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Ausgold Awarded $150,000 EIS Grant for Katanning Gold Project

Highlights:

- **Ausgold awarded $150,000 grant from the Western Australian Government under the Exploration Incentive Scheme (EIS)**
- **Funds to be used to follow up previous high-grade results along a 10km strike length in the Northern Zone.**

Ausgold Limited (ASX: AUC) (**Ausgold** or the **Company**) is pleased to announce that it has again been successful in its application for a $150,000 grant under the Western Australian Government's Exploration Incentive Scheme.

Exploration Incentive Scheme

The Exploration Incentive Scheme (EIS) is a State Government initiative that aims to encourage exploration in Western Australia for the long-term sustainability of the State's resources sector. The EIS aims to stimulate increased private sector resource exploration, leading to new mineral and energy discoveries.

Use of EIS Funds

Ausgold will use the EIS grant to partly fund drilling along the regionally significant NNW-striking Datatine – Burong Fault zone, a zone of strongly anomalous gold mineralisation which covers over 10km of strike length (Figure 1). Twenty-one holes for 3,050m are planned along the trend identified in recent drilling and ground gravity surveying (Figure 1 and 2). This new mineralised trend is open along strike and is parallel to a major NE striking regional fault which extends eastward towards Datatine and is perpendicular to the main KGP structure. The RC and diamond drilling will be completed alongside a large regional aircore drill program which is part of Ausgolds 60,000m of planned drilling at Katanning.

Ausgold has previously been the recipient of previous EIS grants from the Western Australian Government (refer ASX Releases - 4 September 2017 and 21 June 2018), with both grants supporting high-grade gold discoveries that ultimately contributed to the significant 1.54Moz Resource foundation the Company holds today. The latest EIS grant will be used for drilling that has the potential to identify additional high-grade gold mineralisation within the Northern Zone which is less than 10 km from the Company's existing Katanning Gold Project Resource.

Management Comment:

Ausgold's Managing Director, Matthew Greentree, commented:

"We are pleased to receive significant and continued support from the Western Australian Government with respect to our ambition to identify further growth potential for our existing 1.54Moz Resource at Katanning.

Funds from this EIS grant will be used to follow up previous interesting high-grade results from drilling in the Northern Zone while the Company undertakes its primary large-scale 30,000m RC drilling campaign further south."

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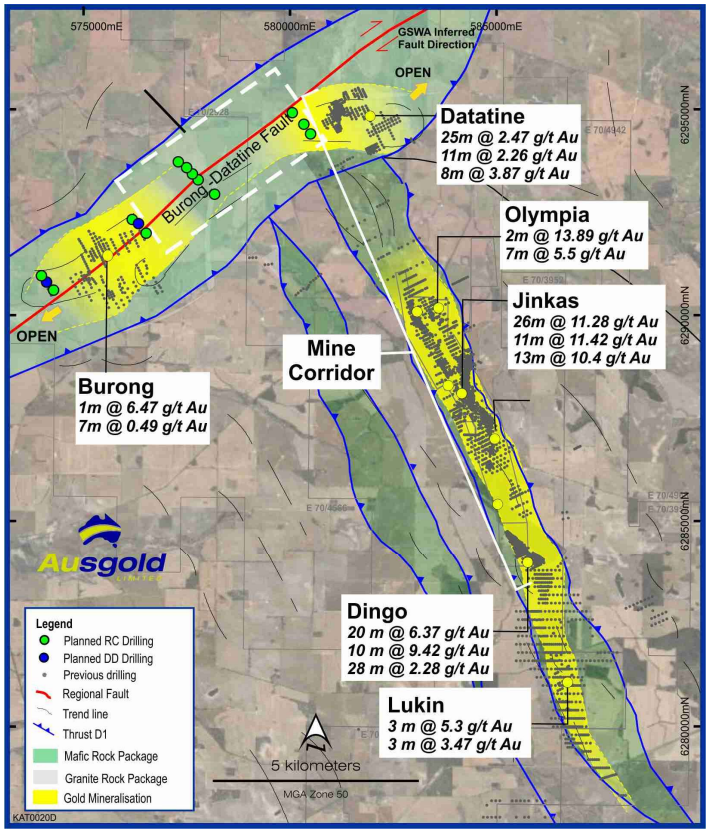


Figure 1 – Geological map of showing location of planned drill program along the Burong-Datatine fault.

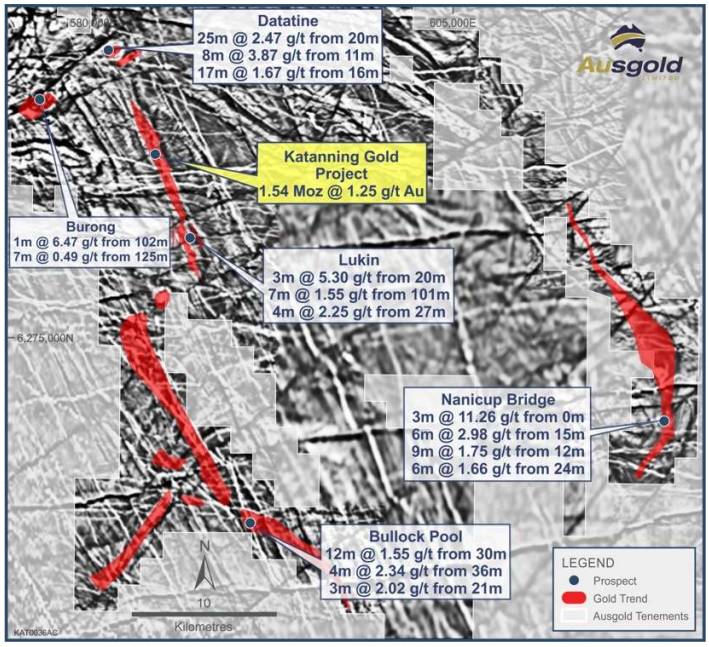


Figure 2 – Regional Aeromagnetic map showing location of the Burong-Datatine fault

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

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

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About Ausgold Limited

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

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

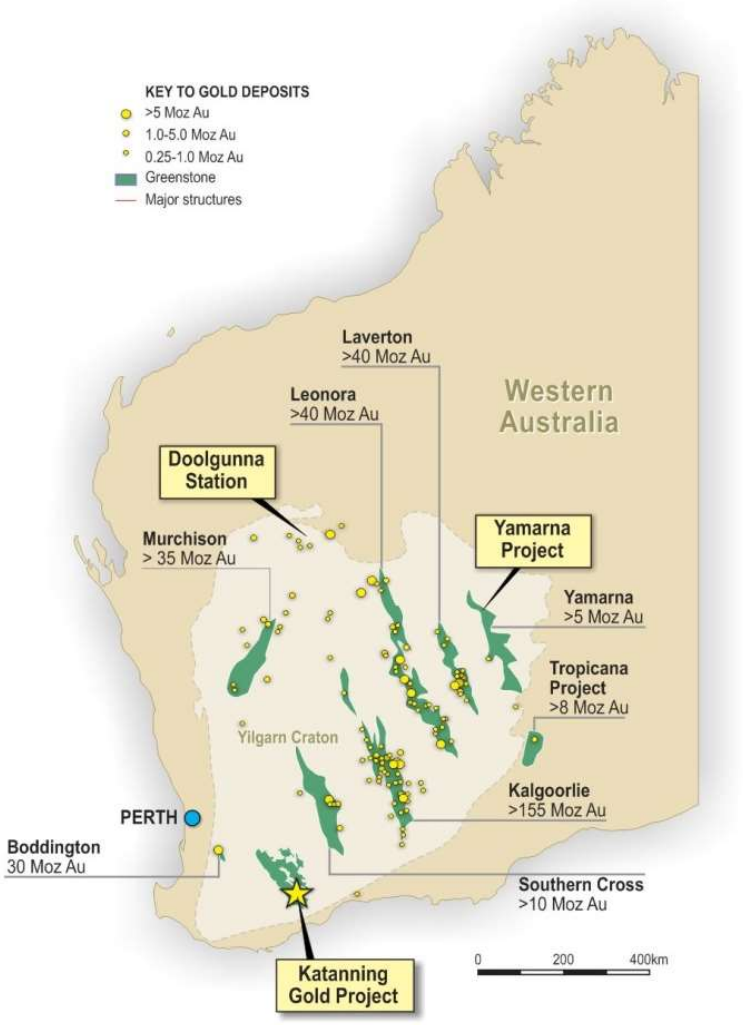


Figure 3 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

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.

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.

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