



ASX RELEASE (3 FEBRUARY 2025)

## **Tartana to explore accessing Mungana 600,000 tonnes p.a Processing Plant**

### **Highlights:**

- Tartana is in discussions to gain access to the Mungana Processing Plant with Mt Garnet Mineral Finance Pty Ltd (**MGMF**) as mortgagee in possession of the assets of Aurora Metals Limited (in liquidation) and its related subsidiaries (also in liquidation) (**Aurora Group**)
- The proposal remains subject to various conditions precedent and MGMF and Tartana to cooperate on securing any approvals that would be required to give effect to this arrangement
- If successful, Tartana will have the ability to process Tartana copper ore through the Mungana Processing Plant which has a nameplate production capacity of 600,000 tonnes p.a.
- Production would involve open pit mining and upgrading copper mineralisation based on Tartana's existing 45,000 t @ 0.45% Cu contained copper resource. The resource is open at depth and a drilling programme has been designed to target an increase to +100,000 contained copper.

Tartana Minerals Limited (ASX: **TAT**) (**Company**), is pleased to advise that it is in advanced discussions with Mt Garnet Mining Finance Pty Ltd (Mortgagee in Possession of the assets of Aurora Metals Limited (in liquidation) ACN 126 634 606 and associated entities) ("**MGMF**") on a potential arrangement which would see Tartana gain access to the Mungana Processing Plant.

Commenting on this potential arrangement, Tartana's Managing Director, Dr Stephen Bartrop said:

"We are excited to be working with MGMF to explore an opportunity for Tartana to access the Mungana Processing Plant and other assets controlled by MGMF. Tartana has spent the last three years defining both the open pit copper and zinc resources at our Tartana mining leases along with the metallurgical testwork necessary for the potential processing in a conventional flotation plant such as the Mungana Processing Plant.

"While the Mungana plant has experienced a chequered history largely stemming from unsustainable ore supplies from underground mining, this impediment is removed with the Tartana open pit which we believe could achieve production on a more sustainable basis."

### **Potential Arrangement**

Under the Potential Arrangement, MGMF would provide Tartana with access to enable the mining of the Tartana copper ore, which would be trucked 25km from Tartana to the Mungana Processing Plant to produce a copper sulphide concentrate.

With a nameplate capacity of 600,000 tonnes per annum, the Mungana Plant has had a significant amount of capital invested in it to date by previous owners. Its most recent owner, Aurora Metals fell into administration in 2023. The plant has not been operational since.

As part of its due diligence, Tartana has commissioned an experienced team of engineers, including some former managers of the Mungana plant, to review the plant's condition and consult on refurbishing and restarting processing.

Although the initial focus will be on processing Tartana ore, the Company and MGMF will explore the potential to recommence mining activities at the nearby King Vol mine which was the original ore source for the previous operators of Mungana. The King Vol mine is 800m away from Tartana's Queen Grade zinc deposit which could present opportunities for an integrated development process. Additional opportunities also exist at the Mungana mine co-located with the Processing Plant, although the Company understands this ore to be more metallurgically complex, reducing recoveries and concentration quality.

The Potential Arrangement would also permit Tartana to use the Mungana tailings dam which has capacity for several years of Mungana processing with additional cells already approved.

Tartana and MGMF have agreed to explore this opportunity further, with a view towards executing a Heads of Agreement by 31 March 2025. As a sign of good faith by Tartana, Tartana have agreed to fund 50% of the care and maintenance costs of the Mungana Processing Plant from 1 February 2025 to 31 March 2025. Such commitment by Tartana will be capped at \$100,000 per month irrespective of the actual cost incurred by MGMF.

However, both parties are still required to undertake considerable due diligence prior to formalising an arrangement. The Company will provide a more detailed project review if and when an agreement is reached. Until such time that this completes, there can be no assurance that any relationship will be formalised. In the event that the arrangement does not proceed, Tartana may be entitled to a repayment of the care and maintenance costs from MGMF.

### **Nature of MGMF possession of the Mungana Processing Plant**

MGMF took control of the Mungana Processing Plant, the Mungana and King Vol underground mines and several undeveloped projects near Tartana's operations after the Aurora Group defaulted on loan facilities owed to MGMF. Tartana has received assurances from MGMF as to the ability of MGMF to make these assets available to Tartana.

### **Tartana Primary Copper Mineralisation**

The Company has previously advised the presence of primary copper (chalcopyrite) mineralisation below the Tartana pit floor and in early 2023 reported 45,000 tonnes of contained copper resource to 130 m depth (see ASX release dated 9 February 2023). This resource continues at depth as demonstrated by Drillhole TDH 3 which intersects the mineralisation 300 m below the surface (52.4 m @ 0.59 % Cu from 325.5m) and at 450 m when RDD002 'clipped' copper the mineralisation below the edge of the open pit before the hole deviated down bedding and was terminated. However, it intersected 2 m @ 1.66% Cu, 32.6 g/t Ag and 106 ppm Bi prior to this deviation (See ASX announcement dated 28 January 2022).

The details of the resource to 130 m depth are outlined in Figure 1.

Cutoff Grade (% Cu)	TRANSITIONAL & OXIDE RESOURCES			TOTAL PRIMARY AND TRANSITIONAL		
	Tonnage (t)	Cu (%)	Contained Cu (t)	Tonnage (t)	Cu (%)	Contained Cu (t)
0	4,082,062	0.38	15,577	13,214,997	0.37	48,935
0.1	3,676,819	0.42	15,351	12,299,127	0.39	48,026
<b>0.2</b>	<b>2,971,516</b>	<b>0.48</b>	<b>14,371</b>	<b>10,037,553</b>	<b>0.45</b>	<b>45,008</b>
0.3	2,090,093	0.58	12,183	7,086,167	0.53	37,515
0.4	1,503,603	0.67	10,090	4,623,416	0.63	29,080
0.5	1,044,386	0.78	8,102	3,044,249	0.72	21,996
0.6	707,985	0.88	6,225	1,981,924	0.81	16,137
0.7	456,542	1.01	4,601	1,176,296	0.93	10,894

Figure 1. Transition and primary resources at different cut-off grades (Reported to the ASX on 9<sup>th</sup> February 2023)

The Company has commissioned MEC to complete an open pit optimisation and mine plan. The Mungana plant capacity is around 600,000 tpa and it is estimated that the Tartana's resource can support 10 years of mining and upgrading via ore sorting as feed to the Mungana plant. However, the Company is planning a drilling campaign which is expected to extend this resource to around 200 m depth.

As reported to the ASX on the 28 of October 2024, the Company announced encouraging results from its recent metallurgical testwork including:

- Copper recovery to saleable copper concentrate ~ 90%
- Tomra ore sorting – 72% increase in copper grade and recovering 71% of contained metal.

These positive results were based on samples which contained below average resource copper grades and hence the performance of the mined copper mineralisation at average resource grade is expected to be higher.

### Queen Grade Zinc Resource

The Company reported a maiden inferred resource on the Queen Grade zinc project to the ASX on the 14 February 2024 (see Figure 2). The contained zinc is not overly sensitive to changes in the zinc cutoff grade reflective the massive and banded sulphide nature of the mineralisation.

Grade Cut off (%)	Tonnes (kt)	Zn Grade (%)	Density (t/m <sup>3</sup> )	Zn (kt)
0.5	734	5.29	3.14	38.9
1.5	563	6.62	3.14	37.3
2.5	495	7.25	3.14	35.9
5	355	8.63	3.14	30.6

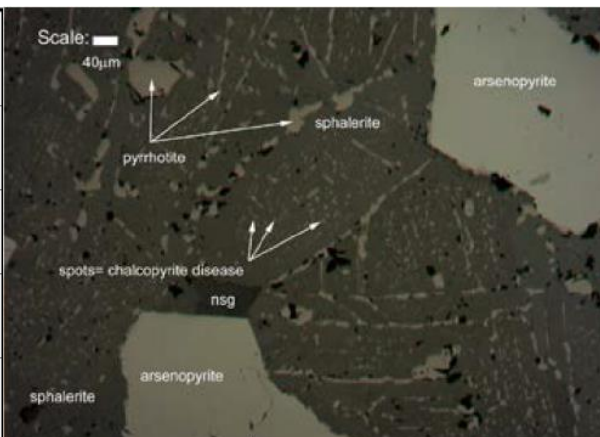


Figure 2. (a) Inferred Mineral Resources at various zinc cut off grades to 130 m. (b) is a photomicrograph of the Queen Grade zinc mineralisation from TDH22 with pyrrhotite ( $\text{Fe}_{1-x}\text{S}$  ( $x= 0$  to  $0.2$ )) and chalcopyrite ( $\text{CuFeS}_2$ ) exsolutions with coarse grained sphalerite ( $\text{ZnS}$ ) grains.

Like the nearby King Underground ore body, the high-grade narrow (10 m wide) Queen Grade zinc orebody is likely to continue beyond the 160 m depth used in the resource estimate and requires further drilling. However, it offers the potential for an integrated development with the nearby underground King Vol mine in the medium term after an initial open pit development.

The Company has previously commissioned Core Resources Pty Ltd to conduct flotation testwork on a composite sample from Drill hole TDH 22. The testwork indicated high zinc recoveries of  $>98\%$  to a concentrate grading 42% zinc with its initial rougher flotation testwork. The sample tested (from 5 m of TDH 22) assayed 16.1% Zn, 0.25% Cu and 0.57% Pb. Core Resources also report that the flotation kinetics were fast with recoveries achieved in 2 minutes in the laboratory tests at a primary grind of 80% passing 75 microns.

### **Mungana Processing Facility**

The Mungana plant has a nameplate capacity of 600,000 tonnes pa. It connected to the Queensland electricity grid and there is a nearby worker accommodation village.



Figure 3. Mungana Plant

Construction of the base and precious metals processing facility was completed by Auctus Resources in 2017. The plant was restarted by Aurora Metals in December 2021.

The Mungana mill has had periods when it has operated on a 24/7 basis although ore shortages have led to more recent campaign processing. The plant utilises sequential flotation circuits which allow the production of copper, lead and zinc concentrates.

The mill was last operational in April 2023 when it was processing ore from the King Vol Mine prior to the King Vol mine being placed on care and maintenance. The Mungana mill also processed underground ore from the Mungana Underground Mine although poor ground conditions and metallurgical complexities meant that Mungana ore was not continuously processed.

## King Vol Mine

Historically, the King Vol underground mine has been the backbone of Aurora Metals (and previously Auctus Resources) Mungana operations by providing the majority of the ore feed for Mungana processing facility. The zinc ore was high quality but the orebody natural production rates (resource tonnes per vertical metre) meant that the mine could only provide approximately 50% of the feed for the plant. Prior to closure, Tartana understands that the deeper parts of the orebody had been subjected to lower density drilling than previously and when this area was developed, it lacked adequate accessible ore to sustain the processing operations.

We understand that the mine is now flooded and will require dewatering, rehabilitation and the installation of services prior to embarking on a drilling programme to fully define the orebody. As mentioned earlier, Tartana's Queen Grade zinc project is 800 m to the northeast of the King Vol mine and there is potential for an integrated development commencing with the development of the Queen Grade open pit.



Figure 4. King Vol infrastructure. (Source: Auctus Minerals)



Figure 5. (a) King Vol Portal, (b) Road train used to haul King Vol 25 km from the King Vol mine to the Mungana Processing facility. Note that Tartana is the same distance as the King Vol mine to the Mungana processing facility. (source: Auctus Resources)

### **Mungana Mine**

The Mungana underground mine is located near the Mungana processing facility. It has supplied underground ore to this facility in the past, however the ore is more metallurgically complex than the King Vol ore and we understand that it can lead to overall reduced recoveries and poorer concentrate quality. The ground conditions are more problematic than King Vol and shotcreting has been required in some underground development.

The Mungana mine has both zinc rich and gold rich areas and the project requires a detailed review. The underground development is now flooded and like King Vol, will require dewatering and the rehabilitation of the development and installation of services before any production is envisaged.



Figure 6. Mungana underground portal (Source: Auctus Resources)

## Mungana Tailings Dam

The Mungana tailings dam has capacity for several years of Mungana processing and additional cells have been approved.



Figure 7. Mungana tailings dam.

## Aurora Group's Resources and Other Projects

The Mungana Assets include several undeveloped resources and exploration targets. These include Griffiths Hill copper/gold, Red Dome gold heap leach and Red Cap Copper and all these projects require additional work to assess viability. Figure 8 depicts the location of the projects and includes the resources as reported by Mungana Mine Limited in 2015. The King Vol and Mungana resources have been subsequently mined by both Auctus Resources and Aurora Metals and the proposed arrangement with MGF has to assess the level of remaining resources after recent mining.

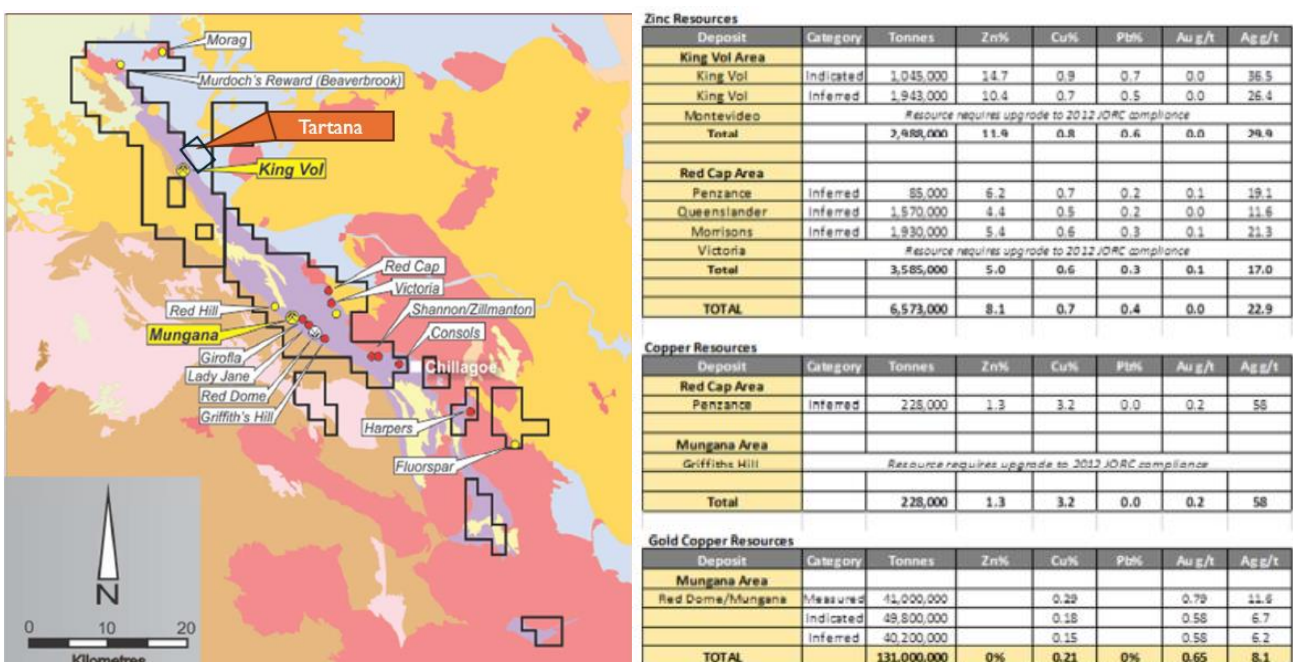


Figure 8. (a) Map showing the position of the Tartana, King Vol and Mungana mine sites with the Mungana plat near the Mungana mine site. (b) Zinc, Copper and Gold resources as presented in the Mungana Goldmines Limited Off-market takeover off by Auctus Chillagoe Pty Ltd – Target Statement dated 28 May 2015.



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Note that mining has occurred since the takeover by both Auctus Resources and Aurora Metals and Tartana will independently assess the remaining resources. Source: Auctus Resources *Unfinished Business* presentation dated 28 August 2018, Mungana Mines Announcement to the ASX dated 28 May 2015.

Both Tartana and Aurora Group assets offer development opportunities to create a viable operation with longevity in the Chillagoe region. Tartana and MGMF will take a strict and measured approach to new project development within the project portfolio and any project is expected to be self-funding.

ENDS

This announcement has been approved by the Disclosure Committee of Tartana Minerals Limited (ASX: TAT).

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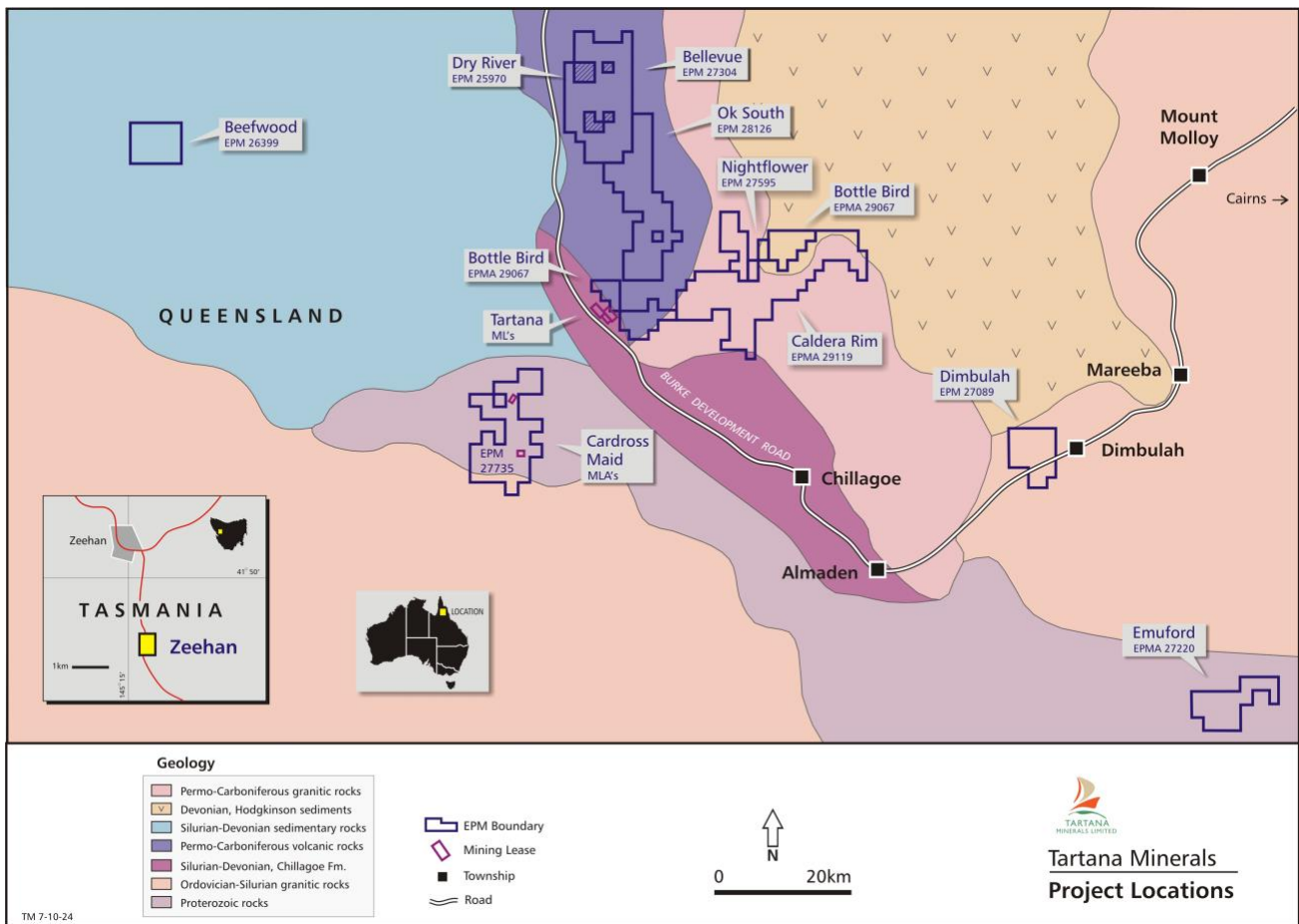
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#### **About Tartana Minerals Limited (ASX:TAT)**

Tartana Minerals Limited (ASX:TAT) is a significant copper producer and a copper, gold, silver and zinc explorer and developer in the Chillagoe Region of Far North Queensland. TAT owns several projects of varying maturity, with the most advanced being the Tartana mining leases, which contain an existing heap leach – solvent extraction – crystallisation plant nestled between its Tartana, Queen Grade zinc, and Mountain Maid gold projects.





### Disclaimer Regarding Forward-Looking Statements

This ASX announcement contains various forward-looking statements. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors that could cause actual values or results, and performance or achievements to differ materially from the expectations described in such forward-looking statements. Tartana Minerals Limited does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

### Competent Person's Statement

The information in this announcement that relates to Tartana's Exploration Results and Mineral Resource Estimates is based on information compiled by Dr Stephen Bartrop who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Fellow of the Australian Institute of Geoscientists. Dr Bartrop has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration, and to the activity that is being undertaken 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.' Dr Bartrop is an employee of Tartana Minerals Limited, and consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

With respect to the exploration results reported by Tartana on the following dates as referenced in this Announcement, the Company confirms that all material assumptions and technical parameters underpinning the exploration results and estimations of mineral resources continue to apply and remain unchanged:

- 28 January 2022: High grade 4.54% near surface assay received during drilling programme
- 9 February 2023: Tartana copper resource increase to 45,000 tonnes
- 28 October 2024: Tartana positive metallurgical copper testwork

Additionally, with respect to the exploration results referenced in this announcement that relate to the King Vol and Mungana resources, the Company notes that these exploration results have been compiled by previous owners of these projects, including Auctus Resources, Aurora Metals and Mungana Goldmines. These reports may not comply with the JORC 2012 code but are believed to reliably reflect the exploration results at that time. Tartana has no reason to believe that such results are unreliable. Tartana notes that material mining operations have since occurred, and accordingly, independent verification of the remaining mineral resource will be required.