

## JUNE INTERIM PRODUCTION UPDATE AND MONTH REVIEW

### Highlights

- ✓ Total Dore of 13.344kg was poured with realized bar purity at 80% gold
- ✓ 10.461kg refined gold (~336 troy ounces) along with 1.869kg silver produced from 1,045 dry tonnes of feedstock representing recovery from gravity circuit alone of 10.01 g/t Au (with a 0.68 g/t Ag credit) during the June production period (May 30th to June 29th)
- ✓ A further 896 kg of concentrate has been delivered for processing at the Company's contracted Intensive Leach Reactor (ILR) which will contribute material further gold recoveries.
- ✓ Gold sales revenue of A\$662,628 received from the June production period to date with final sales once refining of precipitate finalised expected to be ~A\$780k.
- ✓ Comprehensive production update and grade reconciliation report for June will be produced towards the end of July, pending concentrate out turn.

**AuStar Gold Limited (ASX: AUL, or the Company)** is pleased to provide shareholders with a production update for its Woods Point operations. Three production runs were undertaken in relation to the June production period, from May 30th to June 7th, June 16th to June 20<sup>th</sup> and from the 26th to the 30th of June. Production of material from the Rose of Denmark mine occurred during the month and contributed to production during the reporting period. Total processed tonnes for the period 30 May 2019 to 29 June 2019 were 1,045 dry tonnes, with high grade McNally's Ore contributing 804 tonnes and the balance from initial Rose of Denmark cuts at 241 tonnes.

AuStar Gold had anticipated a final reconciliation statement for the May production period, however longer than anticipated processing of the May concentrate has delayed this with the provider requiring a second batch leach due to the extremely high gold content of the concentrate.

### Highlights from June Releases

The month of June ended with one of the most important announcements in the last 12 months, a Maiden JORC compliant Inferred Mineral Resource at Rose of Denmark. Total Inferred Mineral Resource 40,249t @ 6.00 g/t for 7,763 ounces gold<sup>1</sup> and most importantly, this figure is calculated from zones only immediately above and below the existing mine access. The report also highlights exploration targets situated down to 300m below the main adit. In regard to the latter, it is worth noting that gold deposits in the Woods Point – Walhalla goldfields area have been mined to depths in excess of 800 vertical metres (A1 Gold mine and Morning Star Gold mine).

The delineation of an Inferred Mineral Resource and Exploration Target comprise the first stage in progressing AuStar's formal exploration objectives of identifying and growing a substantial metal inventory.

This announcement is a significant step toward clarifying the size of the ore body. The Exploration Target for the Rose of Denmark is estimated to be in the range of 100,000 to 200,000 tonnes at a grade between 5 – 8 g/t Au for approximately 16,000 to 51,000 ounces of contained gold<sup>1</sup>.

***The Exploration Target for the Rose of Denmark project is conceptual in nature and there has been insufficient exploration completed to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.***

*Exploration budgets are being prepared to enable follow-up drilling. The overall potential of the Rose of Denmark mine continues to be enhanced not only by the identification of well-defined higher-grade structures, but also by the potential for stacked quartz veining style mineralisation within the dyke below the level of the adit.*

On the 17<sup>th</sup> June the Company announced an exploration update from McNally's Reef. Within the core at the basal contact between the dyke, a 0.35m wide quartz vein containing minor pyrite and arsenopyrite mineralisation was identified during logging.

*The result confirms the existence of the structure and the presence of gold further south than previously modelled. The result from L9005 and L9008 indicates the projected interpretation of a south-easterly striking shoot of higher-grade gold mineralisation directly down dip from current mining operations remains valid. L9012 had been designed to test for mineralisation associated with McNally's Reef in the favourable dyke, not dissimilar to the style of mineralisation currently observed within the McNally stope. Assays are pending.<sup>2</sup>*

<sup>1</sup> Refer ASX announcement dated 28 June 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

<sup>2</sup> Refer ASX announcement dated 17 June 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement.

*The Company's interpretation of these results is that McNally's reef is a flat structure dipping approximately 20 degrees – 25 degrees to the south-east and continues below the No. 7 Level. A second finger of the McNally Reef may be mineralised along the western contact of the Morning Star dyke (L9012 drill hole – assays pending). These results continue to provide proof of concept and expand on the currently available minable inventory.*

The announcement also highlights testing of another geological target below the No. 9 Level.

Other announcements for the month included the May Production Update and Month Review and the April Comprehensive Production and Grade Reconciliation Report.

**About AuStar Gold Limited:**

AuStar Gold is an emerging gold producer with the objective of generating sustainable gold production from its portfolio of high-grade gold projects, utilising its significant operational infrastructure located at Woods Point in Victoria.

The near-term focus is to further identify economic volumes of ore within its portfolio of mining leases whilst further exploring its adjoining tenements in the Walhalla to Jamieson gold district (particularly the prolific Woods Point Dyke Swarm).

**For Further Information:**

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