

DRILL PROGRAM AT ROSE OF DENMARK GOLD MINE RETURNS FURTHER SIGNIFICANT HIGH-GRADE GOLD RESULTS

AuStar Gold Limited (ASX: AUL) ('AuStar' or 'the Company') provides the following update in relation to its current drilling program at the Rose of Denmark gold mine:

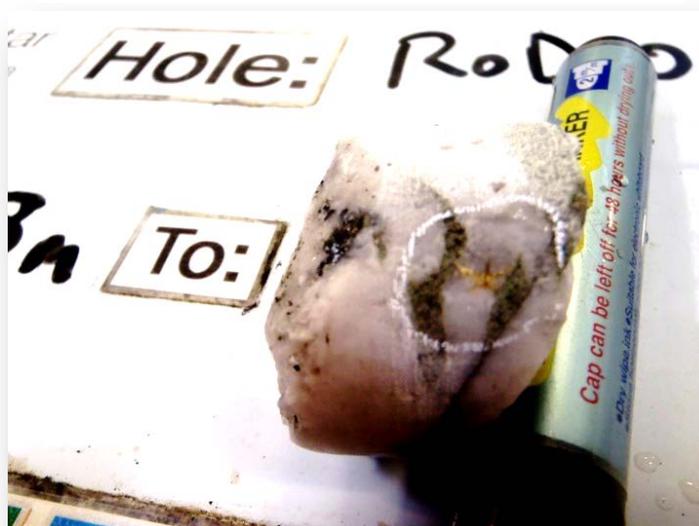
Highlights

- This is the fourth announcement of significant assays from the ongoing drill program at Rose of Denmark ('RoD') gold mine
- Latest significant assays include:
 - ROD021 1.3m @ 45.4 g/t from 0.5m, including 0.4m @ 144.5g/t
 - ROD021 5.3m @ 7.2 g/t from 12m, including 0.5m @ 70.1g/t
 - ROD021 1.5m @ 28.2 g/t from 23.2m, including 0.5m @ 50.8g/t
 - ROD010 1.45m @ 27.2 g/t from 7.4m, including 0.5m @ 61.6g/t
 - ROD010 1.1m @ 9.3 g/t from 42.4m
 - ROD019 1.3m @ 4.8 g/t from 21.1m
- These results are part of significant widths identified by the drilling (see table 1.). They increase management's confidence in identifying:
 - new areas of gold mineralisation within the mine, and
 - payable gold zones that were previously thought to be uneconomic by early miners.
- Results provide further encouragement to develop a bulk sample at the RoD gold mine.

CEO Mr Tom de Vries said "This is the fourth in a series of announcements since January 2018, reporting high grade gold assays from our drill program at Rose of Denmark mine.

The continued success of the drilling program provides the Company with increasing confidence in its ability to identify a number of high grade gold zones from this mine. This is consistent with our broader strategy to develop multiple ore sources within our extensive tenement holdings in the Walhalla to Woods Point gold district."

Photo 1. Viz gold 17.3m ROD021



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Table 1. Drill Holes and significant intersection

Hole Id		From	To	Interval	Grade g/t
ROD021		0.5	24.7	24.2	3.04
ROD021	inc	0.5	1.8	1.3	45.38
	inc	0.5	0.9	0.4	144.5
ROD021	&	12	17.3	5.3	7.18
	Inc	12	12.5	0.5	70.1
ROD021	&	23.2	24.7	1.5	28.23
	inc	24.2	24.7	0.5	50.8
ROD010		0	2	2	3.87
ROD010		7.4	12.95	5.55	11.53
ROD010	inc	7.4	8.85	1.45	27.17
	inc	7.4	7.9	0.5	61.6
ROD010		40.8	44	3.2	3.45
ROD010	inc	42.4	43.5	1.1	9.3
	inc	42.95	43.5	0.55	15.43
ROD019		13.6	29.55	15.95	0.69
ROD019	inc	21.1	22.4	1.3	4.76
ROD019	Inc	25.4	26.4	1.0	2.4

Table 2. Drill Hole locations

Hole Id	MGA East	MGA North	R.L.	Dip	Azi MGA	Hole Depth
ROD010	427360	5853154	576.54	-62.8	136	50
ROD019	427268	5853310	579.04	45	313	57.6
ROD021	427309	5853243	577.97	-67.6	132	39.9

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Figure 1 Long section of drilling completed and planned in Rose of Denmark adit with visible gold locations highlighted

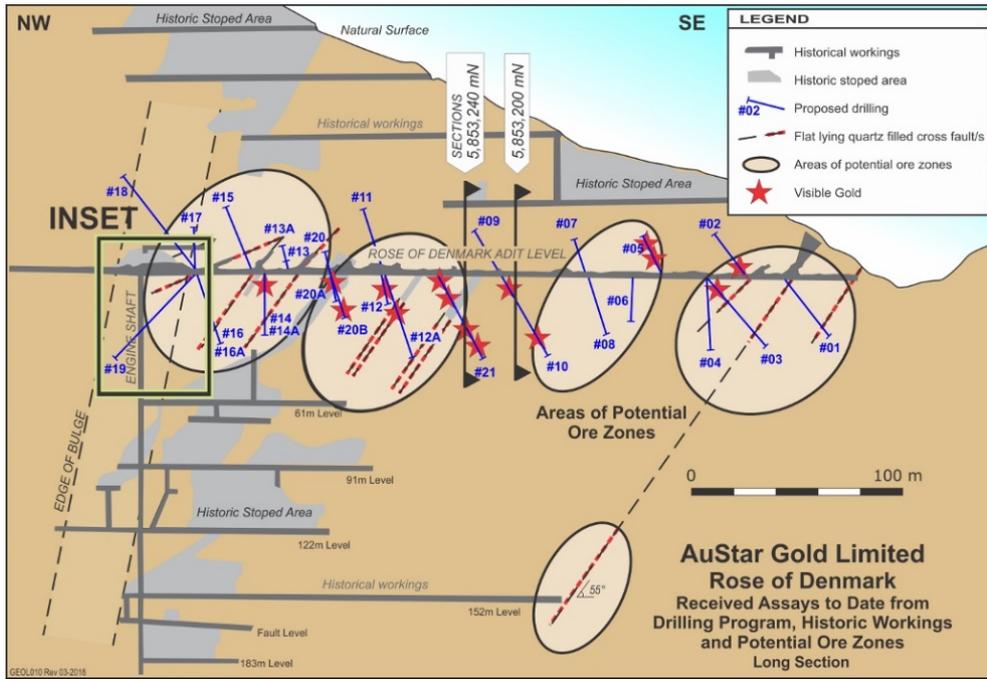


Figure 2 Cross section. Holes ROD021

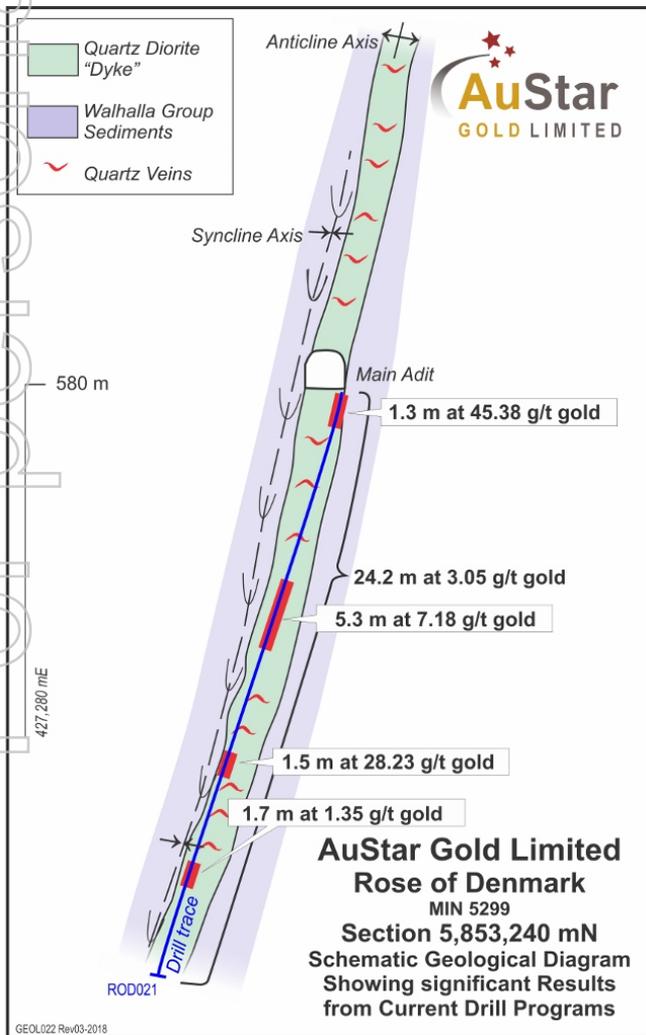
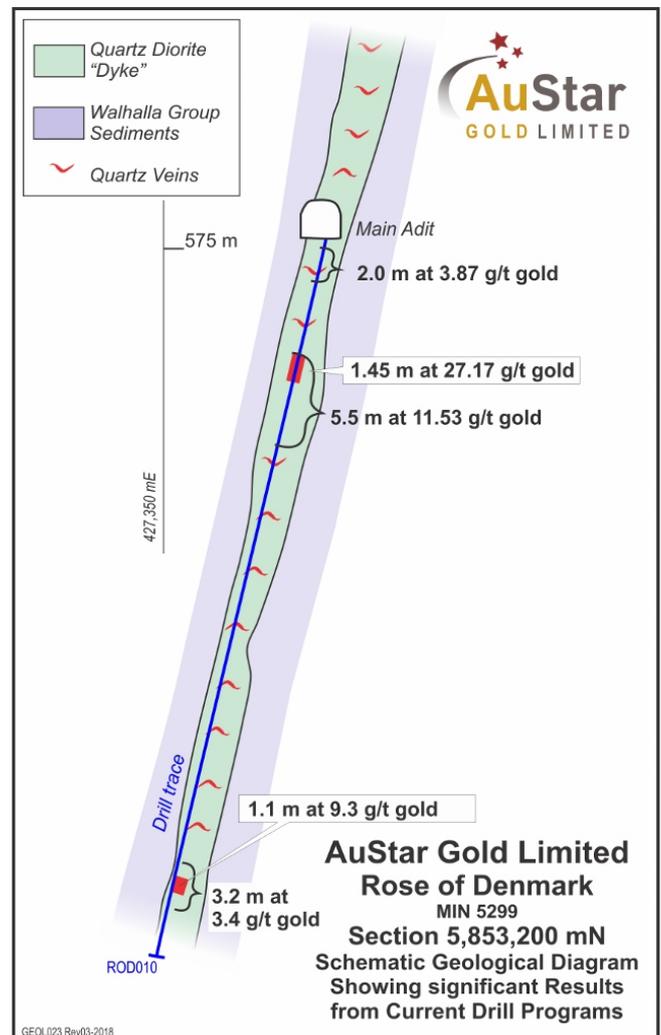


Figure 3 Cross section Holes ROD010



ROD018 and ROD019 were drilled on a north south trajectory in order to traverse the large engine room dyke bulge (see figure 4). Consistent and significant sulphide mineralization was observed along with high quartz percentages including several hydrothermal breccia zones not observed in the narrow zone of the dyke.

Significant runs of anomalous mineralization were encountered which may signify a shoot within the bulge. This is very encouraging as the early miners deemed the Dyke bulge as uneconomic and it is possible that an economic ore block could exist within the bulge based on bulk mining costs available today.

Samples from ROD 018 will be submitted for assay to determine if these gold shoots extend from ROD019 and parallel to the bulge plunge.

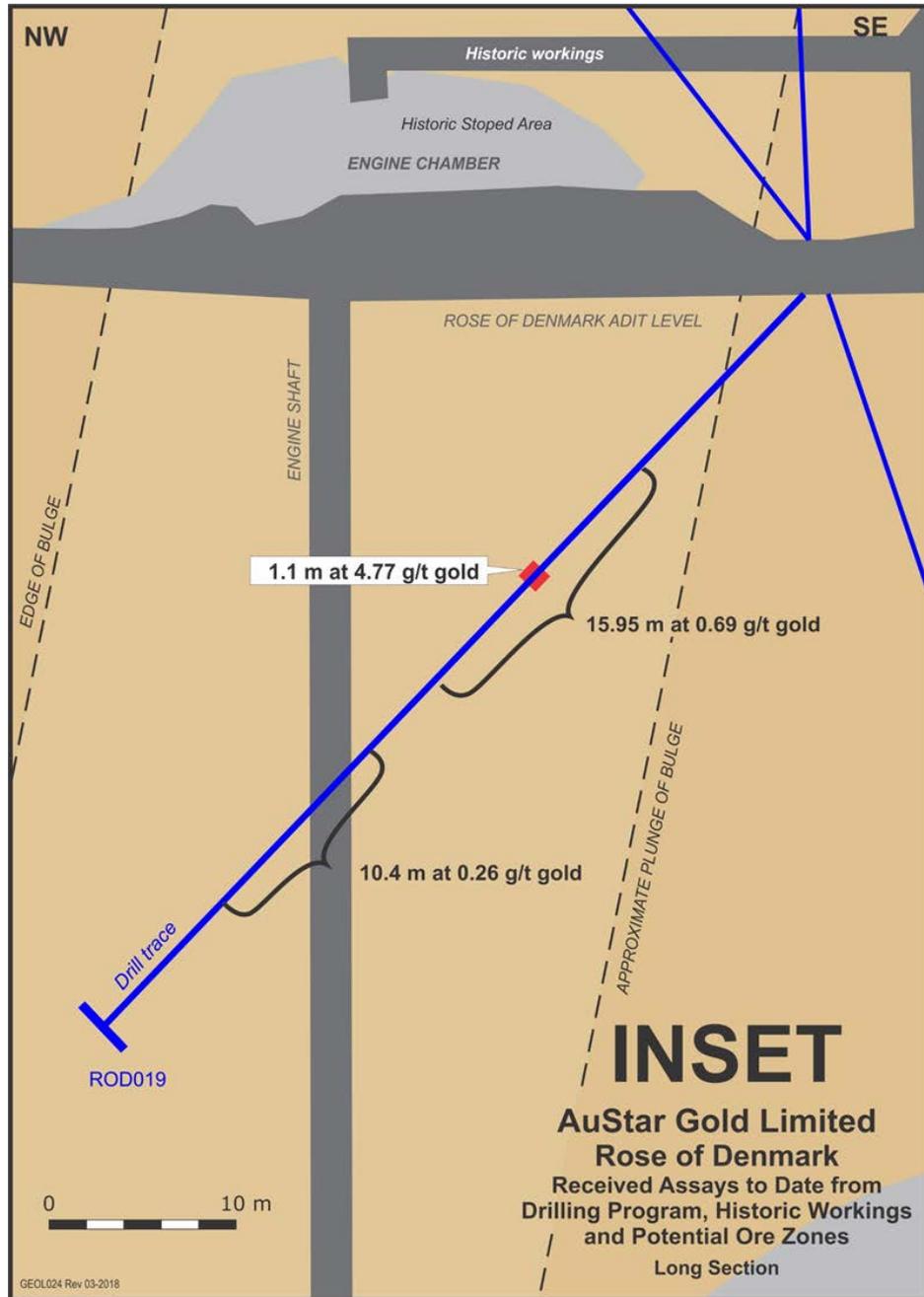
ROD021 was drilled in between the estimated positions of Hogarth's and Gallagher's winzes and significantly increases the gold mineralization observed in that area.

ROD010 was the first hole moving south from the midpoint of the adit and it is encouraging to see mineralization still prevalent at that point.

Diamond drilling has continued with holes ROD009 to ROD001 being drilled , including 2 geotechnical holes drilled at -45 degrees east and west from positions close to the first historic stoping area in order to allow planning for possible access options to lower levels to be undertaken. These holes are yet to be logged and assayed.

It is increasing likely that a bulk sample program is required in the near term, to ascertain the strike length of the identified ore zones as well as the likely grade of payable runs, particularly given that nuggetty gold regimes generally produce an upgrade from diamond drilling.

Figure 4 Drill Hole ROD019 drilled into wide dyke bulge with anomalous gold assays indicating potential for bulk stopping, refer to Fig. 1 for inset location.



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About the Rose of Denmark

Historical gold production at Rose of Denmark totaled approximately 37,000 ounces at 12.5 g/t and was sourced from both within the near surface adit and from a deeper production shaft (~200m deep).

Historical research and work completed by Morning Star Gold in 2012 identified a significant walk up target available for short term development.

The current drilling will assist the Company gain a clearer understanding of the geology and structures controlling the gold mineralization which in turn will assist mine development design to reflect higher grade zones identified from this phase of drilling as well as historical data.

The size of the drill program is 500 to 600m of drilling, designed to be drilled in the dyke 20m above and 30m below the adit level, as a first phase of drilling (refer to figure 1).

About AuStar Gold Limited:

AuStar is focused on the return to production of the Morning Star mine and its environs - **an advanced high-grade gold project, with significant infrastructure including processing plant, a strategic tenement footprint, and prospectively, well positioned for near-term trial mining.**

In addition, AuStar intends to develop its adjoining tenements in the Walhalla to Jamieson gold district (particularly the prolific Woods Point Dyke Swarm) into low cost high grade gold production projects.

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Competent Persons Statement

Information in this report relating to exploration and exploration results is based on information compiled by John Cahill BSc MAIG, a competent person who is a member of the Australasian Institute of Geoscientists. Mr. Cahill has sufficient experience in the style of deposit and the activities reported on to qualify as a competent person as defined by the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC code). Mr. Cahill consents to the inclusion in this report of matters based on his information in the form and context of which it appears.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialized 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. 	<ul style="list-style-type: none"> Full drill core has been submitted for analysis. the drill core is LTK 60 in size Sample intervals are approximately 0.5 metres as the mineralization consists of multiple narrow veins within a diorite host. The presence of coarse gold will see underestimation of gold grades in drilling utilizing Fire Assay techniques. 2Kg Leachwell analysis with fire assay tail will minimize this effect on a sample by sample basis. 0.5 metre lengths of LTK 60 drill core approximate 2Kg for sample efficiency. Samples are pulverized to -75 Micron before subjected to 24 hr bottle roll with Leachwell. AAs readings are taken before the sample tail is washed, dried and a 50g Fire assay completed to check unleached gold.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> The Rose of Denmark diamond drilling program is being undertaken utilizing a short feed LM 30 diamond drill producing LTK 60 size drill core (NQ) and capable of drilling up and down holes to angles of ~85 degrees Drilling was carried out by Starwest Drilling Down hole surveys have been carried out Core orientations were not measured.
Drill sample recovery	<ul style="list-style-type: none"> 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 preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> The core is marked up and measured by geologists. Core recovered (CR) is compared with the metres drilled (MD, recorded by the drillers in their 'run sheets') and a 'core recovery' percentage is calculated; $CR/MD \times 100 = \% \text{ recovered}$. Vein density is random and variable within the gross structural controls. Vein orientation takes two preferred orientations. The general "type" vein orientation is a flat ~10 degree dipping TVA with the second orientation being a conjugate set which are generally smaller but cut the previous veinset with minor displacements
Logging	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Logs exist for all of the drillholes on the property. The history of Exploration on the property has seen the one set of log codes utilized consistently. The logging describes the dominant and minor rocktypes, colour, mineralisation, oxidation, alteration, vein type, core recovery, basic structure (hardness has not been logged). Some geotechnical logging has taken place, though in most cases the existence of extensive underground development has meant that geotechnical work has been more focused on underground exposures. Core is photographed after markup and before sampling.

Criteria	JORC Code explanation	Commentary
	<i>percentage of the relevant intersections logged.</i>	<ul style="list-style-type: none"> Marked core for sampling is also photographed.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Full core has been sampled Core samples were assayed at the Gekko laboratory located in Ballarat, and at Onsite labs in Bendigo Total pulverization before subsampling for assay is carried out at the lab by grinding via a mixer mill to 90% passing -75 microns. Initial sampling is by 2kg BLEG (Leachwell) to ensure coarse gold is effectively sampled. A further fire assay of the washed pulp tail after leaching is undertaken to test for residual un leached gold.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>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.</i> 	<p>A standard sample is randomly inserted for approximately every 15 – 20 samples that are submitted.</p> <p>Laboratory blanks and random rechecks are also utilized by Gekko</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> 	<ul style="list-style-type: none"> All reported data was subjected to validation and verification prior to release Submitted standards are tabled and compared to stated value Data from logging and assay is being entered into excel and imported into a 3D modeling program (Micromine) for modeling and geological analysis.
Location of data points	<ul style="list-style-type: none"> <i>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</i> 	<ul style="list-style-type: none"> All holes were located by direct measurement from underground survey points. Contract surveyors will pick up collars on completion of program for high level of accuracy The coordinates used are GDA 94

Criteria	JORC Code explanation	Commentary
	<p>estimation.</p> <ul style="list-style-type: none"> • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • The topography control is of a high standard
Data spacing and distribution	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Drilling has been carried out from underground drill cuddies. Reported drill holes are spaced at between 25 - 50 metres depending on suitability at each intended location for drill deployment. At several locations, angled holes were undertaken to locate the geological contacts • The aim of the drill program is to drill up and down thru the dyke unit to assess the grades and geology adjacent the current adit development. The dyke dips steeply west and is also subject to thrust fault offsets making it difficult to target the dyke consistently. • Sample compositing has not been applied
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The drilling has been targeted to intersect mineralized veins at a steep angle, although some oblique holes have been drilled due to the locations of available drill sites. However, this has been taken into account in such a way as to eliminate sampling bias. • No significant sample bias based on drill hole orientation is noted • The mineralisation at Rose of Denmark plunges north at ~40 degrees and drilling is predominantly south at ~70 degrees to drill across the general trend (or north at +70) + / - 10 degrees
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • The chain of custody for samples was managed by Morning Star Gold NL, with an established set of procedures designed to maintain sample security
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No independent review has been undertaken of the announced drill results

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	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The Rose of Denmark lies wholly within MIN5299 and is 49% held in JV with Shandong Tianye
Exploration done by other parties	<ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> • The Rose of Denmark ceased production in 1926 and was dormant until 2012 when Morning Star Gold enacted the JV and opened the Rose of Denmark adit, stripping the adit to ~2 metres width and undertaking mapping sampling, several diamond drillholes and bulk sampling before the company

Criteria	JORC Code explanation	Commentary
		<p>ceased work in late 2012. AuStar Gold has this data.</p> <ul style="list-style-type: none"> .
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The project area lies within the Woods Point – Walhalla Synclinorium structural domain of the Melbourne zone, a northwest-trending belt of tightly folded Early Devonian Walhalla Group sandy turbidites. The domain is bounded by the Enoch's Point and Howe's Creek Faults, both possible detachment-related splay structures that may have controlled the intrusion of the Woods Point Dyke Swarm and provided the conduits for gold-bearing hydrothermal fluids. The local structural zone is referred to as the Ross Creek Faults Zone (RCFZ) Most gold mineralisation in the Woods Point to Gaffney's Creek corridor occurs as structurally-controlled quartz ladder vein systems hosted by dioritic dyke bulges. Rose of Denmark exhibits all these characteristics
Drill hole Information	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> 	<ul style="list-style-type: none"> See table in above document
Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> In all previous ASX releases the assays are given 'un-cut' unless otherwise stated & weighted averaging of results is used: in which the average grade is the sum of the products of length and grade for each sample in the interval, divided by the total length of the interval. A nominal cutoff of 0.1g/t is used for identification of potentially significant intercepts for reporting purposes. Most of the reported intercepts are shown in sufficient detail, including gold maxima and subintervals, to allow the reader to make an assessment of the balance of high and low grades in the intercept. Metal equivalents are not used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> Mineralized structures at Rose of Denmark are variable in orientation, and therefore drill orientations have been adjusted from place to place in order to allow intersection angles as close as possible to true widths. Exploration results have been reported as an interval with 'from' and 'to' stated in tables of significant economic intercepts. Tables clearly indicate that true widths will generally be narrower than those reported.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The Rose of Denmark is being tested as a bulk mining target and as such, the grades of quartz veins or quartz breccias, are not being specifically sought although it should be noted that these features are not absolutely planar and considerable anastomosing of fine veinlets does occur, with variable strike and dip. All of the veining is contained within or closely proximal to the dyke vein.
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See attached figures and plates.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Initial significant results are shown followed by basic data
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Results of an ongoing structural reappraisal of the mine are presented in some of the diagrams in this release. These diagrams are schematic in nature based on field observations yet to be fully digitized in 3 D space (this work is ongoing)
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Further exploration drilling from surface and underground is planned, along with face sampling and bulk sampling in order to gain confidence regarding drilled grades. Gaining a correlation between drilled grades and recovered grades from large scale sampling is a key aim of this program and will be a significant factor in reporting resources and reserves to appropriate standards

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Section 3 does not pertain to this report.

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Section 4 does not pertain to this report.