

2nd September 2020

Company Update

DRILLING RECOMMENCES AT TRUMP PROSPECT

METALLURGICAL TESTWORK AT MT FREDA UP TO +97% GOLD RECOVERIES

FOLLOW UP DRILLING AT TRUMP COPPER/GOLD PROSPECT COMMENCES AFTER HIGH GRADE ZONE OF 172g/t Au (5.5 OUNCES) INTERSECTED AT ONLY 74M DEPTH WITHIN 6 METRES @ 32.90 g/t Au AND 4M @ 48.90g/t Au.

TRUMP PROSPECT (GRANTED MINING LEASE) INTERSECTED 153 METRES @ 1.02% Cu AND 1.43g/t Au FROM SURFACE TO 153METRES.

MT FREDA METALLURGICAL TESTWORK WITH AGITATED CYANIDE LEACHING CONFIRMED HIGH GRADE RECOVERIES UP TO 97.65%. ONGOING TESTWORK UNDERWAY.

MT FREDA RESOURCE UPGRADE WITH ADDITIONAL INFILL DRILLING UNDERWAY.

BURRA MT SURVEY COMPLETED AWAITING RESULTS BEFORE DRILLING COMMENCES.

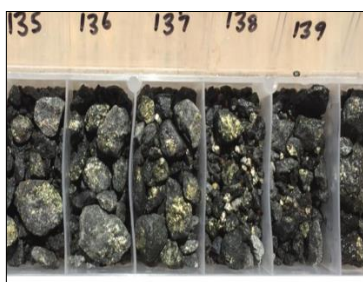


Image 1. Massive Sulphides TR18RC07



Image 2. Current Drilling at the Trump



Image 3. Historical Workings at the Trump

Diamond core drilling has recommenced as follow up from the first round of drilling. Previous drilling in Hole TR18RC07, recorded continuous mineralization from the surface to the end of the hole at 153m (ASX: AMG 28th Aug 2018.) Grades included 6m @ 32.90g/t Au with one meter containing 5.5 ounces per tonne (172g/t Au). Five exploration holes were drilled that intersected Cu, Co and or Cu & Au mineralization. The drilling is also to determine the true dip of the Trump orebody, which after limited drilling was assumed to dip to the East. The diamond core drilling, unlike the RC drilling will provide lithology and may explain, if the 6m of high-grade Gold is a separate unit (due to the extremely high Gold content) and test its strike across the Trump orebody. The Trump Mining Lease contains multiple outcrops, identical rock types to the Trump historical workings, with the Trump orebody, being the only one drilled to date.

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Ausmex previous drilling results at the Trump:

TR18RC07: 153m @ 1.02% Cu and 1.43g/t Au from surface to 153m including 6m @ 32.90g/t Au from 74m including 4m @ 48.90g/t Au & 1,555ppm Cobalt.

TR18RC001: Intersected 3 zones of Copper with a combined 77m @ 1.03%Cu.

TR17RC013: 30m @ 1.01% Cu from 1-31m including 8m @ 2.14% Cu from 23-31m.

TR18RC014: 12m @ 1.06% Cu from 4-16m including 1m @ 7.00% Cu and 6m @ 1.73% Cu 16- 24m with the hole finishing still in Copper.

TR18RC015: 45m @ 1.09% Cu from 25-70m including 8m @ 3.00%Cu from 62-70m.

TR18RC016: 54m @ 1.01% Cu from surface to 54m including 14m @ 2.03% Cu 0-14m and 2m @ 2.44% Cu from 22-24m.

See ASX: AMG 8th Feb 2018 and 28th Aug 2018

Metallurgical Test work completed by AMDEL Mineral Services Laboratories (2012) with more Metallurgy testing to be completed and further updated.

The context of the metallurgical test work (AMDEL LIMITED N5085LE11), requested, included cyanide leaching and gravity concentration using a Knelson gravity concentrator. All samples were stage crushed to 100% passing 1 mm before being progressively milled to achieve the target passing percentage of approximately 80% passing 75 µm. Samples at P100-1.0mm were riffle split into 1 Kg charges, where a head sample was also split during this process for assay analysis.

The 1 Kg charges were milled using standard 2L stainless steel batch rod mill with 15 stainless steel rods. Samples in charges of 1 Kg were wet screened through-106 µm aperture screen using water and the oversize collected was further milled to achieve 100% passing 106 µm , whilst 1 x 1 Kg charge for samples marked for cyanide testwork was milled to the target particle size. Samples were wet screened over a 75 µm aperture screen and all oversize and undersize material was dried and weighed. The mass difference was used for calculation of the percent passing weight. Samples marked for gravity concentration; all sample mass was milled to achieve the target particle size.

Standard sodium cyanide (CIL) leach conditions were used for the testwork. Solid content 40% w/w, sodium cyanide concentration 0.05% w/v, pH with lime 10.5-11.00, Temp 20-25 deg C (ambient), Leach time 48 hours, intermediate samples, 2, 6, 24 hours and assayed for Gold.

The agitated slurries were continuously purged with compressed air whilst leaching, providing oxygen to the reaction between sodium cyanide and gold leading to the formation of aurocyanide complex anions.

Average head grade for Carbon in Leaching was 5.52 g/t Au. The average Gold recoveries was an average extraction rate of 90% Gold. The gold grade is consistent with the grade of ore mined by DMR in the late 80's with similar recoveries using -100 µm fraction size using Carbon in Pulp (CIP) cyanide leaching.

Metallurgical testwork using Knelson gravity concentration and carbon in leach (CIL) was carried out by Amdel laboratories using -75 µm particle size from RC chips and HQ size Diamond Core drilling. Twenty-three (23) samples were lodged for the test work ranging in grades from 0.96g/t Au to 23.90g/t Au with an average grade of all 23 samples of 4.67g/t Au. 11 samples were used for the Nelson gravity concentrators and 12 samples for the CIL testwork.

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The average grade of the samples of the Gold used in the CIL agitated cyanide leaching was 5.52g/t Au. The recovery extraction of the Gold varied from 75.86% to 97.65% with an average recovery of 90% of the Gold. This is considered an excellent recovery.

Historical processing of the ore by DMR in the late 80's recovered up to 98% of the Gold in CIP using a grind particle size of -100 µm and a retention time of 24 hours. It appears that the recoveries may be slightly lower in this test work due to some refractory ore being introduced at deeper levels and that is evident in the report. However, with a recovery of 90% is considered to be very high and consistent with expectations from historical mining and processing.

Authorised by Aaron Day, Managing Director.

For Further Information, please contact;

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Competent Person Statement

Statements contained in this report relating to QLD (Cloncurry) exploration results and potential are based on information compiled by Mr. Aaron day, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr. Day is the Managing Director of Ausmex Mining Group Limited and whom has sufficient relevant experience in relation to the mineralisation 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. Day consents to the use of this information in this report in the form and context in which it appears.

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