

Australian GOLDFIELDS

Exploration Update

August 16, 2021 / Vancouver, BC / Australian Goldfields Limited (formerly Graphite Energy Corp.) (the “Company”) (CSE:AUGF) (OTC:GRXXF) (Frankfurt: GOA) is providing an exploration update. A first pass soil sample program was conducted at the Beaton’s River Project, located in the Pilbara District of Western Australia. The project is contiguous and to the north of a gold deposit currently being developed by Novo Resources at Beaton’s River. Prior work by the Company identified exposure of conglomerate similar to that hosting the gold at the Novo project. The intention of this low cost program was to locate and evaluate a previously identified conglomerate structure.

Due to accessibility issues, the 54 soil samples taken had to be walked off the property by the geological staff. Given this limitation, soil samples were size limited to under two kilograms. Quality Assurance and Quality Control was supervised by Mr. William Feyerabend, a Qualified Person under NI 43-101 and a director of the Company. Assay work was performed by Australian Laboratories Services PTY of Brisbane, Australia, an ISO certified facility.

Unfortunately, none of the samples returned any reportable gold values. While disappointing, the exposed conglomerate has been identified over a wide area, indicating size potential. Given that the target is coarse gold, management are concluding that the sample size was not significant enough to encounter the target. Management is reviewing additional exploration options for the project. One such option, is to develop a road access system so that heavy equipment can be located on site to obtain samples of significant size. Large samples with additional efforts to concentrate on site would provide the highest probability of success.

About Australian Goldfields

AUGF has an extensive land package located in the historic Pilbara Mining District of Western Australia. The package is comprised of five separate claim groups including the 335 square kilometer Beaton’s River Project. The Company is well funded to continue the evaluation of the exploration package.

ON BEHALF OF THE BOARD

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The Technical and scientific information contained in this news release was reviewed by Mr. William Feyerabend, a Consulting Geologist and Qualified Person under NI 43-101. Mr. Feyerabend participated in the production of this news release. Challenges associated with the company's exploration program are set out on page 14 of the Form 2A under the heading "Challenges associated with the Issuer's Exploration Program".

The CSE has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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