

# ABX Group

ABX.ASX

March 16, 2022 FAT-MIN-809

AUD\$0.135

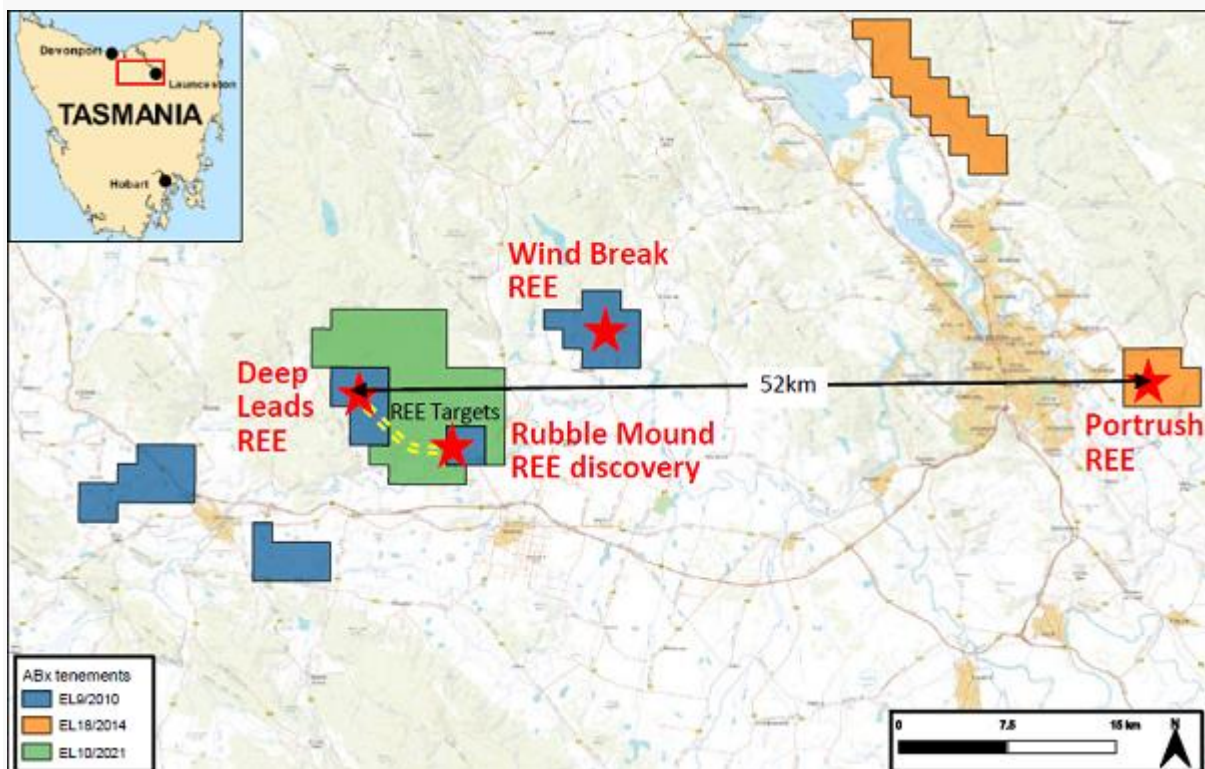
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## ABX.ASX Snapshot

### The Isle of REE part II

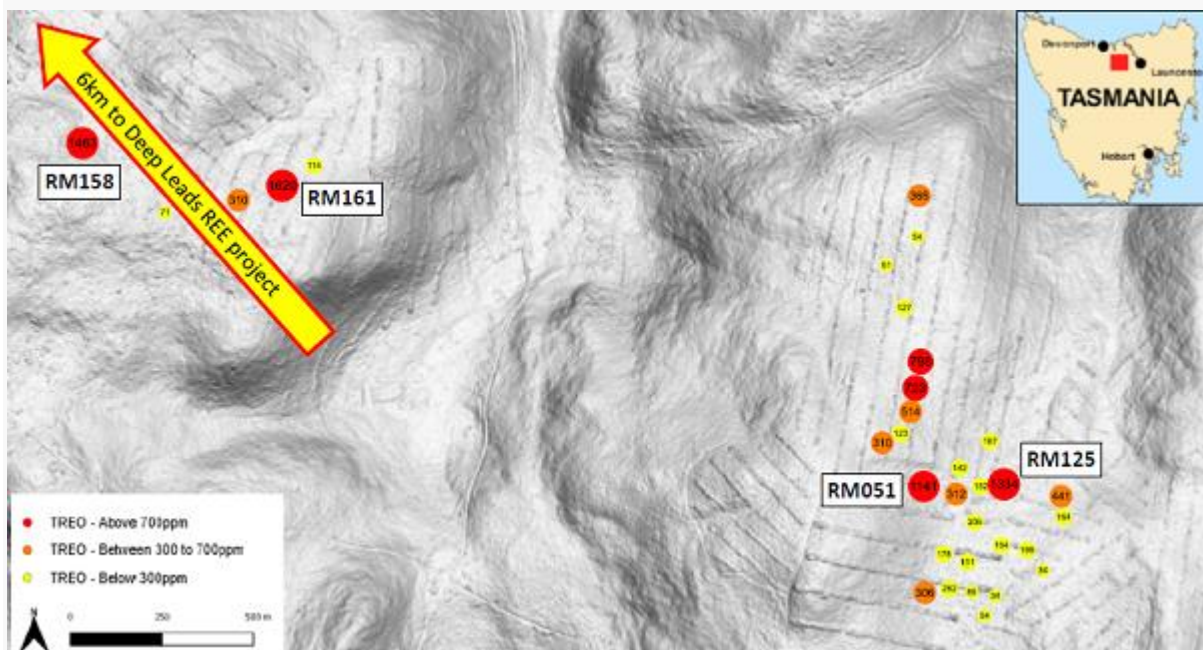
Just breaking today, ABX Group has added a new REE discovery to its growing list in Tasmania. We recently covered off on ABX Group's (ABX) Portrush and Wind Break rare earth elements (REE) discovers ([FAT-MIN-805](#)), near to its Deep Leads discovery. **The exploration success ABX has enjoyed at Deep Leads spilled over into Portrush, Wind Break and now the just announced Rubble Mound.** The following image shows the region of ABX's recent new REE finds including Rubble Mound:



Source: ABX

ABX's exploration of the region has turned up another REE prospect in Rubble Mound, which is just six kilometres from its Deep Leads REE deposit. **Taking into account the new Rubble Mound discovery and the recently discovered Portrush and Wind Break deposits, ABX it now appears controls a REE province of some 52 square kilometres.** ABX has identified several other targets in the region that are still to be explored. **We certainly are of the view there will be further success for ABX, as they open these targets up.**

The Rubble Mound discovery is consistent with the discoveries made at Deep Leads, Portrush and Wind Break. **This feature would lend itself to a six kilometre long line of lode between Deep Leads and Rubble Mound.** The following image shows the region of the Rubble Mound prospect and results of interest:



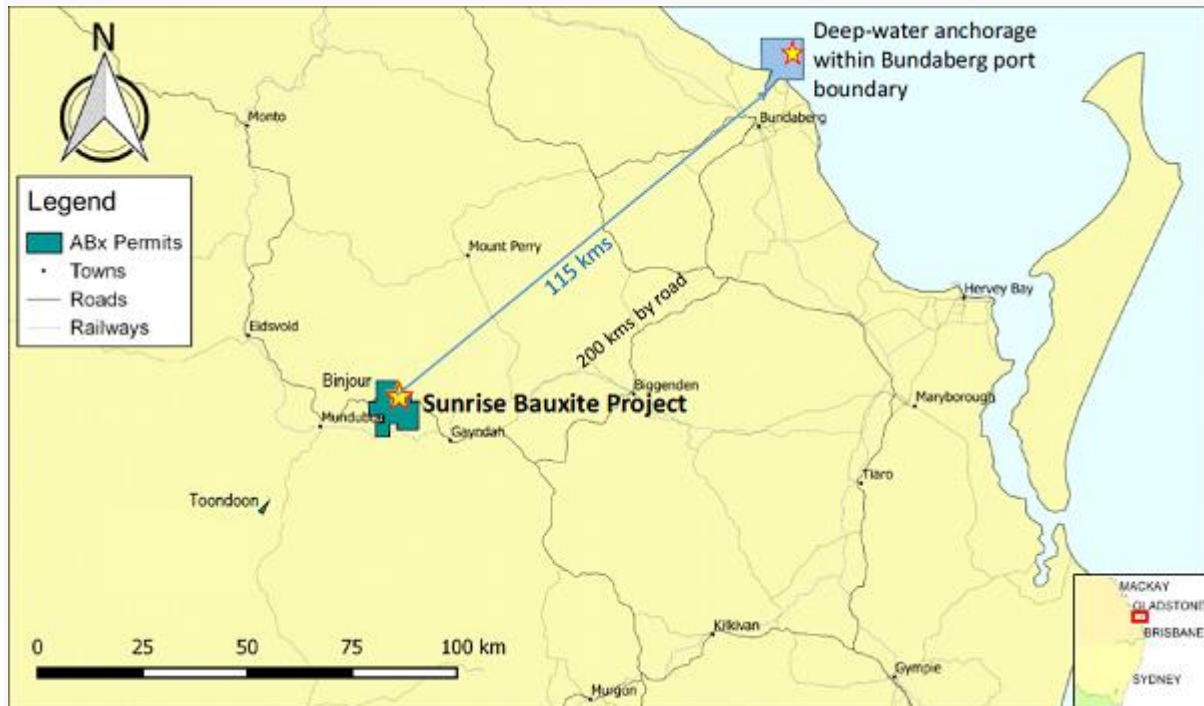
Source: ABX

To the assay, and hole **RM161** returned 1,620 parts per million (ppm) total rare earth oxides (TREO), **RM158** returned 1,463 ppm TREO, **RM125** returned 1,334 ppm TREO and hole **RM051** returned 1,141 ppm TREO. **These are very good results, given the location and consistency of the assays.** All these holes are shown in the above image.

ABX now has access to the ground between Deep Leads and Rubble Mound and is planning its next exploration campaign. **ABX has yet to define a REE mineral resources for its Deep Leads deposit and we expect with Bubble Mounds potential link to Deep Leads, a significant declaration, in due course, is likely.**

As of 31 December 2021, ABX had a cash holding of A\$6.1 million and is sufficiently resourced to complete all its current undertakings. **We have no concerns over liquidity.**

**There is no doubt in our mind that REE mining will be the future for ABX,** and to this end it has completed a joint venture (JV) agreement to farm down to 50.1% its interest in the Sunrise bauxite project in Queensland. The following image shows the location of the Sunrise bauxite project:



Source: ABX

The JV agreement will see new JV partner Alumin Pty Ltd commit A\$18 million in funding to the 2.0 million tonnes per annum bauxite project to receive a 49.9% interest. **Alumin will receive a 10% interest in Sunrise for each A\$3.65 million of funding to the maximum A\$18 million.** Sunrise has a joint ore reserve compliant mineral resource of 37 million tonne of bauxite with potential extensions and will support a mine life of a minimum 20 years. **We are pleased to see Sunrise now potentially advancing to commercialisation, with no call on ABX. ABX will now finalise the development process including a timetable to start up.**

**With an extensive ground exposure within ABX's expected REE mineralised resource envelope at Deep Leads and its three new discoveries, the region is rapidly turning northern Tasmania into a major REE province.** To have in place funding to advance drilling across the region will, we believe, be a game changer for ABX, given the results to date. **The new discoveries at Portrush, Wind Break**

**and now Rubble Mound have added another level of value to the rapidly expanding DL130 REE project.**

**Consequently, we continue to recommend ABX Group as a buy for Members with no exposure to the stock.**

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