

Auric Commences Option: Chalice West Project Exploration Planned

Highlights

- Auric Mining Ltd (**Auric** or **the Company**) has completed the first phase of the terms of the option agreement for the acquisition of the Chalice West Project (**the Project**).
 - The Project is highly prospective for gold and other minerals in the Widgiemooltha-Norseman area.
 - Tenement E15/1801 has been granted by the Department of Mines, Industry Regulation & Safety (DMIRS) on 1 July 2022, securing Auric's exploration rights for gold and all other minerals to some 15,000 hectares of greenstone terrane.
 - A heritage clearance survey is being scheduled in conjunction with the Ngadju people. This is expected to be completed by 30 September 2022.
 - Auric intends to commence a drilling program likely in the last quarter of 2022, testing for analogues to the Chalice Gold Mine, situated just a few kilometres away. Chalice produced 672,000 ounces of gold over a seven-year period a decade ago. At today's gold price, this would produce gross revenue of about AUD\$1.5B.
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The Announcement

Auric Mining Limited (ASX: **AWJ**) (**Auric** or **the Company**) is pleased to announce it has completed the first phase of the option agreement with well-known local geologist Mr John Williams, via his vehicle Mineral Business Development Pty Ltd, (Mineral Business) to potentially acquire The Chalice West Project tenements.

Auric has issued 4,716,981 shares to Mr & Mrs. Williams for non-cash consideration at an issue price of \$0.0848 per share totaling \$400,000. This completes Auric's obligation to Mineral Business for the first year of its agreement.

The deal between Auric, Mr Williams and Mineral Business is staged over three years. The first-year payments to Mineral Business totaling \$675,000 in cash and shares, have now been completed.

Auric can elect to continue the option into a second and third year with further payments of \$225,000 in cash or the issuance of 2,250,000 Auric shares, whichever is the higher value.

At the end of the third year Auric has the right to purchase outright all the shares in Mineral Business and therefore the tenements by paying \$2.25 million in cash or Auric shares to the equivalent value, at Auric's discretion. Mr Williams is also entitled to a 2% net smelter royalty on all mineral production from the Project tenements.

In addition, the option agreement also locks in place direct drilling expenditure commitments by Auric of \$200,000 for the coming 12 months and a further \$800,000 in exploration over the following two years as the option progresses.

"I'm truly excited about triggering the option agreement" said Auric's Managing Director Mark English.

"Now we can move ahead with a drilling program at Chalice West. How could you not see it as anything but a mouth-watering concept considering the Chalice Mine is in such proximity to the eastern corner of our main tenement" he said.

"The Chalice Gold Mine produced almost three quarters of a million ounces in quick time. The geology here is outstanding. We have identified an area for drilling where it mirrors that of the Chalice Gold Mine. We'll be drilling in the October quarter and are now moving ahead with enthusiasm to get it underway," said Mr English.

The Chalice West Project is over an area of greenstones that has had limited exploration. Adding further interest to the Project are defined nickel targets together with strong potential for lithium and rare earths.

Auric is finalising the processes for a heritage survey with the Ngadjju people. This will be completed in August/ September this year.

About the Chalice West Project

The Chalice West Project comprise two exploration licences with the principal tenement of 145.9 km², identified as E15/1801 now granted and under Auric’s control (Figure 3).

Together with E63/2199, still in application, the combined Chalice West Project comprises 343.9 km². In total it increases Auric’s holdings to some 45,000 hectares (449.5 km²).

“The Chalice West Project is certainly very prospective,” said Auric’s Technical Director, John Utley.

“Regional scale geological maps still show the area to be underlain by granites suggesting very little potential for gold mineralisation. But, most people overlooked the work done by Resolute in the late 1990’s following the discovery of the Chalice gold deposit. Resolute geologists recognised a sequence of basalts and ultramafics with a similar distribution to that at Chalice and further, defined gold anomalism over those rocks comparable with gold-in-soil anomalism over Chalice. For various reasons, Resolute relocated to Africa at around that time and the geology and anomalism was largely ignored.”

“Now that our option agreement with Mr Williams is underway with the grant of E15/1801, we can drill-test the Chalice model. We are excited at the possibilities this presents,” said Mr Utley.

Figures 1 and 2 contrast the widely held view of the geology covered by the Chalice West Project tenements (Figure 1) with the much more realistic interpretation by Alacer Gold in 2011 that reconciles magnetic images with the Resolute drilling to show greenstones in that area (Figure 2).

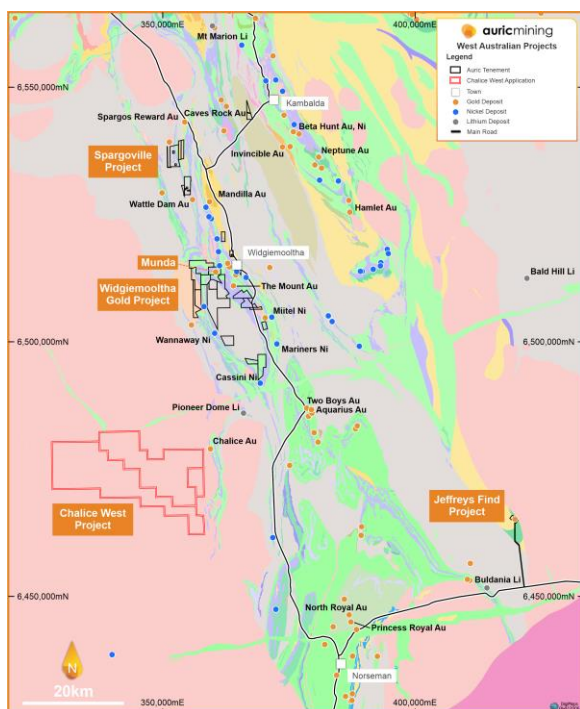


Figure 1. GSWA (Government) 2020 Interp

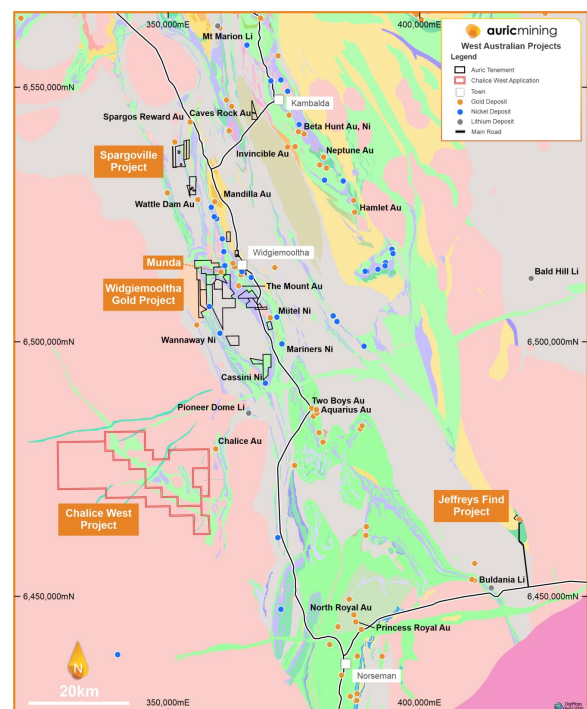


Figure 2. New Geological Interp (after Alacer Gold, 2011)

Auric Tenement Locations

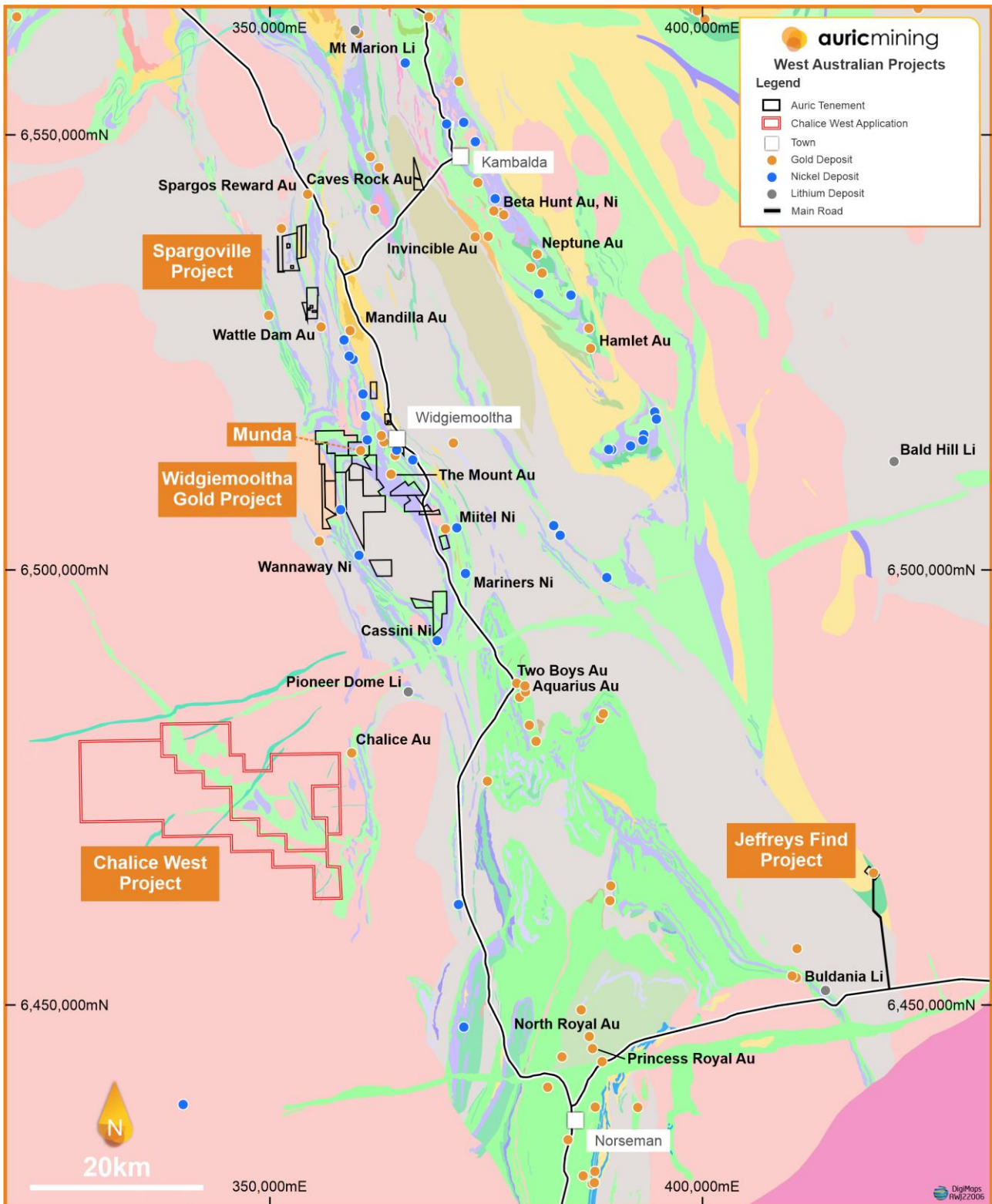


Figure 3. Auric's projects in the Widgiemooltha-Norseman area, including the Chalice West Project.

Technical Information about the Chalice West Project

The Chalice West Project covers an area of greenstone i.e., Archaean age volcanic and sedimentary rocks incorrectly interpreted in Geological Survey of WA (GSWA) maps as part of the extensive granites separating greenstone belts.

The GWSA interpretation failed to recognise work done by mining company Resolute in the late 1990's.

Resolute drilled 5 traverses of Aircore holes at 800m line-spacings across strongly magnetic lineaments to the southwest of the Chalice Gold Mine, defining a sequence of basalts and ultramafics. The Aircore drilling intersected distinct gold anomalism in 4 holes to a maximum of 360ppb Au, coincidentally corresponding to the maximum value of 360ppb Au in soils over the Chalice Gold deposit (Figure 4).

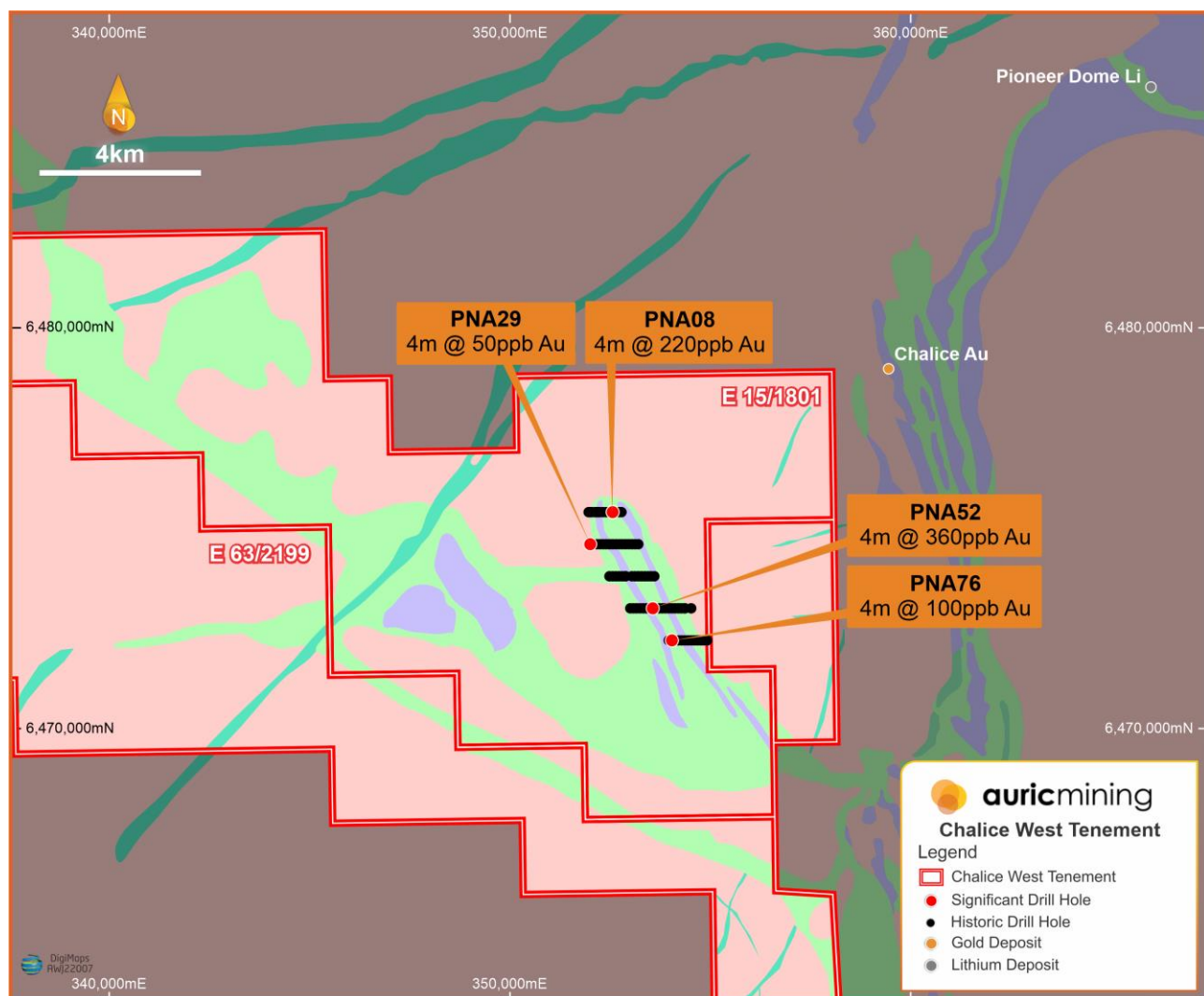


Figure 4. Resolute 1997 Aircore drill holes with anomalous gold intercepts at a 50ppb cut-off.

The Chalice Gold Mine produced 672,000 ounces of gold at an average 5.2 g/t and was mined over a period of seven years. It was discovered via soil sampling with anomalism over 750m x 400m and with a maximum 360ppb Au. Follow up RC holes included two discovery holes that returned 38m @ 10.86 g/t from 4m in WMC9 and 30m @ 24.8g/t from 6m in WMC13.

Resolute also undertook a soil sampling program in 1997 and 1999 which defined nickel-in-soil anomalism coincident with a magnetic high that likely represents ultramafics, the principal host to nickel mineralisation in the Widgiemooltha Dome and Kambalda areas.

There is also strong potential for nickel, lithium and other rare earths in the Chalice West Project.

Compliance Statement

The information in this announcement that relates to exploration results is extracted from the announcement "Acquisition of Highly Prospective Chalice West Project" dated 19 May 2022 and is available to view on the Auric website, auricmining.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

About Auric

Auric Mining Limited was established to explore for and develop gold and other mineral deposits in the Widgiemooltha-Norseman area. At the time of listing in February 2021, Auric held the Munda Project (now part of the Widgiemooltha Gold Project), the Jeffreys Find Project and the Spargoville Project. Since then, the Company has grown its landholding in the Widgiemooltha-Norseman area substantially.

In June 2021, Auric acquired the gold rights to a suite of tenements in the Widgiemooltha and Spargoville areas from Neometals Limited (ASX: NMT) (Neometals). Widgie Nickel Ltd (ASX: WIN) (Widgie Nickel), the 'spin-out' from Neometals, retains the rights to all other minerals. This increased Auric's landholding to 102km².

Then in May 2022, Auric entered into an option agreement to purchase the Chalice West Project from Mineral Business Development Pty Ltd. The Chalice West tenements cover an area of 343.9km², increasing Auric's tenement area to the 445.9km² currently held (Figure 3).

Auric holds the rights to gold within the tenements acquired from Neometals, to all minerals except nickel and lithium at Munda and to all minerals at Jeffreys Find, Chalice West and the original Spargoville tenements.

Mark English
Managing Director

This announcement has been approved for release by the Board.

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