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The Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

VIA: [www.asxonline.com](http://www.asxonline.com)

Dear Sir,

**ANNOUNCEMENT BY EUROPEAN NICKEL PLC**

Please find attached an announcement released yesterday by European Nickel PLC (AIM: ENK) with respect to the Acoje project in the Philippines.

European Nickel are earning 40% of Rusina Mining's Acoje nickel project by spending US\$10 million on a bankable feasibility study for the heap leach of nickel laterites.

Any queries in relation to this announcement can be made to the undersigned or by email to [rusinaadmin@rusina.com.au](mailto:rusinaadmin@rusina.com.au)

Yours faithfully,



Mark Hanlon  
Chief Financial Officer & Secretary

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## **European Nickel Fast Tracks Philippines Joint Venture Project On Positive Metallurgical Testwork and Direct Ore Shipments**

LONDON: 20 February 2008 - European Nickel PLC (AIM: ENK) is pleased to provide shareholders with a positive progress report on its joint venture in the Philippines with Rusina Mining, which covers the Acoje and Zambales chromite deposits that currently have a combined JORC resource of 831,450 tonnes of contained nickel (72.3 million tonnes at 1.15% nickel).

### **Positive Metallurgical Testwork on Acoje**

Recent metallurgical testwork on the Acoje deposit in the Philippines returned positive results, confirming that European Nickel's novel heap leach technology is able to treat equatorial laterites high in clay content.

The leachability testwork included both agglomeration and bottle roll tests with a total of 37 tests. 21 are complete, with 16 ongoing. Of the 21 completed tests, 12 were saprolite samples with an average nickel extraction within a short period of 95%. The nine limonite tests gave an average of 60% extraction over the 90 days of the test. The ongoing tests show similar trends. Composite tests of equal limonite and saprolite are behaving greater than the average of the two and the leach rate appears to be faster than the leach rate at the Çaldağ project in Turkey.

The bulk samples were sent to Çaldağ for further testwork with extensive agglomeration tests carried out and five columns are now under leach in the Çaldağ column laboratory, with good results to date. Indicative results confirm that the average Acoje extraction rates appear faster than the Çaldağ ore.

### **Acoje Next Steps**

European Nickel has now established a full team in the Philippines. A pre-feasibility study on Acoje is underway and will take around six months to complete. The land purchase for one of the trial heaps has been completed and one of the environmental applications for the construction of a trial heap leach plant has been submitted to the Philippines government for approval.

### **Direct Ore Shipments**

Whilst the pre-feasibility study is being conducted, the joint venture is proceeding with direct ore shipments from Acoje to China, the first of which has been shipped containing over 6,500 tonnes at 1.6% nickel. There is some 200,000 tonnes of stockpiled ore which will now be shipped over the next four months and mining will continue at the site while nickel prices remain at the current high levels. These shipments have the double benefit of providing the joint venture with short term cashflow, as well as confirming the mine model, grades and mining costs at the Acoje deposit.

### **Zambales Deposit Drilling Programme**

An intensive drilling campaign focusing on the nickel saprolite ore is planned at the Zambales deposit. The joint venture anticipates this will increase the resource further and plans to announce an updated resource by the end of the year. The resource to date is based on pits sunk in the limonite zone, which bottomed out above the saprolite ore, which is expected to be higher grade.

Commenting on the progress report, Simon Purkiss, Managing Director, said "Whilst we

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continue to proactively engage with the Turkish government on the Çaldağ forestry licence, the Philippines offers us an opportunity to build European Nickel beyond being just a one project company.

We are delighted the metallurgical testwork on the Acoje ore has been so positive. Today's announcement is significant as it confirms that our exclusively commercialised heap leach technology can treat some of the abundant, high clay content equatorial nickel laterites. This now opens up a whole new region of opportunities to us."

Ends.

### **Glossary of Terms**

**Limonite:** The upper portion of a nickel laterite deposit is characterised by its deep red to yellow colour and high iron (Fe) content and low magnesium (Mg) content.

**Saprolite:** The lower most portion of a nickel laterite deposit is characterised by its yellowish green to green colour. This part of a laterite deposit also is generally lower in iron (Fe) and higher in magnesium (Mg) and can contain significantly higher nickel (Ni) grades.

**For more information,** please visit [www.enickel.co.uk](http://www.enickel.co.uk) or contact:

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