

Saturn Metals Ltd

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Saturn Metals drills to upgrade resources and infill mineralisation at Apollo Hill

- Apollo Hill is on good ground in the Eastern Goldfields near key gold players
- Aircore drilling results are pending for a regional exploration program at the project
- Another RC drilling program is underway to infill mineralisation north and zone of the Apollo Hills system
- Saturn expects drilling at its Apollo Hill and Ra zones will contribute to a total resource upgrade

What does Saturn Metals do?

Saturn Metals Ltd (ASX:STN) specialises in gold exploration in Western Australia. It is run by Ian Bamborough, a geologist with more than 20 years leadership experience in the mining industry. Bamborough was a long-serving principal geologist at Newmont Mining Corporation and was previously managing director of Spectrum Metals Limited (ASX:SPX).

What does Saturn Metals own?

Saturn's key project is the Apollo Hill Gold Project in the heart of the Eastern Goldfields district.

Apollo Hill project is 60 kilometres south-east of Leonora and extends over about 1,065 square kilometres of ground.

It is found on the Kilkenny Shear, near a number of multi-million-ounce gold deposits which total 44 million gold ounces at Leonora-Wiluna belt, 41 million gold ounces at Laverton belt and 16 million gold ounces at Kalgoorlie-Norseman belt.

Nearby mines include: St Barbara Ltd's (ASX:SBM) (FRA:BM1) (OTCMKTS:STBMF) (OTCMKTS:STBMY) Gwalia gold mine, Gold Fields Limited's (NYSE:GFI) (JSE:GFI) (SWX:GOLI) (OTCMKTS:GFIOF) Wallaby and Granny Smith underground gold mines, AngloGold Ashanti Limited's (NYSE:AU) (JSE:ANG) (FRA:AOD) (OTCMKTS:AULGF) Limited's (ASX:AGG) Sunrise Dam gold mine and Saracen Mineral Holdings Limited's (ASX:SAR) Porphyry, Deep South and Carosue Dam operations.

Apollo Hill project contains key gold-fertile structures, including the Keith-Kilkenny Lineament which runs through contiguous tenements at the project. The lineament gives the company a 60-kilometre strike length.

Twenty gold exploration and prospecting licences make up the ground, along with two mining leases.

The major asset at the project is the Apollo Hill 2018 JORC-compliant indicated and inferred mineral resource of 20.7 million tonnes grading 1 g/t gold for 685,000 ounces using a 0.5 g/t cut-off grade.

Price: A\$0.325

Market Cap: A\$14.18M

1 Year Share Price Graph



Share Information

Code: STN

Listing: ASX

52 week High Low
A\$0.34 A\$0.15

Sector: Mining

Website: www.saturnmetals.com.au

Company Synopsis:

Saturn Metals Ltd is listed on the Australian Securities Exchange.

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The upgraded resource at Apollo Hill zone extends to a maximum depth of 180 metres below the surface.

Apollo Hill is accessible by the Goldfields highway and a mix of dirt and station roads and historical mining tracks.

Saturn views the project as an underexplored large-scale district gold play that has been underdone in the past due to once-dispersed holdings and fluctuating commodity cycles.

The company also describes infrastructure at the project as excellent.

Follow-up drilling was started at Apollo Hill project last week.

Saturn's 3,600-metre reverse circulation (RC) program aims to rapidly grow the project's existing resource by infilling mineralisation corridors to the north and south of the Apollo Hill system.

The company believes there is potential to grow the mineral resources of Apollo Hill zone and add Ra zone resources to its estimate.

Saturn's geological interpretation work is outlining the potential for higher grade structurally-controlled gold lodes at the two zones within the greater Apollo gold system.

Drill results could prompt an upgrade to the estimate's grade profile, with opportunities for narrower vein, high-grade gold.

Ra zone intersections returned in the December quarter included: 27 metres grading 1.12 g/t gold from 61 metres, including 11 metres at 2.1 g/t from 66 metres at Tefnut prospect; and 7 metres grading 1.19 g/t from 61 metres at Wadjet prospect.

Saturn's latest RC program follows on from a maiden aircore regional drilling program started in the last week of January to find new gold targets.

An initial 5,000 metres of aircore drilling on priority-one drill lines was expected from the campaign due to end this month and expected to produce 125-holes.

Saturn's December quarter successes from regional exploration efforts included: a 12.1 g/t rock chip in newly identified quartz reef at the Hermes prospect in the southern leases; a 250-metre-long gold soil anomaly grading more than 20 parts per billion at the Athena prospect in the central leases; and 0.3 g/t and 0.1 g/t rock chips on the unexplored northerly extension of the Apollo Shear at Hades, 8 kilometres along strike of Apollo Hill.

A further 5,000-metres of aircore drilling is also planned as follow-up.

Saturn held ended \$3.4 million cash at the end of last year after spending \$519,000 on exploration and evaluation in the December quarter.

The company expects cash outflows of \$905,000 in the March quarter as it spends \$702,000 on exploration in the period.

Inflection points

Returned assays from RC and aircore drilling efforts at Apollo Hill and Ra zones and regional prospects

Total mineral resource updates for Apollo Hill project

Project acquisitions, strategic investments and any merger-and-acquisitions activity

Managing director Ian Bamborough flags higher grade potential

"Significant potential exists to find higher grade zones between the step-out intersections reported in December last year and the northern and southern ends of the current Apollo Hill resource envelope," Saturn managing director Ian Bamborough said last week.

"That is what particularly excites us about this new program."

Saturn managing director Ian Bamborough will deliver a presentation tomorrow at 4.30pm on day 2 of the February 19-21 RIUExplorersConference 2019 at Esplanade Hotel Fremantle. You can find the company at stand 17.

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