

7th August 2019

MARKET RELEASE

IOCG TARGET IDENTIFIED IN THE UNDER EXPLORED BURRA REGION OF SOUTH AUSTRALIA.

- Latest 3D geophysics modelling of MT and AMT results, incorporating regional magnetics and gravity, identifies a formerly unknown shallow conductive structure – IOCG Target “A”.
- IOCG Target “A” is a new & previously unexplored structure approx. 2 kms west of the historic Princess Royal copper-gold workings, the site of some of the first copper ore production in SA dating from the 1840’s, (Historic grades up to 27% Cu).
- This new structure is located at the top of an MT conductive “plume” which appears from the modelling to also feed the historic Princess Royal deposit.
- The latest modelling indicates that IOCG Target “A” is more conductive than the known historic Princess Royal deposit, potentially reflecting extensive primary sulphide mineralization.
- Target “A” has several kms of strike length, is approximately 1.5 kms wide, and extends from near surface to an approx. depth of 1.7 kms.

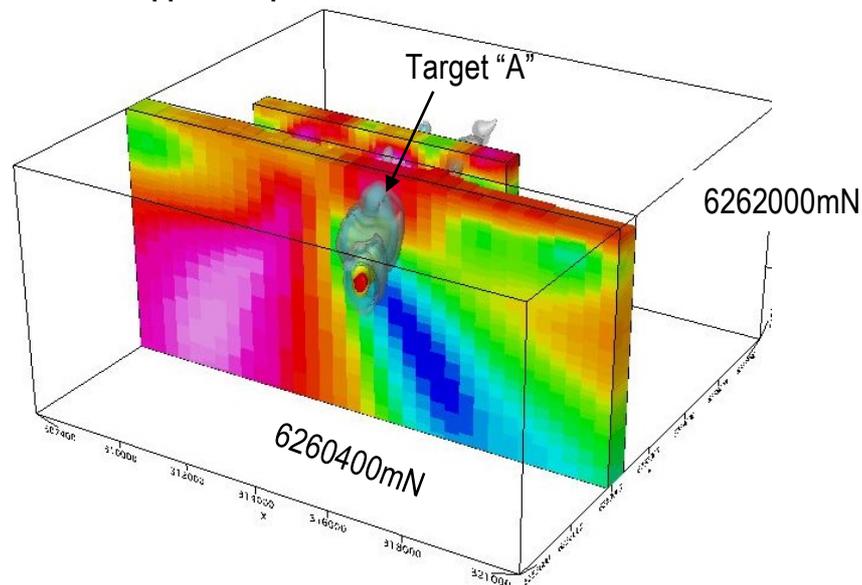


Figure 1. Raised elevation on 3D model, looking to the NW & showing AMG’s IOCG Target “A” conductive anomaly with the magnetic structure showing through 2 sections of AMG’s MT/AMT model sections. The shorter AMT section results from AMG’s closer 1 kms spaced AMT survey. The historic Princess Royal mineralisation is shown on the right and the much larger new Target “A” is in the centre. It comprises a magnetic trend which is coincident with a strongly conductive MT/AMT structure.

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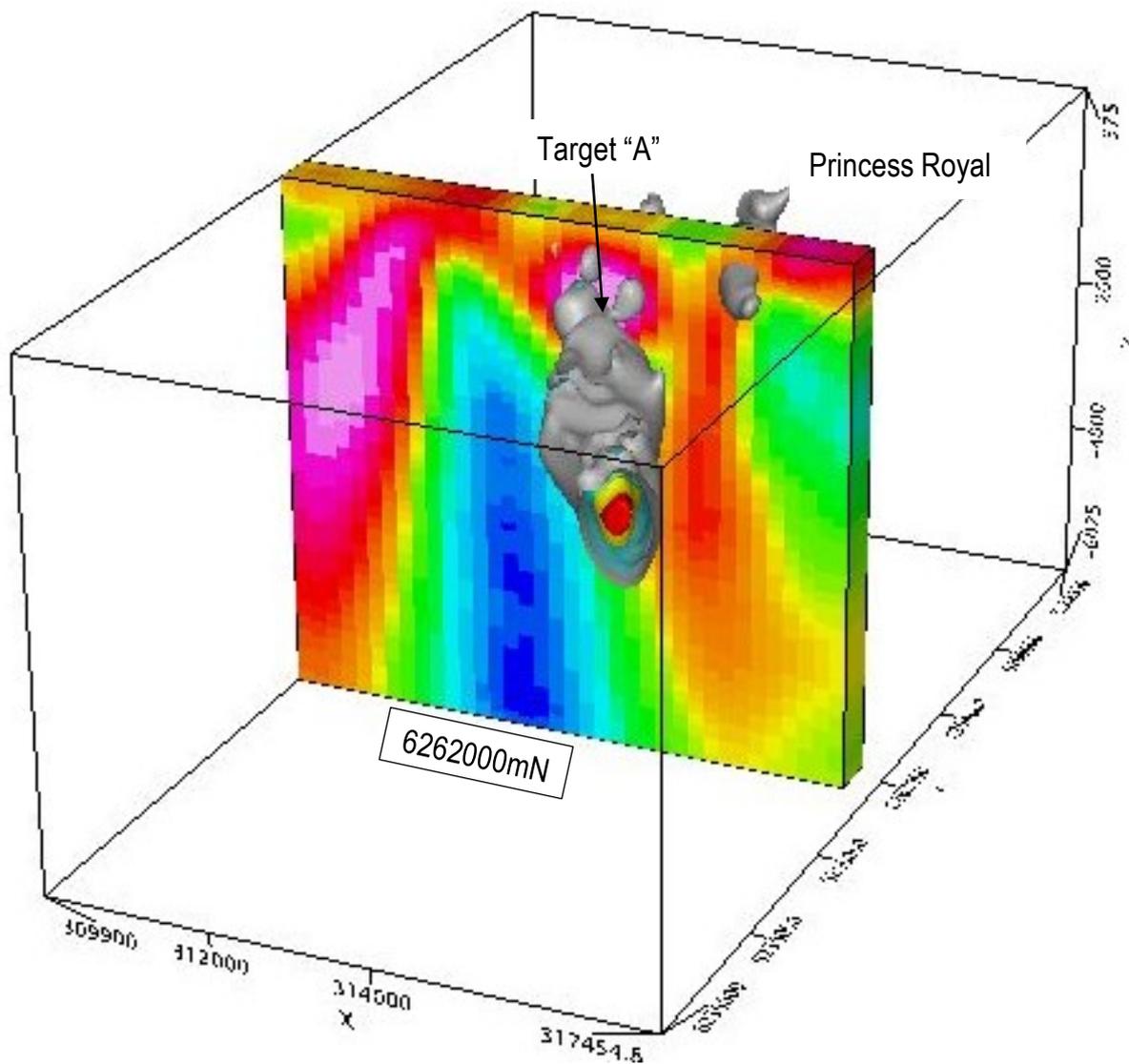


Figure 2. Is an elevated section looking to the NW and is a similar raised elevation on the 3D model to Figure 1, but this time showing AMG's Target "A" conductive anomaly and the magnetic structure's strong alignment with the conductive structure that is evident in the AMT section. That shorter AMT section was developed from AMG's 1 km spaced AMT program and specifically targeted the Princess Royal mineralisation. The historic Princess Royal mineralisation is shown on the right and the much larger new Target "A" in the centre.

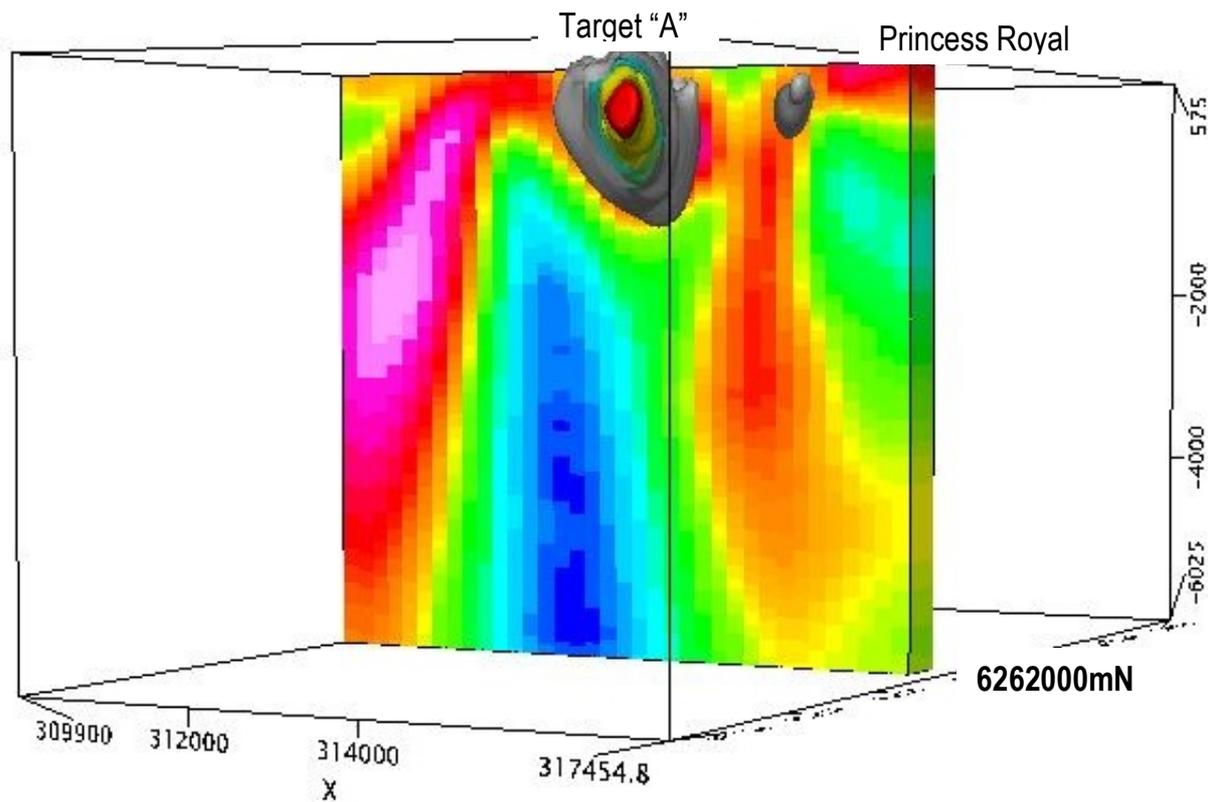


Figure 3. Is an elevation on the 3D model looking NW and showing AMG's Target "A" conductive anomaly with the magnetic structure strong alignment with the AMT conductive structure. Please also note the MT/AMT "plumes" coming from depth and appearing to feed to the known Princess Royal mineralisation on the right and what may be the primary mineralisation in Target "A" in the centre.

Ausmex prepares for drilling at Burra

- 3D geophysical modelling will be further refined by Ausmex's (AMG's) independent geophysical consultant who will also add AMG's impending gravity surveys to the modelling, to assist with targeting of AMG's initial Burra Region drilling that is planned for 4th quarter 2019.
- The infill gravity survey over Target "A" (and other key areas of interest throughout AMG's 7,000 sq. kms of tenure) is scheduled to commence late August 2019 and be completed early September 2019 with the aim of confirming near surface drill ready targets.
- This discovery of a new shallow conductive structure, designated as Target "A", confirms the validity of AMG's approach of using MT and AMT to identify plumes and conductive structures which originate from the deep conductive structures that lie approx. 20 kms below Burra and which are blanketed by AMG's suite of exploration licences.
- AMG is continuing to assess the new geophysical models and rank all identified targets.

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Ausmex's Managing Director Matt Morgan commented:

“The release by Geoscience Australia of the additional AusLAMP (Magnetotelluric) MT survey data in 2018 enabled Ausmex to build on the AusLAMP data to quickly investigate AMG's ~ 7,000 sq. kms as described in previous announcements in order to focus on AMG's previously announced seven MT target areas to better define drilling targets. This announcement of Target “A” is the first of what AMG anticipates may be a number of similar targets. This modelling, using data from our initial 10 kms then 5 kms and subsequent 1 kms closer spaced AMT surveys, significantly advances our understanding of our several conductive anomalies and consequently the targeting of proposed drilling.

AusLAMP Magneto -Telluric (MT) identified IOCG targets in South Australia are attracting strong investment from major Copper producers including a recent \$10 million Joint Venture by Oz Minerals Limited (Refer ASX:IVR Release 15th July 2019).

The Board is very excited about the potential for Burra and anticipates updating shareholders as further results are produced.”

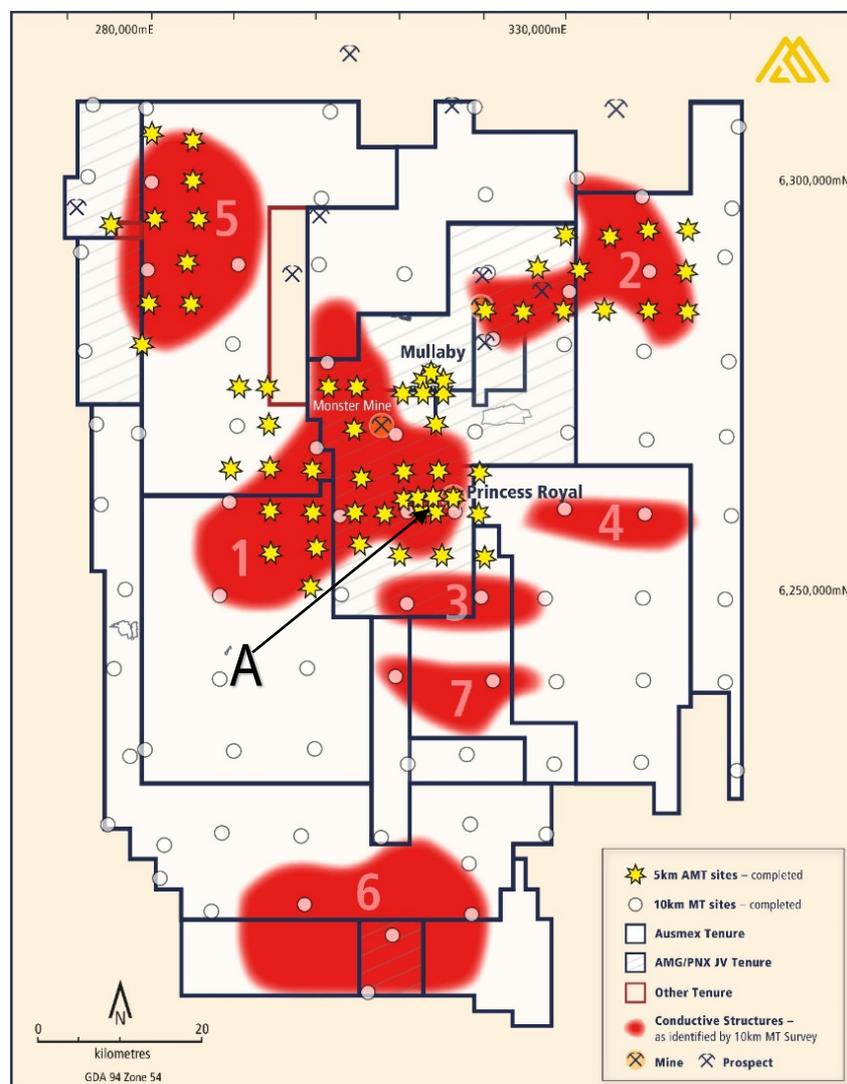


Figure 4. Ausmex tenements – showing location of the initial seven conductive Target areas as previously announced. AMG's Target “A”, as described herein is located approximately 2km west of “Princess Royal”.

Burra Potential previously identified by Geoscience Australia.

Geoscience Australia's and the Geological Survey of South Australia's AusLAMP MT program identified deep conductivity structures below Burra and these structures link Burra with what appear to be similar structures below the Curnamona Province and the eastern margins of the Gawler Craton (home to Olympic Dam, Carrapateena and other major copper mines). Subsequent to the release of AusLAMP Magnetotelluric ("MT") data in 2018, and combined with regional magnetics and gravity data, Ausmex applied for and was granted a significant tenement package, which, with AMG's farm-in JV arrangement with PNX, resulted in AMG's Burra Region Project of in excess of 7,000 sq. kms as shown in Figure 1. These tenements lie over a deep (lower crustal) conductive structure as shown in Figure 2 below and this corridor extends to the north and north-east from the conductive structure which underlies Burra.

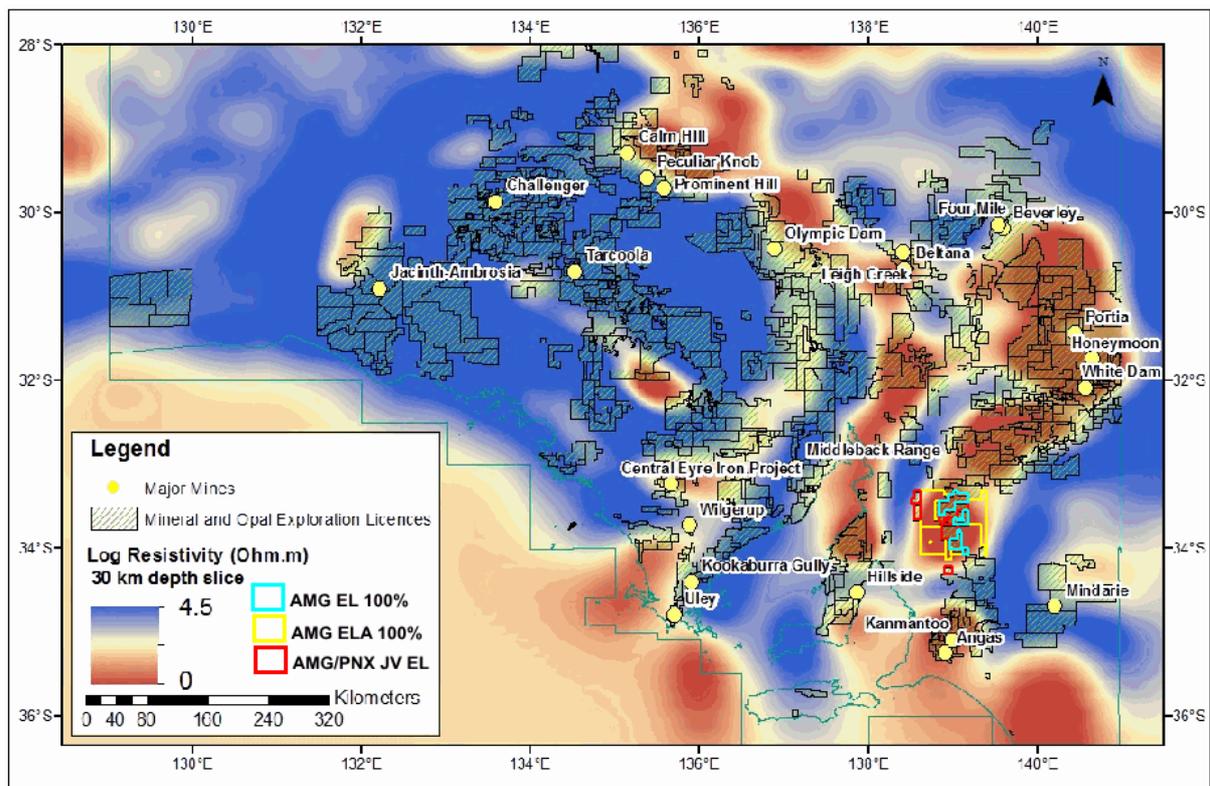


Figure 5. The 20 km AusLAMP Magnetotelluric depth slice identifying AMG tenements in colour and showing conductive corridors from Burra to the Gawler Craton's Olympic Dam and related projects, together with the conductive structures below the Curnamona Province to our NE. (Thiel, S. et al, 2018; Getting Focussed in SA: Scale reduction in MT and Minerals systems. MT Workshop and AusLAMP SA release Day).

AusLAMP is the Australian Lithospheric Architecture Magnetotelluric *Project*, which allows geoscientists to understand the deep geology of the crust, including signatures of world-class mineral deposits.

Magnetotellurics (MT) is defined by Geoscience Australia as a passive geophysical method which uses natural time variations of the Earth's magnetic and electric fields to measure the electrical resistivity of the sub-surface.

Audio-Magnetotellurics (AMT) is defined in Geoscience Australia's documentation as "The Audio-Magnetotelluric method (AMT) samples signal frequencies in the range of 20k Hz down to ~1Hz and provides data pertaining to the upper few kilometres of the Earth' crust."

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 Ms. Nicole Galloway Warland, who is a member of the Australasian Institute of Geoscientists (AIG). Ms Galloway Warland is a consultant Project Manager to 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). Ms. Galloway Warland consents to the use of this information in this report in the form and context in 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"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<ul style="list-style-type: none"> Results and interpretations of Geophysical Surveys are being reported. Magnetic and gravity interpretations are of publicly available data - downloaded from SARIG database with QAQC processing prior to modelling. Magnetotelluric Survey was conducted by University of Adelaide (UoA) and Zonge Engineering and Research Organisation. Modelling and interpretation of data was conducted by Geodiscovery Group Pty Ltd. MT Survey with stations arranged on 10km x 10km and 5km x 5km spaced grid. Readings/Measurements recorded over 24-48hour period. Remote station established at start of program with continuous reading for duration of program. <p>MT Equipment used - UoA:</p> <ul style="list-style-type: none"> Recording Unit: Wide Band Magnetotelluric Station LEMI-423 Magnetic Coils: Induction Coil Magnetometer LEMI-120 Electrodes: Pb-PbCl₂ <p>Calibration:</p> <ul style="list-style-type: none"> Each unit is synchronized with universal time clock through the GPS PPS signal Remote station established for calibration at start of program with continuous reading for duration of program <p>Readings:</p> <ul style="list-style-type: none"> Recording Unit: Recording at 1000 Hz Magnetic Coils: Frequency Band --> 0.0001 - 1000 Hz Electrodes: non polarised Pb-PbCl₂ <p>MT Equipment used:</p> <ul style="list-style-type: none"> Receivers: Broad band Phoenix Geophysics MTU-5A receivers, featuring 5 input channels and capable of recording in 10kHz-DC frequency range with 24-bit resolution and up to 24000 samples per second. Timing accuracy - +-100ns, with oven-controlled crystal oscillator synchronized to GPS.

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> Magnetic Coils: Induction Coil Magnetometer MTC150L coils with 10kHz-10000s range and 25mv/nT sensitivity Electrodes: Pb-PbCl₂ - copper sulphate ceramic pots for electric field, low noise, nonpolarizing. Calibration: <ul style="list-style-type: none"> Each unit is synchronized with universal time clock through the GPS PPS signal Readings: <ul style="list-style-type: none"> Recording Unit: Recording at 10000 Hz Simultaneous recording of 2, 3, or 5 channels per instrument (electric, magnetic, or both) Magnetic Coils: Frequency Band --> 0.0001 - 10000 Hz Electrodes: non polarised Pb-PbCl₂
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"> No drilling is being reported
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"> No drilling is being reported
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 percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Not Applicable - No drilling is being reported Readings/measurements collected over 24-48hour period per site.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable – not reporting drilling results. Remote/base site established for program; with continuous readings for program duration Readings/measurements recorded over 24-48hours per site – appropriate for Survey.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<p>MT Equipment used - UoA:</p> <ul style="list-style-type: none"> Recording Unit: Wide Band Magnetotelluric Station LEMI-423 Magnetic Coils: Induction Coil Magnetometer LEMI-120 Electrodes: Pb-PbCl₂ Calibration: Each unit is synchronized with universal time clock through the GPS PPS signal <p>MT Equipment used _Zonge:</p> <ul style="list-style-type: none"> The receiving equipment is Phoenix Geophysics MTU5A receivers, featuring 5 input channels and capable of recording in 10kHz-DC frequency range with 24-bit resolution and up to 24000 samples per second. Timing accuracy - +/- 100ns, with oven-controlled crystal oscillator synchronized to GPS. Sensors: copper sulphate ceramic pots for electric field, low noise, nonpolarizing. Phoenix MTC-150L coils, with 10kHz-10000s range and 25mv/nT sensitivity. The receivers have their own built-in GPS receivers, which can be used for both timing synchronization and positioning information. Coordinates get recorded in WGS84 system with accuracy of around 5 meters. An additional DGPS with decimeter accuracy was used to collect coordinates of all 5 pots on every site (4 pots for actual E-field electrodes and one extra local pot). Those coordinates are in WGS84 coordinate system with UTM projection used Modelling of the MT, gravity and aeromagnetic data was completed by a suitably qualified geophysical consultant using MGinv3D and Geosoft software to produce a series of 2D inversions and 3-D isoshells,.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative 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. 	<ul style="list-style-type: none"> Not applicable - not reporting on drilling results. All data is electronically stored, with peer review of data processing and modelling.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Each sample site has a Trimble GPS Bullet III antenna for receiving the GPS signal, +/- 2-5 m accuracy range per sample site depending on Satellite numbers

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Geocentric Datum of Australia (GDA 94) Zone 54
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"> • MT Survey was completed on 10km x 10km with infill on 5km x 5km spaced grid – Figure 1. This spacing is optimal for level of exploration results reported.
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"> • Not applicable - not reporting on drilling results. • MT Survey sites extend over full tenure on 10km x 10km spaced grid to achieve unbiased sampling, with infill at 5km x 5km spacing over areas of interest.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • All readings/geophysical measurements collected and stored on computer USB and transported by AMG, UoA & Zonge personnel from collection sites to University of Adelaide & Zonge for processing modelling.
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"> • Data collection, processing and modelling protocols aligned with academic and industry best practice.

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 MT Survey was carrying out over 15 exploration licences located in the Burra region of South Australia within the Adelaide Geosyncline • EL6101, EL6102, EL6103, EL6116, EL6158, EL6201 & EL5881 are 100% owned by Ausmex Mining Pty Ltd (a wholly owned subsidiary of Ausmex Mining Group Limited AMG). • EL5382, EL5411, EL5473, EL5557, EL5874, EL6150, EL5910 & EL5918 are held by PNX Metals Ltd – Ausmex Mining Pty Ltd (a wholly owned subsidiary of Ausmex Mining Group Limited) currently has the right to farm in for 60% and ultimately 90% JV with PNX. • Princess Royal – Target A is located on EL5918 • The geophysical survey was completed on freehold pastoral land; Native Title extinguished. Notice of Entry with continuous communication served to all landholders. • Current land use is agriculture and grazing.

Criteria	JORC Code explanation	Commentary
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"> Exploration over the tenure has been conducted by several companies exploring for copper and/or gold in the area since 1845. PNX Metals (Phoenix Copper Limited) have held a significant portion of the ground since 2004. Princess Royal: PNX Metals Ltd compiled JORC 2004 Inferred Mineral Resource in 2011 based on drilling completed between 2009-2011. Copper Range held the ground 2007-2009.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> AMG is primarily exploring for intrusive related copper-gold mineralization in the Adelaide Geosyncline, South Australia. Copper-gold and Base metal mineralization is interpreted as Intrusive related possible IOCG, associated with structural and /or lithological contacts in the Neoproterozoic sediments
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not Applicable - No drilling is being reported. Results and interpretations of Geophysical Surveys are being reported - MT, magnetics and gravity data.
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable - not reporting drilling assays results. MT Geophysical Survey - 10km x 10km grid and 5km x 5km infill . MT readings/measurements collected over 24-48hour period per site.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable - not reporting drilling results. The MT Survey was completed on a 10km x 10km grid and 5km x 5km infill grids over AMG controlled tenure.

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'). 	
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"> MT Survey location map showing AMG tenure and results are provided in Figures 1 -4.
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"> MT measurements were recorded for all sites reported. Reporting is considered to be balanced
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"> Relevant geological information is reported in this announcement Publicly available aeromagnetic and gravity data has been compiled and modelled, indicating that there is a significant, unexplained magnetic and gravity anomaly from a depth of 600m to approximately, and in the order of 6km in length. Broad-spaced (AusLAMP) MT survey indicates a deep conductive zone in the broad project area.
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"> The next phase of exploration will be the continuation of MT modelling (figure 1), closer 1km spaced MT over areas of interest, reanalysis and integration of regional geophysics and geology with MT data, with follow up infill ground gravity prior to drill testing in late 2019.

Note, sections 3 & 4 are not applicable