



[Xtract Resources plc](#) - XTR

Eureka Project Update

Released 07:00 09-Aug-2019

RNS Number : 4828I
Xtract Resources plc
09 August 2019

For immediate release
9 August 2019

Xtract Resources Plc
("Xtract" or the "Company")
Eureka Project Update

The Board of Xtract Resources Plc ("Xtract" or the "Company") is pleased to announce that the Company's technical consultants have provided an informal report to the Company on the integration of the previous exploration databases and undertaken an interim review of drill targets over the Eureka project on the copper-gold small scale mining licence number 22134-HQ-SML ("Licence") located in the Central part of The Republic of Zambia ("Eureka Project").

Highlights

- Historic data overview confirms targets for fast-track drilling
- Two copper (+ gold) soil anomalies highlighted, the largest extending for 3km
- Main anomaly peaks at 1,315ppm Cu, 540ppb Au in vicinity of previous worked shallow open pit mine
- Drilling review indicates mineralisation in Eureka pit area remains open, with particular focus to the southeast and to depth
- Parallel soil anomaly coincides with Eureka West target where undrilled high-grade copper mineralisation is exposed in trial pit
- Several further geophysical targets not tested
- Near-term drill targets selected subject to surveying of historic drill hole collars and preparatory ground work

Colin Bird, Executive Chairman said: "We are pleased by the outcome of the interim review of the extensive exploration dataset that we have acquired for Eureka. The more we examine the historic information the more we are convinced that the strong structural and geochemical trends, along with significant drill intercepts and past mining history, can be indicators of substantial copper-gold orebodies on the property. Our exploration programme will be directed towards large scale oxide deposits, with sulphides at deeper levels. Initial shallow drilling will test the presence and configuration of these copper bodies. The occurrences of gold is encouraging and is in line with our belief that there is potential iron oxide copper gold (IOCG), Olympic Dam style mineralisation.

Our strategy is different to that of the explorers in the 1960s, in that we are interested in the large scale copper oxide occurrences as well as deeper sulphide material. I look forward to fast-tracking the testing of selected targets and reporting the results to our shareholders".

Summary

The Eureka small-scale mining licence, comprising approximately 345 hectares, is accessed by a 100km dirt road from Kabwe, west of the Zambian Copperbelt district.

Intermittent exploration by previous operators over several decades has generated extensive layers of very useful information, including soil geochemistry, pitting/trenching, ground magnetics, induced polarisation and electromagnetic surveying, structural interpretation, as well as diamond drilling and reverse circulation ('RC') drilling. Xtract has acquired the data and has worked with its technical consultants to review and integrate the various elements in order to assist with early drill target selection.

Of particular interest is a northwest structural corridor with coincident anomalous regional soil geochemistry for copper and gold. The anomaly extends for over 3km, much of it within the Eureka licence, with peak values of 1,315ppm Cu, 540ppb Au located within the area of the shallow Eureka copper pit reported previously.

At Eureka, the study confirms that mineralisation intersected by historic drill holes and partially mined remains open in several directions. In particular the study highlights the potential of the area to the southeast of the pit as well as the depth continuation. Additional drill testing of this zone at more optimal drilling angles, as well as the strike extrapolation of the zone will be a priority for Xtract, once historic drill sites have been accurately surveyed in the field.

A second sub-parallel copper anomaly in soils about 600-700m long occurs at Eureka West, 1km to the southwest of the main Eureka pit. This is likely to be related to the high grade copper-gold mineralisation previously discovered by Xtract at a small informal villager's pit. It seems that limited previous drilling in the area did not test this mineralisation. This is a further priority drill target for the Company.

Apart from these two priority targets, several other geophysical anomalies were highlighted by historic exploration but not followed-up. Xtract proposes to re-visit these to determine if they warrant drill testing.

Further details on Eureka were announced on 5 March 2019 and are available from the Company's website which details the Company's project portfolio, as well as a copy of this announcement: www.xtractresources.com

This announcement contains inside information for the purposes of Article 7 of EU Regulation No. 596/2014 on market abuse. The person who arranged for the release of this announcement on behalf of the Company was Colin Bird, Director.

Enquiries:

Xtract Resources Plc	Colin Bird, Executive Chairman	+44 (0)20 3416 6471 www.xtractresources.com
Beaumont Cornish Limited Nominated Adviser and Joint Broker	Roland Cornish Michael Cornish Felicity Geidt	+44 (0)207628 3369 www.beaumontcornish.co.uk
Novum Securities Limited <i>Joint Broker</i>	Colin Rowbury	+44 (0)207 399 9427 www.novumsecurities.com

Qualified Person:

Geological information in this announcement relating to the Licence has been reviewed by Edward (Ed) Slowey, BSc, PGeo, a consultant to Xtract. Mr Slowey is a graduate geologist with more than 40 years' relevant experience in mineral exploration and mining, a founder member of the Institute of Geologists of Ireland and is a Qualified Person under the AIM rules. Mr Slowey has reviewed and approved the geological content of this announcement.

Qualified Person:

In accordance with AIM Note for Mining and Oil & Gas Companies, June 2009 ("Guidance Note"), Colin Bird, CC.ENG, FIMMM, South African and UK Certified Mine Manager and Director of Xtract Resources plc, with more than 40 years' experience mainly in hard rock mining, is the qualified person as defined in the Guidance Note of the London Stock Exchange, who has reviewed the technical information contained in this press release.

TECHNICAL GLOSSARY

The following is a summary of technical terms:

"Au"	Gold
"Cu"	Copper
"electromagnetic surveying"	Geophysical exploration method employing the related electric and magnetic fields which can be set up in a conductive body by an artificial electric field at surface.
"exploration"	method by which ore deposits are evaluated
"grade"	relative quantity or the percentage of ore mineral or metal content in an ore body
"ground magnetics"	A survey of the Earth's magnetic field carried out on the ground
"induced polarisation"	A method of ground geophysical surveying which employs the passing of an electrical current into the ground to test for indications of conductive metallic sulphides
IOCG (iron oxide copper-gold) deposits	Mineral deposits that typically occur at the margins of large igneous bodies which intrude into sedimentary strata, often forming pipe-like, mantle-like or extensive breccia-vein sheets within the host stratigraphy
"mineralisation"	process of formation and concentration of elements and their chemical compounds within a mass or body of rock
"ppb"	parts per billion
"ppm"	parts per million
ENDS	

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END