

# Xanadu Mines Ltd

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## Xanadu Mines focused on delivering oxide gold starter project at Kharmagtai

Xanadu Mines Ltd (ASX:XAM) (TSE:XAM) is actively pursuing the opportunity for a low-cost, high-value gold gravity and leach operation for shallow oxide gold mineralisation at Kharmagtai Copper-Gold Project in southern Mongolia.

The company has formulated this strategy to unlock the previously overlooked gold potential that sits above and adjacent to known copper resources early in the development life of Kharmagtai.

As such, the starter project has the potential to inject significant cash into the project to offset the cost of developing a large-scale copper-gold mine.

### More cost-effective strategy

Xanadu's chief executive officer Andrew Stewart said the Board had taken the decision to refocus efforts on what it considered a more cost-effective and more rapid strategy to unlock some of the inherent and latent value of the key copper and gold assets in Mongolia.

He said the strategy was subject to achieving key technical objectives at the project, which is within a 1-hour drive north from the giant Oyu Tolgoi copper-gold deposit.

"The recently completed open pit Scoping Study at Kharmagtai clearly demonstrates that the Kharmagtai Copper-Gold Project is one of the leading development projects with unrivalled exploration upside globally today.

"This means Xanadu is one of a few junior companies controlling a large copper-gold deposit left on the ASX or TSX."

### "Impressive results"

In a letter to shareholders, the CEO said: "Ongoing assessment of the shallow oxide gold mineralisation has continued to achieve impressive results, which has led us to re-define our short/medium-term development strategy and focus on low-risk exploration of the shallow oxide.

"Significantly, the company has entered an exciting period of cost-effective discovery and growth and news flow from this program.

"While it may take some time for all of these initiatives to bear fruit, we remain committed and confident that the changes we have made is a winning strategy for Xanadu Mines."

### Cost-saving initiatives

**Price:** 0.048

**Market Cap:** \$39.61 m

#### 1 Year Share Price Graph



#### Share Information

**Code:** XAM

**Listing:** ASX

**52 week High Low**  
0.08 0.021

**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.

action@proactiveinvestors.com.au

In line with market sentiment, which makes it "tough to be an explorer", Stewart said the Board had implemented several cost-saving initiatives to reflect the changed circumstances.

"These have included a reduction in the number of directors to five, the relocation of myself to Australia with related cost savings and further reductions in corporate and administration costs to preserve cash and focus on drilling.

"We are committed to further Xanadu Mines Group cost savings as we redefine our strategy and priorities going forward and other initiatives to enhance shareholder value," he concluded.

"The Board is dedicated to delivering substantial returns for shareholders through discovery of globally significant deposits in Mongolia that will drive value-creative transactions with large mining companies."

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Contact us +61 (0)2 9280 0700 [action@proactiveinvestors.com.au](mailto:action@proactiveinvestors.com.au)

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