



Corporate Details

Ordinary Shares:
791,747,847

Market Capitalisation:
~\$162 million

Cash and bullion at 31
December 2017:
~\$22.4 million

Debt:
NIL

ASX Code: MOY

Board of Directors

Greg Bittar
Non-Executive Chairman

Michael Chye
Non-Executive Director

Tim Kennedy
Non-Executive Director

Peter Lester
Non-Executive Director

Management

Peter Cash
Chief Executive Officer

Dean Will
Chief Operating Officer

Ray Parry
Chief Financial Officer and
Company Secretary

Contact Details

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2018 production guidance 75-80koz as production climbs towards 100kozpa by December Quarter 2018

**Annualised production rate of 100,000ozpa expected by
Q4 underpinned by the flagship Golden Eagle deposit
and the new Bartons Underground**

Key Points:

- Gold production for CY2018 expected to be in the range of 75-80koz at an all-in sustaining cost (AISC) of A\$1280 – \$1350/oz. This compares with production of 72,848oz in CY2017.
- Gold production for the rest of this year expected to be sourced primarily by re-opening Millennium's largest deposit, at the Golden Eagle Mining Centre, which currently hosts a Mineral Resource inventory of over 320,000oz of gold.
- Production from the Golden Eagle deposit will be supplemented by oxide feed from the new high-grade Redbeard deposit, as well as first development ore from the new Bartons Underground. This will see production hit an annualised run-rate of 100kozpa in Q4 2018.
- 2018 production is expected to be weighted towards the March and December quarters, with production and costs in Q2 and Q3 expected to reflect the additional pre-stripping required to access the higher-grade ore sources at Golden Eagle.
- This is consistent with Millennium's focus on transitioning to larger, more sustainable ore sources at Nullagine.
- The recently appointed underground mining contractor, GBF Underground Mining Company, will begin mobilising to site later this week to start portal development at Bartons.
- Expansion Study based on the newly-identified sulphide ore processing option (see ASX announcement, 5 February) on track for completion by quarter-end, paving the way for a major re-optimisation of the Nullagine Resource and Reserve inventory.
- This is expected to provide the foundations for Millennium to maintain gold production at a level of +100,000ozpa with a minimum 5-year mine life, achieving one of its key long-term objectives.



Millennium Minerals Limited (ASX: MOY) (“**Millennium**” or the “**Company**”) is pleased to advise that its strategy to grow production at its 100%-owned Nullagine Gold Project in the Pilbara region of Western Australia to +100,000kozpa is gaining momentum with the completion of a new mining schedule and production guidance for CY2018.

The new schedule will see mining operations resume at the flagship Golden Eagle Mining Centre, the largest and most important gold deposit at Nullagine.

This is consistent with the Company’s strategic focus on transitioning to mining larger and more sustainable ore sources with the potential to reduce its cost base and unlock operational efficiencies.

The CY2018 mining schedule will see ore primarily sourced from the Golden Eagle Mining Centre once current open pit operations are completed at the expanded Bartons open pit. Open pit mining at Bartons is expected to be completed by the 26 March, clearing the way for the commencement of underground development to access the high-grade mineralisation located directly beneath the open pit.

The Company’s recently appointed underground mining contractor, GBF Underground Mining Company, will begin mobilising to site later this week to commence establishment of the underground portal at Bartons.

Production from Golden Eagle will be supplemented by contributions from the new Redbeard oxide discovery from Q3 2018 and development ore from the new Bartons Underground mine from Q4 2018.

These new higher grade ore sources, combined with the ability to access higher grade ore at Golden Eagle towards the end of the year once pre-stripping activities are completed, should see Millennium achieve an annualised production run-rate of 100kozpa by Q4 this year.

The Company expects to achieve production in the range of 75koz – 80koz of gold at an all-in sustaining cost (AISC)¹ in the range of A\$1280/oz – A\$1350/oz for CY2018.

Gold production for CY2017 totalled 72,848oz at an AISC of A\$1372/oz.

Production for CY2018 is expected to be weighted towards the March and December quarters. Slightly lower production is expected during the June and September quarters due to additional pre-stripping activities required to access the higher-grade ore at Golden Eagle. Higher all-in sustaining costs (AISC) are therefore likely in the June and September quarters due to the lower ounce production. Q2 production is expected to be in the range of 16-18koz.

Management Comment

Millennium’s Chief Executive Peter Cash said the new mining schedule for 2018 provided the Company with a clear blueprint to transition towards a +100kozpa production rate at Nullagine by the end of the year.

“While the imminent completion of the Expansion Study on the new sulphide ore processing route is expected to underpin the Company’s longer-term growth as a +100kozpa gold producer, the new mine schedule for this year sets us firmly on a growth trajectory to achieve that production rate by the end of the year,” he said.



“Returning to mining operations at Golden Eagle is a significant milestone for the Company. This is our flagship, 320,000oz deposit at Nullagine, and it provides us with an opportunity to establish a large, consistent and reliable ore source that will help drive our growth over the next few years.

“A recent small-scale extensional exploration program at Golden Eagle has already delivered an incremental increase in Ore Reserves and we intend to undertake pre-stripping of several key areas over the next two quarters to gain access to higher grade material towards the end of the year.

“This investment will set us up for the future, helping us drive towards a +100kozpa run-rate, which we expect to achieve by the fourth quarter.”

“In parallel with this, we are moving ahead rapidly with the development of our first underground mine at Bartons, which should see us being able to deliver high grade tonnes from this important new ore source by the end of the year.

“These exciting developments, together with the imminent delivery of the Nullagine Expansion Study, will pave the way for Millennium’s rapid evolution into a significant Australian gold producer.”

ENDS

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