



Placement to raise \$2.4 million to advance Katanning Gold Project

Highlights:

- Placement to raise \$2.4 million
- Funds will be used to continue drilling in a targeted exploration program to significantly grow current defined resource at the KGP
- Raising will also support regional exploration programs to test newly defined targets across the Katanning region

Ausgold Limited (ASX: AUC) ('Ausgold' or 'the Company') is pleased to announce that it has received binding commitments for a share placement ('Placement') to raise \$2.4 million before costs.

Use of Funds

Proceeds from the Placement will be used to advance exploration at the Company's Katanning Gold Project ('KGP'), to test newly identified regional targets within the broader Katanning landholding and to provide additional working capital.

Placement

Under the Placement, the Company will issue a total of 80,000,000 shares at an issue price of 3 cents each, a premium to the Company's last traded share price of \$0.028. The Placement will be made to professional and sophisticated investors, pursuant to section 708 of the Corporations Act 2001 (Cth) (Act) and in accordance with Listing Rule 7.1 of the ASX Listing Rules.

Management comment

Ausgold's Managing Director, Matthew Greentree, said:

"We are pleased to have completed this placement at a small premium, which gives some indication as to the belief investors have in what we are doing at the Katanning Gold Project. Through recent exploration on the Project, Ausgold has demonstrated the presence of extensive mineralisation that will add to the global Resource. In addition, work is continuing to delineate high-grade shoots with a number of significant gold targets ready for drilling. The Company also continues to develop its geological understanding of the region, which will aid in new discoveries within the regional tenement package."

On behalf of the Board,

Matthew Greentree
Managing Director
Ausgold Limited

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

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