



## Quarterly Activities Report to 31 March 2021

### HIGHLIGHTS

- **AGC admitted to the Australian Securities Exchange after closing its oversubscribed \$10 million Initial Public Offering**
- **1,242m RC drilled at Achilles 3 target, across seven holes, intersected zones of strong alteration and base-metal sulphides above a large EM conductor, assays are expected imminently and follow up drilling being planned**
- **1,075m RC drilled at the Mt Boorithumble target, across six holes, intersected multiple encouraging Cobar-style shear zones with alteration and weak base-metal sulphides observed, assays are expected in May**
- **Ground magnetics survey at Pattons Au-Cu target highlighted multiple large, shallow anomalies at AGC's maiden drill target**
- **1,068m RC drilled at the Pattons target, in seven holes, confirmed north-east dipping magnetic horizon with strong alteration, intercepted across 550m of strike and is open along strike and down dip, assays are expected imminently**
- **AGC will host a booth and presentation at the RIU Sydney Resources Round-Up Conference 4-6<sup>th</sup> May**

Australian Gold and Copper Ltd (ASX: AGC) ("AGC" or the "Company") is pleased to report on its first quarter activities after its admission to the ASX.

### Corporate

#### **IPO Raises \$10M for Discovery Focused Exploration**

AGC was admitted to the Official List on 18 January 2021 and commenced trading on the Australian Securities Exchange ("ASX") on 20 January 2021, following a successful oversubscribed Initial Public Offer ("IPO") to raise \$10 million (before costs). The Company is progressing its strategy to drill test its standout portfolio of drill-ready, near-surface targets for gold and/or base-metals in the Central Lachlan Fold Belt, New South Wales.

#### **RIU Sydney Resources Round Up Conference**

AGC will be presenting at and hosting a booth (# 37) at the RIU Sydney Resources Round Up conference from next Tuesday, 4<sup>th</sup> – 6<sup>th</sup> May.

## Exploration and Operations

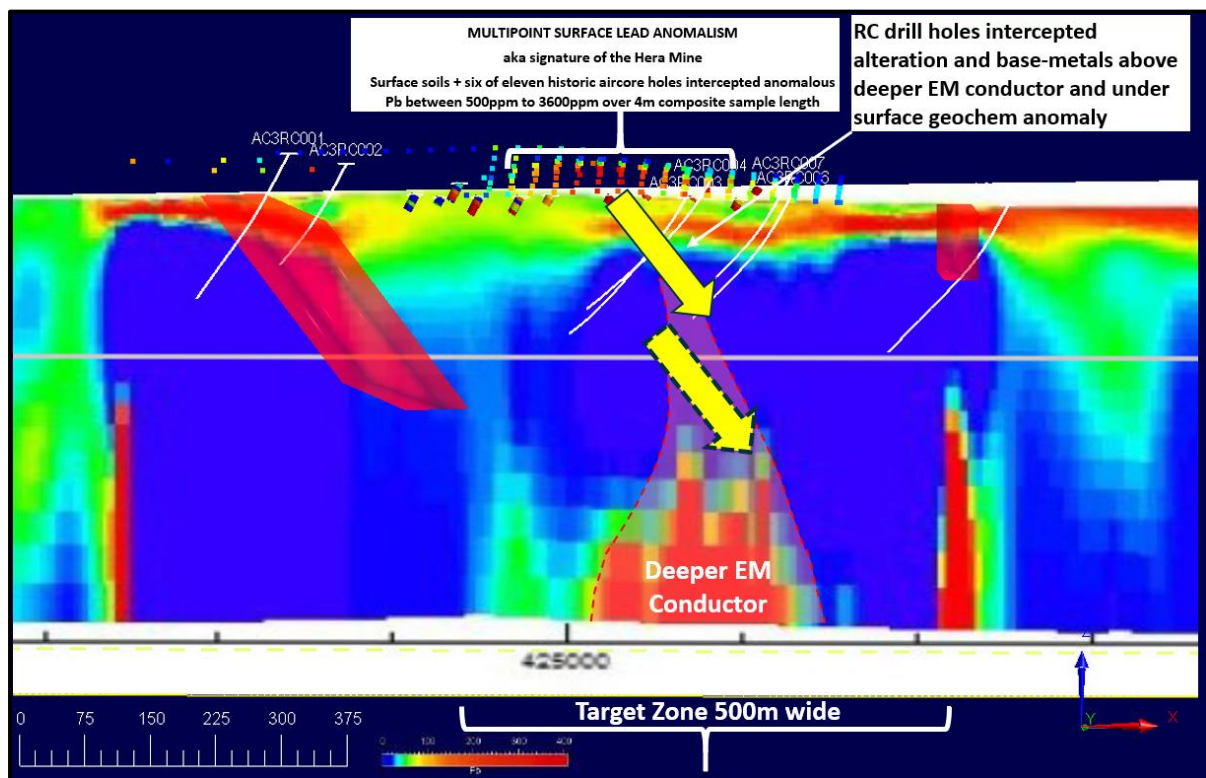
Three discovery focused Reverse Circulation (RC) drilling campaigns were completed within two months of IPO listing. AGC continues to advance its near surface targets with further drilling planned at each of the Company's Projects including follow up drilling at Achilles 3 base-metal target.

### Cargelligo Project (Gold & Base-Metals), 100% AGC

#### Achilles 3 Drilling Intersects Base-Metals and Alteration

Achilles 3 is in the south eastern portion of the prolific Cobar Basin. Achilles is a Hera/Federation style copper, lead and zinc prospect.

The RC drilling campaign at Achilles 3 intersected a base-metal zone above a deeper EM conductor with a total of 1,242m drilled across seven holes (figures 1-3). Follow up soil sampling is underway, and further drilling is being planned.



**Figure 1:** Achilles 3 target looking north, showing RC drill traces (white) and underlying EM conductor, with two ground EM conductors (red), and anomalous lead in soils surface geochemistry. The holes in the middle of the image above the deeper AEM conductor were where the alteration and mineralisation was intersected (solid yellow arrows) and are open at depth towards the deep EM conductor (dashed yellow arrow). see p116 AGC ASX prospectus lodged 18<sup>th</sup> November 2020 for historic data.

The most mineralised hole, AC3RC004 intercepted an encouraging 5m wide zone (approximately 4m true thickness) of banded and disseminated base-metal sulphide mineralisation including galena, sphalerite and chalcopyrite (figure 1). This is a significant interval of visual mineralisation for a maiden drill program in the Southern Cobar Basin.

To place it in context, intervals of similar widths were drilled in two holes above the Hera deposit in 1984 (Cooper, 2017) and this Hera discovery led to the first mine operated by Aurelia Metals (ASX:AMI). The Hera mine is located on the eastern margin of the Cobar Basin 120km north of the Cargelligo project, see AGC ASX prospectus for further details.



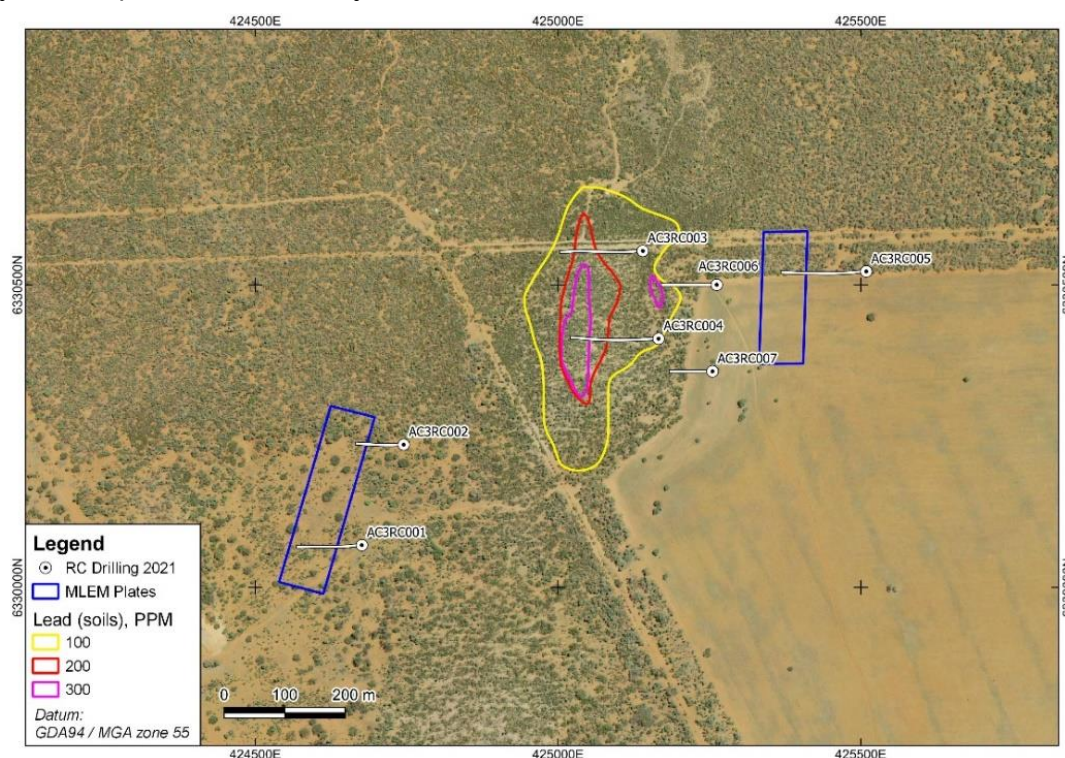


**Figure 2:** RC chips from hole AC3RC004 mineralised interval 89-91m. The grey mineral is galena (lead sulphide), red mineral is sphalerite (zinc sulphide).

In the five eastern holes, (AC3RC003-AC3RC007) drilling intercepted encouraging alteration zones of around 100m in thickness with strong quartz, sericite, chlorite, pyrite alteration of felsic volcanoclastics and silicified siltstones/sandstones, with disseminated galena. This zone lies directly above a deeper EM conductor (figure 1) and hence provides significant encouragement for drilling deeper in future programs.

Intersecting banded base-metal sulphides in the first drilling campaign has confirmed that the Cargelligo licence is fertile and provides further confidence the 8km long shear zone could host deposits of economic scale and highlights the potential significance of the EM conductor at depth below Achilles 3 RC drilling, see figure 1.

Assays are expected imminently.



**Figure 3:** Plan view map of RC collar locations and the various targets that were tested. The most mineralised hole AC3RC004 was drilled under the strongest east dipping lead soil anomaly.

### **Mt Boorithumble Drilling**

A second RC drilling program was completed at the Cargelligo Project, testing the Mt Boorithumble gold and base-metal target with 1,075m drilled across six holes.

The drilling intersected multiple encouraging zones of alteration and weak base-metal sulphides hosted by volcanics and sediments. One of these zones was intersected along strike from a large ground EM conductor which is planned to be targeted in a second phase of RC drilling.

Assays are expected in May.

Follow up soil sampling is being planned to help track the target horizons along strike north and south.

Mount Boorithumble is one of three “Hera/Federation style” targets within the Cargelligo licence (EL8968) which include Achilles 2, Achilles 3 and Mount Boorithumble, and are located in the Southern Cobar Basin, south of the recent Federation discovery and Hera mine along the eastern margin of the Cobar Basin (figure 7), see p100-117 AGC ASX prospectus.

### **Moorefield Project (Gold), 100% AGC**

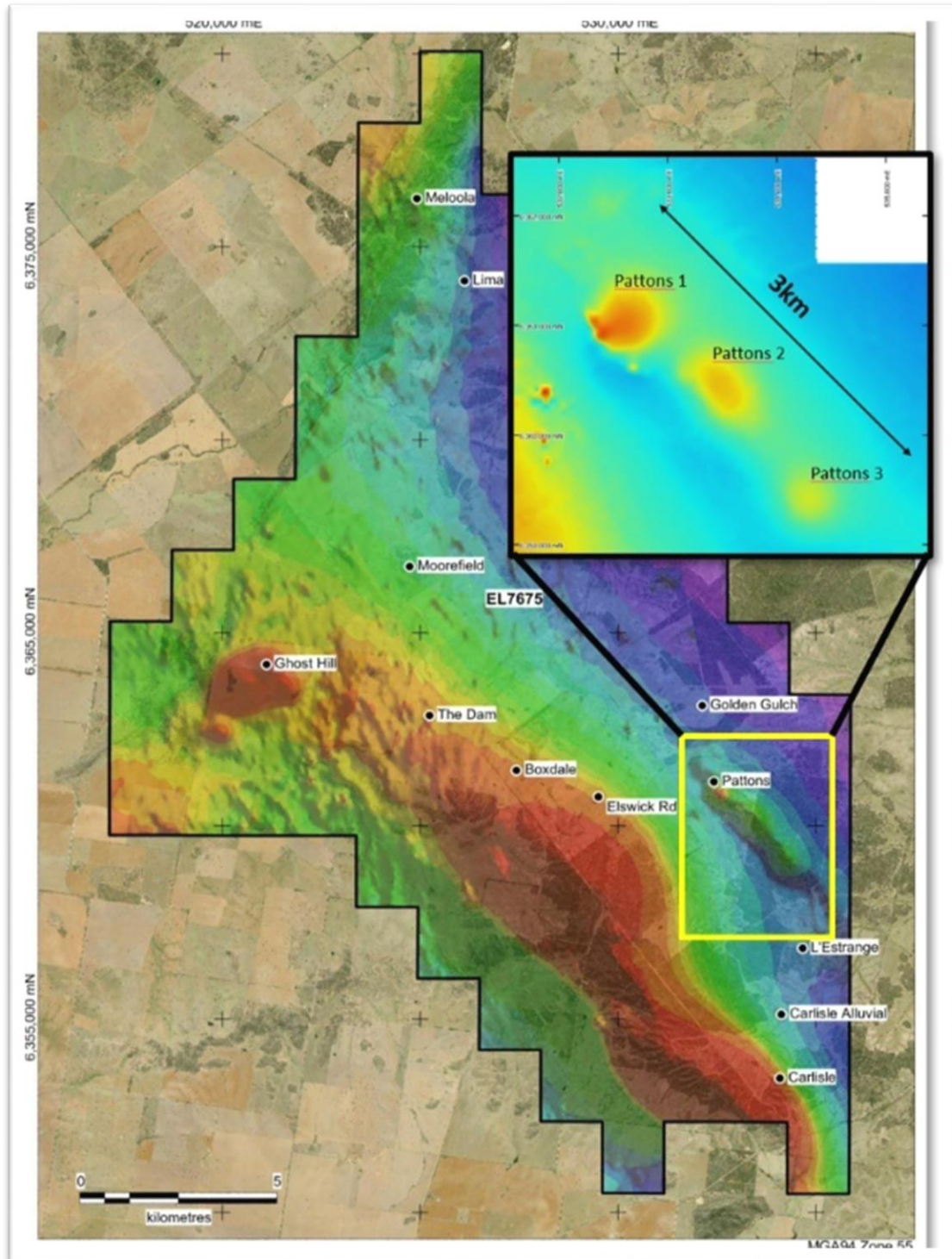
#### **Pattons: Ground Magnetism Survey and Maiden Drilling intersects potential mineralised zone over 550m Strike**

AGC’s maiden RC drill program at the Pattons gold target on the Moorefield exploration licence EL7675, was conducted only weeks after listing.

The Pattons prospect is 3km long, and made up of three, NW-striking, magnetic highs, each being around 750m in length, see figure 4. The ground magnetism survey and drilling conducted during the quarter focused on testing Pattons 1, which is the northern of the three magnetic highs.

Seven RC holes were drilled for 1,068m with deepest hole being 216m in length. The drilling was designed to test the gold and copper potential of the 750m long magnetic high anomaly at Pattons 1, which was modelled to be north east dipping (see ASX AGC 29<sup>th</sup> January 2021) and had rock float samples to 6.14g/t gold (see ASX AGC prospectus 18<sup>th</sup> November 2020).





**Figure 4.** Moorefield EL7675 outline with aeromagnetic TMI RTP image clipped to the licence boundary, the insert showing the location of the Pattons prospect made up of three magnetic highs.

The drilling successfully intersected a magnetic horizon dipping 60° north-east in six of seven holes across 550m of strike length. The second hole PTRC002 which did not intersect the horizon was a short scissor hole designed to confirm the dip of the magnetic horizon. The magnetic horizon, due to the hydrothermal alteration mineral magnetite, varied in magnetite intensity (up to  $90 \times 10^{-3}$  SI) and width from 1m to 20m (approximately 0.8m to 16m true thickness). The observed alteration assemblages were sericite in the hanging wall, then banded quartz-magnetite, carbonate, disseminated pyrite and arsenopyrite in the main body and strong chlorite in the footwall. Drill collar and trace locations are shown in figure 5 and 6.





## Gundagai Project (Gold), 100% AGC

### Grandview: Ground Magnetism Survey Completed

Grandview is prospective for large tonnage gold such as the multi-million ounce McPhillamys Resource in NSW owned by Regis Resources, see AGC ASX prospectus lodged 18<sup>th</sup> November 2020.

During the quarter, a ground magnetism survey was completed at Grandview by Fender Geophysics and results are pending interpretation of raw data. The survey was designed to aid in mapping geology, alteration and faults prior to planned drilling of the 1.2km long gold and pathfinder soil anomaly with up to 35g/t gold in 1m composited rockchips.

### ASX Additional Information

As per ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$465,000. Full details of exploration activity during the Quarter are set out in this report.

As per ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the Quarter.

As per ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the Quarter \$231,000. The Company advises that this relates to director's fees and accounting and company secretarial related services.

As per ASX Listing Rule 5.3.4 the following expenditures have occurred since listing:

Item	Current Quarter	Year to date	As per IPO Prospectus dated 18 November 2020
Exploration – year 1 Moorefield	\$198K	\$198K	\$1.040m
Exploration – year 1 Cargelligo	\$262K	\$262K	\$970K
Exploration – year 1 Gundagai	\$5K	\$5K	\$300K
Working capital/operating expenses (yr1)	\$518K	\$518K	\$1.500m
Cost of offer – fundraising	\$615K	\$615K	\$600K
Costs of offer – other	\$480K	\$480K	\$400K

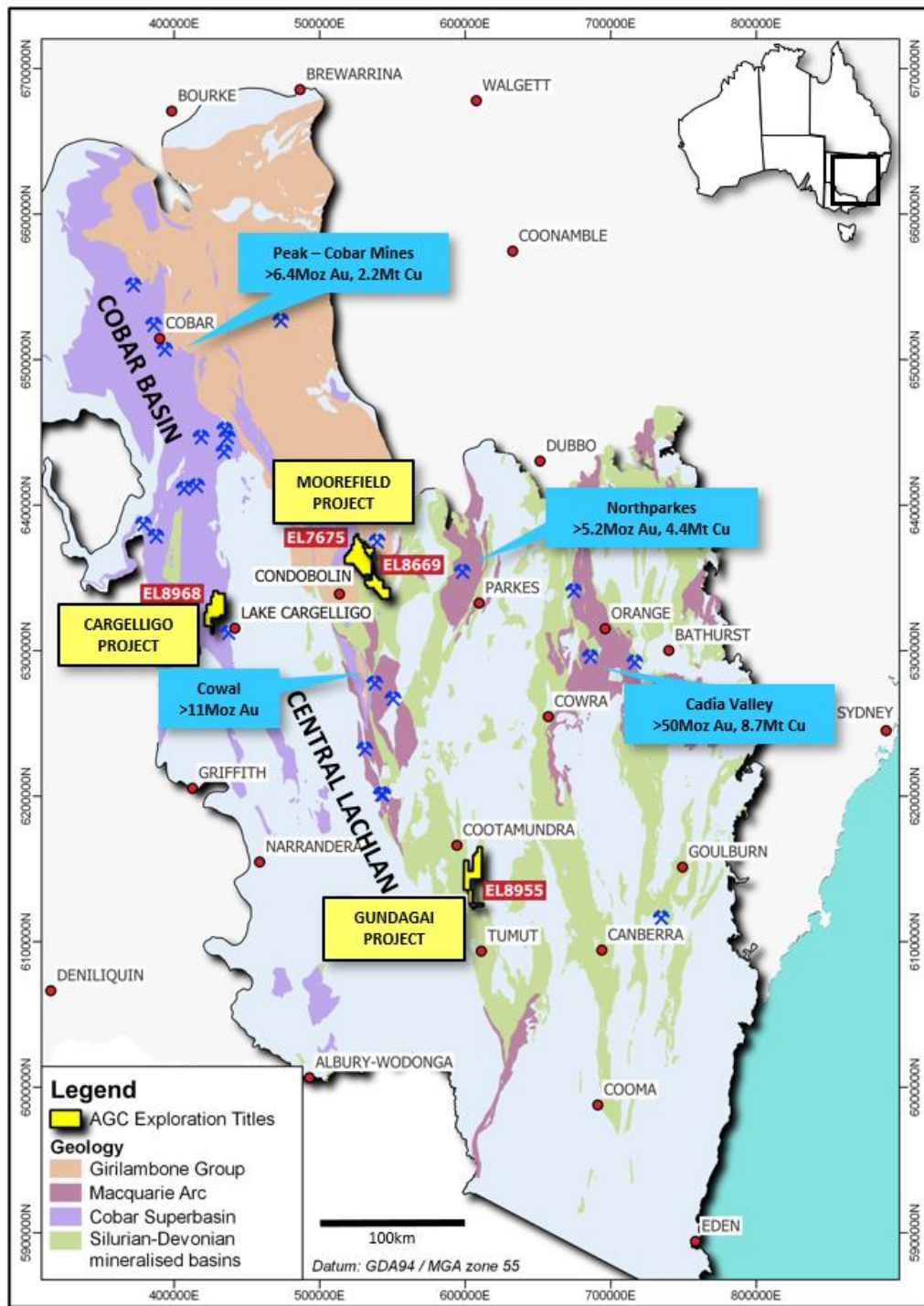
The differences in the above are as follows:

- *Costs of Offer – Other.* These costs include legal costs, accounting and tax advice costs, and other support services
  - Legal and related costs increased due to an amendment to the offer, as evidenced by the Supplementary prospectus dated 30 November 2020);
  - Delays in the anticipated listing of the Company increased costs of the offer, predominantly legal costs;
  - The Company exceeded the Financial Acquisitions Threshold (FAT) and was therefore unable to claim all of the GST Input Tax Credits for Legal, ASX and associated costs relating to the IPO. The Prospectus was prepared assuming all GST Input Tax Credits could be claimed and were disclosed on an ex-GST basis.
- *Costs of Offer – Fundraising.* These costs included brokerage fees for the IPO. As the Company exceeded the Financial Acquisitions Threshold (FAT) they were not entitled to claim the full amount of the GST Input Tax Credits for brokerage fees.



## Projects Overview

AGC's portfolio located in the Central Lachlan Fold Belt includes the Moorefield gold project, located in similar aged rocks to the Fosterville Gold mine (one of the world's most profitable underground gold mines), the Cargelligo base-metal project in the southern Cobar Super-Basin exploring for Hera and Federation style deposits, and the Gundagai project, exploring for multi-million ounce McPhillamy's type gold deposits.



**Figure 7. Location** of the Cargelligo, Moorefield and Gundagai Projects in relation to major mines and deposits within the Lachlan Fold Belt., see p100 AGC ASX prospectus lodged 18<sup>th</sup> November 2020.



## References:

AGC ASX prospectus lodged 18<sup>th</sup> November 2020

Cooper I., 2017, Finding Hera, Looking for the rest of the family, CWEDG.  
<http://www.smedg.org.au/pdf/CWEDGAug2017FindingHera.pdf>

## ASX Market Sensitive Announcements

29/01/2021 Ground magnetic survey completed and drill rig mobilising

10/02/2021 Maiden drill program at Pattons intersects target horizon

15/02/2021 Drilling commenced at Achilles 3 gold base-metal target

03/03/2021 Drilling at Achilles 3 intersects base-metal sulphide zone

19/03/2021 Successful drilling at Mount Boorithumble completed

This announcement has been approved for release by the Board of AGC.

## ENDS

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## Tenement Register

Tenement	Reference	Location	Interest at 01/01/21	Acquired/Disposed	Interest at 31/03/21
Moorefield	EL 7675	NSW	100%	N/A	100%
Derriwong	EL 8669	NSW	100%	N/A	100%
Cargelligo	EL 8968	NSW	100%	N/A	100%
Gundagai	EL 8955	NSW	100%	N/A	100%

There are no Farm-in or Farm-out Arrangements held by Australian Gold and Copper Ltd

## Forward-Looking Statements

This announcement contains “forward-looking statements.” All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and based upon information currently available to the company and believed to have a reasonable basis. Although the company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct as actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold, and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. Readers are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty thereof. The forward-looking statements contain in this press release are made as of the date of this press release and except as may otherwise be required pursuant to applicable laws, the Company does not undertake any obligation to release publicly any revisions to any “forward-looking statement”.

**Competent Persons Statement**

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Glen Diemar who is a member of the Australian Institute of Geoscientists. Mr Diemar is a full-time employee of Australian Gold and Copper Limited, and is a shareholder, however Mr Diemar believes this shareholding does not create a conflict of interest, and Mr Diemar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Diemar consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

**Previously Reported Information**

The information in this report that references previously reported exploration results is extracted from the announcements referenced and the Company's ASX IPO Prospectus released on the date noted in the body of the text where that reference appears. The ASX IPO Prospectus is available to view on the Company's website or on the ASX website ([www.asx.com.au](http://www.asx.com.au)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.