



Ausgold Accelerates Resource Expansion Activities at Katanning

Highlights:

- 1,200m diamond drill campaign commenced in the Central and Southern zone Resource areas which is designed to support metallurgical study and geotech activities already underway
- Planning nearing completion for a substantial 30,000m multi-rig RC drilling campaign targeting the Central and Southern zones drilling expected to commence late October
- Drilling results from 18,526m in Resource areas within the Central and Southern zones expected to be incorporated into a further Resource upgrade in Q1 CY2022
- Regional 2,500m auger and 30,000m aircore drill programs planned on Ausgold regional tenure focused on high priority target areas with gold and PGE potential

Ausgold Limited (ASX: AUC) (**Ausgold** or the **Company**) is pleased to provide an update on exploration activities and outlook on growth for its 100%-owned flagship Katanning Gold Project (**KGP**) on which there is an existing 1.54Moz Resource.

Current Exploration Activities

A program of eight diamond drill holes for 1,200m targeting key Resource areas within the Central and Southern zones has commenced and is expected to be completed over the coming weeks. This new drilling is designed to support metallurgical and geotechnical studies at the KGP which are currently underway and are designed to support feasibility studies targeted for early CY2022. The Company is also currently analysing over 18,500m of drilling results in existing Resource areas within the Central and Southern zones that are to be incorporated into a further Resource update aimed for Q1, CY2022.

Large-Scale Drilling to Commence in October

Planning is well advanced to undertake a large-scale 30,000m reverse circulation (RC) multi-rig drill campaign that is scheduled to begin late October and continue through to early CY2022. The primary focus of this RC program will be on high-grade targets outside the existing Resource within the Central and Southern zones that were identified as part of over 18,500m of RC and diamond drilling completed since April. Further details will be announced on commencement of the campaign.

In addition to the large-scale activities for Resource growth at the KGP, Ausgold plans to commence a regional exploration program of 2,500m of auger and 30,000m of aircore drilling to test 12 high priority gold and PGE targets across the Company's regional ground holding. High-priority gold targets, including the Nanicup Bridge, Bullock Pool, Mutters and Burong targets, will be tested. In addition, a follow-up program will test potential identified earlier in the year at Woodanilling (ASX Release 9 April 2021), including 1.3% copper and 12.6g/t silver with elevated gold, zinc bismuth, cadmium, cobalt, titanium and zinc.

Management Comment

Ausgold Managing Director, Matthew Greentree, commented:

"Ausgold is at an exciting transition point heading into a large-scale drilling campaign where we are focused on our ambition for a multi-million-ounce Resource which will support a significant mining operation at the KGP. I look forward to a highly active summer period as we continue to build out scale at Katanning".

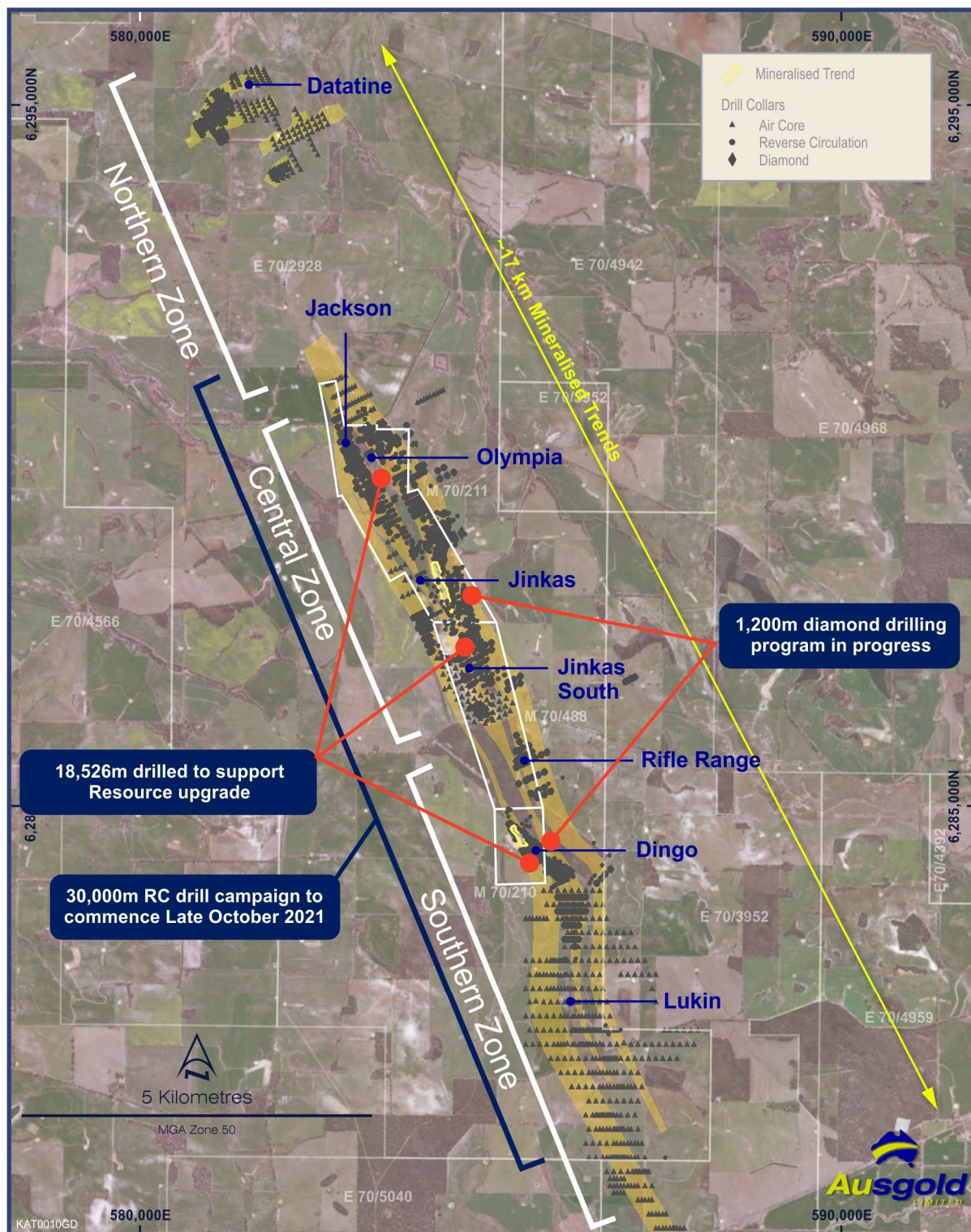


Figure 1 – Map outlining current and planned large-scale activity areas

About Ausgold Limited

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

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 1.54 Moz gold (Table 1).

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

Table 1 - Current Mineral Resource
(Details in ASX release 15 April 2021)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	6.40	1.48	303
Indicated	18.74	1.19	718
Inferred	13.04	1.24	518
Total	38.18	1.25	1,539

The information in this report that relates to the Mineral Resource in Table 1 is based on information announced to the ASX on 15 April 2021. Ausgold confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

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

On behalf of the Board,

Matthew Greentree
Managing Director
Ausgold Limited

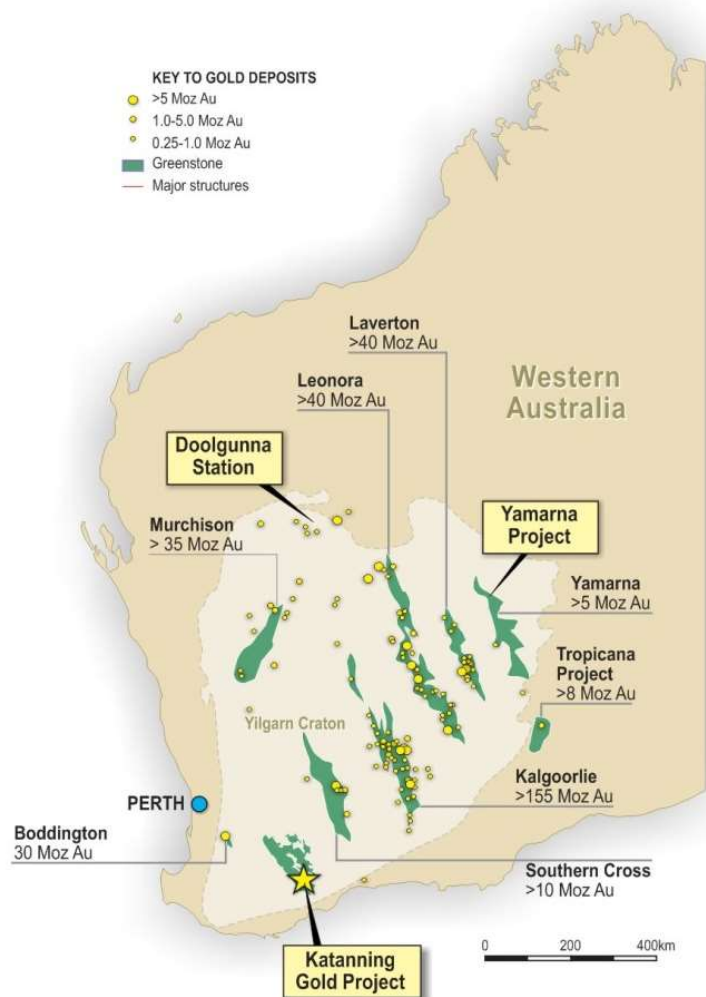


Figure 2 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

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

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

Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Dr Michael Cunningham of Sonny Consulting Pty Ltd, Daniel Guibal of Condor Consulting Pty Ltd and Mr Michael Lowry of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited in 2021.

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

Dr Cunningham, Mr Guibal, 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.