

Grade Control Drilling: Jeffreys Find Gold Deposit

Highlights

- Grade Control drilling program commenced on 13 February 2023.
- Small Mine – Mining Proposal to cover starter pit approved.
- Final pit permitting well advanced.
- Toll treatment negotiations well advanced.

The Announcement

Auric Mining Limited (ASX: AWJ) (Auric or the Company) is pleased to announce an update on its Jeffreys Find Project.

Grade Control Program

Grade Control drilling is underway at Jeffreys Find. This is a significant step toward mining gold at the Company's Jeffreys Find Gold Deposit near Norseman. This short mine life project will be mined in partnership with BML Ventures Pty Ltd, a local mining contractor. Importantly for Auric, BML incurs and pays all upfront on-going costs in mining the gold. The net surplus cash will split 50:50 with BML Ventures¹.

The grade control program comprises 64 holes for 1,924m on a 20 x 10m pattern. Grade control holes will infill the historic drill pattern resulting in a 10m x 10m pattern. Drilling is being undertaken by Kalgoorlie-based VM Drilling and supervised by BML Ventures (Figure 1).

¹ (ASX:AWJ) 22 August 2022: Agreement Executed to Commence Gold Mining at Jeffreys Find.

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Figure 1. Grade Control drilling at Jeffreys Find.

Work Completed

Substantial progress for the mine planning and permitting at Jeffreys Find has been completed.

1. Metallurgical testwork undertaken by Auric predicts gold recoveries of between 90 and 95%².
2. A Scoping Study for open-pit mining and third-party toll treatment returned a positive result showing that at a gold price of AUD\$2,600/oz, the Production Target for the Project, representing two processing options is approximately 385kt at 1.6g/t to 550kt at 1.5g/t, producing between 18.9koz and 24.7koz gold³.
3. The Jeffreys Find deposit will be mined to two phases. A Small Mine – Mining Proposal that allows for the first phase starter pit has been approved.
4. A water licence has been granted to drill bores at Jeffreys Find for dewatering.
5. A 14km access road from the mine site to the sealed highway has been cleared.
6. Engineering design for road access onto the Eyre Highway has been submitted.
7. A Native Vegetation clearing permit has been granted.

² (ASX:AWJ) 6 May 2022: Jeffreys Find Metallurgical Testwork Defines Excellent Characteristics for Conventional CIL Processing.

³ (ASX:AWJ) 11 July 2022: Positive Scoping Study for Jeffreys Find Project.

Next Steps

Detailed mine planning based on grade control results.

Approval of the full Mining Proposal for a final pit, which has been submitted.

Finalise negotiations and execute a contract with toll treatment operator for processing of the starter pit ore.

Grade Control Drilling Program

The grade control drilling program comprises a 20 x 10m pattern, infilling the historic drill layout to achieve a nominal 10m x 10m pattern as shown in Figure 2.

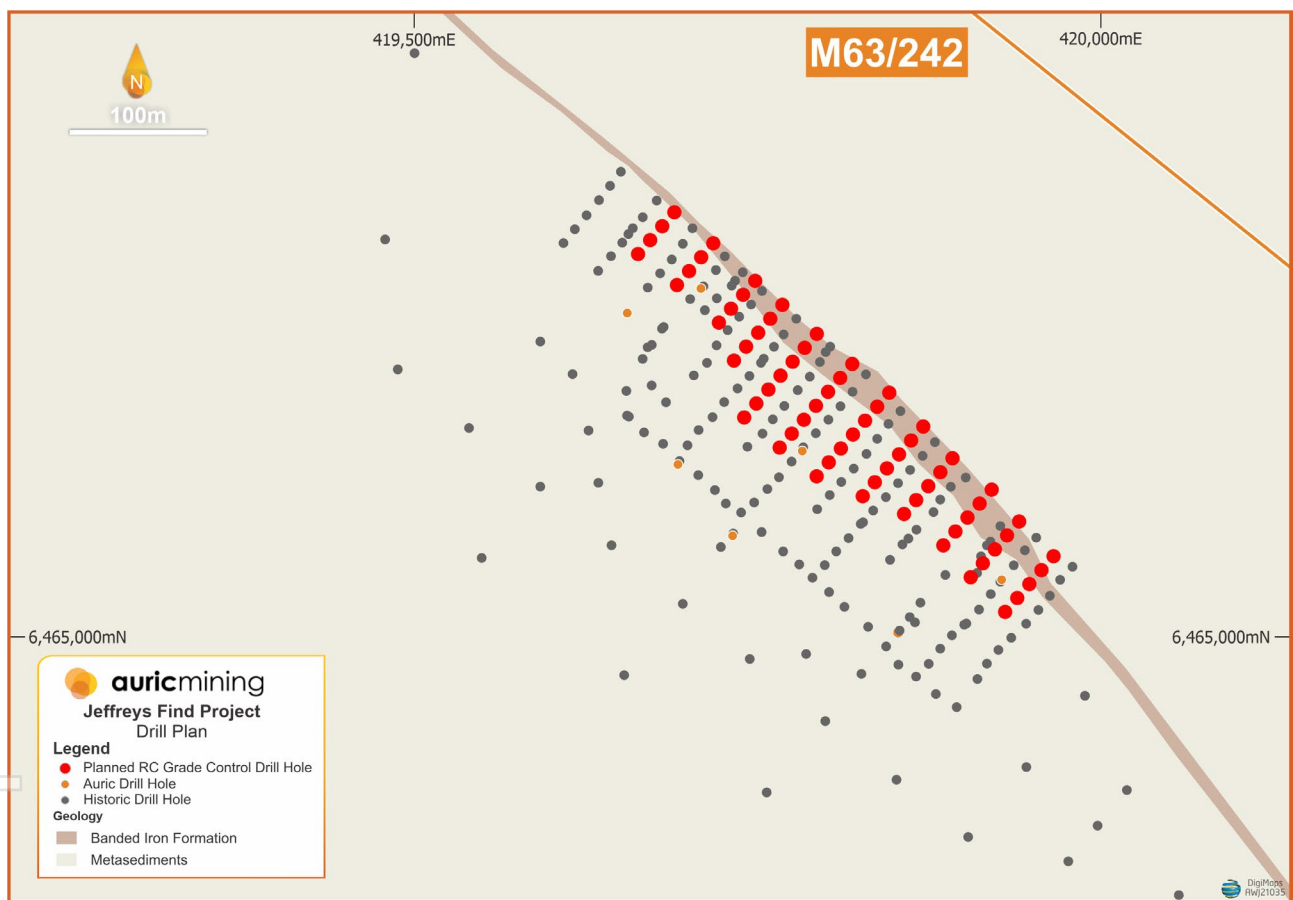


Figure 2. Jeffreys Find grade control program drill hole plan.

Mark English
Managing Director

This announcement has been approved for release by the Board.

Further information contact:

Mark English | 0409 372 775

menglish@auricmining.com.au