



Fosterville South Reports Multiple High-Grade Gold Assays from Core Drilling Program at Golden Mountain and Applies for 5,120 metre Drill Permit at Lauriston Project

VANCOUVER, BC, Sept. 15, 2020 /CNW/ - Fosterville South Exploration Ltd. ("Fosterville South") or (the "Company") (FSX – TSXV, FSXLF – OTCQX, 4TU – Germany) has intersected multiple intervals of high-grade gold in drill holes during the initial phase of core drilling at its Golden Mountain Project in Victoria, Australia.

Highlights:

- Drill hole GMDH 36 records 8.3 metres at 6.91 g/t Au from 58.5 m including 1.7 m at 30.72 g/t Au
- Drill hole GMDH 35 records 47 metres at 2.67 g/t Au from 68 m including 4 m at 11.8 g/t Au
- Additional assays expected soon including additional results from drill hole GMDH 36
- Application submitted for a 5,120 metre drill permit at Lauriston Project

Fosterville South Chief Operating Officer, Rex Motton, states, "Every diamond core drillhole we have completed at Golden Mountain has intersected gold mineralisation and today's results, include more high grade gold as well as lengthy intercepts, continue to support our belief in the potential of this project. Drilling is ongoing and we expect more results imminently.

As well, we are very pleased to report that we have now completed access agreements with multiple private landowners to drill at high priority drill targets at our Lauriston Project. Lauriston is a 600 sq km land package and is immediately south of and adjacent to Kirkland Lake Gold's Fosterville tenements. Based on this, we have applied with the Earth Resources & Regulations to commence a 5,120 metre drill program at Lauriston."

The Company's planned 5,120 metre reconnaissance percussion drill program at the Lauriston Project will focus on the high-grade epizonal and mesozonal prospects that have recorded historical high-grade gold production. Drilling will consist of 64 holes averaging 80m depth and targeting four (4) separate prospects all held on private property. Another drilling program is being designed for a further three (3) prospects within the Lauriston property with a similar level of drilling commitment.

The Company has also applied for a reconnaissance percussion drilling program of 1,450m for 17 holes at three (3) prospects on the Beechworth Project. A comprehensive soil sampling program is underway at Beechworth.

Fosterville South is fully funded to accelerate exploration including drilling, with a current cash balance of approximately CAD \$24 million.

Golden Mountain Results

At Golden Mountain, the geological interpretation of the central mineralisation as a north-south striking near vertical fault zone (N-S zone) is confirmed, with east-west faults and intrusive granitic dyke swarms (E-W zone) adding further zones of mineralisation. The east-west striking granitic dyke swarm (E-W zone) is located on or near the Strathbogie granite contact, with mapping and geochemical sampling indicating this zone is about 1km in length. Within the central part of the N-S zone, a fault-controlled extension to the gold mineralisation in the south west (Southwest Fault) is now recognised, apart from the southern extension of the N-S zone as well. The intersection of the Southwest Fault with the main N-S zone causes a wide zone of fracturing and gold mineralisation. As part of this 3D structural interpretation process all drill core is using oriented core techniques.

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	Estimated True Width
GMDH33	400309	5911984	267	-60	35	41	6	3.3	138.6	2.9
and					44	65	21	1.5		10.5
GMDH34	400315	5911920	270	-60	97	120	23	3.1	200	11.7
Includes					114.05	118	3.95	6.3		
GMDH35	400309	5911983	270	-70	68	115	47	2.7	250	16.7
Includes					91	95	4	11.8		
GMDH36	400302	5912017	200	-47	58.5	66.8	8.3	6.9	280	Not possible
Includes					58.5	60.2	1.7	30.7		

The wider composite intercepts use a 0.5 g/t Au cut-off grade and carry a maximum 2m of internal waste, while the higher-grade included intercepts use a 3 g/t Au cut-off grade. The assays are not capped. All drill core is HQ in size.

Quality Assurance / Quality Control

All assays were subject to quality control measures appropriate for diamond core type drilling with duplicates, blanks and commercially available standards with the expected results from the samples submitted. All assays were conducted by Onsite Laboratory Services Ltd (ISO: 9001), located in Bendigo, Victoria, using fire assay techniques with a 50g charge and AAS finish. The quality control results are consistent

Lauriston Gold Project

Fosterville South's Lauriston Gold Project is a large land holding, within the same stratigraphic and structural setting as the Fosterville Gold Mine. The tenement has an extensive history of hard rock and alluvial gold production but limited modern exploration.

The Lauriston property is south of and adjoining Kirkland Lake's Fosterville Gold Mine. The Fosterville Gold Mine reported a measured and indicated resource estimate of 14,800,000 tonnes at 4.4 g/t gold for 2,110,000 ounces of gold and an inferred resource estimate of 10,300,000 tonnes at 5.5 g/t gold for 1,830,000 ounces of gold. The project produced 619,366 ounces of gold in 2019. The mineralization at the Fosterville Gold Mine is not necessarily indicative of mineralization on the Lauriston Project.

Lauriston has a similar geological and structural setting and is on the same regional trend as the Fosterville Gold Mine and occurs along the western margin of the Selwyn Block. Bendigo style saddle and trough reefs occur within the property as well as subvertical shear zone style gold and quartz vein mineralization which occasionally have epizonal characteristics.

The Fosterville South property has metallogenic indications of Fosterville style epizonal gold deposits, but has not been explored for these types of deposits, particularly as they were not recognized as to their significance until recently.

Gold mineralization is hosted by Ordovician slates and sandstones in association with felsic dykes, either with quartz veins or with disseminated arsenopyrite – pyrite ± stibnite.

The Lauriston district contains several recognized goldfields, including the Taradale, Malmsbury, Lauriston and Blackwood East gold fields that have produced over 233,000 ounces at a grade of 20.7 g/t Au until around 1914. Some minor production also occurred during the depression of the 1930s.

Mine	Location	Total Tonnes (t)	Total Au (oz)	Mined depth maximum (m)	Grade (Au g/t)	Modern Exploration
Russell's Reef	Lauriston	44,923	33,403	330	22.8	Sparse drilling on the Northern Extension
Energetic Reef	Lauriston	54,667	31,626	114	17.7	No drilling
United Kingdom Reef	Taradale	77,006	26,518	113	10.5	Two drill holes
Wyndham Reef	Lauriston	32,927	11,747	88	10.9	No drilling
Tommy Dodd	Malmsbury	18,059	6,968	84	11.8	Three drill holes

Table 1* Significant historical gold producing mines

* The production noted above was obtained from State of Victoria Mining Surveyors and Registrar's quarterly reports from 1864 to 1891 and annual reports issued thereafter. All of the production occurred within the Lauriston Property.

About Fosterville South Exploration Ltd.

Fosterville South has two large, 100% owned, high-grade epizonal gold projects called the Lauriston and Golden Mountain Projects, a large group of tenement applications called the Providence Project and a large group of recently consolidated tenement applications called the Walhalla Belt Project, all in the state of Victoria, Australia. The Fosterville South land packaged, 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 tenements. Additionally, Fosterville South recently acquired three gold-focused projects called the Moornbool, Timor and Avoca Projects, which are also located in the state of Victoria, Australia.

Six of Fosterville South's properties (Lauriston, Providence, Golden Mountain, Timor, Avoca and Walhalla Belt) 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 its Lauriston and Golden Mountain 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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