

**FORM 7**  
**MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Australian Goldfields Limited (the "Issuer")

Trading Symbol: AUGF

Number of Outstanding Listed Securities: 30,663,065

Date: April 7, 2021

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

**General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

**Report on Business**

- 1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**See Item 2 below for a complete overview and discussion of the Issuer's activities for the month of March 2021.**

- 2. Provide a general overview and discussion of the activities of management.

**On March 15<sup>th</sup>, 2021, the Issuer announced that, effective at the opening of trading on Monday, March 15, 2021, the Issuer was reactivated on the Canadian Securities Exchange (the "CSE") and, concurrent with the reactivation, the Issuer changed its name from Graphite Energy Corp. to Australian Goldfields Limited to better reflect the direction of the Issuer's business. The Issuer's common shares commenced trading under the new name and the trading symbol changed from "GRE.X" to "AUGF". The new CUSIP number for the Issuer's common shares is 05258G102 and ISIN is CA05258G1028.**

Further to the Issuer's news releases of June 22, 2020, July 16, 2020, September 30, 2020, November 18, 2020, December 17, 2020 and March 8, 2021, the Issuer is pleased to announce that, concurrent with the reactivation on the CSE, and pursuant to the acquisition agreement dated June 16, 2020 (the "Agreement") by and among the Issuer, Pilbara Gold Group Pty Ltd. ("Pilbara") and the shareholders of Pilbara (the "Pilbara Shareholders"), the Issuer has acquired a 100% ownership of the property package consisting of seven tenements located in five districts in the Beatons River Project area, Pilbara Gold District in Western Australia (the "Property"), by way of the purchase of all of the issued and outstanding shares of Pilbara.

As consideration, the Issuer has issued, on a pro rata basis, a total of 7,500,000 common shares (the "Shares") to the Pilbara Shareholders, subject to a four-month hold period and 12-month escrow provision (the "Transaction"). All rights to iron and diamonds contained on any of the acquisition tenements remain with the original Pilbara Shareholders.

Pursuant to the Agreement, the Issuer agreed to issue the following Shares of the Issuer to the Pilbara Shareholders:

- (a) 7,500,000 Shares at a deemed price of \$0.20 per Share on closing of the Transaction;
- (b) 2,500,000 Shares on completion of a drilling program of not less than 4,000 meters on the Property;
- (c) 2,500,000 Shares on the announcement of greater than 500,000 ounces of gold collectively within the Property as defined in a resource calculated compliant to NI 43-101 (as defined below); and
- (d) 2,500,000 Shares on the announcement of greater than 1,000,000 ounces of gold collectively within the Property, as defined in NI 43-101.

Additionally, the parties agreed that a 2% net smelter royalty (“NSR”) will be held by the current Pilbara Shareholders on the Property. One percent of the NSR will be made available for purchase by the Issuer for a purchase price of \$1,500,000 per 1% point. On closing of the Transaction, 100% of the issued and outstanding shares of Pilbara was assigned to the Issuer.

The Issuer has agreed to issue an aggregate of 750,000 Shares (the “Finder’s Shares”) at a deemed price of \$0.20 per Finder’s Share to Nathan Rotstein, as consideration for assistance in facilitating the execution of the Agreement.

Details of the Transaction are disclosed in the Issuer’s Form 2A Listing Statement dated March 12, 2021 which has been filed on SEDAR at [www.sedar.com](http://www.sedar.com) and with the CSE. Challenges associated with the Issuer’s exploration program are set out on page 14 of the Form 2A under the heading “Challenges associated with the Issuer’s Exploration Program”.

Details of the Property are disclosed in the Issuer’s National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) compliant technical report titled “NI 43-101 Technical Report – Pilbara Gold Projects, Western Australia” dated September 30, 2020 (effective August 13, 2020), prepared by Matthew Stephens, FAIG, B. App.Sc., Senior Consultant Geologist, and Bryan Bourke, Senior Resource Geologist, both of Xplore Resources Pty Ltd. of Brisbane, Queensland, Australia, who are both independent of the Issuer, which was filed on SEDAR on September 30, 2020.

The Issuer is at arms’ length to Pilbara and the Pilbara Shareholders.

Please refer to the complete news release as filed on [www.sedar.com](http://www.sedar.com).

The Issuer’s website is: [www.australiangoldfields.com](http://www.australiangoldfields.com)

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**Please see Item 2 above.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

N/A.

5. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

None.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**Please see Item 2 above.**

8. Describe the acquisition of new customers or loss of customers.

**N/A.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**N/A.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**None.**

14. Provide details of any securities issued and options or warrants granted.

**On March 15, 2021, the Issuer issued 8,250,000 Shares at \$0.20 per Share pursuant to the Property Transaction, as described in Item 2 above. On a pro rata basis, the Issuer issued a total of 7,500,000 Shares to the Pilbara Shareholders, subject to a four-month hold period and 12 month escrow provision, and 750,000 Finder's Shares to Nathan Rotstein, which are subject to a 4 month hold period.**

**Please refer to Item 2 above for more information.**

15. Provide details of any loans to or by Related Persons.

**N/A.**

16. Provide details of any changes in directors, officers or committee members.

**None.**

17. Discuss any trends, which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**Trends and risks which may impact the Issuer are detailed in the Issuer's Form 2A Listing Statement dated March 12, 2021.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: April 7, 2021

Teresa Cherry

Name of Director or Senior Officer

"Teresa Cherry"

Signature

CFO & Director

Official Capacity

<b>Issuer Details</b>	For Month End	Date of Report
Name of Issuer <b>Australian Goldfields Limited</b>	<b>March 2021</b>	YY/MM/DD <b>21/04/07</b>
Issuer Address <b>Suite 400 – 1681 Chestnut Street</b>		
City/Province/Postal Code <b>Vancouver, BC, V6J 4M6</b>	Issuer Fax No. <b>(604) 718-2808</b>	Issuer Telephone No. <b>(604) 908-3095</b>
Contact Name <b>Christopher Cherry</b>	Contact Position <b>Director</b>	Contact Telephone No. <b>(604) 908-3095</b>
Contact Email Address <a href="mailto:chris@cherryconsulting.ca">chris@cherryconsulting.ca</a>	Web Site Address <a href="http://www.australiangoldfields.com">www.australiangoldfields.com</a>	