

St George Mining Ltd

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St George Mining returns strong recoveries and concentrate grades in Mt Alexander metallurgical tests

St George Mining Ltd's (ASX:SGQ) preliminary metallurgical test-work at its flagship Mt Alexander Project has returned strong metallurgical recoveries and concentrate grades for massive and disseminated nickel-copper sulphides from the Investigators prospect.

Two composites of 34.8 kilograms of massive sulphide ore and 16.2 kilograms of disseminated sulphide mineralisation from MAD177 were assessed.

The objective was to assess if nickel and copper could be recovered into separate saleable concentrates by flotation process and to determine the PGE deportment in the concentrates.

Results support mining operations

The company considers the results very favourable and likely to have a positive impact on project economics for a potential mining operation at Mt Alexander.

Separate clean saleable nickel and copper concentrates were generated in a conventional flotation circuit test and the test-work returned a very high recovery of platinum group elements (PGEs) in both the nickel and copper concentrates including from disseminated sulphides.

Nickel concentrate produced at the following grades:

- 16.2% nickel from massive sulphides at 90.6% recovery with 6.26 g/t total PGEs; and
- 13.5% nickel from disseminated sulphides at 62% recovery with 8.10 g/t total PGEs.

Copper concentrate produced at the following grades:

- 30.3% copper from massive sulphides at 90.6% recovery with 7.39 g/t total PGEs; and
- 25.1% copper from disseminated sulphides with 59.8% recovery with 18.1 g/t total PGEs.

The test-work also returned strong payable cobalt recoveries in the nickel concentrates with 0.59% cobalt in concentrate from massive sulphides and 0.50% cobalt in concentrate from disseminated sulphides as well as high silver values of 52 g/t Ag in copper concentrate produced from massive sulphides.

"High quality confirmed"

Although the test-work program targeted split flotation of nickel and copper, the ore samples are just as amenable to bulk flotation techniques with similar recoveries, which is likely to provide alternative strategies for the processing and marketing of ore recovered from any potential mining operation.

St George Mining executive chairman John Prineas said: "We are delighted with the early results of this metallurgical

Price: 0.14

Market Cap: \$70.5 m

1 Year Share Price Graph



Share Information

Code: SGQ

Listing: ASX

52 week High Low
0.165 0.057

Sector: Gold & silver

Website: www.stgeorgemining.com.au

Company Synopsis:

St George Mining Ltd (ASX:SGQ) is a nickel and gold focused exploration company with a dominant landholding in an under-explored area of the North East Goldfields of Western Australia.

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test work program.

"The high quality of our Mt Alexander mineralisation has been confirmed with separate clean nickel and copper concentrates produced from both the massive and disseminated sulphides."



Copper flotation (left) and nickel flotation (right) tests for massive sulphide

"Positive economic impact"

Prineas said the company was especially excited by the analysis of the PGE content.

He said: "Importantly, we are seeing high values of PGEs, cobalt and silver - all of which could generate significant credits and have a positive impact on the economics for a potential mining operation at Mt Alexander which is currently being assessed by ongoing studies.

"We are confident that the metallurgical results can be further optimised as we undertake more detailed test work and progress marketing studies to maximise potential net smelter revenues."

Saleable nickel concentrate

Separate clean concentrates were produced for nickel and copper from each of the massive and disseminated sulphide samples.

The disseminated sulphides included elevated magnesium indicative of talc, which was successfully depressed in the flotation process resulting in a clean, saleable nickel concentrate being produced from the disseminated sulphides.

The Fe:MgO ratio was more than 100 in the nickel concentrate from the massive sulphides - a strong result - and the Fe:MgO ratio for the nickel concentrate from the disseminated sulphides was 6.8 - lower but still acceptable for a saleable concentrate.

The potential blending of the two concentrates has not been assessed but is likely to provide an opportunity to optimise the overall nickel concentrate produced and will be further investigated in more detailed metallurgical test work.

Next steps

The company plans to complete more detailed work at Investigators.

This will include a broader selection of drill holes to provide a more definitive metallurgical assessment for use in a scoping study for the potential mining of ore at the prospect.

Stricklands test-work

Metallurgical test work is also underway in Canada on the mineralisation from the shallow, high-grade Stricklands deposit.

XPS has been engaged by St George to assess the metallurgical performance of the Stricklands mineralisation and to develop a flowsheet for the potential mining and processing of the ore.

Eight PQ-size diamond core drill holes were completed during June 2020 with around 300 kilograms of samples from these holes delivered to XPS for detailed test work.

The robust metallurgical assessment will be incorporated directly into the scoping study for a potential mine at Stricklands.

Of the shallow high-grade discoveries along the Cathedrals Belt, Stricklands is considered the most amenable to a potential low-cost, high-margin open-pit mining operation and is the first of the deposits to be assessed under a formal scoping study.

St George expects to provide results from the scoping study in quarter four 2020

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