

19 December 2019

MARKET RELEASE

AMG EXCEEDS STAGE 1 FARM-IN EXPENDITURE & PROVIDED NOTICE TO PNX TO EARN 60% OF AMG/PNX JOINT VENTURE PLUS AMG COMPLETES 2 HOLES IN PRINCESS ROYAL TARGET # 1 AT BURRA, SA

- AMG has provided notice to PNX Metals Ltd (PNX) that it has met and exceeded the expenditure on the mutually agreed exploration program.
- That expenditure triggers the completion of Stage 1 of the JV Farm-in and takes Ausmex to a 60% controlling position in the JV over all of PNX’s exploration licences in and around Burra, SA.
- Drilling commenced on 15th December 2019 and 2 holes were completed in Target #1 (see Figure 1) through to 17th December at Ausmex’s Princess Royal Prospect, located approximately 15 km south of Burra.
- These 2 pre-collar holes were drilled to ~ 240 m by RC and subject to laboratory analysis, are prepared for further drilling using diamond core to the necessary depth, commencing in 2020.
- Samples from those holes have been sent for Laboratory analysis.
- Total Fire Bans have been declared around Burra for December 19th to 21st and no further work can be undertaken. The drillers have therefore demobilised for the Christmas/New Year break and we expect to recommence drilling approx. mid-January '20.

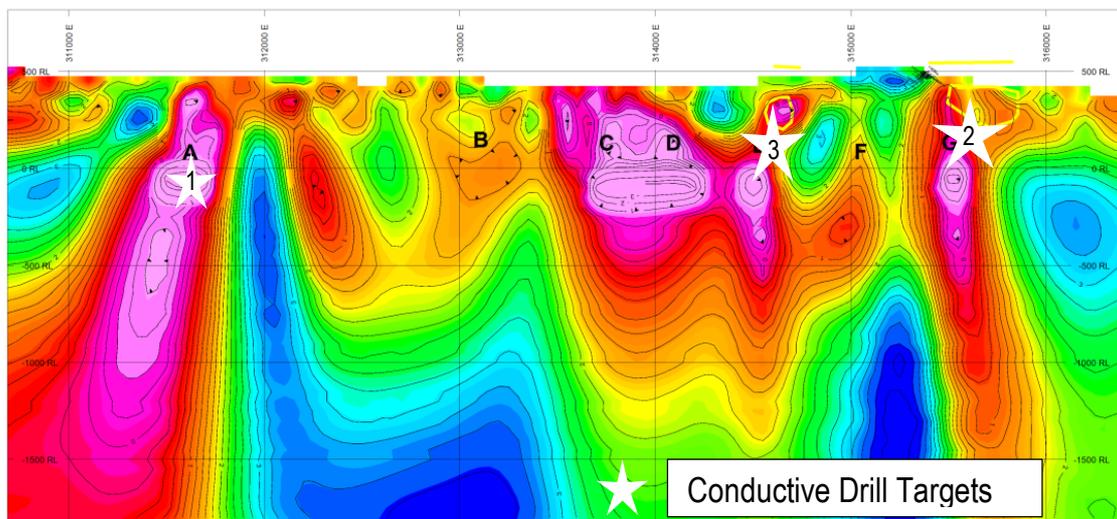


Figure 1: 2D Inversion Model of MT Section 6,272,000mN showing the priority conductive drill targets. Refer to ASX announcement 26th November 2019. The Company is not aware of any new information or data that materially affects the information included in the previous announcement.

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Ausmex Mining Group (ASX: AMG) (“Ausmex” or “The Company”) is pleased to inform shareholders that drilling was undertaken, in 2 holes into PR Target # 1, on 15th - 17th December at Princess Royal Prospect, located approximately 15 km south of Burra township (**Figure 1 and Figure 2**).

These 2 holes were drilled by RC technique to approx. 240 m and subject to the results of the laboratory analysis, are prepared for drilled to the required depth using diamond core commencing in 2020.

Samples from those 2 holes have been taken to Adelaide for laboratory analysis.

This drilling has taken AMG past the JV Farm-in Agreement expenditure requirement needed for AMG to earn a 60% controlling interest in all of the Burra tenements of PNX and AMG have notified PNX of that milestone being met.

The drilling work was suspended late yesterday due to Total Fire Bans (TFB's) being declared around Burra for today & for the next 3 days and the drillers have gone off-site for their Christmas/New Year break.

Drilling is expected to recommence approx. mid-January '20 when TFB and temperatures allow outside work and the wellbeing of the crews can be assured.

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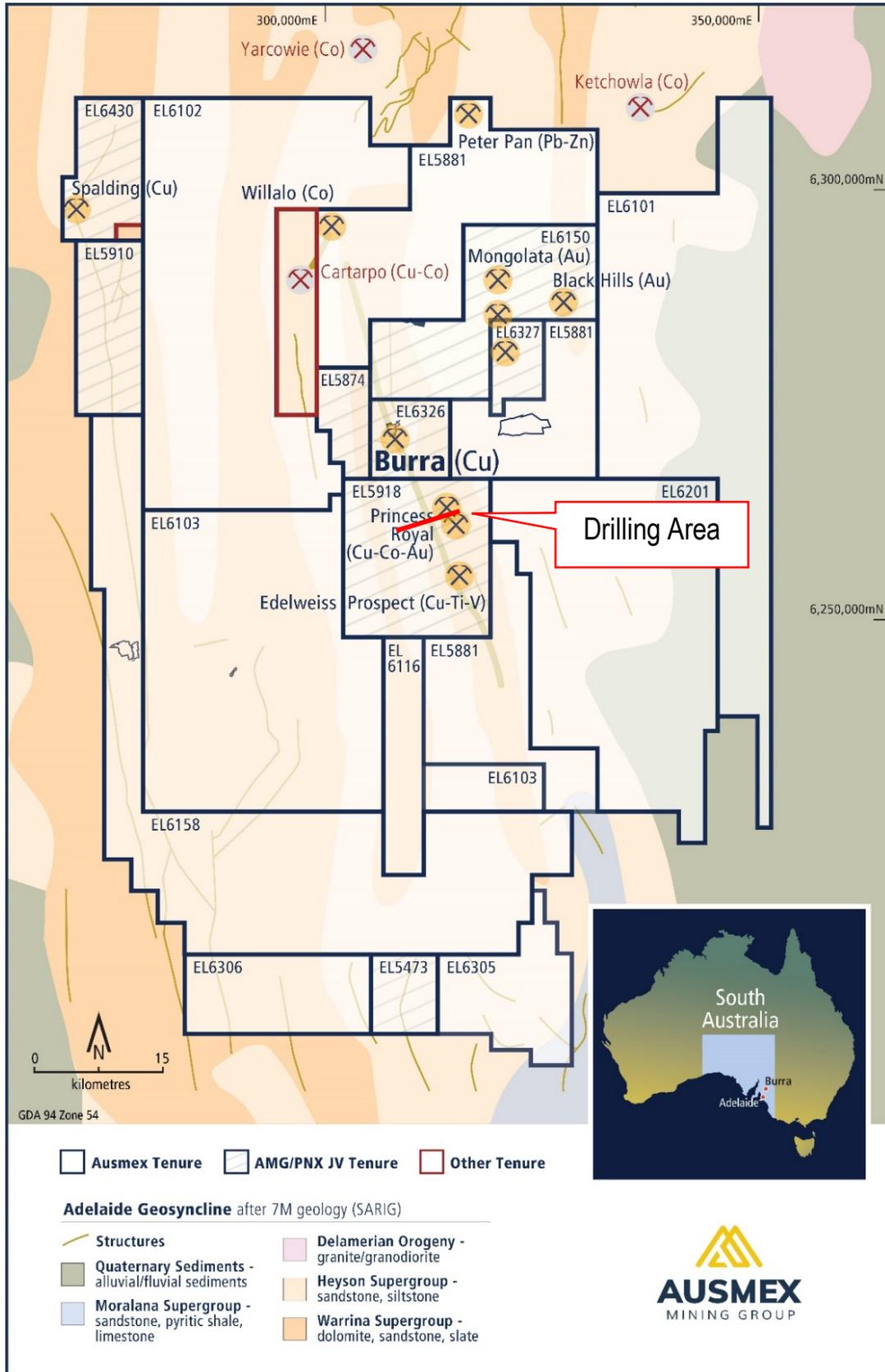


Figure 2: Location Map showing Princess Royal Prospect over AMG controlled tenure (ASX Announcement 26th November 2019).

Approved by the Board of Ausmex Mining Group Limited.

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.