



POTENTIAL FOR HIGH GRADE TITANIUM DIOXIDE (TiO₂)

SPEEWAH
METALS LTD

ASX ANNOUNCEMENT

25 August 2011

ASX Code: SPM

Capital Structure:

Shares on Issue: 130.7m
Options on issue: 9.75m
Exercise Price: 20c – 80c
Market Cap: \$32.7m (25c)

Financial Position:

Cash on Hand: circa \$7.4m
(June Quarter end)

Board of Directors:

Non Executive Chairman:
Anthony Barton

Non Executive Director:
Derek Carew-Hopkins

Executive Director:
Richard Wolanski

Projects:

Speewah Dome, 575 km²

Location:

Kimberley, WA

Resources:

Vanadium/Titanium:
3.6 Billion tonnes @ 0.30%
V₂O₅ and 2% Ti (at 0.23%
V₂O₅ cut-off grade)

Fluorite:

6.7 Million tonnes @ 24.6%
CaF₂ (at 10% CaF₂ cut-off
grade)

Other prospects:

Copper/Gold/Silver & Lead
Platinum

HYDROMETALLURGICAL PROCESS HAS POTENTIAL TO PRODUCE 99.8% TiO₂ PRODUCT

RESULTS

Speewah Metals Limited (“Speewah”) (ASX: SPM) advises that patented mixed chloride technology the Company is testing has produced very high grade Titanium Dioxide (TiO₂) from testwork completed upon similar magnetite bearing ore by another company¹.

TiO₂ product grades of 99.8% have been reported, which have market values of approximately US\$3,300 per tonne¹. Vanadium Pentoxide (V₂O₅) which is also recovered through the process is currently valued at US\$13,500 per tonne².

Beneficiation of the magnetite bearing gabbro at Speewah, produces a magnetite/vanadium/titanium concentrate that assays **54% Fe, 2.48% V₂O₅ and 14.8% TiO₂**. The contained value of these high value commodities in the concentrate, assuming 100% recovery by a similar process route¹, is:

Target Commodity	Grade in Speewah Concentrate	Targeted Commodity Product/ Purity	Market Value/tonne (US\$)	Value/tonne concentrate (US\$)
Vanadium pentoxide	2.48% V ₂ O ₅	V ₂ O ₅	13,500	\$330
Titanium Dioxide	14.8% TiO ₂	TiO ₂ (+99%)	3,300	\$480
Iron Oxide	54% Fe	Fe ₂ O ₃	170	\$130

BACKGROUND

The tenements contain **Australia’s largest vanadium/titanium in magnetite deposit with combined Measured, Indicated and Inferred Resources totaling 3.6 Billion tonnes at 0.30% V₂O₅ and 2% Ti** (at 0.23% V₂O₅ cut-off grade). The deposit is flat lying, outcrops at surface and up to 80 metres thick.

One of the key value add strategies implemented in 2011 is this type of **hydrometallurgical testwork, using an acid leach on the magnetite concentrate to recover Ti and Fe alongside the V as high value end products**. The opportunity for the Company is to potentially increase project valuation, with the Ti and Fe added as additional end products to increase revenues and potentially lower capital and operating costs.

DIRECTOR’S COMMENTARY

The hydrometallurgical processes the Company is testing may transition the business to a titanium focus, as the **contained titanium end product value in the magnetite/vanadium/titanium concentrate does surpass that of the vanadium** (see Table above).

The Company expects to provide further results of testing in the coming months and make a **decision on the preferred route to development upon conclusion of the metallurgical test programme towards the end of 2011**.

Richard Wolanski
Director

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SPEEWAH METALS LTD

SPEEWAH BACKGROUND

Speewah Metals Limited (ASX: SPM) is a mining and exploration company whose **prime focus is the definition and development of its vanadium/titanium and copper/gold/silver discoveries in the East Kimberly region of Western Australia.**

The tenements contain **Australia's largest vanadium/titanium in magnetite deposit with combined Measured, Indicated and Inferred Resources totaling 3,566 Mt at 0.30% V₂O₅ and 2.0% Ti** (at 0.23% V₂O₅ cut-off grade) in three deposits, comprising a Measured Resource of 201 Mt at 0.33% V₂O₅, Indicated Resource of 826 Mt at 0.30% V₂O₅ and an Inferred Resource of 2,539 Mt at 0.3% V₂O₅.

Once a magnetite concentrate is created the upgraded concentrate assays at 56% Fe, 2.48% V₂O₅ and 14.8% TiO₂.

The 2011 strategy has three value-add components. Two of these are related to the 2011 Exploration programme and will be the largest exploration programme in the history of the company. These value-add components include:

1. Significantly increase to what is Australia's and one of the world's largest vanadium/titanium in magnetite resource, through drilling an **exploration target³ of an additional 2-5 Billion tonnes @ 0.3-0.32% V₂O₅ and 1.8-2.0% Ti;**
2. Continue **exploration based on promising results of Copper/Gold/Silver and Lead mineralisation.** This will include a maiden airborne EM survey conducted on the tenements that will target potentially highly conductive Cu/Au mineralisation against non-conductive background rock. This is expected to target copper/gold mineralisation identified both the vertical and horizontal dimensions.
3. **Metallurgical work on the vanadium/titanium resource and investigate the potential to recover titanium and iron in addition to vanadium** which may have the potential to multiply project values.

The tenements also contain a high-grade, high-quality fluorite deposit with Indicated and Inferred Resources totaling 6.7 Mt at 24.6% (at 10% CaF₂ cut-off grade), comprising an Indicated Resource of 4.1 Mt at 25.3% CaF₂ and an Inferred Resource of 2.6 Mt at 23.6% CaF₂.

Speewah Metals Limited has a 100% interest in three granted Mining Leases (M80/267, M80/268 and M80/269) and three granted exploration licenses (E80/2863, E80/3657 and E80/4468), covering 575 km² located about 110 km southwest of Kununurra.

1. Argex Mining Inc (TSX V:RGX) July 2011 Presentation – Pathway to Production
2. www.minormetals.com
3. Exploration Target is not a mineral resource and further drilling is required which may not define these tonnes & grade. The potential quantity and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource and it is uncertain if future exploration will result in the determination of a mineral resource.

Competent Persons Statement

The information in this report that relates to Exploration Results, Minerals Resources and Ore Resources is based on information compiled by Ken Rogers who is a Member of the Australian Institute of Geoscientists. Mr Rogers, Chief Geologist of Speewah Metals Limited, compiled the technical aspects of this report relating to the Speewah Project and content of this release. Mr Rogers has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code). Mr Rogers consents to the inclusion in the report of the matters in the form and context in which it appears.

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