FINANCIAL RESULTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Aurelia Metals Limited (ASX: AMI) (**Aurelia** or the **Company**) has today reported its financial results for the half year ended 31 December 2021 (**H1 FY22**).

Highlights

- Group Total Recordable Injury Frequency Rate (TRIFR) reduced from 9.1 to 7.6 during H1 FY22
- Group Reportable Environmental Incident Frequency Rate (REIFR) reduced from 4.5 to 3.5 during H1 FY22
- Gold production increased to 54,211 oz at a group All-In-Sustaining-Cost (AISC) of A$1,393/oz (H1 FY21: 45,868 oz at A$1,035/oz)
- Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) increased 10% to A$79.5 million (H1 FY21: A$72.3 million)
- Underlying EBITDA reduced 8% to A$84.1 million (H1 FY21: A$91.5 million)
- Increased depreciation and amortisation expense to $63 million (largely due to addition of Dargues into the Group)
- Net Profit After Tax (NPAT) reduced by 62% to A$7.5 million (H1 FY21: A$19.9 million)
- Underlying NPAT reduced by 71% to A$12.1 million (H1 FY21: A$41.1 million)
- Net mine cash flow reduced by 9% to A$56.2 million (H1 FY21: A$62.0 million)
- Cash at balance date of A$95.2 million (30 June 2021: A$74.5 million), Net Cash at balance date of A$52.5 million (30 June 2021: A$24.7 million)
- FY22 group AISC guidance recently improved to A$1,350 – 1,550/oz (previously A$1,500 – 1,700/oz)
- Completion of Great Cobar Pre-Feasibility Study and maiden Great Cobar Ore Reserve (see ASX releases dated 27 January 2022)

Sustainability Outcomes

12-month moving average TRIFR decreased during the half to 7.6 (30 June 2021: 9.1). On a full year basis this represents a 51% decrease from the equivalent TRIFR measure at 31 December 2020 (15.5).

12-month moving average REIFR decreased during the half to 3.5 (JunQ: 4.5). On a full year basis this represents a 72% decrease from the equivalent REIFR measure at 31 December 2020 (12.5).

Operational Delivery

Total gold production for H1 FY22 was 54,211 oz (H1 FY21: 45,868 oz). This was delivered at a Group AISC of A$1,393/oz (H1 FY21: A$1,035/oz). Specific mine contributions for H1 FY22 were:

- Peak: 24,154 oz gold at an AISC of A$1,136/oz (H1 FY21: 29,535 oz at A$638/oz)
- Hera: 8,386 oz gold at an AISC of A$391/oz (H1 FY21: 15,247 oz at A$1,187/oz)
- Dargues: 21,672 oz gold at an AISC of A$1,799/oz (H1 FY21: 1,086 oz at A$3,522; represents 15 days contribution from ramping-up operation).

For more information, contact us at:

Level 17, 144 Edward Street
Brisbane QLD 4000
office@aureliametals.com.au

GPO Box 7
Brisbane QLD 4001

07 3180 5000
aureliametals.com.au
ABN: 37 108 476 384

Strong base-metal production from Peak and Hera of 1,286 tonnes copper, 13,964 tonnes lead and 17,376 tonnes zinc, provided substantial by-product credits, up 35% to $100.4 million.

Financial Results

Total revenue increased by 13% to A$235.1 million in H1 FY22 (H1 FY21: A$207.7 million). Revenue from gold and silver sales reduced by 1% and represented approximately 57% of revenue. The achieved gold price for H1 FY22 was 8% lower at A$2,427/oz (H1 FY21: A$2,624/oz), this impact was offset by 8% higher gold sales volume of 51,725 oz (FY21: 47,806 oz). Revenue from base metals sales increased by 40% and represented approximately 43% of revenue.

H1 FY22 Financial Outcomes

Key metric	Units	H1 FY22	H1 FY21	% change
Revenue	A$M	235.1	207.7	13%
EBITDA – statutory	A$M	79.5	72.3	10%
EBITDA – underlying	A$M	84.1	91.5	(8%)
EBITDA Margin – underlying	%	36%	44%	(19%)
NPAT – statutory	A$M	7.5	19.8	(62%)
NPAT – underlying	A$M	12.1	41.1	(71%)
Basic earnings per share	Acps	0.61	2.12	(71%)
Operating Mine Cash Flow	A$M	96.7	95.0	2%
Net Mine Cash Flow	A$M	56.2	62.0	(9%)
Group Cash Flow	A$M	21.0	27.5	(24%)
AISC Margin	A$/oz	1,034	1,610	(36%)
AIC Margin	A$/oz	683	1,147	(40%)

Underlying EBITDA decreased (8%) to A$84.1 million (H1 FY21: A$91.5 million). The one-off items excluded from Underlying EBITDA were Dargues transaction costs of A$0.1 million (pre-tax) and remeasurement of financial liabilities related to the Triple Flag Royalty at Dargues (A$4.5 million pre-tax). The Underlying EBITDA margin was 36% (H1 FY21: 44%).

Underlying NPAT of A$12.1 million for H1 FY22 represents a reduction of 71% on H1 FY21 (A$41.1 million). The reduction is mostly due to higher depreciation on the first half year of the Dargues operation under Aurelia's ownership.

Basic earnings per share reduced 71% to 0.61 cents per share (H1 FY21: 2.12 cents per share).

Operating mine cash flow increased 2% to A$96.7 million (H1 FY21: A$95.0 million). Group cash flow was A$21.0 million (H1 FY21: A$27.5 million), which includes additional cash backing of security bonds of A$9.7 million (H1 FY21: A$ nil) and repayments of term loan of A$8.1 million (H1 FY21: A$ nil).

The Board has decided to not instigate an interim dividend and focus instead on growth funding.

Balance Sheet Strength

Cash at balance date was A$95.2 million (30 June 2021: A$74.5 million) providing a solid base from which to continue to advance the Group's organic growth projects. Net cash at balance date was A$52.5 million (30 June 2021: A$24.7 million).

The Group has restricted cash of A$18.3 million at 31 December 2021 (30 June 2021: A$8.6 million) which relates to deposits held as required under the A$65 million guarantee facility which forms part of the syndicated Loan Facility.

At balance date, the Group had outstanding borrowings of A$28.8 million, with repayments of A$8.1 million having been made against this during the half year. The group also has a bonding facility which was increased during the half year by A$20 million to A$65 million. Approximately A$51 million of this facility has been utilised to back existing environmental bonding requirements. An undrawn working capital facility of A$20 million was also renewed during the half year and will be available until 31 December 2022.

FY22 Outlook

Production guidance for FY22 was recently updated to reflect the impacts of favourable base metal production and prices in AISC performance, as well as modest throughput and production impacts due to reduced workforce attendance following higher Omicron transmission rates in NSW.

The revised FY22 guidance (see table below) assumes Omicron impacts on labour availability progressively reduce over coming months.

Group output	Unit	Dec Qtr result	H1 FY22 result	Prior FY22e guidance	Revised outlook
Gold	koz	**26.9**	54.2	112 – 123	**Lower end**
Lead	kt	**6.6**	14.0	24.5 – 27.0	**Upper end**
Zinc	kt	**8.3**	17.4	31.0 – 34.5	**Upper end**
Copper	kt	**0.7**	1.3	3.5 – 4.0	**Unchanged**
AISC	A$/oz	**1,395**	1,393	1,500 – 1,700	**1,350 – 1,550**

Explanatory notes

Group AISC is the total of on-site mining, processing and administrative costs, inventory adjustments, royalties, sustaining capital, corporate general and administration expense, less by-product credits, divided by gold sold. By-product credits include silver, lead, zinc and copper sales forecast over the outlook period.

Revised outlook for FY22 Group AISC of A$1,350 - 1,550/oz is based on reference base and silver metal prices of: lead A$2,964/t, zinc A$4,200/t, copper A$11,559/t and silver A$32.2/oz. Final AISC results will depend on the actual sales volumes, actual operating costs and actual prices of base metals received over the outlook period.

It should be noted that this outlook is indicative only and subject to change in response to prevailing and/or expected operating and market conditions.

Full details of the H1 FY22 financial results are available in the Appendix 4D release to the ASX today and also on Aurelia's website www.aureliametals.com.au

This announcement has been approved for release by the Board of Directors of Aurelia Metals.

For further information contact:

Dan Clifford
Managing Director and CEO
Aurelia Metals

+61 7 3180 5000

Media contact

Kellie Schneider
Corporate Affairs Manager
Aurelia Metals
+61 456 817 239

About Aurelia

Aurelia Metals Limited (ASX: AMI) is an Australian mining and exploration company with a highly strategic landholding and three operating gold mines in New South Wales. The Peak and Hera Mines are located in the Cobar Basin in western NSW, and the Dargues Mine is in south-eastern NSW.

Our vision is to be a mining business recognised for creating exceptional value through our people and a portfolio of gold and base metals assets. At Aurelia, we value Integrity, Certainty, Courage and Performance for the safety and wellbeing of our people, and for the benefit of our shareholders and the communities in which we operate.

In FY21, Aurelia produced 103,634 ounces of gold at a Group all-in sustaixning cost (AISC) of A$1,337 per ounce. Both the Peak and Hera cost bases benefit from substantial by-product revenue credits from base metal production (including zinc, lead and copper).

IMPORTANT INFORMATION

This report includes forward looking statements. Often, but not always, forward looking statements can be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, “outlook” and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of the Company, anticipated production or activity commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs of production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits, and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory environment, environmental conditions including extreme weather conditions, recruitment and retention of key personnel, industrial relations issues and litigation. Forward looking statements are based on the Company and management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law, including any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.