

25 June 2020

MARKET RELEASE

BURRA PROJECT GRANTED \$300,000 FUNDING BY SA GOVERNMENT

- **Ausmex awarded \$300,000 from the South Australian Government under the Accelerated Discovery Initiative (ADI).**
- **Ausmex's Burra Project was one of fourteen projects to receive funding in Round 1 of the Initiative, as announced by the Minister for Energy and Mining, Hon Dan van Holst Pellekaan MP on 23rd June 2020.**
- **The successful project *Intrusive Related Mineral Systems, Delamerian Orogeny Burra SA* will provide Ausmex with exploration funding towards geophysical programs and exploration drilling in the eastern region of the Burra tenure relating to the Delamerian felsic intrusives (Figure 1).**

Ausmex Mining Group (ASX: AMG) ("Ausmex" or "The Company") is pleased to update shareholders on the successful application of the Burra Project as part of Round 1 of the Accelerated Discovery Initiative (ADI).

The Accelerated Discovery Initiative (ADI) aims to encourage innovation and collaboration, to advance exploration activities in South Australia. It provides a Government contribution towards exploration activities, through supporting the potential discovery of new mineral and groundwater resources, while delivering a number of other economic and social benefits to the State.

Successful applicants for Round 1 of the Initiative were announced by the Minister for Energy and Mining, Hon Dan van Holst Pellekaan MP, on 23rd June 2020. Funding totalled \$2,977,600 for the 14 project proposals, with Ausmex granted \$300,000.

Full details on the Accelerated Discovery Initiative and success applications can be found on the DEM website:

http://www.energymining.sa.gov.au/minerals/about_us/initiatives/accelerated_discovery_initiative#applicants

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Project Background

Ausmex is incorporating magnetotellurics geophysics (MT), in collaboration with the University of Adelaide (UoA), to explore for deeper magmatic mineral systems and map out fluid pathways of metalliferous fluids from crust and mantle sources to emplacement at discrete locations within the Burra exploration tenure.

The combination of the mafic and felsic intrusive in the region, combined with hydrothermal alteration, metal zonation (copper, copper-gold, base metals, REE), the G2 corridor (O'Driscoll and Lambert) and more recently the large AusLAMP defined conductive feature beneath, has led Ausmex to take this different exploration approach; looking at a complex mineral system with several mineralizing events (Rodina and Delamerian Orogeny).

Ausmex in collaboration with UoA (under Prof. Heinson), has implemented gridded MT/AMT over the entire region of the Ausmex controlled tenements at a 10km spacing with a follow up at a 5km spaced grids in areas of conductivity (ASX:AMG 9/4/2019).

The large conductive anomaly (ASX:AMG 4/2/19) identified in the north east is associated with known gold and base metal mineralization (Figure 1), proximal to the felsic intrusives of the Delamerian Orogeny along the eastern boundary of the tenure.

The ADI funding will go towards geophysical programs and exploration drilling over this prospective region.

Ausmex's Interim Managing Director, Aaron Day commented:

"Ausmex is encouraged by its successful application of the Accelerated Discovery Initiative funding. The \$300,000 funding will significantly expediate and expand exploration of our Bura Project, SA.

We acknowledge and thank the Department of Energy and Mining, and the SA Government for this positive exploration Initiative and we also thank our Ausmex SA Team."

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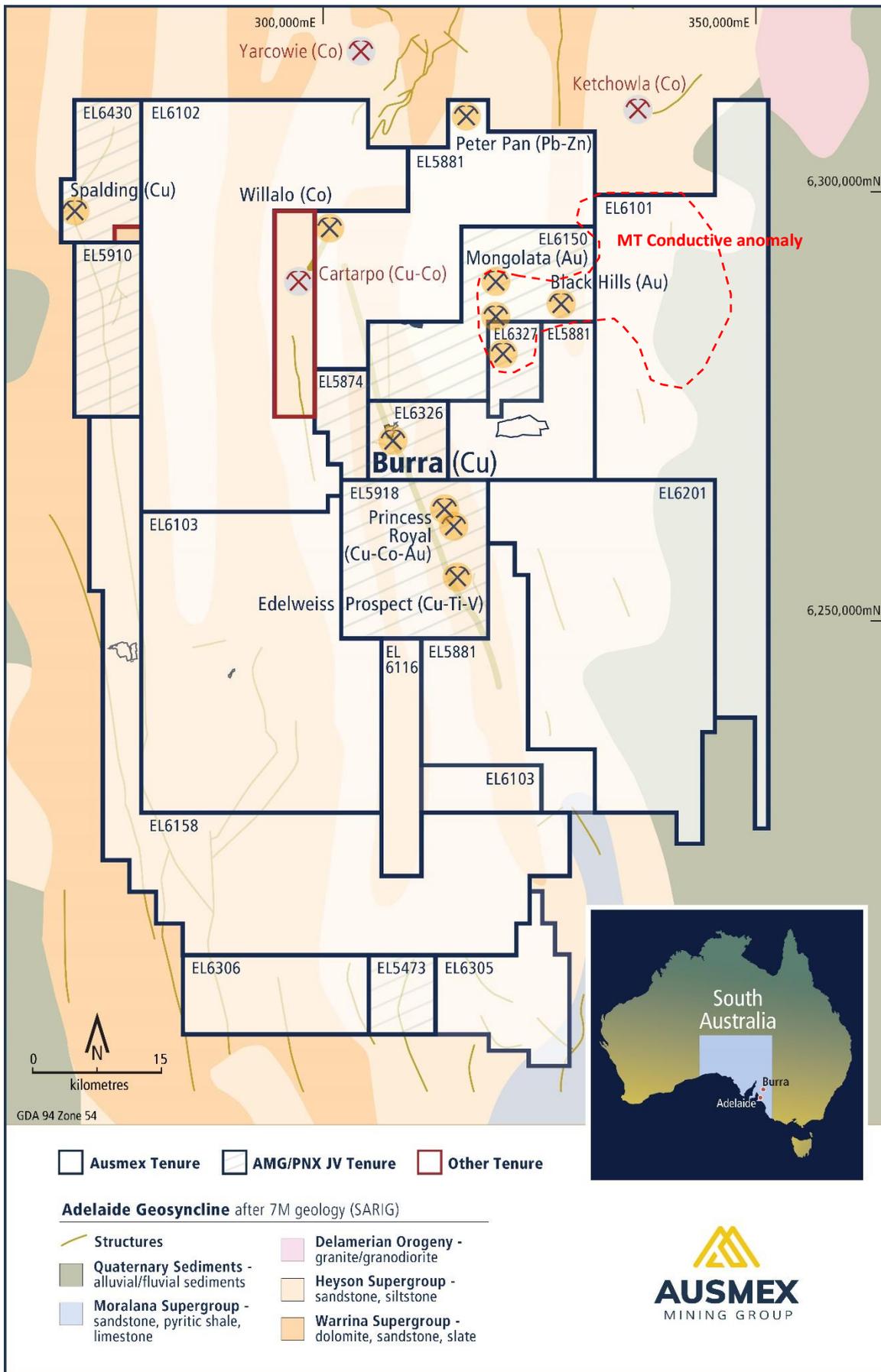


Figure 1: Burra Project Tenement Location Map showing NE conductive anomaly.

Authorised by Aaron Day, Interim Managing Director.

For further enquiries, please contact:

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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.