



# Niuminco Group Limited

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5<sup>th</sup> October 2016

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## **EDIE CREEK DELIVERS HIGH GRADE GOLD INTERCEPTS IN MAIDEN JORC RESOURCE DRILLING PROGRAM**

**and**

## **New Tasmanian Tin Drilling Program Set to Commence**

### **HIGHLIGHTS:**

- Drill hole EDD-019 intersected 5.4m @ 2.97g/tAu & 94g/t Ag from 8m, including:
  - 2.0m @ 6.89g/t Au & 195g/t Ag
- Drill hole EDD-020 intersected 9.0m @ 1.07 g/t Au & 62g/t Ag from 12m, including:
  - 1.0m @ 4.14g/t Au & 21g/t Ag
- Diamond core drilling testing the known mineralisation veins at the Enterprise vein system in order to establish an initial JORC Resource.
- A JORC 2012 Mineral Resource will underline potential sources of high-grade material to feed an upgraded processing circuit with significantly increased throughput capacity.
- Drilling is continuing and further assays are expected.
- New Tasmanian tin drilling planned to establish a further JORC 2012 Mineral Resource

Niuminco Group Limited (“Niuminco” or “the Company”) has commenced the shallow drilling program at the Enterprise vein system (Chimney Area) and the 3 holes completed to date have

produced promising results. The program was designed to enable the establishment of an initial JORC Resource at the Enterprise vein system and to define potential sources of high grade material to feed an upgraded wet gravity concentrating plant at the rate of 50 to 60 tonnes per day. This is an interim report on the completion of the initial three drill holes EDD019, EDD020 and EDD021:

**Each of the holes contained a higher grade vein section conforming to the predicted west-dipping vein model:**

- **EDD 019 intersected 5.4m at weighted average of 2.97g/t gold and 94g/t silver from 8m depth, including:**
  - **2m at 6.89g/t gold and 195g/t silver from 10m.**
- **EDD 020 intersected 9m at weighted average of 1.07g/t gold and 62g/t silver from 12m, including:**
  - **1m at 4.06g/t gold and 21g/t silver from 13m.**
- **EDD 021 intersected 3.4m at weighted average of 2.03g/t gold and 143g/t silver from 35m, including**
  - **2.1m at 3.04g/t gold and 167g/t silver from 35m.**

Niuminco's Managing Director, Tracey Lake said: *"Our geologists are very pleased with the results and grades so far despite some core loss, with the three holes achieving expected intercepts with the predicted vein system."*

*Picture of partially leached oxidized Quartz mangano-carbonate limonite vein in hole EDD 021 from 35m to 37.10m depth interval.*





### **DETAILS OF EDIE CREEK DRILLING:**

The program comprises drilling a total of approximately 350 to 500 metres in ten (10) angled diamond core drill holes spread over five (5) drill platforms utilizing one of Niuminco's drill rigs and crew. All coring will be triple-tubed in HQ size rods to enhance recovery.

All 3 holes were drilled, as expected, in highly oxidised rock with a stockwork of numerous narrow veinlets of mineralised quartz, iron oxide and manganese oxide. Complete core was slabbed in half with one half bagged at generally one metre intervals and submitted for assay by Fire Assay to Intertek Laboratories in Lae.

As reported previously on 25 August 2016, the Enterprise Mine was developed immediately prior to World War II, but no production occurred. Detailed underground sampling was reported in 1940 prior to abandonment due partly to the Japanese invasion of New Guinea and partly to a flooding incident at the nearby Edie Mine. The mine saw substantial level development but no stoping and production, so that there is ore defined by sampling that was never exploited.

Calculations by Mincor Resources NL in 2013 established potential for 35,000 ounces in 4 adjacent blocks. The reliability of the underground sampling is not questioned, however this sampling cannot be used to compile a JORC compliant resource. The immediate target at Enterprise is the shallow exposure at the southeast end of the lode in a Block described as EP-1a where potential for 1,000 ounces was calculated by Mincor Resources NL. This was based on surface channel sampling over a 60m section, and a 100m section on the Level 1 development drive. The surface sampling involved 30 lines of samples on 2m spaced lines with 3 samples per line. Each line of 3 samples comprised a hanging wall selvedge sample, a sample of the lode itself and a footwall sample. The channel samples of lode averaged 9g/t.

The completed initial three drill holes EDD 019, EDD 020 and EDD 021 had the following parameters:

Site	Hole_ID	WGS84 E	WGS84 N	Azimuth (Mag)	Inclination
A	EDD019	461,773	9,186,964	045°	-45°
A	EDD020	461,772	9,186,963	045°	-60°
B	EDD021	461,779	9,186,953	045°	-45°

## **Drilling Program for Tasmanian Tin Assets**

Niuminco's 72.54% owned TNT Mines Limited has agreed to commence a 7 hole, 1030 metre diamond core drilling program at its Aberfoyle tenement in Tasmania commencing late October, upon the successful completion of Niuminco's current capital raising.

The attractively priced \$90 per metre "all-up" cost program will be completed over 2 – 3 months , with payments agreed to be made on a monthly basis over 7 months. The aim of this program is to establish a JORC 2012 Mineral Resource for this tenement.

The Board notes that the tin price is presently above US\$20,000 per tonne.

## **Share Purchase Plan Update**

As announced on 16<sup>th</sup> September 2016, the Company is offering shareholders the opportunity to purchase fully paid ordinary shares under a Share Purchase Plan ("SPP" or "Offer"). Eligible shareholders are able to purchase up to \$15,000 worth of shares in Niuminco at a price to be determined at Issue Date (17 October), based on a 20% discount to the volume-weighted average price of shares traded on the ASX during the 5-day period (10 to 14 October) immediately prior to the Issue Date.

Pleasingly, Patersons Securities Limited has agreed to underwrite all of the \$750,000 funds sought by the SPP, thus ensuring its success. Completion of the Offer will allow the Company to purchase new, additional mining and processing plant and equipment, aimed at ensuring consistent and higher production levels going forward by overcoming current capacity and equipment constraints, as well as funding the upcoming drilling campaigns at its highly prospective exploration projects at Bolobip and May River, in PNG and Aberfoyle in Tasmania.

Documentation has been sent to eligible shareholders, and we remind shareholders that the closing date for all acceptances is **5.00pm (WST) on Friday 7<sup>th</sup> October 2016**. We encourage shareholders to take up their entitlements to assist the Company to fund this exciting period in its expansion and exploration.



Mark Ohlsson  
Company Secretary

The information in this report that relates to exploration results is based on information reviewed by John Nethery (BSc, Dip Ed) who is a Fellow of the Australasian Institute of Mining and Metallurgy (CP) and a Fellow of the Australian Institute of Geoscientists. Mr Nethery is an independent consultant to Niuminco Group Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Resources and Ore Reserves. He consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.