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ASX/MEDIA RELEASE

## **BARDOC INITIATES STUDY ON ACCELERATING PRODUCTION GROWTH AND CASH-FLOW**

**Cash-flow Optimisation Study aimed at boosting production, margins and cash-flow**

### **Key Points:**

- Bardoc Gold initiates study on improving the already robust Definitive Feasibility Study (DFS) for its flagship 3Moz gold project just north of Kalgoorlie. DFS key highlights include:
  - Average annual gold sales of 135,760oz over 8.2 years of mill production;
  - Life-of-mine (LOM) pre-tax cash-flow of A\$740M at a A\$2,250/oz gold price;
  - Pre-tax NPV (6%) of A\$479M and 41% IRR;
  - Pre-production capital of A\$177M with 32-month payback from production commencement;
  - LOM All-In Sustaining Costs (AISC) of A\$1,188/oz.
- Revised mine plan indicates potential for gold production to be significantly increased during the first 5 years of operations.
- Improved free cash-flow in early years to provide better returns for shareholders.
- Operationally simpler mine plan with earlier establishment of the flotation circuit to de-risk the project.

Bardoc Gold (ASX: BDC) advises that it has initiated a Cash-flow Optimisation Study aimed at increasing the forecast gold production rate, margins and free cash-flow during the first five years of operations at its 100%-owned **3Moz Bardoc Gold Project**, located 40km north of Kalgoorlie in WA.

Preliminary analysis conducted by the Company indicates that there is strong potential to increase total ounce production in years 1-5 by bringing forward production from its cornerstone Aphrodite Deposit in the mine schedule.

As part of this strategy, the proposed 2.1Mtpa processing facility would be located at Aphrodite, rather than next to the Zoroastrian and Excelsior deposits. This provides the opportunity to extract further value from the 1.6Moz Aphrodite Project and, in the future, from the highly prospective Omega, Sigma and Gamma Lodes, where recent exploration success has highlighted the strong potential for significant Resource growth.

Analysis suggests that the additional upfront capital expenditure required to bring forward construction of the flotation circuit required to treat baseload ore from the Aphrodite Deposit is partially offset by other infrastructure cost reductions, while the additional high-grade ounces will provide strong free cash-flow in the first five years of the mine plan.

Bardoc Gold Limited | ABN 40 125 578 743

130 Stirling Highway, North Fremantle WA 6159 | Locked Bag 4, North Fremantle WA 6159 | Australia

Tel +61 (0)8 6215 0090 | Fax +61 (0)8 6215 0091

[www.bardocgold.com](http://www.bardocgold.com)

The financial benefits over the longer term are expected to be even more significant because it is likely to be more cost-effective to establish a larger operation capable of processing ore from all three deposits as part of the initial construction process rather than undertaking the works separately at a later date.

Based upon our initial analysis, Bardoc believes the optimisation will result in strong improvements such as:

- The mine plan is operationally simpler;
- Gold production is significantly increased in the earlier years;
- Higher grade material is processed in the early years;
- The revised plan will generate stronger operational cash-flow;
- Optionality to repay debt sooner is increased; and
- The flotation plant is established as part of the initial construction of the Project.

An update on the project development is expected by the end of August 2021, that will outline in detail the benefits of the increased production on all-in costs and free cashflow generation and refine the upfront capital requirement, paving the way for project financing and a Final Investment Decision.

### **MANAGEMENT COMMENTS**

Bardoc Gold's Chief Executive Officer, Mr Robert Ryan, said the benefits of the new strategy had become apparent during ongoing optimisation of the 2021 DFS, engagement with EPC contractors and as a result of recent exploration success.

*"The revised mine plan allows us to bring forward ounce production in the mine plan and allow for sustained production from both underground mines concurrently. This enhances project economics, which will allow the Company to repay debt earlier and expedite returns to shareholders.*

*"The operational plan is significantly de-risked, with the establishment of the flotation circuit at the initial construction stage. This allows for earlier production from our highest value deposits at Aphrodite, while also opening up the opportunity to exploit the exciting new discoveries we have made at Omega, Gamma and Sigma.*

*"We're looking forward to providing further updates on the project in the coming weeks as we close-in on project financing and a Final Investment Decision before the end of the year."*

### **NEXT STEPS**

- Engineering, Procurement and Construction (EPC) Tender negotiations are close to being finalised for the construction of the 2.1Mtpa gold processing plant.
- Diamond core drilling is underway at Zoroastrian targeting untested areas as well as depth extensions.

### **BARDOC GOLD PROJECT – BACKGROUND**

The Bardoc Gold Project runs contiguously north for 40km in the Eastern Goldfields. There are four main deposits and a multitude of smaller projects within the 250km<sup>2</sup> land-holding, providing a large Resource base and excellent exploration potential within the prolific Norseman-Wiluna greenstone belt and junction of the Bardoc Tectonic Zone (BTZ) and the Black Flag Fault (BFF).

These two deep-seated crustal structures host many multi-million-ounce deposits, including the world-renowned Golden Mile in Kalgoorlie.

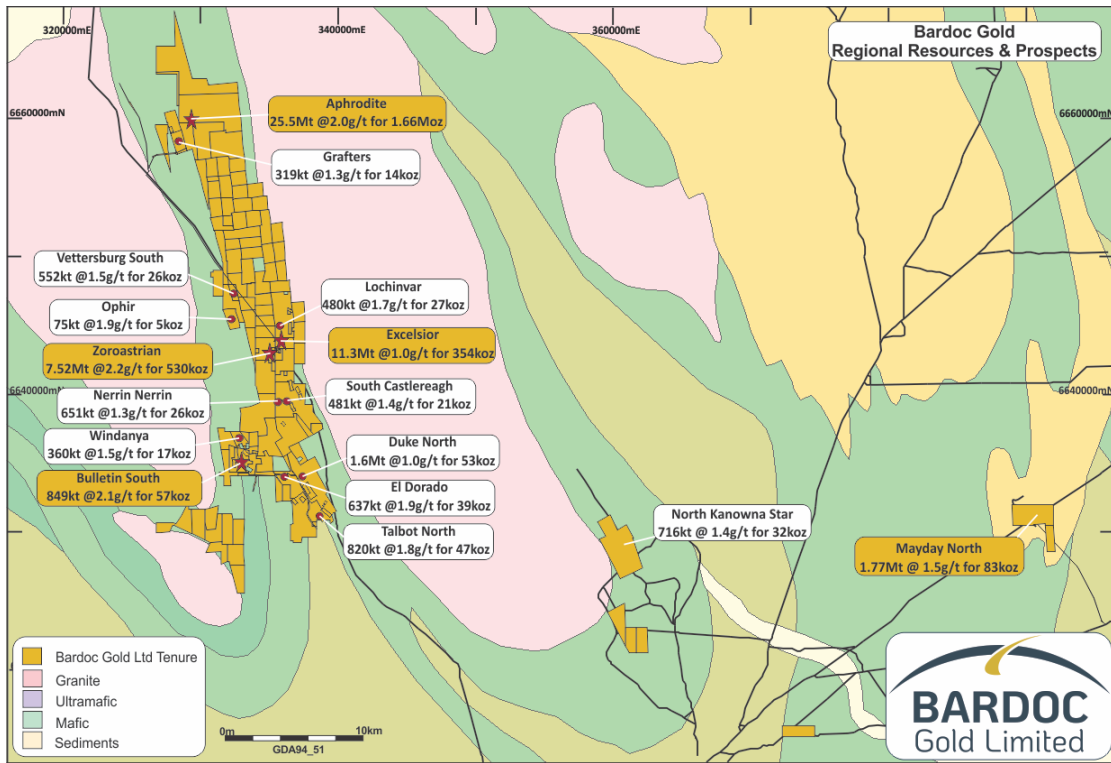


Figure 1: Bardoc Gold Project, tenement location plan.

GLOBAL RESOURCE – BARDOC GOLD PROJECT

BARDOC GOLD PROJECT: RESOURCES														
Deposit	Type	Cut-Off (g/t Au)	MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
			Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)
Aphrodite	OP	various	-	-	-	13,458	1.5	666	5,321	1.3	229	18,780	1.5	895
Aphrodite	UG	1.7	-	-	-	4,156	3.7	497	2,571	3.3	271	6,726	3.6	768
<b>Aphrodite</b>	<b>TOTAL</b>		-	-	-	<b>17,614</b>	<b>2.1</b>	<b>1,163</b>	<b>7,892</b>	<b>2.0</b>	<b>500</b>	<b>25,506</b>	<b>2.0</b>	<b>1,663</b>
Zoroastrian	OP	0.3	-	-	-	3,987	1.8	231	1,918	1.5	90	5,904	1.7	321
Zoroastrian	UG	1.6	-	-	-	800	4.7	120	812	3.4	90	1,612	4.0	209
<b>Zoroastrian</b>	<b>TOTAL</b>		-	-	-	<b>4,787</b>	<b>2.3</b>	<b>351</b>	<b>2,730</b>	<b>2.0</b>	<b>180</b>	<b>7,516</b>	<b>2.2</b>	<b>530</b>
Excelsior	OP	0.3	-	-	-	9,645	1.0	313	1,685	0.8	41	11,330	1.0	354
Mayday North	OP	0.5	-	-	-	1,303	1.6	66	431	1.2	17	1,778	1.5	83
Talbot North	OP	0.4	-	-	-	698	1.8	40	123	1.8	7	820	1.8	47
Bulletin South	OP	0.4	152	2.2	11	546	2.1	36	150	2.1	10	849	2.1	57
Duke North	OP	0.4	-	-	-	851	1.0	28	795	1.0	25	1,646	1.0	53
Lochinvar	OP	0.4	-	-	-	423	1.8	24	57	1.6	3	480	1.7	27
El Dorado	OP	0.5	-	-	-	203	1.4	9	383	1.5	18	586	1.5	28
El Dorado	UG	2.0	-	-	-	-	-	-	51	6.5	11	51	6.5	11
<b>El Dorado</b>	<b>TOTAL</b>		-	-	-	<b>203</b>	<b>1.4</b>	<b>9</b>	<b>434</b>	<b>2.1</b>	<b>29</b>	<b>637</b>	<b>1.9</b>	<b>39</b>
North Kanowna Star	OP	0.5	-	-	-	157	1.6	8	559	1.3	24	716	1.4	32
South Castlereagh	OP	0.5	-	-	-	111	1.6	6	369	1.3	15	481	1.4	21
Mulwarrie	OP	0.5	-	-	-	-	-	-	881	2.8	79	881	2.8	79
Nerrin Nerrin	OP	0.5	-	-	-	-	-	-	651	1.3	26	651	1.3	26
Vetersburg South	OP	0.6	-	-	-	-	-	-	552	1.5	26	552	1.5	26
Windanya	OP	0.6	-	-	-	-	-	-	360	1.5	17	360	1.5	17
Grafters	OP	0.5	-	-	-	-	-	-	319	1.3	14	319	1.3	14
Ophir	OP	0.6	-	-	-	-	-	-	75	1.9	5	75	1.9	5
<b>TOTAL RESOURCES</b>			<b>152</b>	<b>2.3</b>	<b>11</b>	<b>36,338</b>	<b>1.7</b>	<b>2,044</b>	<b>18,063</b>	<b>1.8</b>	<b>1,018</b>	<b>54,597</b>	<b>1.8</b>	<b>3,073</b>

Note: Differences may occur due to rounding. Full details of the Mineral Resource estimate were provided in the Company's ASX Announcement dated 29 March 2021.

**GLOBAL RESERVE – BARDOC GOLD PROJECT**

PROJECT	PROBABLE			TOTAL		
	Tonnes (kt)	Grade (g/t)	Gold (koz)	Tonnes (kt)	Grade (g/t)	Gold (koz)
Excelsior OP	5,690	1.11	203	5,690	1.1	203
Zoroastrian North OP	365	2.10	25	365	2.1	25
Zoroastrian Central OP	276	1.78	16	276	1.8	16
Zoroastrian South OP	417	1.80	24	417	1.8	24
Bulletin South OP	561	1.95	35	561	2.0	35
Aphrodite Stage 1 OP	1,050	1.82	61	1,050	1.8	61
Aphrodite Stage 2 OP	2,916	1.80	168	2,916	1.8	168
Mayday OP	622	1.62	32	622	1.6	32
Zoroastrian UG	839	3.63	98	839	3.6	98
Aphrodite UG	3,139	3.41	344	3,139	3.4	344
<b>TOTAL</b>	<b>15,874</b>	<b>2.0</b>	<b>1,007</b>	<b>15,874</b>	<b>2.0</b>	<b>1,007</b>

Note: Differences may occur due to rounding. Full details of the Ore Reserve Estimate were provided in the Company's ASX Announcement dated 29 March 2021.

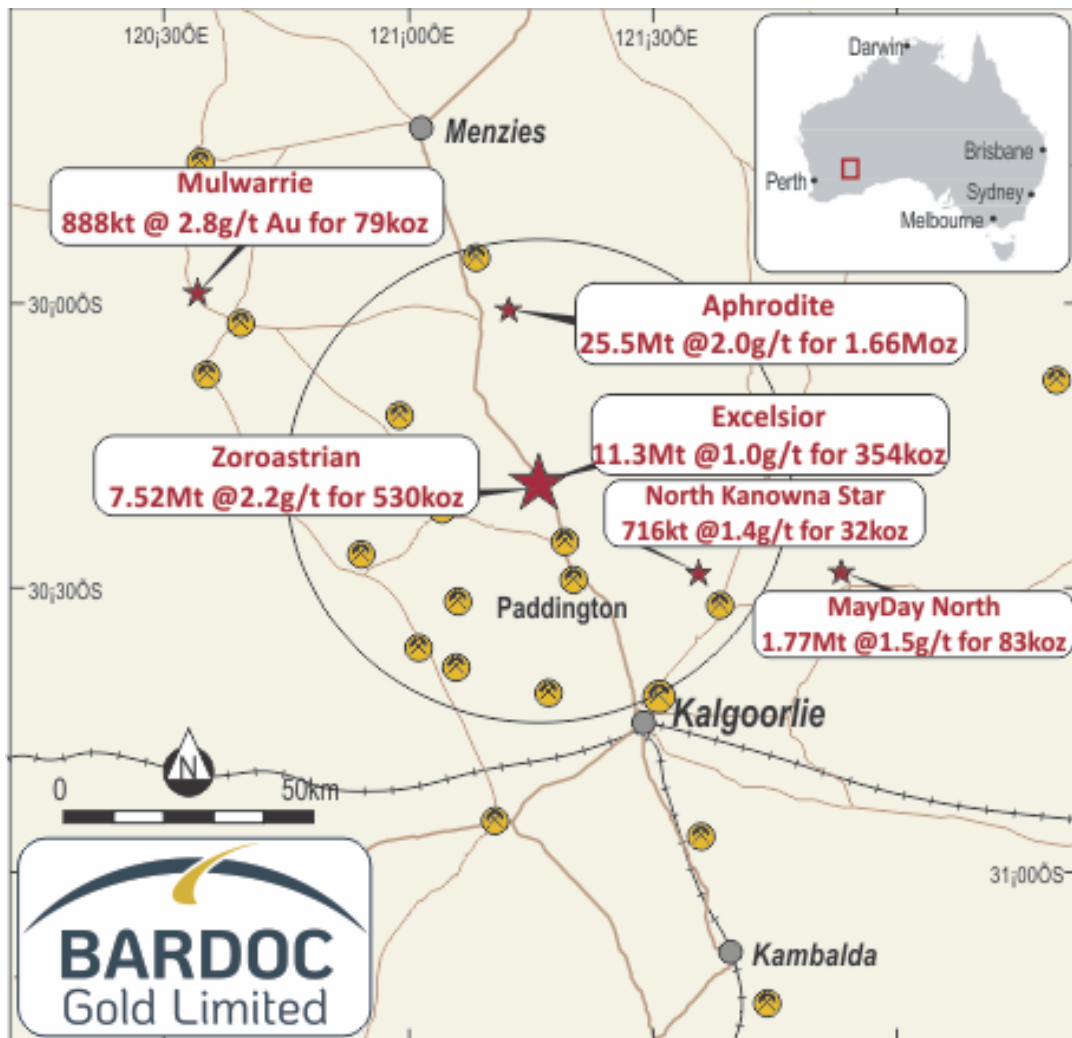


Figure 2: Project Location Plan

## DISCLAIMERS AND FORWARD-LOOKING STATEMENTS

This announcement contains forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "target", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions.

The forward-looking statements in this announcement are based on current expectations, estimates, forecasts and projections about Bardoc and the industry in which they operate. They do, however, relate to future matters and are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward-looking statements. The past performance of Bardoc is no guarantee of future performance.

None of Bardoc's directors, officers, employees, agents or contractors makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

Approved for release by

**Robert Ryan**  
Chief Executive Officer

For further information contact:

### **INVESTORS:**

**Robert Ryan**     **Bardoc Gold Limited**  
Telephone:        (08) 6215 0090  
Email:              admin@bardocgold.com.au

### **MEDIA:**

**Nicholas Read**     **Read Corporate**  
Telephone:        0419 929 046  
Email:              info@readcorporate.com.au

## Competent Person's Statements – Mineral Resources

*The Company confirms it is not aware of any new information or data that materially affects the information included in the 29 March 2021 Definitive Feasibility Study which included an updated Mineral Resource Estimate and is available at [www.bardocgold.com.au](http://www.bardocgold.com.au). The Company confirms that in relation to the Bardoc Resource Estimate all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 29 March 2021.*

## Competent Person's Statements – Ore Reserves – Open Pit & Underground

*The information in this report relating to Ore Reserves has been extracted from the Definitive Feasibility Study and Ore Reserve statement dated 29<sup>th</sup> March 2021 and available to review at [www.bardocgold.com.au](http://www.bardocgold.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings presented have not been materially modified from the Ore Reserves Statement made on 29 March 2021.*