



## HIGH GRADE METALS COMPLETES MAIDEN DRILLING IN AUSTRIA FOR 2018

High Grade Metals (ASX:HGM) (“HGM” or “the Company”) is pleased to provide an update to the market on its exploration drilling program at its high grade cobalt-copper-nickel and gold projects in Austria.

### HIGHLIGHTS

- **Maiden Exploration Season Complete;**
- **Four holes completed at Leogang Copper Cobalt Project;**
- **Four holes completed at Schellgaden Gold Project;**

Drilling has been completed at the Company’s flagship Leogang Copper-Cobalt Project and Schellgaden Gold Project in Austria. Geochemical results are expected to be received in Q1 CY2019.

At this juncture the recovered cores from each project area are being moved to a central facility where it can be properly logged and sampled.

#### Leogang Copper-Cobalt Project

Initial difficulties in drilling low angle holes were encountered with unstable formations proving to be extremely challenging. Adjustments made during the program have clearly indicated the methods and angles of drilling that will need to be adopted for further exploration program(s) that are already in the planning phase for 2019.

Whilst the structural complexity of the area was greater than could have been anticipated pre drill, the presence of what appear to be large geological structures is extremely positive as these are hypothesised to be potentially both the conduits, and areas of deposition for mineralisation found historically throughout the Leogang Project area. This critical element of the exploration model cannot be understated and enhances the prospectivity of the area significantly. Throughout the program the Company has received enquiries from interested corporate entities with respect to potential partnership in this key area of Europe that has encouraging potential in their estimation.

High Grade Metals Ltd	Issued Capital	Australian Registered Office	Directors
ACN: 062 879 583	452,937,867 Shares	Level 17	Torey Marshall – Managing Director and CEO
ASX: HGM	100,500,000 Options	500 Collins Street	Simon Francis – Non Executive Chairman
	240,000,000 Perf Shares	Melbourne, VIC, 3000	Hayden Locke – Non Executive Director
			Steve Formica – Non Executive Director
			Adrien Wing – Non Executive Director

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Schellgaden Gold Project

The drilling conditions were very positive, with excellent recoveries and timely rates of penetration achieved. Some of the more targeted holes were not accessible due to weather conditions complicating site access. However, in drilling, the mineralised geological sequences encountered at Stüblbau and Schulterbau Mines was intersected as anticipated in a key location, which validated the Company's geological model downslope from the mine 1.5km towards the Katschberg tunnel. The focus of next years' program will be attempting to intersect the same mineralised sequence deeper down, in addition to appraisal drilling around the old mine workings themselves.

Present Status

The current work program constitutes logging and analysis with planning for 2019, with a particular focus on tendering for revised work programs that will feature deeper holes at Schellgaden, and simplified vertical holes at Leogang.

The next year's work programs will be subject to approval by the Austrian Mining Authority and related stakeholders in 2019.

**\*\*\* END \*\*\***

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## About High Grade Metals Ltd

High Grade Metals (ASX: HGM) is an Australian mineral exploration company with a portfolio of brown fields cobalt, copper and gold assets. The Company's major projects are all located in mining friendly Austria, which covers an area of about 84,000 km<sup>2</sup> across Central Europe. The highly experienced management aims to grow the value of HGM's project portfolio to benefit shareholders by leveraging innovation and maximizing value of the assets through systematic exploration and teamwork. The dynamic two-year exploration and development program underpins the Company's business strategy.



**Figure 1. Location of High Grade Metals' Projects within Austria**

### HIGH GRADE METALS PROJECT OVERVIEW

#### Austrian Gold Projects

The Company has a 100% interest in five Austrian gold projects covering a total of 200km<sup>2</sup>.

#### Schellgaden North Gold Project

The flagship project lies within an exploration area of 152 overlapping Freischürfe covering an area of 69km<sup>2</sup>. Located in the historic Schellgaden Mining District (refer Figure 2 below), named after the village of Schellgaden, the focus of the district gold production until the early years of the 20th Century. Gold mining at Schellgaden dates back to pre-Roman times.

Known gold mines, such as Stüblbau, date back to the 12th-13th Century and the smaller Schulterbau Mine is likely to be considerably older. Chroniclers described the presence of some 150 gold mines



during the heyday of mining in the 16th Century. Accordingly, Schellgaden has been considered one of the richest and most active gold mining districts in Austria. Although frequently interrupted, mining activity continued until the first half of the 20th Century.

**1. Schellgaden South Gold Project**

The flagship project lies within an exploration area of 120 overlapping Freischürfe covering an area of 57.6km<sup>2</sup>. The project covers the southern extension of the Schellgaden North Gold Project.

**2. Goldeck-Siflitz Gold Project**

The project lies within an exploration area of 57 overlapping Freischürfe covering an area of 27.6km<sup>2</sup>.

The project covers the historic mine workings of Guginock. The area has been known from the Middle Ages for its deposits of gold and antimony. The large number of mine dumps and traces of collapsed mine entrances that occur across the exploration area, provide testimony to its long history of mining. To the north of the project area lies the ancient Siflitz Gold Mining District, which was exploited during the 16<sup>th</sup> and 17<sup>th</sup> centuries from over 106 independent mine sites.

**3. Kreuzeck East Gold Project**

The project lies within an exploration area of 42 overlapping Freischürfe covering an area of 20.5km<sup>2</sup>. The project covers two famous old mining districts; the high grade gold mines north of Lengholz and the stibnite deposits of Lessnig-Radlberg that sit within the Goldeck-Kreuzek Mining District. Compared the other projects, little is known about these mines and others within the project area as they have been abandoned for some time and are inaccessible.

**4. Kreuzeck West Gold Project**

The project lies within an exploration area of 44 overlapping Freischürfe covering an area of 23.9km<sup>2</sup>. The projects also sits within the Goldeck-Kreuzek Mining District and includes for significant historical mines; Rabant, Gurskerkammer, Fundkofel, and Knappenstube-Strieden.



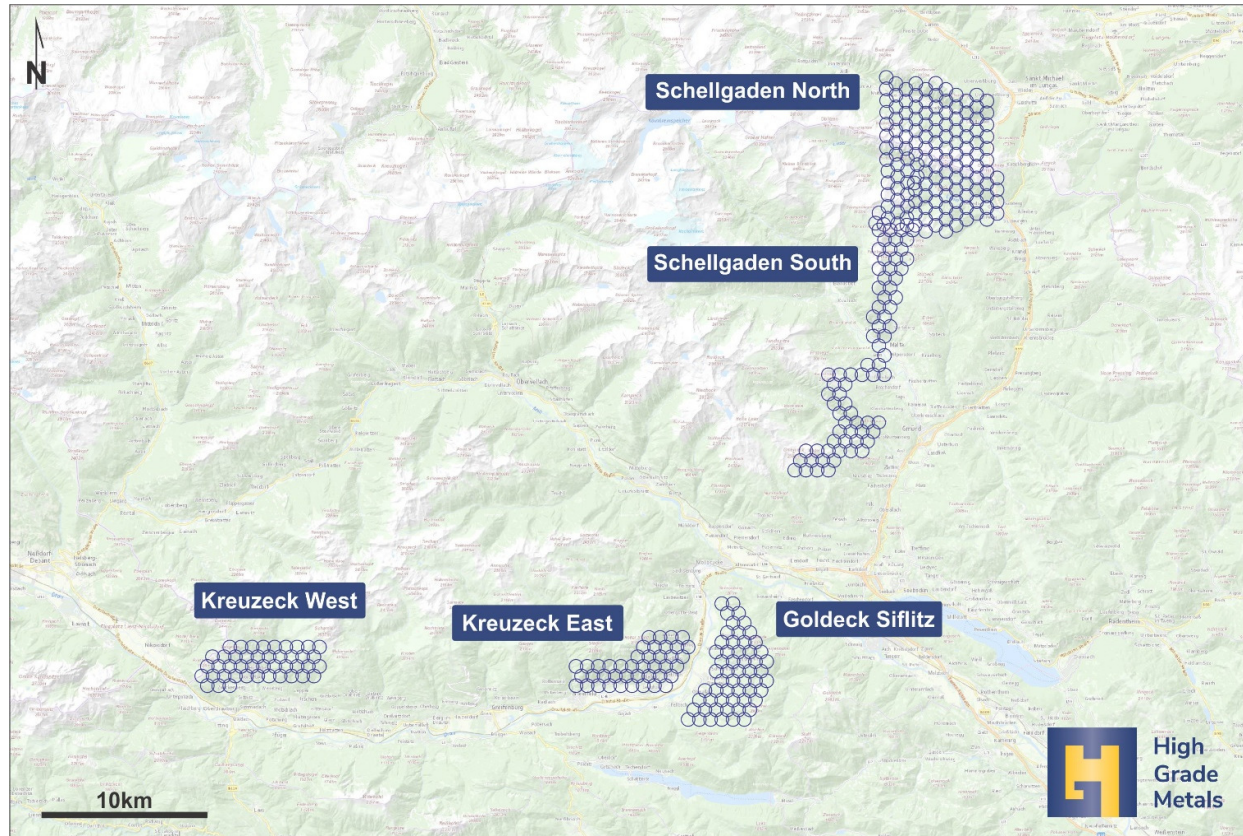


Figure 2: Location map showing the Company's Austrian Gold Projects

### Austrian Copper, Cobalt and Nickel Projects

The Company has a 100% interest in four Austrian gold projects covering a total of 85km<sup>2</sup>.

#### 1. Leogang Cobalt, Copper, Nickel Project

The project lies within an exploration area of 63 overlapping Freischürfe covering an area of 27km<sup>2</sup>. The project covers one of the oldest and most famous mining localities in Austria, the Schwarzelo Valley, where mining was first documented in 1425. Nickel and cobalt were mined in the region from the mid-16th century when Leogang was famed for the diversity of its mineralogy and rich ore. At various times in its past, cobalt, nickel, copper and silver have been mined at Leogang. Mines include the Nöckelberg and Leogang mines. The Nöckelberg Prospect is the Company's immediate focus for which an Exploration Target has been prepared.

#### 2. Gratlsitz Cobalt, Copper, Nickel Project

The flagship project lies within an exploration area of 132 overlapping Freischürfe covering an area of 53km<sup>2</sup>. The project lies within the Schwaz-Brixlegg Mining District, a renowned mining region, famous as the type locality of the mercurian fahlore variety 'schwazite'. The region was a significant producer of copper and cobalt. Exploitation of copper deposits dates back to the Late Bronze Age (9<sup>th</sup> Century BC – Breitenlechner et al., 2013). The first recording of a copper and silver refinery at Brixlegg dates back to 1463. Between 1420 and 1827, it has been estimated that some 190,000 tonnes of copper and 2,600 tonnes of silver were mined in this area. Cobalt occurrences are located at "Silberberg" (2 km

south-southeast of Brixlegg), “Geyer“, which lies close to Zimmermoos, 2 km - 6 km southeast of Brixlegg, and on the flanks of Gratspitz Mountain.

### 3. Seekar Cobalt, Copper and Nickel Project

The project lies within an exploration area of 9 overlapping Freischürfe covering an area of approximately 4km<sup>2</sup>.

The project covers historic mine sites first established during the 16<sup>th</sup> century and mined intermittently through to 1923. Mineralisation is associated with hydrothermal vein sulphides and is typically polymetallic, copper, silver, nickel and cobalt. Vein thicknesses of up to 2m have been historically mined.

### 4. Zinkwand Cobalt, Copper and Nickel Project

The project lies within an exploration area of 2 overlapping Freischürfe covering an area of approximately 1km<sup>2</sup>.

The project covers the site of historic sulphide mining including both cobalt and nickel. Several historical mining adits are still accessible within the project area.



**Figure 3 – Location map showing the Company’s Cobalt, Copper and Nickel Projects in Austria**