



Sable Mining Afr.Ltd

Maiden JORC Resource at Nimba Iron Ore Project

RNS Number : 0934X
Sable Mining Africa Limited
05 February 2013

Sable Mining Africa Ltd / Index: AIM / Epic: SBLM / Sector: Natural Resources

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Sable Mining Africa Limited ('Sable Mining' or 'the Company') Maiden JORC Resource at Nimba Iron Ore Project

Sable Mining Africa Limited, the AIM listed exploration company, is pleased to announce a maiden JORC compliant resource from the Company's on-going exploration programme at the 123.5km sq Nimba Iron Ore Project in south-east Guinea ('Nimba Project') which has highlighted the Nimba Project as one of West Africa's premier iron ore projects.

Overview

- Maiden Mineral Resource of 121.5 Mt at an in-situ grade of 57.8% iron ('Fe') estimated at a Fe cut-off of 40% from prospects Plateau 2 and Plateau 3
- Will produce a high grade (60-63% Fe) Direct Shipping Ore product ('DSO')
- Maiden Nimba Mineral Resource has been classified as Indicated and Inferred Mineral Resources, reported in accordance with the JORC Code (JORC 2004) and is referenced in Appendix 1
- Significant resource upside potential - initial resource covers only Plateau 2 and a portion of Plateau 3 - the 11 km sq Plateau 1 is larger than Plateau 2 in aerial extent and has yet to be drilled
- Metallurgical tests, limited to the Planetaya area of Plateau 2, have indicated a 40% lump: 60% fines ratio in the consolidated zone of the lithology, and 15% lump: 85% fines ratio in the unconsolidated zone. With the announced resource, this equates to an overall ratio of 24% lump: 76% fines. This has potential to improve with on-going testwork of canga resources closer to the mountain and the source of the canga accumulation

- Further test work has highlighted:
 - Very low decrepitation (Decrepitation Index ('DI') - therefore suitable for metallurgical processes and direct Blast Furnace feed
 - Low power requirements; average uniaxial compressive strength of the samples from the core was 18.7MPa combined with an average crushing work index of 4.4kWh/t, indicating that the ore will be conducive to crushing at high rates with low power consumption
- It is envisaged that a simple dry plant process involving crushing and screening will produce a high grade lump product in the early stages of production followed by the introduction of a wet process, which would be fully able to produce both a high grade lump and fines product
- A concept study is currently in progress, examining a variety of options, including the requirements of early term production. Defined development programme in place - complete Pre-Feasibility study, submit mining licence application and Environmental Impact Assessment by H2 2013
- Drilling on-going and remains focussed on targeting additional haematite bearing intersections of canga, plus further metallurgical testing to better understand the distribution of premium lump material (DSO) within the canga
- Current exploration target of up to 400 Mt of canga material

Sable Mining CEO Andrew Groves said, "This initial resource of 121 Mt of DSO grade material provides further support to our conclusion that this important asset is one of the most exciting iron ore development projects in West Africa. Since being granted the exploration permit 12 months ago, we have worked tirelessly to achieve the delineation of this maiden resource, and we intend to keep this momentum up with our onward exploration of the other plateaus and development activities; work remains targeted on the expansion of the resource of the DSO material across the entire Nimba Project. In tandem with this, we are working closely with the Government of Guinea in conjunction with our local partner, in order to secure export approval followed by mining and environmental permits."

"Importantly, metallurgical tests have indicated that a simple crush and screen processing plant will produce a high-grade, high-specification low-deleterious premium quality DSO product. This, coupled with the proximal location of an established rail infrastructure with spare capacity in neighbouring Liberia, underpins the Nimba Project's position as one of the most commercially valuable iron ore assets in West Africa."

Maiden Resource

A JORC compliant maiden resource report for Plateau 2, reports 4.2 Mt at 61.7% Fe for an Indicated Resource and 75.1 Mt at 58.5% Fe, for an Inferred

Resource at a 40% Fe cut-off. Plateau 3, reports an Inferred Resource at 42.2 Mt for 56.4% Fe. The combined Resource is totalling 121.5 Mt at 57.8% Fe at a 40% Fe cut-off.

Tabulated below in Appendix 1 are the relevant sections of the tonnage grade curve which highlights the high grade opportunity of the Plateau 2 and 3 resource with an in-situ 107 Mt at 60% Fe at a cut-off grade of 50% Fe.

Additional infill drilling continues as part of the Company's ongoing drilling programme. The initial focus has been on the DSO potential, but ongoing drilling will improve the resource confidence and classification in addition to better delineating the distribution and volume of all material types (<55% Fe material). Metallurgical testwork has, thusfar, been limited to the Planetaya area of Plateau 2. Further test holes will examine the potential of an increased lump percentage in the canga resource located closer to Mount Nimba.

The high grade iron mineralisation occurs on surface and is found on three surface plateaus where no vegetation or populated villages exists. Furthermore, the iron mineralisation is continuous with no (limited) strip ratio which will significantly benefit the cost of mining.

The resource estimate has been estimated from the initial 82 boreholes of the Company's database. Drilling continues and to date a total of 151 boreholes have been completed. The Company has a current exploration target of up to 400 Mt of canga material.

Metallurgical Tests

Recent metallurgical test results at the Nimba Project indicate that simple crush and screen processing will produce a high-grade, high-specification low-deleterious premium quality DSO product and that the ore is conducive to crushing at high rates with low power consumption. Importantly the initial DI tests indicate very low decrepitation, suggesting that the ore is suitable for metallurgical processes and direct Blast Furnace feed.

Processing

The base case processing scenario is wet crushing and screening plant, with a gravity separation component to upgrade the ultra-fines component of the feed to maximise Fe recovery and produce a premium quality fines product. A wet plant will be fully able to deal with the clay component of the feed material present in the unconsolidated zone.

There is however the option to commence operations with a dry crush and screen plant when mining the near-surface consolidated zones with evident advantages of low initial capital requirements and earlier start-up. Metallurgical testing to determine the impact of clays is on-going.

Project Development Including Concept Study

Following the publication of this maiden resource, the Company has a defined development programme in place to further advance the Nimba Project up the development curve. Sable Mining plans to submit a mining licence application and complete a Pre-Feasibility Study, targeting mining and export-licences by H2 2013. A concept study is being initiated to study the economic framework for early DSO production to generate near term cash flow, which will fund the wider development of the Project. This is being done in conjunction with the Company's internal team, external consultants and the Guinean mining authorities.

Independent Consultant

Xstract Mining Consultants, an Australia-based consultancy group and wholly-owned subsidiary of engineering services company Calibre Group, which has significant expertise in iron ore, conducted the resource definition and are scheduled to carry out the pre-feasibility study for the Project.

APPENDIX 1: RESOURCE TABLES

Table 1: Indicated and Inferred Resources for Plateau 2

Cut-Off % Fe	Indicated Resource Category						Inferred Resource Category					
	Tonnes	Bulk Density	% Fe	% SiO ₂	% AL ₂ O ₃	% P	Tonnes	Bulk Density	% Fe	% SiO ₂	% AL ₂ O ₃	% P
0	4,425,000	2.24	60.2	3.8	4.3	0.08	78,438,438	2.19	57.1	6.7	4.8	0.08
20	4,356,000	2.25	60.9	3.3	4.0	0.08	77,622,438	2.20	57.5	6.3	4.7	0.08
40	4,233,813	2.27	61.7	2.8	3.5	0.08	75,081,875	2.23	58.5	5.3	4.4	0.08
50	4,030,313	2.30	62.5	2.3	3.0	0.08	67,270,188	2.28	60.0	4.3	3.6	0.08
55	3,847,500	2.31	63.0	2.2	2.7	0.08	60,114,563	2.29	60.9	3.7	3.3	0.08

Table 2: Inferred Resources for Plateau 3

Cut-Off % Fe	Inferred Resource Category					
	Tonnes	Bulk Density	% Fe	% SiO ₂	% AL ₂ O ₃	% P
0	55,162,313	1.72	50.5	11.0	8.0	0.08
20	53,999,813	1.73	51.3	10.2	7.7	0.08
40	42,217,813	1.83	56.4	6.1	5.3	0.08
50	35,717,938	1.87	58.5	4.6	4.2	0.08
55	31,444,500	1.89	59.2	4.2	3.8	0.08

Table 3: Combined Indicated and Inferred Tonnage for Plateaux 2 & 3

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Cut-Off % Fe	Combined Indicated and Inferred Resource Category					
	Tonnes	Bulk Density	% Fe	% SiO ₂	% AL ₂ O ₃	% P
0	138,025,750	2.01	54.53	8.34	6.09	0.08
20	135,978,250	2.02	55.13	7.72	5.89	0.08
40	121,533,500	2.09	57.84	5.47	4.69	0.08
50	107,018,438	2.14	59.58	4.31	3.80	0.08
55	95,406,563	2.16	60.40	3.80	3.43	0.08

The information in this announcement that relates to Mineral Exploration results and Mineral Resources, together with any related assessments and interpretations have been reviewed by, a qualified geologist. Mark Biddulph has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a qualified person as defined by the AIM Note for Mining and Oil & Gas Companies.

**** ENDS ****

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