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| Share Details   |  |  | | --- | --- | | ASX code | SPR | | Share price (30-Aug) | $0.29 | | Market capitalisation | $254M | | Number of shares | 877M | | Performance rights | 30M | | Net cash at 30-Jun-2023 | $32.1M |   Share Price Performance (12 months)     |  | | --- | |  |   Upside Case   |  |  | | --- | --- | | * Infrastructure in place to rapidly advance to annual production of 2.5Moz gold |  | | * Well-funded to complete current drilling programme until mid-2024 |  | | * Drilling programme defines substantially larger and higher-grade resource |  |   Downside Case   |  |  |  | | --- | --- | --- | | * Fails to secure mining application approvals * Gold price collapses changing the project’s economics * Drilling programme fails to expand resource | |  | | Catalysts   * Regulatory approval secured for planned underground exploration decline of Never Never * Establish the underground portal and exploration decline from Gilbey’s Pit to Never Never * Secure mining lease approvals and complete feasibility study on satellite Melville gold project | | Comparative Companies (Australia & NZ)   |  |  |  | | --- | --- | --- | | DCN, ORR, SBM, TRB, |  |  | | | | Company Contacts  Simon Lawson (MD/CEO) +61 8 9481 3434  admin@gascoyneresources.com.au |   RaaS Contacts   |  |  | | --- | --- | | Andrew Williams | +61 417 880 680  andrew.williams@raasgroup.com | | Finola Burke | +61 414 354 712  finola.burke@raasgroup.com | |

## Spartan Resources Ltd (prev. Gascoyne Resources)

## Transforming rapidly from exploration to production

Spartan Resources (ASX:SPR) [previously known as Gascoyne Resources Ltd (ASX:GCY)], is undergoing a transformational restructure and repositioning as an advanced exploration company with a rapid pathway back to production following the discovery of the high-grade Never Never gold deposit in the Murchison gold mining region of Western Australia. Drilling exploration in the June 2023 quarter delivered a significant upgrade to the Never Never deposit, lifting it by 51% to 3.83Mt at 5.85g/t for 721koz from 303koz previously. The upgraded resource added to the Dalgaranga gold project mineral resources which now stands at 16.7Mt at 2.2g/t gold for 1.18Moz, all within 10kms of the 2.5Mtpa processing plant. The Never Never gold project, which incorporates both the Never Never and Gilbey’s North high-grade gold discoveries, now represents the foundation for the development of the company’s new operating and growth plan to transition Gascoyne to a high-grade gold producer with a solid 5+-year mine plan.

## Project description

## Spartan Resources is developing the Never Never gold project in WA, which sits in the Murchison gold mining district around 475kn north-east of Perth and 65km north-west of Mt Magnet. The company suspended open-pit mining and ore processing operations at Dalgaranga in November 2022 and put the 2.5Mtpa Dalgaranga mill on care-and-maintenance keeping it in a state ready for a rapid resumption of production, all with the aim to focus on completing the drill-out of the high-grade Never Never and Gilbey’s North discoveries and bring them to reserve status. The strategy has thus far paid off with drilling defining a mineral resource of 721koz gold (up from 303koz previously), contained within 3.83Mt at 5.85g/t. Some of the more significant assays include 50m at 6.46g/t Au from 144m, including 10m at 23.7g/t, 29.15m at 11.09g/t Au from 449m including 9.44m at 22.26g/t, and 19.9m at 8.12g/t Au from 451m including 14.7m at 10.46g/t.

## Substantial increase in mineral resource estimates

## The company announced a substantial increase in the mineral resource estimates for the group and individual projects in late July following the completion of Stage 1 of the 2023 resource drilling programme. Group mineral resources, inclusive of the Murchison and Gascoyne Region now stands at 38.51Mt at 1.6g/t for 1.964Moz. The updated Murchison region mineral resource including the Dalgaranga and Yalgoo gold project has increased 31% in grade and 39% in contained ounces to 21.94Mt at 2.0g/t for 1.427Moz while, within this resource estimate, the updated Dalgaranga gold project mineral economics have increased 40% in grade and 51% in reportable ounces to 16.7Mt at 2.2g/t for 1.183Moz. The company’s plan from here is to continue its drilling programme both at surface and underground to convert more of the mineral resource into the indicated category.

## Well positioned to fast-track return to production

Gold producers are in the fortunate position of having the gold price sitting near all-time highs of US$1,900/ounce with analysts forecasting it will rise to well over US$3,000/ounce by 2025. With the 2.5Mtpa Dalgaranga mill on care and maintenance, the company is well-positioned to fast-track production with both a substantially increased resource and grade. Spartan is also well-funded to continue its drilling programme and develop its 5-year mine plan, having earlier this year secured a $50m funding package via an $8.6mn institutional share placement and $17.6mn fully underwritten entitlement offer at $0.10/share together with a $21.3m investment by Tembo Capital Investment and a $2.5m unsecured loan from existing shareholder Deutsche Balaton.

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FINANCIAL SERVICES GUIDE

RaaS Advisory Pty Ltd

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Corporate Authorised Representative, number 1248415

of

BR SECURITIES AUSTRALIA PTY LTD

ABN 92 168 734 530

AFSL 456663

Effective Date: 6th May 2021

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* our services
* how we transact with you
* how we are paid, and
* complaint processes

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