

## COBAR BASIN OPTIMISATION UPDATE

Aurelia Metals Limited (ASX: **AMI**) (**Aurelia** or the **Company**) is pleased to report that the Peak Tailings and Process Water Management Upgrade Project (the **Project**), which forms part of the Cobar Basin Optimisation (see ASX announcement dated 23 October 2024, 'Cobar Basin Optimisation Update'), has been approved by the Aurelia Board of Directors.

### Project Highlights

- Installation of a new tailings thickener and repurposing the current tailings thickener as an additional leach feed thickener, with associated pumps and ancillary equipment.
- Increases dewatering of the leach feed and tailings streams, improving the process water balance, including restricting recycled leach water to the leach circuit.
- Modelled to improve recoveries of copper and zinc by 2.5%, while also reducing consumption of cyanide.
- Approved Project capital of \$9.6M, including \$1.1M of contingency.
- Strong business case with NPV of \$18M and IRR of 51%, based on consensus pricing, and \$20M and 55%, at spot pricing.
- This Project is the first of three intended to be presented to the Board in H2 FY25 to enhance Company value and deliver on our growth ambition to process 1.1 – 1.2Mtpa of quality ore from Aurelia's Cobar region operations.

#### **Chief Development & Technical Officer, Andrew Graham commented:**

*"This tailings and water management project has a compelling standalone investment case.*

*It is a particularly strong example of Aurelia's technical professionals challenging the status quo and identifying practical and value adding improvements to our operations.*

*While not contingent on the expected Peak processing plant throughput expansion, the scope of the Project is mindful of and synergistic with that study work, including the sizing of the tailings thickener and the reuse of the large capacity Dargues switch room."*

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## Project Details

The project aim is to improve dewatering of the leach feed and tailings streams, allowing an increased level of water recycle and to restrict leach water recycle to the leach circuit, as shown in figure 1.

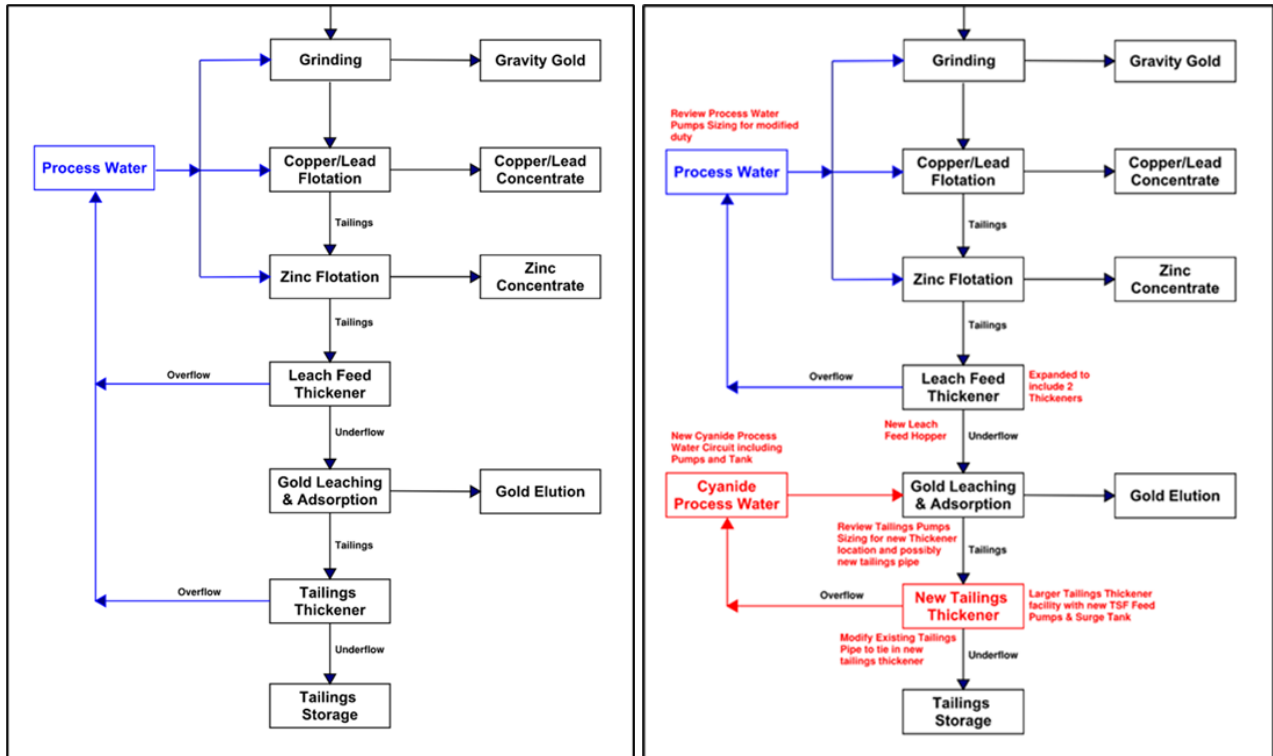


Figure 1: Peak process flow diagram showing the current state (left) high-level project scope in red (right)

The Company has worked closely with Ausenco to design, engineer, tender and develop a definitive estimate for the Project. The Project's approved capital is \$9.6M, inclusive of \$1.1M (13%) contingency. Estimates for more than 80% of the mechanical equipment, including the thickener, flocculant mixing system and pumps, are based on vendor pricing from tender processes.

At a high level, the scope of the Project includes:

- procurement and installation of a new 22 metre (m) tailings thickener and associated flocculant plant
- repurposing the current tailings thickener as an additional leach feed thickener
- relocation and installation of the wet plant electrical switch room from Dargues, along with the procurement and installation of the necessary transformer
- procurement and installation of associated pump, piping, electrical and instrumentation equipment, including tailings pumps of sufficient capacity to support subsequent lifts beyond the current Tailings Storage Facility spine level.

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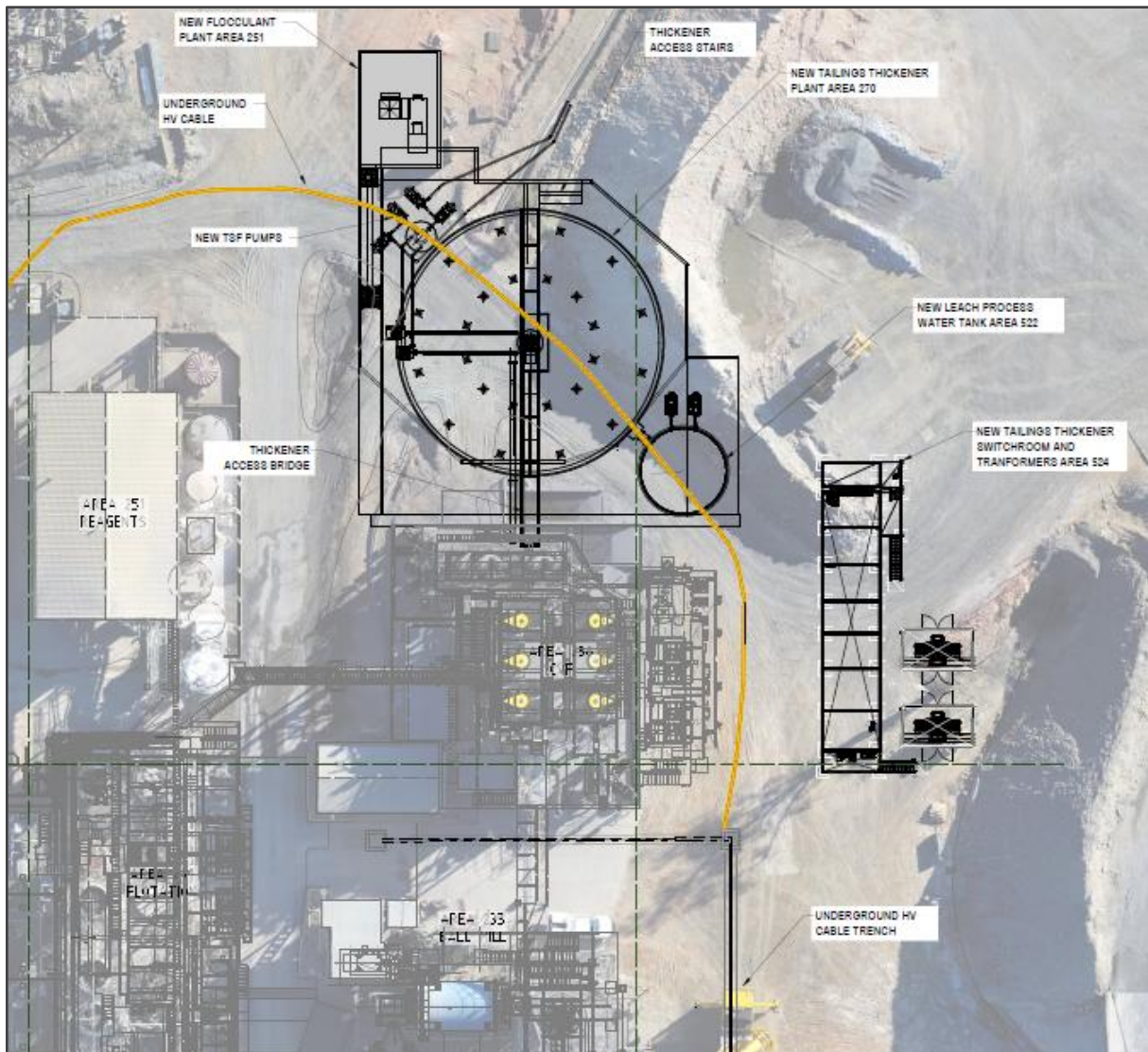


Figure 2: General arrangement showing the proposed location of the new thickener and associated infrastructure

The Project is scheduled to be completed in Q3 FY26. The delivery of the new thickener drives the Project critical path. The Project will be executed in series, allowing the new tailings thickener to be available before the repurposing of the existing tailings thickener. This project execution plan will derisk the commissioning and tie-ins.

Based on life of mine modelling of the projected improvement in copper and zinc recoveries of 2.5%, a zinc concentrate grade increase of 2% and reduced cyanide consumption, and assuming Peak throughput is limited to 800ktpa the Project has a compelling NPV<sub>8</sub> of \$18M and an IRR of 51% using Bloomberg consensus pricing. The NPV increases to \$20M and the IRR increases to 55% at current spot prices<sup>1</sup>. Further value is created should the Peak throughput expansion be approved and executed.

<sup>1</sup> Refer to Appendix 1 for the details of price assumptions used

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In addition to the improvements supporting this valuation, unquantified benefits of the Project include:

- the installation of sufficient tailings pump power to utilise the full permitted and designed height of the Peak tailings dam
- the installation of the Dargues switch room at Peak, which is also intended to be used to power the Dargues ball mill, if approved and installed
- the installation of sufficient thickener capacity to handle higher throughput through the Peak processing plant, if approved and consented
- the redirection of the currently installed tailings flocculation capacity to the zinc concentrate thickener on high-grade Federation ore, removing this as a potential throughput bottleneck.

## Cobar Basin Optimisation

The Cobar Basin Optimisation consists of three key projects in the Peak processing plant:

- Peak Tailings and Process Water Management Upgrade (this Project)
- Tertiary Ball Mill (Dargues ball mill relocation)
- Crushing and Materials Handling Expansion.

The first two of these projects will improve the recovery of payable metals processed at the Peak processing plant and are justifiable on current Peak mine feeds. Collectively, the projects will support the effective throughput capacity expansion of the Peak processing plant to 1.1–1.2Mtpa, enabling the processing of all Federation Mine ore with the Peak mined ores.

Feasibility Study work is ongoing on the Tertiary Ball Mill, and the Crushing and Materials Handling Expansion projects, with an estimated capital cost of \$20-\$25M in the Cobar Optimisation Study. It is expected that these will be brought to the Aurelia Board of Directors for approval during H2 FY25.

To enable the Peak processing plant throughput expansion, unlocked by the Crushing and Materials Handling Expansion Project, permitting is required. Study work to support this permitting is in progress. Consultation with the Cobar Shire Council, Peak Mine's permitting authority, is also active.

**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 in the Cobar Basin in western New South Wales. We operate three underground base metal mines at our two operations, Peak and Federation. In addition, we are progressing the Great Cobar Project, a consented, high-grade copper development located at Peak.

### 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: Material assumptions

Description	Bloomberg Consensus <sup>2</sup>	Spot Price <sup>3</sup>
Discount rate	8% post tax real	
Copper Price (US\$/t)	\$10,315	\$9,470
Zinc Price (US\$/t)	\$2,824	\$2,830
AUD/USD exchange rate	0.7110	0.6260

<sup>2</sup> The calculated average price over the life of the analysis

<sup>3</sup> As at 5 March 2025

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