

ASX Announcement



4 February 2015

COMPANY DETAILS

ABN: 29 126 129 413

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CORPORATE INFORMATION

(4 February 2015)
113M Ordinary Shares
50M Contributing Partly Paid Shares
12M Unlisted Options

BOARD OF DIRECTORS

Eduardo Valenzuela
(Non-Executive Chairman)
Adrian Griffin
(Managing Director)
Bryan Dixon
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COBRE MONTANA TESTS RECOVER HIGH-GRADE LITHIUM CONCENTRATE FROM CZECH PROJECT

HIGHLIGHTS

- **MOU partner, European Metals identifies significant lithium (Li) content in its testwork to recover tin at Cinovec project in Czech Republic**
- **Cobre Montana then achieves 98% recovery to lithium flotation concentrate from testing the tin tailings**
- **Li concentrates have significant potassium by-product credit**
- **Concentrates contain >6% lithium carbonate equivalent***
- **Lithium recovery to form a principal part of current Cinovec scoping study**

Australian lithium developer, Cobre Montana NL ("Cobre") has successfully recovered lithium-bearing minerals from tailings generated during recent metallurgical testing of drill core samples from the Cinovec tin project in the Czech Republic. The initial tin recovery tests were undertaken by European Metals Holdings Limited (ASX: "EMH") with subsequent treatment of the tailings undertaken by Cobre under the terms of a Memorandum of Understanding between Cobre and EMH ([ASX announcement 15 December 2014](#)). This agreement provides for Cobre to evaluate the possible production of lithium carbonate as a by-product of Cinovec's tin production. It is anticipated that Cobre's test program will culminate with the Company presenting by mid-year, a commercial development proposal to EMH covering lithium production rights over the Cinovec project.

Background

The Cinovec Project is located in the Czech Republic, 100km northwest of the capital, Prague, and close to the border with Germany. It is 100% owned by EMH. The tin and tungsten mineralisation at Cinovec lies coincident with lithium mineralisation. As such, during the processing of the tin mineralisation, a waste tail containing significant quantities of lithium is produced. The lithium is contained within micas, principally zinnwaldite, which are very amenable to concentration by flotation.

EMH is currently completing a Scoping Study to recover a tin concentrate from Cinovec, and the evaluation being undertaken by Cobre, to recover the lithium, will be included in that scoping study.

Cobre Montana, through its alliance with Perth-based Strategic Metallurgy ([ASX announcement 11 November 2014](#)), has the ability to use its licensing rights, and know-how to extract lithium from the micas that occur within the mineralised zones at Cinovec. Through the MOU with EMH, Cobre is undertaking a six month testwork program expected to culminate in the presentation of a commercial development proposal by Cobre to EMH. The initial results of this testwork are reported in this announcement.

Metallurgical testing

Cobre Montana has been investigating processing technology that is capable of providing advantages over conventional lithium extraction technology. The Company has entered into a technology sharing agreement with Strategic Metallurgy ([ASX announcement 26 September 2014](#)) to work in co-operation to optimize Strategic's proprietary technology for use on Cobre's projects.

A sample of gravity tails from the Cinovec Project was received for froth flotation to ensure concentrates of an appropriate grade could be produced as a feed source for further down-stream processing using Strategic's processing technology.

The sample used for the initial scoping produced the following results:

• Cinovec gravity tails	Li₂O	0.71%	K₂O	2.94%
• Concentrate grade	Li₂O	2.05%	K₂O	7.56%
• Flotation yield	Li₂O	98.1%	K₂O	87.0%
• Flotation tail	Li₂O	0.02%	K₂O	0.58%

The ability to separate Li-containing mica from other constituents present in the gravity tails, by conventional froth flotation, has been demonstrated to be very effective, achieving >98% Li recovery to a concentrate grade containing >2% Li₂O.

The flotation concentrate has since been subject to leaching tests, the results of which will be announced in the near future. Strategic Metallurgy's flowsheet for processing lithium micas is capable of recovering lithium as a carbonate, and potassium as sulphate of potash, a valuable fertiliser. *At current market prices, and accounting for the sulphate of potash by-product credit, the concentrate produced from the Cinovec tailings exceeds 6% lithium carbonate equivalent.

ABOUT COBRE MONTANA

Cobre Montana NL (ASX:CXB) has strategic alliances with Pilbara Minerals Limited, Focus Minerals Limited and Tungsten Mining NL, to investigate lithium and rare metals in prospective locations of Western Australia close to well-developed infrastructure. Cobre also has lithium exploration assets near Ravensthorpe, Western Australia, and a technical alliance with Strategic Metallurgy P/L to optimise lithium extraction technology on the type of mineralisation under investigation.

Cobre Montana also has a strategic alliance with European Metals Holdings Limited to investigate lithium mineralisation at Cinovec in the Czech Republic and a technical alliance with SciAps (USA) to refine LASER based assay technology for real-time, in-field analysis of light metals as indicators for concealed pegmatite deposits.

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