

Australian Vanadium Ltd

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Australian Vanadium consolidates position with new mining licence to extend flagship project

Australian Vanadium Ltd (ASX:AVL) has extended its footprint for the Australian Vanadium Project at Gabanintha in WA's Mid-West with a mining licence application covering southern mineral resource fault blocks.

The resource within the lease application area (MLA 51/890) contains inferred resources in fault blocks 60 and 70 totalling 27.5 million tonnes at 0.76% vanadium pentoxide including 14.8 million tonnes at 0.99% of high-grade (HG) massive magnetite zone.

A 3D Magnetic Inversion model shows that there is an additional strike of 500 metres with the potential for further high-quality resources pending drilling.

AVL managing director Vincent Algar said: "Australian Vanadium has now consolidated its entire strike of mineralisation into mining licence applications, ensuring a strong future for the project.

"The mineral resources in MLA 51/890 will not form part of the bankable feasibility study (BFS), but will offer opportunities for optimisation, scaling of production and mine-life extensions in the future."

3D magnetic inversion model

The proposed process to extract vanadium uses a magnetic separation circuit and AVL has identified that the magnetic susceptibility can be used to target areas that show higher magnetism and less weathering nearer the surface.

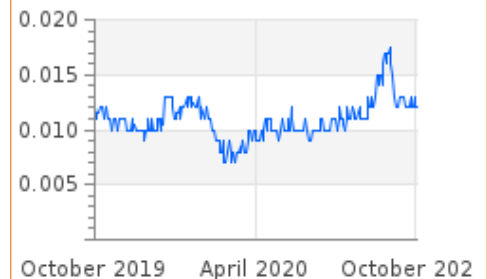
A 3D magnetic inversion model was completed using 50-metre aeromagnetic flight lines from a 2006 survey over the entire length of the magnetite with the result aiding targeting for the drilling of fault blocks 50 and 60 completed in December 2019.

The drilling results add flexibility to the mine schedule in the BFS, allowing strongly magnetic material to be processed early in the mine life, increasing vanadium recovery.

Price: 0.012

Market Cap: \$35.08 m

1 Year Share Price Graph



Share Information

Code: AVL

Listing: ASX

52 week High Low
0.0185 0.007

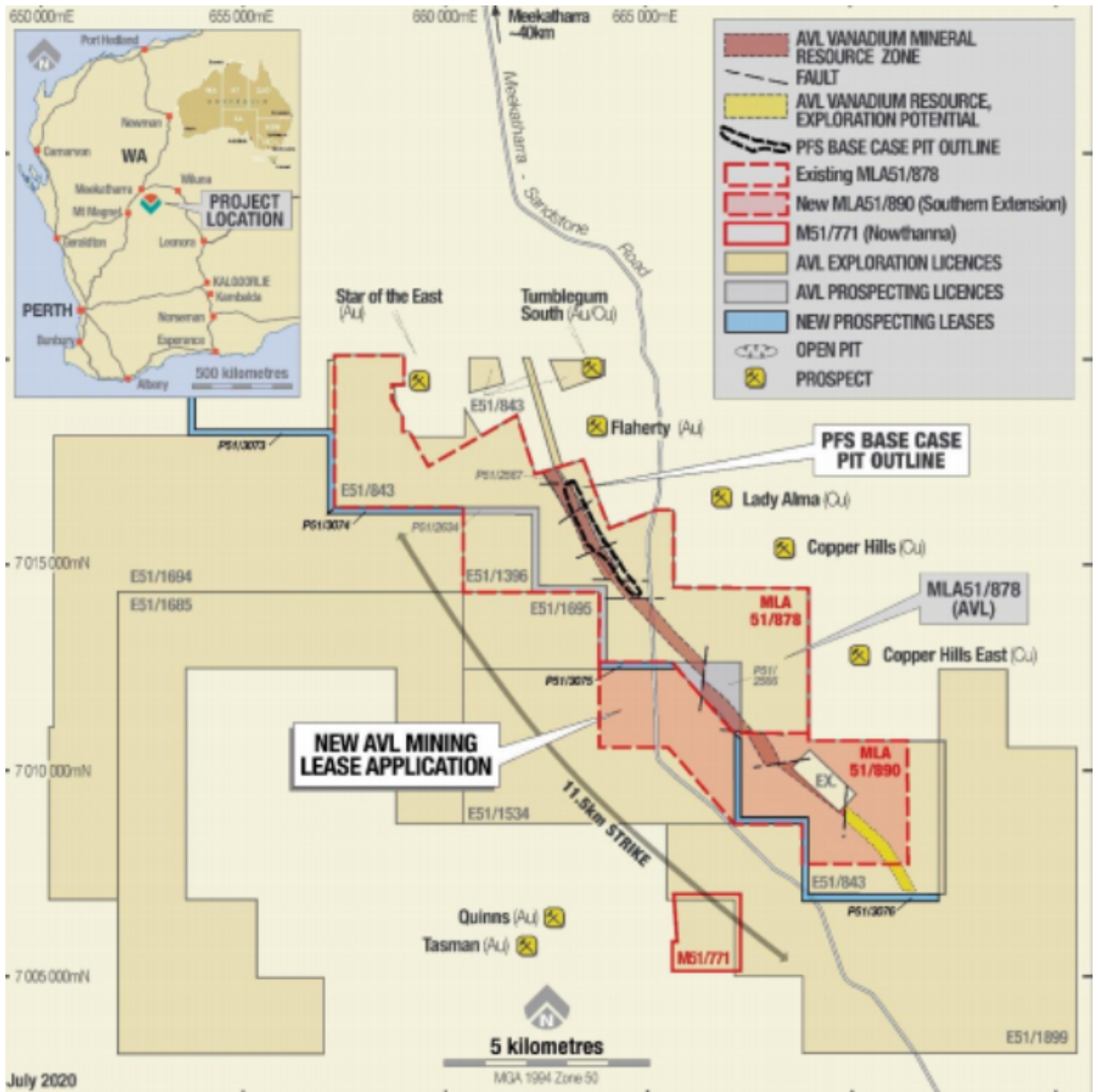
Sector: Mining

Website: www.australianvanadium.com.au

Company Synopsis:

Australian Vanadium Ltd (ASX:AVL) is focused on vanadium, seeking to offer investors a unique exposure to all aspects of the vanadium value chain - from resource through to steel and energy storage opportunities.

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Project location and tenure with mining lease application MLA 51/890 southern extension.

Previous drilling results

The mineral resources defined within the licence area were estimated using results from a series of drilling programs conducted on the deposit in 2008, 2009, 2015 and 2019.

Fault block 70 has an existing inferred mineral resource based on drilling completed during 2008 and 2009, with best results of

- 16 metres at 1.12% from 36 metres, including 11 metres at 1.25% from 40 metres;
- 33 metres at 1.08% from 46 metres, including 9 metres at 1.22% from 61 metres;
- 15 metres at 1.06% from 62 metres, including 6 metres at 1.24% from 65 metres;
- 14 metres at 1.02% from 15 metres, including 6 metres at 1.24% from 22 metres;
- 18 metres at 0.99% from 193 metres, including 8 metres at 1.29% from 202 metres; and
- 9 metres at 1.20% from 46 metres, including 6 metres at 1.25% from 48 metres.

Extending life of mine

The addition of the southern fault blocks to a mining lease application also increases the opportunity for an extension of the mine life at the project.

Mineral resources within AVL's main licence area of 208.4 million tonnes at 0.74% vanadium pentoxide including 87.9 million tonnes at 1.06% of HG zone will continue to be the primary basis for the BFS.

As well as optimising the mine-life, the new application provides flexibility for future infrastructure works to support two open pits as well as containing waste dumps, topsoil stockpiles, haulage roads and a mining service area.

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