

Ban Phuc project on target for production in 2009

ASIAN Mineral Resources is on track to begin commercial sulphide production at the Ban Phuc Nickel-Copper project early next year.

Concrete works for construction of the processing plant are on schedule and the tailings dam is being built.

Purchase orders for the long lead time items have been placed and design work to incorporate the increased plant capacity to 450,000 tonnes per annum has been completed.

The ball mill has been refurbished in Perth and is being shipped to Ban Phuc. It will arrive in sufficient time for the schedule of the rest of the process plant.

Construction of the lower portal is complete and this will be the main production access for the life of mine plan, being located near the process plant.

The underground access ramp from the lower portal is continuing using drill jumbos and load-

ers sourced from Australia.

Based on current reserves the project is designed to produce 5500 tonnes per annum of nickel in concentrate and associated copper credits in the first two years and average 4500 tonnes per annum of nickel in concentrate over the mine life.

Ban Phuc is Vietnam's only known nickel deposit and includes a 1.23 million tonne measured and indicated massive sulphide resource in addition to a large disseminated sulphide resource.

Development is advancing in excellent rock conditions and is targeted to intersect the ore body during the third quarter of 2008.

The upper portal which provides access to the higher grade parts of the ore body is near completion.

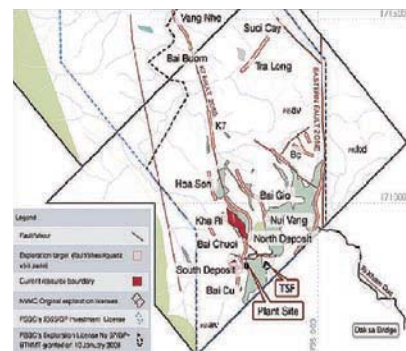
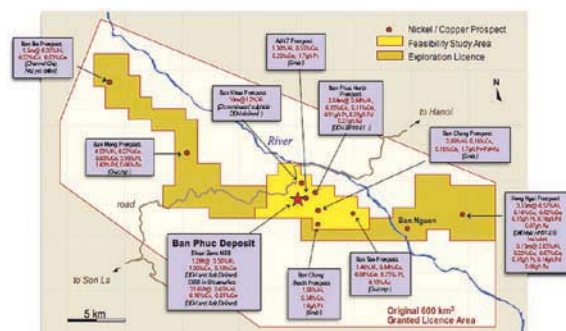
Infill drilling is being carried out to provide a design of stopes to be mined in the first 12-18 months of operation. Results to date have

included 8 metres @ 0.9% nickel and 0.2% copper from 71 metres, 1.45 metres @ 1.9% nickel and 0.5% copper, 0.33 metres @ 5.5% nickel and 0.3% copper from 65 metres, 0.67 metres @ 3.2% nickel and 1.5% copper, 0.32 metres @ 6.1% nickel and 2.1% copper and 13.1 metres @ 0.9% nickel from 134.8 metres.

Surface and underground drilling has confirmed the ore body geometry estimated in the feasibility study and resource model.

A stepout drilling program has started with the goal of expanding the deposit based on interpretation of new results and application of exploration technologies.

A number of anomalous mineralized targets occur over the company's 150sqkm concession, including Ban Trang (located 2.5km from Ban Phuc), Ban Trang South, Ban Khoa (1.5km from Ban Phuc), Ban Tao (on eastern flank of Ban Phuc), King Snake (1km from Ban Phuc) and Ban Mong.



LEFT: The location of the company's prospects.

ABOVE: Prospects within Pan Australian's Ban Phuc licence area.

The geology of Pan Australian's Ban Phuc Nickel-Copper Project.

Assay results advance Axiom's Vietnam prospects

ASSAY results from Axiom Mining's Quang Binh Gold Project in central Vietnam continue to show persistent gold values ranging to more than 1 gram/tonne over substantial widths.

Drilling to date of the porphyry-style gold mineralization at the Xa Khia-Mu Me prospect supports the conclusion that a very large, low grade deposit is present that may be exploitable by simple open pit mining and heap leach processing methods.

Examples of wide intercepts are 18 metres @ 0.45 grams/tonne gold, 15 metres @ 0.45 grams/tonne gold and 26 metres @ 0.41 grams/tonne gold.

The results are associated with surface and near-surface drill core intercepts that average above 1 gram/tonne gold, for example 6 metres @ 1.24 grams/tonne gold from 43 metres downhole.

Axiom's executive director, geology, Jack McCarthy, says: "A systematic infill drill program is warranted and has been designed for Xa Khia-Mu Me to provide coverage for resource estimation and to produce representative samples for metallurgical test work as part of a preliminary feasibility study."

He says also on the Quang Binh project area a new porphyry-style gold target has been discovered at the Bach Dan



The geological team at Axiom Mining's Quang Binh Gold Project in central Vietnam.

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Anomaly outlined at Vit Thu Liu prospect

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prospect, 4km south of Xa Khia-Mu Me with intercepts of 14 metres @ 0.71 grams/tonne gold, 7 metres @ 0.71 grams/tonne gold, 11 metres @ 0.46 grams/tonne gold and 6 metres @ 0.51 grams/tonne gold from 166 metres downhole.

At the Vit Thu Liu prospect, 8km south-west of Xa Khia-Mu Me, a very large 2.5km x 500 metres strong gold soil geochemical anomaly has been outlined and a drill program designed. "The discovery and delineation of this anomaly is very significant as it may represent a major expansion in the resource inventory being developed with the Quang Binh area."

Jack McCarthy says the first two year period of the Quang Binh Mineral Exploration Licence expired in February and the company is making an application to have it extended by 12 months to undertake infill drilling and to prepare an application for a Mining Licence.

He says Sino Gold has started an open pit, heap leach operation to mine a large low grade deposit in China and it is a similar operation that Axiom is considering for Quang Binh. He says the company wants to have a look at this model and then determine the viability of doing a similar thing.

"We are not talking resource figures yet because there is not sufficient data to hand but our objective in the next 12 months is to define a JORC resource.

"We are not rushing things but it is look-

ing promising, especially when we take into account the possibility of extra gold reserves from the nearby Bach Dan and Vit Thu Liu prospects."

Axiom has also been issued a Certificate of Investment for establishment of a 100% foreign owned Vietnamese company in the northern Province of Quang Tri, where it has the Quang Tri prospect.

All approvals for the Mineral Exploration Licence have been signed off with the final step being an assessment meeting where the licence is formally notified for issue. Exploration of the area will begin as soon as the licence is issued.

Jack McCarthy says Axiom geological teams have also undertaken field assessments in eight new areas of interest in Vietnam and have observed widespread alteration and sulphide zones containing gold and/or copper and lead-zinc-silver mineralization.

"Samples have been collected from these areas for assay and licence applications over one or more of these areas will be considered following completion of the field observations and receipt of the assay data."



ABOVE: A river crossing at Xa Khia.

BELOW: The Xa Khia open pit.



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