

Xanadu Mines Ltd

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Xanadu Mines partners with JOGMEC to progress Red Mountain Project

Xanadu Mines Ltd (ASX:XAM) has entered into an earn-in agreement with Japan Oil, Gas and Metals National Corporation (JOGMEC) regarding its Red Mountain Copper-Gold Project in Mongolia.

JOGMEC will sole fund up to US\$7.2 million in exploration over 4 years to earn a 51% interest in the project.

The exploration objective is focused on the discovery of a tier-one copper-gold porphyry deposit.

Funds exploration without shareholder dilution

Xanadu's CEO Dr Andrew Stewart said: "The Red Mountain Project is a highly prospective, porphyry copper-gold district with enormous potential for a new tier-1 discovery.

"This partnership and increased exploration funding allow a focussed and accelerated exploration program at Red Mountain, thereby maximising the chances of success while minimising shareholder dilution.

"Previous drilling at the project has returned numerous high-grade copper-gold intercepts from a broad range of mineralisation styles."

Testing copper-gold targets in June quarter

Exploration activity at Red Mountain is scheduled to recommence in April/May 2020 and continue through to November 2020.

Stewart added: "Deploying a suite of new exploration methodologies in 2020 will provide a whole new perspective on the mineral potential at Red Mountain.

"We look forward to kicking-off this exciting partnership with JOGMEC to refine and test several largescale copper-gold targets in 2Q 2020.

"Both parties perceive the Red Mountain area to have high potential for discovery of a globally significant copper-gold deposit and look forward to demonstrating the value of this new relationship."

The scheduling of the exploration activity will be determined in conjunction with JOGMEC in the coming months, with updates provided as specific exploration programs commence.

Highly prospective South Gobi porphyry belt

The deal with JOGMEC will lead to exploration activity that build upon Xanadu's other active exploration program at Kharmagtai in the South Gobi region of Mongolia.

Stewart also said: "Xanadu will continue to progress and fund exploration at its flagship Kharmagtai copper-gold project, located approximately 265km west of Red Mountain.

Price: 0.041

Market Cap: \$38.91 m

1 Year Share Price Graph



Share Information

Code: XAM

Listing: ASX

52 week High Low
0.063 0.021

Sector: General mining & base metals

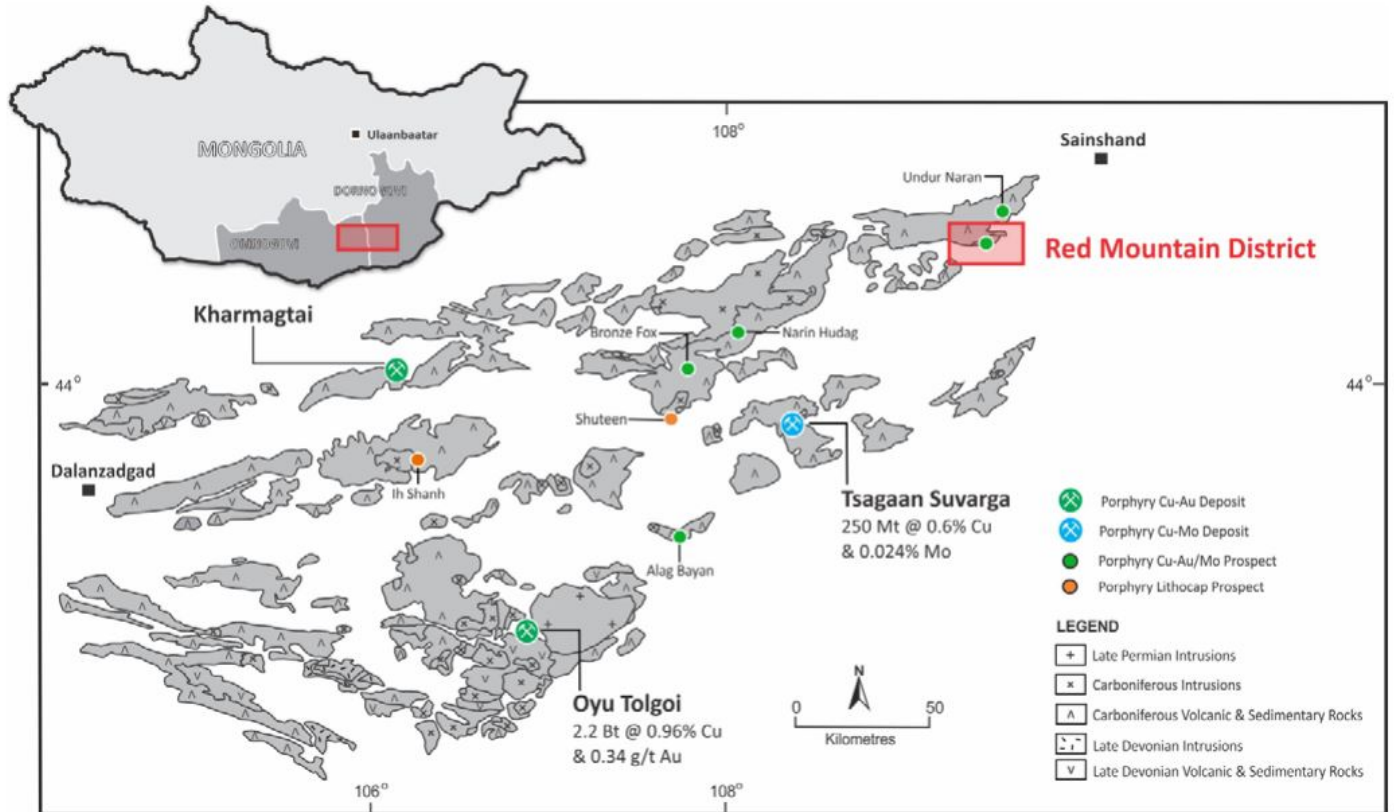
Website: www.xanadumines.com

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.

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"Kharmagtai has emerged as one of the most globally promising porphyry copper-gold projects, where recent drilling has intersected a significant new zone of high-grade copper and gold mineralisation outside the defined resources containing 1.9Mt Cu and 4.3Moz Au."



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