



# VERTEX MINERALS LIMITED REWARD GOLD MINE

Next High-Grade gold producer

August 27, 2024, | ASX: VTX



# Disclosure and forward looking statements



#### Disclaimer

This presentation contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future eventsand actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results , performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

#### **JORC COMPLIANCE STATEMENTS**

Where statements in this announcement refer to exploration results which previously been reported, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially modified from the original market announcements.

- For further details of the current resource at Reward, refer ASX Announcement dated 26 June 2023
- For further details of the resource at Hargraves and Red Hill and historical recoveries, refer to the IGR in the Company's listing prospectus dated 21 October 2021 and released on ASX on 12 January 2022.
- For further details of the Fosters Exploration Target, refer ASX Announcement dated 29 August 2023
- For further details of the PFS at Hill End refer ASX Announcement dated 26 February 2024

# Corporate Snapshot



**Share Price** 

A\$0.13

52 week high \$0.18, low \$0.076

Shares on issue

122.7m

**Options** 

28.4m

\*Excluding proposed issues pending

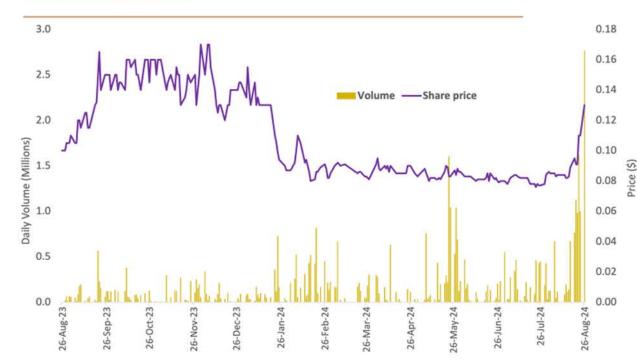
shareholder approval

**Market Capitalisation** 

A\$17.4m

| <b>Directors and Managem</b> | ent                       |
|------------------------------|---------------------------|
| Roger Jackson                | <b>Executive Chairman</b> |
| Declan Franzman              | Non-Executive Director    |
| Tully Richards               | <b>Technical Director</b> |
| Alex Neuling                 | Company Secretary         |

#### Share Price & Volume



## **VERTEX**



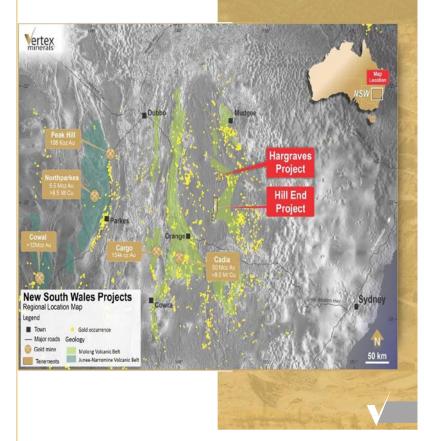


## **VERTEX STRATEGY**

#### STRATEGIC FOCUS

Clear Strategy set for Hill End

- 1. To re install a refurbished circa 110ktpa Gekko Gravity Gold plant in 2024
- 2. To commence gold production from existing stockpiles in early 2025
- 3. Commence mining development in the high-grade Reward Mine in late 2024
- 4. To commence at a reduced throughput, but with ore sorting and ramp up
- 5. To be Australia's most prominent high grade gold miner
- 6. To drill and add high-grade gold to the global Hill End gold inventory, from the large-scale gold system/s within the Hill End Corridor.
- 7. To take the existing resources and near surface mineralisation to production utilising gravity gold recovery methods.
- 8. Earn a robust Safety, Environmental, Social and Governance (ESG) reputation.
- 9. Build shareholder value



## STEPS TO PRODUCTION



- 1. Acquire Morningstar Gekko gravity gold plant (Complete)
- 2. Equity raise x 2 (Complete)
- 3. Plant refurbishment and installation (In progress)
- 4. Commence underground development (In progress)
- 5. Debt funding (In progress)
- 6. Stockpile processing
- 7. Development ore processing
- 8. Reward high-grade gold ore processing

|                               | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 | Sep-25 | Oct-25 | N <b>ov</b> -25 | Dec-25            |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-----------------|-------------------|
|                               |        |        |        |        |        |        |        |        |        | -      | -      |        |        |        |        |        |                 |                   |
| Gravity Plant Upgrade         |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| Ore Sorter                    |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| PlantCommissioning            |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| Stockpile First feed          |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| Underground Development       |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| Reward underground feed       |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 | $\longrightarrow$ |
| ramp up production rate       |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
| Lift production upon approval |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |
|                               |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |        |                 |                   |

# Recently acquired Morningstar Gecko Gravity Gold Plant

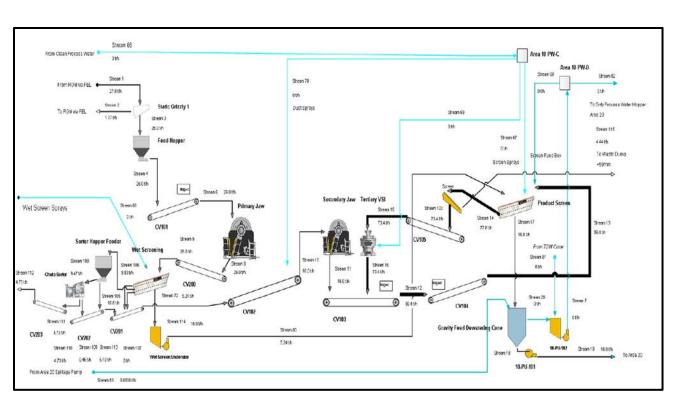


Acquired Gold plant to be refurbished and reinstated at Hill End as a 110ktpa Gravity Gold plant to process the high-grade Reward Ore.



## Gekko Plant to be instated at Hill End with an ore sorter





New Plant flowsheet



The New plant will be located at the old plant site (above).

Utilising the existing

- Gold Room
- Water systems
- Power generation
- Offices
- Change Rooms
- Workshop
- Storeroom
- Crib Room
- Jaw Crusher
- Access Roads
- Security System

#### BENEFITS OF NEW PLANT WITH SORTER



- New plant will be able to treat up 110ktpa existing plant 30ktpa
- Fully Automated
- Only requires 2 operators- thus much lower operating costs
- Full monitoring, including density, flows, mass and sampling
- Rigid gold security
- Can be monitored remotely
- Gekko systems backed
- Full spare parts support
- Ergonomic design
- State of the Art safety systems
- Lower power usage
- Circa \$4m saving on a new build
- Sorter doubles grade, reduces throughput by 50%, plant only needs to operate 50%
- 50% less water use
- Less power
- ½ tails material
- Provides the opportunity to process stockpiles economically while we develop the underground

## HILL-END GOLD PRODUCTION FINANCIALS from PFS does not include stockpile processing



Note: based on Indicated Resource only – This is a JORC rule. (The model uses 50kozs of the 225kozs at 16.7 g/t) First 6 months day shift only at a reduced input.

| Project Life 2 years of minerals processing activities | <b>Gold Production</b> 49,890 ounces          | Gross Revenue<br>\$150 million                       |  |  |
|--|---|--|--|--|
| Capital Expenditure<br>\$17 million<br>Pre-production  | <b>AISC</b><br>\$1,833 per ounce              | <b>Total Employment</b><br>70<br>Full time employees |  |  |
| Free Cashflow<br>\$41 million<br>pre tax               | <b>NPV at 7%</b><br>\$33.3 million<br>pre tax | IRR<br>110%<br>pre tax                               |  |  |

#### **Key Parameters (Refer ASX Announcement dated 26 February 2024)**

- Life of mine pre-tax cash of \$41 million at \$3,000/oz gold price.
- · 6-month payback<sup>1</sup>
- Average monthly gold production of 2,169 oz over 23 months with 92% gold recovery.
- · 26,000 oz of gold produced per year on an annualised basis.
- · Mine design based on mechanised mining methods. Long hole open stoping with remotely operated loaders was selected as the primary stoping method.
- · Planned processing of 181kt of material at a head grade of 9.3 g/t for 49,890 ounces of gold recovered.
- \$17m of capital required prior to production. Savings achieved in purchase of Morning Star Plant and through deferment of discretionary expenditures where possible.
- · Owner operator with a focus on grade not tonnes.
- · Only 2 operators required to run the plant on any shift.

## PROCESSING WILL COMMENCE WITH STOCKPILES





- There is an estimated 50kt of stockpile alongside the Hill End Gravity Gold Plant
- When the new plant is commissioned, Vertex will process these stockpiles while the development is undertaken at the Reward underground.

#### REWARD UNDERGROUND GOLD MINE



The Reward gold mine is well-placed for a simple start-up:

The existing gravity processing plant is located adjacent to the underground mine access point/Adit – new plant to be located on this footprint

Mine access point extends into the resource, so little development is required. The existing 2.4m by 2.4m adit will only require minor rehabilitation.

Second egress in place with ladder way and motorised Alimak conveyance.

Some underground fleet and utility services already in place.

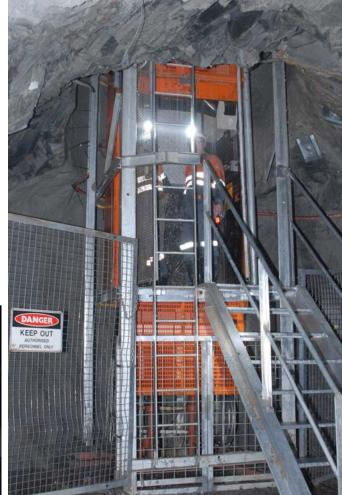
Permitted Mining licence and DA in place for Plant, Stockpiles and the Reward underground mine.

A modification to the consent is required to increase throughput but the mine and tails are permitted.





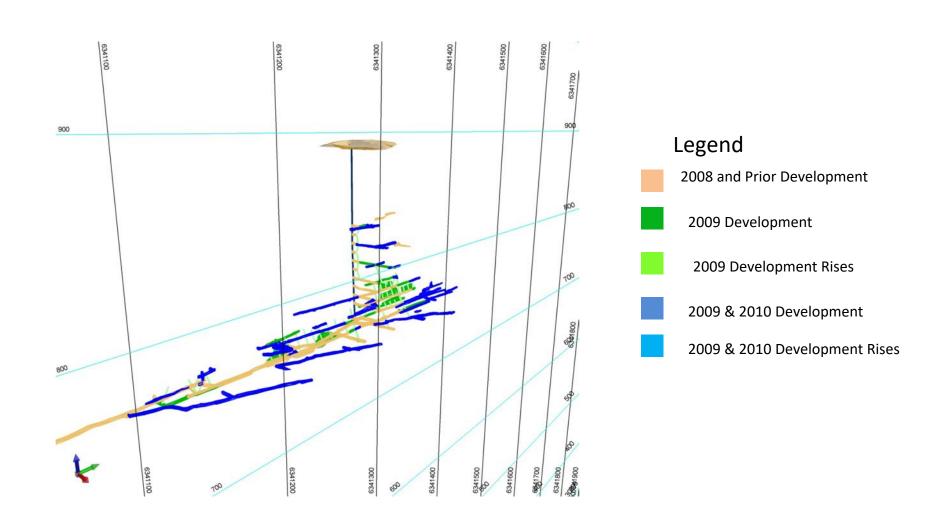






# 2009-2010 Underground Development

with declines developed to first production for Vertex Circa \$25m spent on development



## Vertex is planning to acquire its own underground diamond rig



• The diamond rig will be utilised to target the ultra high-grade vein system that runs down plunge of Reward to bring the Reward Resource into Indicated-225 kozs @16.7 grams\* The Fosters Exploration Target

Vertex plan to run the mine

and drilling rig as an owner

operator

Refer to slide 15 for details of the total Reward Resource, including split between categories.



#### **ROBUST AND PRIMED TO GROW GOLD INVENTORY**



| Hill End Project Mineral Resource Estimate |                |        |          |           |  |  |  |  |
|--|----------------|--------|----------|-----------|--|--|--|--|
| Deposit                                    | Classification | Tonnes | Grade    | Contained |  |  |  |  |
|  |                | (kt)   | Au (g/t) | Au (koz)  |  |  |  |  |
| Reward Gold Mine                           |                |        |          |           |  |  |  |  |
|  | Indicated      | 141    | 15.5     | 71        |  |  |  |  |
|  | Inferred       | 278    | 17.3     | 155       |  |  |  |  |
| Sub Total                                  |                | 419    | 16.7     | 225       |  |  |  |  |
| Hargraves Project                          |                |        |          |           |  |  |  |  |
|  | Indicated      | 1,109  | 2.7      | 97        |  |  |  |  |
|  | Inferred       | 1,210  | 2.1      | 80        |  |  |  |  |
| Sub Total                                  |                | 2,319  | 2.4      | 178       |  |  |  |  |
| Red Hill Project                           |                |        |          |           |  |  |  |  |
|  | Indicated      | 413    | 1.4      | 19        |  |  |  |  |
|  | Inferred       | 1,063  | 1.8      | 61        |  |  |  |  |
| Sub Total                                  |                | 1,476  | 1.7      | 80        |  |  |  |  |
| Project Total                              | 1              |        |          |           |  |  |  |  |
|  | Indicated      | 1,663  | 3.5      | 187       |  |  |  |  |
|  | Inferred       | 2,551  | 3.6      | 296       |  |  |  |  |
| Grand Total                                |                | 4,214  | 3.6      | 483       |  |  |  |  |

Reward Gold Mine: 2.0g/t reporting cutoff grade

Hargraves: 0.8 g/t reporting cutoff grade (ASX Announcement 29 May 2020).

Red Hill: 0.5 g/t per block, ordinary kriging grade interpolation, classified mineral Resources Limited to 160mRL below surface. (ASX Announcement November 2015)

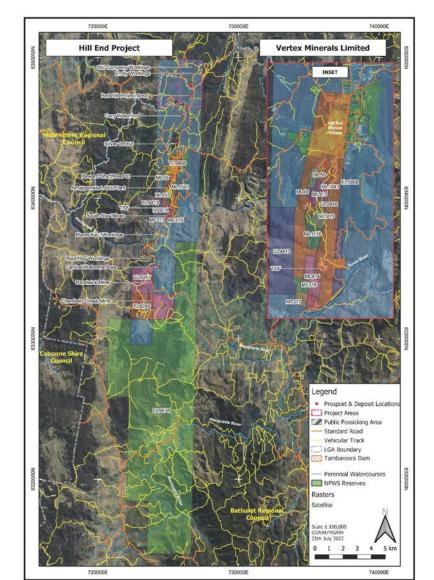
# Scratching the surface





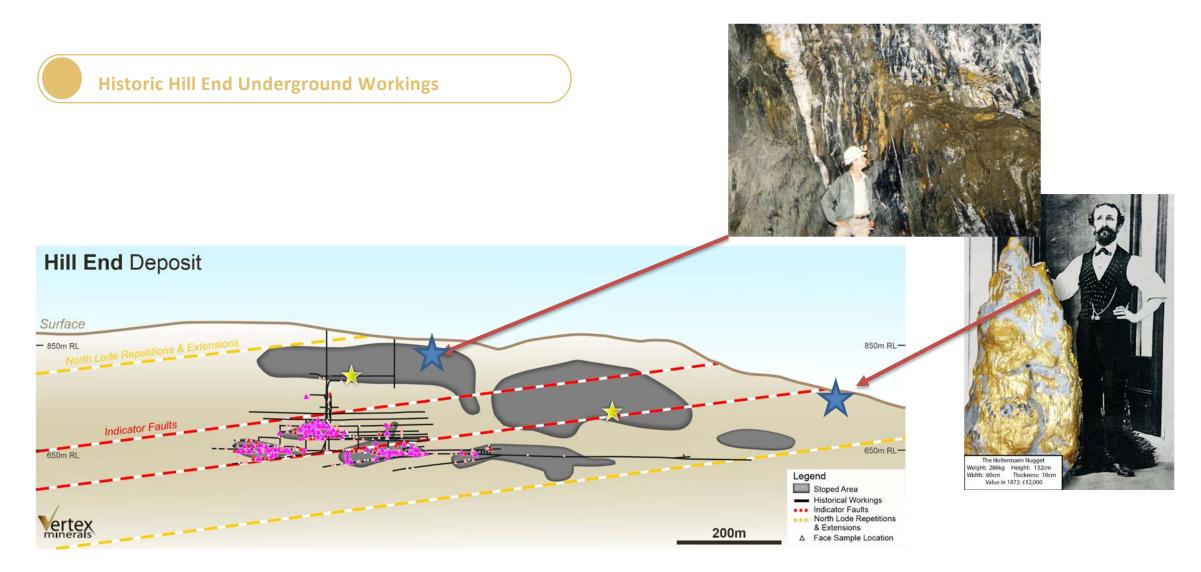
**Large Tenement Holding and Multiple Targets** 

- 34km of prospective strike that was the source of the largest Gold specimen ever to be found globally - discovered at Hill End
- Most lodes only mined to the water table (60 feet)
- Modern exploration has not been completed and a program of multielement and alteration mapping is planned to better map out the zones of high-grade mineralisation
- Recent completion of a full geological review of the Hill End Gold Project and an updated geological and structural model to underpin future exploration campaigns
- Lidar survey completed with 3500+ surficial gold workings identified over the line of lode



# High grade historical mineralisation at Hill End Mine





#### **Environmental and Sustainable Mining Objectives**

Environmentally Responsible and Sustainable Gold Miner

- Gravity Recoverable Gold
- Low Capex and Low Operating cost
- Minimal grind 200 to 650 micron
- Benign tails potential commercial sand
- Benign waste
- Low water usage
- Re usable water
- No chemicals no cyanide
- 23 fine gold
- Minimum tails to productivity
- No tails dam required dry stack



#### **VERTEX SUMMARY**



- 100% ownership of Hill End gold production and exploration assets in HILL END NSW with historical gold production more than 1.8 million oz gold from within our tenements
- Only 40 odd kms from Australia's largest gold mine Cadia
- Planned high-grade gold production under the famous Hawkins Hill Mine
- Robust base case model for 2025 Gold production commencement
- Blue chip exploration ground in the Lachlan Fold Belt
- Old timers mined the full 30km length of Hill End tenements for 3500+ workings And they only scratched the surface. This is a BIG system
- Talented and dedicated operations team
- Proven Board & Management



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