



# Victorian High-Grade Gold

## A Wealth of Opportunities

Company Presentation | June 2020

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## Competent Person Statements:

The information in this presentation that relates to Exploration Results is based on information compiled by Peter de Vries who is a Member of the Australian Institute of Geoscientists. Mr. de Vries is engaged by AuStar Gold Ltd as a technical consultant. Mr de Vries has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Exploration Potential described in this Presentation is conceptual in nature, and there is insufficient information to establish whether further exploration will result in the determination of a Mineral Resource. Mr de Vries consents to the inclusion in this Presentation of the matters based on his information in the form and context in which it appears.

At the Rose of Denmark the Mineral Resources have been estimated using Inverse Distance squared (ID2) methodology within defined lithological boundaries with top cutting undertaken on outlying high grade assays.

This announcement contains references to exploration results, Mineral Resource estimates and ore Reserve estimates, all of which have been cross-referenced to previous market announcements by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

The resources reported in this Presentation have been estimated in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves 2012 Edition ("JORC Code"), which governs such disclosure by companies listed on the Australian Securities Exchange.

# Contents

Executive Summary	4
AuStar Gold Board and Senior Management	5
Company Overview	6
Regional Exploration Potential	7
The Morning Star Gold Mine	8
The Morning Star Gold Mine Exploration	9
Morning Star Gold Processing Plant - Woods Point	10
Rose of Denmark Mine near Term Potential	11
Corporate Strategy	12

# Executive Summary

- ❖ **Victorian, high-grade gold** opportunity.
- ❖ **Morning Star Mine** produced circa 830koz of gold at ~**26.5g/t gold**.
- ❖ **Infrastructure in place** - 2 mining licences, underground mine, a shaft and winder hoisting infrastructure and a gold processing plant.
- ❖ Currently **mining** at Morning Star at **grades above 10g/t gold**.
- ❖ Significant **potential for growth** within the mining leases.
- ❖ Significant **exploration potential** with a land holding of **667 km<sup>2</sup>**.
- ❖ Geological **similarities** exist with the **Fosterville** goldfield.



# Board & Senior Management

**Philip Amery** LLB BA

**Chairman**

Experienced capital markets advisor, investor and private banker. Chairman of Metgasco Limited, formerly Director of Chesser Resources Limited.

**Matt Gill** B.Eng.(Mining) (Hons), M.Eng.Sc, FAUSIMM GAICD

**Non-Executive Director**

Mining Engineer, highly experienced company director with extensive knowledge and senior management experience in gold in Tasmania, WA, PNG, Bolivia and within the Victorian goldfields.

**Paul McNally**

**Non-Executive Director**

Successful recruitment entrepreneur, owner of InfoPeople and AuStar Gold's largest private shareholder (~12%).

**Lord Christopher Wellesley**

**Non-Executive Director**

UK based banking and capital markets executive with three decades of senior roles in tier-one institutions in London and Hong Kong.

**Franz Schlosser** B.Eng. (Mining), MBA, MAusIMM (CP)

**General Manager**

Mining industry professional with 30 years experience in business leadership, site and project management and mining engineering. Has led and managed projects across Kyrgyzstan, Central America, Oman and Armenia after an early career in Australia with Newcrest (Senior Planning Engineer, Telfer) and Western Mining.

**Peter de Vries** BAppSc (Geol), Grad Dip (Mining), MSc (Min Econ), MAusIMM, MAIG

**Exploration Manager**

Senior Geologist with 30 years experience in Gold and Base Metals deposits within Australia and overseas, with the past 15 years focusing on Victorian gold assets including time at the A1 Mine.

**Toni Griffith** FCPA

**Chief Financial Officer / Company Secretary**

FCPA with over 30 years CFO and Financial Control experience within the Australian gold sector, most recently with Castlemaine Goldfields.

# Company Overview

## Regional History

- ❖ **Morning Star Gold Mine** produced circa 830koz of gold at ~26.5g/t between 1867-1963.
- ❖ **Rose of Denmark Gold Mine** produced 36koz of gold at 11.6g/t between 1864-1926.
- ❖ The Walhalla to Woods Point region has historic high grade production totalling in excess of 6.0 million ounces of gold.
- ❖ Fosterville's recent success has revitalised interest in Victorian gold (Bendigo).

## Corporate History

- ❖ **Morning Star Gold NL** acquired by Mantle in April 2016 (95%).
- ❖ Mantle renamed **AuStar Gold** in December 2017.
- ❖ Trial mining at **Rose of Denmark** and proof of concept established 2018.
- ❖ **Morning Star** mining operations re-commenced in January 2019, with re-commissioning of the gold processing plant in February 2019 – proof of mining potential demonstrated with discovery and successful production from the **McNally's** and **Stone's reefs**.



# Regional Exploration Potential

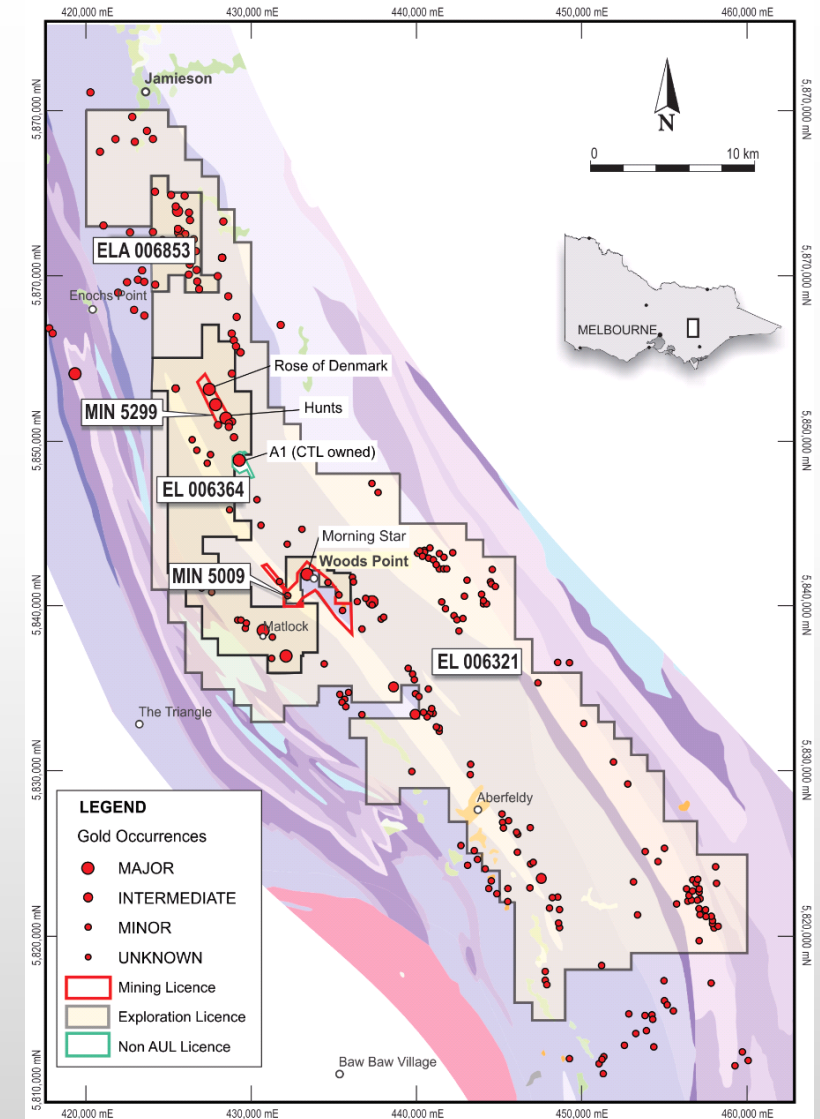
Victoria historically has produced ~80M ounces of gold, and has thirteen goldfields that have each produced more than one million ounces (Moz) of gold, including Bendigo (22 Moz) - the largest goldfield, and Woods Point-Walhalla, and with a growing production profile and resource base at Fosterville.

AuStar Gold's successful tenement aggregation represents the first time in the region's history that a single entity controls almost the entire gold province.

An independent review was undertaken for AuStar in February 2019\* indicating:

- ❖ A then ~560 sq km tenement portfolio with numerous walk-up targets and little modern exploration.
- ❖ Geological similarities exist with Costerfield Mineralogical Domain including the Fosterville goldfield.
- ❖ 36 targets identified with 8 targets nominated as high priority based upon available geochemical information.
- ❖ 2 of the 8 high priority targets are on existing granted Mining Leases.

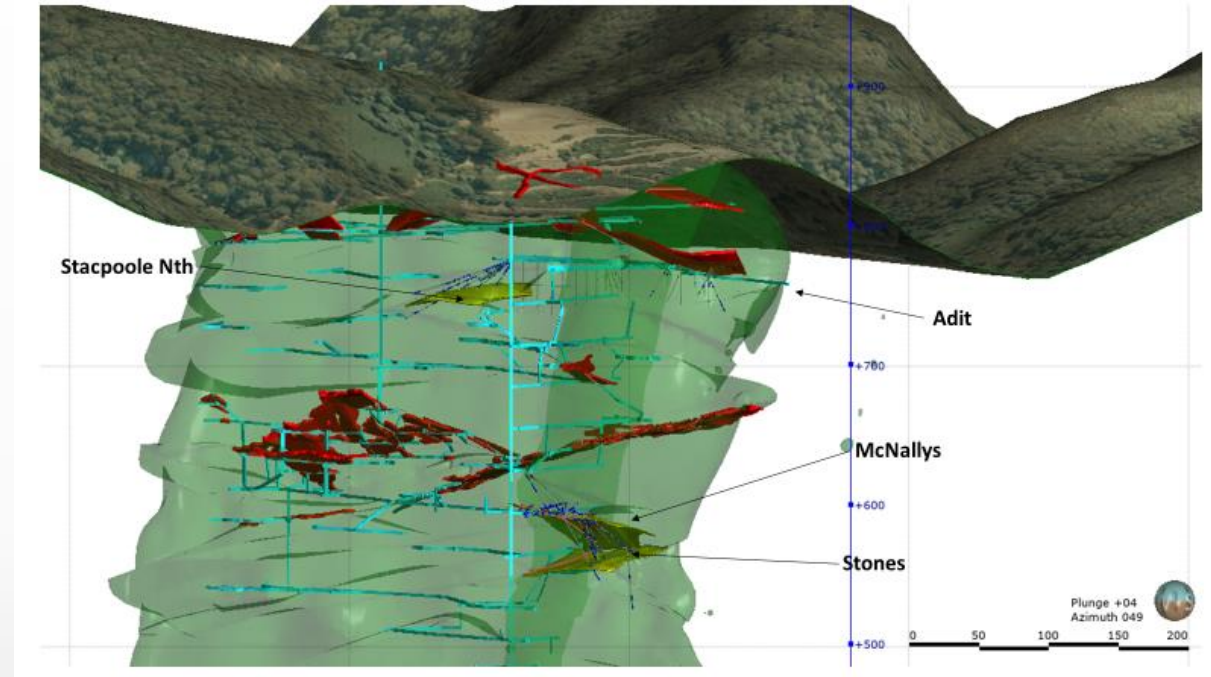
**AUL is continuing discussions with multiple qualified parties for farm-in exploration to dramatically extend the Woods Point-Walhalla gold trend.**



\* ASX: AUL - 28 February 2019 AuStar Gold Regional Exploration Review Completed

# The Morning Star Gold Mine

- ❖ The Morning Star Mine is an underground gold mine located approximately 120 km east of Melbourne in the Walhalla to Woods Point gold field.
- ❖ Currently mining at grades above 10g/t gold.
- ❖ The quartz-hosting bulge is interpreted to be 700m long by 120m wide with the dyke clearly extending regionally.
- ❖ The dyke has been mined to a depth of 920m with the dyke open at depth below 1,000 vertical metres.
- ❖ Vein widths range up to 4m thick.
- ❖ Productive new reefs or extensions of existing reefs were successfully brought into production in 2019 after completing 2018 underground drilling in targeted areas, such as the McNally Reef in Level 7 and the Stones Reef in Level 9.
- ❖ Level 7 McNally Reef is the primary source of current ore.
- ❖ Currently dewatered with shaft refurbished to 10 Level (300 metres below surface).
- ❖ The recent discovery of productive new reefs in 2018/19 - missed altogether by historic owners - demonstrates the substantial in-mine potential at Morning Star.



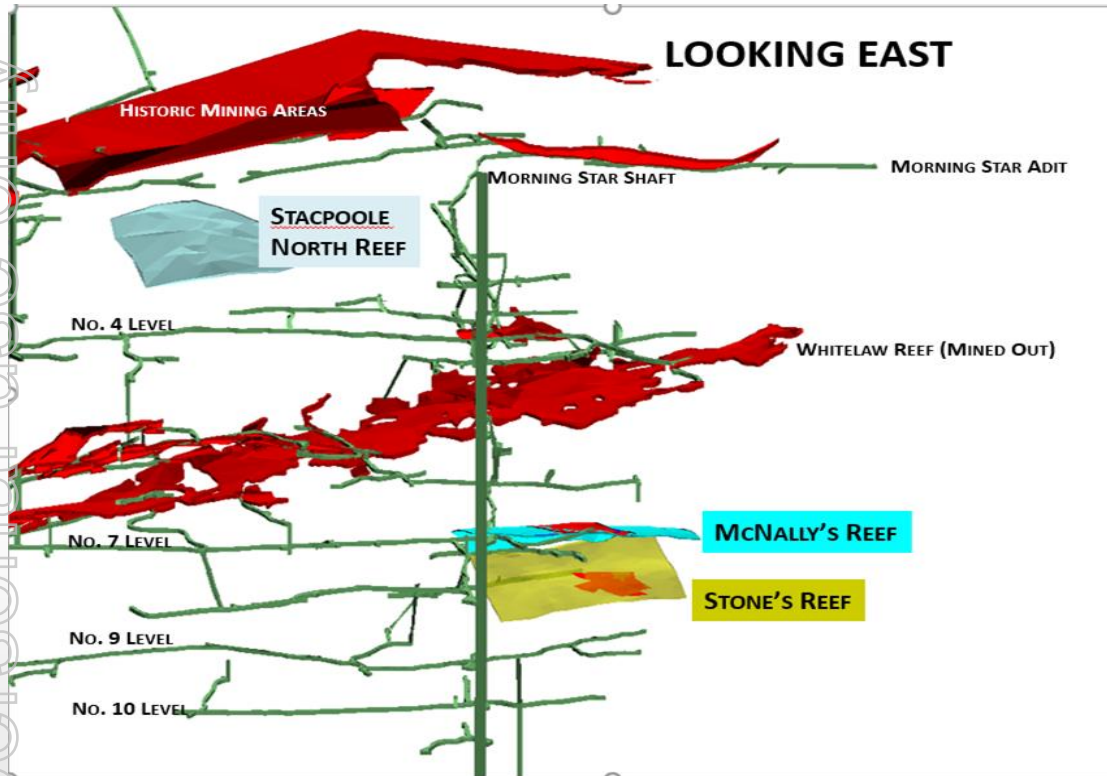
## Additional Targets

Stacpoole North	MS357	<u>4.10m @ 18.80 g/t Au</u>	incl. 0.30m @ 210.00 g/t Au (1)
Gap Zone	MS459	<u>2.90m @ 9.33 g/t Au</u>	(2)
Kenny's Reef	MS408	<u>0.11m @ 694 g/t Au</u>	(3)

1. ASX: AUL 7 November 2018
2. ASX: AUL 30 July 2019
3. ASX: AUL 17 June 2019

\* The Company is not aware of any new information or data that materially affects the information contained in the above announcements.

# The Morning Star Exploration Opportunity



**AuStar is currently looking to define and extend its working area at the Morning Star Gold Mine**

- ❖ Working across 6 targets in the upper levels of the mine, ~600m of drilling.
- ❖ This is a drilling program based off previous targets to prove and define resources that can be mined immediately with little capital expenditure.

Mineralised structures discovered and extended in 2018/19 were successful and rapidly converted to mining outcomes:

## McNally's Reef (1) :

- ❖ **1.10m @ 172 g/t** from 57.4m downhole including 0.20m @ 938 g/t
- ❖ **9.75m @ 66.82 g/t** from 38m downhole including 0.2m @ 876 g/t and 0.55m @ 734 g/t

## Stone's Reef (2):

- ❖ 0.65m @ 17.02 g/t Au including 0.30m @ 29.36 g/t Au
- ❖ 1.50m @ 8.70 g/t Au
- ❖ **1.80m @ 46.09 g/t Au** including 0.60m @ 34.41 g/t and 0.60m @ 102.39 g/t

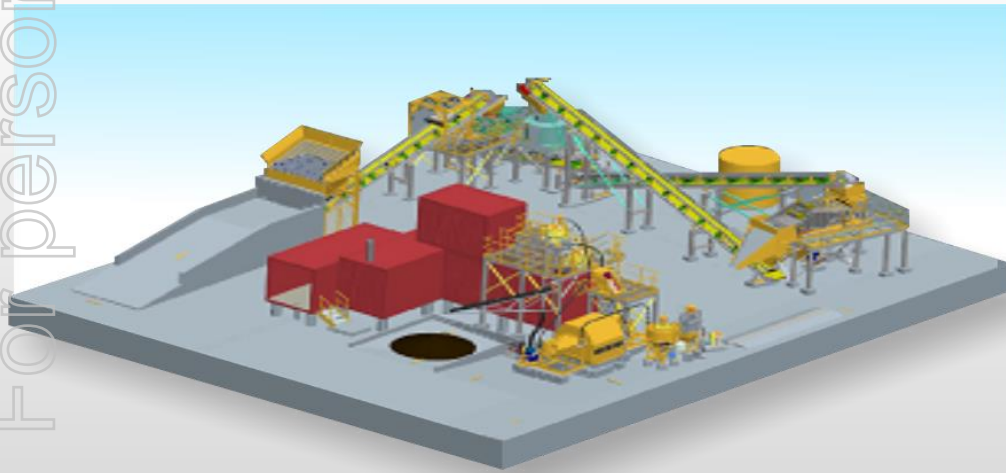
**Both McNally's and Stones were successfully brought into production in 2019**

1. per ASX Releases of 4 December 2018 and 4 October 2018.
2. per ASX Releases of 25 July, 26 July, 30 August and 21 September 2018.

\*The Company is not aware of any new information or data that materially affects the information contained in the above announcements.

# Morning Star Gold Processing Plant - Woods Point

- ❖ Fully permitted and operational Gravity Gold Processing Facility, directly adjacent to the Morning Star shaft.
- ❖ Successfully commissioned in 2019 with 85% recoveries achieved.
- ❖ State Mine Grid to the site.
- ❖ Main Road Access.
- ❖ Mains power with nearby service centres of Mansfield, Marysville and Warburton ~1.5 hours drive.
- ❖ Only Gold Processing Plant within a 200km radius.
- ❖ AUL is currently investing capital to increase processing and reach 90% recoveries via the addition of a new primary crushing circuit and additional recovery circuits.



# Rose of Denmark Mine Near Term Potential

AuStar Gold moved to 97.5% ownership of RoD after buying out Shandong in 2018. The Rose of Denmark mine has historically produced 36,248 ozs at an average 11.5 g/t between 1864 and 1926.

*Maiden JORC Resource established in 2019 with limited drilling +*

- ❖ A long, predictable, unexplored dyke zone. Dyke is sub-vertical, varies in width from 2.5 metres to 5 metres.
- ❖ Open at depth with mineralisation shown to extend in excess of 230 vertical metres.
- ❖ Total Inferred Mineral Resource 40,249t @ 6g/t for 7,763 ounces gold\*\*

Results previously released to ASX include:

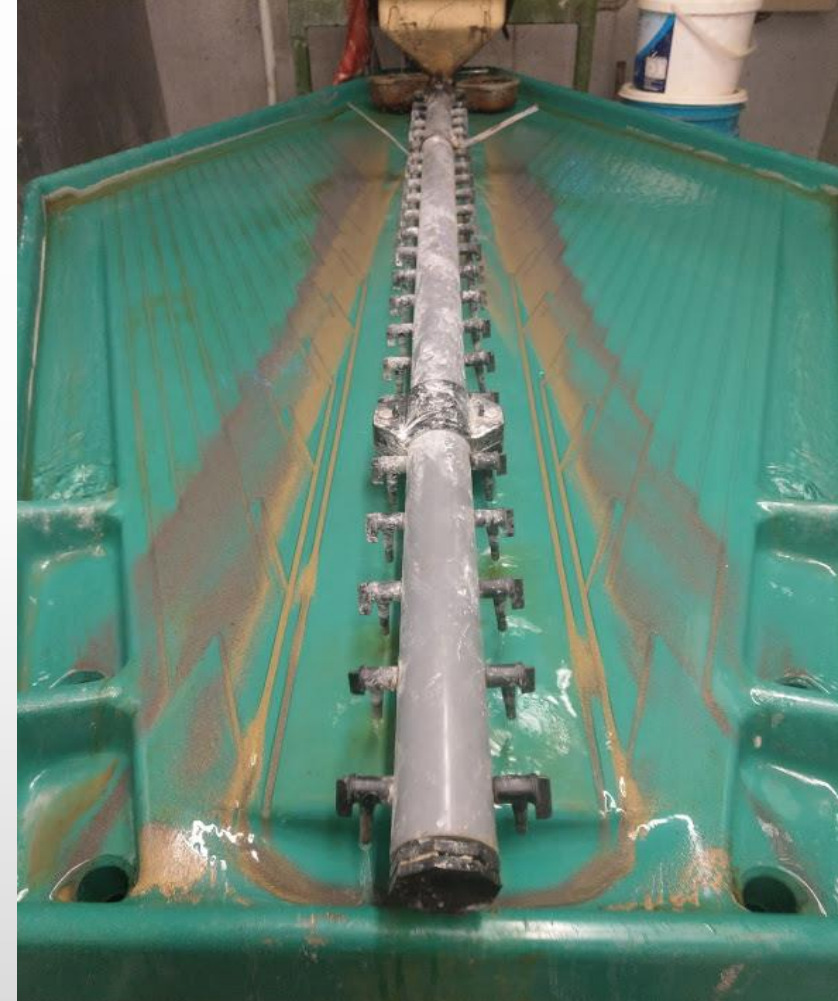
- **1.20m @ 529 g/t Au\***
- *1.20m @ 171 g/t Au\**
- **7.30m @ 153.5g/t Au\*\***, including  
1.0m @ 1,110 g/t Au
- **6.75m @ 17.6 g/t Au\*\***, including  
0.25m @ 266.9 g/t Au  
0.15m @ 201.6 g/t Au

ROD HISTORIAL PRODUCTION			
1864-1926	Tonnes	Grade (g/t gold)	Ounces
Above Adit	53,924	9.1	15,932
Below Adit	43,396	14.5	20,316
Total	97,320	11.5	36,248

# Corporate Strategy – Near term catalysts

- ✓ **A rapid increase in production at Morning Star:-**
  - ❖ Pursuing increased mining and gold processing efficiencies.
  - ❖ Currently mining at the Morning Star Mine at grades **above 10g/t gold**.
  - ❖ Multiple near term in-mine exploration and development opportunities.
  - ❖ Opening up further working areas in the Morning Star Mine.
- ✓ **Increased production and recoveries through substantial capital investment:-**
  - ❖ Processing enhancements.
  - ❖ Overall gold recovery increase expected to go from 83% to above 90%.
- ✓ **Significant potential for further growth of AUL's tenement portfolio through regional exploration:-**
  - ❖ **AuStar** is currently in discussions with multiple qualified parties for exploration farm-in to its uniquely comprehensive regional tenement portfolio.
  - ❖ Through exploration JV and direct activity, **AUL** expects to unlock new opportunities in 2020.
- ✓ **Continuing active discussions in relation to various corporate opportunities are progressing.**

*Operational reviews indicate significant economic benefits are available from the consolidation and enhancement of infrastructure, mining and processing expertise across AuStar Gold's current portfolio, and regionally.*



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