

**ASX Announcement**

22 August 2019

## **Exploration Campaign Commenced at Manindi to Evaluate Potential for Youanmi-Penny West style Gold Mineralisation**

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**Highlights:**

- A geological mapping and prospecting campaign has commenced on the southern tenement area of the Manindi Project, Western Australia, to review and evaluate the potential for gold mineralisation similar to other recent discoveries in the region
  - Nickel potential will also be evaluated as part of the mapping and prospecting campaign on the southern tenement area at Manindi which is located along strike from the Inky nickel prospect and less than 3km from the Currans Well project
  - The Manindi Project is located less than 5km from the recently discovered Penny West North gold project, owned by Spectrum Metals Limited (ASX: SPX) and in close proximity to Venus Metals Corporation Limited (ASX: VMC) and Rox Resources Limited (ASX: RXL), located in the Youanmi Gold Mining District, in Western Australia
  - The Youanmi Gold Mining District has gained rapid investor attention with several companies reporting significant exploration success
  - Geophysical data currently being reviewed by Southern Geoscience to identify potential targets for base metal sulphide mineralisation (nickel + copper + zinc) and gold mineralisation
  - Limited modern exploration has been completed on the southern tenement area highlighting the potential for additional nickel, base metal and precious metal mineralisation
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Metals Australia Ltd (ASX: **MLS**) is pleased to announce that the Company has commenced a geological mapping and prospecting campaign on the Manindi Project (the **Project**), located in Western Australia, to identify high priority exploration targets at the Project which may host potential gold mineralisation similar to recent discoveries in the Youanmi Gold Mining District in Western Australia.

The geological mapping and prospecting campaign will initially be focused on the southern tenement area at Manindi. However, a review of the previous geophysical surveys completed by the Company has indicated a potential parallel structure in the north-western part of Manindi which is host to potential copper mineralisation.

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The geophysical surveys completed by the Company also identified a significant nickel anomaly on the north-eastern part of Manindi, known as Dibbler, which was not followed up, but has now become a high priority target for the Company.

The Manindi Project is located less than 5km from the recently discovered Penny West North Gold Project, owned by Spectrum Metals Limited.

In addition to potential gold mineralisation, the geological mapping and prospecting campaign will also target potential areas which have a high likelihood of hosting nickel mineralisation as well as other sulphide mineralisation, including copper and zinc.

Manindi currently hosts a **JORC (2012) resource of 1.076Mt @ 6.52% Zn for 70,102 tonnes of contained zinc metal** (using a cut-off grade of 2% Zn) in the northern tenement block of the Manindi project.\*

The current exploration campaign is focused on the southern portion of the Manindi tenements which are located close to the recent nickel discoveries including the Inky nickel prospect located just 500m south of the Project and the Currans Well Ni-Cu prospect located 3km to the east of the Project as well as the recent gold discoveries at the Penny West North project.

The southern portion of the Manindi project is prospective for nickel mineralisation as well as Manindi style copper-zinc volcanic massive sulphide (VMS). Given the common geological setting, the potential for Manindi to host similar mineralisation as the nearby discoveries is high.

Limited modern exploration has been completed in this area which suggests that the potential for a discovery of nickel and base metal mineralisation is high, particularly given the proximity to other known prospects and resources, including Manindi located along strike to the north.

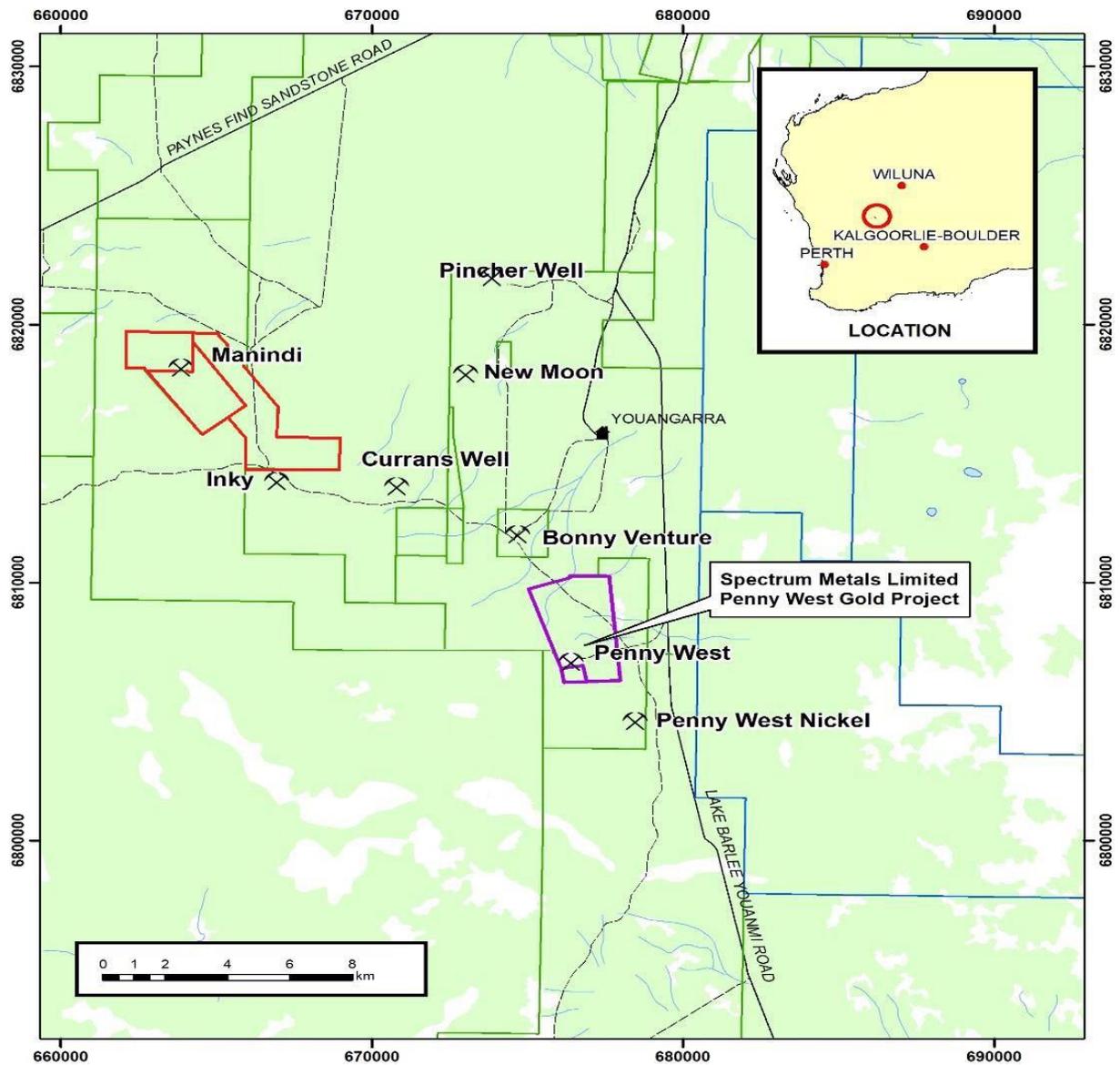
A review of the geophysical data covering the Manindi Project has also commenced. Southern Geoscience Consultants have been appointed to complete the review. This will assist the Company in identifying additional targets for base metal sulphide mineralisation (nickel + copper + zinc) and gold mineralisation, which will be followed by further field exploration campaigns.

The geochemical and geophysical surveys completed identified several significant nickel, copper and zinc anomalies and targets on the Project that have not yet been followed up but have now become high priority targets for the Company. Previous exploration prioritised electromagnetic (EM) conductors on the Manindi VMS mineralised trend resulting in some conductors that were perceived to be in less favourable positions not being drill tested.

Southern Geoscience Consultants (**Southern Geoscience**) will review previous EM surveys to identify targets for both nickel and copper-zinc mineralisation. Work currently underway comprises field checking, prospecting and rock chip sampling with follow up drilling to be conducted if justified.

The geological mapping and prospecting campaign is being completed at the same time as the Southern Geoscience review. These campaigns are focused on the potential of the Manindi Project to host gold mineralisation similar to that already identified, particularly in light of the recent exploration success of Spectrum Metals Limited (ASX: SPX) and others in the same region. Exploration is also targeting the potential for nickel and copper-zinc mineralisation.

The map below illustrates the strategic location of the Manindi Project in the Youanmi Gold Mining District, which is located less than 5km from the recently discovered Penny West North Gold Project, owned by Spectrum Metals Limited (ASX: SPX) and Venus Metals Corporation Limited (ASX:VMC) recent high-grade gold discovery at Currans Well prospect.



**Figure 1:** Location map of the Manindi Project, located in the Youanmi Gold Mining District of Western Australia

The Company will provide further updates as the mapping and prospecting campaign progresses and is completed.

**ENDS**

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*\*Refer to ASX announcement 17 April 2015 "Manindi Mineral Resource Upgrade Re-Release". The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

#### **Caution Regarding Forward-Looking Information**

This document contains forward-looking statements concerning Metals Australia. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Metals Australia as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

#### **Competent Person Declaration**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. Martin Bennett, a consultant to Metals Australia Ltd, and a member of The Australasian Institute of Mining and Metallurgy. Mr. Bennett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr. Bennett consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.