

ASX Announcement

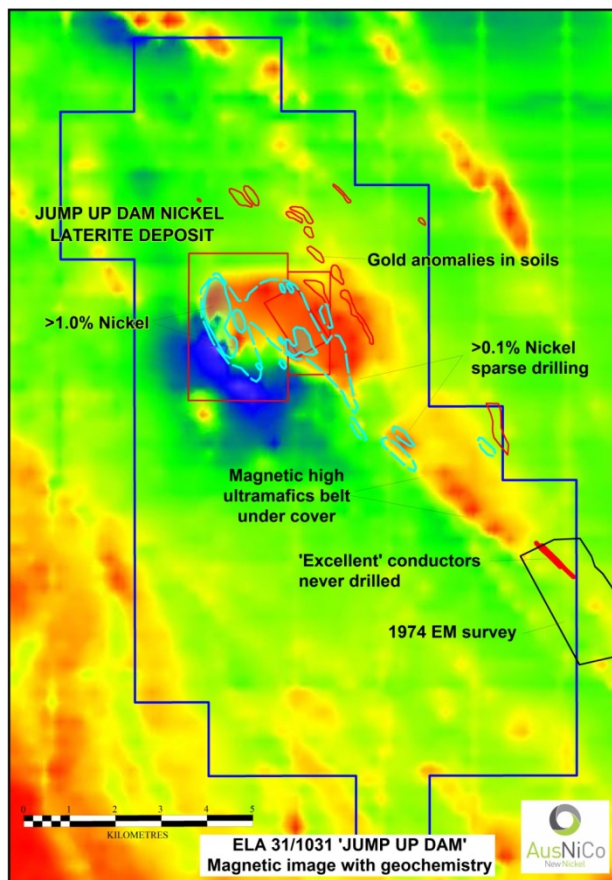
16th July 2013

Exploration Licence Prospective for Nickel, Gold and Graphite Granted

Highlights

- Exploration Licence (EL 31/1031) granted.
- EL 31/1031 considered prospective for nickel sulphides, gold and graphite based on previous exploration activities and a resource of 497,700t Nickel and 27,400t of Cobalt¹ located on separate mining leases owned by Herron Resources Limited but fully contained within EL 31/1031.

AusNiCo Limited (**AusNiCo** or **Company**) is pleased to announce that the Government of Western Australian has granted AusNiCo EL 31/1031, an area of 142km², located approximately 100km NNE of Kalgoorlie. AusNiCo considers the licence area to be prospective for nickel sulphides based on an approximate 8km of ultramafics and a review of historic exploration activities. Herron Resources' Jump Up Dam project containing a nickel laterite resource of over 67Mt containing 497,700t Ni and 27,400t Co¹ is fully contained within EL 31/1031.



Previous magnetic surveys demonstrated ultramafics extend to southeast beneath shallow cover (Figure 1) and are coincident with high nickel anomalies on the edge of the ultramafics (Figure 2).

Significant exploration has previously been undertaken in the area but was principally focused on lateritic nickel and gold targets. AusNiCo will utilise the exploration strategy successfully employed to discover the Maggie Hay's Project in Western Australia the Company's Pembroke nickel sulphide project in Queensland, based on the association of PGM soil anomalies with nickel sulphides. From this work a targeted TEM survey is proposed to be undertaken.

Anomalous gold in soil assays of up to 137ppb Au plus a very strong electro-magnetic conductor thought to be graphite (Figure 2) points to the exploration potential for gold and graphite respectively.

Figure 1: EL 31/1031 Magnetic Image with geochemistry

¹ Herron Resources Ltd Annual Report 2012

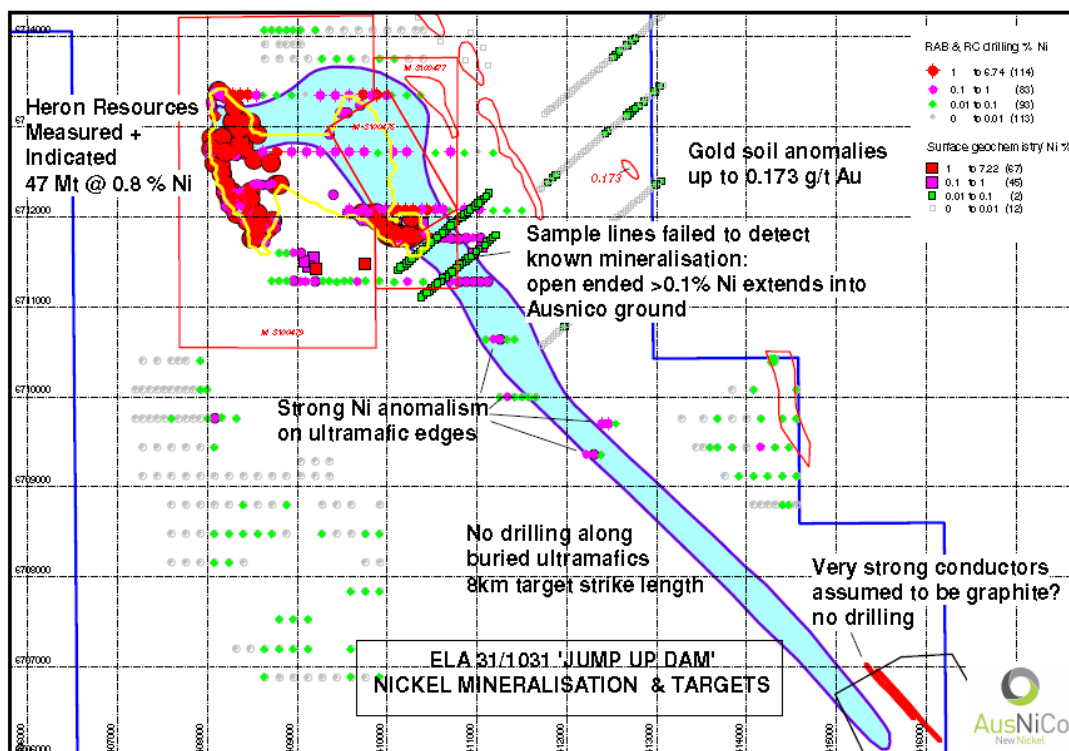


Figure 2: EL 31/1031 Drilling with geochemistry and 1974 EM Survey conductor

AusNiCo is pleased to have secured tenure in this region of Western Australia to complement its existing exploration portfolio of tin and nickel assets in Queensland, New South Wales and Tasmania.



On behalf of the Board
KM Schlobohm
Company Secretary

COMPETENT PERSON STATEMENT

The information in this Announcement that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Nicholas Mather B.Sc. (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as the Managing Director of DGR Global Ltd and a Director of AusNiCo.

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 2012 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.



About AusNiCo

As a result of the merger transaction completed in January 2013 with Taronga Mines Limited, AusNiCo holds a 100% interest in the Taronga Tin Project as well as 368km² of granted exploration licences prospective for tin, tungsten, silver and copper. In addition, AusNiCo continues to hold and to explore a range of base and precious metals projects in various states in Australia, primarily focussed on nickel and nickel sulphides.

For further information contact:

Mr Peter Williams

CEO, AusNiCo Limited

Ph: 07 3303 0611

Karl Schlobohm

Company Secretary, AusNiCo Limited

Ph: 07 3303 0680

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

Email: info@ausnico.com.au