

# Tampia Gold Project

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Delivering compelling opportunity in a newly emerging gold province

Diggers and Dealers Conference, August 2018

ASX: EXU



# Explaurum at a glance



## Capital structure

ASX ticker	EXU
Share price (2 August 2018)	A\$0.08
Shares on issue	473.7 M
Options and performance rights	49.2 M
Market capitalisation	A\$38 M
Cash (30 June 2018)	A\$3.4 M
Debt	A\$0.0 M

## EXU share price and trading volumes



## Board and key management

<b>Chris Baker</b> Non-Executive Chairman	Widespread operational and management experience in the Australian and NZ resources sector. Chairman of Coal Association of NZ and MinEx.
<b>John Lawton</b> Managing Director and CEO	Over 40 years experience in minerals exploration, project development, operational management and corporate growth, focussed in the gold sector. Co-founded Ross Mining NL and Auzex Resources.
<b>Stephen Stroud</b> Non-Executive Director	Extensive experience across all aspects of corporate finance and equity markets. Currently Director, Corporate Finance for CCZ Equities.
<b>Greg Partington</b> General Manager Operations	Over 35 years experience in the exploration industry and managing feasibility studies including exploration and operations roles at Northern Gold, Ross Mining NL and Auzex Resources.
<b>Paul Frederiks</b> CFO and Company Secretary	Over 30 years experience in Australian resource company financial and CoSec management including similar roles at Ross Mining NL, Geodynamics Ltd and Discovery Metals.

## Major shareholders

West Trade Enterprises Pty Ltd	6.4%
Aurora Ventures Pty Ltd	6.1%
HSBC Custody Nominees (Aust) Ltd	6.0%

# The Explaurum opportunity



## Accelerating Tampia

### High margin, high return production base

Shallow, high grade (+2g/t) gold deposit outcropping at surface and open at depth

0.7Moz resource and growing

Premier location approx. 240km from Perth, WA

Low capital intensity, high margin (sub-A\$1,000/oz AISC), low risk, open-pit project

First production targeted early 2020

## Growing ounces

### Opening up a newly emerging gold province

Immediate high priority zones to be drilled out: Mace and A8

Significant reserve growth potential in shallow, high-grade, near mine ounces

Objective to delineate multiple 'repeat' deposits in nearby targets

Aggressive exploration program to deliver extension and expansion options

## Driving EXU

### Capturing a compelling value opportunity

The Board and management team to deliver: having done it multiple times before

Low risk development and operating domicile

A genuine gold development coupled with multiple-times potential exploration upside

Clear and present value

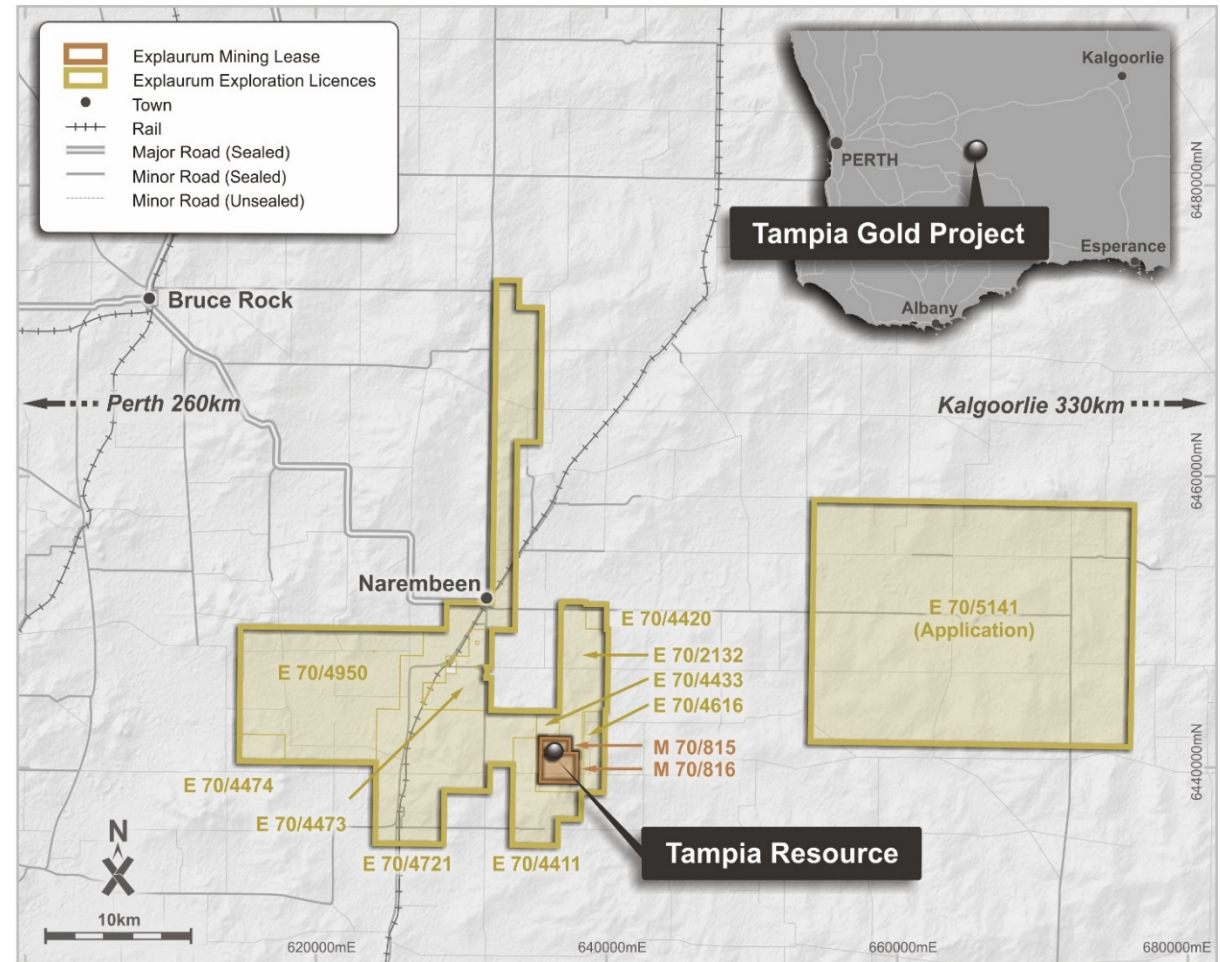


Tampia: High margin, high return base

# Premier location

Well placed for accelerated, low-cost development and operation

- 240km east of Perth and 14km from Narembeen
- Excellent road access, infrastructure and service availability
- Regional airstrip
- All land tenure private and freehold
- Native title extinguished
- Tampia resource located on granted Mining Lease
- Abundant, quality groundwater available
- No significant flora and fauna issues
- Gas power planned on Build-Own-Operate (BOO) basis
- All Explaurum personnel based in Narembeen



# The boxes ticked so far

Key steps taken to unlock the development opportunity at Tampia

- Tampia deposit was discovered in 1987
- Previous development progression stalled by limited technical understanding and challenged local relationships

## When Tampia was acquired by EXU in 2012

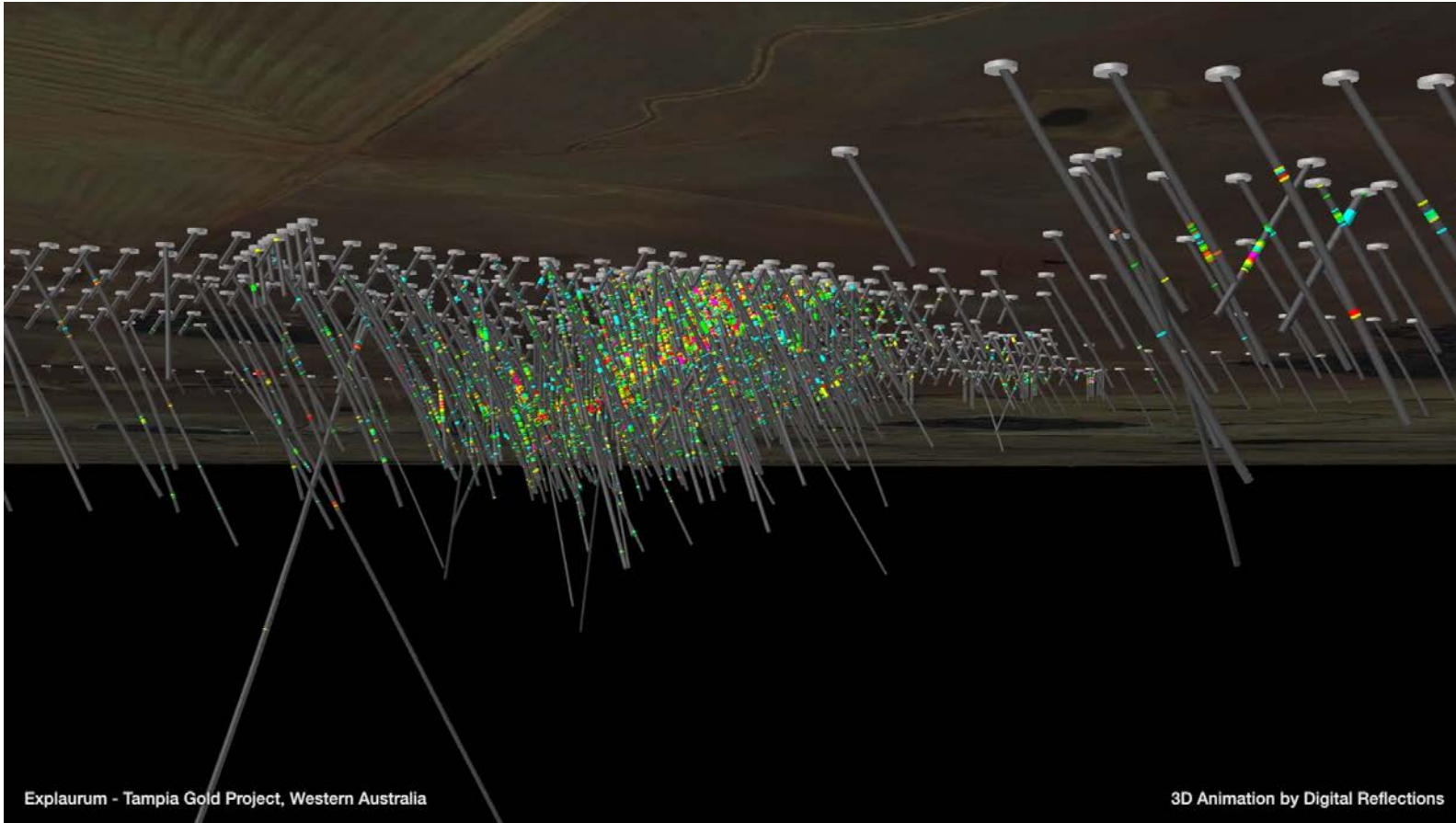
- ✘ No agreed land access
- ✘ Geology was misunderstood
- ✘ Metallurgy was uncertain
- ✘ No current feasibility work or modern development parameters
- ✘ Vast exploration potential not appreciated



## Fast forward to July 2018

- ✔ Individually negotiated land access agreements that confer full access rights and all subsurface mineral exploration rights
- ✔ Strongly enhanced understanding of the geology with gravity survey work also unlocking a genuine targeting mechanism
- ✔ Extensive network has established strong amenability of weathered and fresh Tampia ore to conventional gravity, flotation plus CIL recovery
- ✔ Feasibility Study (FS) completed in May 2018 (following Scoping Study in November 2017)
- ✔ Exploration potential continues to exceed expectations

# Tampia Resource & Pit Design Fly Through



# A technically and financially strong project

Tampia Feasibility Study delivered highly robust physical parameters and outstanding projected returns<sup>1</sup>

Initial mine life  
**5.3 years**

Total gold production  
**490 koz**

IRR (post-tax)  
**38%**

NPV<sub>8%</sub> (post-tax)  
**A\$92 M**

Plant throughput  
**1.5 Mtpa**

Head grade (LOM average)  
**2.1 g/t**

Payback (post-tax)  
**1.8 years**

LOM free cashflow  
**A\$151 M**

Strip ratio  
**7.6 : 1**

Gold recovery (LOM average)  
**92%**

Initial capital cost  
**A\$119M**

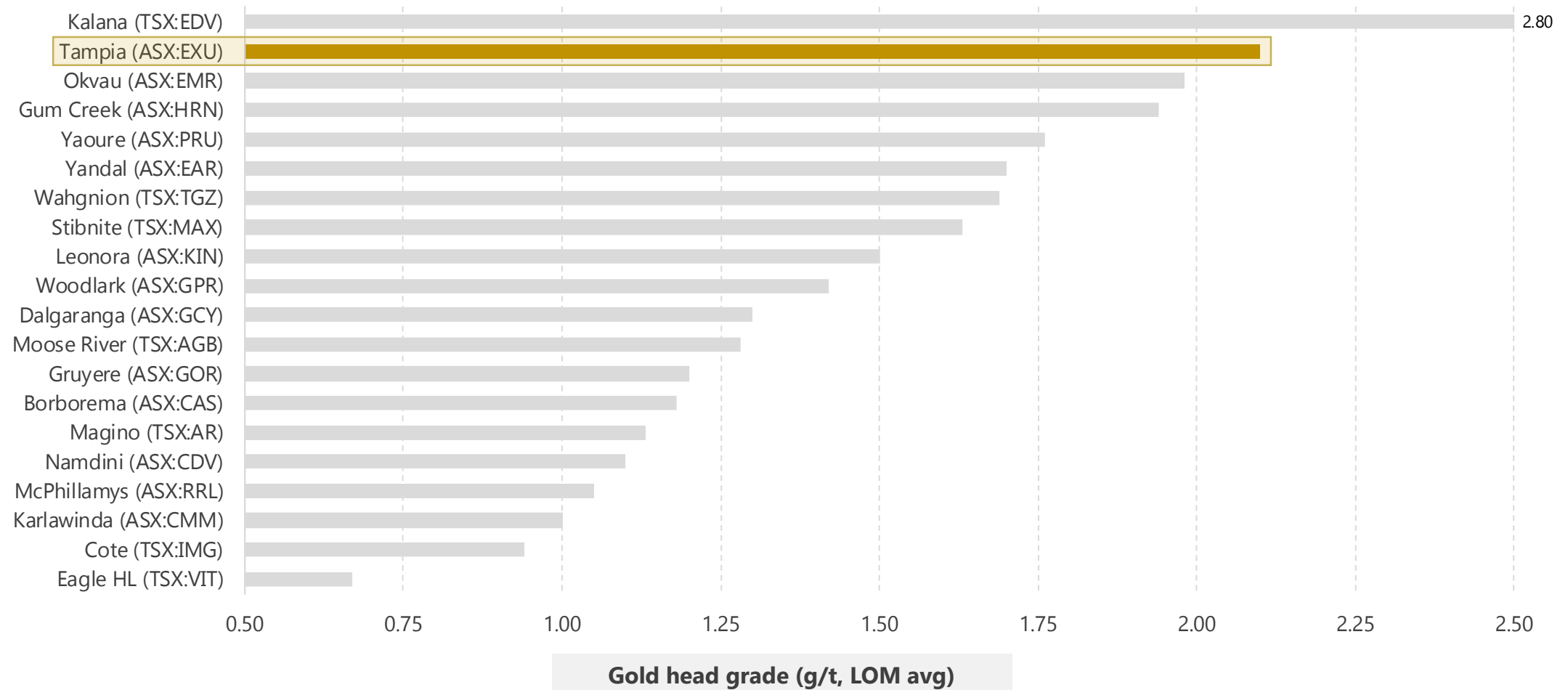
All-in-sustaining-cost (AISC)  
**A\$998/oz**

<sup>1</sup> FS outcomes based on a A\$1,650/oz gold price; see EXU ASX release 30 May 2018, "Tampia Feasibility Study", for comprehensive details.



# High-grade open pit development

Strong economics driven by +2g/t LOM average ore feed



All data sourced from publicly released feasibility study work on each project.



- EXU Tenements
  - Gravity Targets
  - Interpreted Strike Slip Fault
  - Interpreted Normal Fault
- Interpreted Geology**
- Granite
  - Felsic Gneiss
  - Mafic Gneiss
  - Mafic Migmatite
  - Garnet Mafic Gneiss
  - Garnet Felsic Gneiss
  - Garnet Mafic Migmatite

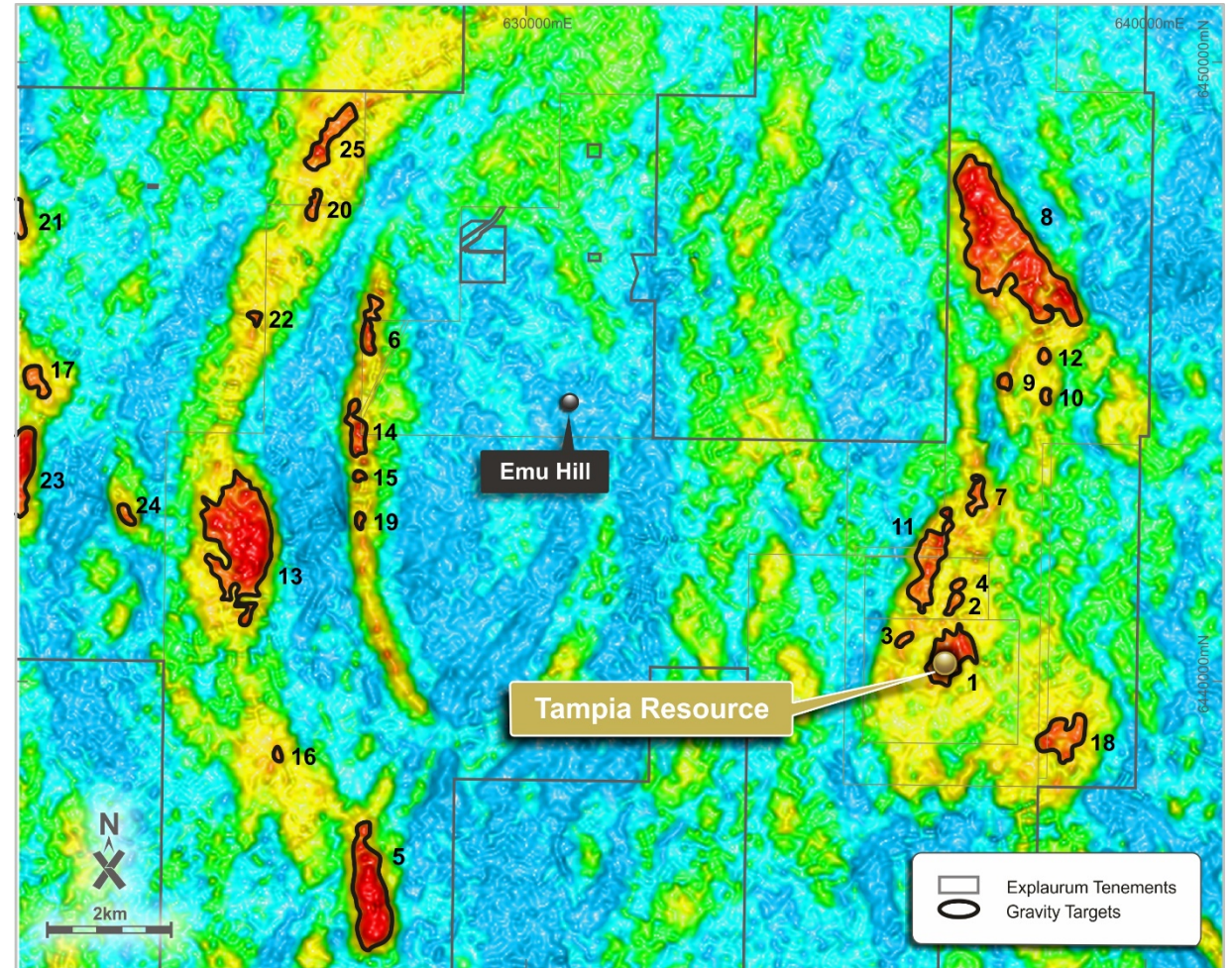
**Tampia  
Resource**

Opening up a newly emerging gold province

# Unlocking the Tampia district

Gravity survey work has been the game-changer

- Prior to 2016 most exploration activity was focussed on the Tampia resource area and was driven by surface geochemistry, with little understanding of geological controls
- In April 2016 ground gravity surveying identified a bullseye anomaly coincident with the known Tampia deposit
- In May 2017 a 400km<sup>2</sup> airborne gravity and magnetic survey of the district identified 3 major new targets and 21 secondary targets
- All targets are discrete gravity anomalies interpreted as mafic gneiss bodies (Tampia host) prospective for gold mineralisation, with similar geophysical signature to the Tampia deposit

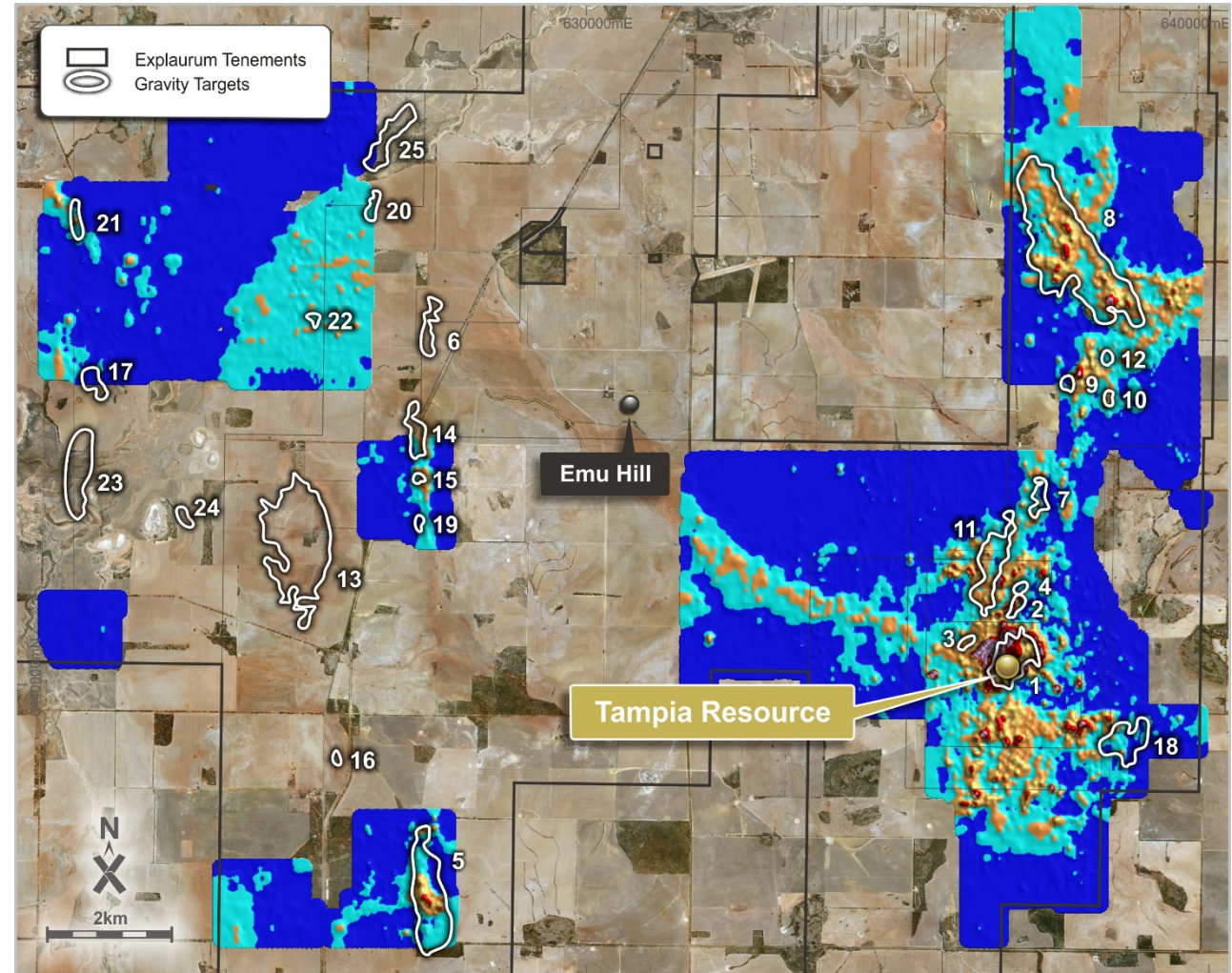


Gravity survey mapping showing Tampia and 24 further targets

# An emerging gold field with outstanding repeat potential

Progressive upgrading of target quality continues

- Many of these gravity targets have now been converted to gold-in-soil confirmed targets
- Eastern greenstone belt (includes the Tampia resource) has confirmed gold soil anomalies over an area 10km long and 4km wide, open both to the north and south

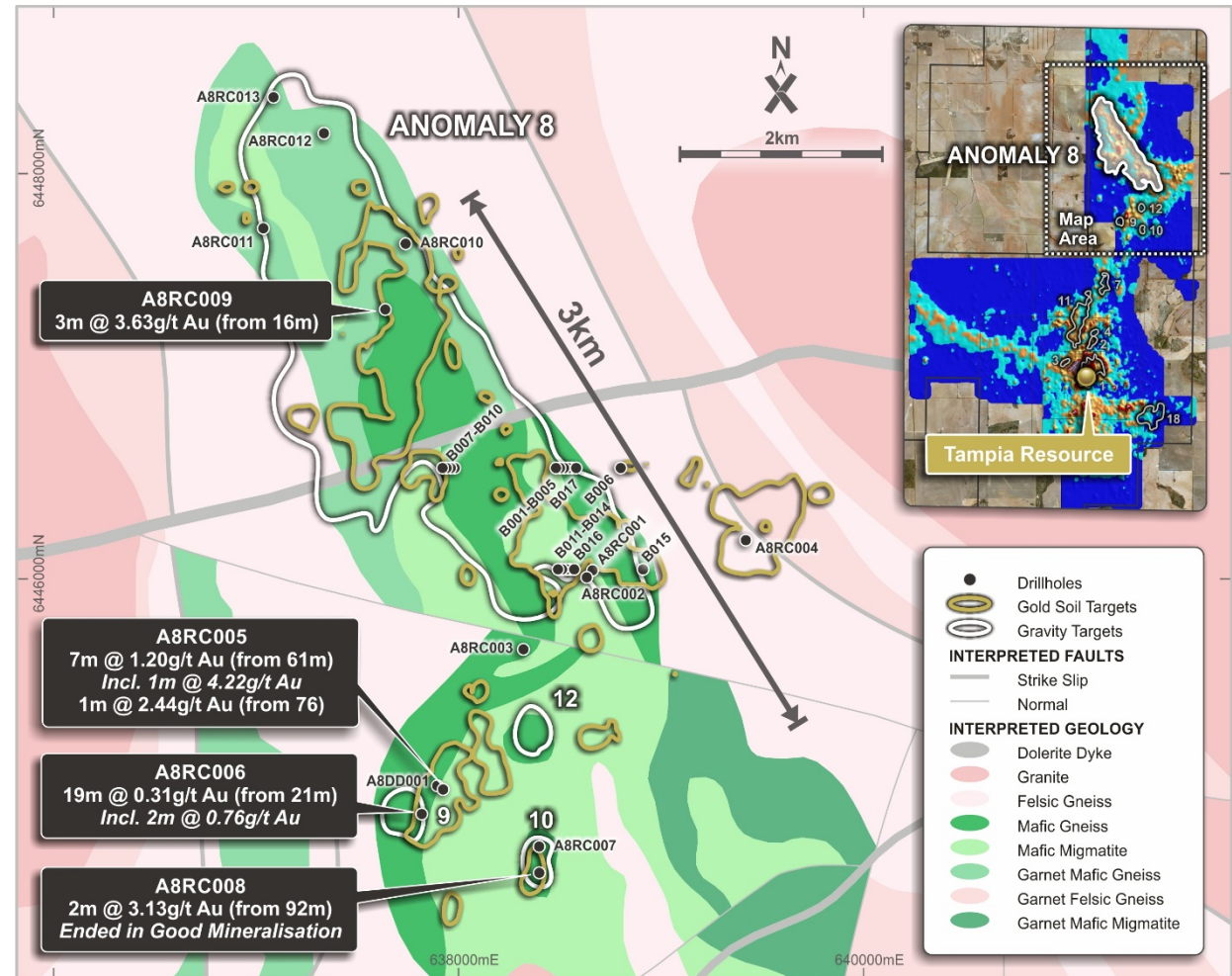


Soil sample survey results to date

# Anomaly 8

Drilling of first major regional gravity target confirms ore grade mineralisation

- Located 6km north of the Tampia deposit
- One of the three major gravity targets (No. 8)
- Highly anomalous soil sample results (Feb 2018)
  - Up to 0.81g/t over a 2.5km<sup>2</sup> area
- Initial RC drilling (Jun 2018) yielded four intercepts over an area five times the size of Tampia
  - 3m at 3.6g/t from 16m
  - 7m at 1.2g/t from 61m
  - 19m at 0.3g/t from 22m
  - 2m at 3.1g/t from 92m
- Results for four diamond drill holes pending
- Scout RC drilling (4,000m) of proximate soil targets planned

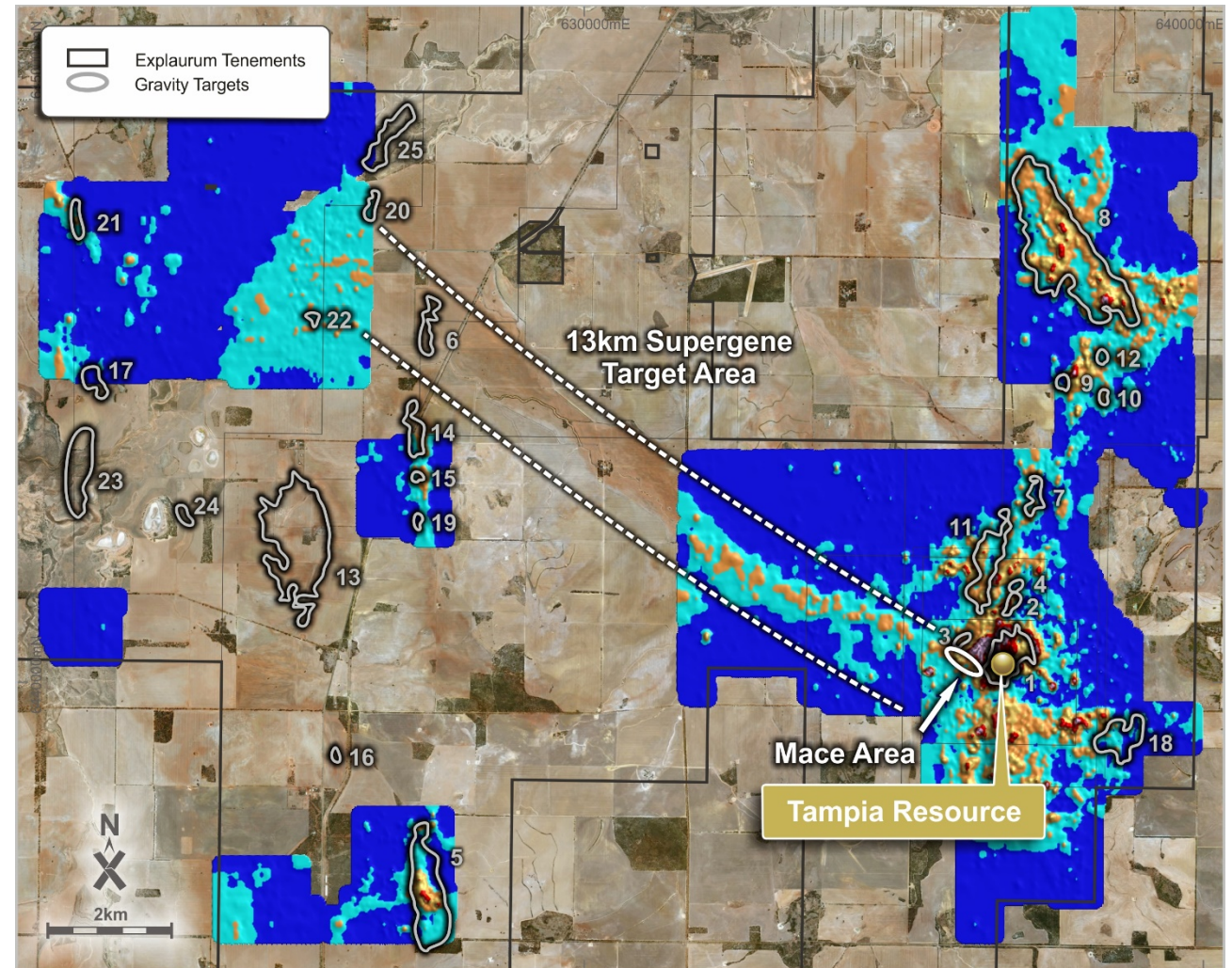


Anomaly 8 RC drilling and soil results

# Mace and the supergene corridor

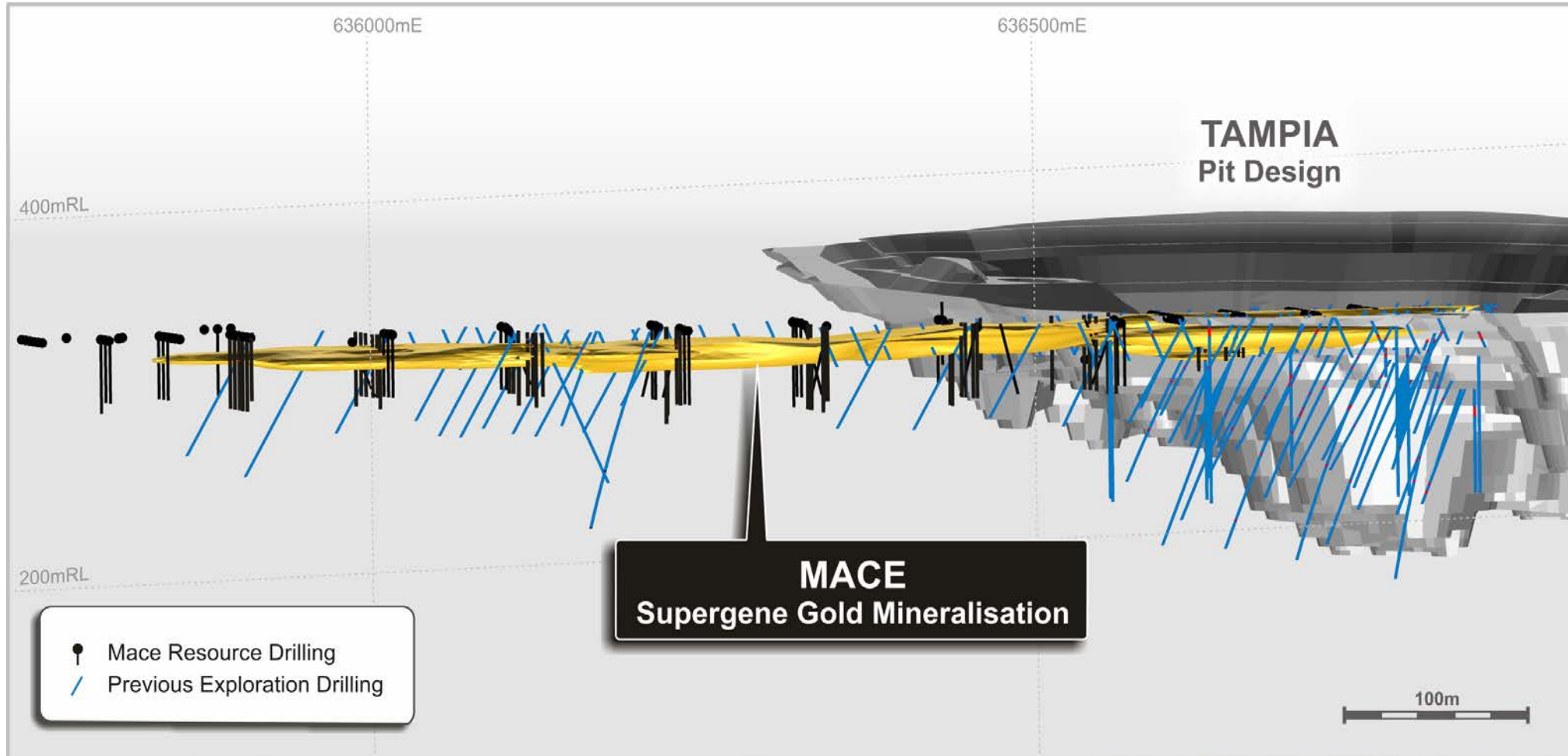
Large scale, adjacent, shallow, high-grade ounces

- Located immediately west of Tampia resource area
- Shallow supergene mineralisation (starting 5-10m below surface) intersected over 650m long by 50m wide zone
- Average thickness of ~5m and average uncut grade +5g/t
- Recent RC drill results (July 2018) include:
  - 11m at 13.9g/t from 7m
  - 8m at 10.0g/t from 10m
- Open to the west and associated with a gold soil anomaly that extends approx. 13km to the west
- High economic potential given shallow depth, high grades and high gold recoveries from Tampia weathered material
- Strike extension and infill drilling in progress
- Maiden resource targeted for September 2018



Mace drilled zone and 13km soil anomaly following drainage creek (supergene target area)

# Mace supergene gold mineralisation



# A drilling pipeline

Numerous high-quality targets to be tested

- To date, all but one of the gravity targets soil sampled have exhibited anomalous gold association
- Initial targeting of all gravity/gold-in-soil targets of eastern greenstone over 10km length
- Complete soil sampling of western greenstone gravity targets to prioritise RC drill targets for testing
- Rapid move to resource drilling for sufficiently endowed prospects (eg Mace)





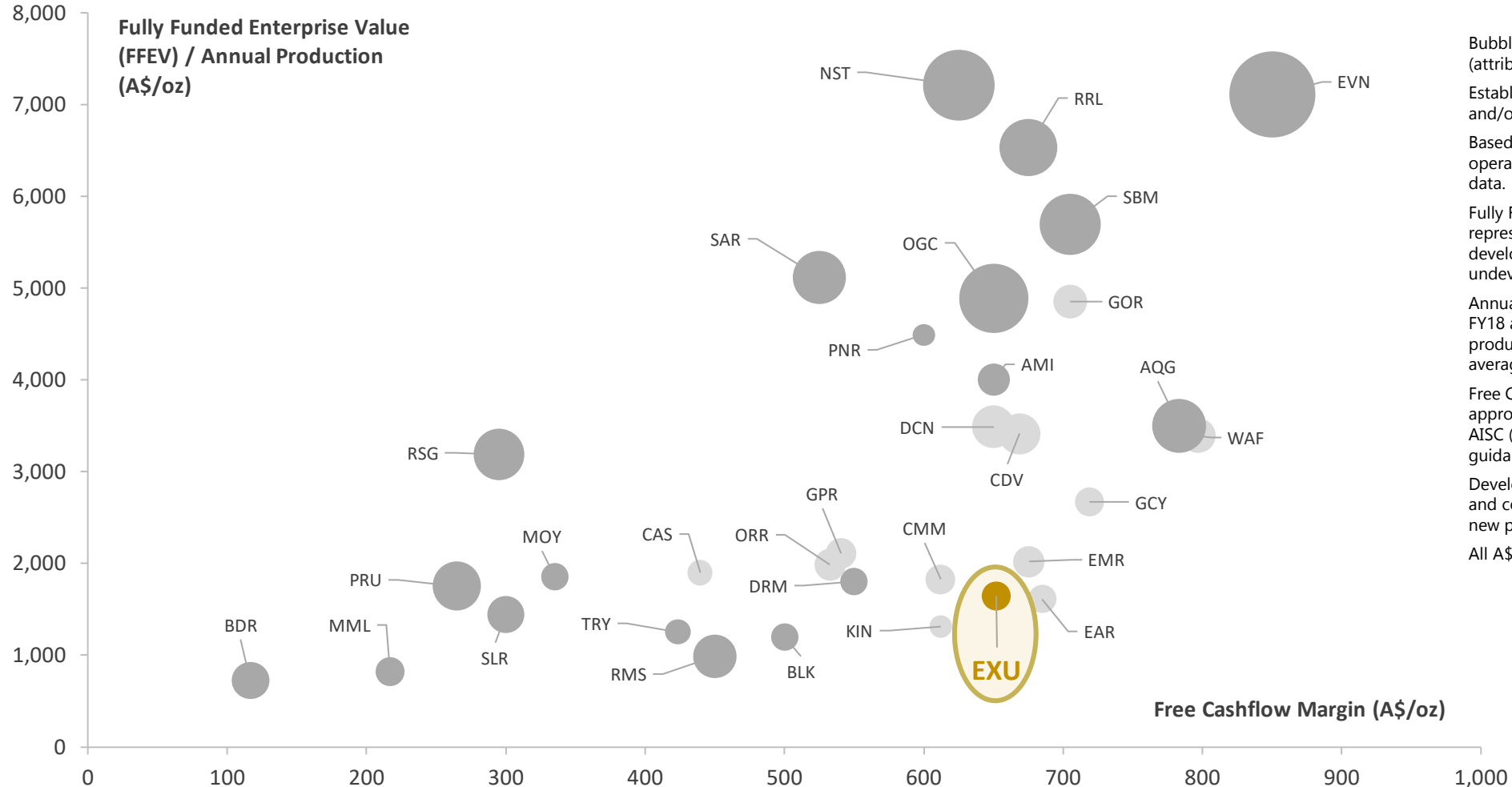
A construction site at night, illuminated by artificial lights. In the foreground, several workers wearing hard hats and work clothes are gathered around a table, examining long, cylindrical metal pipes. To the left, a large yellow piece of machinery, possibly a drilling rig, is visible. The background shows a dark, open field under a night sky. A semi-transparent yellow banner is overlaid across the middle of the image, containing the text "Capturing a compelling value opportunity".

Capturing a compelling value opportunity

# Peer value comparative



Targeted re-rating driven by successful transition to production coupled with strong growth in mineral inventory



Bubble size represents Annual Production (attributable)

Established miners in dark grey, developers and/or ramping up operations in light grey

Based on publicly released corporate, operational and project feasibility study data.

Fully Funded Enterprise Value (FFEV) represents existing EV plus requisite development capital to be spent on undeveloped project(s).

Annual Production represents attributable FY18 actual production, FY18/FY19 production guidance or forecast annual average project production.

Free Cashflow (FCF) Margin represents approx. gold spot of A\$1,650/oz minus AISC (FY18 actual AISC, FY18/FY19 AISC guidance or forecast average project AISC).

Development project production, capital and costs included for existing miners if new project is Board approved.

All A\$/US\$ conversions at 0.75.

# Driving EXU

A clear near-term pathway to capture value and growth opportunities



**Shallow, high grade, high margin ounces**

**Premier project location**

**Technically robust with outstanding returns**

**A pipeline of high quality drill targets**

**Multiple-times potential exploration upside**

**The team to deliver it**

**Clear and present value**

# Important notices

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## FORWARD LOOKING AND CAUTIONARY STATEMENTS

Some statements in this report regarding estimates or future events are forward-looking statements. They include indications of, and guidance on future earnings, cash flow, costs and financial performance. Forward-looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual”, and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements are provided as a general guide only and should not be relied upon as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain mine licences, permits and other regulatory approvals required in connection with mining and processing operations, competition for among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest rate fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward-looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this presentation reflect views held only as at the date of this presentation.

Other than as required by law and the ASX Listing Rules, Explaurum disclaims any duty to update forward looking statements to reflect new developments.

This announcement has been prepared in compliance with the JORC Code (2012) and current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any production targets and financial estimates, based on the information contained in the announcement “Tampia Feasibility Confirms Robust High-Margin Gold Project” dated 30 May 2018. Key aspects of the Feasibility Study were compiled by specialist consulting groups, each with particular expertise in the area of the Study for which they reported.

## COMPETENT PERSON’S STATEMENT

The technical information in this presentation which relates to the Tampia Gold Project Feasibility Study was first reported by the Company in compliance with JORC 2012 and ASX Listing Rules in a market release dated 30 May 2018 and the results of the recent RC drilling program of the Mace supergene gold mineralisation were released on 3 July 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

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