



Rio Tinto joint venture, production opportunity and long-term goals

Antipa Minerals has some unusual attributes for a small cap company; Rio Tinto is farming into part of its tenement holding for \$60 million, it has put together some 4400 square kilometres of highly prospective ground near two world-class mineral deposits, and it is quickly putting together its own near-term gold/copper production opportunity.

Antipa's tenement holdings are located in the Paterson Province in north-west Western Australia, approximately 400 kilometres east of Port Hedland. The Paterson Province hosts Newcrest Mining's giant Telfer gold-copper-silver mine, which, pre-mining, contained some 32 million ounces of gold and one million tonnes of copper. The Province also hosts Newcrest's O'Callaghans tungsten and base metal deposit, one of the world's largest tungsten deposits. Antipa's tenements extend to within three kilometres of the Telfer open pit.

Antipa Minerals Chairman Stephen Power says, 'When forming the company, we were looking for a province [that] was both under-explored and

had the capacity to host very large deposits, thereby giving shareholders the potential for large leverage for the exploration spend of the company. The Paterson fitted that bill'.

This thinking was undoubtedly something that the Antipa team learnt during their time at LionOre Mining International, where they contributed to the discovery, development and operation of a number of base metal and gold mining projects. During their time with LionOre, the company grew into an international mining house that was acquired by Norilsk Nickel at the top of the market for in excess of \$6 billion. The technical and commercial skills of this ex-LionOre team now resides with Antipa – and it shows.

In 2011, at the bottom of the crash after the mining boom, Antipa acquired a number of exploration licences in the Paterson Province from Centaurus Metals. Over the next two years, Antipa would acquire a number of other projects and consolidate the lion's share of the province under the control of a single company for the first time in over 40 years.

Power says, 'The Paterson Province had been ignored for decades due to a perception of exploration being hampered by transported cover over the mineral-bearing rocks, which is not true for the majority of our tenement holding. Our strategy was to conduct the first truly systematic exploration of the entire Paterson Province, and to

unlock its potential, with the ultimate aim of identifying world-class mineral deposits. These are still early days, but it's already shaping up nicely for us and our partners'.

Antipa's ground in the Paterson Province consists of 32 granted exploration licences, and can be divided into three roughly equal areas.

In the northern third of the province lies the Citadel Project, an area where Antipa's initial exploration success attracted the interest of Rio Tinto.

In 2015, Antipa secured a joint-venture (JV) agreement with Rio Tinto worth up to \$60 million, where Rio can earn a controlling interest in the project through phased exploration activity over approximately 10 years. The JV area hosts two large advanced gold-copper-silver deposits; Calibre with a current JORC Mineral Resource of 47.8 megatonnes at 0.58 grams per tonne for gold, 0.17 per cent copper and 0.60 grams per tonne for silver; and Magnum with a current JORC Mineral Resource of 16.1 megatonnes at 0.66 grams per tonne for gold, 0.36 per cent copper and 0.99 grams per tonne for silver. These two deposits alone contain approximately 1.2 million ounces of gold in resources, and have the potential to host plenty more.

Rio has conducted its initial Phase 1 exploration activities and, in April, elected to proceed to the next phase of the JV earn-in. The 2017 exploration program at Citadel is off and running, and will continue through to the end of the year. It includes both geophysics and drilling, and involves a multimillion-dollar spend, solely funded by Rio.

'There's no doubt [that] having Rio Tinto as a [JV] partner surprised a few people and helped put us on the radar of a few others. From our point of view, it represents a very significant validation of both the potential of the region and our exploration strategy, and it allows us to focus our efforts on other parts of the province,' says Power.

Antipa's 100 per cent owned North Telfer Project is situated in the central third of the province. North Telfer contains the highly prospective Minyari Dome, which hosts the Minyari and WACA high-grade gold deposits, both



subjects of ongoing drilling campaigns. Following a very positive set of initial drill results from Minyari-WACA, released in June this year, Antipa committed to expand the Phase 1 drilling campaign to test the depth and strike-length potential of the mineralisation at the Minyari and WACA deposits.

The second batch of assayed results from the Phase 1 results was released on 25 July, and they substantially increased the extent of high-grade gold mineralisation along strike and at depth. Indeed, a look at the cross-section opposite shows a number of very high-grade gold intersections, with this high-grade mineralisation remaining open.

There's no doubt that the company's North Telfer area will be the focus of a substantial amount of drilling throughout 2017, and Antipa aims to establish its maiden JORC Mineral Resources for both the Minyari and WACA deposits, and to complete a scoping study.

The Paterson Project was acquired from renowned explorer Mark Creasy in 2013. This year, Antipa will test

a number of targets, including a previously identified gold/copper mineralised system at Tim's Dome, which is over three kilometres long.

While the exploration work continues, Power says the company will focus over the coming 12 months on preparing to transition from exploration to project development and then, hopefully, into production.

Power is putting his money where his mouth is. As the company's largest individual shareholder, Power and his fellow directors and management collectively own 9.5 per cent of the company.

'As a board and management team, we have plenty of shared history, and our relationships have been forged and tempered through decades of mining experience, and we've enjoyed considerable success as a team. We have plenty of skin in the game, and our interests and those of our shareholders are clearly aligned. It's a good recipe for future success', says Power.

Antipa Minerals has no debt and at 30 June had approximately \$6 million in cash at bank. 