

St George poised to be a big winner from nickel price rebound

St George Mining boasts the most recent nickel sulphide discovery in Western Australia and is ideally positioned to take advantage of a forecasted global spike in the price of this important commodity.

At its flagship Mount Alexander Project – located adjacent to the Agnew-Wiluna belt in Western Australia, which hosts numerous world-class nickel sulphide deposits – St George Mining has discovered high-grade nickel-copper-cobalt-PGE sulphides over a strike length of 3.5 kilometres and at shallow depths of 30 metres from the surface.

This major discovery comes at a time when the electric vehicle (EV) revolution is gaining momentum and is set to have a game-changing impact on the nickel market.

St George Mining Executive Chairman John Prineas says that nickel was ‘flying under the radar’ compared to the current excitement around other battery minerals like lithium.



‘That is understandable because lithium is coming from a low-production base, but there is much more nickel used in batteries than lithium,’ Prineas says.

‘Demand for battery-grade nickel will surge in coming years, with a deficit of several hundred thousand tonnes forecast.

‘The market dynamics for nickel sulphide are changing dramatically and the inevitable result will be strong upward pressure on the nickel price.’

Nickel is an essential commodity with increasing demand for its traditional use in stainless steel as well as a growing force of new demand coming from the EV and new-age battery markets.

‘Growth in EV battery manufacturing alone is forecast to increase nickel sulphide demand by 300,000 to 900,000 tonnes annually by 2025,’ Prineas says.

‘Incremental demand for nickel sulphide from the EV market will continue to rise rapidly after 2025.

‘Now is the time to gain exposure to a rebound in the nickel price.’

Nickel sulphide is required for battery manufacture. Nickel pig iron and nickel laterites – which represent 50 per cent of the current nickel supply – are not suitable for batteries.

‘That’s good news for the nickel sulphide players in Western Australia, like St George,’ Prineas says.

Preliminary metallurgical testing of the mineralisation from Mount Alexander has provided a big tick for the economics of a potential mining operation at the site.

The test work produced separate nickel and copper concentrates with grades of 18 per cent nickel and 32 per cent copper, respectively. The nickel concentrate included cobalt at



John Prineas

0.55 per cent cobalt as well as 13.5 grams per tonne of platinum-group elements – both of which will attract high smelter credits.

The project is expected to have very low capital expenditure (capex) due to the shallow depth of mineralisation and access to existing infrastructure – including nearby processing plants hungry for high-grade ore.

Leading stockbroker Bell Potter Securities issued a research report on St George earlier this year, predicting that Mount Alexander will move St George up the league ladder of rivals in the nickel sector.

‘St George is ideally positioned to develop a high-margin, low-cost mining operation in Western Australia as the nickel market recovers from multi-year lows,’ Prineas says.

‘We believe that this will create substantial shareholder wealth and deliver high multiplier returns for our investors.’ 