



14 July 2020

MANUKA RESOURCES LTD LISTS ON ASX FOLLOWING ITS OVERSUBSCRIBED \$7m IPO

Highlights:

- Manuka lists on ASX following its oversubscribed IPO, with robust support from institutional and retail investors
- Strong operational momentum continues at the comprehensively refurbished and upgraded Wonawinta plant
- 3,600oz Au produced from the Mt Boppy stockpiles over late April-June 30 2020 and sold at an average price of A\$2,555/oz with costs, grade and recoveries consistent with the prospectus
- Mining operations at Mt Boppy commenced in June 2020 with upgrades to the Wonawinta plant underpinning conservative prospectus guidance on recoveries
- \$4m IPO proceeds earmarked for resource extension and regional exploration aimed at extending the current mine plan with drilling to commence in coming weeks

Manuka Resources Ltd. (ASX:MKR) (**Manuka** or **Company**) is pleased to provide the following update on its recent activities. Trading in Manuka's shares will commence on ASX at 10.30am (Sydney time) today following the completion of its oversubscribed A\$7 million Initial Public Offering (IPO). The strong demand in the Company's IPO was evident with applications for Manuka shares significantly exceeding the maximum raising, resulting in substantial scaling back of applications. The IPO was strongly supported by institutions and retail investors.

The Company's successful listing on ASX represents a significant milestone for Manuka and provides a solid platform for future growth. Funds raised from the IPO will primarily be used to invest in exploration of the Company's near-mine opportunities and its extensive regional ground holding in the prolific Cobar Basin in Western New South Wales. Exploration drilling is expected to start almost immediately with a steady flow of results anticipated over the coming months.

Dennis Karp, Manuka's Executive Chairman commented: "In becoming an ASX-listed company, we are extremely proud to have attracted the support of our IPO investors, including several institutional investors who possess a strong understanding of the precious metals industry and the exploration potential of the Cobar Basin. The capital they have provided the Company will enable it to exploit its tenement package and hopefully deliver more ounces into our refurbished and upgraded mill at Wonawinta. In the mean time we will be producing gold and silver and delivering substantial cashflow to the Company."

"The Board of Directors and Management team at Manuka Resources Limited look to the future with great anticipation as we contemplate the next phase in our journey to become a substantial miner in the Cobar Basin, operating in a safe and socially responsible manner. We thank all investors who have accompanied us to date, and look forward to repaying your trust and support."

Operational Update

1. *Production Summary*

Following a comprehensive refurbishment and upgrade of the Company's Wonawinta plant, we recommenced processing operations of the Mt Boppy gold ore stockpiles in late April. In the period to 30 June 2020, Manuka processed a total of 63,499t of ore at an average grade of 2.63g Au/t and in line with expectations. This yielded 3,600 oz Au which was sold at an average price of A\$2,555/oz. The mining of the Mt Boppy pit started in mid-June.

The final commissioning of the Gekko Zadra elution column and electrowinning will occur in late July. All equipment is now on site and installed. This will greatly simplify the current gold recovery process, and shorten the Company's cashflow cycle by around 10 days.

Our costs of mining and production continue to be in line with projections made in the prospectus.

2. *Exploration program*

Approximately \$4.0m of IPO funds raised are earmarked for exploration, primarily drilling, which will commence almost immediately following the Company's listing. The core objective of the Company is to significantly increase both its reserve and resource inventories. Our total tenement package is substantial, extending over 1,126km², and strategically located in both the western and eastern regions of the Cobar Basin. Extending the current mine plan by a further 5 years is a priority, as is the opportunity to gain a broader understanding of the structures and compositions of the orebodies within our tenements. Forthcoming drilling will initially be focused in three directions:

- i. *Wonawinta* – the completion of an in-fill drilling program with the aim of converting part of the existing resource into reserve. An RC and diamond drilling program will commence before the end of July. Simultaneous to this, a 3D model will be constructed, and updated as relevant information arising from the drilling programs come to hand.
- ii. *Mt Boppy existing resource extension* – this will commence immediately focusing on the southern area of the pit. Drill rig to commence week beginning 20 July.
- iii. *Exploration of the Mt Boppy Camp location* – this encompasses an area of circa 9km² (3km x 3km) and includes the land surrounding the existing Mt Boppy pit, the Company's Canbelego mine camp, the historical workings at Canbelego King, Reid-Rankins and Birthday. Due to the number of targets within this location, the Company is constructing a 3D model which will be completed in September. RC and diamond drilling to commence then.

This release has been authorised by the Company's Executive Chairman, Mr Dennis Karp.