



Ausgold Enters into Farm-in and Joint Venture Agreement on Yamarna Project

Highlights:

- **Great Boulder Resources Limited has formally executed a Farm-in and Joint Venture agreement with Ausgold over the Winchester project, 40km north of Great Boulder's Mt Venn and Eastern Mafic prospects in WA**
 - Ausgold will receive 1,500,000 GBR shares
 - GBR to spend a minimum of \$500,000 over four years to earn 75% interest
 - Ausgold will retain 25% interest free-carried to decision to mine
- **Recent RC drilling has confirmed the presence of high-grade nickel (pentlandite) and copper (chalcopyrite) mineralisation.**
- **Great Boulder to commence an exploration program including Aircore drilling and ground gravity survey starting this week**

Ausgold Limited (ASX: AUC) ("Ausgold", "the Company") is pleased to announce that it has finalised a Farm-in and Joint Venture agreement with fellow ASX-listed mineral exploration company Great Boulder Resources Limited (ASX:GBR) ("Great Boulder", "GBR") in regards to its 100% owned Yamarna Project ("the Project"). The project includes the highly prospective Winchester nickel-copper project, located 125 km northeast of Laverton in Western Australia.

The Yamarna Project, which is 40km north along strike of Great Boulder's Mt Venn Project, comprises exploration licences E38/2129 and ELA 38/3311 covering approximately 300km² of the northern Mt Venn Greenstone Belt. Two RC drill holes completed in October 2018 by Great Boulder at the Winchester Prospect intersected disseminated sulphides chalcopyrite (copper), pentlandite (nickel) and pyrite (iron), confirming the potential for a significant high nickel-tenor sulphide mineralisation (ASX Release 9 November 2018). Significant results include:

- 7m at 1.1% Cu, 0.2% Ni, 0.01% Co from 123m (18WNRC001)
- 13m at 0.9% Cu, 0.3% Ni, 0.02% Co from 138m (18WNRC002) including 5m at 1.1% Cu, 0.7% Ni, 0.04% Co, 0.10g/t PGE

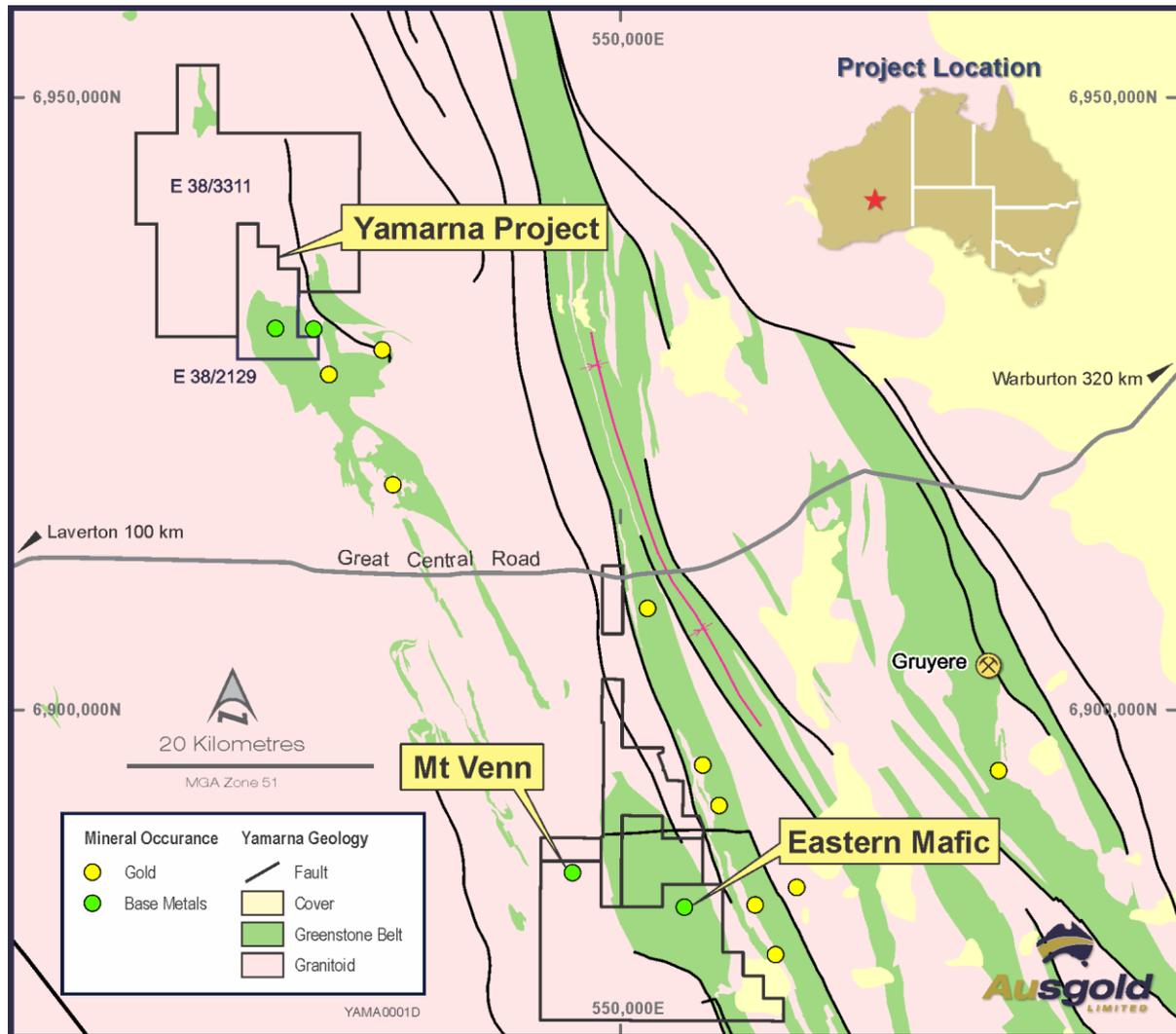


Figure 1 - Location of Ausgold's Yamarna Project

The Agreement

Great Boulder has exercised their option to form a Farm-in/ Joint Venture on granted tenement E38/2129 and application E38/3311. Under the terms of the agreement, Great Boulder will issue Ausgold 1,500,000 GBR shares which are under staged voluntary escrow periods of 3 to 9 months. Great Boulder can earn a 51% interest in the Winchester project by spending \$250,000 on exploration over two years, and an additional 24% (75% in total) by spending an additional \$250,000 (\$500,000 in total) over four years. Great Boulder has currently spent approximately \$100,000 at Winchester.

Upon Great Boulder meeting the minimum expenditure milestone, Ausgold will retain a 25% free-carried interest in the Winchester project to a decision to mine.

Management Comment

Ausgold's Managing Director, Matthew Greentree, commented:

"We are pleased to formalise the Joint Venture agreement with Great Boulder ensuring the highly prospective Yamarna Project is advanced by a focused nickel – copper exploration program over the next two years. Great Boulder has shown a commitment to exploration in the region and has committed to spend \$500K to earn 75% of the Yamarna project."

“The Joint Venture is structured so Ausgold retains a 25% free-carried interest through to a decision to mine, allowing Ausgold to focus its funds on its 100%-owned Katanning Gold Project, where the Company continues to have exploration success and is progressing towards a mine development of the 1.04 Moz gold Resource.”

Great Boulder Managing Director Stefan Murphy, commented:

“The Winchester project could play an important role in the Company’s strategy to establish a substantial copper-nickel-cobalt operation.”

“The Winchester project represents part of a large igneous province with magmatic sulphide mineralisation now identified over a vast area” Mr Murphy said.

“Only a very small area has been tested at Winchester and the presence of high-grade copper and nickel mineralisation, confirmed through petrography, is extremely promising.

“Combining Winchester with our Mt Venn and Eastern Mafic deposits at Yamarna is an important step in building a consolidated copper-nickel-cobalt business for the region.”

About Ausgold Limited

Ausgold Limited is a gold exploration and development company based in Western Australia.

The Company's flagship project is the Katanning Gold Project, located 275km south-east of Perth and approximately 40km north-east of the wheatbelt town of Katanning. Ausgold holds a dominant ground position in this relatively underexplored greenstone belt, an area prospective for Archean gold deposits. The current Resource at Katanning is 1.04Moz gold (Table 1).

Ausgold's portfolio also includes the Doolgunna Station Cu-Au project and the Yamarna Ni-Cu-Co project in Western Australia and the Cracow Au Project in Queensland.

Table 1 - Current Mineral Resource

(Details in ASX release 26 November 2018)

	Tonnes (Mt)	Grade (g/t)	Ounces ('000)
Measured	2.07	2.15	143
Indicated	8.29	1.28	340
Inferred	14.79	1.17	556
Total	25.1	1.29	1,039

On behalf of the Board,

Matthew Greentree
Managing Director
 Ausgold Limited

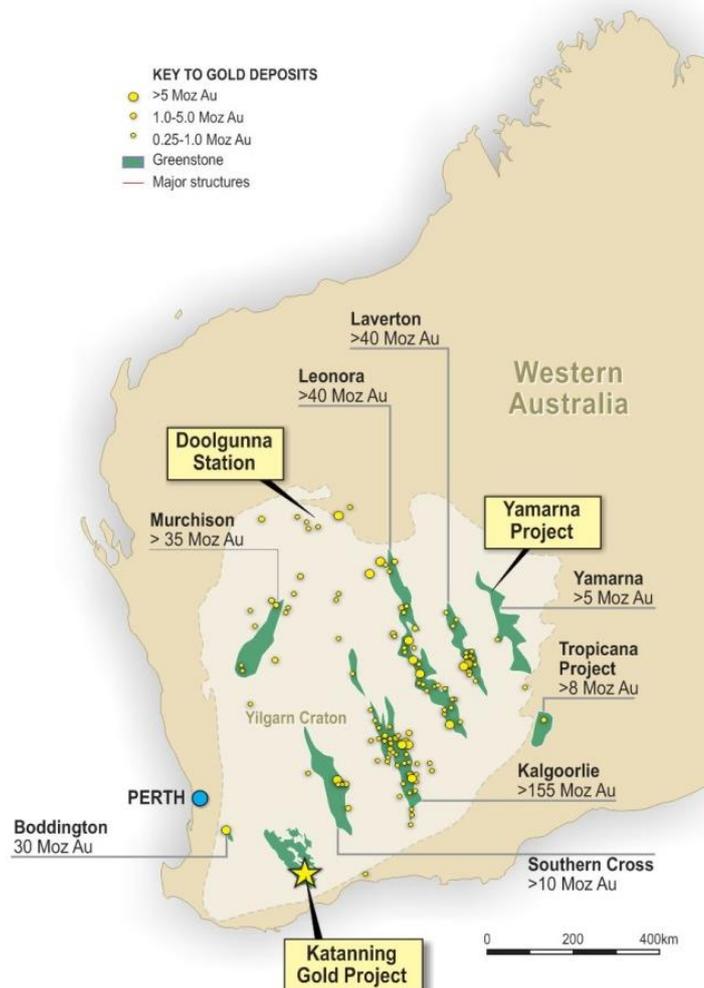


Figure 2 - Regional map showing the KGP, other Ausgold projects and mineralised greenstone belts

For further information please visit Ausgold's website or contact:

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Competent Person's Statements

The information in this statement that relates to the Mineral Resource Estimates is based on work done by Mr Rod Brown of SRK Consulting (Australasia) Pty Ltd and Dr Matthew Greentree of Ausgold Limited. Dr Greentree is Managing Director and is a Share and Option holder in Ausgold Limited. Dr Greentree takes responsibility for the integrity of the Exploration Results including sampling, assaying, and QA/QC, and the preparation of the geological interpretations. Mr Brown takes responsibility for the Mineral Resource Estimate.

Mr Brown and Dr Greentree are Members of The Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity they are undertaking, to qualify as Competent Persons in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition).

The Competent Persons consent to the inclusion of such information in this report in the form and context in which it appears.

Forward-Looking Statements

This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Ausgold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Ausgold Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause Ausgold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for coal and base metal materials; fluctuations in exchange rates between the U.S. Dollar, and the Australian dollar; the failure of Ausgold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Ausgold Limited. The ability of the company to achieve any targets will be largely determined by the company's ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. Although Ausgold Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.