



26<sup>th</sup> November, 2014

ASX Release,  
By e-lodgement

## First drill core assays significantly upgrade copper grades at Moubiri

### Highlights

- Assays significantly upgrade copper grades in majority of drill holes.
- Main “DSO” mineralised zone (ZK130401) increased width and grade:
  - o 8.55m (down hole) @ 11.9% Cu, 29.6% Pb, 19.4% Zn and 159.2g/t Ag
- Significant increase in copper grade in the sandstone unit:
  - o 17m @ 5.1% Cu (XRF result) increased to 16.7m @ 11.0% (assay result)
  - o 9.4m @ 3.8% Cu (XRF result) increased to 9.5m @ 6.2% (assay result)
  - o 12.4m @ 5.6% Cu (XRF result) increased to 15.7m @ 9.0% (assay result)

AusAmerican Mining Limited (ASX: AIW) (“AusAmerican” or “the company”) is pleased to report the first drill core assay results from the Moubiri due diligence program.

Shenglong Investments International Ltd (“Shenglong”) previously drilled 14 diamond core holes for a total of 2,688 metres during 2013 of which 2 key holes intercepted the Moubiri production ore body. As part of AusAmerican’s due diligence program the company has logged the drill holes, supervised analyses by handheld XRF and the cutting/sampling of the drill core. The preliminary XRF results were released on 23<sup>rd</sup> Oct. The drill core was assayed by Acme Laboratories (Vancouver) by 4 acid digest with an ICP finish and has consistently returned higher copper grades than originally published. Major intersections are as follows:

Hole Id	From	To	Interval (m)	True Width (m)	Cu %	Pb %	Zn %	Ag g/t
ZK130401	38.4	55.1	16.7	7.3	11.0	0.6	2.1	33.5
ZK130401	85.1	93.65	8.55	3.8	11.9	29.6	19.4	159.2
MZK004	88.0	97.5	9.5	4.2	6.2	-	-	10.2
MZK007	7.0	11.0	4	1.8	13.2	-	-	20.5
MZK007	25.9	41.6	15.7	6.9	9.0	-	-	116.4
MZK011	27.0	59.0	32	14.1	2.0	-	-	-

**Table 1: Major drill intersections from Moubiri diamond drill core**



The results again give significant credibility to the company's short term business plan in increasing production at Moubiri over the next six months to 200-250 tonnes per day with all key due diligence results to date confirming the company's current production model.

Sincerely,

Jim Malone  
CEO/Company Secretary

### Competent Persons Statement

The information in this document that relates to exploration results is based on information compiled by Richard Holmes, who is a Member of the Australian Institute of Mining and Metallurgy. Mr. Holmes is a full-time employee of AusAmerican Mining and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined by the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Holmes consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Hole Id	From	To	Interval (m)	True Width (m)	Cu %	Pb %	Zn %	Ag g/t
ZK130401	38.4	55.1	16.7	7.3	11.0	0.6	2.1	33.5
ZK130401	55.1	78.1	23.0	10.1	0.2	2.1	4.1	5.9
ZK130401	85.1	93.65	8.55	3.8	11.9	29.6	19.4	159.2
MZK002	122.7	131.7	9.0	4.0	0.8	4.4	0.4	4.6
MZK003	181.0	184.0	3.0	1.3	3.5	0.3	0.5	-
MZK004	88.0	97.5	9.5	4.2	6.2	-	-	10.2
MZK004	105.5	110.4	4.9	2.2	1.6	-	-	-
MZK004	120.4	128.2	7.8	3.4	0.4	4.4	3.8	8.4
MZK005	Hole Abandoned – Did Not Reach Target							
MZK006	179.6	184.9	5.3	2.3	1.4	-	-	-
MZK007	7.0	11.0	4	1.8	13.2	-	-	20.5
MZK007	25.9	41.6	15.7	6.9	9.0	-	-	116.4
MZK008	No Significant Assays – Testing IP Target							
MZK009	No Significant Assays – Testing IP Target							
MZK010	No Significant Assays – Did Not Reach Target Depth							



MZK011	27.0	59.0	32	14.1	2.0	-	-	-
MZK012	No Significant Assays – Testing IP Target							
MZK013	Hole Abandoned– Did Not Reach Target							
MZK014	No Significant Assays							

**Table 2: Significant drill intersections from Moubiri diamond drill core**

NB See ASX release dated 23<sup>rd</sup> October for all other relevant technical data (collar locations, cross sections and drill plan)

## Appendix 2 JORC Code, 2012 Edition

### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling was utilised to produce NQ core (47.6mm diameter)</li> <li>Industry standard QA/QC protocols were applied to the sampling of the drill core</li> <li>Good quality NQ core was obtained, the core was split and weighed, dried, crushed and pulverised at a commercial laboratory for analysis by 4 acid digest with an ICP finish</li> </ul>



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Criteria	JORC Code explanation	Commentary
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Historical drilling completed by Shenglong Investments International recovering NQ (47.6mm diameter) from standard core tubes. All drilling is vertical and therefore no orientation available.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Diamond core is measured and length of core recovered recorded in an excel spreadsheet.</li> <li>• Overall recoveries are &gt;90%. Significant core loss does occur in the upper parts of the hole in regolith zone.</li> <li>• Recovery is high within mineralised zones and no recovery/grade relationship ie bias, is present.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Detailed geological logs have been carried out on all diamond drill holes.</li> <li>• Geologic logging is carried out on the core and recorded as qualitative description of colour, lithology type, grain size, structures, minerals, alteration and other features.</li> <li>• All drill core is photographed using a digital camera.</li> <li>• Geotechnical logging comprises recovery measurements.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Core is manually split and half core submitted for assaying</li> <li>• N/A</li> <li>• Samples prepared by Acme Lab method PRP70-250. Crush 1 kg to &gt;70% passing 2mm and pulverize 250 g &gt;85% passing 75µm.</li> <li>• Drill core is split and half core submitted for assaying.</li> <li>• The remaining half core is retained as an important control as it allows assay values to be determined against the actual geology. No resampling of quarter core or duplicates has been done at this stage of the project.</li> <li>• No study of heterogeneity or grain size of material being sampled has been undertaken to date.</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Acme Labs (Vancouver) analysis of 24 elements by 4 acid digest using method MA370 (ICP-ES) on a minimum 1g. Where samples reported &gt;10% Pb samples were re-assayed using MA371 on a minimum of 0.5g</li> <li>• N/A</li> <li>• The laboratory used standard calibrations and included reference standards throughout the analytical processes, and these data are available and provided to the Company. AusAmerican also submitted blanks and certified reference material on industry standard practices</li> </ul>

Criteria	JORC Code explanation	Commentary
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Richard Holmes, (member of AusIMM) the COO of the company (AIW) has visually verified the significant intersections in the diamond core.</li> <li>• No twinned holes have been undertaken</li> <li>• Primary data was collected both manually and electronically. Data is imported in the field onto a laptop computer. Data is transferred to both JV parties.</li> <li>• No adjustment to assay data</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable. Hand held GPS used to determine collar locations at this stage.</li> <li>• Grid system is WGS84 Zone 33S</li> <li>• Topographic survey completed by hand held GPS considered adequate.</li> </ul>
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Data spacing is variable.</li> <li>• Data is not intended to be used for estimating a mineral resource as current spacing/density does not establish geological/grade continuity</li> <li>• No sample compositing will be applied.</li> </ul>
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The deposit strikes about 90 degrees and dips at between -65 and -75 to the South. The historical drill holes are all vertical which results in elongated down hole intersections. True widths have been calculated and included in the press release.</li> <li>• No orientation based sampling bias has been identified in the data to date.</li> </ul>



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<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples were dispatched from site and delivered to an internationally recognised courier by AusAmerican staff.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>None undertaken.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Mining project is 90% owned by Societe Lulu de Mine which is 100% subsidiary of Shenglong International Investment Ltd. The company holds an option to purchase up to 77.5% of Shenglong International Investment Ltd for a total of US\$103.44m over a 2 year period.</li> <li>• The Moubiri project is located within the M'Passa-Moubiri exploitation licence, which is valid until 2036.</li> <li>• The tenements are in good standing and no known impediments exist.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Historical exploration undertaken by the BRGM in the 1960's. No detail or technical information currently available.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Structurally controlled Cu/Pb/Zn/Ag deposit.</li> <li>• Geological setting is Neoproterozoic aged sandstones and limestones of the West Congolian Supergroup. Mineralisation is located on the faulted contact of a limestone and sandstone. Further copper mineralisation is hosted within sandstones; controls are not yet established.</li> </ul>



Criteria	JORC Code explanation	Commentary
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> <li>• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to ASX Announcement dated 23<sup>rd</sup> October</li> </ul>
<p><i>Data aggregation methods</i></p>	<ul style="list-style-type: none"> <li>• <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>• <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reported assay results are length weighted average of the assays contained within an intercept.</li> <li>• Reported intersections are based on a nominal 0.5% Cu cut off and no uppercut applied.</li> <li>• No internal high grade results are reported.</li> <li>• No metal equivalents are reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• The historical drill holes are vertical and the ore body is steeply dipping. This results in elongated down hole intersections. True widths have been calculated and included in the press release.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to ASX Announcement dated 23<sup>rd</sup> October</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reporting of results is considered balanced as all assay results have been reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No information is currently available detailing BRGM exploration conducted during the 1960's.</li> <li>• Shenglong International Investment Ltd is currently undertaking small scale mining and has completed a number of shipments of DSO material – see press release dated 5<sup>th</sup> September 2014 for further details.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Systematic drilling is required to fully understand and delineate the deposit.</li> </ul>



### **About AusAmerican Mining**

AusAmerican Mining is a multi-commodity international exploration company led by a proven technical team that is focused on discovering and defining high-quality projects featuring strong grades, meaningful size and mining-friendly addresses.

The company's current copper/gold projects are:

- Muda River (option to earn in 40% and increase to 70%)- Mozambique
- Bluebell (option to purchase 100%) - Arizona
- De Soto (option to purchase 100%) - Arizona
- San Marcos (100%, Pelican Resources earning up to 100%) - Arizona

The company's uranium projects are:

- Rio Puerco (100%) - New Mexico
- Lone Star JV (90%) – Texas

ENDS

**For further information, please contact:**

**Jim Malone**

**CEO/Company Secretary**

**+61 8 9488 5220.**

**[jmalone@ausamerican.com](mailto:jmalone@ausamerican.com)**