



ASX Release – 18 January 2016

Strong December Quarter sees Millennium hit upper end of 2015 guidance

December Quarter free cash flow of A\$5.2 million; set to be debt-free by 31 March 2016

Corporate Details

Ordinary Shares:

742,695,372

Market Capitalisation:

~A\$31 million

Cash at 31 December 2015:

\$A11.4 million

Debt

\$A3.7 million

ASX Code: MOY

Board of Directors

Richard Procter

Non-Executive Chairman

Greg Bittar

Executive Director

Michael Chye

Non-Executive Director

Ross Gillon

Non-Executive Director

Management

Glenn Dovaston

Chief Executive Officer

Richard Hill

Chief Financial Officer

Pierre Malherbe

Company Secretary

Peter Cash

GM Corporate Development

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- **Strong December Quarter at Nullagine Gold Project in WA with production of 22,503 oz at AISC of A\$1191/oz**
- **Total production for 2015 of 91,462 oz (upper end of revised guidance) at an AISC of A\$1175/oz (below guidance)**
- **Free cash flow for December Quarter totalled A\$5.2 M (before financing costs)**
- **Senior debt cut by another A\$2.4 M to A\$3.7 M; on track to be debt-free by the end of March 2016**
- **A\$11.4 M cash at hand as at December 31, 2015**
- **Ongoing aggressive exploration campaign to grow Mineral Resource inventory and mine life delivers early success**

Millennium Minerals Limited (Millennium or Company - ASX: MOY) is pleased to advise that an outstanding performance at its Nullagine Gold Project (**Project**) in WA resulted in the Company generating A\$5.2 million in free cash flow (before financing costs) during the December Quarter.

The Company produced 22,503 ounces in the December Quarter at an all-in sustaining cost (**AISC**) of A\$1191/oz.

This took total production for the financial year¹ to 91,462 oz (being at the upper end of guidance of 88,000 oz – 93,000oz), and achieved at an AISC of A\$1175/oz (below AISC guidance of A\$1190/oz – A\$1240/oz).

Millennium increased production guidance and reduced cost guidance in October last year as it succeeded in improving mined ore tonnages, milled head grades and processing plant throughput - while also delivering annualised savings of more than A\$12 million.

The strong December Quarter result enabled Millennium to reduce its senior bank debt by a further A\$2.4 million to A\$3.7 million, as well as delivering a A\$1.6 million reduction in lease obligations from A\$1.9 million to just A\$0.3 million.

¹ Company's Financial Year ends December - based on audited data



Millennium expects to retire all senior bank debt by the end of this current quarter. With its subordinated debt repaid in full following last month's A\$21 million capital raising, this will leave the Company completely debt-free.

The combination of the strong operational cash flow and the remaining proceeds of the recent capital raising left the Company with A\$11.4 million cash on hand as at December 31, 2015.

As indicated in the recent capital raising prospectus, Millennium has earmarked a significant portion of this cash to fund an aggressive exploration campaign in the Project area to grow mineral inventory and mine life.

This program has already delivered success, with excellent drilling results returned from four prospects at the Project in the final weeks of last year (ASX release December 22, 2015).

Millennium Chief Executive Glenn Dovaston said the outstanding December Quarter results reinforced the Company's turnaround strategy – which has delivered increased production at reduced AISC, providing strong free cash flows.

"This robust cash flow generation places us well on track to be completely debt-free by the end of March 2016," Mr Dovaston said. "And, with the exploration campaign returning highly promising results, I am confident that Millennium will continue to go from strength to strength."

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