

Quarterly Activities Report

FOR THE PERIOD ENDED 31 DECEMBER 2020

Aurelia Metals Limited (ASX: AMI) (**Aurelia** or the **Company**) advises of the release of its quarterly activities report for the period ended 31 December 2020.

Highlights

- Acquisition of the Dargues Gold Mine and tenements for A\$190.2M completed on 17 December 2020; transition and integration of the ramping up Dargues operation well advanced.
- Total new equity issued of A\$154M completed via placement and rights to fund the Dargues acquisition.
- Group gold production of 15.9 koz at group AISC of A\$1,037/oz (Sep quarter: 30.0 koz at A\$1,000/oz); in-line with lower forecast gold grades in the Peak and Hera mine plans.
- FY21 group guidance (excl. Dargues) maintained at 80 – 90 koz gold with group AISC revised to A\$1,250 – A\$1,450/oz (previously A\$1,500 – A\$1,750/oz).
- FY21 Dargues guidance (from 17 December 2020 to 30 June 2021) of approx. 20 – 23 koz gold at an AISC of A\$1,850 – \$2,050/oz.
- FY21 group guidance (incl. Dargues) of 100 – 113 koz gold at group ASIC of A\$1,425 – A\$1,575/oz.
- Exceptional high-grade results from ongoing Federation extensional and infill drilling; updated Federation resource estimate imminent.
- Federation Scoping Study progressing well and on track for completion in the March 2021 quarter.
- Cash at 31 December 2020 of A\$106M (Sep quarter: A\$105M); overall net cash¹ position of A\$53M following debt drawdown of A\$45M for Dargues acquisition and A\$8M of acquired leases.

OPERATING SNAPSHOT Q2 FY21

		Dec-20 Q	Sep-20 Q	% chg QoQ	Jun-20 Q	FY21 YTD
PEAK						
Ore processed	t	166,241	174,299	-5%	172,947	340,540
Gold head grade	g/t	1.84	3.92	-53%	3.25	2.90
Gold produced	oz	8,991	20,544	-56%	17,047	29,535
All-In-Sustaining Cost (AISC)	A\$/oz	621	594	4%	1,190	605
HERA						
Ore processed	t	114,543	106,963	7%	103,747	221,506
Gold head grade	g/t	1.78	3.03	-41%	5.21	2.38
Gold produced	oz	5,796	9,450	-39%	15,740	15,247
All-In-Sustaining Cost (AISC)	A\$/oz	1,060	1,250	-15%	907	1,187
GROUP (Pre-Acquisition)						
Gold production	oz	14,787	29,995	-51%	32,787	44,782
Gold sold	oz	17,395	29,720	-41%	30,003	47,115
Copper production	t	1,352	1,729	-22%	1,878	3,081
Lead production	t	8,119	5,800	40%	6,786	13,919
Zinc production	t	7,614	5,303	44%	5,467	12,916
Group AISC	A\$/oz	939	1,000	-6%	1,104	819

¹ Excludes leases associated with right of use assets.

		Dec-20 Q	Sep-20 Q	% chg QoQ	Jun-20 Q	FY21 YTD
DARGUES						
Ore processed	t	11,843	-	-	-	11,843
Gold head grade	g/t	2.77	-	-	-	2.77
Gold produced	oz	1,086	-	-	-	1,086
All-In-Sustaining Cost (AISC)	A\$/oz	3,522	-	-	-	3,522
GROUP (Post-Acquisition)						
Gold production	oz	15,874	29,995	-47%	32,787	45,868
Gold sold	oz	18,086	29,720	-39%	30,003	47,806
Copper production	t	1,352	1,729	-22%	1,878	3,081
Lead production	t	8,119	5,800	40%	6,786	13,919
Zinc production	t	7,614	5,303	44%	5,467	12,916
Group AISC	A\$/oz	1,037	1,000	4%	1,104	1,014

See overleaf for AISC definition detail. Percentage change denoted in green is beneficial movement and red is detrimental movement.

Dargues contribution for the quarter is limited to Aurelia's economic ownership period between 17 December 2020 and 31 December 2020.

Key drivers

- 12-month moving average group² Total Recordable Injury Frequency Rate (**TRIFR**) increased by 9% during the quarter to 16.1 (Sep quarter: 14.8). On a YTD basis this represents a 26% decrease from the FY2020 TRIFR of 21.9. The Company continues to maintain a strong focus on fatal risk, safety intervention and lead indicator performance under the 'Aurelia Metals - Safe Metals' program.
- Gold production was lower than the prior quarter due to lower gold grade ores at both Peak and Hera, in-line with forecast mine plans.
- Peak ore throughput decreased to 166kt (Sep quarter: 174kt) while Hera ore throughput improved to 114kt (Sep quarter: 107kt).
- Dargues is in an operational ramp-up phase and its contribution to the quarterly result was limited to Aurelia's economic ownership period, which commenced from 17 December 2020.
- Zinc and lead metal output increased at both Peak and Hera due to higher grade ore sources. Copper metal output at Peak was lower due to lower copper head grade and lower ore throughput.
- Underlying per tonne site operating costs increased at Peak and decreased slightly at Hera.
- Group All-In-Sustaining-Cost (**AISC**) of A\$1,037/oz was similar to the September quarter (despite significantly lower gold production) due to strong by-product credits.
- Extensive protocols to minimise the risk of potential COVID-19 transmission at Aurelia's work sites and surrounding communities remain in place and effective.
- Tightening of the labour market in the resources sector with the greatest impact seen in the underground operations.
- FY21 group guidance (including Dargues for economic ownership period) updated to 100 – 113 koz gold at group AISC of A\$1,425 – A\$1,575/oz. March quarter gold output at Peak and Hera expected to be similar to the December quarter, in line with mine schedule.

² Group TRIFR includes Dargues from when the Aurelia acquired its economic interest on the 17 December 2020.

Figure 2: Group gold and base metals production

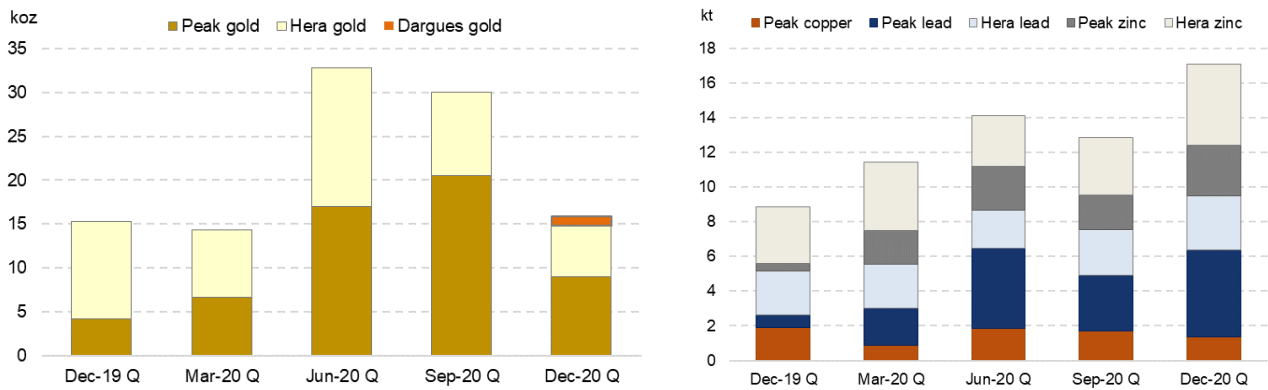


Figure 3: Underlying site cost performance

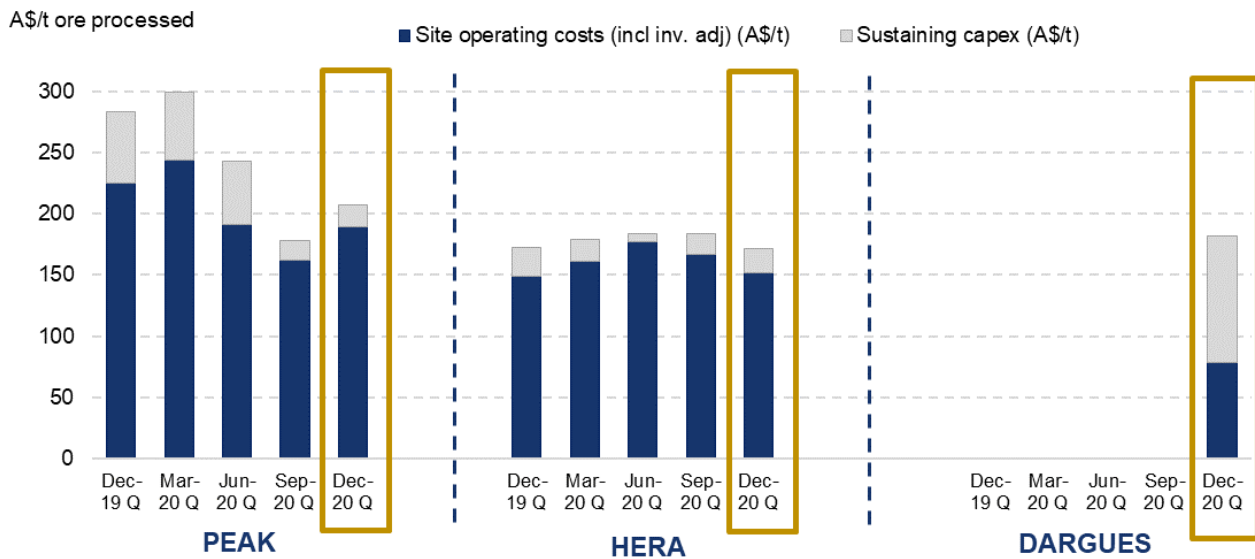
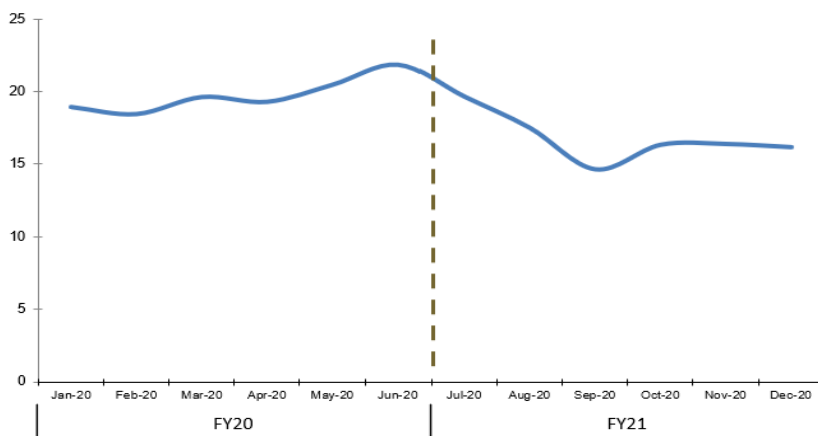


Figure 4: Group TRIFR (12 month moving average)



Peak Mines, NSW (100%)

Production and costs

Mined ore tonnes remained steady at 157kt, despite the impact of a shaft outage in December. Gold grades were significantly lower from ore sourced from the high grade S400 stope than in the prior quarter, in-line with the Peak mine plan. Conversely, lead and zinc grades were considerably higher than the September quarter.

Milled ore tonnes reduced slightly to 166kt and included some drawdown of surface ore stocks.

Table 1: Key Peak operating metrics

PEAK		Dec-20 Q	Sep-20 Q	% chg QoQ	Jun-20 Q	FY21 YTD
MINING AND PROCESSING						
Ore mined	t	156,540	157,184	0%	168,047	313,723
Ore processed	t	166,241	174,299	-5%	172,947	340,540
Gold mill grade	g/t	1.84	3.92	-53%	3.25	2.90
Copper mill grade	%	1.02%	1.15%	-11%	1.19%	1.09%
Lead mill grade	%	4.02%	2.25%	79%	3.01%	3.11%
Zinc mill grade	%	3.48%	1.79%	94%	1.96%	2.61%
METAL PRODUCTION						
Gold plant recovery	%	91.6%	93.6%	-2%	94.3%	93.0%
Gold produced	oz	8,991	20,544	-56%	17,047	29,535
Copper produced	t	1,352	1,729	-22%	1,878	3,081
Lead produced	t	5,044	3,187	58%	4,621	8,231
Zinc produced	t	2,951	1,988	48%	2,552	4,939
AISC						
Gold sold	oz	11,607	18,147	-36%	15,270	29,754
Operating costs (incl royalties)	A\$M	43.9	27.3	61%	39.7	71.2
Sustaining capital	A\$M	3.7	3.6	3%	9.6	7.3
By-product credits	A\$M	(40.4)	(20.2)	100%	(31.1)	(60.6)
All-In-Sustaining-Cost (AISC)	A\$/oz	621	594	4%	1,190	605

Explanatory notes

AISC per ounce is the total of site mining, processing, and G&A costs, concentrate transport and refining, third party smelting/refining, royalties, sustaining capital and lease payments, and net inventory adjustments less by-product credit revenues and then divided by gold ounces sold. Group AISC further includes corporate general and administrative expenses. Percentage change denoted in green is beneficial movement and red is detrimental movement.

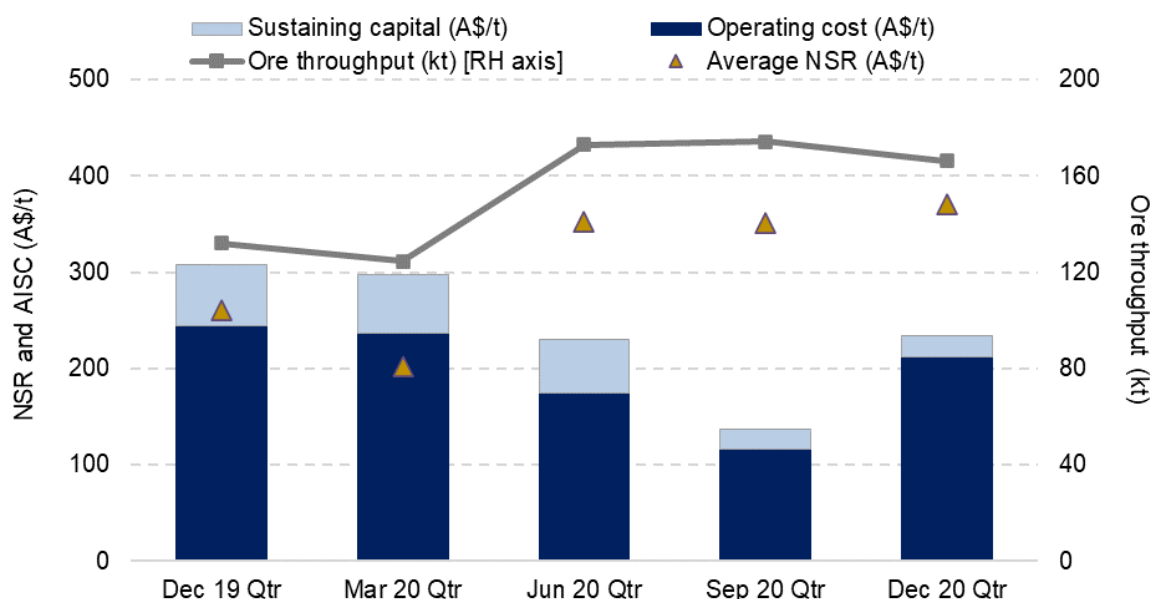
Gold produced of 8,991 ounces was 56% lower than the September quarter primarily due to the lower gold grades. Lead and zinc produced was 58% and 48% higher than the prior quarter, respectively, due to improved grades. Average milled NSR was slightly higher than the September quarter, notwithstanding the significantly lower average gold grade, due to the higher lead and zinc grades. This dynamic drove strong base metal by-product credits during the current quarter and was a key contributor in maintaining a broadly similar AISC at Peak to the prior quarter.

A total of 1,100 m of lateral development was achieved during the quarter (September quarter: 1,171 m).

Decline development continued at the high-grade Kairos zone. A total of 630 m of the lateral development during the September quarter occurred at Kairos (June quarter: 785 m). Ventilation infrastructure and development have been impacted by poor ground conditions and first stoped ore production from Kairos is expected to be delayed slightly from late in the March 2021 quarter to early in the June 2021 quarter. This

delay is expected to have an immaterial impact and Peak gold production guidance for FY21 remains unchanged.

Figure 5: Peak throughput, revenue and underlying costs



Explanatory notes

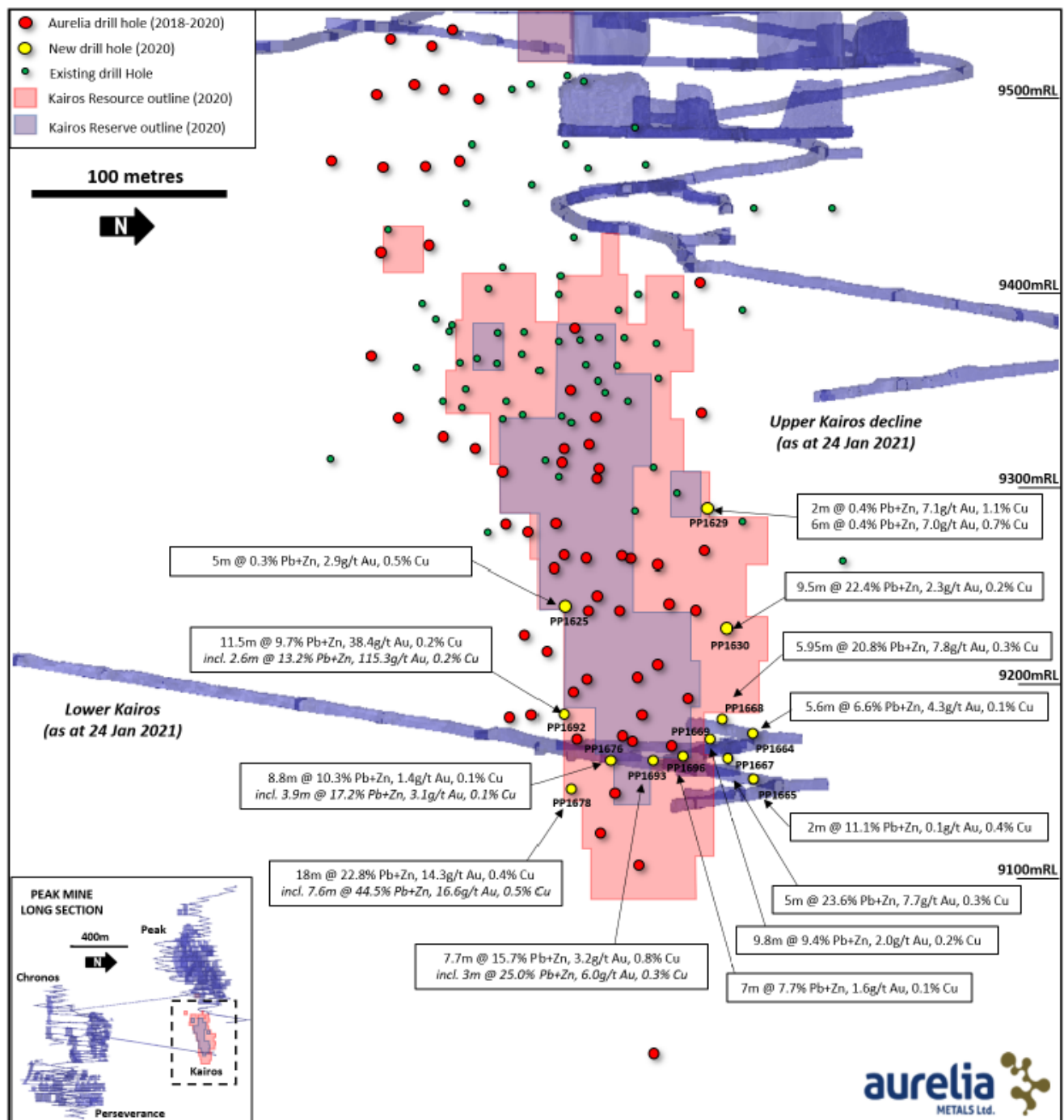
Ore throughput is processed ore and key denominator. NSR is equal to gold ounces sold multiplied by gold price realised (ex-hedging) plus total by-product credit revenues minus royalties, concentrate transport and refining, and third-party smelting/refining. Operating cost includes mining, processing, site admin and net inventory adjustments. Sustaining capital includes sustaining capital and sustaining leases.

Peak's site operating costs and sustaining capital expenditure increased relative to the September quarter. The increase in operating costs was due primarily to the release of inventory costs from the balance sheet due to a reduction in inventory (concentrate sales were greater than concentrate production and ore processed was greater than ore mined). Mining costs were also higher because of shaft repairs and additional hauling costs associated with the shaft outage in December.

Growth and exploration

During the quarter the newly established underground diamond drill platform in the lower Kairos decline was used to test high priority infill and extensional targets in the lode. Drilling was focused on the first stoping levels at the base of the current Probable Ore Reserve. Initial results from this drilling were released in late November, including a number of exceptionally high grade gold and base metal intercepts (see Aurelia ASX release dated 30 November 2020). Stand-out intercepts included 11.5 metres at 38.4g/t Au & 9.7% Pb+Zn (UD20PP1692) and 18 metres at 14.3g/t Au & 22.8% Pb+Zn (UD20PP1678). Drilling is set to continue from this position during the current quarter, with potential extensions to the Kairos lode to be targeted at depth and along strike.

Figure 6: Long section looking west showing the Kairos deposit with significant intercepts from recent underground drilling. Progress of the upper and lower decline development headings are also shown.



Surface drilling at the Great Cobar deposit occurred during the quarter, with a total of six resource infill holes completed. The holes were designed to provide further confidence to the grade and tonnage of copper/gold-dominant mineralisation in the deposit, with full results still pending. Ongoing drilling in the current quarter is set to target extensions to the mineralisation up and down-plunge.

Hera Mine, NSW (100%)

Production and costs

A significant focus on incremental plant improvement saw both higher mill throughput (an increase of 7%) and gold recoveries maintained above 88% despite the significantly lower gold head grade (which was in-line with the forecast mine plan).

Table 2: Key Hera operating metrics

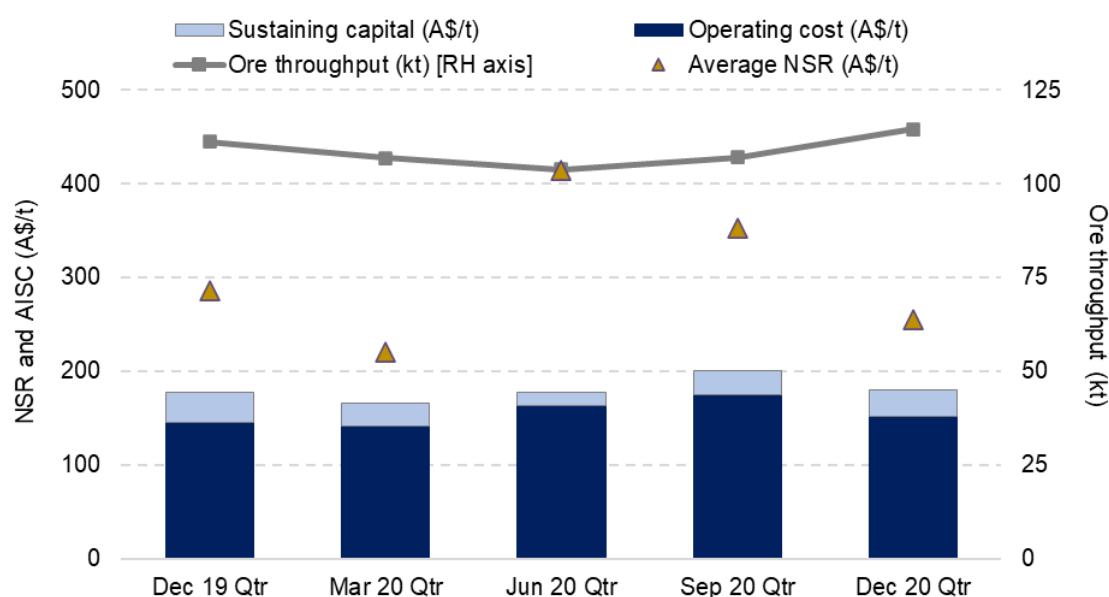
HERA		Dec-20 Q	Sep-20 Q	% chg QoQ	Jun-20 Q	FY21 YTD
MINING AND PROCESSING						
Ore mined	t	110,218	105,882	4%	117,579	216,100
Ore processed	t	114,543	106,963	7%	103,747	221,506
Gold mill grade	g/t	1.78	3.03	-41%	5.21	2.38
Lead mill grade	%	2.86%	2.68%	7%	2.31%	2.77%
Zinc mill grade	%	4.27%	3.42%	25%	3.05%	3.86%
METAL PRODUCTION						
Gold plant recovery	%	88.4%	90.7%	-3%	90.6%	89.5%
Gold produced	oz	5,796	9,450	-39%	15,740	15,247
Lead produced	t	3,076	2,613	18%	2,165	5,689
Zinc produced	t	4,662	3,315	41%	2,915	7,978
AISC						
Gold sold	oz	5,789	11,573	-50%	14,733	17,361
Operating costs (incl royalties)	A\$M	27.4	27.0	2%	26.1	54.4
Sustaining capital	A\$M	3.2	2.7	19%	1.5	5.9
By-product credits	A\$M	(24.5)	(15.2)	61%	(14.3)	(39.7)
All-In-Sustaining-Cost (AISC)	A\$/oz	1,060	1,250	-15%	907	1,187

Explanatory notes

AISC per ounce is the total of site mining, processing, and G&A costs, concentrate transport and refining, third party smelting/refining, royalties, sustaining capital and lease payments, and net inventory adjustments less by-product credit revenues and then divided by gold ounces sold. Group AISC further includes corporate general and administrative expenses. Percentage change denoted in green is beneficial movement and red is detrimental movement.

Underlying per tonne site operating costs and sustaining capital expenditure decreased slightly quarter on quarter. Higher zinc/lead grades and production drove significantly higher by-product credits, which was the primary driver for the 15% reduction in AISC from the prior quarter (despite lower gold output).

Figure 7: Hera throughput, revenue and underlying costs



Growth and exploration

Extensive exploration activity continued at the Federation deposit south of Hera during the period, with multiple diamond drill rigs operating. The program was designed to target high-potential extensional and resource-infill targets within and along strike from the established Resource envelope.

In the prior quarter, Aurelia released exceptional new drill results, firmly establishing the Federation deposit as one of the highest-grade base metal and gold discoveries in the region over the last 40 years (see Aurelia ASX releases dated 4 November, 30 November and 16 December 2020). New results released during the period included 12.9 metres at 33.4g/t Au & 36.7% Pb+Zn (FDD107W1), 25.5 metres at 11.4g/t Au & 37.5% Pb+Zn (FRCD074) and 14.1 metres at 4.8g/t Au & 35.0% Pb+Zn (FDD099). Mineralisation at Federation remains open in multiple directions with extensional and step-out drilling set to ramp up in the current quarter.

The Federation Scoping Study is progressing well across multiple workstream areas. Conceptual underground mine design, development sequence and production schedules have been prepared for the project evaluating alternative mining and processing rates. Metallurgical test work programs have continued with positive results that support a gravity gold circuit and sequential copper, lead and zinc flotation. Supporting infrastructure alternatives including site roads, power supply, water supply, maintenance workshop, fuel storage and accommodation requirements have been defined and conceptualised.

The Company is also preparing applications to allow development of an exploration decline at Federation and an expansion of the existing Hera accommodation village. These applications are expected to be lodged in March quarter 2021.

The Federation Scoping Study remains on track for completion in the March 2021 quarter.

Dargues Mine, NSW (100%)

Acquisition

On 17 December 2020 Aurelia completed its acquisition of the Dargues Gold Mine and its regional exploration tenements.

The Dargues acquisition was consistent with Aurelia's strategic objectives and provides significant benefits including:

1. **Addition of a logical, attractive asset** that complements the Hera and Peak mines in NSW, diversifies Aurelia's asset base and enhances production scale.
2. **Firmly establishing Aurelia as a mid-cap gold producer** bringing group gold production in line with Aurelia's mid-cap ASX gold peers.
3. **Creating operational leverage** from Aurelia's strategic NSW asset base, enabling flexibility for synergies of staff, resources and business systems across the three operating assets.
4. **Improving Aurelia's asset portfolio and reweighting further towards gold** by the addition of a low-cost gold asset with existing five-year operating life.

The purchase price comprised upfront cash consideration of approximately A\$166.2 million paid to Diversified Minerals Pty Limited (**Diversified Minerals**) and approximately 55.8 million Aurelia shares (A\$24.0 million) issued to Diversified Minerals, which now owns approximately 4.5% of Aurelia. The cash consideration was funded by a drawdown of A\$45.0 million from newly established debt facilities and existing cash holdings (following receipt of funds from a share placement and entitlement offer).

Other than a minor working capital adjustment, future consideration is limited to contingent resource-linked scrip payments up to a maximum total value of A\$5 million.

The Company is obliged by its new debt financing arrangements to formalise the security over Dargues subject to normal whitewash provisions³. Aurelia is required to hold a general meeting within 3 months of closing⁴ to approve the granting of security. The Company is planning to hold a virtual general meeting at 11:00am AEST on 5 March 2021 to approve the granting of security over Dargues⁵.

Transition and integration activities

Integration activities at Dargues are well advanced with the objective of delivering the ramp up of the Dargues operation both safely and efficiently. Key transition and integration activities include the commencement of the Aurelia/PYBAR Alliance Agreement (effective 1 January 2021) for the underground mining operations, the engagement and induction of Dargues employees into Aurelia, implementation of the 'Aurelia Metals - Safe Metals' safety program, implementation of Aurelia's operational standards for maintenance and mine planning, and the integration of Dargues' information communication and technology services into the Aurelia group.

Production and costs

The Dargues operation is in the ramp-up phase with capacity production levels of 355ktpa expected to be achieved towards the end of the June 2021 quarter.

The Dargues contribution to the quarterly result was limited to Aurelia's economic ownership period, which only commenced from 17 December 2020.

³ Corporations Act 2001 requirements.

⁴ Transaction closing 17 December 2020 + 3 months = 17 March 2021.

⁵ The notice of meeting will be sent in accordance with the requirements of the Corporations Act 2001.

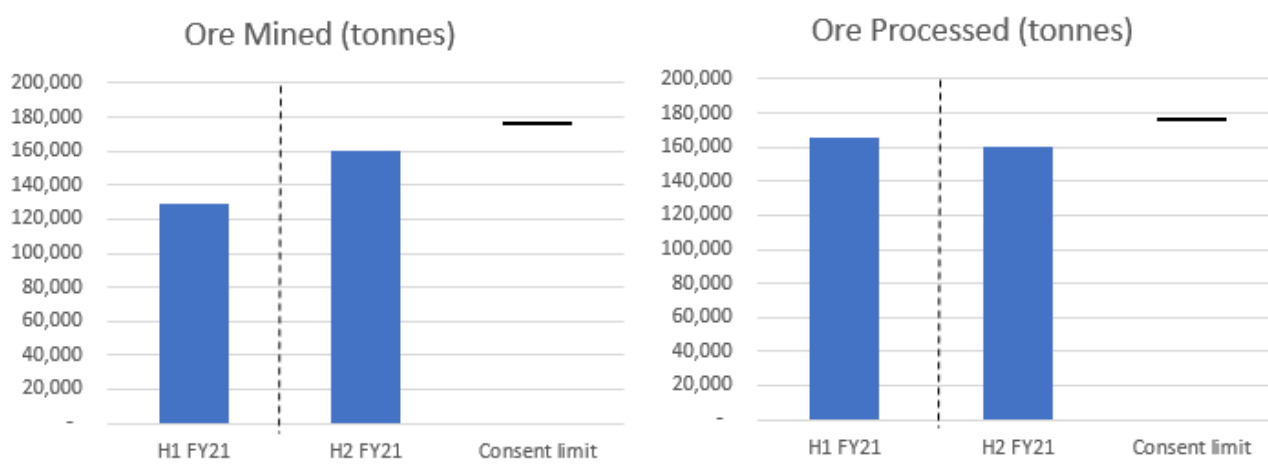
Table 3: Key Dargues operating metrics

DARGUES		Dec-20 Q	Sep-20 Q	% chg QoQ	Jun-20 Q	FY21 YTD
MINING AND PROCESSING						
Ore mined	t	8,729	-	-	-	8,729
Ore processed	t	11,843	-	-	-	11,843
Gold mill grade	g/t	2.77	-	-	-	2.77
METAL PRODUCTION						
Gold plant recovery	%	94.3%	-	-	-	94.3%
Gold produced	oz	1,086	-	-	-	1,086
AISC						
Gold sold	oz	690	-	-	-	690
Operating costs (incl royalties)	A\$M	1.2	-	-	-	1.2
Sustaining capital	A\$M	1.2	-	-	-	1.2
All-In-Sustaining-Cost (AISC)	A\$/oz	3,522	-	-	-	3,522

Dargues contribution for the quarter is limited to Aurelia's economic ownership period between 17 December 2020 and 31 December 2020.

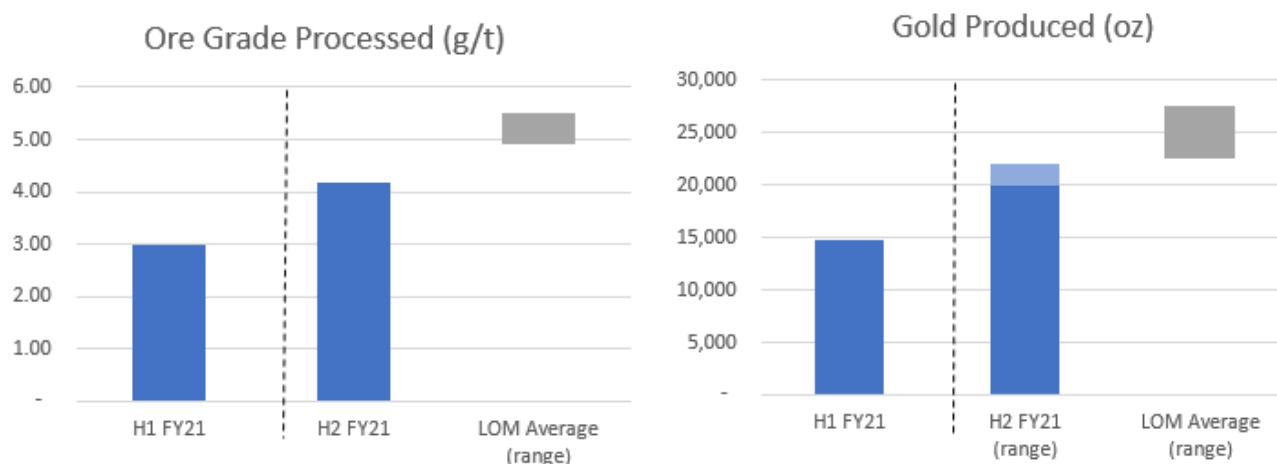
The Dargues mill is fully operational. Aurelia's immediate focus is driving the continued ramp-up of the Dargues underground mine to fully utilise process plant capacity. Full underground mining rates require approximately 400 metres per month of underground development, ore production of approximately 30kt per month, dilution minimisation, and matched and equivalent backfill placement rates.

Figure 8: Dargues FY21 actual and forecast ore mined and milled compared to current annual consent limit



Ore mined and processed for H1 FY21 is the performance from 1 July 2020 to 31 December 2020, with Aurelia's period of beneficial ownership only commencing from 17 December 2020. The consent limit is the current permitting limits for the Dargues site (as outlined in Aurelia's ASX release dated 13 November 2020, *Investor Presentation: Strategic Acquisition and Capital Raising*).

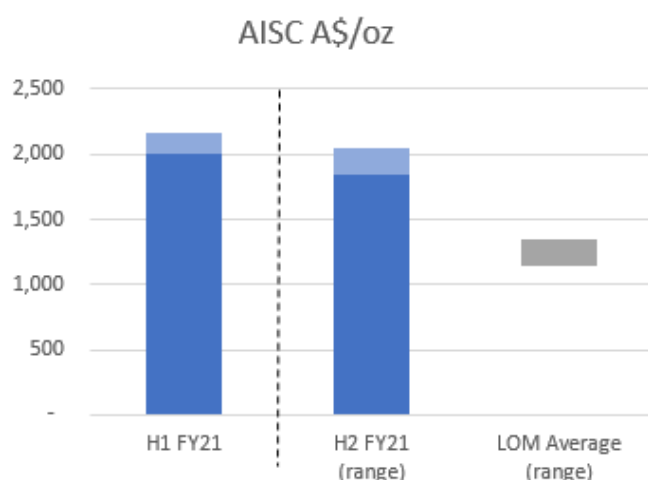
Figure 9: Dargues FY21 actual and forecast head grade and gold produced (plus forecast LOM average gold grade and semi-annual average gold production ranges)⁶



Ore grade and gold produced is the performance from 1 July 2020 to 31 December 2020, with Aurelia's period of beneficial ownership only commencing from 17 December 2020. Forecast LOM average gold production is expressed as a semi-annual figure of 22.5 – 27.5 koz (full year LOM average is 45 – 55 koz).

Ore gold grades are scheduled to improve as the mine develops at depth.

Figure 10: Dargues FY21 actual⁷ and forecast AISC (A\$/oz) and forecast LOM average AISC range⁶



Forecast H2 FY21 AISC is above the forecast LOM average (range) due to ongoing operational ramp up, scheduled gold head grade below LOM forecast levels, and increased capex for spares and deferred capex (partly adjusted for in the acquisition price⁸).

Growth and exploration

Aurelia has identified significant exploration upside potential at Dargues, with the existing Mineral Resources estimate significantly constrained by drilling. There is also strong potential for strike extensions to the west and north-west of the Dargues deposit.

⁶ The forecast LOM (range) averages are based upon LOM information disclosed in Aurelia's ASX release dated 13 November 2020, *Investor Presentation: Strategic Acquisition and Capital Raising*.

⁷ AISC A\$/oz for the period 1 July 2020 to 31 December 2020 based on unaudited financial information provided by the previous owners and may not be prepared in accordance with Aurelia's accounting policies and standards and is indicative only.

⁸ Refer ASX announcement 17 December 2020 – Dargues Acquisition Completed.

The Aurelia Board has approved an intensive drill program at Dargues which has commenced. The program will target Mineral Resource growth along strike and at depth, as well as providing additional confidence to the existing Mineral Resource estimates. The high potential target areas are set to be accessed by drilling from both surface and underground, with program completion targeted for mid-2021.

Under current permitting limits for the operation, Dargues has an annual throughput limit of 355ktpa and a total LOM ore processing constraint of 1.6Mt (to 30 June 2025). Subject to targeted drilling success, Aurelia expects to apply to amend the existing regulatory approvals in pursuit of the future upside potential offered via mine life extensions.

Cash flow and hedging

Group sales revenue for the quarter decreased to A\$99.9M (Sep quarter: A\$107.7M), comprised of 51% from sale of precious metals and 49% from copper, lead and zinc sales (Sep quarter: 77% precious metals, 23% base metals).

The realised gold price for the quarter was A\$2,566/oz (Sep quarter: A\$2,659/oz). Realised copper pricing rose by 5%, and realised lead and zinc prices rose by 1%, relative to the prior quarter. These realised base metal prices are inclusive of quotational pricing (QP) adjustments.

Aurelia implemented an initial 12-month gold hedging program from 1 January 2021 for 55koz at an average forward price of A\$2,441/oz. This was in association with the A\$45M term loan facility which was used to partly fund the Dargues acquisition.

Table 4: AISC composition

OPERATING COSTS AND AISC		Peak	Hera	Group (Pre-Acq)	Dargues	Group (Post-Acq)	Sep 20 Qtr	% chg QoQ
Mining	A\$000	17,249	7,314	24,564	289	24,852	21,640	15%
Processing	A\$000	10,002	7,848	17,851	462	18,313	18,536	-1%
Site G&A	A\$000	3,394	1,313	4,707	182	4,889	4,165	17%
Concentrate transport and refining	A\$000	2,276	2,045	4,321	120	4,441	4,356	2%
Net inventory adjustments	A\$000	4,578	914	5,492	(6)	5,486	(5,446)	-201%
Royalties	A\$000	1,810	1,170	2,980	134	3,114	4,330	-28%
Third party smelting / refining	A\$000	4,602	6,812	11,414	35	11,448	6,749	70%
By-product credits	A\$000	(40,426)	(24,465)	(64,891)	-	(64,891)	(35,386)	83%
Sustaining capital	A\$000	3,007	2,304	5,310	1,096	6,406	4,777	34%
Sustaining leases	A\$000	713	879	1,591	120	1,711	1,529	12%
Corporate admin / general	A\$000	-	-	2,988	-	2,988	4,462	-33%
All-In-Sustaining-Cost (AISC)	A\$000	7,205	6,134	16,327	2,432	18,759	29,712	-37%
AISC	A\$/oz	621	1,060	939	3,522	1,037	1,000	4%
Growth capital	A\$000	7,640	3,008	10,648	516	11,164	10,268	9%

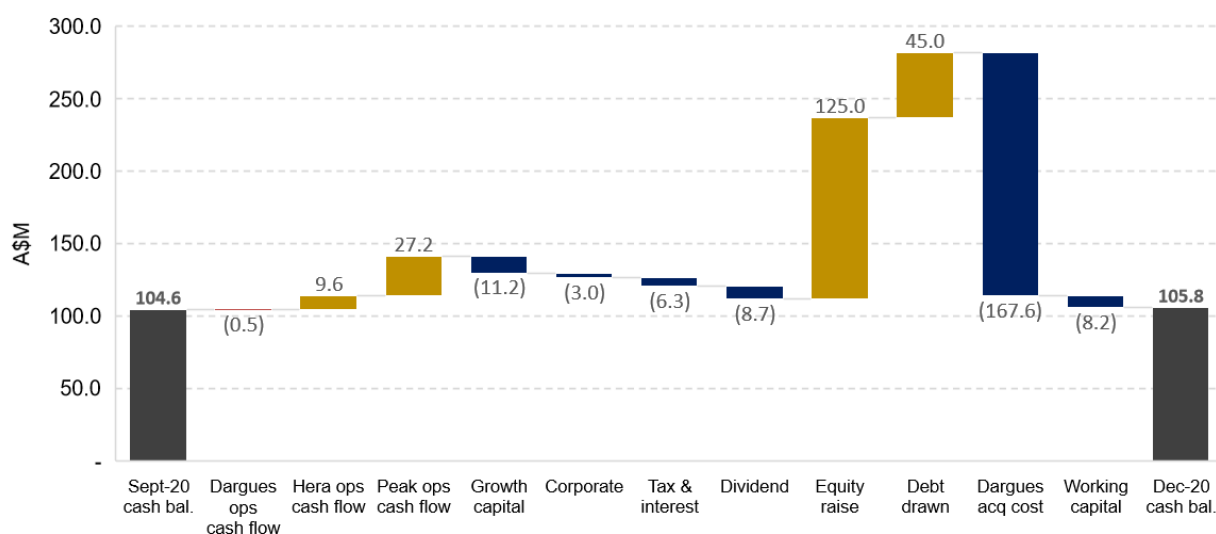
Dargues contribution for the quarter is limited to Aurelia's economic ownership period between 17 December 2020 and 31 December 2020. Corporate admin / general costs exclude costs associated with the acquisition of Dargues, including due diligence costs, transaction costs, financing costs and equity costs.

Explanatory notes

The timing of base metal shipments can create volatility in reported AISC due to the timing of revenue recognition for base metal by-product credits and concentrate inventory movements. Numbers are provisional and subject to change. Percentage change denoted in green is beneficial movement and red is detrimental movement.

Group AISC (pre Dargues contribution) reduced to A\$939/oz (Sep quarter: A\$1,000/oz), predominantly due to significantly increased by-product credits flowing from increased base metals production.

Figure 11: Quarterly cash flow waterfall



Explanatory notes

Peak and Hera cash flow figures are after sustaining capital expenditure. Total growth capital expenditure of A\$11.2M is represented by the combination of the Kairos development cost (A\$6.6M), exploration of (A\$3.7M) and studies and environmental approvals costs of (A\$0.9M) during the December quarter.

Corporate

FY21 group guidance (excl. Dargues) guidance maintained at 80 – 90 koz gold with group AISC revised to A\$1,250 – A\$1,450/oz (previously A\$1,500 – A\$1,750/oz).

FY21 group guidance (incl. Dargues economic ownership period of 17 December 2020 to 30 June 2021) of 100 – 113 koz gold at group ASIC of A\$1,425 – A\$1,575/oz.

Net cash⁹ at quarter end was A\$52.6M (30 September 2020: A\$104.6M) with a cash balance of A\$105.8M.

During the quarter, the Company established a A\$115M syndicated facility to enable the acquisition of Dargues. At 31 December 2020, A\$45M of this facility is a term loan which was fully drawn, A\$50M of this facility is a bonding facility of which A\$48M was utilised to back existing environmental bonding requirements and A\$20M of this facility is a working capital facility which is undrawn.

During the quarter, the Company issued 358.7M¹⁰ shares to fund the acquisition of Dargues.

On 21 January 2021, Aurelia announced the appointments of Ms Helen Gillies and Mr Bob Vassie as independent non-executive directors of the Company.

⁹ Net Cash = Cash on hand \$105.8M less term debt \$45.0M less leases (excluding right of use leases) \$8.2M.

¹⁰ 358.7M shares = Institutional placement 94.9M shares + Institutional Entitlement Offer 122.1M shares + Retail Entitlement Offer 85.9M shares + 55.8M consideration shares

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

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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.

In FY20, Aurelia produced 91,672 ounces of gold at a group all-in sustaining cost (AISC) of A\$1,520 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.

APPENDIX 1: DETAILED QUARTERLY PHYSICALS

TABLE A - Quarterly Summary

Aurelia Metals - Dec 20 Qtr Summary	Units	Dargues	Hera	Peak	Group
Ore Mined	t	8,729	110,218	156,540	275,487
Mined Grade - Gold	g/t	2.80	1.63	1.88	1.81
Mined Grade - Silver	g/t		37.90	22.36	27.87
Mined Grade - Copper	%		0%	1.04%	0.59%
Mined Grade - Lead	%		2.63%	3.94%	3.29%
Mined Grade - Zinc	%		4.10%	3.61%	3.69%
Ore Processed	t	11,843	114,543	166,241	292,627
Processed Grade - Gold	g/t	2.77	1.78	1.84	1.85
Processed Grade - Silver	g/t		39.41	22.20	28.04
Processed Grade - Copper	%		0%	1.02%	0.58%
Processed Grade - Lead	%		2.86%	4.02%	3.41%
Processed Grade - Zinc	%		4.27%	3.48%	3.65%
Gold recovery	%	94.3%	88.4%	91.6%	
Silver recovery	%		92.8%	83.8%	
Copper recovery	%		0.0%	94.5%	
Lead recovery	%		93.8%	78.4%	
Zinc recovery	%		95.2%	52.7%	
Gross Metal Production					
Gold Production	oz	1,086	5,796	8,991	15,874
Silver production	oz	-	134,551	99,502	234,052
Copper production	t	-	-	1,352	1,352
Lead production	t	-	3,076	5,044	8,119
Zinc production	t	-	4,662	2,951	7,614
Payable Metal Production					
Gold Production	oz	1,010	5,796	8,504	15,311
Silver production	oz		79,875	73,683	153,558
Copper production	t		-	1,296	1,296
Lead production	t		2,659	4,792	7,451
Zinc production	t		3,551	2,395	5,946
Concentrate Production					
Au Concentrate production	dmt	794	-	-	794
Cu Concentrate production	dmt	-	-	5,623	5,623
Pb Concentrate production	dmt	-	-	9,745	9,745
Zn Concentrate production	dmt	-	-	6,959	6,959
Bulk Pb/Zn Concentrate production	dmt		13,887	-	13,887
Sales					
Gold dore & gold in Conc sold	oz	690	5,789	11,607	18,086
Silver dore & silver in Conc sold	oz		80,479	80,124	160,603
Payable Copper sold	t	-	-	1,349	1,349
Payable Lead sold	t	-	2,916	5,255	8,171
Payable Zinc sold	t	-	3,741	3,405	7,146
Prices					
Gold price achieved	A\$/oz	2,685	2,555	2,566	2,567
Silver price achieved	A\$/oz	-	34	34	34
Copper price achieved	A\$/t	-	-	9,830	9,830
Lead price achieved	A\$/t	-	2,602	2,638	2,625
Zinc price achieved	A\$/t	-	3,770	3,108	3,455

Dargues contribution is limited to Aurelia's economic ownership period from 17 December 2020 to 31 December 2020.

APPENDIX 2: DETAILED YEAR TO DATE PHYSICALS

Table B - FY21 YTD Summary					
Aurelia Metals - FY21 YTD Summary	Units	Dargues	Hera	Peak	Group
Ore Mined	t	8,729	216,100	313,723	538,553
Mined Grade - Gold	g/t	2.80	2.12	2.94	2.61
Mined Grade - Silver	g/t		35.0	21.3	26.47
Mined Grade - Copper	%		0%	1.01%	0.59%
Mined Grade - Lead	%		2.68%	3.44%	3.08%
Mined Grade - Zinc	%		3.71%	2.89%	3.17%
Ore Processed	t	11,843	221,506	340,540	573,889
Processed Grade - Gold	g/t	2.77	2.38	2.90	2.70
Processed Grade - Silver	g/t		34.64	21.08	25.88
Processed Grade - Copper	%		0%	1.09%	0.64%
Processed Grade - Lead	%		2.77%	3.11%	2.92%
Processed Grade - Zinc	%		3.86%	2.61%	3.04%
Gold recovery	%	94.3%	89.5%	93.0%	
Silver recovery	%		91.0%	80.6%	
Copper recovery	%		0.0%	93.2%	
Lead recovery	%		92.4%	82.4%	
Zinc recovery	%		92.8%	58.8%	
Gross Metal Production					
Gold Production	oz	1,086	15,247	29,535	45,868
Silver production	oz	-	225,238	185,936	411,174
Copper production	t	-	-	3,081	3,081
Lead production	t	-	5,689	8,231	13,919
Zinc production	t	-	7,978	4,939	12,916
Payable Metal Production					
Gold Production	oz	1,010	15,247	28,620	44,877
Silver production	oz		138,465	143,405	281,870
Copper production	t		-	2,954	2,954
Lead production	t		4,951	7,819	12,770
Zinc production	t		6,011	4,046	10,057
Concentrate Production					
Au Concentrate production	dmt	794	-	-	794
Cu Concentrate production	dmt	-	-	12,647	12,647
Pb Concentrate production	dmt	-	-	15,693	15,693
Zn Concentrate production	dmt	-	-	11,272	11,272
Bulk Pb/Zn Concentrate production	dmt		24,586	-	24,586
Sales					
Gold dore & gold in Conc sold	oz	690	17,361	29,754	47,806
Silver dore & silver in Conc sold	oz		131,209	123,576	254,785
Payable Copper sold	t	-	-	2,260	2,260
Payable Lead sold	t	-	5,102	7,158	12,260
Payable Zinc sold	t	-	6,181	4,722	10,902
Prices					
Gold price achieved	A\$/oz	2,685	2,628	2,621	2,624
Silver price achieved	A\$/oz	-	35	34	35
Copper price achieved	A\$/t	-	-	9,658	9,658
Lead price achieved	A\$/t	-	2,559	2,660	2,618
Zinc price achieved	A\$/t	-	3,565	3,280	3,441

Dargues contribution is limited to Aurelia's economic ownership period from 17 December 2020 to 31 December 2020.