



**Podium Minerals Limited**

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ASX Ord Shares: POD

ASX Options: PODO

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## ASX Announcement

22 October 2019

### Drilling commences at Parks Reef

Podium Minerals Limited ('Podium' or the 'Company') is pleased to advise that the planned Q4-2019 **drilling programme has commenced at Parks Reef**.

**Highlights:**

- The main objective of the drilling programme is **to increase the current Inferred Mineral Resources containing 740,000 ounces** of combined platinum, palladium and gold plus base metal credits
- The current Mineral Resources are defined along approximately 4.5km of the identified **15km strike length** and within 100m of surface, with the mineralisation open at depth and along strike
- The programme comprises 3,000m RC drilling with:
  - 2,200m **resource extension drilling** over approximately 2km of strike length in the eastern zone of Parks Reef; and
  - 800m wide spaced **step out drilling to confirm continuity of mineralisation** along strike plus **exploration holes to test for parallel reef structures**.
- On completion of the programme resource drilling will have been completed over a combined 6.5km in three separate blocks in the western, central and eastern zones of Parks Reef.
- An additional 1,500m of drilling to will be advanced to infill between the western and central resource blocks subject to budgets and rig availability.
- The Q4-2019 drilling programme is the **first stage of 9,000m to 10,000m drilling designed to extend the Inferred Mineral Resources along the full strike length of Parks Reef** within 100m of surface.
- The **PGM market is experiencing continued strong price growth** with:
  - the palladium price recently reaching a new high of US\$1,769 per ounce (AU\$2,607 per ounce) driven by strong demand and constrained supply; and
  - the basket price of platinum, palladium and gold, weighted by their proportional content in the Parks Reef PGM Horizon, ranged between US\$1,255 and US\$1,305 per ounce (AU\$1,858 to AU\$1,938 per ounce) over the last 30 days.
- Podium is aggressively targeting a resource upgrade by the end of January 2020.



Figure 1 - Drill rig arriving on site

## Background

Parks Reef comprises an identified 15km long strike length of platinum group metal (PGM) plus gold and base metal mineralisation within the Company's mining leases, located approximately 40km west of the Great Northern Highway midway between Cue and Meekatharra, in the Mid West Region of Western Australia.

Drilling to date by Podium has defined Inferred Mineral Resources for Parks Reef containing 740,000 ounces of combined platinum, palladium and gold plus base metal credits<sup>1</sup>. These resources extend along approximately 4.5km of the identified 15km strike length and within 100m of surface, with the mineralisation open at depth and along strike.

Based on the results of the resource drilling, which demonstrate continuous and thick mineralisation, an Exploration Target has been estimated of 80Mt to 120Mt at 1.2g/t to 1.5g/t 3E PGM<sup>2</sup> containing between 3.1 and 5.8 million ounces of combined platinum, palladium and gold<sup>3</sup>.

The Exploration Target has been estimated within 200m from surface and includes 40Mt to 55Mt at 1.2g/t to 1.5g/t 3E PGM containing between 1.5 and 2.6 million ounces of combined platinum, palladium and gold within 100m from surface as per the basis of the current Mineral Resources.

*Investors are cautioned that the potential quantity and grade of the Exploration Target is conceptual in nature, that there has been insufficient exploration to estimate further Mineral Resources and that it is uncertain if further drilling will result in the determination of Mineral Resources.*

## Parks Reef Resource Development Strategy

Podium's plans to undertake systematic drilling to test the extent of the Exploration Target and to define a materially significant Mineral Resource.

Approximately 9,000m to 10,000m of staged drilling has been designed along the full strike length of Parks Reef with an objective of delivering Inferred Mineral Resources in-line with the revised Exploration Target within 100m of surface. The current programme comprises the first stage of this planned drilling as shown in Figure 2.

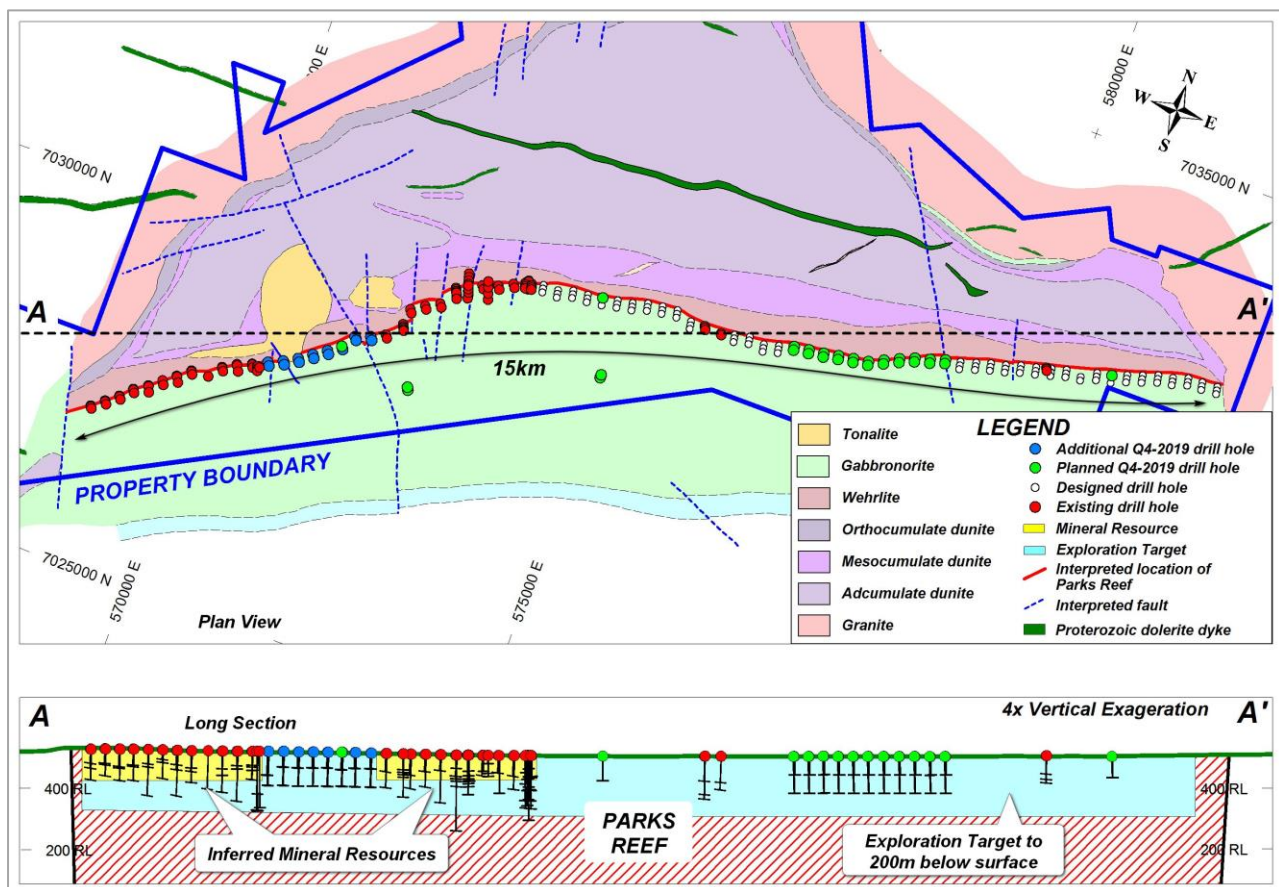


Figure 2 – Parks Reef Q4-2019 drilling programme

<sup>1</sup> Refer Podium's ASX announcement dated 5 March 2019 for further details

<sup>2</sup> 3E PGM refers to platinum (Pt) plus palladium (Pd) plus gold (Au) expressed in units of g/t

<sup>3</sup> Refer Podium's ASX announcement dated 26 March 2019 for further details

## Q4-2019 Drilling Programme

A total of 3,000m of reverse circulation (RC) drilling has been committed in the current programme with:

1. circa 2,200m of resource extension drilling over approximately 2km of strike length; and
2. circa 800m of wide spaced step out drilling to confirm continuity of mineralisation along strike and to identify high potential resource target areas plus exploration holes to test for parallel reef structures.

The resource drilling is planned in the eastern zone of Parks Reef with an objective to increase the Inferred Mineral Resources to above 1 million ounces 3E PGM and which will result in resources being defined in three separate blocks in the western, central and eastern zones. The step out drilling will then provide further confidence in the continuity of mineralisation and a foundation for the continued resource expansion.

Podium then plans to systematically complete the balance of the 9,000m to 10,000m programme of which approximately 1,500m of drilling is required to infill between the western and central resource blocks. Subject to budgets and rig availability Podium is looking to advance this drilling into Q4 2019 which would target a continuous resource block of approximately 6km long. On completion this additional drilling would expand the resources to cover approximately 8km, corresponding to more than 50%, of the full strike length.

Exploration drilling is targeting potential parallel reef structures in the mafic zone of the layer intrusion. Other examples of PGM deposits in mafic-ultramafic layered intrusions, such as the Bushveld Complex in South Africa, host multiple parallel reef structures. No drilling has been undertaken below cover in the mafic zone south of Parks Reef. Podium has planned some initial exploration drilling in this region with targets identified from historical surface geochemistry.

## PGM Market

The drilling is being undertaken during a period of strong PGM price growth. Continued strong demand with constrained supply has resulted in an ongoing fundamental supply deficit for palladium which has seen a recent price high of US\$1,769 per ounce (*LBMA AM Fix on 17 October 2019*), equivalent to AU\$2,607 per ounce.

The Mineral Resource for the Parks Reef PGM Horizon contains a 3E PGM metal split of 50% platinum, 43% palladium and 7% gold. During the last 30 days the weighted price for this basket of metals has ranged between US\$1,255 and US\$1,305, corresponding to between AU\$1,858 and AU\$1,938.

## Programme Schedule

An extensive archaeological survey was undertaken during September in conjunction with the Wajarri Yamatji Native Title Party with the surveyed area for exploration activities now covering the majority of Parks Reef.

Earthworks for drill pad preparations have been completed and drilling has commenced this morning.

It is anticipated that drilling will be completed before the end of November with drill assays to be processed in batches and results to be released progressively as they become available.

Podium is aggressively targeting to incorporate the drilling results into a resource upgrade by the end of January 2020 and will keep the market informed as to progress.

– ENDS –

For further information, please contact:

### Podium Minerals Limited

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## Competent Persons Statement

The information in this announcement which relates to Mineral Resources was first released to ASX on 5 March 2019. The Company confirms it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

The information in this announcement that relates to the Exploration Target was first released to ASX on 26 March 2019. The Company confirms that it is not aware of any new information that materially affects the information included in the market announcement and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. The Company advises that the Exploration Target is based on extrapolation of the Mineral Resource estimates and historical exploration drilling, that the potential quantity and grade of the Exploration Target for Parks Reef is conceptual in nature, that there has been insufficient exploration to estimate further Mineral Resources and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

These announcements are available on the Company's website at: [www.podiumminerals.com.au](http://www.podiumminerals.com.au).

## Inferred Mineral Resource for Parks Reef PGM Horizon

Horizon		Tonnes Mt	Pt g/t	Pd g/t	Au g/t	3E PGM g/t	Cu %	Ni %
PGM - Upper	Oxide	1.4	0.83	0.45	0.27	1.55	0.23	0.11
	Fresh	2.0	0.85	0.43	0.29	1.57	0.20	0.09
	<b>Sub-total</b>	<b>3.4</b>	<b>0.84</b>	<b>0.44</b>	<b>0.28</b>	<b>1.56</b>	<b>0.21</b>	<b>0.10</b>
PGM - Lower	Oxide	6.6	0.73	0.65	0.05	1.42	0.04	0.09
	Fresh	5.4	0.56	0.63	0.04	1.23	0.03	0.08
	<b>Sub-total</b>	<b>12.0</b>	<b>0.65</b>	<b>0.64</b>	<b>0.04</b>	<b>1.33</b>	<b>0.04</b>	<b>0.09</b>
PGM - Surface	Oxide	0.3	0.55	0.59	0.13	1.27	0.06	0.09
	Fresh	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>0.3</b>	<b>0.55</b>	<b>0.59</b>	<b>0.13</b>	<b>1.27</b>	<b>0.06</b>	<b>0.09</b>
<b>PGM - Total</b>	Oxide	8.3	0.74	0.61	0.09	1.43	0.08	0.09
	Fresh	7.4	0.64	0.58	0.10	1.32	0.08	0.08
	<b>Total</b>	<b>15.7</b>	<b>0.69</b>	<b>0.59</b>	<b>0.10</b>	<b>1.38</b>	<b>0.08</b>	<b>0.09</b>

(i) Note small discrepancies may occur due to rounding

(ii) Cut-off grade of 1g/t 3E PGM; 3E PGM refers to platinum (Pt) plus palladium (Pd) plus gold (Au) expressed in units of g/t

## Inferred Mineral Resource for Parks Reef Base Metal - Gold Horizon

Horizon		Tonnes Mt	Pt g/t	Pd g/t	Au g/t	3E PGM g/t	Cu %	Ni %
Base Metal - Au	Oxide	1.8	0.09	0.08	0.12	0.28	0.24	0.10
	Fresh	2.9	0.05	0.03	0.15	0.23	0.24	0.10
	<b>Total</b>	<b>4.7</b>	<b>0.07</b>	<b>0.05</b>	<b>0.13</b>	<b>0.25</b>	<b>0.24</b>	<b>0.10</b>

(i) Note small discrepancies may occur due to rounding

(ii) Cut-off grade of 0.1% Cu and excluding base-metal and gold mineralisation included within the Parks Reef PGM Horizon Mineral Resource

## Parks Reef Exploration Target

Parks Reef Exploration Target	Tonnage (Mt)		Grade (g/t 3E PGM)		Commodity
	from	to	from	to	
within 100m depth	40	55	1.2	1.5	Pt + Pd + Au
100m to 200m depth	40	65	1.2	1.5	
<b>TOTAL</b>	<b>80</b>	<b>120</b>	<b>1.2</b>	<b>1.5</b>	