

St George happy with EM consistency

Its exploration focus is on traditional commodities in traditional environments and St George Mining Ltd executive chairman John Prineas hopes it will deliver a traditional multiplier return to his shareholders.

There have been times during the year when the company has looked like delivering on that hope. In May, the company's shares hit 20.2c on the ASX and reached as high as 25c in July. St George shares had tailed off to 12.5c by the time of the Australian Nickel Conference, but Prineas is confident the company can build on the early-stage exploration achievements which caused the initial spike.

St George has enjoyed a string of discovery successes in 2016, the latest being mineralised intersections from maiden drilling at the Investigators prospect, part of the company's Mt Alexander project in Western Australia.

Hits from that programme included 1.57m @ 6.26% nickel, 2.71% copper, 0.18% cobalt and 4.91 g/t PGE, 1.92m @ 4.58% nickel, 1.52% copper, 0.14% cobalt and 3.83 g/t PGE and 2.79m @ 1.63% nickel, 0.53% copper, 0.05% cobalt and 1.24 g/t PGE.

The results from Investigators represent the third successive mineralised intercepts on the Cathedrals Belt at Mt

Alexander. Prineas said the belt continued to prove fertile.

"The three EM targets we have drilled have yielded three discoveries," Prineas said. "We have now defined mineralisation over 3.5km of strike, although this is not continuous and we still need to do infill drilling."

Mt Alexander was first discovered by BHP Billiton Ltd in 2008 and acquired by St George and Western Areas Ltd in a 75/25 JV earlier this year. Prineas said the project's location in the world-class Agnew-Wiluna belt made it an obvious target, but it has been the early-stage exploration work which had most encouraged the company.

"Along the Cathedrals Belt we defined three initial targets from EM and all three targets have yielded discoveries," he said. "The mineralisation is shallow, 25-170m, and the mineralised ultramafics are up to 15m thick, which is a massive bonus."

Each of the prospects – Cathedrals, Stricklands and Investigators – have also shown high copper and PGE values, which Prineas said was unusual for the Agnew-Wiluna region.



John Prineas

Preliminary metallurgical work has indicated economic recoveries of the other elements could be possible. The first round of met test work produced recoveries of more than 99% of nickel and copper and concentrate grades of 18% nickel and 32% copper.

"That is higher than those of the Nova optimisation study and the PGE and cobalt results indicated we would get good

by-product credits as well," Prineas said.

St George will now turn to further geophysical work as it looks to complete the picture across the Cathedrals belt. Prineas said a conversation with former Sirius Resources managing director Mark Bennett had led him to approve a high-powered SAMSON deep search EM survey.

"This programme will see below 500m and will cover the entire belt," he said. "If we find something at depth we should all get excited because of the 100% success rate we have had on all the shallow EM conductors completed to date."

– Dominic Piper

Legend sticks with strategy

Taking the podium at the Australian Nickel Conference, Legend Mining Ltd managing director Mark Wilson cradled a piece of core from the Nova nickel-copper project in the Fraser Range.

"This is what gets me out of bed in the morning," Wilson said.

"We are in the Fraser Range and we believe there is every reason that there are more Novas in the Fraser Range and we are hell bent on finding them."

With \$11 million in cash and receivables, Legend is well placed to execute its exploration strategy in the region.

Wilson said there was some "chatter" around whether Legend's tactic of EM from surface was the right way to go at its Rockford project acquired in September

2015. "All I can say is that Legend did a moving loop [survey] and found conductors down to 500m. We drilled them, we explained the conductors, we reconciled the down-hole EM and there is no doubt in our mind about the system we are using," Wilson said.

"And, because it is innovative it entitles us to 45c in the \$1 tax rebate, which is a very important part of our business plan. It is the best way that we know for first pass exploration at the moment. We modified what we did earlier, we are doing broader line spacing which enables us to hopefully cover more territory, hopefully, just as effectively as we go on the regional scale."

At the time of print, Legend had a rig on

the way to Rockford, 120km north-east of Nova and 100km south of Tropicana.

The 80-hole aircore programme for 5,000m was scheduled to be completed by the end of the year.

"That programme is designed to basically give us depth of cover lithology and geochemical signature of the basement rock. That rig is due to arrive tomorrow [October 21] which will get us through to Christmas and we are hoping that will generate the next iteration of RC and diamond targets," Wilson said.

– Mark Andrews