

Conditional Acquisition of Burbanks Gold Processing Facility

Highlights

- Auric has entered into a letter agreement, subject to due diligence, to acquire the Burbanks Gold Processing Facility and all related assets and infrastructure.
- Highly competitive acquisition price of A\$4.4M.
- Strategically located 15km south of Coolgardie, WA and within trucking distance of existing Auric gold resources.
- Plant currently has 180,000 tpa capacity and has all requisite infrastructure, permits and licenses including access to critical power and tails dams infrastructure essential to the future operations of the plant.
- Auric to undertake the required studies to refurbish the plant and most importantly to increase capacity based on optimization scenarios.
- Completion of the acquisition will create significant commercial optionality for Auric including the treatment of its ore once the plant is recommissioned.
- The acquisition will position the company for further success and growth through the direct ownership of milling infrastructure in the WA Goldfields.

Management Comment

Managing Director, Mark English, said:

“We are firm believers in the tenet that ‘money is made when you buy’, in that buying quality assets at depressed valuations makes outsized value creation more probable. We will do that with Jeffreys Find Gold Mine, spending \$1.4m cash on the asset to ultimately expect to generate far more than ten times that in free cash within four years. We are well positioned to do it again with Munda. Through the highly discounted potential acquisition of the Burbanks Plant and related assets for a total potential outlay of \$4.4 million, we have the foundations of doing it yet again.”



“The plant has name plate production of 180,000 tonnes per annum, is ideally located, and most importantly has all the key infrastructure and approvals in place to fast-track Auric towards becoming a fully integrated sustainable gold producer in the heart of the Goldfields with complete control over our production. We will conduct due diligence in the coming months and look forward to updating investors on the outcome of that.”

The Transaction

Auric Mining Limited (ASX: **AWJ**) (**Auric** or the **Company**) is pleased to advise they have executed a conditional letter agreement on 16 December 2024, subject to due diligence to Auric’s sole satisfaction, to acquire the Burbanks Plant, Coolgardie, and all related assets attaching to and associated with the Burbanks Plant currently under the control of Andrew Fielding and Duncan Clubb of BDO Queensland in their capacity as joint and several agents for the Mortgagee in Possession (**BDO**).

AWJ has been granted the exclusive right to complete technical, operational, licensing and legal due diligence as determined by AWJ on the Transaction (**Due Diligence**) during the period commencing on the 16 December 2024 and ending at 5.00pm AWST on 10 February 2025 (**Exclusivity Period**). This represents a vast discount to both the intrinsic and replacement value of the asset and to its strategic value to Auric.

The offer, subject to and conditional upon completion of all Due Diligence, to Auric’s sole satisfaction, is a cash payment of Four Million, Four Hundred Thousand Dollars (AUD \$4,400,000) (plus GST) due and payable at settlement, which is scheduled for 15 March 2025. Auric has paid a non-refundable \$100,000 deposit and has sufficient cash reserves to fund the acquisition if it proceeds to completion.

Burbanks Plant

Burbanks Plant is a fully permitted 180,000 tonne per annum primary crushing, grinding and Carbon in Leach (**CIL**) processing facility, with elution, gold room, laboratory and administrative facilities. It is fully permitted with key infrastructure including power, water, tailings dams, and has granted mining and infrastructure leases and full approvals.

The Plant is located approximately 9km south of the Coolgardie town centre on Nepean Road, Western Australia. Access from the main highway is via sealed roads capable of heavy haulage access. It is well located with respect to Auric’s projects and regional network, providing opportunities for valuable synergies.

The Plant was operational up until approximately June of 2019 when the operator closed the facility. The facility requires refurbishment and a complete review of longer term operations. The acquisition price is a substantial discount to current and

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replacement values. This potential acquisition represents a clear value creation opportunity for the Company.



Figure 1. Burbanks Plant.

The addition of a processing plant will ultimately give Auric full management control of the production cycle, from mining of ore through to pouring gold, removing dependence on third party toll milling. This potential acquisition enables Auric to control its own destiny. The potential acquisition represents a significant step in the Company's growth, and evolution toward being an independent, integrated producer.

It is likely that the production capacity will be upgraded. The Company will engage expert advisers and consultants in this field to provide costing scenarios as well as a detailed analysis on the optimal mill size. Auric are highly confident that the Burbanks Plant can be optimised to process its own ore and may also become a well located asset that third parties will seek to use for toll treating or other similar gold production arrangements.

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Forward Looking Statements

This Announcement may contain forward-looking statements which are identified by words such as 'may', 'could', 'should', 'believes', 'estimates', 'targets', 'expected', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, and other important factors, many of which are beyond the control of the Company, the Directors, and the management. The Directors cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this Announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

This announcement has been approved for release by the Board of Auric Mining Ltd.

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