Bardoc Gold Publish a positive DFS

Bardoc Gold (ASX: BDC)

Published the DFS for their Bardoc Gold Project, located north of Kalgoorlie in Western Australia.

Free cashflow is A$113 million per year, with a LOM of 8 years, with excellent exploration upside potential, as proven at similar projects in Western Australia.

Bardoc Gold	ASX : BDC
Stage	Exploration / Development
Metals	Gold
Market cap	A$125 m @ 7.2 c
Location	Kalgoorlie, Western Australia

Bardoc Gold Publish an Updated Presentation

Bardoc Gold (ASX: BDC) have published their long awaited Definitive Feasibility Study for their Bardoc Gold Project near Kalgoorlie, in Western Australia, and it didn't disappoint!

Bardoc Gold Limited (ASX: BDC) (Bardoc or the Company) is pleased to advise that it has completed a positive Definitive Feasibility Study (DFS) for its flagship 100%-owned Bardoc Gold Project, located ~50km north of Kalgoorlie in Western Australia (the Project), representing an important step towards achieving its objective of building a significant new mid-tier Australian gold company.

HIGHLIGHTS

Compelling Project Economics

• Life-of-mine (LOM) pre-tax cash-flow of A$740M at a A$2,250/oz gold price
• Pre-tax NPV (6%) of A$479M and 41% IRR
• Pre-production capital of A$177M with 32-month payback from production commencement
• *LOM All-In Sustaining Costs (AISC) of A$1,188/oz*

Key Project Parameters

• Peak gold production of 140,000ozpa for 6 years
• Average annual gold sales of 135,760oz over 8.2 years of mill production

DFS details

The DFS confirms the potential of the Bardoc Project to underpin a significant near-term, high-margin gold development project, with a robust production profile, competitive operating costs and attractive financial returns.

The DFS is based on the development of a standalone mining and processing operation, with a 2.1Mtpa CIL plant and flotation circuit to be constructed on site.

The Bardoc Project Life-of-Mine (LOM) Plan will initially comprise an 10-year mining operation *targeted to* commence in Q4 2022 and delivering LOM production of 1.10 Moz of contained gold, with peak annual gold production of 140,000ozpa for 6 years.

The estimated development capital is $177.4 million, with the Project forecast to generate a pre-tax NPV6% of $479 million and pre-tax Internal Rate of Return (IRR) of 41% at gold price of A$2,250/oz.

The All-in Sustaining Costs (AISC) are estimated to be A$1,188/oz, which, at current gold prices will allow the Company to generate on average over A$113 million of free cash flow per year once processing commences.

Based on the strong outcomes of the DFS, the board of Bardoc has resolved to progress the Bardoc Gold Project to financing as rapidly as possible, with the overall objective of making a Final Investment Decision in Q3 2021 and commencing construction in Q4 2021.

Management Comments

> *"The completion and delivery of this comprehensive and high-quality DFS is a fantastic achievement by our team, and marks a really important milestone for our shareholders, investors, supporters and other key stakeholders*
>
> *"The strong DFS outcomes show that the Bardoc gold project is without question one of the best undeveloped gold projects in Australia, with the potential to*

deliver strong production and cash flows and compelling financial returns over a long period of time from a brand new fully-integrated mining and processing operation located right on the doorstep of Kalgoorlie.

“At the heart of the DFS is a 28% increase in ore reserves over one-million ounces, a fantastic result which reflects the highly effective drilling programmes conducted over the past 12 months and the excellent technical work completed on our mining and processing schedules, to optimise the project to a very high level.”

“At the assumed base case gold price of A$2 250/oz, the project would generate some A$113-million in free cash flows a year post construction, with forecast LOM free cash flows of A$740-million.

“The project has relatively low capital intensity, with a forecast pre-production capital cost of A$177-million and a 32-month payback period from production commencement. Based on the project’s very strong financial metrics and Tier 1 location, combined with the strong team we have assembled and our very strong institutional share register, we are confident of securing a highly competitive project funding package over the coming months.

“That would put us on track to pour first gold in the fourth quarter of 2022, allowing Bardoc to make the all-important transition to mid tier gold producer and to become a significant new player in the gold industry in the North Kalgoorlie region.

“In the process, we will be making a substantial investment in the Goldfields region and deliver significant economic and social benefits to communities in the areas where we will be operating and to the

state of Western Australia."

Bardoc Gold CEO Robert Ryan.

For brevity, this summary has been abridged. To read the full news release, with caveats and disclosures, please click HERE

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Disclosure

At the time of writing the writer holds shares in Bardoc Gold, *bought in the market at the prevailing price on the day of purchase.*

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