



ASX Announcement

24 November 2010

High Grade Intersections from Pembroke Nickel Prospect

Highlights:

- **20.9 m @ 1.04% Cu, 2.09g/t Au, and 26m @ 0.44% Ni, 224ppm Co, in core hole PEMD1.**
- **Highest result was 12.33m @ 1.49% Cu, 2.95g/t Au; including 1m @ 9.56g/t Au, 15.85g/t Ag, 5.06% Cu and 0.53% Ni.**
- **Nickel intersection over the entire sulphide zone (181 m) down hole.**
- **Result shows low risk low cost exploration opportunity in Mt Cobalt area.**
- **First hole reconfirms AusNiCo's positive view on the achievement of exploration targets.**

The Directors of AusNiCo Limited are pleased to advise of the initial assay results received from drilling underway at its Pembroke Nickel Prospect in South East Queensland.

The results contain shallow, high grade gold/copper intersections and nickel intersections from the Pembroke Prospect 55km west of Gympie, Queensland. These intercepts are from the first diamond hole "PEMD1" drilled to further delineate potential open pit nickel copper and gold resources in the highly anomalous area.

AusNiCo's Chief Executive John Downie stated that "these results, together with those previously reported, have bolstered confidence in the Company ultimately delineating a substantial open pit development at the Pembroke prospect."

The first round of samples returned assays in the **gold/copper** zone of:

- **20.9 m** (18.1-39m) @ **1.04% Cu, 2.09g/t Au**, including:
 - **12.33m** (20-32.33m) @ **1.49% Cu, 2.95g/t Au**; with
 - **1m** (31-32m) @ **9.56g/t Au, 15.85g/t Ag, 5.06% Cu and 0.53% Ni**.

The **nickel** intersections from this first hole included:

- **181m** (20-201m) @ **0.25% Ni, 145ppm Co (entire sulphide zone)** including:
 - **93m** (39-132m) @ **0.29% Ni, 158ppm Co**; with
 - **26m** (39-65m) @ **0.44% Ni, 224ppm Co**.

Refer to Figure 1 for a section of the PEMD1 drill hole showing the Cu/Au/Ni intersections.



High grade gold intersections have been recorded in the upper transitional and primary sulphide zones with disseminated nickel sulphides across the entire primary sulphide zone. Nickel persisted at an average grade of 0.25% to the end of the hole. AusNiCo also believes that further potential exists in the copper gold zone intersected in PEMD1.

The current diamond drilling program is helping to define the structure and orientation of the mineralised zone of the Pembroke Nickel Prospect. The holes have also been designed to penetrate into the magnetic high to confirm the association with mineralisation. In this current program (2) two core holes have been completed so far for a total of 500m. Assay results from the second hole "PEMD2" are expected by mid-December.

This diamond drilling program will be immediately followed by an in-fill RC program (weather permitting) in order to better define the extent of the ore zone at Pembroke.

Modelling of the magnetic data over the project area shows a strong coincidence between surface geochemistry, drill results, and magnetic anomalies. Based on this model AusNiCo has identified substantial targets at Pembroke, Mt Cobalt West, Mt Clara North, Mt Clara East and Mt Coora East.

Refer to Figure 2 for a 300 RL magnetic Depth Slice map (with overlaying soil contours) showing the location of the drill targets.

The Company is also currently conducting soil geochemistry and surface sampling at its Kandanga, Kilkivan, Green Rock, Messmate Mountain, Tewoo and Widgee prospects in order to assist with the definition of drilling targets.

Further results from the Pembroke drill program, and other field reconnaissance programs will be reported as they become available.

Refer to Table 1 (Part 1 and 2) for detailed down hole assay results for PEMD1.

A handwritten signature in blue ink, appearing to read "KM Schlobohm", written in a cursive style.

On behalf of the Board
KM Schlobohm
Company Secretary

Competent Persons Statement

The information herein that relates to Exploration Results is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Holdings Pty Ltd which provides certain consultancy services including the provision of Mr Mather as a Director of AusNiCo Ltd.

Mr Mather has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

Figure 1. Bore Hole PEMD1 showing Cu/Au/Ni intersections.

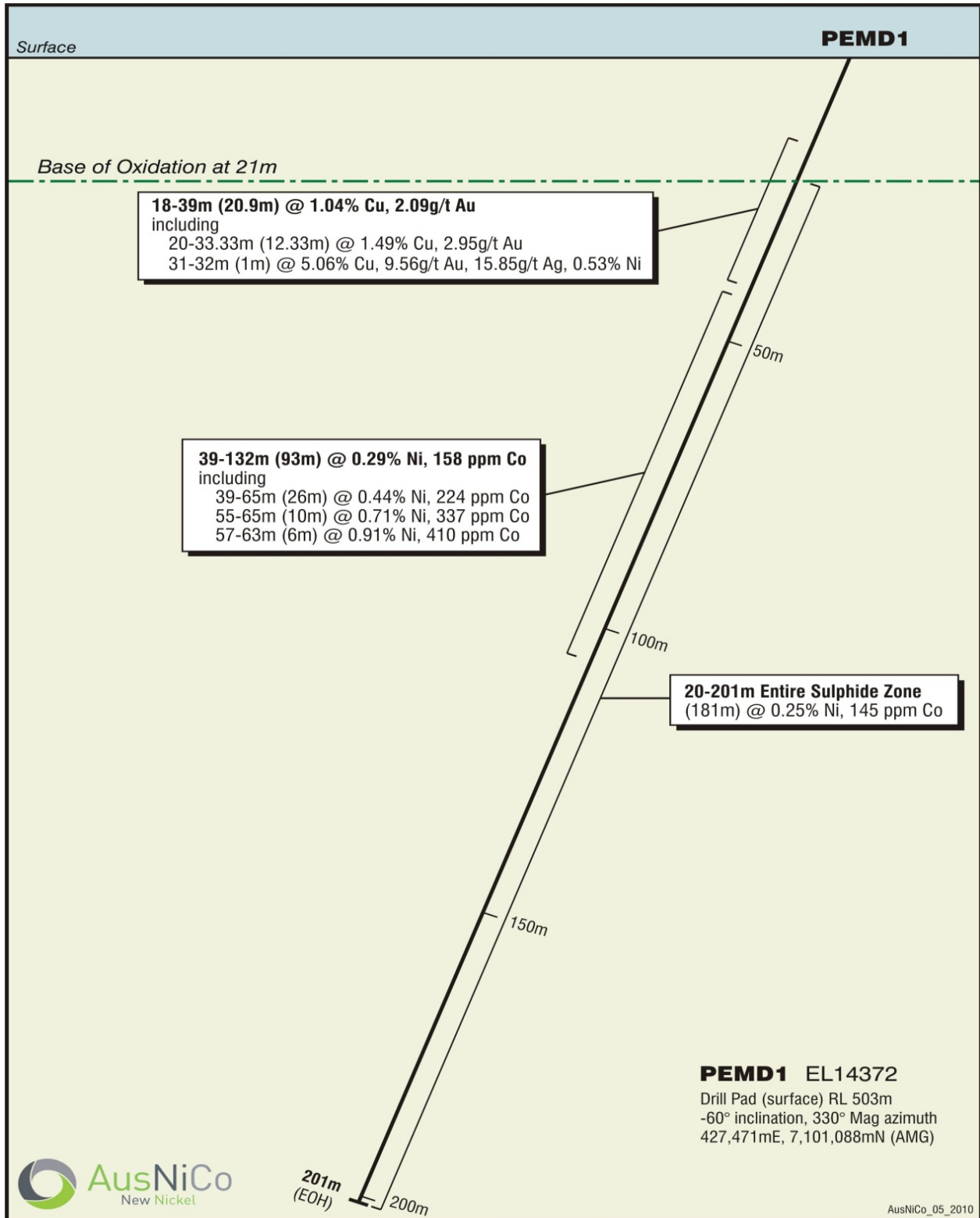


Figure 2. 300 RL Magnetic Slice map (with overlaying soil contours) showing Drilling Targets

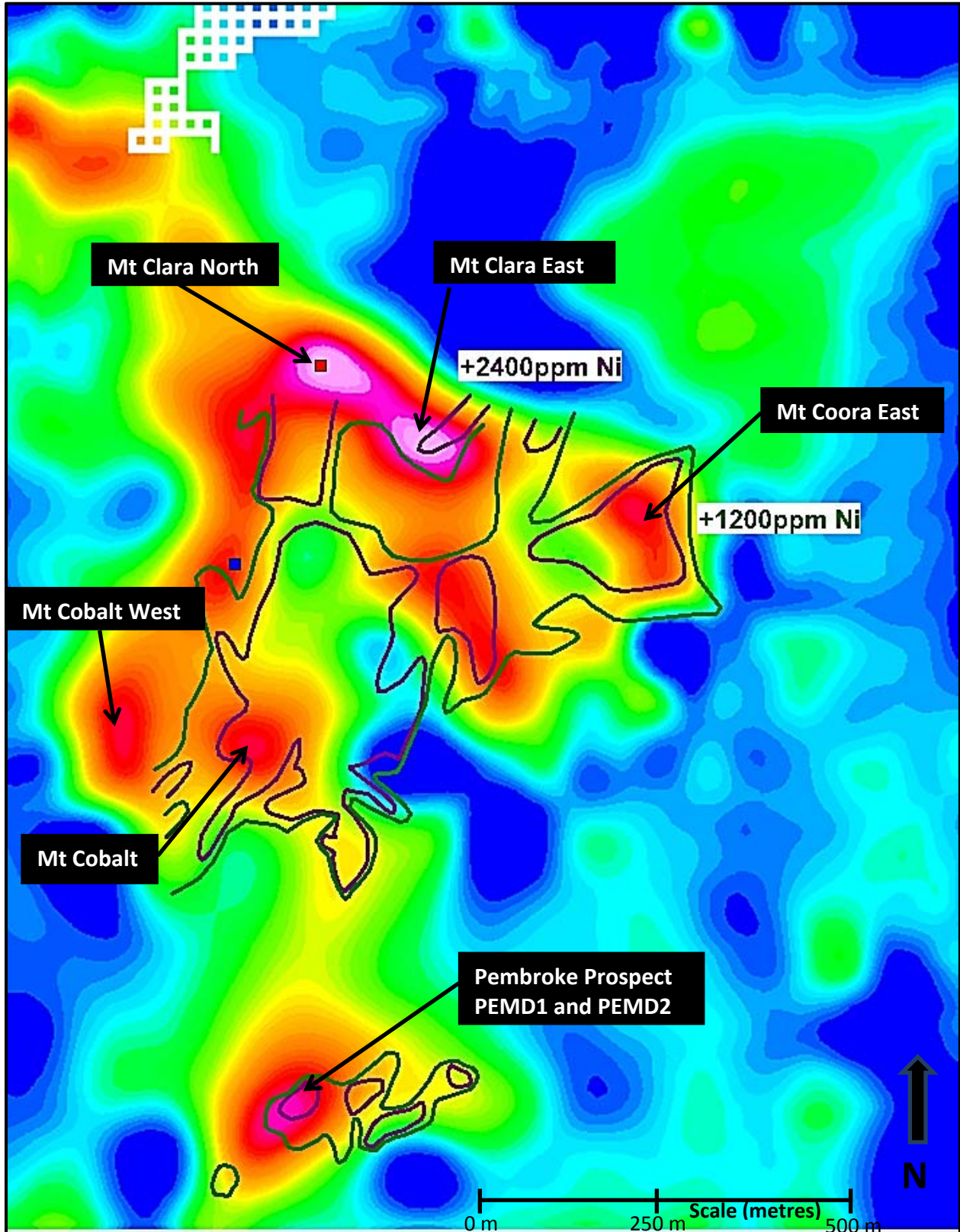




Table 1 – Part 1 – 18.1 to 39 Metres

AusNiCo PEMD1 Diamond Hole			Azimuth 330° Mag. 427471E:7101088 N (AMG)				
D_From	D_To	Interval	Au_ppm	Ag_ppm	Co_ppm	Cu_ppm	Ni_ppm
18.1	20.0	1.9	0.89	0.96	149	3,990	1,715
20.0	22.2	2.2	4.41	5.95	320	16,950	2,500
22.2	23.9	1.7	2.78	6.05	313	17,850	2,640
23.9	25.0	1.1	1.23	1.04	135	4,770	1,055
25.0	26.0	1.0	1.68	2.78	181	8,540	1,580
26.0	27.0	1.0	2.14	1.97	150	6,910	1,195
27.0	28.0	1.0	1.90	2.25	168	7,870	1,290
28.0	29.0	1.0	1.10	2.11	154	7,260	1,390
29.0	30.0	1.0	1.33	2.23	146	7,430	1,250
30.0	31.0	1.0	1.41	5.77	299	17,650	2,780
31.0	32.0	1.0	9.56	15.85	638	50,600	5,300
32.0	32.3	0.3	4.45	4.46	208	12,250	2,140
32.3	34.0	1.7	0.73	2.06	246	6,910	2,940
34.0	35.0	1.0	0.98	1.82	134	5,170	1,735
35.0	37.0	2.0	1.13	1.76	115	4,280	1,365
37.0	39.0	2.0	0.62	0.47	130	1,040	1,955



Table 1 Part 2 – 39 to 132 Metres

D_From	D_To	Interval	Au_ppm	Ag_ppm	Co_ppm	Cu_ppm	Ni_ppm
39.0	41.0	2.0	0.03	0.15	154	267	2,610
41.0	43.0	2.0	0.04	0.10	121	232	2,040
43.0	45.0	2.0	0.09	0.22	158	561	2,970
45.0	47.0	2.0	0.03	0.06	218	87	4,400
47.0	49.0	2.0	0.03	0.09	159	192	2,860
49.0	51.0	2.0	0.11	0.34	161	493	2,720
51.0	53.0	2.0	0.03	0.10	123	170	1,960
53.0	55.0	2.0	0.02	0.08	137	97	2,390
55.0	57.0	2.0	0.09	0.52	205	1,170	4,170
57.0	59.0	2.0	0.08	0.21	405	459	8,590
59.0	61.0	2.0	0.02	0.10	273	209	5,620
61.0	63.0	2.0	0.08	0.31	553	527	12,950
63.0	65.0	2.0	0.02	0.18	249	209	4,270
65.0	67.0	2.0	0.23	0.42	125	571	1,910
67.0	69.0	2.0	0.16	0.39	140	620	2,360
69.0	71.0	2.0	0.07	0.41	149	764	2,330
71.0	73.0	2.0	0.16	0.39	138	637	2,020
73.0	75.0	2.0	0.03	0.33	120	640	1,895
75.0	77.0	2.0	0.14	0.71	116	1,300	1,830
77.0	79.0	2.0	0.09	0.71	128	1,590	2,060
79.0	81.0	2.0	0.13	0.81	129	1,960	2,050
81.0	83.0	2.0	0.14	0.76	126	1,880	1,955
83.0	85.0	2.0	0.08	0.52	119	1,290	1,925
85.0	86.7	1.7	0.06	0.51	110	1,140	1,695
86.7	88.0	1.3	0.04	0.46	169	1,110	2,880
88.0	90.0	2.0	0.21	0.52	138	1,020	2,310
90.0	92.0	2.0	0.06	0.41	138	785	2,350
92.0	94.0	2.0	0.12	0.37	133	817	2,360
94.0	96.0	2.0	0.06	0.33	121	699	2,110
96.0	98.0	2.0	0.07	0.36	133	766	2,180
98.0	100.0	2.0	0.06	0.32	136	724	2,280
100.0	102.0	2.0	0.04	0.34	130	752	2,210
102.0	104.0	2.0	0.06	0.36	139	856	2,360
104.0	106.0	2.0	0.08	0.49	110	926	1,850
106.0	108.0	2.0	0.14	0.37	107	757	1,790
108.0	110.0	2.0	0.03	0.35	115	658	1,930
110.0	112.0	2.0	0.02	0.22	116	446	1,910
112.0	114.0	2.0	0.05	0.39	215	849	4,150
114.0	116.0	2.0	0.05	0.32	119	636	2,100
116.0	118.0	2.0	0.13	0.37	111	636	1,940
118.0	120.0	2.0	0.05	0.36	111	622	2,150
120.0	122.0	2.0	0.03	0.35	115	517	2,110
122.0	124.0	2.0	0.06	0.38	136	616	2,400
124.0	126.0	2.0	0.07	0.67	188	1,090	3,850
126.0	128.0	2.0	0.10	0.73	129	1,320	2,210
128.0	130.0	2.0	0.04	0.69	146	938	2,810
130.0	132.0	2.0	0.09	2.11	150	1,240	2,980



About AusNiCo

AusNiCo's primary focus is on the continued exploration and development of its nickel sulphide discovery at Pembroke and Mt Cobalt, which has already returned an exploration drilling result of 50m @ 0.34% Nickel, including 4m @ 1.1% Nickel. The style of mineralisation is based on the Avebury deposit in Tasmania, owned by Allegiance Mining prior to its \$840m take-over by Zinifex in 2008. At Avebury 172,000 tonnes of contained nickel was defined (refer footnote) and later developed at grades of approximately 1% nickel, and concentrates containing more than 20% nickel were produced.

AusNiCo offers the opportunity for exposure to:

- multiple commodities, including nickel, gold, silver, copper, cobalt and platinum group metals;
- an extensive package of tenements with encouraging mineralisation in an area of continuing industrial growth and established infrastructure;
- advanced targets with the prospect of rapid drilling results; and
- accomplished Board and Management with substantial experience in the fields of large project exploration and development, and Nickel project development.

Full details of the exploration programs are contained in the Company's Replacement Prospectus dated 4th August 2010.

Footnote: Reference 22 October 2008, Oz Minerals Ltd. Presentation to the Australian Nickel Conference. Resources for the Avebury project were stated at Inferred Resources 9.6mt @ 0.88% Ni, Indicated Resource 6.05mt @ 1.01% Ni and measured Resource 2.37mt @ 1.03% Ni, giving a combined total of 18.18mt @ 0.95% Ni.

AusNiCo has 110,160,000 shares on issue.

Email: info@ausnico.com.au

Electronic copies and more information are available on the Company website: www.ausnico.com.au

For further information contact:

Mr John Downie

CEO, AusNiCo Limited

Ph: 07 3303 0611

Karl Schlobohm

Company Secretary, AusNiCo Limited

Ph: 07 3303 0680