



**2 August 2018**

## **HGM TO COMMENCE MAIDEN DRILLING CAMPAIGN AT SCHELLGADEN GOLD PROJECT**

### **HIGHLIGHTS**

- Maiden drilling campaign at Flagship Schellgaden Gold Project scheduled to commence in week commencing Monday 6 August 2018
- Second drilling rig expected to commence drilling in week commencing Monday 27 August 2018
- Initial assay results expected early in Q4 CY18

High Grade Metals Ltd (ASX: HGM) ("HGM" or the "Company") is pleased to announce that the maiden drilling campaign at the flagship Schellgaden Gold Project is scheduled to commence in the week commencing Monday 6 August 2018.

Global drilling contractor, Energold, has confirmed that the first drilling rig and tractor are scheduled to arrive on site early the week commencing Monday 6 August 2018. A second rig is then scheduled to arrive in the week commencing Monday 27 August 2018.

Initial assay results are expected to be received early in Q4 CY18.

### **High Grade Metals Managing Director & CEO Torey Marshall said:**

*"We are pleased to be shortly commencing our maiden drilling campaign at the Schellgaden Gold Project. We are initially targeting near mine extensions of the very high grade zones which have been historically extracted at Schellgaden, but our broader geological modelling suggests the potential for this mineralised sequence to be regionally extensive."*

*"We have spent considerable time and effort to ensure we have given ourselves the best chance of success including completing extensive underground, surface mapping and advanced modelling."*

**\*\*\* END \*\*\***

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High Grade Metals Ltd	Issued Capital	Australian Registered Office	Directors
ACN: 062 879 583 ASX: HGM	452,937,867 Shares 97,500,000 Options 240,000,000 Perf Shares	Level 11, London House 216 St. Georges Terrace Perth WA 6000	Torey Marshall – Managing Director and CEO Steve Formica – Non Executive Chairman Hayden Locke – Non Executive Director David Palumbo – Non Executive Director and Company Secretary

## About High Grade Metals Ltd

High Grade Metals (ASX: HGM) is an Australian mineral exploration company with a portfolio of brown fields cobalt, copper and gold assets. The Company's major projects are all located in mining friendly Austria, which covers an area of about 84,000 km<sup>2</sup> across Central Europe. The highly experienced management aims to grow the value of HGM's project portfolio to benefit shareholders by leveraging innovation and maximizing value of the assets through systematic exploration and teamwork. The dynamic two-year exploration and development program underpins the Company's business strategy.



Figure 1. Location of High Grade Metals' Projects within Austria

## HIGH GRADE METALS PROJECT OVERVIEW

### Austrian Gold Projects

The Company has a 100% interest in five Austrian gold projects covering a total of 200km<sup>2</sup>.

#### 1. Schellgaden North Gold Project

The flagship project lies within an exploration area of 152 overlapping Freischürfe covering an area of 69km<sup>2</sup>. Located in the historic Schellgaden Mining District (refer Figure 1 below), named after the village of Schellgaden, the focus of the district gold production until the early years of the 20th Century. Gold mining at Schellgaden dates back to pre-Roman times. Known gold mines, such as Stüblbau, date back to the 12th-13th Century and the smaller Schulterbau Mine is likely to be considerably older. Chroniclers described the presence of some 150 gold mines during the heyday of mining in the 16th Century. Accordingly, Schellgaden has been considered one of the richest and most active gold mining districts in Austria. Although frequently interrupted, mining activity continued until the first half of the 20th Century. The Company has prepared an Exploration Target for this area with drilling to test the target expected to commence in Q3 CY18.

#### 2. Schellgaden South Gold Project

The flagship project lies within an exploration area of 120 overlapping Freischürfe covering an area of 57.6km<sup>2</sup>. The project covers the southern extension of the Schellgaden North Gold Project.

#### 3. Goldeck-Sifflitz Gold Project

The project lies within an exploration area of 57 overlapping Freischürfe covering an area of 27.6km<sup>2</sup>. The project covers the historic mine workings of Guginock. The area has been known from the Middle Ages for its deposits of gold and antimony. The large number of mine dumps and traces of collapsed mine entrances that occur across the exploration area, provide testimony to its long history of mining. To the north of the project area lies the ancient Sifflitz Gold Mining District, which was exploited during the 16<sup>th</sup> and 17<sup>th</sup> centuries from over 106 independent mine sites.

#### 4. Kreuzeck East Gold Project

The project lies within an exploration area of 42 overlapping Freischürfe covering an area of 20.5km<sup>2</sup>. The project covers two famous old mining districts; the high grade gold mines north of Lengholz and the stibnite deposits of Lessnig-Radlberg that sit within the Goldeck-Kreuzek Mining District. Compared the other projects, little is known about these mines and others within the project area as they have been abandoned for some time and are inaccessible.

#### 5. Kreuzeck West Gold Project

The project lies within an exploration area of 44 overlapping Freischürfe covering an area of 23.9km<sup>2</sup>. The projects also sits within the Goldeck-Kreuzek Mining District and includes for significant historical mines; Rabant, Gurskerkammer, Fundkofel, and Knappenstube-Strieden.

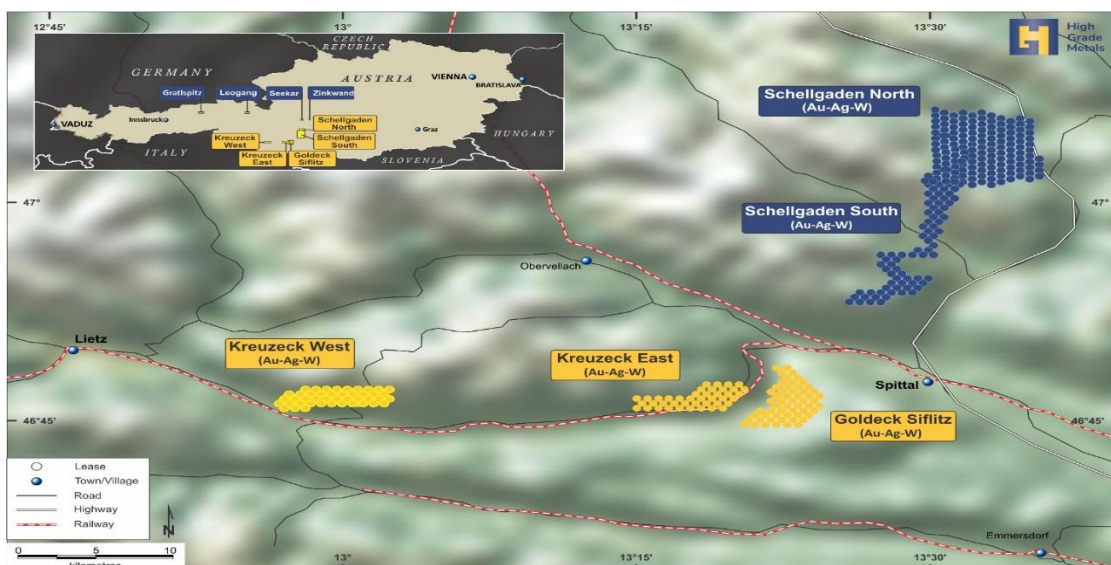


Figure 2: Location map showing the Company's Austrian Gold Projects

## Austrian Copper, Cobalt and Nickel Projects

The Company has a 100% interest in four Austrian gold projects covering a total of 85km<sup>2</sup>.

### 1. Leogang Cobalt, Copper, Nickel Project

The project lies within an exploration area of 63 overlapping Freischürfe covering an area of 27km<sup>2</sup>. The project covers one of the oldest and most famous mining localities in Austria, the Schwarzelo Valley, where mining was first documented in 1425. Nickel and cobalt were mined in the region from the mid-16th century when Leogang was famed for the diversity of its mineralogy and rich ore. At various times in its past, cobalt, nickel, copper and silver have been mined at Leogang. Mines include the Nöckelberg and Leogang mines. The Nöckelberg Prospect is the Company's immediate focus for which an Exploration Target has been prepared with drilling to commence in Q3 CY18.

### 2. Gratspitz Cobalt, Copper, Nickel Project

The flagship project lies within an exploration area of 132 overlapping Freischürfe covering an area of 53km<sup>2</sup>. The project lies within the Schwaz-Brixlegg Mining District, a renowned mining region, famous as the type locality of the mercurian fahlore variety 'schwarzite'. The region was a significant producer of copper and cobalt. Exploitation of copper deposits dates back to the Late Bronze Age (9<sup>th</sup> Century BC – Breitenlechner et al., 2013). The first recording of a copper and silver refinery at Brixlegg dates back to 1463. Between 1420 and 1827, it has been estimated that some 190,000 tonnes of copper and 2,600 tonnes of silver were mined in this area. Cobalt occurrences are located at "Silberberg" (2 km south-southeast of Brixlegg), "Geyer", which lies close to Zimmermoos, 2 km - 6 km southeast of Brixlegg, and on the flanks of Gratspitz Mountain.

### 3. Seekar Cobalt, Copper and Nickel Project

The project lies within an exploration area of 9 overlapping Freischürfe covering an area of approximately 4km<sup>2</sup>. The project covers historic mine sites first established during the 16<sup>th</sup> century and mined intermittently through to 1923. Mineralisation is associated with hydrothermal vein sulphides and is typically polymetallic, copper, silver, nickel and cobalt. Vein thicknesses of up to 2m have been historically mined.

### 4. Zinkwand Cobalt, Copper and Nickel Project

The project lies within an exploration area of 2 overlapping Freischürfe covering an area of approximately 1km<sup>2</sup>. The project covers the site of historic sulphide mining including both cobalt and nickel. Several historical mining adits are still accessible within the project area.

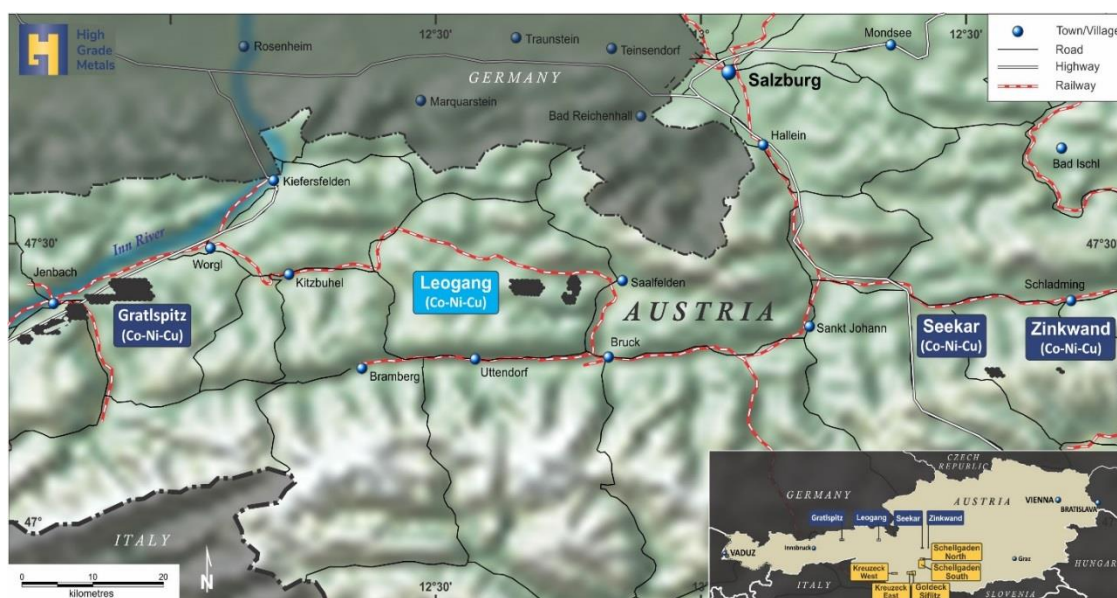


Figure 3 – Location map showing the Company's Cobalt, Copper and Nickel Projects in Austria