Ausgold commences RC drilling of major new targets

Highlights:

- **High impact 5,250m RC drill program has commenced in the Rifle Range area targeting over 2.5 km of previously untested strike length**
- **New targets supported by coincident EM anomalies and gold-in-soils anomalies**
- **Drilling program focused outside of current Resource area**

Ausgold Limited (ASX: AUC) (**Ausgold** or the **Company**) is pleased to announce that it has commenced an RC drilling program at the Rifle Range prospect within its 100%-owned **Katanning Gold Project (KGP),** located 270km from Perth in Western Australia's south-west Yilgarn Craton.

Ausgold has begun a 35-hole, 5,250m RC drill program to test the southern extensions to KGP gold mineralisation, including the area within the Rifle Range Reserve. These targets follow the same geological trends as the Central Zone Resource and include areas adjacent to the Dingo Resource area (Figures 1 and 3). No previous exploration drilling has been conducted in this area and new drilling has the potential to materially change the scale of the KGP Resource.

Past work including soil geochemical sampling, ground gravity and airborne geophysical surveys, as well as drilling on surrounding farmland, indicate potential for direct extensions between the Central Zone and the Dingo Resource area along a 2.5km strike length (Figure 2).

The maiden RC drill program which will test high priority targets within the Rifle Range and adjacent areas is anticipated to be completed during May and early June.

Management Comment

Ausgold Managing Director, Matthew Greentree, commented:

"*This drill program will target an untested 2.5km strike length in the Rifle Range zone, which sits outside the current KGP 1.54 Moz Resource.*

We will further test our updated geological model at Rifle Range, which has successfully targeted high-grade mineralisation within the Central Zone. Our objective is to continue building on the already meaningful foundation and to unlock the scale that the Company believes exists at Katanning."

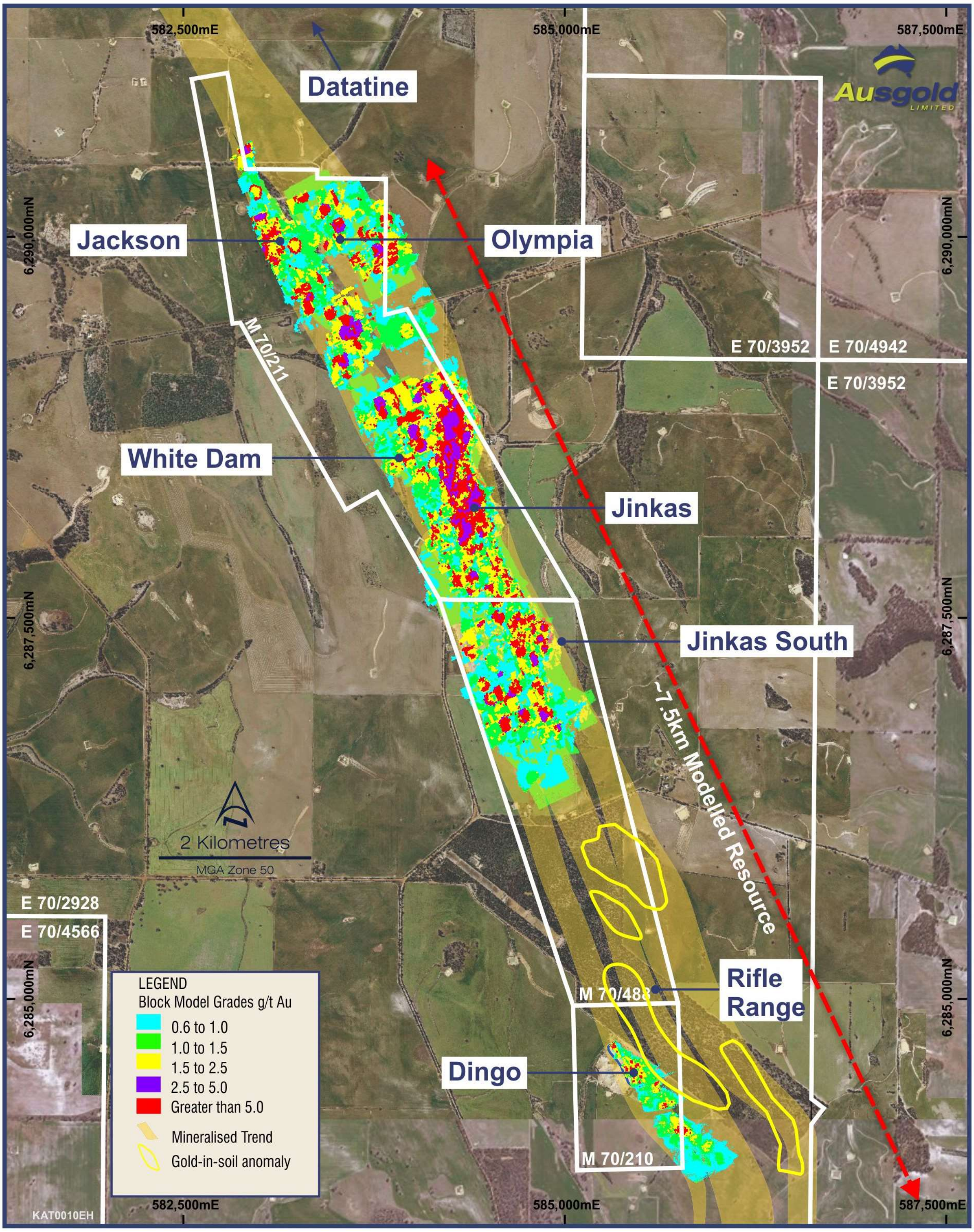

Figure 1 – Location of the Rifle Range area, located between Central Zone and the Dingo Resource areas.

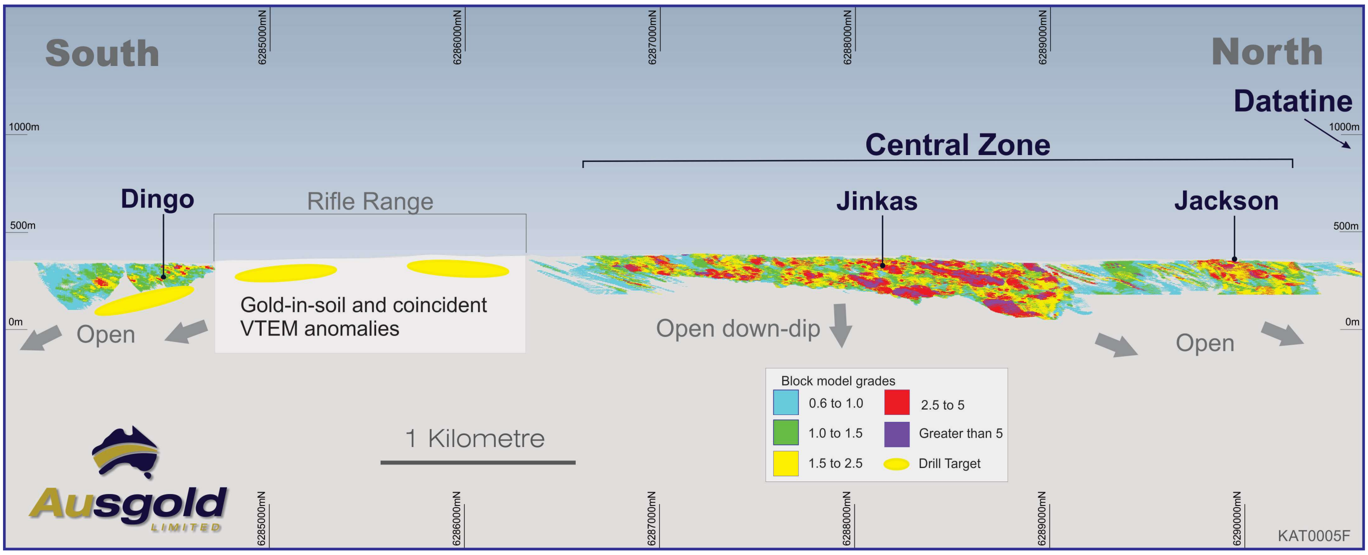

Figure 2 - Long section (view towards west) through the KGP Resource highlighting the likely extensions between the Central Zone and Dingo Resource areas currently within the Rifle Range area.

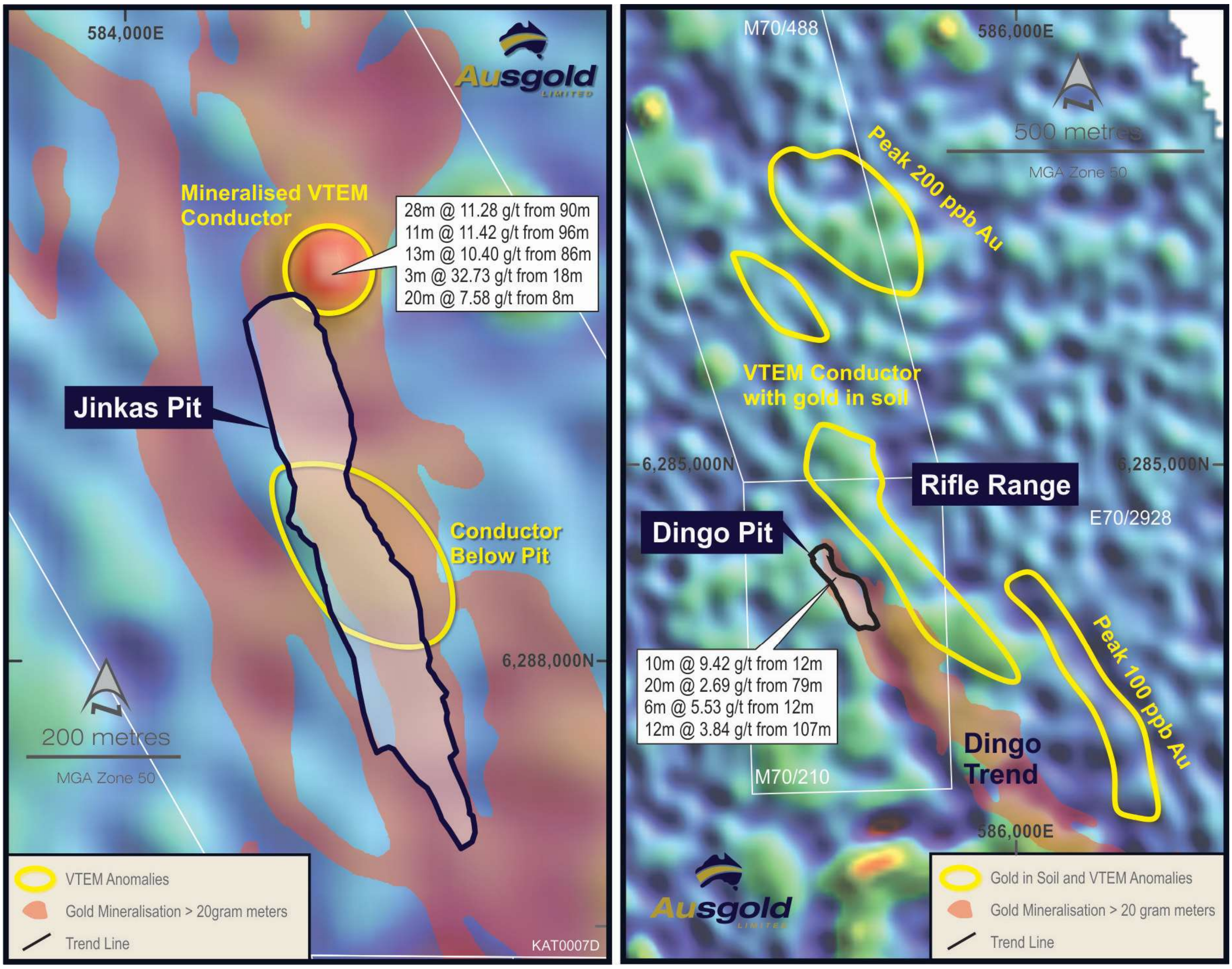

Figure 3 – VTEM and coincident gold-in-soil anomalies identified with the Rifle Range area.

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

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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 significant 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**

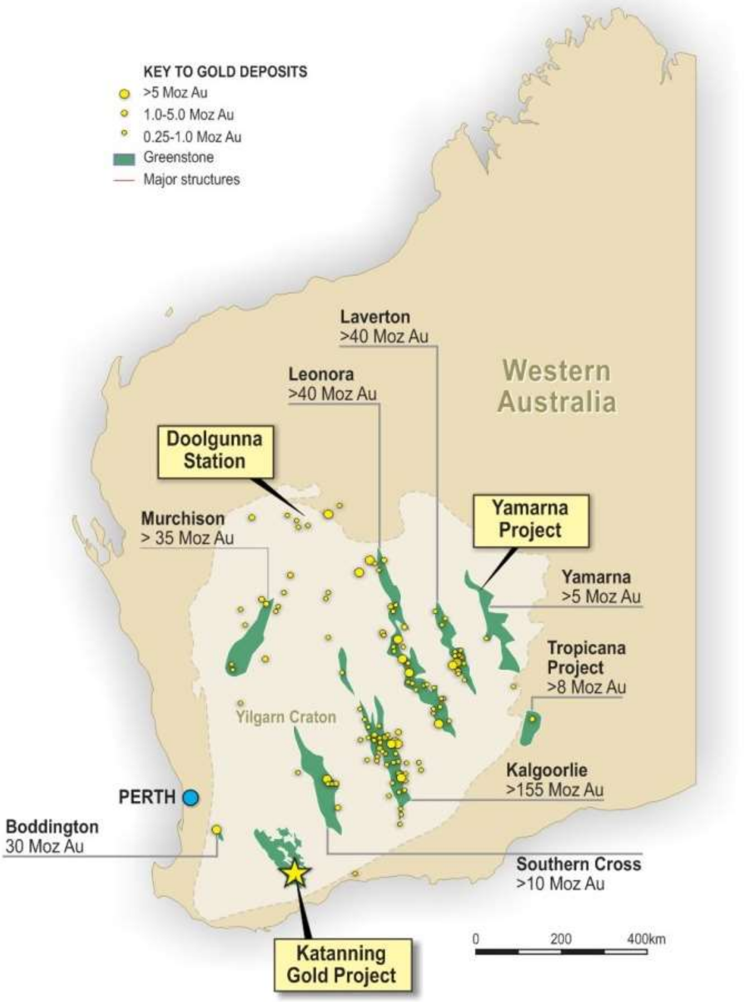

Figure 4 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

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 Mr 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.