

26<sup>th</sup> March 2018

## **Drilling to start at Hylea Cobalt Project in the rich Fifield District of NSW**

### **HIGHLIGHTS**

- **Drilling set to start next month at the Hylea Cobalt Project, which sits ~50km from CleanTeq's Sunrise project in the heart of the Fifield 'Battery Metals' District**
- **High-grade cobalt intersected in historical drilling, which was targeting platinum**
- **Land access granted; Drilling rig secured**
- **Approximately 50 holes for ~3,000m RC planned at the Tiger's Creek Cobalt-Nickel-Platinum-Scandium Prospect within Hylea**

Hylea Metals (ASX: HCO) is pleased to advise that final preparations are now underway for the start of the Company's maiden drilling campaign at its recently-acquired Hylea Cobalt Project in NSW.

A drilling rig has been secured, land access has been agreed with the local land owners and Hylea is just awaiting Governmental approvals, which are expected shortly.

The program comprises approximately 50 holes for 3,000m of RC drilling at the Tiger's Creek prospect within the Hylea Ultramafic Intrusive Complex, where significant cobalt, scandium, nickel and platinum mineralisation was intersected in historical drilling for platinum.

The Hylea Project is located in the heart of the world-class Fifield cobalt-nickel-scandium district, host to CleanTeq's (ASX:CLQ) Sunrise project and Australian Mines' (ASX:AUZ) Flemington project (Fig. 1).

The drill program is scheduled for April 2018 with first results expected shortly thereafter.

### **About Tiger's Creek**

High-grade cobalt has been intersected in 19 of the 31 holes drilled at Tiger's Creek by previous explorers who targeted platinum, with results such as 7m at 0.32% cobalt, including 1m @ 0.64% Co (hole HRC007) and 8m at 0.27% cobalt, including 1m @ 0.85% Co (hole HRC003)\* returned. This drilling also intersected significant nickel, platinum and scandium including 5m @ 504ppm Scandium,

\* For full details on drill results refer to ASX release "Acquisition of NSW Cobalt Nickel Project, 6<sup>th</sup> Dec 2017, also available on the company website [www.hyleametals.com.au](http://www.hyleametals.com.au)

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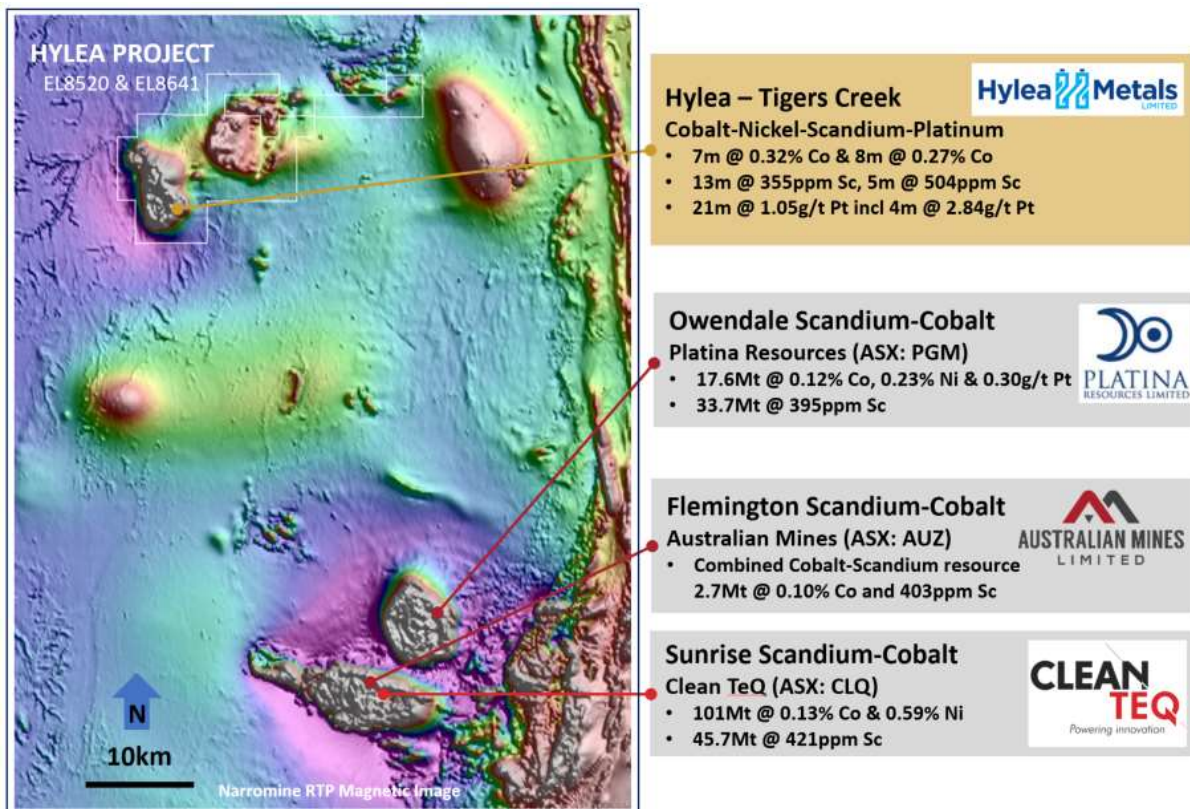
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within 13m @ 355ppm Sc from 12m (hole HRC009), and 4m @ 460ppm Scandium from 9m, within 17m @ 323ppm Scandium (hole HRC004)\*.

The Tiger’s Creek prospect is located on the eastern edge of the zoned 8km x 3.5km Hylea Ultramafic Intrusive Complex which is comprised of dunite – pyroxenite – hornblendite – monzonite rock types, overlain by a 10m to 70m thick in-situ regolith profile including laterite. The laterite sequence hosts cobalt – nickel – platinum and scandium mineralisation consistent with the nearby Sunrise (CleanTeq), Flemington (Australian Mines) and Owendale (Platina Resources) resources. The Hylea Intrusive Complex is a comparable scale intrusive complex with very similar source geology, and laterite development as Sunrise, Flemington and Owendale. However, Hylea has received comparably very little exploration, which principally targeted platinum, nickel and vermiculite but not cobalt.

The proposed drilling program has three main objectives:

- Confirm the thickness, tenor and location of results reported by previous explorers;
- Expand out from currently identified cobalt mineralisation into areas where laterite has been drilled but not assayed for cobalt, and
- Apply modern exploration techniques especially with respect to sample analysis which has advanced significantly since the historical drilling was completed.



**Figure 1:** Hylea Project (EL8520 & 8641) location in relation to high profile peers.

Hylea Managing Director David Berrie said the Company was delighted to secure the rights to the Hylea Project from a private consortium, which has retained an ongoing interest in managing the exploration and drilling of Hylea as part of the transaction.

“The Hylea Project meets all the key criteria that a Company hoping to progress quickly to a maiden JORC Resource requires,” Mr Berrie said.

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“It has one of the best addresses imaginable for cobalt exploration in Australia, as shown by the huge success of our near neighbours.

“And we already know there is cobalt at Hylea and that this was intersected despite previous drilling being designed to find platinum.

With all this historical information at hand, we are looking forward to getting the drilling program underway.”

#### **COMPETENT PERSONS STATEMENT**

The information in this document that relates to Exploration Results is based on information compiled by Mr. Darren Glover who is a member of the Australasian Institute of Mining and Metallurgy (AUSIMM). Mr Glover has over 20 years experience in the mineral and mining industry. Mr Glover is a consultant to Hylea Metals, and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Glover consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.