

Quarterly Report June 2023

HIGHLIGHTS

- Major Victorian high-grade antimony-gold (Sb-Au) discovery at the 100%-owned Nagambie Mine announced at quarter end.
- The discovery now consists of four high-grade vein systems and a potential fifth system has been intersected (assays pending).
- Nagambie's structural model predicts that significantly more vein systems could be delineated over time.
- The 34 economically-mineable intersections to date average 1.6m EHT (estimated horizontal stope thickness) at 15.0 g/t AuEq (gold equivalent) (5.8% Sb plus 4.0 g/t Au).
- The average stope grade of 15.0 g/t AuEq is five times the estimated mineable cut-off grade of 3.0 g/t AuEq. This indicates potentially very-low operating cost, very-high operating margin mineralisation.
- The average stope grade of 5.8% Sb makes the Nagambie Mine discovery the highest-grade antimony mineralisation in Australia.
- Antimony is listed as a critical mineral in the US, UK, Europe, Japan, Canada, China and Australia.

COMMENTARY

Nagambie Resources' Executive Chairman, Mike Trumbull, commented: *"Projected increases in antimony demand in the coming decade now exceed existing mine resources around the world.*

"Antimony is used in the manufacture of wind turbines and batteries but it is its use in solar panel glass to improve solar energy conversion that is now recognised as being the biggest renewable energy driver.

"China produces the great majority of both antimony refined metal and solar panels used in the world. For carbon-neutrality by 2050, increases in solar renewable energy production will need to be dramatic. That increase has begun. Solar glass manufacture represented 17% of global antimony consumption in 2022, up from 11% in 2020.

"Nagambie has commenced discussions with a Chinese antimony company in relation to offtake arrangements and development funding."

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Table 1 All 34 Economically-Mineable Intersections to date: EHT => 1.2m and AuEq => 3.0 g/t

Mineable Intersection (Potential Stope)	From (m)	To (m)	Downhole Length L (m)	BD of unmineralised waste: 2.74 BD of pure Stibnite: 4.56				EHT and BD Weighting				AuEq x EHT (g/t x m)	AuEq x L (g/t x m)
				EHT (m)	Au Assay (g/t)	Sb Assay (Sb %)	AuEq (g/t)	BD based on Sb%	EHT & BD Weighted Au	EHT & BD Weighted Sb	EHT & BD Weighted AuEq		
NRP002 C1 E&W	109.00	136.10	27.10	2.50	4.84	7.51	19.18	2.89	5.42	9.15	22.90	57.3	621
NAD008 C1 E	178.20	180.00	1.80	1.20	3.51	3.05	9.34	2.79	3.55	3.26	9.77	11.7	18
Progressive Totals **	16 September 2022			3.70								69.0	
NAD009 C1 E	172.34	174.20	1.86	1.20	0.08	2.36	4.59	2.78	0.08	2.52	4.89	5.9	9
NAD009 C1 W	200.00	207.30	7.30	4.70	4.86	4.20	12.88	2.81	5.32	4.74	14.37	67.5	105
NAD010 C1 E	160.00	161.78	1.78	1.20	13.38	16.14	44.21	3.05	13.56	18.44	48.79	58.5	87
NAD010 C1 W	163.56	165.35	1.79	1.20	0.19	2.81	5.56	2.79	0.21	3.05	6.03	7.2	11
NAD011 C1 E	214.30	217.80	3.50	1.20	0.10	1.47	2.91	2.77	0.10	1.61	3.18	3.8	11
NAD011 C1 W	270.7	276.00	5.30	2.25	1.46	10.38	21.29	2.94	1.52	12.01	24.45	55.0	130
Progressive Totals **	16 November 2022			15.45								267.0	
NAD012 C2 E	401.40	404.80	3.40	2.62	6.72	2.54	11.57	2.78	6.68	2.57	11.59	30.3	39
NAD012 C2 W	423.00	428.00	5.00	2.42	8.70	5.49	19.19	2.84	9.30	6.17	21.08	51.0	105
Progressive Totals **	23 January 2023			20.49								348.4	
NAD012 C2 W (Hinge)	416.00	420.00	4.00	1.98	6.27	3.78	13.50	2.80	6.30	3.89	13.72	27.2	55
NAD012 C1 W	130.86	132.20	1.34	1.20	1.67	1.66	4.84	2.77	1.75	1.83	5.24	6.3	7
Progressive Totals **	3 March 2023			23.67								381.8	
NAD013 C1 E	167.30	171.10	3.80	2.70	3.61	10.02	22.74	2.93	4.32	11.75	26.77	72.2	102
NAD013 C1 W	238.00	240.30	2.30	1.40	7.13	0.05	7.23	2.74	7.13	0.05	7.23	10.1	17
NAD016 C1 W/HW	180.50	188.00	7.50	2.36	3.12	2.37	7.64	2.78	3.12	2.69	8.26	19.5	62
NAD016 C1 W/HW	174.50	177.00	2.50	1.27	9.37	1.67	12.55	2.77	9.32	1.69	12.56	16.0	31
NAD016 C1 W/HW	170.00	171.40	1.41	1.20	5.00	0.32	5.61	2.74	5.00	0.32	5.61	6.7	8
NAD017 C1 W	217.00	219.48	2.48	1.20	5.92	1.77	9.30	2.77	5.90	1.78	9.30	11.1	23
Progressive Totals **	10 March 2023			33.80								517.5	
NAD020 C1 E-W Link	214.28	216.60	2.32	1.20	0.75	3.93	8.25	2.82	0.75	5.34	10.94	13.1	25
NAD022 C1 E	238.00	239.55	1.55	1.20	3.46	7.70	18.16	2.89	3.96	9.42	21.96	26.3	34
NAD023 C1 W	272.16	276.00	3.84	1.20	0.69	11.98	23.57	2.98	0.68	14.23	27.87	33.5	107
NAD029 C2 W	285.50	286.75	1.25	1.20	4.59	9.02	21.82	2.92	4.72	10.99	25.72	30.8	32
Progressive Totals **	23 March 2023			38.59								621.3	
NAD024 C1 W	250.60	258.20	7.60	2.91	2.70	5.74	13.67	2.84	2.68	6.19	14.51	42.2	110
NAD030 C2 E	206.70	208.30	1.60	1.36	1.55	1.34	4.11	2.76	1.56	1.35	4.14	5.6	7
NAD030 C2 E	202.50	203.90	1.40	1.20	0.90	3.92	8.40	2.81	0.92	4.39	9.30	11.2	13
NAD030 C2 E	198.20	199.90	1.70	1.20	1.33	1.71	4.60	2.77	1.33	1.76	4.69	5.6	8
NAD031 C2 E	208.00	210.35	2.35	1.20	1.18	3.85	8.53	2.81	1.17	4.23	9.25	11.1	22
NAD034 C2 W (Hinge)	284.50	286.50	2.00	1.20	1.53	1.31	4.04	2.76	1.56	1.38	4.19	5.0	8
NAD034 C2 W (Hinge)	275.40	276.90	1.50	1.20	1.64	5.58	12.30	2.84	1.69	6.45	14.00	16.8	21
Progressive Totals **	22 May 2023			48.86								718.8	
NAD033 C3	205.00	206.56	1.56	1.20	0.79	5.54	11.38	2.84	0.89	6.37	13.05	15.7	20
NAD036 N1 (E-W)	316.00	319.00	3.00	1.33	0.70	3.44	7.28	2.79	0.70	3.50	7.39	9.8	22
NAD036 N1 (E-W)	310.00	314.16	4.16	1.20	3.32	1.24	5.68	2.76	3.31	1.27	5.81	7.0	24
NAD036 N1 (E-W)	304.30	307.20	2.90	1.48	6.42	10.05	25.61	2.93	6.60	11.84	29.21	43.3	85
NAD040 C3	253.00	261.30	8.30	1.20	0.73	8.29	16.56	2.89	0.74	9.15	18.22	21.9	151
Progressive Totals **	3 July 2023			55.28								816.5	
Averages to Date			3.86	1.63				2.83	3.96	5.77	14.98	24.4	58

AuEq (g/t) = Au (g/t) + (Sb% x 1.91); BD = bulk density; EHT = estimated horizontal stope thickness.

** EHT (m) is used to calculate the volume of a mineable stope. AuEq (g/t) x EHT (m) is used to calculate the AuEq content of a mineable stope.

NAGAMBIE MINE ANTIMONY-GOLD EXPLORATION

Oriented diamond drill holes testing the antimony-gold vein systems to date are shown in Figures 1 and 2 (plan and section views).

Mineable Intersections (or Potential Stopes)

For samples containing significant antimony, the individual Au and Sb assays have been weighted for both sample thickness and bulk density. Consideration has then been given to the mineable cut-off grade (MCOG) of 3.0 g/t AuEq over a stope width of at least 1.2m EHT.

For full details regarding the calculation of sample bulk density, gold equivalent calculation, minimum mineable EHT and MCOG, refer to the attached **Appendix 1: Summary of Mining-Method Considerations and Developed Assay-Reporting Criteria** on pages 8-10.

Nagambie calculates AuEq grades by applying a Costerfield Mine AuEq factor, the relative value of 1.0% Sb in the mine to 1.0 g/t Au in the mine. The Mandalay Resources' (owner of the Costerfield Mine) annual guidance for CY2023 is US\$1,797 / ounce Au and US\$10,805 / tonne Sb. The **CY2023 AuEq factor applied is 1.91** as a result.

All 34 economically-mineable intersections within the MCOG zones to date are summarised in Table 1 and **average 15.0 g/t AuEq (5.8% Sb plus 4.0 g/t Au) and have an average potential stope width of 1.6m EHT.** The average of 15.0 g/t AuEq is 5.0 times the estimated mineable cut-off grade of 3.0 g/t AuEq. This indicates potentially very-low operating cost, very-high operating margin mineralisation.

Geological Trends to Date

The epizonal, generally N-striking C1, C2 and C3 vein systems are associated with the EW-striking Nagambie Mine Central Anticline and the various EW-striking thrust faults which dip to the north (due to the N to S compression event at the time of first mineralisation, circa 375 million years ago) and are known to continue regionally to kilometres in depth. With the C-veins generally dipping sub-vertically to the west and the E-W structures dipping sub-vertically to the north, the C-vein antimony-gold mineralisation is generally plunging to the north-west.

A new EW-striking Sb-Au vein system, N1 (E-W) (refer Figure 1), has been intersected to the north of the C2 system. It appears to be related to one of the EW-striking thrust faults and the mineralisation associated with these E-W thrust faults has not previously contained significant Sb grades. With up to 42.5% Sb assayed in NAD036, this new antimony-rich EW-striking system is significant as the mineralised strike length could be considerable.

The strike length of the C1 vein system is currently around 100m. The strike lengths of the C2 and C3 vein systems could be longer than that for C1, but are not yet determinable. The vertical extent of the C1 stibnite vein system is currently around 200m.

Linear Increase in AuEq Content

First assays for the Sb-Au drilling program were received in September 2022. In the nine months since, with one drill rig, the economically-mineable AuEq content for the orebody has notably increased linearly (refer Graph 1). This straight-line increase is indicative of the predictability and continuity of the lodes, combined with the Nagambie Mine Sb-Au high-grade mineralisation not being nuggety or highly variable in grade.

Figure 1 Plan: C1, C2, C3 and N1 (E-W) antimony-gold vein systems and potential C4 system

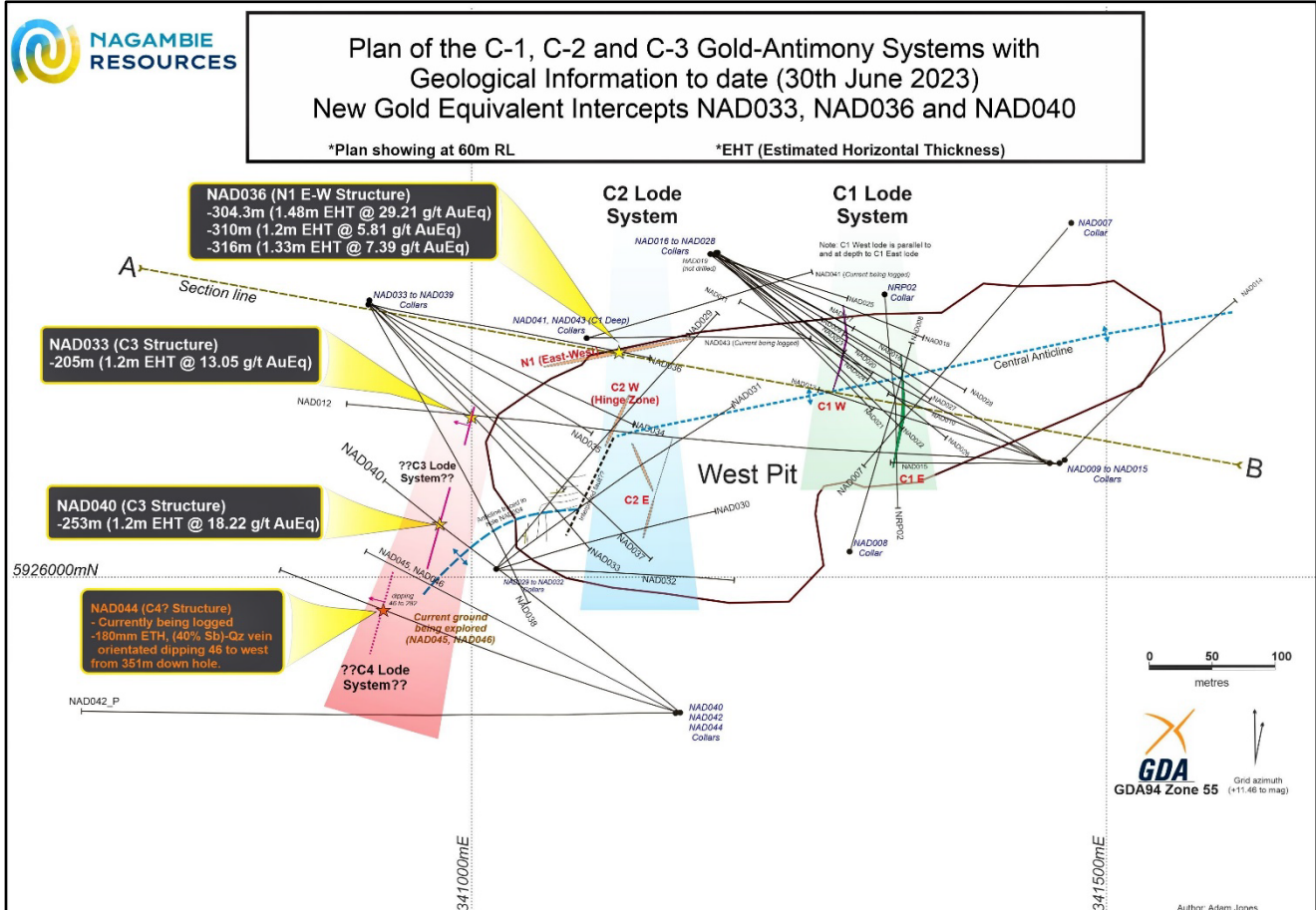
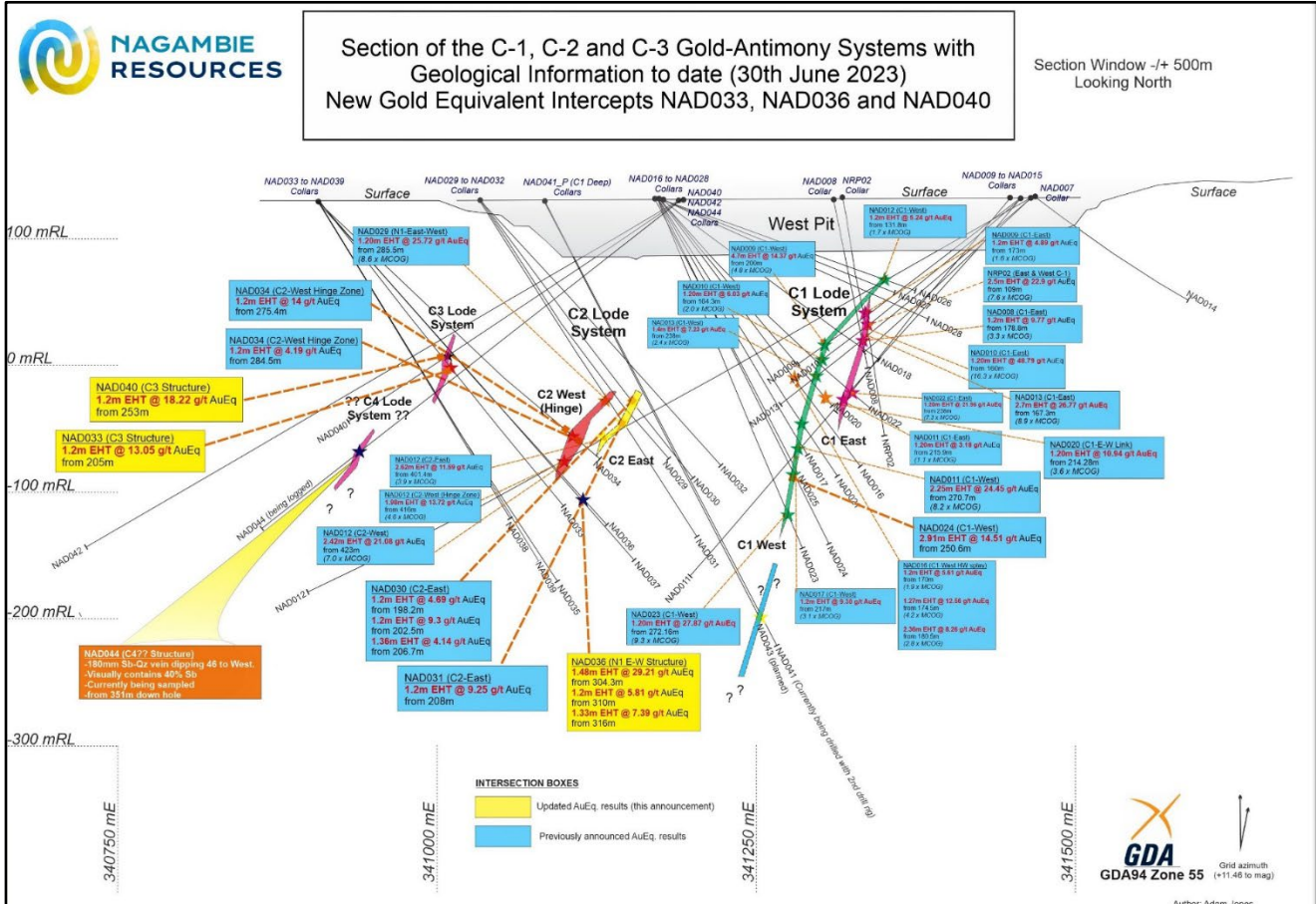
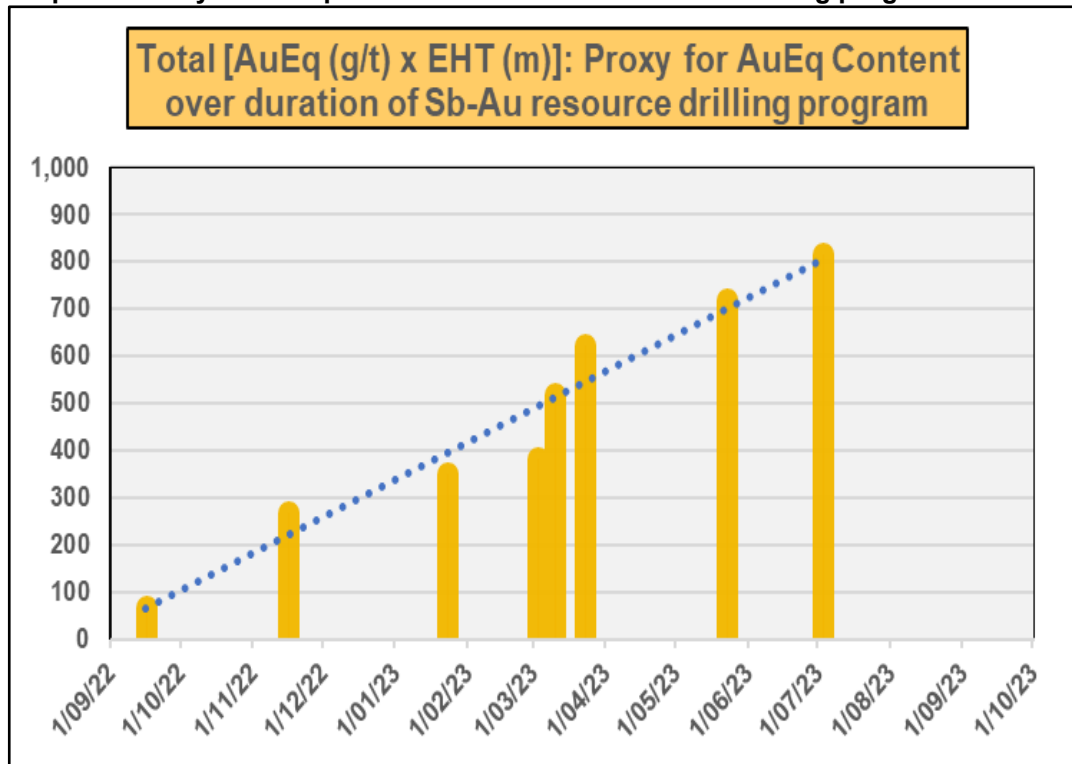


Figure 2 Section A-B, looking NNE: Showing C1, C2 & C3 vein systems and potential C4 system



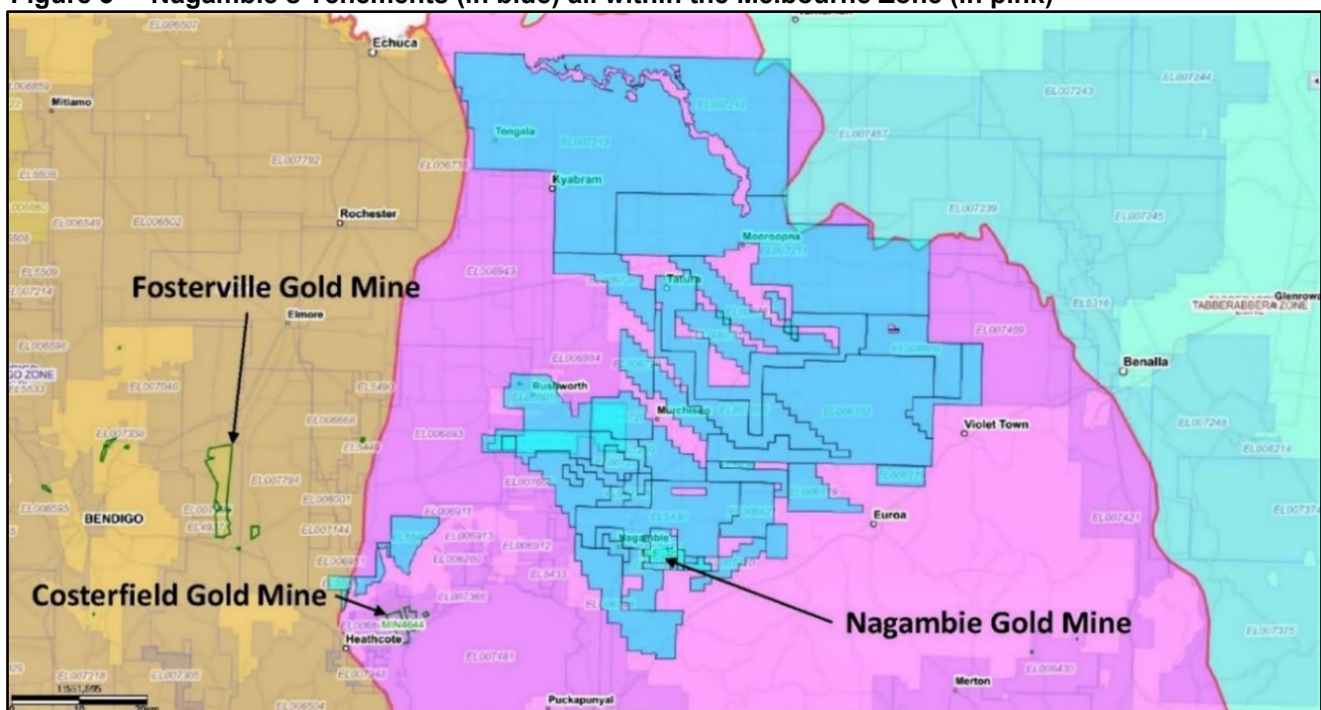
Graph 1 Proxy for AuEq Content over duration of Sb-Au drilling program



Antimony and Gold Tenements

The Company’s tenements as at 30 June 2023, totalling 3,336.5 sq km, are listed in Table 2 and their general location in central Victoria is shown in Figure 3.

Figure 3 Nagambie’s Tenements (in blue) all within the Melbourne Zone (in pink)



Nagambie has received notice from Earth Resources and Regulation Victoria (ERR) regarding a reassessment of the rehabilitation liability for MIN5412. The Company is liaising with ERR on the recalculation. The bond is currently \$500,000.

Table 2 Nagambie Resources Tenements as at 30 June 2023

Tenement Number	Tenement Name	sq km
MIN 5412	Nagambie Mining Licence	3.5
EL 5430	Bunganail Exploration Licence	160.0
EL 5511	Nagambie Central Exploration Licence	21.0
EL 6352	Miepoll Exploration Licence	342.0
EL 6508	Tabilk Exploration Licence	33.0
EL 6606	Gowangardie Exploration Licence	88.0
EL 6719	Euroa Exploration Licence	81.0
EL 6720	Tatura Exploration Licence	145.0
EL 6731	Arcadia Exploration Licence	218.0
EL 6748	Waranga Exploration Licence	102.0
EL 6937	Nagambie East Exploration Licence	2.0
EL 6877	Nagambie Exploration Licence	8.0
EL 7207	Arcadia Exploration Licence	156.0
EL 7208	Cullens Road Exploration Licence	29.0
EL 7210	Locksley Exploration Licence	26.0
EL 7211	Shepparton Exploration Licence	444.0
EL 7212	Shepparton North Exploration Licence	321.0
ELA 7213	Pederick Exploration Licence Application	683.0
EL 7264	Resource Recovery Exploration Licence	1.0
ELA 7265	Nagambie Town Exploration Licence Application	8.0
EL 7594	Miepoll East Exploration Licence	47.0
ELA 7595	Miepoll West Exploration Licence Application	113.0
ELA 7690	Nagambie South Exploration Licence Application	4.0
ELA 8082	Tabilk North Exploration licence Application	7.0
ELA 8083	Tabilk East Exploration Licence Application	40.0
Subtotal	Waranga Domain excluding Whroo JV Property	3,082.5
EL 6158	Rushworth Exploration Licence	46.0
EL 6212	Reedy Lake North Exploration Licence	17.0
EL 7205	Angustown Exploration Licence	49.0
EL 7209	Goulburn West Exploration Licence	34.0
EL 7237	Kirwans North (1) Exploration Licence	20.0
EL 7238	Kirwans North (2) Exploration Licence	9.0
RL 2019	Doctors Gully Retention Licence	4.0
Subtotal	Whroo JV Property with SXG	179.0
	Total Waranga Domain	3,261.5
EL 5546	Redcastle Exploration Licence	51.0
EL 7498	Comella Exploration Licence	19.0
EL 7499	Sheoak Exploration Licence	5.0
Subtotal	Redcastle JV Property with SXG	75.0
TOTAL	Nagambie Resources Limited Tenements	3,336.5

NAGAMBIE GOLD TREATMENT PLANT

Nagambie Resources and Golden Camel Mining (GCM) are proceeding with the construction and operation of a 300,000 tonnes per annum toll treatment facility at the Nagambie Mine. GCM is the Manager and is paying 100% of all additional infrastructure, construction and commissioning costs. After commissioning, all revenues and operating costs will be shared 50:50. Initial feed for the plant is to be trucked from GCM's Golden Camel Mine.

GCM has been refurbishing key components of the plant and is still finalising financial arrangements with external parties.

POTENTIAL BACTERIAL RECOVERY OF GOLD IN 1990s HEAP LEACH PAD

Total recorded gold production from the Nagambie Mine cyanide heap between 1989 and 1997 was 134,000 ounces and Nagambie Resources considers that a significant amount of gold remains in the heap. Extracting this gold in a toll treatment plant or by additional cyanide heap leaching is currently not viable or economic.

Stage 1 of the Bioleaching Project was completed with the findings being that gold can be bioleached from the tailings using native and externally sourced bacteria when suitable conditions are provided. Further research was recommended to refine and improve the rate of gold bioleaching.

\$50,000 of funding assistance for Stage 2 of laboratory testwork, using larger samples from the Nagambie Mine and more bacteria options, has been approved under the Federal Government's Innovation Connections Program. The Perth-based laboratory, which is carrying out the work, has agreed to contribute an additional \$55,000 to the Stage 2 work given its positive assessment of the project. The Stage 2 work is still progressing.

PASS (POTENTIAL ACID SULFATE SOIL) STORAGE

The Spark consortium has placed orders for two large tunnel-boring machines (TBMs) to excavate the road tunnels for the North East Link Project (NELP), commencing early in CY2024. Nagambie Resources is one of the bidders for the NELP PASS storage and is still awaiting advice from the Spark consortium.

During the December 2022 quarter, bids were requested for PASS storage for the first stage of the Victorian Government's Suburban Rail Loop Project (SRLP). Nagambie submitted a bid for underwater storage of the PASS at the Nagambie Mine.

CORPORATE

Cash

At 30 June 2023, total cash held by the group was \$1,715,000.

Related Party Payments

In accordance with its obligations under ASX Listing Rule 5.3.5, Nagambie Resources advises that the only payments made to related parties of the Company in the quarter, as set out in item 6.1 of the accompanying Appendix 5B, were in respect of directors' and consulting fees.

By the order of the Board.



James Earle
Chief Executive Officer

STATEMENT AS TO COMPETENCY

The Exploration Results in this report have been compiled by Adam Jones who is a Member of the Australian Institute of Geoscientists (MAIG). Adam Jones 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". He consents to the inclusion in this report of these matters based on the information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "target", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Nagambie Resources and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and Nagambie Resources assumes no obligation to update such information.

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Oriented diamond drilling of structurally-controlled, high-grade antimony-gold underground targets within the Nagambie Mine Mining Licence and elsewhere in the 3,000 sq km of tenements in the Waranga Domain is being methodically carried out.

Nagambie Resources and Golden Camel Mining (GCM) have received approval for the construction and operation of a CIL gold toll treatment plant at the Nagambie Mine. GCM is paying 100% of all construction and commissioning costs; thereafter all revenues and costs will be shared 50:50. A future antimony flotation circuit is also planned.

Underwater storage of sulphidic excavation material (PASS) in the two legacy gold pits at the Nagambie Mine is an excellent environmental fit.

Bacterial recovery of residual gold from the 1990s heap leach pad is being investigated.

Mining and screening of sand and gravel deposits at the Nagambie Mine is also planned.

APPENDIX 1: Summary of Mining-Method Considerations and Developed Assay-Reporting Criteria

Mining Plus, a global mining services provider, reviewed the assay-reporting criteria developed by Nagambie Resources for the antimony-gold veins drilling program at the Nagambie Mine and agreed that the criteria were appropriate and meaningful in terms of reporting to the ASX. **The developed criteria draw heavily on the publicly-available information for the Costerfield Mine, 45 km to the west of the Nagambie Mine and currently Australia's only operating antimony-gold mine.**

- 1) The C-veins (Costerfield-Mine-style veins) at Nagambie's 100%-owned Nagambie Mine are generally striking N and dipping vertically or sub-vertically to the W or E. The Nagambie C-vein systems are geologically very similar to the antimony-gold vein systems at the Costerfield Mine, 100%-owned by Mandalay Resources Corporation, a Canadian company. The latest publicly-available comprehensive technical report for Costerfield ("Costerfield Report") is dated 25 March 2022:
https://mandalayresources.com/site/assets/files/3408/mnd_costerfield_ni-43_101_technical_report_2022.pdf
- 2) The Nagambie C-veins could be mineable from ~60m vertical depth from surface, the depth of the oxidised zone. An appropriate vertical geotechnical pillar under the West Pit will be determined in due course.
- 3) Like the Costerfield veins, the Nagambie veins to date are sub-vertical (45 degrees to 90 degrees (vertical)) and have good continuity both vertically and horizontally. As such, they are amenable to mechanised mining methods. Long-hole CRF stoping (where CRF stands for cemented rock fill) is the preferred mining method employed at the Costerfield Mine (p254, Costerfield Report). Another description of this method at Costerfield is Up-Hole-Retreat (UHR) stoping with the stope drill drives being 10m vertically apart and these drives being typically 3m high, so that the up-hole blast holes would be typically 7.0m in vertical height. Using cemented rock fill (utilising the underground development waste) would allow for future stopes above, below and besides each filled stope (also as for the Costerfield mine). For an example of a typical Costerfield stope drill drive, from which the up-hole blast holes are drilled, refer p75 of the Costerfield Report.
- 4) Conceptual mine planning for a Nagambie underground mine already indicates that, mining only the C1 & C2 vein systems, sufficient stopes could be developed to effectively schedule stoping operations and optimise the antimony and gold grades delivered to the treatment plant. Nagambie remains very confident of discovering additional C-vein systems to the south west of The West Pit.
- 5) Minimum stoping width could be 1.2m estimated horizontal thickness (EHT) (similar to the Costerfield Mine).
- 6) For stopes side by side, the waste between them should be at least 1.5m EHT to cover the additional costs for multiple stopes of strike driving, stoping, backfilling and potential ore mining losses.
- 7) All individual sample assays to be weighted by both EHT and sample bulk density (BD) – using the Costerfield Mine BD formula based on Sb% (see below).
- 8) Gold equivalent grade (g/t AuEq) to be calculated for each sample by multiplying the Sb% by the AuEq factor and adding that figure to the g/t Au. For the relevant formula, see below.

- 9) All intersection grades (Au, Sb, AuEq) to be reported for the EHT of the vein and, where the vein EHT is less than 1.2m, for the minimum mineable EHT of 1.2m by adding appropriate waste dilution (similar to the Costerfield Mine).
- 10) Mineable cut-off grade (MCOG) of 3.0 g/t AuEq over 1.2m EHT or greater (similar to the Costerfield Mine).

Bulk Density Calculation

BD is calculated for each intercept using the formula that the Costerfield Mine uses for the Augusta, Cuffley and Brunswick orebodies - refer page 191 of the 2022 Technical Report for the Costerfield Mine:

(www.mandalayresources.com/operations/overview/costerfield-mine/mnd_costerfield_ni-43_101_technical)

Formula:

$$BD = ((1.3951 * Sb\%) + (100 - (1.3951 * Sb\%))) / (((1.3951 * Sb\%) / 4.56) + ((100 - (1.3951 * Sb\%)) / 2.74))$$

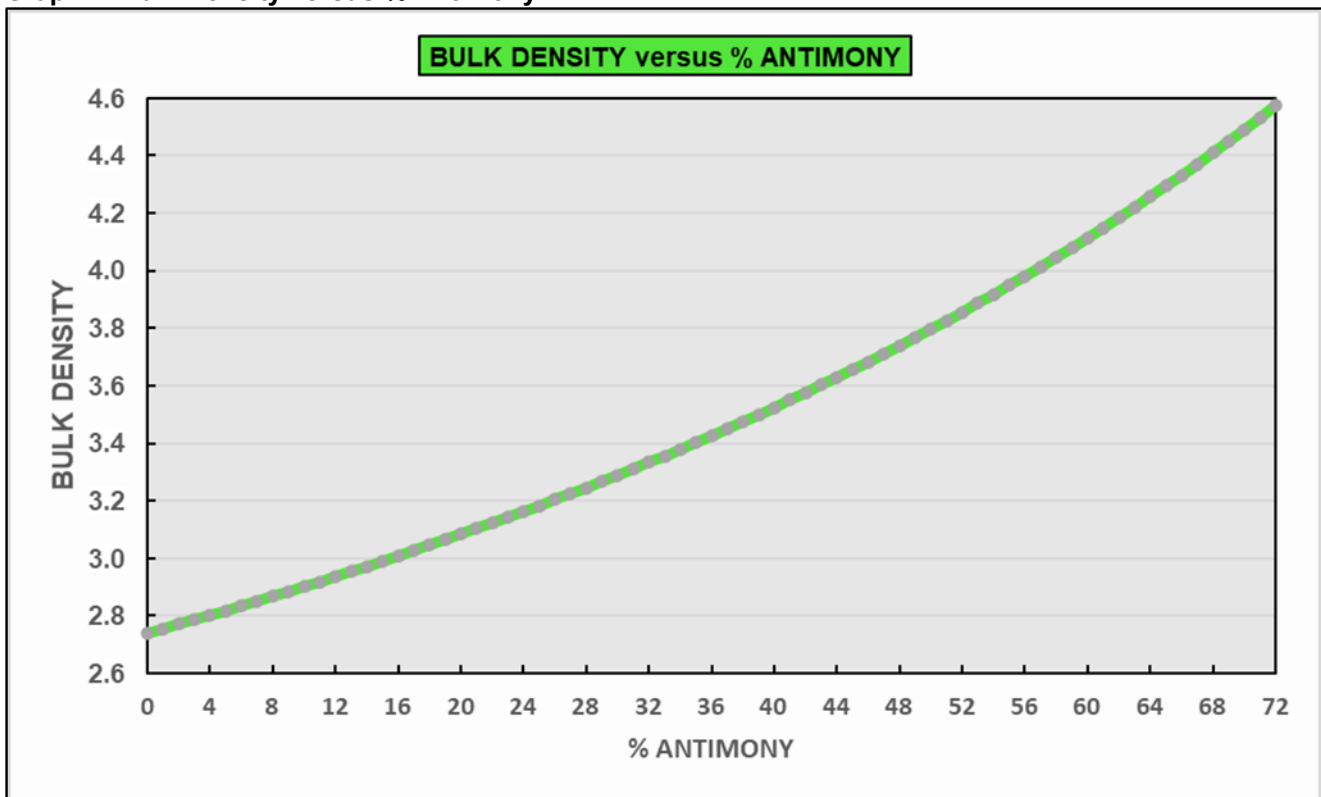
for which:

- Empirical formula of stibnite: Sb_2S_3
- Sb%: Antimony assay as a percentage by mass
- Molecular weight of Antimony (Sb): 121.757
- Molecular weight of Sulphur: (S): 32.066
- 1.3951 is a constant calculated by $339.712 / 243.514$ where 339.712 is the molar mass of Sb_2S_3 , and 243.514 is the molar mass of antimony contained in one mole of pure stibnite
- BD of pure stibnite: 4.56
- BD of unmineralised waste (predominantly sandstones, siltstones, mudstones): 2.74

In time, when a sufficiently representative range of material is available, Nagambie will need to calculate the BD of the unmineralised waste (predominantly sandstones, siltstones and mudstones) at the Nagambie Mine. However, Nagambie does not consider that it will vary significantly from 2.74.

A graphical representation of the Costerfield BD formula is shown in Graph 1. For 0% Sb, BD = 2.74 and for 71.7% Sb (the maximum possible in stibnite), BD = 4.56 (pure stibnite).

Graph 1: Bulk Density versus % Antimony



Nagambie considers that the above bulk density formula, while being appropriate, is a little conservative in that, for both the Costerfield Mine and the Nagambie Mine, the stibnite (Sb₂S₃) is known to contain variable amounts of the gold-antimony mineral, aurostibite (AuSb₂). While pure stibnite has a BD of 4.56, aurostibite has a BD of 9.98, reflective of its very high gold content – meaning that otherwise pure stibnite containing aurostibite will have a BD greater than 4.56.

Gold Equivalent Factor

Nagambie considers that both gold and antimony will be economically recoverable at the Nagambie Mine, as they are at the Costerfield Mine which is 45 km to the west of the Nagambie Mine.

The gold-antimony Costerfield Mine currently calculates its gold equivalent (AuEq) factor, the relative value of 1.0% antimony in the mine to 1.0 gram / tonne gold in the mine as:

$$\text{AuEq factor} = [\text{US\$/tonne antimony price} \times 0.01 \times 0.95 \text{ antimony recovery}] / [\text{US\$/ounce gold price} / 31.10348 \text{ grams per ounce} \times 0.93 \text{ gold recovery}]$$

The Costerfield Mine is 100% owned by Mandalay Resources Corporation and the projections for CY2023 on the [Mandalay website](#) adopt average CY2023 prices for gold and antimony of US\$1,797/ounce gold and US\$10,805/tonne antimony (refer Graph 2). For these prices, the AuEq factor using the above equation is **1.91**.

The average March 2023 quarter antimony price in US\$/tonne, Rotterdam Warehouse (Metal Bulletin) was US\$12,656 (refer Graph 2). This is above Mandalay’s average projection for the antimony price for CY2023 of US\$10,805 and could be a sign of increased stockpiling by certain western world governments and/or increased demand in China relating to the increasing use of antimony in solar panel glass to improve energy conversion.

Likewise, Mandalay’s average projection for the gold price for CY2023 of US\$1,797 could prove to be conservative given that the gold price is currently +/- US\$2,000.

Graph 2: Average Quarterly Antimony Price (US\$/Tonne)

