

ASX:AUN ASX Announcement 28 December 2023

CORPORATE UPDATE

SALE OF MT DIMER MINING TENEMENTS COMPLETED; MATERIAL REDUCTION IN CONVERTIBLE NOTE & PLACEMENT COMPLETED TO KEY STAKEHOLDERS

Aurumin Limited (ASX: AUN) ("Aurumin" or the "Company") is pleased to announce it has completed the sale of the Mt Dimer mining leases and miscellaneous licences (Mt Dimer Mining Tenements) (Sale) to Beacon Minerals Ltd (Beacon). The Mt Dimer Mining Tenements are located 120km north-east of Southern Cross.

Highlights

Sale of Mt Dimer Mining Tenements

Mining tenements M77/427, M77/428, M77/957, M77/958, M77/965, P77/4568, L77/0083, L77/0135, L77/0147, L77/328 (application), L77/329 (application), L77/330 (application), L16/135 (application) divested by Aurumin

Key Terms of the Sale:

- Cash consideration of \$3.0M
- 2% net smelter return royalty on the Mt Dimer Mining Tenements on gold production above 12,000 ounces, and on all other minerals

Funds received from the Sale of the Mt Dimer Mining Tenements (\$3M) have been used to reduce the outstanding balance of the Convertible Note held by Collins St Asset Management Pty Ltd (refer to ASX announcement dated 15 December 2021).

Aurumin has, in addition, made a further repayment of \$0.363M. The outstanding balance of the Convertible Note is reduced to \$1.071M. The Company will proceed with closing out the Convertible Note in the near term.

Aurumin is also pleased to announce it has received firm commitments for a placement, at **\$0.025 and a 14%** premium to the last closing price, in conjunction with the Sale completion and Convertible Note reduction. Aurumin has received firm commitments for a total of **50M shares at \$0.025 per share to raise a total of \$1.25M** to Collins St Asset Management (34,504,512 shares), Middle Island Resources Limited (5,495,488 shares) and 7 Enterprises Pty Ltd (10,000,000 shares). Also, subject to shareholder approval, there will be **one free attaching option for each one share issued**, with an exercise price of \$0.06 and an expiry date of 22 December 2026.

Daniel Raihani is a non-executive director of Aurumin and the beneficial owner of 7 Enterprises Pty Ltd. The placement to 7 Enterprises Pty Ltd is subject to shareholder approval.

Aurumin's Managing Director, Brad Valiukas, commented:

"The combined transactions are a good outcome for Aurumin. The Company is now net-debt-free and in a position to close out the remaining convertible note with available cash. In addition, we maintain upside from the Mt Dimer Mining Tenements, from future exploration and production.

"The support from the board and existing shareholders, through 7 Enterprises and Middle Island, respectively, has been great during this process and in the completed placement. We are also pleased to welcome Colins St as a shareholder and appreciate their support in the placement.

I look forward to commencing the new year with a clean balance sheet and a clear focus on advancing our flagship 946koz Sandstone Gold Operations and generating the critical mass for future production."

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RELEASE AND CONTACT INFORMATION

Authorisation for release

The Aurumin Board has authorised this announcement for release.

For further information, please contact

Brad Valiukas

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ABOUT AURUMIN

Projects

Aurumin Limited is an ASX-listed mineral exploration Company focused on two project areas in Western Australia.

The **Sandstone Gold Operations** were cornerstone by the acquisition of the **Central Sandstone Project** by the Company in early 2022.

- The **Sandstone Project** comprises an **881,300 ounce gold mineral resource**, significant project infrastructure and an expanding tenement footprint where the Company aims to support a gold mining operation in the future.^{2, 3}
- The Company's Johnson Range Project has a Mineral Resource of 64,700 ounces at a grade of 2.51g/t Au, located midway between Southern Cross and Sandstone.¹
- The **Birrigrin Project** area was added in late 2022 and is 70km north of the Central Sandstone Project. The Project has 39 mapped shafts dating to the early 1900s with **recorded production grades up to 196g/t Au**.

In addition to the Sandstone Gold Operations, the Company has a significant landholding at its Southern Cross Operations.

- Mt Dimer regionally has a substantial tenure footprint with gold and iron ore potential. The Company is currently
 working towards completion of the sale of iron ore rights to MinRes for a combination of upfront and milestone
 cash payments and a \$1/t royalty.⁴
- The Mt Dimer Mining Tenements have been divested to Beacon Minerals Limited. Historically the Mt Dimer Mining Tenements produced over 125,000 ounces of gold from open pit and underground production of approximately 600,000 tonnes @ 6.4g/t. Aurumin retains a 2% net smelter return royalty on gold production above 12,000 ounces and on all other minerals.⁵
- The **Mt Palmer Project** historically produced via open pit and underground methods, generating approximately 158,000 ounces of gold at an average grade of 15.9g/t. The Company is evaluating its options for Mt Palmer.

The Company is actively exploring its tenements and pursuing further acquisitions that complement its existing focus and create additional Shareholder value.

Board

Piers Lewis Non Executive Chairman

Brad Valiukas Managing Director

Shaun Day Non Executive Director

Daniel Raihani Non Executive Director

Capital Structure (pre-placement)

318.4 million shares176.5 million listed options85.9 million unlisted optionsACN: 639 427 099



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REFERENCES

ASX Announcements

- 1 25-Aug-21 64,700oz Johnson Range Mineral Resource Estimate
- 2 16-Dec-21 Aurumin To Acquire 784,000oz Au Sandstone Gold Project
- 3 31-Oct-22 Re-release Sandstone Resource Increased to 946koz
- 4 24-Nov-23 Sale of Mt Dimer Iron Ore Rights
- 5 28-Dec-23 Sale of Mt Dimer Mining Tenements Completed; Further Reduction in Convertible Note & Placement