

RNS Number : 4441B
FinnAust Mining PLC
17 June 2016

FinnAust Mining plc / EPIC: FAM / Market: AIM / Sector: Mining
17 June 2016

FinnAust Mining plc ('FinnAust' or the 'Company')

**Appointment of Metallurgical Specialists at Pituffik Titanium
Project, Greenland**

FinnAust Mining plc, the AIM and FSE listed company with projects in Greenland, Finland and Austria, is pleased to announce that it has appointed KeyPointE Pty Ltd ('KeyPointE') and QuedTech Pty Ltd ('QuedTech') to complete the next phase of metallurgical test work at the Company's Pituffik Titanium Project in Greenland ('Pituffik'). Both groups have a good understanding of the mineral sands industry and are industry experts.

Work will immediately begin on the production of a high purity ilmenite concentrate for analysis and distribution, a programme expected to be completed within just a few weeks. Once this has been completed attention will turn to scaling up and optimising the process route identified in order to support large-scale production of a similar high purity ilmenite concentrate from the Pituffik black sands. This will ultimately evolve to include pilot scale continuous testing later in the year.

Following this, KeyPointE and QuedTech will look to finalise the processing flowsheet, which will form the basis for plant design and optimisation, and will advise on processing routes in order to optimise concentrate production rates and operating efficiencies. Work to-date has identified Pituffik as being a low impurity primary ilmenite occurrence with potential to be in the top percentile of projects worldwide in terms of volume and grade.

This results from the above will provide important information for design and engineering works that will start shortly and conclude with trade-off studies to determine the best development scenario for inclusion in an exploitation application, which we are aiming to lodge Q1 next year. More information is expected shortly on this aspect.

FinnAust CEO Roderick McIllree said, "Pituffik has been proven to host large and high-grade accumulations of low-impurity primary ilmenite. Work will continue to define development scenarios for this deposit leading to trade off studies later in the year, and our target for the year end is to define a maiden resource and to conclude initial sales agreements including metallurgical parcels obtained from the 2017 bulks sampling programme. KeyPointE and QuedTech are a natural fit for us and are recognised experts in the space. They complement our growing team of industry experts as we progress this unique project towards development."

Further information

Eugene Dardengo, Director of KeyPointE Pty Ltd, is an accomplished Metallurgist and Operations Manager with over 30 years of experience in the Australian mining and minerals industry. He has held a number of diverse roles with companies such as Hamersley Iron (Rio Tinto), the Readings Group of Companies and Tiwest (Tronox). Eugene has gained invaluable exposure in the planning and implementation of metallurgical testwork programmes for mineral sands, iron ore and a wide range of other industrial minerals. As an independent consultant during the past five years, Eugene has assisted Mineral Sands Companies, in Africa, India and Australia with various facets of the mineral sand processing chain.

This involvement ranged from the initial review of basic geological drilling data to managing metallurgical testwork plans, as well as overseeing operational improvement and production planning.

Dr. Trevor Nicholson, Director of QuedTech Pty Ltd, has an extensive metallurgical background and has been involved with the Western Australian mineral sands industry since 1987. Key experience is in downstream processing of ilmenite, metallurgical testing and process simulation. He has a PhD from the University of Queensland in mathematical modelling of ilmenite reduction in rotary kilns.

Work to be undertaken by KeyPointE and QuedTech to produce a metallurgical and process design report will be conducted in a staged approach, and will include but not be limited to:

Stage	Review of all current data (to be supplied by FinnAust) to gain a better
1	understanding of the deposit

- Stage 2 Supervision, interpretation and reporting of initial metallurgical assessment of two samples to verify ilmenite quality and provide an insight into potential processing flowsheet. This stage includes importations, sample preparation and initial sizing and XRF analysis of 10 samples (as supplied by FinnAust).
- Stage 3 Supervision, interpretation and reporting of larger scale test work on a suitable bulk sample to further detail the processing flowsheet and to form the basis for an engineering production plant design.
- Stage 4 Application of know-how from other mineral sands projects to generate the process design criteria, process flow diagrams and process mass balance
- Stage 5 Oversight of a study with a FinnAust nominated engineering contractor to define the preliminary engineering design and estimate the capital and operating costs for the mineral processing aspects of the project.
- Stage 6 Finalisation of metallurgy and process design report including all of the above stages in a detailed manner.

****ENDS****

For further information please visit www.finnaust.com or contact:

Roderick McIlree	FinnAust Mining plc	+44 (0) 20 7907 9326
Graham Marshall	FinnAust Mining plc	+44 (0) 20 7907 9326
Ewan Leggat	SP Angel Corporate Finance LLP	+44 (0) 20 3470 0470
Laura Harrison	SP Angel Corporate Finance LLP	+44 (0) 20 3470 0470
Elisabeth Cowell	St Brides Partners Ltd	+44 (0) 20 7236 1177
Charlotte Heap	St Brides Partners Ltd	+44 (0) 20 7236 1177

Notes

FinnAust has a number of highly prospective licences at various stages of development in Greenland, Finland and Austria. The Company is dual listed on the London AIM market and Frankfurt Stock Exchange.

The Company is currently focussed on advancing the Pituffik project in Greenland, an area that has only recently revealed its mineral potential following changes in the climate. Pituffik, which FinnAust conditionally acquired in December 2015, has demonstrated the potential to be in the top percentile of projects worldwide in terms of heavy mineral grade.

Pituffik comprises three main target areas along an >80km coastline historically proven to contain large and high-grade accumulations of primary ilmenite occurring as placer deposits in the following

environments:

- Raised beaches; containing ilmenite accumulations over widths of more than 1km, of unknown depths, along more than 20km of coastline;
- Active beaches; which refer to the area seaward of the frontal dunes, including the beach, tidal zones and surf zone - historically samples from this area have achieved 70% ilmenite by weight; and
- Drowned beaches; refers to the areas seaward of active beaches.

The Company's strategy is focused on the production of a bulk sample "proof of concept" from the Pituffik project in 2017 with the aim of ultimately generating cash flow to create a company capable of self-funding exploration on future acquisitions.

FinnAust has an interest in 60% of Bluejay Mining Limited the holder of the Pituffik exploration licence and has an option to acquire the remaining 40%.

FinnAust also holds a 100% interest in a portfolio of copper, zinc and nickel projects in Finland and an 80% interest in the previously producing 33 km sq Mitterberg Copper Project in Austria. This multi-commodity portfolio remains a strategic asset of importance and has been restructured to be cost-sustainable whilst determining the best plan for future development.

This information is provided by RNS
The company news service from the London Stock Exchange

END

MSCEADKKFEPKEFF
Anonymous (not verified)
Appointment of Metallurgical Specialists
<http://www.DigitalLook.com>
24557181
A
Fri, 06/17/2016 - 07:00
Company Announcement - General
80M