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ASX RELEASE
(ASX: AMG)

7 August 2017

NEW HIGH-GRADE GOLD SYSTEMS IDENTIFIED

- **TWO POSSIBLE NEW HIGH-GRADE GOLD SYSTEMS WITHIN EPM 14163**
- **HIGH-GRADE GOLD ASSOCIATED WITH THE 7 COPPER PROSPECTS ON EPM 14163**
- **DRILLING CONTINUES AT MT FREDA**

Image 1: RC Drilling continues at Mt Freda Gold Project Cloncurry NWQ

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Mt Freda Drilling:
Drilling is continuing at our Mt Freda Gold Project (Granted Mining Leases) located south of the regional township of Cloncurry in NW Queensland. The first phase of drilling consists of a 6,000 m Reverse Circulation drill program followed by a Diamond Core drill program. The Mt Freda Gold mine was a previous gold producer until 1989, but ceased operations, due to the decline of the gold price to $240/oz. Records show the mine averaged 4g/t Au and recoveries of 98% Au, via a CIP process circuit. The Company has commenced drilling the Freda Project to produce a maiden JORC (2012) compliant resource.

EPM14163:

Promising start with two new gold mineralised gold systems identified on EPM14163, with assay grades of up to 79.8 g/t gold produced from random rock chip sampling.

One of the two potential Gold systems was identified south of the historical King Brown Gold/Copper prospect and traced for over 700m to date to the east, striking towards the Mt Freda Gold Project. Random rock chip samples, were taken from four above ground quartz breccia outcrops along the possible strike length. All samples were assayed for Gold via SGS Laboratories in Townsville, with samples returning high grade gold assays up to 79.80g/t Au. *(Refer Image 2 below for sample locations & Table 1 for individual sample grades*)
This prospect has been marked as a priority for follow-up work exploration work. Now that the system has been identified, a detailed low impact exploration program will be undertaken with results to form the basis for an exploration drill program.

The second gold system was identified at the historical Carpet mine. The mineralised structure was traced and assayed along ~ 1,000 meters, striking North/South with grades up to 23.4 g/t Au and 11.6% Cu. (*Refer ASX announcement 27/07/2017 for high grade copper grades).*

Further exploration is continuing, but restricted at present to low impact exploration until statutory "*Cultural Heritage Clearance"* is completed. Low impact exploration does not include drilling. The company expects the cultural heritage clearance to be completed by late August. Currently the field geological teams are continuing with low impact mineral exploration. (For all results see below)

In addition to the two new visually and possibly continuous gold systems identified, field exploration is underway on numerous historical Gold/Copper prospects encompassed by EPM14163. Further rock chip samples from these prospects, are currently at SGS Laboratories on Townsville awaiting assay analysis.

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Photo1: Sample WW 98: 1.05g/t Au

Photo 2: Sample WW 97: 9.68g/t Au

Photo 3: Sample WW 101: 79.8 g/t Au

Photo 4: Sample WW 102: 0.45g/t Au

Photos 1-4 displaying the above ground outcropping quartz breccia along the +700m E/W strike length south of the Historic King Brown Gold/Copper mine.

EPM14163 (~ 14sq kms), is just one of 5 EPM's controlled Ausmex in the southern Cloncurry region. Exploration results to date appear to support the opinion that the tenements held by the company contain highly mineralised multiple known historically worked prospects and mines, as well as the two new mineralised gold systems. There has been limited exploration work completed over the tenements in the last decade, providing a unique opportunity for the company.

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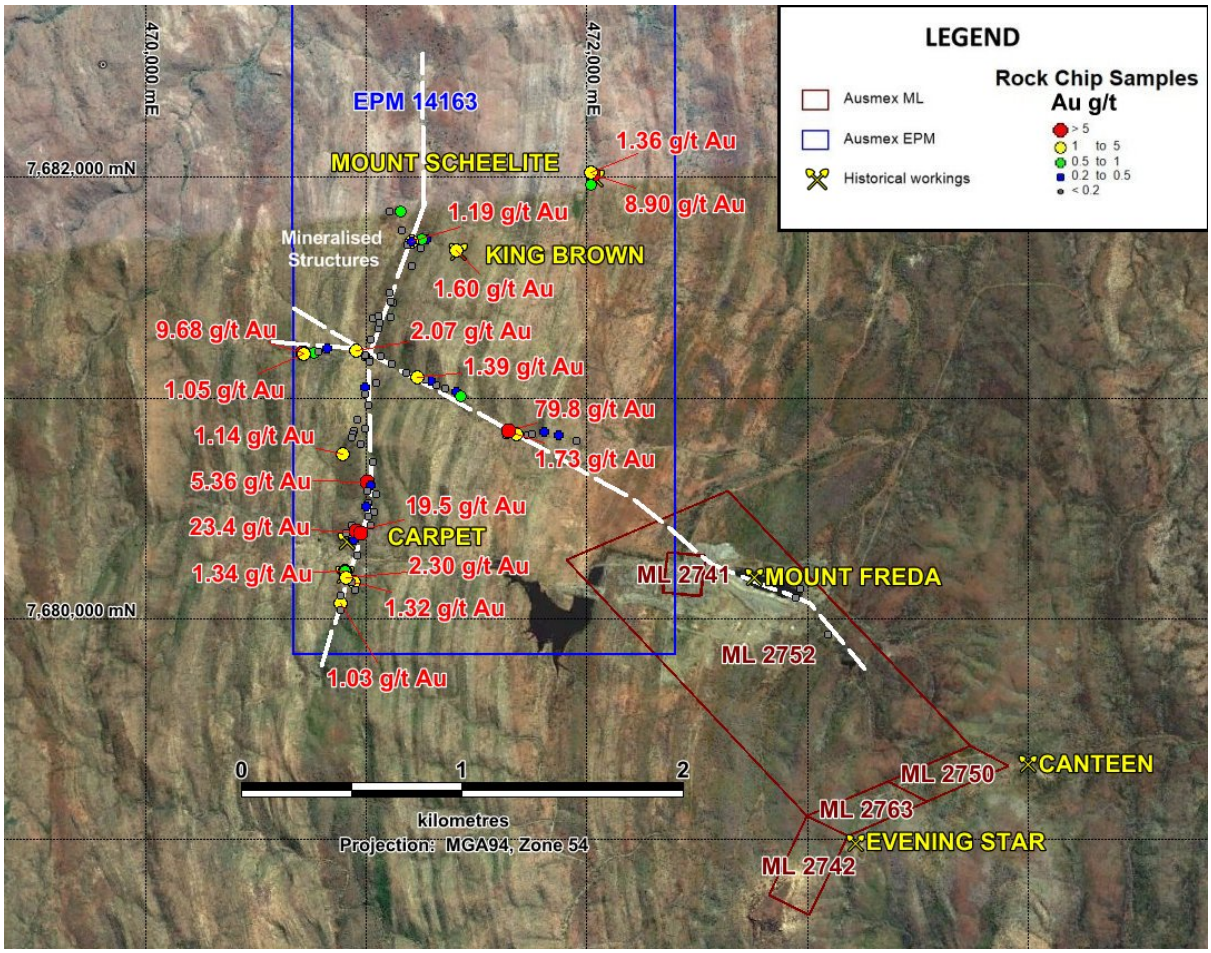

Image 2: EPM14163 South with SGS assay Gold grades along both possible continuous gold systems. System 1 commences South of "King Brown" prospect for ~ 700M east/west strike. System 2 strikes north/south commencing at the "CARPET" prospect for ~ 1,000m.

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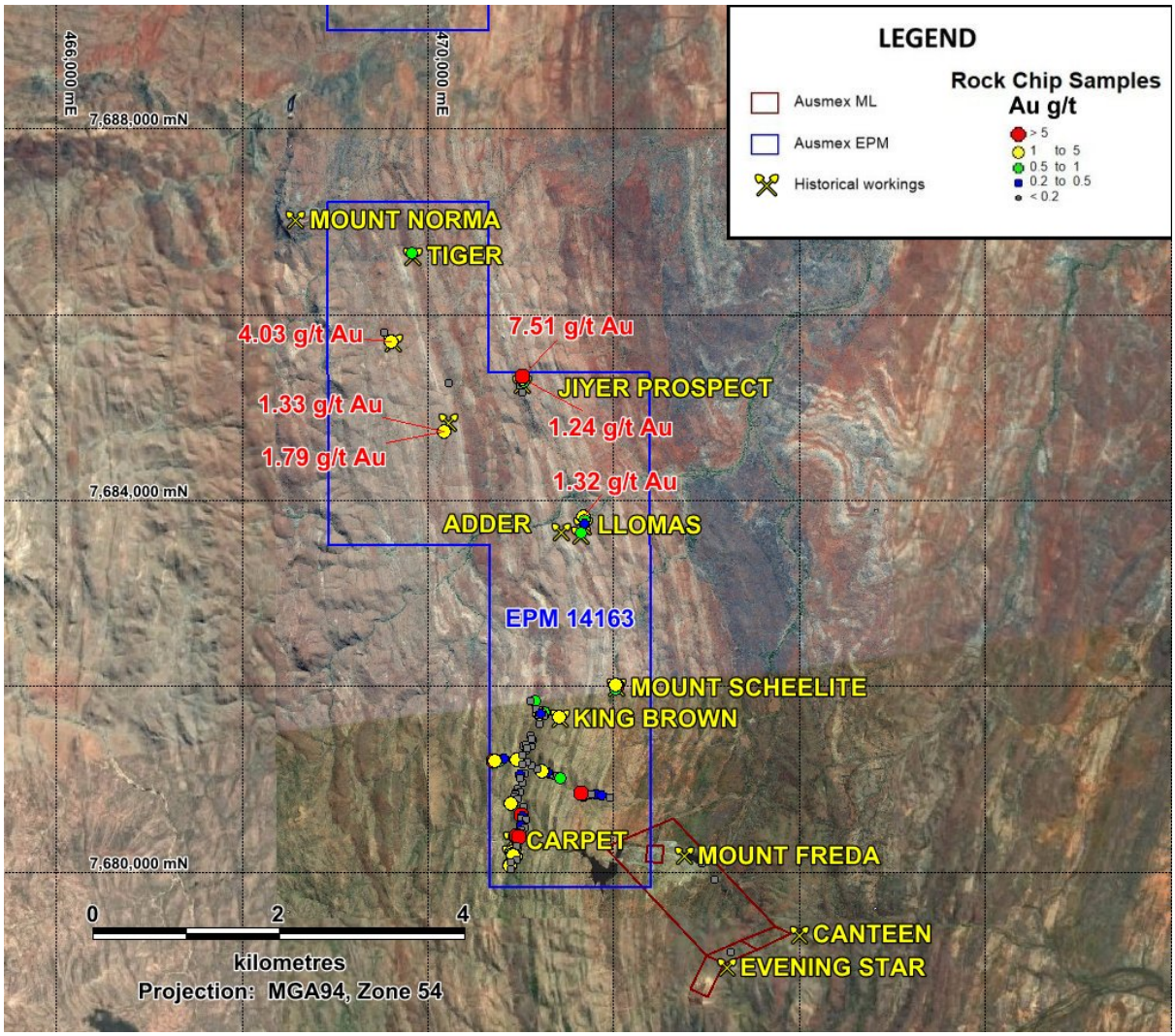

Image 3: EPM14163 displaying gold assays returned from rock chip sampling, clearly displaying the highly prospective potential of the tenement.

Managing Director Mr Matt Morgan stated:
"When we entered into the agreement to purchase this suite of mining tenements, our investigations during the due diligence process led us to believe that the tenements represented some of the highest quality and prospective ground in the Cloncurry mineral field. With the limited exploration so far, we appear to have been correct in our assessment."

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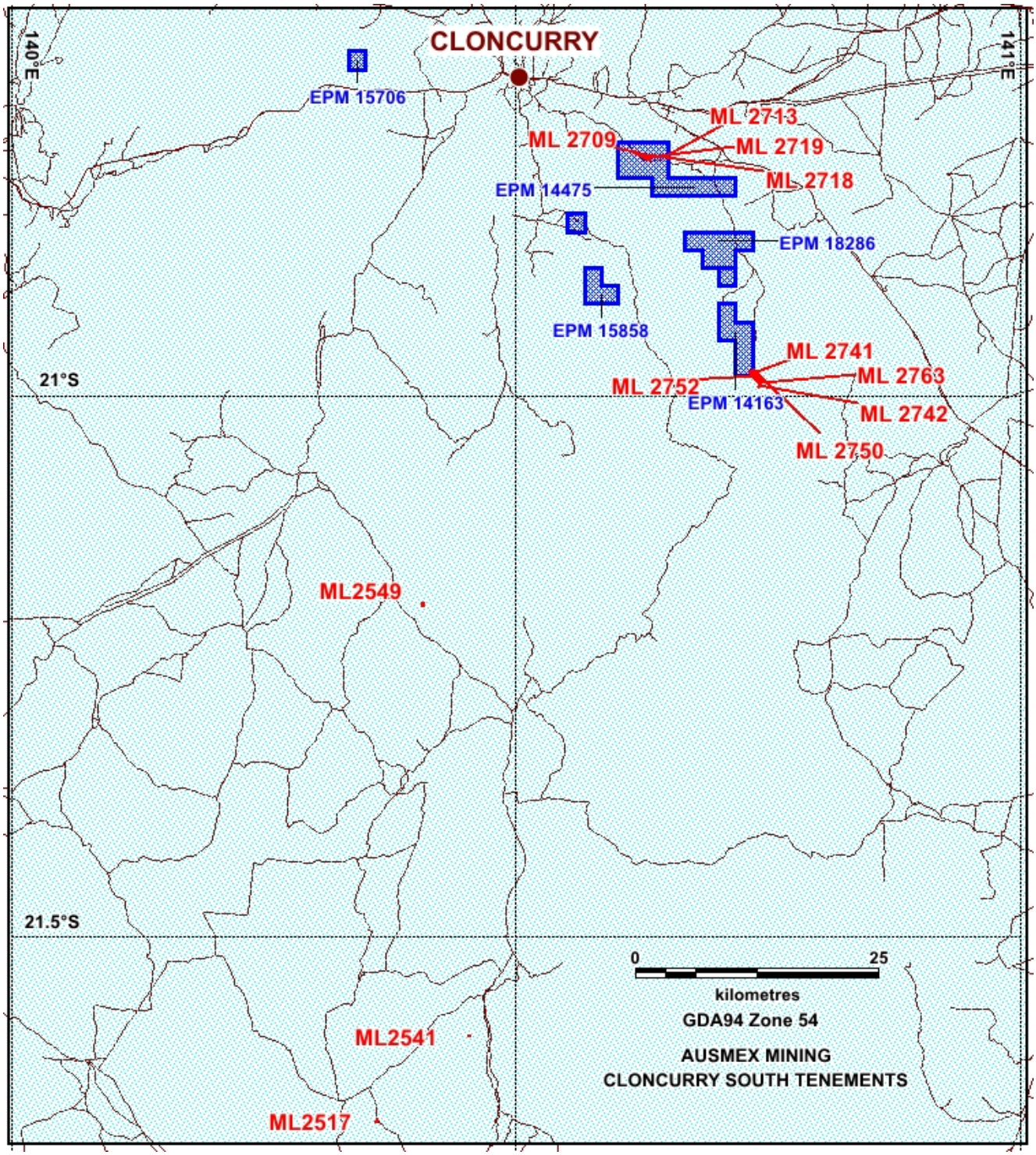

Plan 1. Ausmex Cloncurry tenement suite

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Table 1 EPM14163 Rock Chip results for Gold in grams per tonne:

Sample	GDA94 Zone 54 East	GDA94 Zone 54 North	Au g/t
WW040	472027	7682010	8.9
WW041	472017	7681967	0.95
WW043	471013	7685159	0.02
WW044	470989	7685242	0.05
WW045	471024	7685276	0.66
WW046	471013	7685310	1.24
WW047	471013	7685340	7.51
WW048	469605	7685710	0.41
WW049	469602	7685710	4.03
WW050	469531	7685803	0.08
WW051	470227	7685263	0.06
WW052	470179	7684747	1.79
WW053	470179	7684738	1.33
WW054	471672	7683821	1.32
WW055	471679	7683788	0.85
WW056	471682	7683758	0.44
WW057	471653	7683649	0.76
WW058	471653	7683649	0.95
WW059	469836	7686647	0.26
WW060	469829	7686667	0.56
WW061	470901	7680223	0.06
WW062	470902	7680217	1.34
WW063	470942	7680167	1.32
WW064	470935	7680165	0.16
WW065	471408	7681666	1.6
WW070	471270	7681717	0.32
WW071	471251	7681720	0.64
WW072	471204	7681709	1.19
WW073	471147	7681846	0.07
WW074	471155	7681846	0.7
WW075	471105	7681846	0.16
WW076	471162	7681760	0.005
WW077	472017	7682020	1.36
WW078	470763	7681204	0.57
WW079	470784	7681210	0.12
WW080	470818	7681222	0.04

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Sample	GDA94 Zone 54 East	GDA94 Zone 54 North	Au g/t
WW081	471064	7681188	0.03
WW082	471113	7681366	0.04
WW083	471106	7681478	0.02
WW084	471123	7681429	0.03
WW085	471205	7681600	0.03
WW086	471184	7681694	0.02
WW087	471246	7681679	0.03
WW088	471208	7681707	0.31
WW089	470996	7681185	0.04
WW090	471017	7681173	0.03
WW091	471002	7681188	0.03
WW092	470993	7681195	0.02
WW093	470963	7681211	0.26
WW094	470955	7681215	2.07
WW095	470821	7681225	0.21
WW096	470732	7681199	0.005
WW097	470712	7681203	9.68
WW098	470715	7681200	1.05
WW100	471112	7681438	0.02
WW101	471644	7680853	79.8
WW102	471408	7681026	0.45
WW103	471357	7681045	0.07
WW104	471316	7681057	0.02
WW105	471293	7681079	0.35
WW106	471266	7681086	0.06
WW107	471229	7681094	1.39
WW108	471183	7681116	0.01
WW109	471114	7681156	0.005
WW110	471429	7681010	0.57
WW111	471678	7680836	1.73
WW112	471731	7680831	0.12
WW113	471806	7680845	0.43
WW114	471954	7680805	0.07
WW115	471874	7680832	0.43
WW116	471753	7680837	0.005
WW117	471654	7680842	0.02
WW118	471637	7680830	0.16
WW119	471030	7681363	0.005

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Sample	GDA94 Zone 54 East	GDA94 Zone 54 North	Au g/t
WW120	471054	7681371	0.005
WW121	471061	7681343	0.04
WW122	471054	7681314	0.01
WW123	471018	7681265	0.005
WW124	471017	7681163	0.08
WW125	470996	7681047	0.21
WW126	470995	7681017	0.005
WW127	470961	7680902	0.005
WW128	470995	7680862	0.005
WW129	470945	7680851	0.02
WW130	470937	7680837	0.005
WW131	470935	7680822	0.01
WW132	471012	7680967	0.005
WW133	471043	7681066	0.03
WW134	470972	7680793	0.02
WW135	470892	7680748	1.14
WW136	471028	7680709	0.07
WW137	471003	7680631	0.41
WW138	471014	7680627	0.28
WW139	471003	7680618	5.36
WW140	471022	7680603	0.33
WW141	471003	7680577	0.02
WW142	471047	7680564	0.005
WW143	471008	7680525	0.02
WW144	471001	7680511	0.2
WW145	471037	7680485	0.005
WW146	471009	7680461	0.02
WW147	471019	7680421	0.005
WW148	470933	7680421	0.005
WW149	470908	7680388	0.05
WW150	470935	7680363	0.13
WW151	470942	7680360	0.37
WW152	470952	7680399	19.5
WW153	470975	7680387	23.4
WW154	470958	7680288	0.02
WW155	470904	7680215	0.64
WW156	470911	7680188	2.3
WW157	470949	7680132	0.05

Sample	GDA94 Zone 54 East	GDA94 Zone 54 North	Au g/t
WW158	470884	7680070	1.03
WW159	470887	7680058	0.32
WW160	470886	7680041	0.07
WW161	470886	7680107	0.08

Ends.

For further information, please contact:
Matt Morgan
Managing Director
Ausmex Mining Group Ltd

Phone + 61 427 517 077

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 exploration results and potential are based on information compiled by Mr. Matthew Morgan, who is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr. Morgan is the Managing Director of Ausmex Mining Group Limited and Geologist whom has sufficient relevant experience in relation to the mineralization 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. Morgan consents to the use of this information in this report in the form and context in which it appears.

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JORC Code, 2012 Edition – Table 1 report

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 (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• Random Rock chip samples taken by G pick • Samples were ~2-3kg in weight • Samples were selected from outcrops within the EPM14163 area
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• No drilling, logging or sampling was conducted as part of this release.
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*	• No drilling, logging or sampling was conducted as part of this release

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Criteria	JORC Code explanation	Commentary
	preferential loss/gain of fine/coarse material.	
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.*	• No drilling, logging or sampling was conducted as part of this release
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.*	• No drilling, logging or sampling was conducted as part of this release
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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Industry standard Fire assays for Au were completed by SGS laboratories for Gold. • Repeat and checks were conducted by SGS laboratories whilst completing the analysis
Verification of sampling and	• *The verification of significant intersections by either independent or alternative*	• No drilling, logging or sampling was conducted as

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Criteria	JORC Code explanation	Commentary
assaying	*company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	part of this release • No assays were adjusted
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.*	• Rock Chip sample locations were determined by hand-held GPS readings at the location of each sample (accuracy +/- 5m) and recorded in MGA94, Zone 54 datum
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.*	• Rock chip samples were taken randomly along ~ 4km of outcrop • Data spacing and distribution is NOT sufficient for Mineral Resource estimation • No sample compositing has been applied.
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 samples is not likely to bias the assay results.
Sample security	• *The measures taken to ensure sample security.*	• Samples were taken to Cloncurry by company personnel and despatched by courier to the SGS Laboratory in Townsville
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken at this stage.

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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.*	• ML2718, ML2709, ML2713, ML2719, ML2741 & EPM14163 are owned 100% by Spinifex Mines Pty Ltd. Ausmex Mining Group Limited owns 80% of Spinifex Mines Pty Ltd. Queensland Mining Corporation Limited own 20% of Spinifex Mines. Exploration is completed under an incorporated Joint Venture. • EPM14475, EPM15858, & EPM18286 are held by QMC Exploration Pty Limited. Ausmex Mining Group Limited owns 80% of QMC Exploration Pty Limited. Queensland Mining Corporation Limited own 20% of Spinifex Mines. Exploration is completed under an incorporated Joint Venture. • ML2549, ML2541, ML2517 are 100% owned by Ausmex.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• All exploration programs conducted by Ausmex Mining Group Limited
Geology	• *Deposit type, geological setting and style of mineralisation.*	• ML2718, ML2709, ML2713, ML2719 hosts the Gilded Rose sheer hosted quartz reef. There are several gold mineralised hydrothermal quartz reefs within the deposit. • ML2741 hosts the shear hosted quartz rich Mt Freda Gold deposit containing Au, Cu, & Co. • ML2549, ML2541, ML2517 host copper mineralisation associated with carbonate intrusions into altered mafic host rocks • EPM14163 & EPM 15858 contain There are several gold mineralised hydrothermal quartz reefs within the deposit

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Criteria	JORC Code explanation	Commentary
		containing Au, Cu, & Co

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.*
		• No drilling, logging or sampling was conducted as part of this release.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• No drilling, logging or sampling was conducted as part of this release • No material information is excluded. • No intersections have been reported as part of this release. • All sample locations and fire assay Au results have been displayed. • An average sample grade was displayed from the total samples taken, yet not a weighted average.
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*	• No drilling, logging or sampling was conducted as part of this release • No material information is excluded. • No intersections have been reported as part of this release.

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Criteria	JORC Code explanation	Commentary
	hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	
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.*	• Maps showing the location of the EPMs and MLs are presented in the announcement
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All comprehensive Fire assay results for Gold were reported.
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.*	• There is mention of historic mining for high grade gold and copper •
Further work	• *The nature and scale of planned further work (eg 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.*	• Additional mapping, costeans, geophysical surveys, RC and Core drilling