ASX Code: AMI

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# MARCH 2024 QUARTERLY UPDATE AND OUTLOOK 23 APRIL 2024

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## **MARCH 2024 QUARTER HIGHLIGHTS**

**Progressing execution of our Cobar Region strategy** 



# Balance sheet strength to progress growth



### **Operational performance continues to improve**



# Federation on track for first stope ore Q1 FY25



### Exploration delivers further exciting results



# **GROUP PRODUCTION AND COSTS**

Group output	Sep Q FY24	Dec Q FY24	Mar Q FY24	Mar YTD FY24	FY24 Guidance <sup>1</sup>
Gold produced (koz)	16.8	14.9	14.5	46.2	60.0 – 65.0
Copper produced (kt)	0.5	0.4	0.3	1.2	2.0-2.3
Zinc produced (kt)	4.2	3.3	4.3	11.8	16.0 – 18.0 (Prev 17.5 – 20.0)
Lead produced (kt)	4.0	4.0	5.8	13.8	19.0 – 22.0
AISC (A\$/oz)	2,220	2,081	2,697	2,306	2,000 – 2,150 (Prev 1,850 – 2,050)

- **Gold production** continues to track towards the upper end of guidance range
- **Copper production** guidance unchanged
- Zinc production guidance lowered due to lower recoveries from the failure the on-stream analyser at Peak (rectified during February)
- Lead production continues to track towards lower end of guidance range
- Group AISC guidance increased to reflect lower expected zinc production and higher mining costs in March quarter



1. FY24 Guidance is indicative only and subject to change in response to prevailing and/or expected operating and market conditions.

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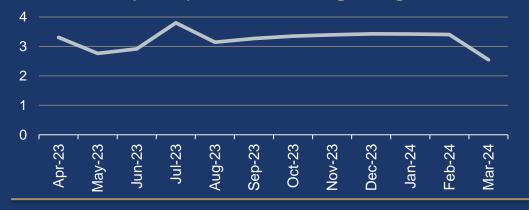
# **SAFETY AND ENVIRONMENT**

### Preventing injuries remains a priority

Group Total Recordable Injury Frequency Rate (TRIFR) -12 month moving average



Group Recordable Environmental Incident Frequency Rate (REIFR) - 12 month moving average



- Reduction in the number of injuries in March quarter vs December quarter
- Majority of injuries in FY24 have been slips, trips and hand injuries
- Focus on leading indicators and visible safety leadership
- Fatal risk prevention a high priority with monthly reviews ongoing
- No environmental incidents recorded for the quarter



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I will never intentionally harm or interfere with wildlife unless authorised by the environment department.

WRONMENT & COMMUNITY SAFE EVERY

### PEAK

**Progressing operational performance improvement** 

- Development increased to 777m maintaining optionality and contingency for production
- Ore mined increased for a fifth consecutive quarter to 148kt (DecQ: 135kt)
- Mining unit costs up to A\$134/t (DecQ: A\$123/t), impacted by shaft support works and unplanned mobile maintenance costs
- AISC increased to A\$3,492/oz (DecQ: A\$2,054/oz) due to timing of concentrate sales (~A\$14M revenue in concentrate stocks at end of MarQ)
- High-grade stopes to come in JunQ and sale of stocks from MarQ is forecast to result in higher gold and base metal sales, significantly reducing AISC A\$/oz





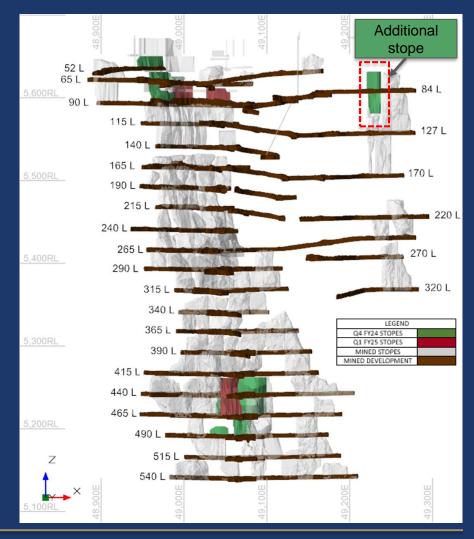
### DARGUES

### Maximise cash for remaining mine life

- Ore mined 89kt (Dec Qtr 87kt)
- Significant quarterly cash generation of A\$10.5M (DecQ: A\$13.5M)
- Additional stope brought into mine plan
- Safety performance a key focus
- Retention programs fully implemented
- Mine closure planning underway, including options for sale and reuse of process plant and mobile equipment
- Final ore expected to be extracted in July 2024

#### Dargues long section looking North showing

#### remaining stopes

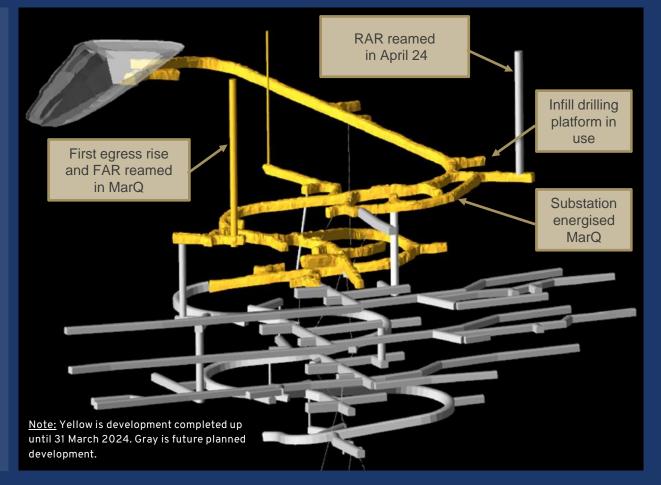




### **FEDERATION**

### On track for first stope ore in Q1 FY25

- Mine development of 480m (DecQ: 675m), impacted by wet weather
- Key milestones achieved in MarQ de-risk project:
  - Successful reaming and shotcreting of egress and fresh air raise (FAR). Piloting and reaming of return air raise (RAR) commenced (completed in April 24)
  - Sealing of 8 kilometres of Burthong Road complete
  - Underground infill drill rig mobilised and drilling
- Spend guidance for FY24 lowered to A\$65 A\$70M (prev A\$70 – A\$80M) due to lower development metres and delay of non-critical path works, and forecast cost to complete remains on track





# **EXPLORATION FEDERATION**

### Significant drilling results at Federation

- Drilling at Federation East below the Main Thrust intersected thick intervals of high-grade mineralisation (see right)
- Results highlight the potential for depth extensions of the high-grade eastern lens below the Main Thrust
- Drilling at Federation West intersected significant visual massive sulphide offset approx.
  140m north of the strike of the main deposit
- Results highlight potential for high-grade mineralisation to continue west, offset to the main orebody



<u>Above:</u> Drill core from FDD209 with reported Zn grades in significant intersection 6m @ 27.2% Zn, 13.5% Pb, 0.3% Cu, 0.9g/t Au and 25g/t Ag from 534.0m.

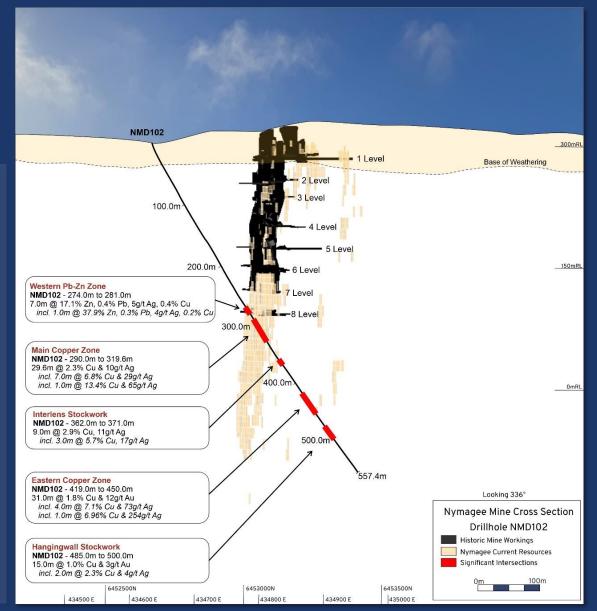
See ASX Announcement dated 5 April 2024 'Federation Exploration Update'



## **EXPLORATION NYMAGEE**

#### Successful four-hole exploration program

- Program targeted open spaces in the Mineral Resource to assess the integrity of spatial data, quality and consistency of known mineralisation, and extend current Mineral Resource boundaries
- Results included:
  - Highest zinc assays recorded at Nymagee deposit (37.9%)
  - Some of the highest copper (13.4%) and silver (254g/t) assay results since drilling started in 1905
- Multiple, thick, high-grade copper lenses were a standout
- Further drilling scheduled for FY25 aiming to grow the mineral inventory to support future mining studies



<u>Above:</u> Nymagee Mine cross section with drillhole NMD102 and significant intersections



See ASX Announcement dated 22 February 2024 'Nymagee Exploration Update'

### **BALANCE SHEET**

### Strong cash balance and higher metal sales expected in June quarter

- Cash on hand of A\$106.9M, total liquidity over A\$140M with undrawn loan note (~A\$37M)
- Peak cash flow impacted by build up of concentrate stocks (total sales value ~A\$14M) and higher maintenance costs
- Dargues cash flow expected to remain consistent in JunQ
- Higher base metal sales and likely higher metal prices will benefit cash flow during JunQ
- Lower Federation spend forecast for FY24 of A\$65 – A\$70M and Growth capital (excl Federation) of A\$0 – A\$2.5M



#### Hedge Book Summary at 31 March 2024

#### (to Sept 2024)

	Volume	Avg Price
Gold (ounces)	13,546	A\$3,082/oz
Lead (tonnes)	2,107	A\$3,316/t
Zinc (tonnes)	2,157	A\$3,791/t

1. Peak and Dargues cash flow figures are after sustaining capital expenditure. Total growth capital expenditure includes A\$20.4M relates entirely to Federation, Exploration of A\$3.4M is comprised A\$1.6M at Nymagee and Federation, and A\$1.8M Peak.



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### **KEY FOCUS AREAS**

Safely deliver our operating performance and growth agenda – filling our mills



Deliver mining sequence and lower costs at Peak

Maximise cash generation from Dargues

First stope ore at Federation in Q1 FY25 and ramp-up

**Progressing optimisation of the Cobar Region** 

Exploration to deliver further growth options

Attraction of talent to the Cobar Region



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### **APPENDIX**

### **FY24 GUIDANCE**

GROUP OUTPUT	Metric	FY24 Guidance <sup>1</sup>
Gold	koz	60.0 - 65.0
Copper	kt	2.0 - 2.3
Zinc	kt	<b>16.0 – 18.0</b> (Prev 17.5 – 20.0)
Lead	kt	19.0 – 22.0
AISC (includes sustaining capital)	A\$/oz gold	<b>2,000 – 2,150</b> (Prev 1,850 – 2,050)
Growth capital (excluding Federation)	A\$M	0 – 2.5 (Prev 5 – 10)
Growth capital at Federation	A\$M	<b>65 – 70</b> (Prev 70 – 80)
Exploration and evaluation	A\$M	10 – 15

#### **Guidance Outlook:**

Based upon YTD production and forecast production volumes for the June quarter, the following revisions to Aurelia's guidance have been made:

- **Gold production** now forecast to be at the upper end of guidance range
- **Copper production** guidance of 2.0 2.3kt unchanged
- **Zinc production guidance** is revised down to 16.0 18.0 kt (Prev 17.5 20.0kt) due to lower zinc recoveries related to the loss of Peak on-stream analyser (rectified during February).
- Lead production is now expected to be at the lower end of guidance
- **Group AISC guidance** is increased to A\$2,000 A\$2,150/oz to reflect the revised lower zinc production guidance
- Growth capital at Federation is now expected to be A\$65 A\$70M (Prev A\$70 A\$80M) due to lower development metres and delay of non-critical path works



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