

# Australian Mines Ltd

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## Australian Mines drills high grade cobalt and nickel at Sconi

Australian Mines Ltd (ASX:AUZ) has received additional drill results from its extensional program at its 100% owned Sconi Cobalt-Nickel-Scandium Project in North Queensland.

The resource expansion drilling program has continued to delineate high-grade cobalt and nickel zones across the project area producing grades rarely seen.

Highlights include the record assay of 3.4% cobalt over one metre and multiple one-metre intersections grading over 1.0% cobalt.

The frequent intersection of cobalt-rich zones grading over 0.5% cobalt suggests that Sconi is living up to its status of an emerging world-class deposit.

The results will be used to estimate an updated JORC resource expected to be released by April 2019.

READ: Australian Mines confirms Sconi offtake discussions with SK Innovation are ongoing

AUZ's managing director Benjamin Bell said: "With the majority of assays now received from our 2018 drilling campaign to grow the cobalt and nickel resources at Sconi, it is clear that this project has enormous potential to grow beyond the already strong commercial development case highlighted in November's bankable feasibility study.

"Our technical team successfully evaluated the extensional potential in areas at both the

Greenvale and the nearby Lucknow deposits ahead of the campaign and it is clear from these results that the drilling has the potential to reinforce that modelling in a significant way.

"We believe the deposits at Sconi have a lot more to give in terms of resources, which is clearly reflected in the almost three-and-a-half per cent record cobalt hit returned in these results.

"Our focus now is on incorporating these outstanding results in a re-estimation of the Mineral

Resource for the Sconi Project, which will allow us to undertake what we believe will be a material optimisation review of our development case for Sconi published in the initial BFS on the project.

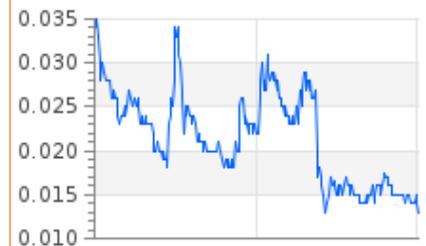
"I would like to take this opportunity to thank the company's dedicated and talented technical team who planned and executed this program."

BFS values project at \$697 million

**Price:** 0.013

**Market Cap:** \$44.78 m

### 1 Year Share Price Graph



February 2019 August 2019 February 2020

### Share Information

**Code:** AUZ

**Listing:** ASX

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>0.041</b>	<b>0.013</b>

**Sector:** Battery Metals

**Website:** [www.australianmines.com.au](http://www.australianmines.com.au)

### Company Synopsis:

*Australian Mines Limited (ASX:AUZ) is listed on the Australian Securities Exchange.*

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During November 2018, AUZ released a bankable feasibility study (BFS) for its Sconi Cobalt-Nickel-Scandium Project in Queensland, valuing the project at \$697 million.

Three open pits would be constructed under the project along with a processing plant with annual ore processing capacity of 2 million tonnes.

#### Drilling highlights

The drill results significantly expand the mineralised footprint of the Sconi Project beyond its current JORC-compliant Mineral Resource and Ore Reserve.

#### Highlights included:

- 12 metres at 1.07% cobalt from 1 metre depth;
- 9 metres at 1.02% cobalt from 1 metre depth;
- 10 metres at 0.75% cobalt from 5 metres depth;
- 12 metres at 1.02% nickel from 1 metre depth;
- 13 metres at 1.11% nickel from surface; and
- 16 metres at 1.00% nickel from 2 metres depth.

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