

Big upgrades at Avalon deposit

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AVALON Minerals shares were up over 100% this morning after large copper and gold increases at the Discovery Zone prospect of its Viscaria project in northern Sweden.

The copper grade has jumped from 0.3% to 0.8%, boosting contained copper 110% to 71,000 tonnes.

The gold grade has increased from 0.08 grams per tonne to 0.1gpt, boosting contained gold 96% to 55,000 ounces.

The company has posted two estimates for the deposit, with the first reaching 9Mt at 0.8% copper and 0.1gpt gold with a 0.4% copper cut-off.

The second estimate was 9.7Mt at 38.5% iron at a 15% mass recovery grade cut-off.

The gains follow re-interpretation of the geology and changes to the modelled distribution of copper and gold grades.

The company said 30% of the zone had been upgraded to the indicated category after validation of historic assay results and further analysis on the resource estimate.

"The significant increase in copper and gold within the Discovery Zone mineral resource, in a near surface position, is an extremely pleasing result and should have a positive impact on the economics of the Viscaria project," Avalon managing director Malcolm Norris said.

"The increased confidence in the resource means that less drilling will be required to advance this resource to a level that will support future feasibility studies.

"Avalon is advancing the Viscaria project through various studies focussing on a robust base case scenario and is assessing options for expanding the base case."

The Discovery Zone is one of four deposits that make up the Viscaria copper-iron project.

The Discovery Zone and D Zone are copper-magnetite deposits, while A Zone and B Zone are copper-only deposits.

Avalon shares were last trading 112.5% higher at 1.7c.



View over the Viscaria project from Kiruna town

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