

TROPICANA

Tropicana

The Tropicana Gold Mine poured first gold in September 2013 eight years after the initial discovery. At the time Tropicana was the first greenfields gold discovery to be brought into production in Australia for more than a decade.

Location: 330 kilometres east-northeast of Kalgoorlie-Boulder on the western edge of Western Australia's Great Victorian Desert.

Ownership: AngloGold Ashanti Australia Ltd (70% and manager) and IGO Ltd (30%) through the Tropicana Joint Venture.

Key Statistics Calendar 2019

Production: 514,000 oz (100%)

Plant Throughput: 8.65 Mtpa

Head Grade: 2.06 g/t

Gold Recovery: 89.9%

Total Cash Costs: US\$504/oz (AGA)

Ore Reserve at 100% (as at December 31, 2019): 56.4 million tonnes grading 1.67 g/t for 3.03 Moz of contained gold.

Mineral Resource at 100% (inclusive, as at December 31, 2019): 128.60 million tonnes grading 1.70 g/t for 7.02 Moz of contained gold.

The Ore Reserve and Mineral Resource estimates for Tropicana are updated on an annual basis. AngloGold Ashanti and Independence Group provide full details of these estimates, including the applicable JORC statements, on their websites: www.anglogoldashanti.com and www.igo.com.au.

Key Contractors

Mining: Macmahon Holdings

Power Generation: Kalgoorlie Power Systems

Village & Administration: ESS

Aviation: Network Aviation, Goldfields Air Services, Cobham Aviation

Day Works Services: Kai Rho Contracting

Light Vehicle Workshop: Triodia

Subcontractors

Ancillary Equipment and Personnel: Carey Mining

Explosive Supply: Dyno Nobel

Workforce

Approximately 320 employed by AGAA and ~500 employed by contractors.





Overview

In 2020 Tropicana achieved several major milestones, starting underground production at Boston Shaker and pouring its 3 millionth ounce of gold.

The Boston Shaker underground mine transitioned into commercial production in September 2020 on schedule, below the A\$105.7 million budget and importantly, with no safety incidents. Boston Shaker will deliver approximately 1.1 million tonnes of ore per annum at an estimated grade of 3.5 grams/tonne, contributing approximately 100,000 ounces per annum to gold production over a seven year mine life. The first production stope was fired in June 2020 and the design production rate expected to be achieved in March 2021. Importantly the Boston Shaker mineralisation extends down-dip and remains open at depth, limited only by drilling information.

Tropicana produced its 3 millionth ounce in March 2020, just seven years after pouring first gold.

During this period ore has been sourced from the Tropicana, Havana, Havana South and Boston Shaker pits, which have been mined as a series of cutbacks, sequenced and scheduled to maximise value at a mining rate that delivers the best mining unit cost for the scale of the operation.

Late in 2018 a second ball mill was added to the Tropicana processing plant increasing throughput capacity to more than 8 million tonnes per annum, and providing flexibility to balance throughput and recovery. The modern processing plant uses conventional carbon-in-leach technology and includes high pressure grinding rolls (HPGR) for energy-efficient comminution.

Up until June 2020 ore production from the open pits exceeded the plant capacity, allowing higher grade ore to be preferentially treated (grade streaming) while lower grade ore was accumulated on stockpiles. During the second half of 2019 and the first half of 2020, the Tropicana pit and Havana pit were completed, in line with the mine plan. As a result, grade streaming came to an end and stockpiled ore is currently being used to supplement the mill feed from the Havana South and Boston Shaker pits.

A decision was made in the June 2020 quarter to invest in the next cutback of the Havana pit (Stage 2) which will allow access to the deeper Havana open pit ore from 2022 onwards. While this cutback is being completed, mill feed will be sourced from the Boston Shaker open pit, supplemented by approximately 4 Mtpa of low grade (0.85 – 1.05 g/t) stockpiled ore, resulting in a lower milled grade over the period. The lower grade will be partially offset by the Boston Shaker underground mine.

The plan remains for annual gold production (at 100%) in 2020 and 2021 to be between 400,000-450,000 oz lifting to between 450,000-500,000 oz from 2022 onwards as the portion of stockpiled ore in the mill feed is replaced by both Boston Shaker underground ore and an increasing contribution of ore from the Havana pit as the cutback progresses.

Significant potential remains to unlock known extensions of mineralisation beneath the Tropicana and Havana open pits and the extensions at depth of the Boston Shaker underground mineralisation. In the second half of 2020 development of the Tropicana underground exploration drive commenced. This drive is well positioned to also provide production access to the Tropicana underground reserve should the drilling prove successful. Underground diamond drilling is scheduled for the December 2020 quarter to improve orebody confidence.



Final trade-off studies are currently being completed on the Havana Stage 3 open pit cut-back and Havana underground to determine the optimal open pit – underground interface. A decision on the way forward for Havana Stage 3 is expected to be made during 2021.

Regional exploration continued through 2020 with encouraging results from a number of prospects.

Recent operational excellence work at Tropicana included the successful trial of autonomous open pit blast hole drilling which demonstrated that significant productivity gains could be achieved. As a result, five platform drill rigs have been converted to autonomous operation.



Environment

The Environmental Impact Assessment for Tropicana was completed in the second half of 2010 and received Federal and State environmental approval by year end. The EIA documents can be viewed at www.tropicana-jv.com.au. The approach to the approval for the Tropicana JV was recognised as a benchmark in environmental approvals in WA.

Tropicana has environmental certification under the new ISO 14001:2015.

Biodiversity is a feature of the safety and environmental management plan developed for the site. As part of the operation's biodiversity offsets strategy in its approved environmental management plan, the Great Victoria Desert Biodiversity Trust was established. A condition of the Federal Environmental Protection and Biodiversity Conservation Act approval for the mine, the Trust reflects the Tropicana Joint Venture partners' recognition of the need to base environmental management decisions on robust science. The Trust funds research on the remote Great Victoria Desert, where the mine is located, such as the first Sandhill Dunnart Research and Adaptive Management Plan for the GVD, which incorporates traditional owner land management expertise. Updates on the Trust and its research projects can be found at www.gvdbiodiversitytrust.org.au.



Community

For almost two decades AngloGold Ashanti has actively supported education, youth, community development and health programmes in communities across the Western Australian goldfields, from Laverton to Kalgoorlie-Boulder and beyond, including the remote Aboriginal community of Tjuntjuntjara.

Supporting education programmes at Eastern Goldfields College, Kalgoorlie-Boulder Community High School and John Paul College remains a strong focus. Education and employment initiatives are also delivered through long-term partnerships with indigenous academies: Kalgoorlie Clontarf Academy, the Kalgoorlie Girls Academy and the Graham Farmer Follow the Dream Programme. Along with annual funding support for these organisations, AGAA offers mine site tours, exposure to a wide variety of careers in the mining industry and a transition-to-work programme.

AGAA Tropicana also supports a 'Think Local, Buy Local and Employ Local' strategy to promote business opportunities and the growth of local supply networks.

Employment

The remote location of Tropicana necessitates a fly-in, fly-out operation with flights arranged to cater for employees and contractors based in both Kalgoorlie-Boulder and Perth. The site operates a combination of 4:3, 8:6, 2:2 and 2:1 rosters. Tropicana places an emphasis on recruiting locally where possible.

In 2019 the unique *Get into Mining* training programme, was run for the fourth time at the site, offering a unique, entry-level employment opportunity for Aboriginal people in WA's goldfields region. A collaborative programme run by Aboriginal-owned mining and civil contracting company Carey Mining, with the support of Macmahon Holdings and the Tropicana JV partners, Get into Mining comprises a blend of training in a classroom, at a simulated worksite and through practical activities at Tropicana. The programme graduates are now working in traineeships across the mining and exploration departments at the site.

Contact Details

AngloGold Ashanti Australia Ltd

Ph: 08 9425 4600

Email: AGAACorporateAffairs@anglogoldashanti.com

Website: www.tropicana-jv.com.au