

Grade Control Drilling at Munda Gold Project

Highlights

- Grade control drilling program at Munda Gold Project near Widgiemooltha, Western Australia, to start 1 November 2023.
 - Approximately 380 holes for 11,500 metres to be drilled on a 10m x 10m grid pattern over a planned Stage 1 pit.
 - Program will significantly de-risk the project.
 - Other mine-planning activities in progress.
 - Target is to mine a starter pit in late 2024.
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The Announcement

Auric Mining Limited (ASX: AWJ) (Auric or the Company) is pleased to announce an update on the Munda Gold Project near Widgiemooltha, Western Australia.

Grade Control Program

Grade control drilling is scheduled to get underway at the Munda Gold Project on 1 November 2023. This is another significant step towards open-pit mining of the deposit and follows on from a recent Scoping Study which defined a Production Target of between approximately 1.67Mt at 2.2g/t Au and 2.18Mt @ 1.9g/t producing between 112,000oz and 129,100oz of gold.¹

The grade control program comprises approximately 380 holes for 11,500 metres on a 10m x 10m grid pattern. The drill pattern covers the starter pit defined in the Scoping Study within a larger area of near surface mineralisation (Figure 1).

¹ (ASX: AWJ) 28 June 2023: *Positive Scoping Study for Munda Gold Project*

Auric have contracted Kalgoorlie-based Total Drilling Services Pty Ltd (TDS) to undertake the drilling.

“There are some complex geological elements within the deposit. Results from the drilling program will help us better understand these elements and the resultant gold distribution. This will aid in significantly de-risking the project and allow us to plan the next steps” said Auric’s Managing Director Mark English.

“A Scoping Study for Munda completed mid-year shows us a path to more than \$75 million free cash for a mine lasting three years. It’s our aim to have a starter pit producing gold in 2024 before expanding the mine in 2025 and beyond,” said Mr English.

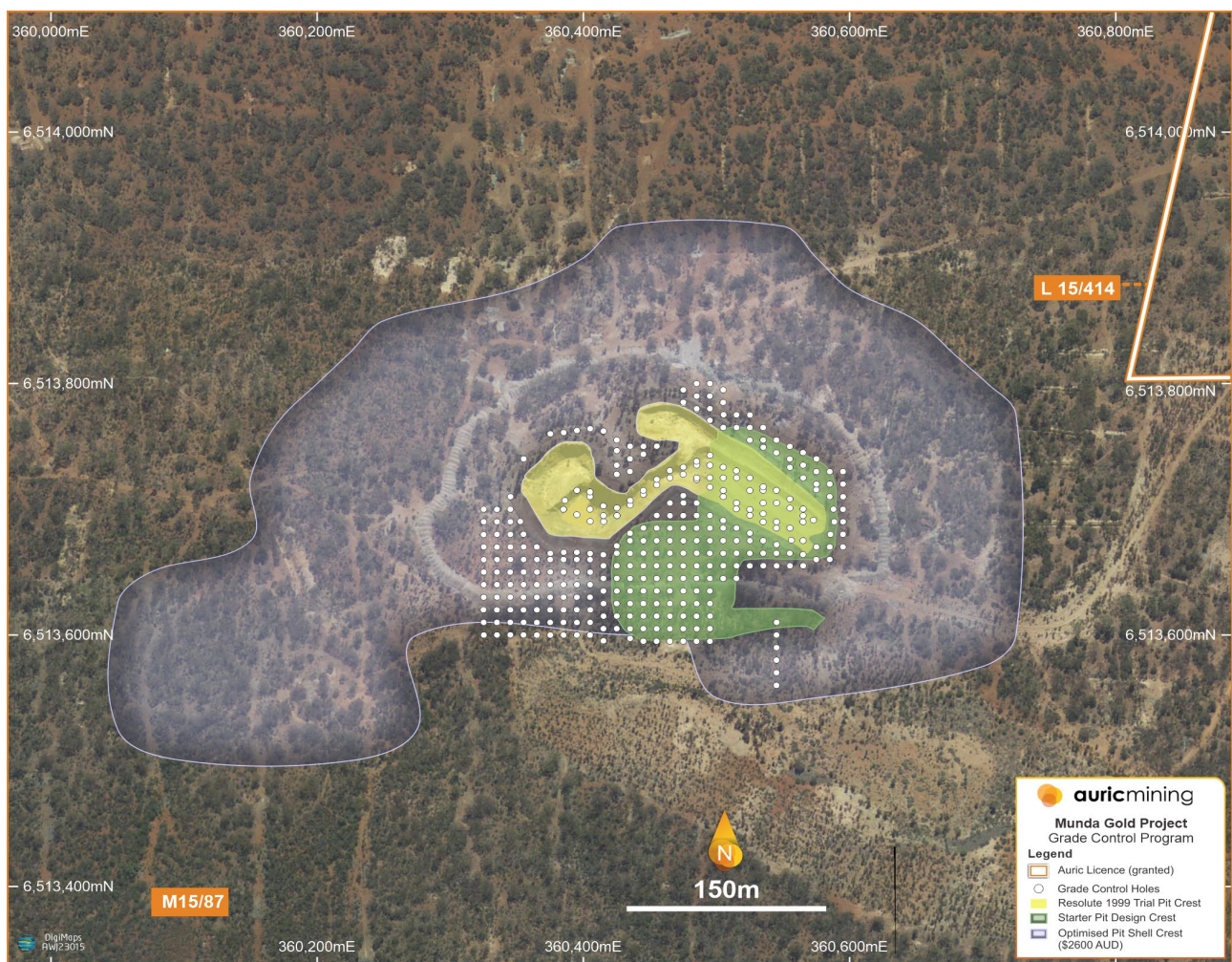


Figure 1. Munda optimised pit outline, starter pit and existing trial pit with proposed grade control drill holes.

Work Completed

The Munda Gold Project is at an early development stage:

- Preliminary metallurgical testwork undertaken by Auric reported a gold recovery of 96.6%.² Further metallurgical testwork is planned.
- A Scoping Study for open-pit mining and third-party toll treatment returned a positive result showing that at gold prices from AUD2,400/oz to AUD2,800/oz, the Production Target for the Project ranges from approximately:
 - 1.67Mt at 2.2g/t producing 112,000 oz gold; to
 - 2.18Mt at 1.90g/t producing 129,100 oz gold.
- The adopted base case scenario at AUD2,600/oz details mining approximately 1.72Mt to generate an undiscounted accumulated cashflow surplus of \$76.9M. This was predicated on utilising a single third-party processing plant operating under a toll treatment agreement, located approximately 82km from Munda Gold Project.

Next Steps

The positive outcome from the Scoping Study justifies more detailed mine planning and potentially mine permitting which will be based on the following activities:

- An updated resource model and definition of an optimal grade control drill pattern for mining utilising results from the 10m x 10m resource definition and grade control program;
- Geotechnical and hydrological studies;
- Additional metallurgical testwork;
- A topographic survey;
- Waste rock characterisation;
- Fauna and vegetation surveys; and
- Updated cost estimates for grade control, mining, drill and blast, and haulage.

Auric has commenced much of this work and engaged the appropriate consultants.

It is expected the grade control drilling program will take around 6 weeks. Results will be announced to the market throughout the program when received.

This announcement has been approved for release by the Board.

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² (ASX: AWJ) 11 May 2022: Exceptional Result with Munda Preliminary Metallurgical Testwork Returning 96.57% Gold Extraction