

Fosterville South reports high grade gold assays from core drilling at Golden Mountain

Fosterville South Exploration (TSX.V: FSX)

Reported that it has intersected wide intervals of high-grade gold in multiple drill holes during the initial phase of core drilling at its Golden Mountain Project in Victoria, Australia.

As a result Fosterville has staked some prospective ground to the east of their Golden Mountain project.



Fosterville South project locations – Victoria.

Fosterville South Reports Multiple High-Grade Gold Assays from Initial Core Drilling Program at Golden Mountain

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VANCOUVER, BC, July 29, 2020 – [Fosterville South Exploration](#) (“Fosterville” or the “Company”) ([TSX.V: FSX](#)) has intersected wide intervals of high-grade gold in multiple drill holes during the initial phase of core drilling at its Golden Mountain Project in Victoria, Australia.

Based on the high-grade drilling results during this initial core drilling program, plus the previous high-grade drill results reported from near surface percussion drilling and regional groundwork, Fosterville has announced that it has staked (exploration tenement applications) an additional 404 sq km contiguous with, and immediately to the east of, the Company’s Golden Mountain project tenements. This is to cover off all of what the Company believes is the geologically prospective ground in the immediate area.

Highlights:

- Drill hole GMDH28 records 39.5 metres at 7.25 g/t Au from 118.6m including 10.6m at 17.1 g/t Au from 137.85m
- Drill hole GMDH26 records 5.8 metres at 18.4 g/t Au from 91.8m including 4.6m at 22.68 g/t Au from 93m
- In drill hole GMDH28, three occurrences of visible gold have been observed over a drill length of 12 metres located on fractures and within quartz veins
- Drilling is ongoing with two diamond drills operating, targeting mineralization that is open along strike and at depth

The Company is now preparing to accelerate the Golden Mountain drilling program based on these high-grade gold results.

These high-grade core drilling assays follow previously reported high-grade assays from shallow, near surface percussion drilling conducted by Fosterville, such as **6 metres at 8.9 g/t Au** within a total intercept of **22 metres at 3.44 g/t Au** in hole GMP 13 (from 60 metres) and **4 metres at 9.04 g/t Au** within a total intercept of **28 metres at 2.22g/t Au** in hole GMP 11 (from 36 metres) (see Fosterville South News Release dated June 19, 2020 for full details , [**click HERE**](#))

Fosterville South COO, Rex Motton, states, “Fosterville South has acquired a premier land package of approximately 3000 sq km in Victoria, and this is the result of a multi-year head start on the current land rush happening today. We are well funded and have now commenced exploration initiatives that will ramp up in the coming weeks. These initial high-grade

gold assays from Golden Mountain are indicative of the quality of the properties within Fosterville South and we look forward to keeping investors up to date as we progress on the ground on all fronts.”

The geological interpretation of the central mineralisation as a north-south striking near vertical fault zone is proving especially useful in terms of drill hole targeting. All drill core is using oriented core techniques.

In drill hole GMDH28, three occurrences of visible gold have been observed over a drill length of 12 metres located on fractures and within quartz veins, which correlated well with the individual generallylmininterval assay results (see Figure 1).

Core Drill Results and Intercepts:

Table 1. (Core Drill Results and Intercepts – Golden Mountain)

HoleID	East	North	Azimuth	Dip	From	To	Interval	Au g/t	End of Hole
GMDH26	400315	5911920	224	-60	91.8	97.6	5.8	18.14	72
<i>Includes</i>					93	97.6	4.6	22.68	
GMDH27	400305	5911900	267	-56	83	88	5	1.65	130
<i>Includes</i>					83	84	1	6.25	
GMDH28	400318	5911928	277	-60	118.6	158.1	39.5	7.25	185
<i>Includes</i>					124 137.85	134.56 148.45	10.56 10.60	8.63 17.11	

The wider composite intercepts use a 0.5 g/t Au cut-off grade and carry a maximum 2 m of internal waste. For the Golden Mountain central vertical mineralised zone, the true widths for GMDH27 and GMDH28 are approximately half of the down hole intervals presented in the table. The assays are not capped. All drill core is HQ in size.

Fosterville South Summary:

Fosterville South Exploration has three high grade gold projects in the Fosterville area of Victoria, Australia. These include a large land package with historical high grade production immediately south and adjoining Kirkland Lake Gold's Fosterville tenements.

The Fosterville Gold Mine, owned by TSX listed [Kirkland Lake Gold \(KL\)](#), is the world's highest grade and lowest cost gold mine. This was their company maker. The AISC at KL's Fosterville mine was USD \$315 / oz in Q1 2019, and the mine has operated with a 34.3 g/t gold head grade over the past 12 months.

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