

THE MINING CHRONICLE

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Major nickel drill program under way and chromite production to follow

A LARGE continuous exploration drilling program to prove up one of Asia's most promising nickel projects has been announced by ASX-listed Rusina Mining Ltd.

The two-staged drilling program has commenced this month and will target both the shallow nickel laterites and higher grade deeper nickel sulphide styles at the Acoje project on Luzon Island in the Philippines, leading to the project's first JORC resource estimate for nickel laterites within the coming December quarter.

"We have set an initial target of between 40-60 million tonnes of laterite between 0.9 and 1.2 per cent nickel on the limonites alone at Acoje," said Rusina managing director Robert Gregory.

"A pitting program of between 100m and 200m intervals over an 11km by one kilometre-wide corridor and involving more than 600 pits has now covered half of the extent of the mapped laterite at Acoje," said Mr Gregory.

"Using a 0.9 per cent cutoff, a very encouraging area of 300 hectares of mineralised laterite

has been identified, and we hope to double this area after pitting results are concluded."

Rusina's first priority is to test Acoje's deeper, high-grade nickel laterites, known as saprolites, for depth and extent. The drilling program into the saprolite is not expected to be completed until late-2006.

A second JORC resource update is expected by the opening quarter next year.

"The wet season will finish late-September, but we shouldn't have too much trouble drilling the laterites that are

on a flat well-draining plateau before then. However, the second stage of drilling the platinum group metals (PGM) anomalies will require construction of access tracks and drill pads and will proceed after the wet season has finished," said Mr Gregory.

This later stage of the drill program would drill into the deeper Induced Potential (IP) anomalies identified following the final interpretation by geophysicists on the IP data collected at Acoje earlier this year.

"We believe the bulk of the

chargeability is sulphide-related and we have identified seven target zones for test drilling that correspond with our new PGM geological model.

"The PGM exploration is very exciting, but will take some time to test the full potential of Acoje, as we have targets covering several kilometres of ground."

Rusina's third initiative, the chromite feasibility study, is continuing, and planning to be producing chromite ore by the middle of next year from its Acoje Project.