

27 September 2018

ASX RELEASE

Newcrest Mining Limited drilling Tier 1 IOCG Target – 30% of the target is within AMG controlled leases.

- **Ausmex controlled Mt Freda Complex contains approximately 30% of a massive IOCG geophysical and geochemical prospect previously identified by Exco Resources Ltd in 2012.**
- **Newcrest Mining Limited (ASX: NCR) commenced farm in drilling on the Tier 1 “Canteen” IOCG target approximately 800m south of the Mt Freda Complex, with the anomaly extending into the Ausmex controlled Mt Freda Complex.**
- **Mt Freda Complex hosts a large mineralised system that has the scale to host a massive Tier 1 IOCG prospect hosting shallow Au, Cu, Co and Rare Earth Elements.**
- **Exco Resources Ltd is a 100% subsidiary of ASX:SOL following an acquisition in 2012 valued at approximately \$95 million**

Ausmex Mining Group (ASX: AMG) (“Ausmex” or “The Company”) is pleased to advise that Newcrest Mining Limited (“**Newcrest**”) have commenced drilling a Tier 1 IOCG target adjacent to the Mt Freda Complex, with the anomaly continuing into Ausmex’s tenements. Newcrest, a \$14.9bn ASX listed mining company (ASX: NCM), is drilling the area under a recently established farm in agreement with Exco Resources Limited (“**Exco**”). Exco was listed on the ASX under the code EXS before being acquired by Washington H. Soul Pattinson and Co. Limited (ASX:SOL) in 2012 valuing the company at approximately \$95m.

The large IOCG target was previously identified by Exco in 2012, with approximately 30% of the anomaly now held by Ausmex within the Mt Freda Complex, Cloncurry Queensland.

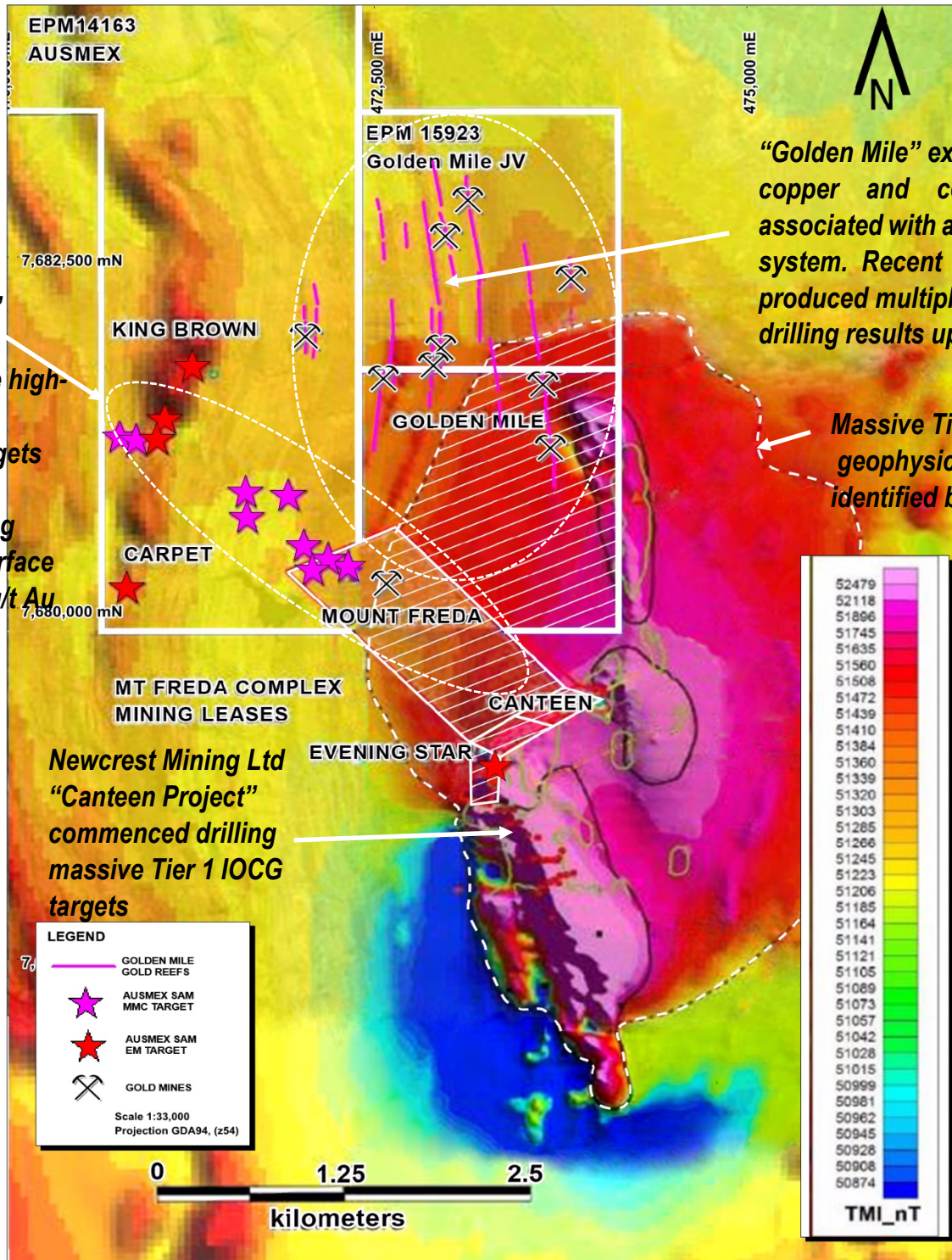


Image 1. **Ausmex Mt Freda Complex** containing extensive shallow surface gold, copper and cobalt mineralisation associated with a large Tier 1 IOCG Geophysical and Geochemical target currently being drilled by Newcrest. Note the Ausmex identified EM target at Evening Star is an extension of Newcrest’s IOCG drilling targets. Source: QLD Gov. Mt Isa TMI GSQ open file dataset Survey GSQ1029 & [Exco IOCG Roadshow release 2012](#)

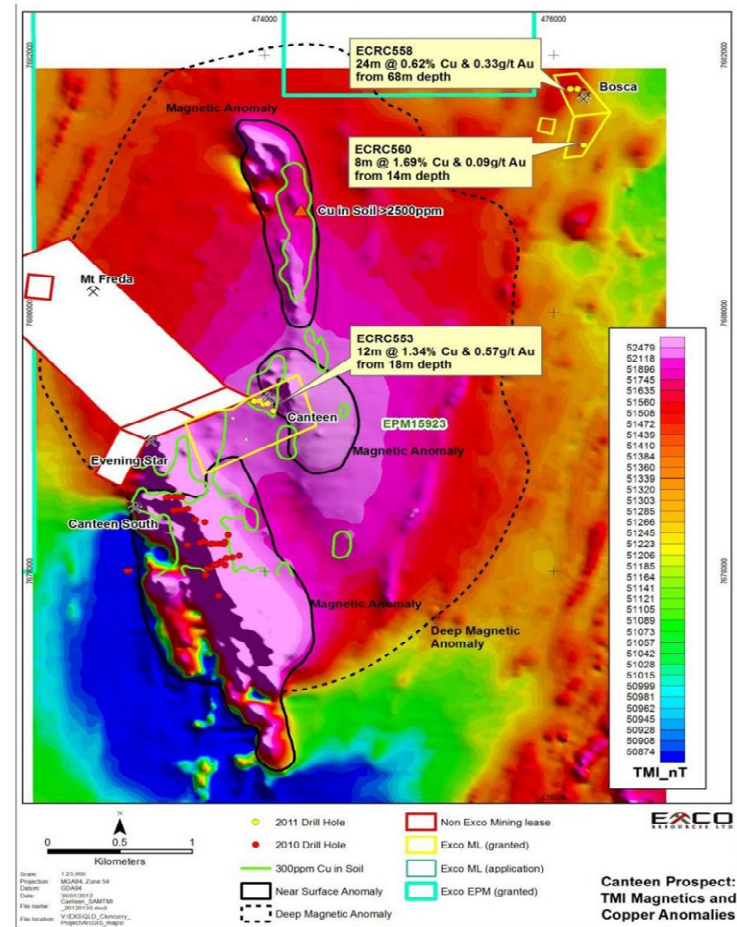
Exco Resources previously Identified a large IOCG Alteration system at Mt Freda in 2012



Weatherly Creek – Canteen

- Recent SAM geophysical data highlights a very strong conductive anomaly and a coincident magnetic anomaly.
- Soil geochemistry has highlighted coherent copper and gold in soil.
- Exco believes the area hosts a large IOCG style alteration system.
- Initial RC drilling has intersected encouraging copper and gold grades beneath the historical Canteen Pit. Better Intercepts include:

Hole ID	Length	Cu %	Au g/t	From
ECRC115	66	0.41	0.06	0
ECRC553	12	1.34	0.57	18
Inc	4	3.05	1.11	24
ECRC556	16	0.23	0.09	42
Inc	2	2.21	0.57	64



Extract from Exco ASX announcement 2012. Source: [Exco IOCG Roadshow release 2012](#)

Exco Resources previously identify Tier 1 IOCG Target at Canteen (Mt Freda) in 2012

TIER ONE TARGETS

Several previously identified targets are considered to have potential to host Tier One deposits and further work on other areas is expected to confirm additional target areas. The Turpentine/Eight Mile Creek, Salebury/Tanbah and Canteen/Weatherly Creek areas have geological, geophysical and geochemical characteristics that suggest they are within an IOCG system. Exco plans to conduct detailed exploration of the large scale multi-component anomalies that cover these areas.

Canteen – Weatherly Creek

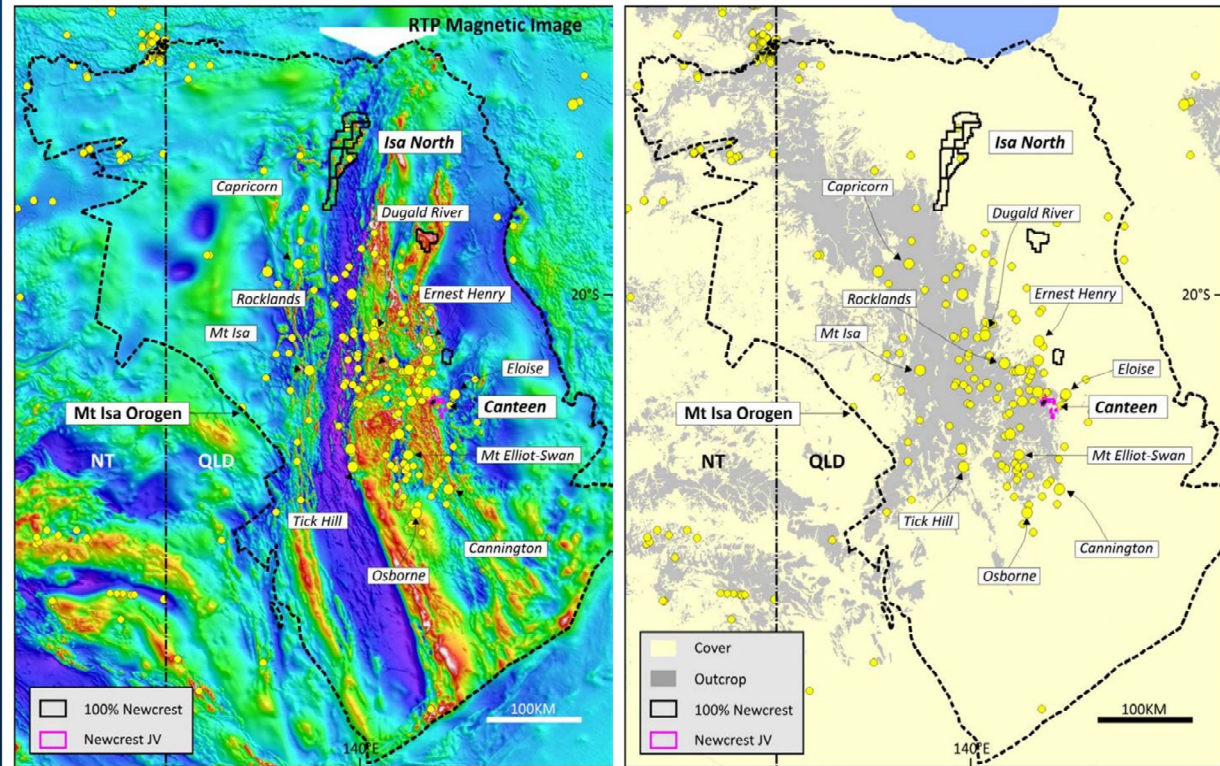
The Canteen/Weatherly Creek prospect area is located on the interpreted crustal scale Cloncurry Lineament, proximal to 2 radiogenic granites and has a high amplitude regional magnetic anomaly of (approximately 6km x 2km), with associated surface mineralisation, conductivity anomalies and unusual alteration minerals. Extensive brecciation and stockworking with widespread Na-Ca-Fe alteration coincident with magnetite and hematite occurrences suggest a substantial hydrothermal system has been active. Soil surveys have revealed strong Cu-Au-Fe-K-P-U at surface, with **Cu to 0.27%** and **Au to 0.43 g/t**. Current drilling, to a maximum depth of only 250m and covering less than 10% of the prospect area, has intersected broad widths of mineralisation with peak values up to **4.43% Cu, 2.46 g/t Au and 830 ppm U**. Initial rock chip sampling at the southern portion of the prospect area revealed copper greater than 1% and U to 2440ppm.

Significant amounts of magnetite, pyrite and pyrrhotite were intersected in the initial phases of drilling during 2008. The Mt Freda Au deposit and the Evening Star copper deposit (held by Queensland Mining Corporation) are examples of surface mineralisation adjacent to the multi-component geophysical and geochemical anomalies that highlight this area. Geophysical surveys completed late in 2011 suggest a large deep magnetic source and a detailed gravity survey that is about to commence will be used to help site deeper diamond drilling. (See **Figure 2** for

Extract from Exco ASX announcement 2012. Note Ausmex acquired Mt Freda and Evening Star from Queensland Mining Corp in 2017. Source: [Exco Resources QLD update 2012](#)

Newcrest Mining Limited Drilling Tier 1 IOCG Target at Canteen, (continues into Mt Freda Complex)

Mt Isa Inlier –
Targeting
greater than
500m



Extract from Newcrest August 2018 Diggers and Dealers ASX announcement. Note the Canteen project sharing the same geophysical and geochemical anomaly to the Mt Freda Complex is a Tier 1 world class IOCG Target.

Source: [Newcrest Diggers and Dealers 2018](#)

Managing Director Matt Morgan stated:

“The Ausmex team always suspected that we were sitting on a very large mineralised system at the Mt Freda Complex. To have this confirmed by a leading international mining house such as Newcrest Mining Limited, whom themselves have identified the Canteen Project that adjoins the Mt Freda Complex as a TIER 1 IOCG drilling target is exceptional. Not only does Ausmex control approximately one third of the large geochemical and geophysical IOCG target being drilled by Newcrest, Ausmex also controls a large area of shallow gold, copper, cobalt and rare earth element mineralisation associated with the IOCG alteration system. Exco Resources themselves confirmed this in 2012.

This is the moment all junior listed companies wait for, the day a major starts drilling next door on a world class target. For Ausmex shareholders to control one third of this target is a wonderful outcome.

Mining Industry Consultants Hellman & Schofield are in the final stages of completing a JORC (2012) Resource estimate for the Mt Freda orebody. The company will continue drilling the Golden Mile and Mt Freda Complex extensions, focusing on defining additional shallow high grade gold mineralisation, so potentially a twofold benefit is on the cards for Ausmex shareholders.

These truly are very exciting times for Ausmex Shareholders.”

Ends.

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.