

# Chairman's Letter to Shareholders

ASX Release | 22 December 2020

ASX Code | NAE

Dear Shareholder,

It is my pleasure to write to you following the substantial progress by New Age Exploration Limited (**NAE** or the **Company**) in 2020. The Company's key activities remained focused on advancing our gold exploration projects in the highly competitive Pilbara district of Western Australia and we have significantly expanded our footprint in the South Island of New Zealand.

The dual Gold exploration portfolios provide us with an opportunity to explore all year round with the various field seasons often limited by seasonal weather. Fortuitously our contrasting geographical locations allow for a continuous pipeline of exploration activities. We are genuinely excited by all the projects we have secured, and we are looking forward to utilising the first-class technical team we have assembled.

## **Australian Operations**

### Pilbara Gold Project, Western Australia

The Company has rapidly assembled a large 1,863km<sup>2</sup> tenement package in the highly competitive Central Pilbara district of Western Australia located ~50km from De Grey Mining's exciting Hemi gold discovery.

Predominately, the Pilbara Gold Project tenements contain margins of Sisters Supersuite granite intrusions which are targets for intrusive-related (Hemi style) gold mineralisation. The tenements are also prospective for structurally hosted gold mineralisation. The Exploration Licences acquired from Monterey in late September 2020 provided immediate access.

Detailed aeromagnetic survey covered 420km<sup>2</sup>, on four Exploration Licences. The Company is encouraged by the results which has identified several high priority Hemi style Gold targets. Preparations are currently underway for a maiden drill programme to assess these high priority targets early in the new year.

## **New Zealand Operations**

### Lammerlaw Gold Exploration Project, Otago, New Zealand

The Lammerlaw Prospecting Permit in Otago New Zealand covers a large 265km<sup>2</sup> area in the Lammerlaw Ranges which is prospective for Macraes style (>10Moz) shear hosted gold targets. The Lammerlaw Permit contains historic gold, scheelite and antimony workings and New Zealand's largest alluvial gold deposit,

Gabriels Gully (>0.5Moz produced), is located ~3km directly to the south with the source of the gold remaining unidentified.

NAE engaged Verum Group Geologists to complete regional soil sampling, mapping, and rock chip sampling programme. Targets for sampling were identified from recently interpreted geophysical data in both the Lammerlaw PP60544 and OPQ EP 60502 permits and follows on from the regional soil sampling completed in June 2020. In total 246 soil samples along 4 regional lines were collected in mid-November 2020. In addition, 30 rock chip samples have been collected. Samples were analysed in the field with a handheld XRF to identify any geochemical anomalies, with further data analysis and assay on identified anomalies to follow early in 2021.

#### Otago Gold Exploration Projects, New Zealand

The Otago Pioneer Quartz (OPQ) Gold Exploration Project is located on NAE Exploration Permit 60502 and adjoins the Lammerlaw Gold Exploration Project.

The Company has defined a ~6km long soil gold anomaly around the historic Otago Pioneer Quartz (OPQ) mine located on its OPQ Exploration Permit (60502). The OPQ mine was mined over 100 years ago averaging 2m wide, to a depth of 65m, over a strike length of at least 1,200m at an average grade of ~13 g/t Au. The OPQ permit is also prospective for Macraes style shear hosted gold targets.

Further shallow drilling programmes are planned for OPQ early in 2021

#### Manorburn and Marlborough Applications South Island, New Zealand

The Manorburn and Marlborough applications (once granted) will significantly increase NAE's exploration footprint in New Zealand, but importantly will support the Company's strategic direction of acquiring assets that provide a year-round pipeline of exploration potential. We believe that NAE can unlock value across both applications, considering the extensive historic workings which have not been analysed, and the lack of any modern exploration.

The Manorburn prospect is covered by Minerals Prospecting Permit application 60716.01 and is 221.8km<sup>2</sup> in area. Manorburn is located 20km southeast of the Rise and Shine Shear Zone (inferred 252koz gold Mineral Resource that forms the Bendigo-Ophir Gold Project recently purchased by Santana Minerals (ASX: SMI).

The application is also 85km northwest of Oceana Gold's (ASX: OGC) world-class Macraes Gold Mine that has combined production and Minerals Resources in excess of 10Moz gold (OGC Annual Report 31 December 2019).

The Marlborough prospect comprises of Minerals Prospecting Permit application 60725.01 that covers 500km<sup>2</sup> of the Marlborough Schist Belt, a northern analogue of the Otago Schist Belt offset ~470 km along the Alpine Fault.

The Marlborough application area contains a large number of historic, shallow gold and scheelite mines. In total, the area produced 18,000 ounces of gold at an average grade of 5.3g/t. Individual mines had grades generally between 5 and 10g/t Au with up to 30g/t Au being recorded. Tungsten was mined at grades of 0.58% (Downey 1928, Williams 1965).

Upon granting of the permits, NAE will utilise the Glass Earth geophysical data set to identify potential structures that are conducive to shearing and hydrothermal fluid flow associated with gold mineralisation within the Otago Schist.

## Capital Raising

Earlier in the year, NAE received A\$1.8m as final cash payment for the sale of its Redmoor Project. In addition, the Company raised A\$2.18m (before costs) further capital through a Placement to sophisticated and professional investors, comprising 273,250,000 fully paid ordinary shares at an issue price of 0.8 cents (\$0.008) per share. This included the Company's Directors participating with A\$616,000. Funds have been substantially used for exploration of the Company's Pilbara and New Zealand Gold projects, along with working capital.

## COVID-19

Due to COVID-19 some delays have occurred, but our team is persevering to ensure this does not affect our overall progress.

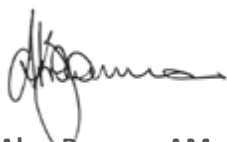
**The Board is committed to delivering world-class discoveries and are aligned having invested in the Company alongside shareholders.**

**I look forward to the next phase – 2021 is shaping up to be a defining year for NAE. The Company's exploration plans are well funded, and we are confident we now have the right projects, strategy, and momentum to unlock the full potential across the Company's assets.**

**Thank you to you, the shareholders of our Company, for your continued support.**

Released with the authority of the Board.

Regards,



**Alan Broome AM**  
**Chairman**  
**New Age Exploration Limited**



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