identified 3 new mineralised vein systems. The recent Diamond Core drill hole TR20DD001 drilled at the Trump Project was drilled at near right angles to the NE/SW trending Trump mineralised zone (identified by 500m of prominent outcrops) to intersect and geologically evaluate the zone and structures of the high-grade Gold found in RC drill hole TR17RC07. The hole was also drilled to test the width of the mineralised zone identified by RC drill hole TR17RC07, that intersected and proved 153m of continuous Copper mineralization commencing from surface, including the 6m @ 32.90g/t Au from 75-81metres depth (ASX: AMG 3rd December 2020).

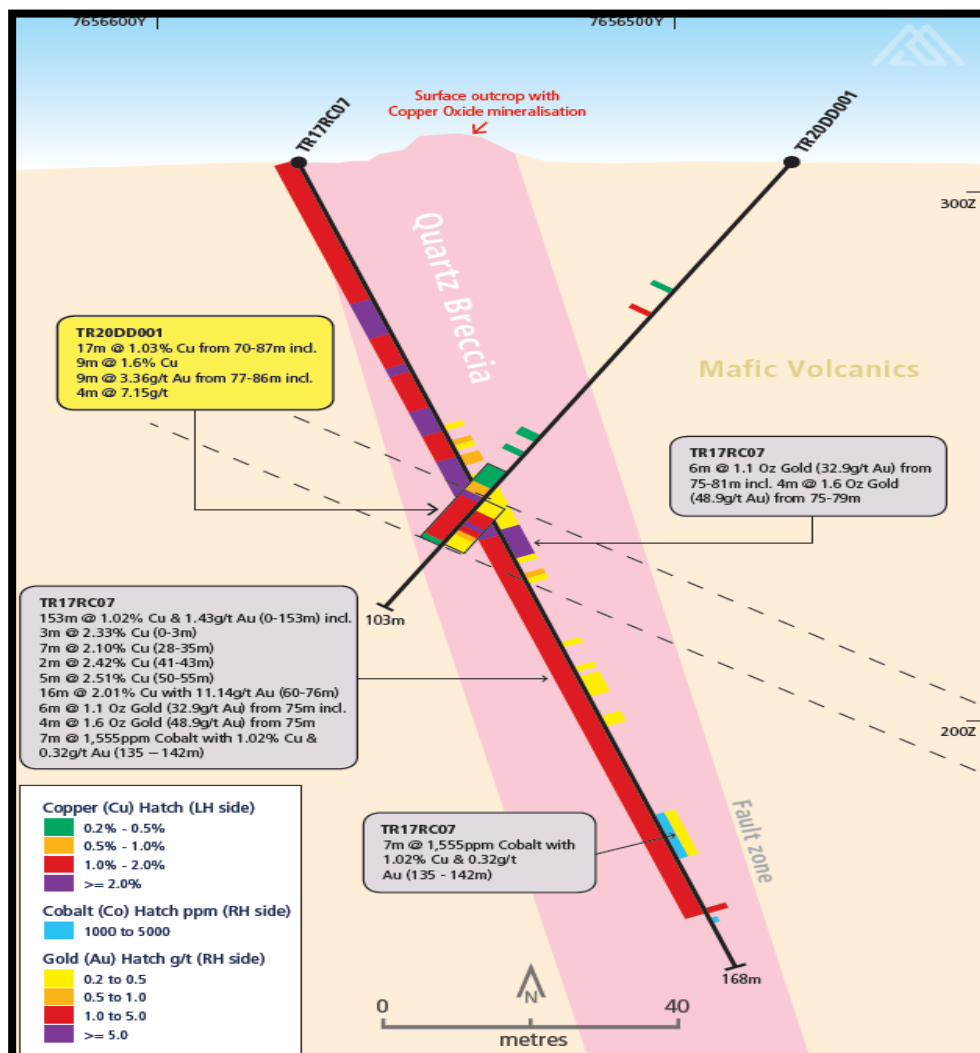


Image 9. X-Section of TR17RC07 and TR20DD001.



Photo 1. Visible sulphides TR17RC07



Photo 2. Gold mineralisation zone TR20DD001

Three additional holes intersected above 1% Cu mineralization, 30m, 50m and 77 meters each Drill Hole: TR18RC001 intersected 77m combined over 3 zones with an average grade of 1.03% Cu and grades of up to 2.03%Cu and 2.04% Cu (ASX: AMG 28th August 2018).

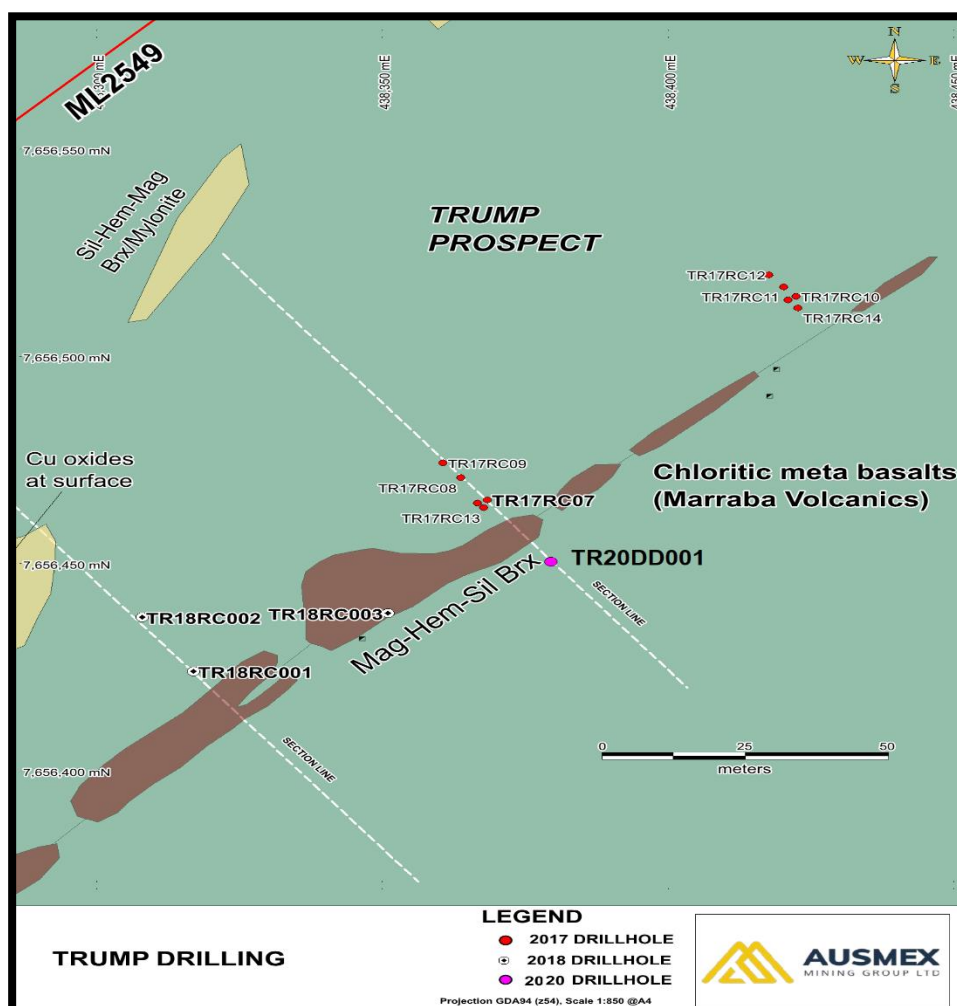


Image 10. Ausmex current tenement and drill hole location plan.

The gravity high results from a geophysical survey, indicates that the structures and density below ground level on the Trump ML, are higher in SG, "specific gravity" than the surrounding rocks which may be due to the addition of mineralisation within the gravity high system.

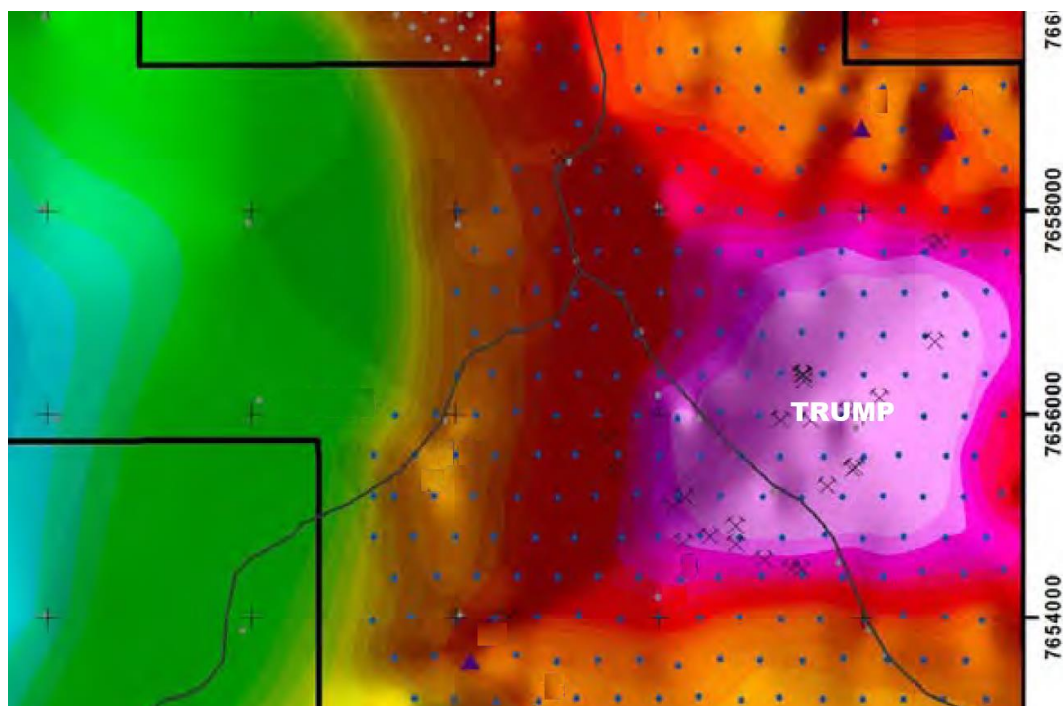


Image 11. Large Geophysical Gravity high beneath the Trump ML.

Ausmex's team of geologists and management have displayed the ability to consider all possible scenarios in relation to mineral exploration, and this new information due to testing the scenarios and probing for the geological explanations, has proven to be successful in discovering these new systems beneath and possible integrated with the main Trump Copper/Cobalt mineralised zone.

At this time, however the blinkers remain on, as the Company is totally focused and going full speed ahead to commence Gold production at the Mt Freda Complex including the Golden Mile and Mt Freda Gold Mine Projects. Now that the Company has made this additional and highly welcomed, major discovery and identified these new mineralized structures with just the minimum of drilling and expense, the Company will plan further holes at the Trump once our goal of Gold production and cash flow at Mt Freda Gold Complex is completed.

Ausmex has 7 additional Copper/Gold highly promising Projects within the Cloncurry Copper Mineral Field.

The Company has a further 7 Copper/Gold Projects with limited drilling, which are highly promising and will be fully explored over the next year or so once the cash flow from the Gold projects commences in early 2021. The reason that the assay results from the Trump diamond core are being released now was due to the Company taking due care in interpreting the results within confines to limited drilling and delays in lab turnaround times and to ensure that all the information and our final conclusions were able to be as accurate as they can be in the reporting to shareholders.

Burra, SA

While COVID restrictions are in place in South Australia and the companies main focus is on bringing Cloncurry QLD projects into production, activities at Burra are temporarily on hold. Any changes in the circumstances at Burra shareholders will be notified accordingly.

Tenement	Project Name	Holder	Ausmex Beneficial Interest (%)	Grant Date	Expiry Date	Area (EPM km ² /ML ha)	Status
EPM 14163	White Range #2	QMC Exploration Pty Ltd ¹	80	19/10/2004	18/10/2022	17	Granted
EPM 14475	White Range #4	Spinifex Mines Pty Ltd ²	80 ³	27/06/2005	26/06/2020	36	Granted
EPM 15858	Sunny Mount	QMC Exploration Pty Ltd	80	23/10/2008	22/10/2021	17	Granted
EPM 18286	Elder Creek	QMC Exploration Pty Ltd	80	14/01/2013	13/01/2022	10	Granted
EPM 15923	Golden Mile JV	Exco Resources (Qld) Pty Ltd	80 ⁴	07/10/2008	06/10/2023	6	Granted
ML 2517	Answer	Ausmex Mining Group Limited	100 ⁵	01/12/1973	30/11/2025	8.09	Granted
ML 2541	Belgium	Ausmex Mining Group Limited	100	01/02/1974	31/01/2021	4.05	Granted
ML 2549	The Trump	Ausmex Mining Group Limited	100	01/02/1974	31/01/2021	12.14	Granted
ML 2741	Mt Freda	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	3.80	Granted
ML 2742	Evening Star	Spinifex Mines Pty Ltd	80	29/05/1986	31/05/2028	8.09	Granted
ML 2750	Evening Star North Extd	Spinifex Mines Pty Ltd	80	26/01/1989	31/01/2028	5.14	Granted
ML 2752	Mt Freda Extd	Spinifex Mines Pty Ltd	80	23/02/1989	29/02/2028	116.48	Granted
ML 2763	Evening Star North	Spinifex Mines Pty Ltd	80	08/06/1989	30/06/2028	8.00	Granted
ML 100201	Golden Mile	Ausmex Mining Group Limited	80			116	Application

Table 1: Cloncurry Project, QLD Tenements.

¹ QMC Exploration Pty Ltd is a wholly owned subsidiary of Qld Mining Corporation Limited

² Spinifex Mines Pty Ltd is a wholly owned subsidiary of Qld Mining Corporation Limited

³ See ASX announcement 20/09/2019

⁴ Ausmex Mining has an 80% beneficial interest in two sub blocks numbered 825 p and 825 u

⁵ See ASX announcement 06/07/2017

Tenement	Project Name	Registered Holder	Ausmex Beneficial Interest (%)	Grant Date	Expiry Date	Area (km ²)	Status
EL 5881	Burra	Ausmex SA Pty Ltd	100	04/11/2016	03/11/2021	970	Granted
EL 6101	Burra East	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	929	Granted
EL 6102	Burra North West	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	990	Granted
EL 6103	Worlds End South	Ausmex SA Pty Ltd	100	25/01/2018	24/01/2023	986	Granted
EL 6116	Burra Far South	Ausmex SA Pty Ltd	100	02/03/2018	01/03/2023	128	Granted
EL 6158	Riverton	Ausmex SA Pty Ltd	100	22/05/2018	21/05/2023	986	Granted
EL 6201	Worlds End	Ausmex SA Pty Ltd	100	20/07/2018	19/07/2020	818	Granted/renewed
EL 6305	Hansborough Area	Ausmex SA Pty Ltd	100	08/02/2019	07/02/2021	190	Granted
EL 6306	Tarlee Area	Ausmex SA Pty Ltd	100	08/02/2019	07/02/2021	199	Granted
EL 6386	PNX Bagot Well	Ausmex SA Pty Ltd	100	05/08/2019	04/08/2021	71	Granted
EL 6430	PNX Washpool	Ausmex SA Pty Ltd	100	10/11/2019	09/11/2021	135	Granted
EL 5874	PNX Burra West	Ausmex SA Pty Ltd	100	25/07/2016	24/07/2021	69	Granted
EL 5910	PNX Spalding	Ausmex SA Pty Ltd	100	02/01/2017	1/01/2022	157	Granted
EL 5918	PNX Princess Royal	Ausmex SA Pty Ltd	100	23/11/2016	22/11/2021	314	Granted
EL 6150	PNX Burra North	Ausmex SA Pty Ltd	100	06/03/2012	05/03/2022	300	Granted
EL 6326	PNX Burra Central	Ausmex SA Pty Ltd	100	24/02/2019	23/02/2021	84	Granted
EL 6327	PNX Mongolata	Ausmex SA Pty Ltd	100	10/03/2019	09/03/2021	60	Granted

Table 2: Burra Project, SA Tenements.

Ausmex advises that the Company spent \$872,000 on exploration activities during the quarter. A summary of the activities that incurred the expenditure are as follows:

- **Mt Freda Resource Upgrade Drilling**
- **Trump Prospect Drilling**
- **Geological Mapping and Logging**
- **Analytical and Assaying**
- **Metallurgical Test Work**
- **Desktop Studies**

In addition, the Cashflow Report discloses payments to related parties in Item 6.1 of \$63,000 for the Quarter, Ausmex advises that the payment relates to Directors, including executive and non-executive fees for the quarter.

Authorised by Aaron Day, Managing Director.

For Further Information, please contact

enquire@ausmexgroup.com.au

Forward Looking Statements

The materials may include forward looking statements. Forward looking statements inherently involve subjective judgement, and analysis and are subject to significant uncertainties, risks, and contingencies, many of which are outside the control of, and may be unknown to, the company.

Actual results and developments may vary materially from that expressed in these materials. The types of uncertainties which are relevant to the company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on forward looking statements.

Any forward-looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or relevant stock exchange listing rules, the company does not undertake any obligation to publicly update or revise any of the forward-looking statements, changes in events, conditions, or circumstances on which any statement is based.

Competent Person Statement

Statements contained in this report relating to QLD (Cloncurry) exploration results and potential are based on information compiled by Mr. Aaron day, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Day is the Managing Director of Ausmex Mining Group Limited and whom has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral resources and Ore reserves (JORC Code 2012). Mr. Day consents to the use of this information in this report in the form and context in which it appears.