

Chase Mining Corporation Ltd

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Chase Mining focuses on Canadian nickel-copper sulphides

Chase Mining Corporation Ltd (ASX:CML), formerly TopTung Ltd (ASX:TTW), is entering a new chapter in its history after the company's shareholders approved its acquisition of Canadian company Zeus Minerals Ltd and its portfolio of nickel-copper sulphide projects in Quebec.

The acquisition, approved on October 3, was described as an important development for the company in its quarterly activities report published yesterday and a unique opportunity in a November investor presentation published today.

In March, the company signalled it was changing its corporate strategy after a downgrade in tungsten resources at its Torrington Tungsten and Topaz Project in New South Wales (NSW).

The company's decision to pick up Zeus in Canada has introduced tonnes-in-ground to its asset base, including 'bonanza-grade' historical results of 28.04 metres at 37.42 g/t gold and 33.74 g/t silver from channel sampling at the 1960s Lorraine mine in Quebec.

Recorded production at the mine included 600,000 tonnes of ore producing more than \$100 million in metal in less than 24 months between 1964 and 1968, grading 1.57% copper, 0.62% nickel and 0.02 oz/t gold, with unspecified amounts of silver, platinum group elements and cobalt.

Sulphide-bearing samples from mullock dumps at Lorraine prospect, in the Lac Des Bois project area, contained up to 13.8 g/t gold.

The company, which has a market capitalisation of \$7.04 million and enterprise value of \$3.29 million, is now focused on class-one nickel-copper sulphides.

Price: A\$0.043

Market Cap: A\$9313290M

1 Year Share Price Graph



Share Information

Code: CML

Listing: ASX

52 week High Low
A\$0.05 A\$0.02

Sector: Mining

Website: www.chasemining.com.au

Company Synopsis:

Chase Mining Corporation Ltd (ASX:CML) is listed on the Australian Securities Exchange.

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The historical Lorraine Nickel-Copper Mine in Quebec

Geologist and non-executive director Marnus Bothma told Proactive Investors' Stocktube channel: "TopTung is a company that held a tungsten project in NSW, the Torrington project.

"Recently, at the start of October, we finalised the acquisition of a number of nickel-copper sulphide projects in Canada, just about 600 kilometres north of Toronto, so really prime real estate, and as part of that acquisition, I joined the board.

"I was the managing director of the unlisted public company that held these assets but, so as part of that transaction, I have come on the board, I have joined (directors) Martin Kavanagh and (Dr) Leon Pretorius and Charles Thomas.

"And so we have recently done that acquisition and we're ready to hit the road running."

Geochemist and major investor Pretorius is the company's executive chairman and largest shareholder, having a 6.76% stake earlier today.

Nickel geologist Kavanagh and GTT Ventures founding partner and executive director Thomas are both non-executive directors in TopTung.

GTT Global has a 5.52% stake in TopTung.

Canadian acquisitions

With its \$1.3 million cash-and-scrip Zeus acquisition, TopTung added two principal project areas and three "highly-prospective" sub-projects along the Belleterre-Angliers greenstone belt in Eastern Canada to its portfolio.

The acquisition adds another 63.5 square kilometres to its prospective land.

Bothma told Stocktube: "We've acquired three different project areas in that belt, one area contains Alotta-Delphi-Zullo occurrences, one area is the Lorraine area and the other area is Laverlochere.

"Laverlochere is a little bit more greenfields, we don't know too much about it, but as part of the package we felt that it bolstered the project portfolio so we acquired that as well."

The grading of historical results from Canada excites Twitter users

Drilling started on October 5, 2018, at Alotta prospect, intersecting massive nickel-copper sulphides in broad zones.

Bothma said: "Alotta-Delphi-Zullo projects, they're all proven copper-nickel sulphide deposits, very high grade, up to about 6% nickel equivalent in places.

"The high-grade, shallow-lying (deposits), you can find them quite easily."

Speaking on Alotta drilling, TopTung yesterday said: "The program was visually very successful with varying widths of sulphide mineralisation intersected in all nine holes drilled, while broad zones of massive, net textured and disseminated mineralisation occurred in seven holes.

"Samples have been dispatched to an analytical laboratory and results are expected in a couple of weeks."

Speaking about Lorraine, Bothma told Stocktube: "Lorraine historically produced ... in today's dollars over \$100 million of material in 600,000 tonnes of dirt.

"Those are the areas - we find them very prospective for additional copper-nickel sulphide occurrences."

The Torrington project tenements in northern NSW

Company assets

TopTung had 153,247,653 shares on issue and no options on September 30, 2018, increasing shares on issue to 206,961,938 by today.

Two packages of performance shares exist in the company's securities - 6.75 million at 7.5 cents and 6.75 million at 10 cents.

The company held \$3.44 million in cash at the end of the September 2018 financial quarter and two material tenements.

Since quarter-end the company has added to its reserves, having \$3.75 million cash today.

Besides top shareholder, chairman Pretorius (6.76%) and Thomas-linked GTT Global (5.52%), major shareholders include Hustler Investments (4.83%), Southern Reaches (4.61%), Kitara Investments Pty Ltd (2.28%), Steven Scott Day (2.28%) and Mounts Bay Investments (Director) (2.06%).

The company has a tight capital structure, with the top 20 shareholders holding 51% while the top 40 shareholders have 68%.

Yesterday the company flagged its material tenements held in the September quarter were the Torrington 1 project, on tenement EL 8258, and Torrington 2 on EL 8355, both in NSW.

Torrington project is still a focus for TopTong, but with a narrowed focus to developing its topaz-mining capacity first-up as its wholly-owned subsidiary Topfibre Pty Ltd conducts federally-funded research into Torrington topaz at the University of New South Wales (UNSW).

The university's School of Materials Science and Engineering has three-year Federal Government Australian Research Council (ARC) funding to undertake advanced research with industry partner TopTung on the topaz's production of single mullite fibres by thermal decomposition.

In March the company reported Torrington's igneous rock - silixite - contains between 15% and 20% topaz, "an aluminosilicate mineral that contains about 20% fluorine (F) which is released during the thermal decomposition of the topaz.

Mineralised silixite with grey-white quartz, translucent grey topaz, black tungsten (ferberite) and oxidised bismuth pale orange

The company reported tungsten would be a by-product from any of its topaz production.

TopTung said in March: "The fluorine will be re-utilised completely in a closed system to generate sodium silicofluoride, which is a widely-used fluoridiser for drinking water."

The company then set a Silixite exploration target of 2 to 4 million tonnes grading at 15-20% topaz at Wild Kate in its update on future strategy.

Yesterday it said: "Large-scale topaz concentrate sample has been dispatched to an overseas abrasives manufacturing and supply company for product suitability testing.

"This will assist with determining the product's potential economic importance as a driver for the project."

TopTung said if it found an industrial or agricultural market for the kaolinitic clay that overlies the Wild Kate silixite deposit and other Torrington silixite bodies, it would help the project's economics.

Land use at Torrington in NSW

Regulatory approvals

Mining lease application MLA547 and related reports are currently on hold for the Torrington project as the company seeks permission from Water NSW to

use water in its operation.

The mining application is focused on topaz and a staged approach to project development.

A Forestry Corporation permit has already been received for the project to harvest Torrington State Forest run-off water.

— With Danielle Doporto

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