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## Avalon jumps on Viscaria upgrade

Thursday, 22 May 2014

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**AVALON Minerals has smoothed the road to a feasibility study for its Viscaria copper-iron project in Sweden by establishing measured resources at the site's D Zone deposit.**

The news sent its shares flying more than 30% this morning.

The upgrade left overall tonnes unchanged but improved 12,000t of copper metal and 500,000t of recoverable iron to the measured category.

Total resources for D Zone stand at 13.6 million tonnes at 1% copper for 136,000t of copper metal and 25.5Mt at 26.5% iron for 5.7Mt of recoverable iron.



View over the Viscaria project from Kiruna town

Changing a portion of the deposit from indicated to measured status is expected to help set a context for risk minimisation and future investment options.

"The increase in resource category classification of the D Zone mineral resource is an extremely pleasing result and means that less drilling will be required to advance this resource to a level that will support future feasibility studies," Avalon managing director Malcolm Norris said.

"The project has delivered a robust base case scenario at scoping study level and we are assessing options for expanding the base case."

Scoping work on Viscaria last year resulted in a net present value of \$US373 million (\$A403 million) and a preproduction capital cost of \$180 million.

A 10-year operation at the site was estimated to produce 15,000-22,000t of copper and 625,000-1.2Mt of magnetite concentrate, based on resources at D Zone and the Discovery Zone area about 10km to the south.

Viscaria is comprised of four deposits including the A, and B Zones (copper only) and the copper-iron D and Discovery Zones.

Last month, Avalon reported an increase in copper grade at Discovery Zone from 0.3% to 0.8%, boosting contained copper 110% to 71,000t.

Iron resources at Discovery Zone, meanwhile, were estimated at 9.7Mt grading 38.5% iron for 3.4Mt of recoverable iron.

Global resources for Viscaria total 63.9Mt at 1% copper for 680,000t of copper and 35.3Mt at 29.8% iron for 9.1Mt of recoverable iron.

Shares in Avalon were last trading 33.3% higher at A1.2c.