

Xanadu Mines Ltd

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Xanadu Mines comes under broker spotlight and emerges with Buy Recommendations

Xanadu Mines Ltd (ASX:XAM) remains focused on Mongolia, and is exploring the Kharmagtai Project - which is one of the most promising copper-gold projects globally, while being one of the highest grade porphyry discoveries.

Recent drilling intercepts include 650 meters at +1% copper equivalent from surface.

The potential continues with strong bedrock copper and gold results identifying more high-priority porphyry targets.

At the Oyut Ulaan Project, gold and copper intersections have been made from multiple prospects.

Xanadu has recently been attracting some broker attention.

Bell Potter

The broker has assigned a Buy Recommendation and at \$0.52 valuation. Xanadu last traded at \$0.20.

Bell Potter noted in its report:

"XAM's two very attractive copper-gold projects in the favourable pro-mining jurisdiction of Mongolia - which is now getting major company exploration attention - are actively being explored with considerable success and in a very cost-efficient manner, particularly in relation to drilling.

"Recent drilling and associated exploration activities at the Kharmagtai Copper - Gold Project have given the company a highly focused group of priority targets that is now being subjected to an accelerated drilling program involving three rigs.

"The new drilling program at the Oyut Ulaan Copper-Gold Project has discovered both high grade copper-gold mineralisation within a broad zone of porphyry and high grade copper mineralisation in tourmaline breccia at the Target 10 Prospect; gold-rich porphyry mineralisation at Diorite Hill Prospect; and more high grade epithermal gold mineralisation at the Target 33 Prospect.

"We have raised our equity diluted valuation by 8% to \$0.52 per share reflecting the significant recent exploration successes.

"Our Speculative Buy recommendation is retained."

Argonaut

The broker recently made a site visit, and noted:

Price: 0.037

Market Cap: \$26.38 m

1 Year Share Price Graph



Share Information

Code: XAM

Listing: ASX

52 week High Low
0.154734 0.032

Sector: General mining & base metals

Website: www.xanadumines.com

Company Synopsis:

Xanadu Mines Ltd (ASX:XAM) (TSE:XAM) (FRA:02X) is committed to Mongolia and its potential as one of the last great copper frontiers.

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"Argonaut recently visited Xanadu Mines (XAM) advanced stage copper/gold exploration assets in Mongolia.

"The Company has two core projects, Kharmagtai and Red Mountain, and both contain several clusters of porphyry intrusions with a range mineralisation styles.

"An intercept of 646m @ 0.51% Cu & 0.87g/t Au at the Stockwork Hill deposit earlier this year confirmed the potential for the Kharmagtai Project to develop into a globally significant porphyry district.

"Kharmagtai has three defined discrete porphyry deposits, and a fourth would likely provide the critical mass to promote development.

"We believe the Golden Eagle prospect at Khamagtai could be the next discovery with a gold rich cap identified in shallow RC drilling supported by coincident geophysical and geochemical anomalism.

"The pipeline Red Mountain Project is well advanced with defined porphyry mineralisation at the Dolerite Hill prospect (184m @ 1.06% Cu Eq) and a massive sulphide intercept at Target 10 (6.2m @ 5.5% Cu Eq).

"SPEC BUY recommendation."

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