

Hexagon Energy Materials Ltd

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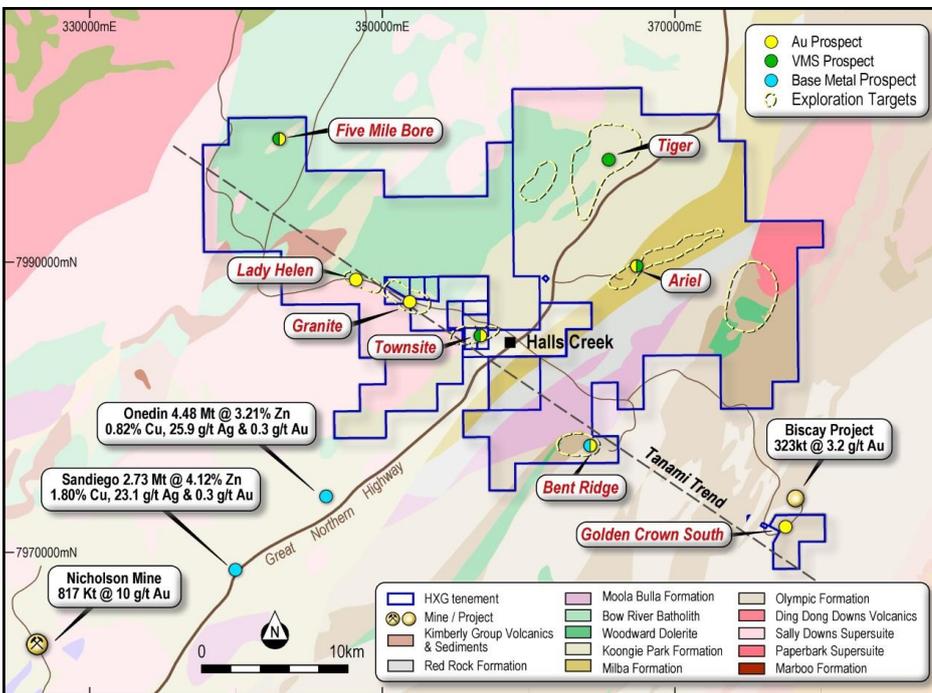
Hexagon Energy Materials shares rise ahead of gold drilling at Halls Creek Project

Hexagon Energy Materials Ltd (ASX:HXG) shares are trading about 15% higher intra-day after identifying an opportunity to add significant value by testing several high-grade gold targets at its Halls Creek Project in the Kimberley region of WA.

The program will commence in early July and is designed to follow-up on several outstanding high-grade gold targets identified from target-generation work undertaken by Hexagon earlier in the year.

Gold targets to be followed up, include:

- Lady Helen - historical drill intercept of 4 metres at 22.6 g/t gold and 17.3 g/t silver from surface and a rock chip result of 36 g/t gold;
- Townsite Prospect - with surface rock chip sample result of 26 g/t gold;
- Granite Prospect with rock chip result of 11.5 g/t gold; and
- Bent Ridge Prospect with 1.3 g/t gold from rock chip sample.



Halls Creek Gold Project: schematic geology and target locations

The targeting has been designed to zone-in on geological interpretations refined by the detailed aeromagnetic survey flown by Hexagon late in 2019 to provide high-resolution geological context on these gold targets as well as numerous other targets prospective for gold and polymetallic base metal mineralisation.

A sequential program is planned to comprise:

Price: 0.057

Market Cap: \$16.67 m

1 Year Share Price Graph



Share Information

Code: HXG

Listing: ASX

52 week High Low
0.085 0.03

Sector: General mining & base metals

Website: www.hexagonresources.com

Company Synopsis:

Hexagon Energy Materials Ltd (ASX:HXG) is listed on the Australian Securities Exchange.

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1. Geochemical - sampling to identify new targets and better define existing targets along the Lady Helen to Bent Ridge gold trend. (mobilise late June, July).
2. Geophysics - a review of historical data and, where relevant, apply new processing techniques or geological models to identify untested targets. (June, July]
3. Geological Mapping - at a detailed prospect-scale along the Lady Helen-Bent Ridge trend and at a broader regional scale to identify structural controls on lode-gold mineralisation, the main regional structural and lithological units as reconciled to the aeromagnetic interpretation and mapping of other anomalies identified from the aeromagnetic and historical data. (July, August)
4. Drilling - a reverse-circulation and diamond core program to test the gold targets defined above. (August-September - subject to approvals and availability of drilling contractors)

Adding significant value in the short term

Hexagon managing director Mike Rosenstreich said: "We are all emerging from the COVID-19 restrictions and it is pleasing and encouraging that several parties are looking to re-engage on our funding discussions.

"There is uncertainty as to how Hexagon gets involved and contributes to the planned offshore REE (rare earth element) business when our borders are closed and indeed, whether we plan to or will be able to exercise the RapidSX Option.

"These issues are weighing on shareholder's minds, though we remain confident we can address them.

"We are working as quickly as we can in co-operation with IMC to undertake our financial modelling and to finalise a strategic REE funding transaction.

"That is our main game, but we also have an opportunity to add significant value in the short term by testing several high-grade gold targets at our Halls Creek Project and this work is due to start in a few weeks."

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