Venus Metals Corporation Limited: Youanmi Vanadium Metallurgical Testwork Update

13.08.2018 | ABN Newswire

Perth, Australia - Venus Metals Corporation Ltd. (ASX:VMC) ("Venus" or the "Company") is pleased to announce an update on the preliminary metallurgical testwork on historical diamond drill core samples from the Youanmi Vanadium JORC 2012 Resource located at Youanmi, Western Australia.

Highlights:

- LIMS results correlated extremely well with the DTR results

- Recovery of vanadium up to 92.8% in the fresh composite

- Recovery of vanadium of 83.1% into a concentrate with a combined silica and alumina grade of less than 4.5%

- These preliminary results are broadly comparable with those of other vanadium deposits in Australia

Exploration Upside:

- A strong aeromagnetic feature with a strike length of c. 14km south of the vanadium resource may host significant vanadium mineralization as demonstrated by historical RC drilling along a single traverse with reported high-grade vanadium (refer WAMEX reports A58498 and A59196). The aeromagnetic feature is a potentially large target* (refer ASX release dated 6 Feb 2015) and exploration drilling is planned to commence soon.

Venus Metals Managing Director Matthew Hogan commented: "We are very pleased with the progress of the metallurgical testwork and its outcomes which are excellent. While this work continues, we plan to commence exploration drilling at the large aeromagnetic feature which has an estimated exploration target potential* of more than 1 billion tonnes of vanadium ore."

*An estimate of the exploration target potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, which are conceptual in nature, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Metallurgical Testwork

The Company appointed METS Engineering Group (METS) to develop a series of metallurgical tests suitable for the historic diamond core to assess the response of this ore to the conventional magnetic concentration methods used for similar vanadium deposits. The aim of this testwork was to:

a) assess the ores physical properties to determine the ease of crushing and grinding and;

b) assess the upgrade of vanadium into a magnetic concentrate and to assess the quality of this magnetic concentrate produced

The testwork showed magnetic separation was able to produce a vanadium enriched magnetic concentrate whilst rejecting significant amounts of gangue constituents that were present in the ore. This testwork was carried out on two composites; oxide and fresh. These composites were made up from historical half core sections, selected to include a spread through the orebody and to target the average grade of high grade domains present within the orebody. The testwork was carried out at the Iron Ore Technical Centre, part of ALS Metallurgy, Wangarra, Western Australia. This stage of the testwork was focussed on improving vanadium recovery into the magnetic concentrate; it was undertaken on the triple pass Wet Low Intensity Magnetic Separation (LIMS) non-magnetic fraction (LIMS carried out at P80 106 micronsm and 1200 Gauss), the results of which reconcile very well with the Davis Tube Recovery (DTR) results that were reported previously (refer ASX release 19 July 2018).

Two different methods were assessed for their capacity to improve the recovery of vanadium:

1. Rare Earth Drum (RED) at 3500 Gauss

2. SLon(R) Wet High Intensity Magnetic Separation (WHIMS) at two magnetic field intensities:

a. 2000 Gauss and b. 4000 Gauss

The magnetic concentrates produced (Plate 1) from these would then be combined with the LIMS magnetic concentrate to produce overall combined magnetic concentrates (see Tables 1 and 2 in link below). Metallurgical testing is on-going in order to assess methods of further improving the vanadium recovery from both composite and improving the vanadium grade of the concentrate produced, the results of which will be released when they become available.

Youanmi Vanadium Project Overview:

Venus's Youanmi Vanadium deposit is located on tenement E57/986 (198.5 km2) which is about 42km southeast of the world-class vanadium mine at Windimurra, owned by Atlantic, a subsidiary of Droxford International Limited (see Figure 1 in link below). Youanmi Vanadium has good access to major infrastructure such as gas pipeline, roads and port facilities. Venus holds a 90% interest and the prospector holds a 10% interest in this tenement.

JORC 2012 Vanadium Resource:

Widenbar and Associates ("WAA") has reviewed the historical drilling, sampling and assaying data and produced a high-grade Inferred Resource of 167.7 Million tonnes @ 0.41% V_2O_5, 7.52% TiO_2 and 24.6% Fe (0.25% V_2O_5 cut-off) for a Vanadium Pentoxide resource of 683,000 tonnes (ASX release dated 6 Feb 2015).

The diamond drill core samples used for the metallurgical test work are located within this high-grade inferred resource (see Figure 2 in link below).

Vanadium Exploration Target Potential at E57/986:

WAA has estimated vanadium exploration target potential forE57/986 (ASX release dated 6 Feb 2015) based on existing drillhole data and aeromagnetic signatures. Areas to the south of the current model with identical aeromagnetic signatures have been delineated and have a strike length of 14 to 15 km (see Figure 3 in link below). Assuming this aeromagnetic feature hosts similar mineralisation to the Inferred Resource in the drilled area, the target potential (see Table-2 in link below) with upper and lower limits has been postulated (refer ASX release dated 6 Feb 2015).

To view tables and figures, please visit:
http://abnnewswire.net/lnk/67L2R814

About Venus Metals Corporation Limited:

Venus Metals Corporation Ltd. (ASX:VMC) holds a significant and wide ranging portfolio of Australian base and precious metals exploration projects comprising lithium, cobalt, vanadium, copper, zinc, nickel, gold and platinum group of elements.

Key project areas in Western Australia include:

- Pincher Well Zinc-Copper Project (Youanmi): Over 5 km of under explored VMS trend with an Exploration Target of 15-20 Million Tonnes@ 2-8% Zinc,which also hosts a number of high grade lodes (>10% Zinc).

- Currans Well Cobalt-Nickel-Copper Project (Youanmi): Significant Cobalt mineralisation up to 1483 ppm Co in historical drilling. Extensive Lateritic Duricrust Co-Ni target areas identified.

- Curara Well Nickel-Copper-Gold Project (Doolgunna):10 km northeast of Sandfire Resources DeGrussa Copper Mine. Wide intercepts of disseminated Nickel Sulphides (Millerites) in Ultramafics.

- Southern Cross Vanadium Project (Youanmi): JORC 2012 Inferred Vanadium Mineral Resource of 167.7 Millions Tonnes @ 0.41% V_2O_5, 7.52% TiO_2.

- Strategic Lithium-Tantalum Projects in WA.

Source:

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