

Bardoc Gold Secures a Binding Gold Concentrate Offtake Agreement to Advance their Project

Bardoc Gold Limited (ASX: BDC)

Advised that it has taken another key step towards the financing and development of its flagship 100%-owned Bardoc Gold Project, located 50 km north of Kalgoorlie in WA, after entering into a Binding Agreement with leading global minerals trader MRI

Trading AG (MRI) for the sale of gold concentrates from the Project.

Bardoc Gold	ASX : BDC
Stage	Exploration
Metals	Gold
Market cap	A\$126 m @ 0.073c
Location	Kalgoorlie, Western Australia

BARDOC TAKES KEY STEP TOWARDS DEVELOPMENT AFTER SECURING BINDING GOLD CONCENTRATE OFF-TAKE

Signing of Binding Agreement with the leading global minerals

trader MRI Trading AG will support project debt financing, marking a pivotal step towards a Final Investment Decision.

This announcement replaces the earlier version and includes further commentary on the Offtake Agreement.

Key Points:

- Binding Off-take Agreement signed with MRI Trading AG (MRI) for the gold concentrate to be produced by the Bardoc Gold Project, located 50km north of Kalgoorlie in WA.
- Total gold recovered and payable for Aphrodite ore of 92% vs the assumption in the PFS of 85%.
- Gold concentrate accounts for ~50% of the total forecast life-of-mine gold production from the Bardoc Gold Project, with the balance to be produced as gold doré.
- MRI is a leading global trader of concentrates, minerals and metals.
- Bardoc and MRI to finalise formal documentation for the off-take agreement in parallel with project debt financing.

Bardoc Gold Limited (ASX: BDC, Bardoc or the Company) is pleased to advise that it has taken another key step towards the financing and development of its flagship 100%-owned Bardoc Gold Project, located 50km north of Kalgoorlie in WA, after entering into a Binding Agreement with leading global minerals trader MRI Trading AG (MRI) for the sale of gold concentrates from the Project.

MRI was selected following an extensive vetting process from a short-list of high calibre, global traders, all of which expressed very strong interest in Bardoc's gold concentrates.

This process clearly demonstrated MRI's depth of experience in the global mining commodities market, both with customers and financial institutions.

The execution of a Binding Offtake Agreement, which covers ~50% of the forecast life-of-mine (LOM) gold production expected to commence at year three from the Bardoc Gold Project, represents a further important step towards establishing the Company as a significant new mid-tier Australian gold producer in Kalgoorlie's Eastern Goldfields.

1 Total gold recovery and payable = gold-in-concentrate x payability + flotation tail x gold recovery

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Bardoc Gold's Chief Executive Officer, Mr Robert Ryan, said the negotiation of the Offtake Agreement represents a significant de-risking milestone in the development of the +100kozpa Bardoc Gold Project, providing a solid foundation for its project debt funding strategy.

"This is a really important milestone which follows an exhaustive off-taker selection process, and we are absolutely delighted to announce MRI as our off-take partner for gold concentrate."

"This highly detailed and informative process has resulted in very competitive off-take terms with regard to both valuable metal payables and associated costs, as well as favourable payment and shipping terms.

"This process also highlighted the extensive Western Australian experience and global reach of our offtake partner MRI. We are pleased to be partnering with a proven group, who are the world's largest independent trader of non-ferrous concentrates.

"We are grateful to all the participants in this process who have committed their time and energy to working with us to achieve this outstanding outcome.

"We are now focused on completing our Definitive Feasibility Study in Q1 2021 while continuing our expansive +40,000 m exploration program targeting new discoveries,

which should continue to generate news-flow right up until Christmas and into the early part of 2021.”

– Bardoc Gold’s Chief Executive Officer, Mr Robert Ryan

OFFTAKE AGREEMENT

The execution of the Binding Offtake Agreement follows the delivery of a positive Pre-Feasibility Study (PFS) in March 2020 which outlined average gold sales of 135,000ozpa over 7 years of mill production resulting in an NPV (pre-tax 8%) of A\$332 million and 32% IRR based on a A\$2,100/oz gold price and pre-production capital of A\$142.4 million (Refer ASX Release 17th March 2020).

A comprehensive metallurgy testwork program has demonstrated a simple bulk sulphide flotation flowsheet produces a consistent flotation response and a high gold recovery to concentrate across the entire Aphrodite deposit. The terms of the Binding Off-Take Agreement remain confidential but combined with the detailed metallurgical test-work, compares extremely favourably to the PFS with:

- gold concentrate expected to run up to 100g/t;
- total gold recovery and payable of 92% compared with the assumptions in the PFS of 85%; and
- unit treatment cost below the assumptions in the PFS.

Other Key Commercial Terms include:

- Gold payabilities/pricing based on percentages of the mean am/pm benchmark of the London Bullion

Market association (www.lbma.org.uk) averaged over the first month following shipment.

- 100% of Gold Concentrate from start of commercial production.

The gold recoveries and pricing is expected to be in line with the PFS level assumptions (subject to

movements in the gold price).

Bardoc and MRI will now move to full form documentation for a formal Offtake Agreement in parallel with the project debt financing. Delivery of the Bardoc Gold Project Definitive Feasibility Study (DFS) is targeted for late Q1 2021.

The off-taker selection process was managed by Bardoc Gold's financial advisor, BurnVair Corporate Finance.

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ABOUT MRI TRADING AG

MRI is the world's largest independent (non-asset holding) trader of non-ferrous concentrates with over 2 million tonnes traded per annum. MRI employs 85 staff across a global network of nine offices, and maintains a local presence in 15 countries, including agents. Its main contracting centre is located in Zug, Switzerland, with local and representative offices located in Santiago, Lima, Mexico City, Johannesburg, Melbourne, Beijing, Shanghai, and Vancouver.

With over 25 years of experience in concentrates trading, MRI has a wealth of previous and current working relationships with a long list of leading ASX listed Australian and international producers in the minerals and metals space.

MRI also has long-standing relationships with major international banks including Credit Suisse, UBS and ING, and has access to approximately US\$1 billion in trade facilities. MRI's parent company is CWT Pte Ltd, a large Singapore-based trading and logistics company with over 6,000 employees across six continents.

CWT Pte Ltd is a wholly owned subsidiary of CWT International Limited (HKEX:0521).

NEXT STEPS

- Bardoc and MRI to finalise full formal documentation.
- Conclusion of Resource drilling and assaying program for the cornerstone Zoroastrian and Aphrodite

deposits in Q1 2021.

- Delivery of the Bardoc Gold Project DFS in Q1 2021.
- Continuation of market engagement with potential lenders regarding project financing with a view to making a Final Investment Decision in Q3 2021.

BARDOC GOLD PROJECT – BACKGROUND

Bardoc Gold Limited is an ASX listed Australian gold company developing