



Fosterville South Reports Initial 2022 Assays from Drilling at the Beechworth Project Including 3m at 8.83 g/t Gold in Expansion Hole at Homeward Bound Target and 8m at 4.84 g/t Gold including 1m at 33.4 g/t Gold in Discovery Hole at Bon Accord Target

Highlights:

- Strong gold assays below and on strike to the initial discovery hole at Homeward Bound including;
- 8m at 3.36 g/t Gold including 3m at 8.83 g/t Gold in reverse circulation drill hole HBRC21, and
- 4.38m at 2.51 g/t Gold and 3.15m at 3.38 g/t Gold in diamond drill hole HBDH002
- Gold discovery hole at Bon Accord from reverse circulation drilling hole BHVP30 of 8m at 4.84 g/t Gold including 1m at 33.4 g/t Gold
- Assays pending from additional holes including from multiple holes at Reedy Creek Target within the Providence Project
- Q1 2022 drilling focus will be at Providence, Beechworth, Golden Mountain and Lauriston Projects
- Approximately \$22 million cash on hand

VANCOUVER, BC, Jan. 18, 2022 /CNW/ - Fosterville South Exploration Ltd. ("Fosterville South" or the "Company") (TSXV: FSX) (OTCQX: FSXLF) (Germany: 4TU) is pleased to report that new drilling at the Homeward Bound and Bon Accord prospect at the Beechworth Gold Project in Victoria, Australia has returned strong gold grades. Additional assays are pending from drilling at high priority gold targets at Reedy Creek.

New Gold Assays at Beechworth Gold Project

Homeward Bound Prospect

Fosterville South received strong gold assays beneath its initial discovery diamond drill hole, HBDH001, that intersected **8.6m at 5.22 g/t Gold from 194.6m, including 3.6m at 10.72 g/t Gold from 196.8m** at the Homeward Bound prospect located at Hillsborough within the Beechworth Gold Project.

A second diamond drill hole, HBDH002, intersected two separate zones with strong gold mineralization of **3.15m of 3.38 g/t Gold from 269.5m and 4.4m of 2.51 g/t Gold from 256.6m** along with another three supporting gold mineralized zones totalling 29.7m within an overall envelope of 56.6m downhole length. A detailed reverse circulation drilling program was instigated to determine the extent of gold mineralization associated with the old workings following the encouragement received from the initial discovery diamond hole. In particular, reverse circulation drill hole HBRC21 encountered **8m at 3.66 g/t Gold from 202m, including 3m at 8.83 g/t Gold from 207m** and expanded the strike length of gold discoveries from the diamond drill holes to the north. Other significant results were **1m at 8.58 g/t Gold from 105m in HBRC01, 1m at 11.20 g/t Gold from 134m and 1m at 10.95 g/t Gold from 150m in HBRC02 and 1m at 7.26g/t Gold from 50m in HBRC09**. The main Homeward Bound reef strikes 023 degrees and dips west at -75 degrees.

The diamond drill and reverse circulation drilling results to date indicate wider zones of mineralization exist at depth (HBDH001, HBDH002 and HBRC21) in the Homeward Bound prospect, Beechworth Project. The completed drilling program targeted the upper sections of the inferred zone of gold mineralisation based upon the mine plans (HBRC05 to HBRC13) and to confirm some of the historic drilling results carried out in 1992 (HBRC01, 02 & 03) as well as continuing to explore the deeper parts of the main zone of gold mineralization (HBRC21). The drilling established the extent of the previous mining through encountering voids where the high-grade gold zone had been extracted.

Bon Accord Prospect

At the nearby Bon Accord Prospect, approximately 180 metres west from Homeward Bound, Fosterville South's reverse circulation drill program resulted in a new gold discovery. **BHVP30 intersected 1m at 20.9 g/t Gold from 59m and 8m at 4.84 g/t Gold from 64m, including 1m at 33.4 g/t Gold from 68m**. This discovery is referred to as the Bon Accord North zone and is not associated with any old workings. Reverse circulation drilling also encountered zones of gold mineralization to the northwest of BHVP30. BHVP14 intersected 10m at 1.68 g/t Gold from 30m and BHVP32 intersection 12m at 0.49 g/t Gold from 56m.

Fosterville South also carried out a diamond drill program at Bon Accord. Diamond drill hole BADH001 was designed to test for mineralization beneath the main shaft of the historic Bon Accord workings, including the Bon Accord Reef and Blind Reef. BADH001 intersected **3.7m at 3.05 g/t Gold from 148.9m** corresponding to the main Bon Accord reef but no significant mineralization was detected below this level. The main Bon Accord reef strikes 350 degrees and dips west at -85 degrees. Historic tunnels connect the Bon Accord workings with the Homeward Bound workings.

Continued drilling at the Homeward Bound and Bon Accord prospects will seek to expand gold mineralization at depth and along strike beneath the old workings associated with these various encouraging drill results.

Table 1: Hillsborough (Homeward Bound and Bon Accord) Drill Results and Intercepts:

Hole ID	East	North	Azimuth (deg.)	Dp (deg.)	From (m)	To (m)	Downhole Interval (m)	True Width (m)	Au g/t	Out-off grade Au g/t	Hole Type
HOMERWARD BOUND											
HECH002	484836	5971320	125	-72	213.0	216.0	3.0	1.9	1.00		0.4 Diamond
and					226.5	233.7	7.2	4.5	0.69		0.4 Diamond
and					236.0	248.0	12.0	7.6	0.78		0.3 Diamond
and					256.6	261.0	4.4	2.8	2.51		0.4 Diamond
and					269.5	272.65	3.2	2.0	3.38		0.4 Diamond
HBRC01	484906	5971301	85	-62	105	106	1.0	0.6	8.68		0.4 RC
HBRC02	484871	5971309	89	-60	134	136	2.0	1.3	5.91		0.4 RC
Including					134	135	1.0	0.6	11.20		1.0 RC
and					149	152	3.0	2.0	3.99		0.4 RC
Including					150	151	1.0	0.6	10.95		1.0 RC
HBRC03	484884	5971305	113	-60	128	129	1.0	0.7	3.32		0.4 RC
and					133	134	1.0	0.7	2.79		0.4 RC
HBRC09	484935	5971276	113	-60	46	52	6.0	4.2	2.57		0.4 RC
Including					50	51	1.0	0.7	7.26		1.0 RC
HBRC10	484933	5971274	113	-75	81	83	2.0	1.0	2.39		0.4 RC
HBRC21	484936	5971319	93	-63	6	11	5.0	3.2	3.0		0.4 RC
and					194	198	4.0	2.6	0.43		0.4 RC
and					202	210	8.0	5.1	3.66		0.4 RC
Including					207	210	3.0	1.9	8.83		1.0 RC
BON ACCORD & OTHERS											
BAD09	484841	5971122	300	-65	65	70	5.0	1.2	3.0		0.4 RC
Including					67	68	1.0	0.2	12.3		1.0 RC
and					68	90	4.0	1	0.99		0.4 RC
BADH001	484740	5971177	110	-70	113.1	114.8	1.7	0.7	1.76		0.4 Diamond

and					139.35	139.85		0.5		5.37	0.4	Diamond
and					148.9	152.6		3.7	1.6	3.05	0.4	Diamond
BE01A	476241	5970216	252	-75	85	88		3.0	ND	3.26	0.4	RC
and					85	86		1.0	ND	8.34	1.0	RC
BE03	476162	5970256	252	-55	52	56		4.0	ND	1.38	0.4	RC
BE04	476149	5970282	252	-55	53	54		1.0	ND	1.73	0.4	RC
BHVP14	484566	5971343	90	-60	8	14		6.0	ND	0.43	0.4	RC
and					30	40		10.0	ND	1.68	0.4	RC
BHVP19	484928	5971224	90	-80	67	75		8.0	3.3	0.87	0.4	RC
BHVP22	484894	5971654	90	-60	1	9		8.0	ND	0.72	0.4	RC
BHVP30	484804	5971253	270	-60	59	60		1.0	ND	20.9	0.4	RC
and					64	72		8.0	ND	4.84	0.4	RC
including					68	69		1.0	ND	33.4	1.0	RC
BHVP32	484614	5971358	270	-60	56	68		12.0	ND	0.49	0.4	RC
and					84	90		6.0	ND	0.41	0.4	RC
BHVP50	484721	5971235	80	-60	78	80		2.0	ND	1.7	0.4	RC
and					130	134		4.0	ND	1.05	0.4	RC

The intercept cut-off grades are shown in the table, and they use a maximum internal waste of 2m. True widths are shown for prospects that have sufficient information otherwise not determined (ND). The assays are not capped. Coordinates are Australian projection MGA94 Zone 55. Reverse circulation drill holes BA01 to BA08, BA10 to BA12, HBRC05 to 08, HBRC11 to 13 did not contain significant gold mineralization. Planned holes HBRC04, HBRC14 to HBRC20 were not carried out in this drilling campaign. For the BHVP scout drilling program seventeen proposed holes were not completed due to access difficulties, insufficient time or due to logging activities being carried out by HVP. These proposed holes include holes BHVP01,02,11-13,21,26-27,35,37-38,40,42,44-46,48. All other BHVP holes were completed up to and including BHVP50 and only those with significant assay results are shown in the above table. These proposed holes will be revised along with new planned holes in the next drilling campaign. Similarly for the Stanley State Forest scout drilling program drillhole series BE from BE01 to BE40 were completed and the significant assay intersections are reported in the above table. Some assays remain pending from these various drillholes.

The Homeward Bound and Bon Accord prospects are in the Hillsborough goldfield, which forms part of the Beechworth Gold Project, occurring in the Tabberabbera Zone on the eastern margin with the Omeo Zones of the Lachlan Fold Belt in Victoria. Several key gold prospects and associated fault structures have been identified within the Beechworth Gold Project based upon extensive geochemical sampling, geological & LIDAR mapping and limited previous drilling. These gold mineralized zones are largely parallel striking NNW and include (from west to east) the Perseverance, Bon Accord and Homeward Bound faults. These include various historical producing mines located within the Hurdle Flat goldfield (21,715 ounces of production at 15.32 g/t Au) and Hillsborough goldfield (47,492 ounces of production at 17.48 g/t Au). Mineralisation is typical of mesozonal orogenic gold deposits, although the Hillsborough area occurs within a contact metamorphic aureole of a nearby granitic intrusion. Intrusion related gold mineralization has been found at Hillsborough, as gold rich float rock specimen samples nearby Homeward Bound prospect and will form part of a new drilling program in the coming year when drill permits are received.

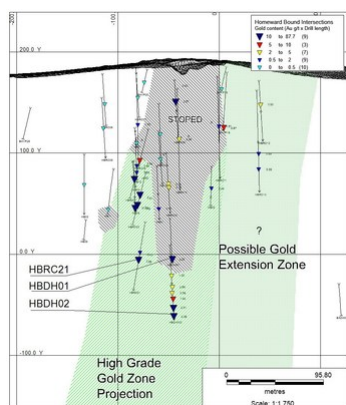


Figure 1 – Longitudinal Section of the drilling at Homeward Bound prospect, Beechworth (CNW Group/Fosterville South Exploration Ltd.)

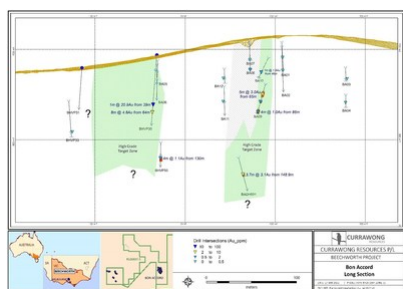


Figure 2 – Longitudinal Section of the drilling at Bon Accord prospect, Beechworth (CNW Group/Fosterville South Exploration Ltd.)

Drilling Activities on Reedy Creek (Providence Project)

Fosterville South is actively drilling at Reedy Creek (Providence Project), which occurs within the epizonal district of the Melbourne Zone. Assays are pending for two diamond drill holes at the Prince of Wales Reef completed late last year. Both drill holes intersected brecciated sediments with quartz veining corresponding to the interpreted Prince of Wales reef zone.

Diamond and reverse circulation drilling will continue to focus expanding mineralization at the discovery hole RWR13 (11m at 31.34 g/t Gold including 4m at 80.05 g/t Gold from 68m) and the recently announced high-grade intercept from diamond drill hole RWD01 (0.7m at 238.1 g/t Gold from 68.70m and 0.80m at 22.5 g/t Gold from 40.80m) at Weineroider Ridge. Drilling will also pursue nearby gold mineralization at Prince of Wales Reef, Thompson Reef, Bulmer's Reef and other areas in close proximity to Weineroider Ridge. A key drilling Work Plan has recently been approved which will allow greater access to these key prospects and drilling equipment has been mobilized to this prospect area. In the southeast of the tenement drilling (2) permits have been approved for the Big Ben prospect area, which occurs on the southeast extension of the Reedy Creek anticline. Widespread anomalous soil geochemical anomaly occurs in a fairly flat featureless plateau as well as at Bgi Ben where a brecciated fault zone was worked in the late 1800s. Another tenement known as Kinglake has been applied for to cover the extensions to the Reedy Creek anticline, north and south of the Big Ben prospect area.

Drilling to Commence at Golden Mountain and Lauriston Gold Projects

Fosterville South will commence drilling at two key gold projects, Golden Mountain and Lauriston Gold, in the first quarter of 2022.

New drill permits were received for the Comet and Trojan Prospect at the Lauriston Project and confirmation is being sought from the Water Authority prior to commencing work here. Previous drilling at Comet returned 10m at 2.09 g/t Au from CRC01 and 14m at 1.19 g/t Au from CRC04. Diamond drilling at Comet

will be used to confirm the structural controls on these wider zones of gold mineralization. At Trojan, which is located in close proximity to Comet, Fosterville South will carry the first modern day drill program.

Fosterville South also plans to carry out reverse circulation drilling at the Heyfield prospect at Golden Mountain. Heyfield has signatures of Au-As-Sb and is an excellent target for epizonal style mineralization in the Melbourne Zone.

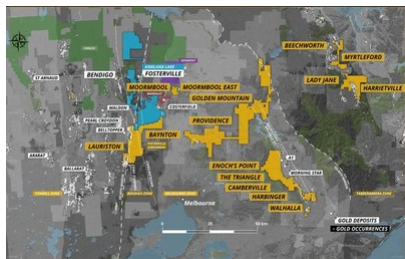


Figure 3 – Fosterville South Overview Map (CNW Group/Fosterville South Exploration Ltd.)

About Fosterville South Exploration Ltd.

Fosterville South began with two, 100% owned, high-grade gold projects called the Lauriston and Golden Mountain Projects, and has since acquired a large area of granted and application tenements containing further epizonal (low-temperature) high-grade gold mineralisation called the Providence Project and a large group of recently consolidated license tenement applications called the Walhalla Belt Project, which contain a variety of epizonal and intrusion related style gold mineralisation, all in the state of Victoria, Australia. The Fosterville South land package, assembled over a multi-year period, notably includes a 600 sq. km property immediately to the south of and within the same geological framework that hosts Kirkland Lake Gold's Fosterville epizonal gold tenements. Additionally, Fosterville South has gold-focused projects called the Moornbool and Beechworth, which are also located in the state of Victoria, Australia. Moornbool project has epizonal style gold mineralisation and Beechworth has mesozonal and intrusion relation gold mineralisation.

All of Fosterville South's properties, with the possible exception of Moornbool, have had historical gold production from hard rock sources despite limited modern exploration and drilling.

Qualified Person

The technical content of this news release has been reviewed, verified and approved by Rex Motton, AusIMM (CP), COO and Director of Fosterville South, a qualified person as defined by NI 43-101. Historical records were verified by reviewing annual and quarterly reports from government records by the Qualified Person.

On behalf of the Company
Rex Motton
Chief Operating Officer and Director

Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. Fosterville South cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: risks and uncertainties relating to Fosterville South's limited operating history, its exploration and development activities on the Lauriston, Golden Mountain, Providence and Beechworth Properties and the need to comply with environmental and governmental regulations. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, Fosterville South does not undertake to publicly update or revise forward-looking information.

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