

3 July 2018

ASX Market Announcements

**BROKEN HILL EL8747 “STIRLING VALE” COBALT PROSPECT IN NSW
HISTORIC HOLE DD95STV3 GEOLOGICALLY RELOGGED AND TO BE ASSAYED FOR
COBALT, BASE, AND PRECIOUS METALS.**

Ausmon Resources Limited (“Company”), (ASX:AOA), advises that it is has been able to access the Department of Planning and Environment – Resources and Energy Broken Hill Core Library to geologically relog and sample historic diamond hole DD95STV3 that was drilled on historic EL3500, now covered in part by the Company’s newly granted EL8747 at Broken Hill (see figure 1). ELs 8745, 8746 and 8747 are 100% held by the Company’s wholly owned subsidiary New Base Metals Pty Ltd.

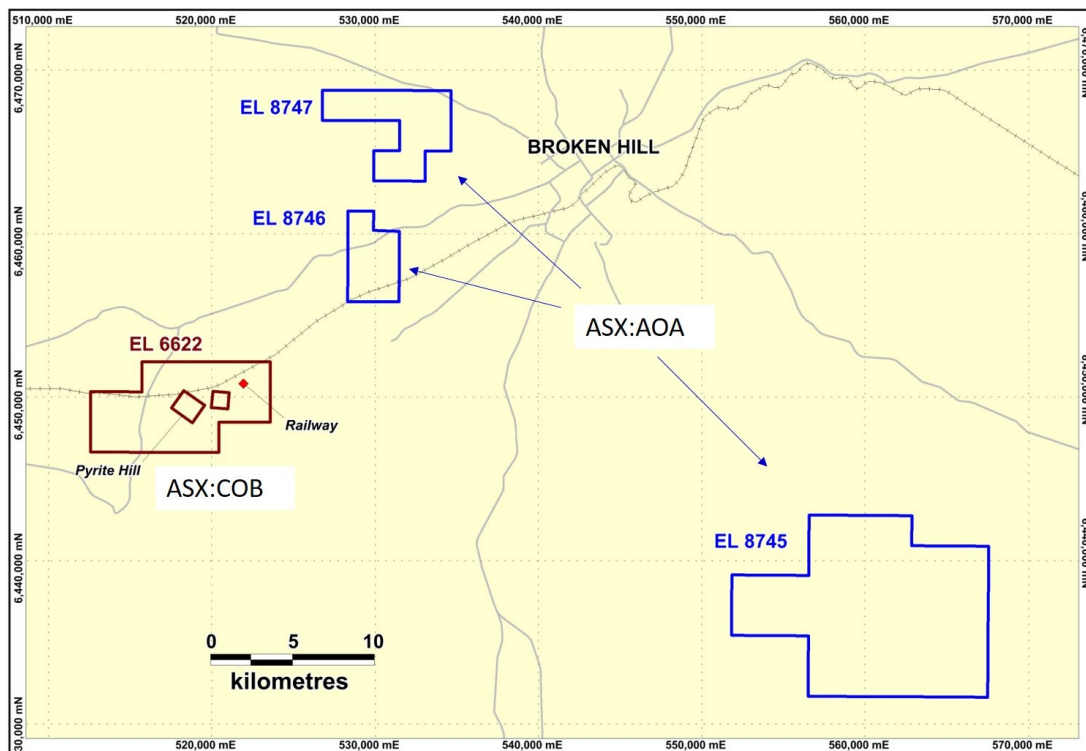


Figure 1: Ausmon Resources Limited newly granted 3 Broken Hill Exploration Licences



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The only diamond hole was drilled in 1995 by Pasmaenco Exploration in joint venture with Aberfolye Resources into the Stirling Vale Synform targeting base and precious metals. Cobalt was not originally targeted. The diamond hole was never cut for assay despite numerous geologically logged observations of sulphide mineralization being described, and the hole was eventually offered for historical storage at the Broken Hill Core Library. The Stirling Vale Synform appears to bear similar geology to Cobalt Blue's (ASX:COB) Pyrite Hill Geology with the "PI2" pyritic bearing horizon present, as shown below by the black arrows in figure 2. The Stirling Vale Synform is located 20 kms north east of Cobalt Blue's Thackaringa deposit in EL6622.

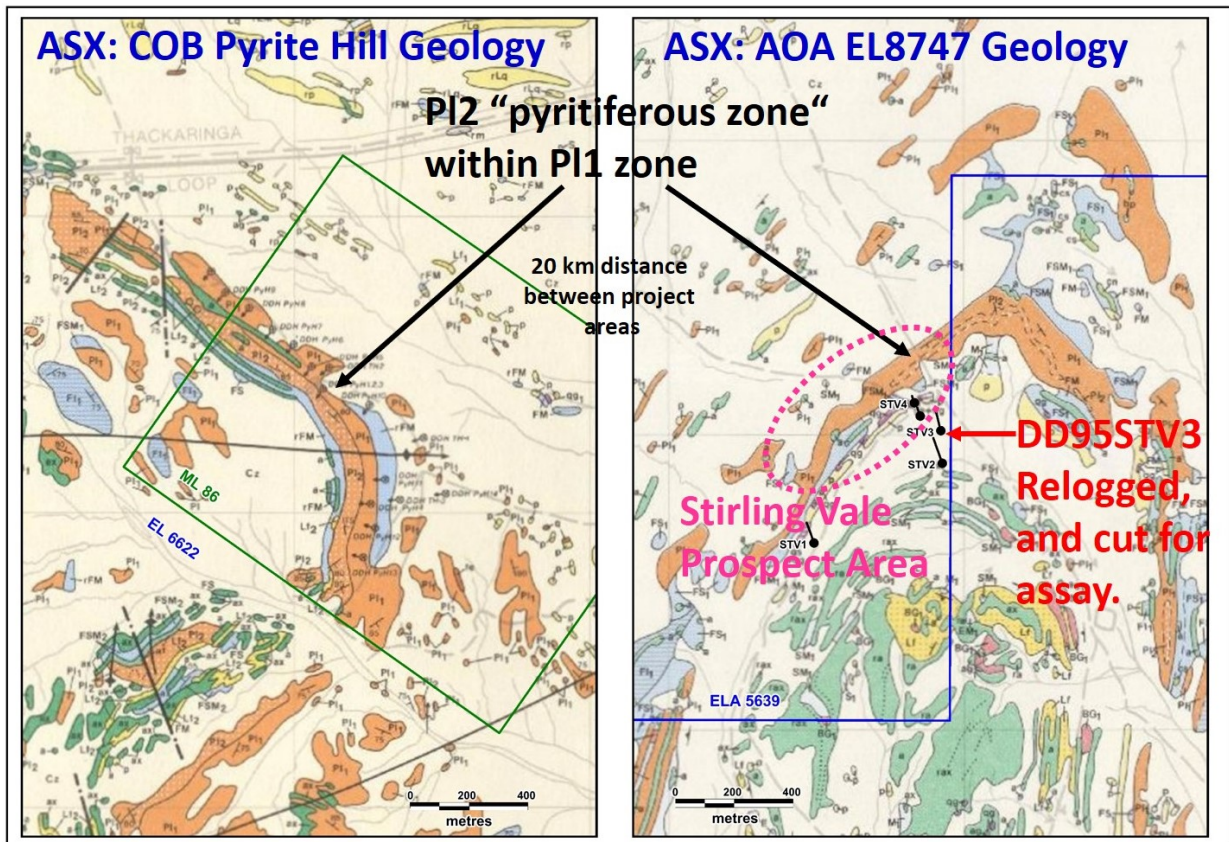


Figure 2: Geological similarities of Stirling Vale with Cobalt Blue's Cobalt Deposits*.

*{Source of Geology Maps: NSW Geological Survey "Thackaringa" 1:25k Map (1977) for COB; and "Broken Hill" 1:25k (1979) for AOA}.



The Company engaged a locally based and highly experienced geological consultant at Broken Hill to relog the entire hole and to cut any geologically significant intersections for analysis. A total of 51 samples have been cut and sent for analysis covering 42.1 prospective metres. Assay results are expected in 2-3 weeks. The relogging has revealed two significant findings:

1: Firstly, an extensive pyritiferous zone from 108.6m to the end of hole at 143.3 metres has been identified (open at depth). The zone from 108.6 to 126.2 metres has been visually estimated to contain up to 10% pyrite. The zone from 126.2 to 143.3 metres has been visually estimated to contain up to 25% pyrite (see figure 3 below). This total intersection of 34.7 metres has now been cut and transported to the Intertek Laboratory in Adelaide and submitted for cobalt analysis.



Figure 3: An example of the strongly pyritic (potentially cobaltiferous) bands in albitic gneiss in DD95STV3.

Figure 4 is a photo of the core tray from DD95STV showing the diamond core from around 123 to 133 metres with the yellow hue of pyrite sulphide bands visible throughout this core section.



Figure 4: Pyrite zone in DD95STV3 from around 123 to 133 metres being relogged.

2: Secondly, two zones of Broken Hill Type Lode Unit type have been identified from 51.5 to 52.7 metres (0.7m wide) and from 85.5 to 86.9 metres (1.4m wide). See figures 5 and 6 respectively. These have been submitted for gold and base metal analyses.



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Figure 5: Mineralised quartz gahnite bearing BHT Lode Zone 1 from 51.5 to 52.7 metres.

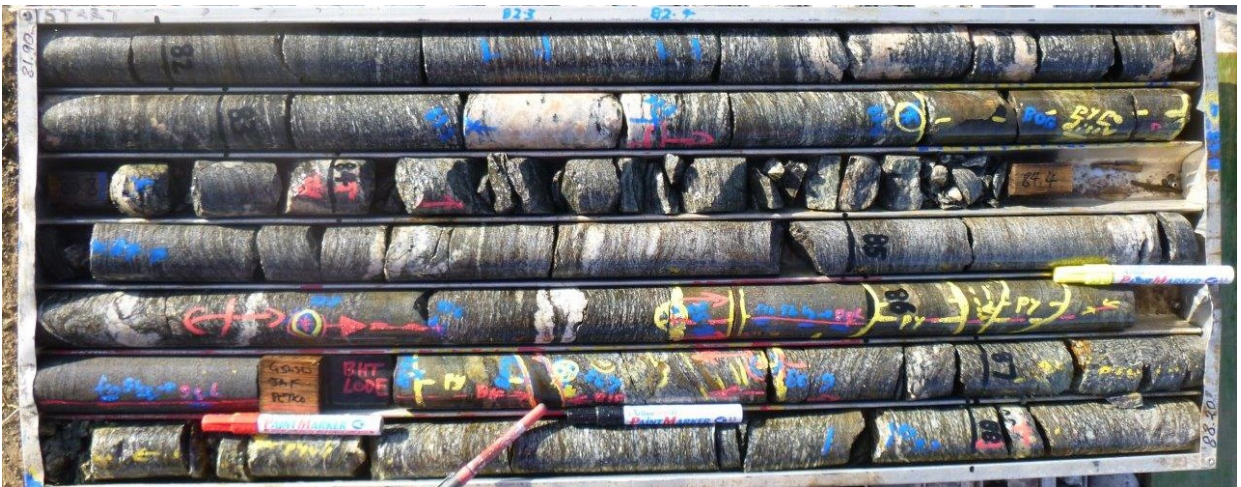


Figure 6: Mineralised garnetite & BIF bearing BHT Lode Zone 2 from 85.5 to 86.9 metres.

Planned Exploration Work

The Company is currently awaiting a final version of the geological logging and interpretation for DD95STV3. This is expected in the coming weeks, along with the assay results for DD95STV3. Acquiring an access arrangement to the Stirling Vale Project will commence once the new owner of the land is identified, which is expected mid-month whilst a recent sale

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transaction of the affected land is completed. Once an access arrangement is finalised, the Company can start preparing for field work which will include mapping, sampling, and geophysical surveys, with a view to developing targets at the Stirling Vale Synform for drilling.

Mr Boris Patkin, Chairman of the Company, says:

“It is fortuitous that the historic core is available to the Company. It enables the Company to acquire very valuable information for planning its exploration programme without first incurring the costs and time to drill a hole in the Stirling Vale Synform. The initial visual findings are exciting.”

“We thank the NSW Division of Resources for their foresight in storing relevant historical geological diamond core such as DD95STV3 for the benefit of modern explorers such as Ausmon Resources Limited to access.”

(The information in the report above that relates to Exploration Results is based on information compiled by Mr Joe Schifano, the principal of Geo Joe Pty Ltd and a member of The Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists.

Mr Schifano has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Schifano consents to the inclusion in this report of matters based on his information in the form and context in which it appears.)

Eric Sam Yue
Company Secretary



JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling was 50% cut diamond core from an historic uncut government stored diamond core drill hole 95DDSTV3 from 1995. 50% of the diamond core has been cut for crushing and assaying and is considered industry standard and representative. Diamond drilling was used to obtain whole core samples down hole. 50% of selected core has been cut for crushing and assaying for base and precious metals. Base metals including cobalt will be analysed using a 4 acid digest with an ICP/MS finish for Ag, As, Cd, Sb, Se, Te and an ICP/OES finish for Co, Mo, Ni, Pb, Cu, Fe, Mn, S, and Zn. Gold will be assayed using a 25g charge fire assay with AAS finish. Diamond core drilling was undertaken by the previous explorer in order to achieve the best quality whole rock sample to determine the nature of the geology, structures, any interpreted mineralized zones, and geological features routinely recorded. The Company's wholly owned subsidiary New Base Metals Pty Ltd ("NBM") has cut 50% of the diamond core for analysis from 51 separate zones from the 143.3 metre hole. A total of 42.1 metres has been now cut for analysis.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Diamond Drilling
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Historic diamond core samples were logged and sample recovery estimated on site by a geologist at the time. Not applicable. Complete core recovery has been achieved in almost all samples cut for analysis. No sampling bias is expected from the 50% cut diamond core.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate 	<ul style="list-style-type: none"> Diamond Core was historically logged by a geologist for lithology, minerals, colour, weathering, alteration and magnetic susceptibility.

Criteria	JORC Code explanation	Commentary
	<p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>Core has been currently re-logged for the same features. Detailed re-logging has not been finalised yet.</p>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Half core has been cut for sampling. • Not applicable. • 50% cutting of core is the appropriate sampling technique • As this is an historic diamond core sample, QA/QC will be undertaken by the laboratory. • The sampling measures described above ensured the sampling was representative of the diamond core sample • The samples sizes are considered appropriate to the grain size of the material being sampled.
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • The assay techniques to be used for diamond drilling samples include mixed acid digestion with ICP-OES and AAS finishes. These assay methods are considered appropriate for the targeted mineralisation and considered as near total digestion techniques with resistive phases not expected to affect cobalt phases. For gold, a 25g charge fire assay with AAS finish will be used. Fire assay is considered to be a total digestion technique for gold. • Not applicable. • NBM has requested that in addition to internal lab duplicates, blanks, and standards, that 5 samples are duplicated for re-assay. NBM has selected the 5 samples to be re-assayed for quality control.
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • The intersections have been verified by the Company's Chief Technical Officer based on photographs submitted for review by the independent geological consultant who has been engaged to re-log hole DD95STV3 on behalf of NBM. • Not applicable. • Each lab sample bag was labelled with a unique sample number.

Criteria	JORC Code explanation	Commentary
		<p>Sample numbers are used to match analyses from the laboratory to the in-house database containing sampling data.</p> <ul style="list-style-type: none"> • Not applicable.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Not known or recorded in original 1996 exploration report. • The hole DD95STV3 was surveyed in 1995 in AMG. • Not known or recorded in original 1996 exploration report.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Not applicable. • Not applicable. • Samples have not been composited.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Not applicable at this stage of exploration. • Not applicable at this stage of exploration.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples were transported directly from the NSW Government Broken Hill Core Library to laboratory in Adelaide.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Not applicable at this stage.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> 	<ul style="list-style-type: none"> • Exploration Licence 8747 “Stirling Vale”. EL8747 is located 10 kms west of Broken Hill. EL8747 was granted 100% to New Base Metals Pty Ltd on the 24 May 2018 for a period of six years, expiring on the 24 May 2024. It consists of 9 units. New Base Metals Pty Ltd is a 100% owned subsidiary of Ausmon Resources Limited (“Ausmon”).

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<p>Native title is extinguished over the licence area, except for 2 small lots where the NBM has no plan to explore at this time. There are no overriding royalties, and the licence is not subject to any joint venture. EL8747 does not cover any wilderness or national park environments. Ausmon is not aware of any historical sites located on EL8747 at this stage.</p> <ul style="list-style-type: none"> EL8747 has been securely granted and there are no known impediments to operate.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Pasminco Exploration through a joint venture with Aberfoyle Resources undertook exploration work on historic EL3500 at the Stirling Vale Prospect, which covers part of EL8747. Pasminco's diamond drill hole DD95STV3 (143.3 m) targeted the up dip potential of the garnet sandstone horizons. The hole intersected a sequence dominated by pelites with minor psammities, psammopelites and amphibolites before intersecting composite metasedimentary gneiss and finally pyritic plagioclase + quartz + K-feldspar rich rock; numerous zones of intense sulphide mineralisation were intersected.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Broken Hill type and cobaltiferous pyrite.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> Collar: 532920E AMG and 6464010N AMG Elevation or RL was not reported in the 1996 Exploration Report Hole Dip: -60 degrees; Azimuth: Magnetic North 348 51.5-52.7 for 1.2m; 60.5-62.8 for 2.3m; 69.7-72.0 for 2.3m; 85.5-86.9 for 1.4m; 96.9-97.6 for 0.7m; 108.6 to 126.2 for 17.6m; 126.2 to 143.3 for 17.1 metres. 143.3 metres. Not applicable.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of</i> 	<ul style="list-style-type: none"> Not applicable. Not applicable.

Criteria	JORC Code explanation	Commentary
	<p><i>such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Not applicable.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • Not applicable.
<i>Diagrams</i>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • See announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Not applicable.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • Not applicable.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Future drilling plans have not yet been designed as no fieldwork has been undertaken so far. This is a review of an historic unsampled (uncut) diamond core hole DD95STV3 from 1995.