



# Nickel Australia Limited

ABN 46 106 346 918

30 November 2005

The Manager  
Companies Announcement Office  
Australian Exchange Limited  
Level 10, 20 Bond Street  
SYDNEY NSW 2000

Dear Sir

**RE: HIGH GRADE PLATINUM AND PALLADIUM INTERSECTED AT MONARCH**

We enclose herewith a copy of an announcement in relation to the above.

Yours faithfully,

Tony Rovira  
Managing Director

Encl.



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ANNOUNCEMENT

30 NOVEMBER 2005

## HIGH GRADE PLATINUM AND PALLADIUM INTERSECTED AT MONARCH

### HIGHLIGHTS

- High grades of platinum and palladium intersected in follow-up infill and extension aircore drilling program at the Monarch Project near Norseman in Western Australia.
- Results include **13m @ 2.82g/t Pt + Pd** and **5m @ 3.98g/t Pt + Pd**.
- Mineralisation hosted in the Mission Sill, a layered mafic-ultramafic intrusive.
- Further exploration including diamond drilling to continue in January.

### DETAILS

Nickel Australia Ltd (ASX: **NKL**) is pleased to advise that the Company has received assay results from the recently completed 94 hole, 4,120 metre, follow-up aircore drilling program at its Monarch Project, near Norseman in Western Australia, where a new zone of mineralisation returning broad widths of anomalous nickel, copper, platinum and palladium was first identified in August this year.

High grade platinum and palladium values have been returned from the current program, with individual assays ranging up to **8.34g/t palladium** and **2.40g/t platinum**. Significant drill intercepts are tabled below.

### MONARCH PROJECT – SIGNIFICANT AIRCORE DRILL INTERCEPTS

Hole No	North (MGA)	East (MGA)	From (m)	To (m)	Interval (m)	Pd (g/t)	Pt (g/t)	PGM (g/t)
<b>NNA 672</b>	<b>6447000</b>	<b>379700</b>	<b>30</b>	<b>55</b>	<b>25</b>	<b>1.63</b>	<b>0.43</b>	<b>2.06</b>
<i>including</i>			30	32	2	1.02	0.32	1.34
<i>and</i>			36	37	1	3.51	1.10	4.61
<i>and</i>			39	52	13	2.26	0.56	2.82
<i>and</i>			54	55	1	1.61	0.39	2.00
<b>NNA 673</b>	<b>6447000</b>	<b>379750</b>	<b>33</b>	<b>49</b>	<b>16</b>	<b>1.29</b>	<b>0.37</b>	<b>1.66</b>
<i>including</i>			33	34	1	8.34	2.40	10.74
<i>and</i>			33	38	5	3.10	0.88	3.98
<i>and</i>			42	43	1	0.84	0.26	1.10
<i>and</i>			48	49	1	0.88	0.29	1.17

*All holes drilled at an inclination of -60 degrees towards 270 degrees.*

*Holes drilled at 50m intervals on 200m spaced lines.*

*Samples assayed at Ultratrace using Method FA002 – lead collection fire assay with ICP-AES determination.*

*Drill intercepts calculated using a 1g/t (Pt + Pd) cut-off with a maximum internal dilution width of one metre.*

Monarch is located on two granted Mining Leases (M63/46 and M63/49). To date, Nickel Australia has completed three aircore drilling programs, totaling 190 holes and 8,637 metres, and a two hole diamond drilling program on this project. This work has confirmed a very extensive zone of strongly anomalous platinum, palladium, nickel and copper hosted in the weathered zone of the layered mafic-ultramafic intrusion known as the Mission Sill.

The recently completed aircore program was designed to infill drill and to test for strike extensions to the geochemical anomaly. In addition to the high grade platinum and palladium (PGM) grades shown in the above table, numerous other holes returned strong intercepts of anomalous PGMs, nickel and copper, thus providing increased definition of the anomaly.

Using a 100ppb PGM (Pt + Pd) cut-off, this anomaly has been identified on 10 drill sections, extending for over 1,600m in north-south strike length and up to 300m in width. It still remains open along strike to the south. The anomalous zone is of significant thickness, ranging up to 60 metres in drilled widths. Widespread nickel and copper anomalism, with values reaching up to **1.0% nickel** and **0.16% copper**, lies adjacent to and partially overlaps the PGM anomaly.

A two-hole diamond drilling program completed at the northern end of the geochemical anomaly (announced September 2005) confirmed the presence of primary platinum, palladium, nickel sulphide and copper sulphide mineralisation beneath the geochemical anomaly. It also demonstrated that the nickel and copper sulphide mineralisation is hosted with the basal peridotite layer of the Mission Sill, while the PGM mineralisation is hosted higher up in the intrusion within a pyroxenite layer.

Nickel Australia is very encouraged by the widespread presence of PGM, nickel and copper anomalism and sulphide mineralisation within the Mission Sill layered mafic – ultramafic intrusion. In particular, the presence of very high grades of platinum and palladium in the weathered zone indicates that Monarch has excellent potential for hosting significant primary PGM mineralisation.

Exploration is scheduled to recommence in January. This will include diamond drilling and downhole electromagnetic surveys, and will trial alternative geophysical exploration techniques.

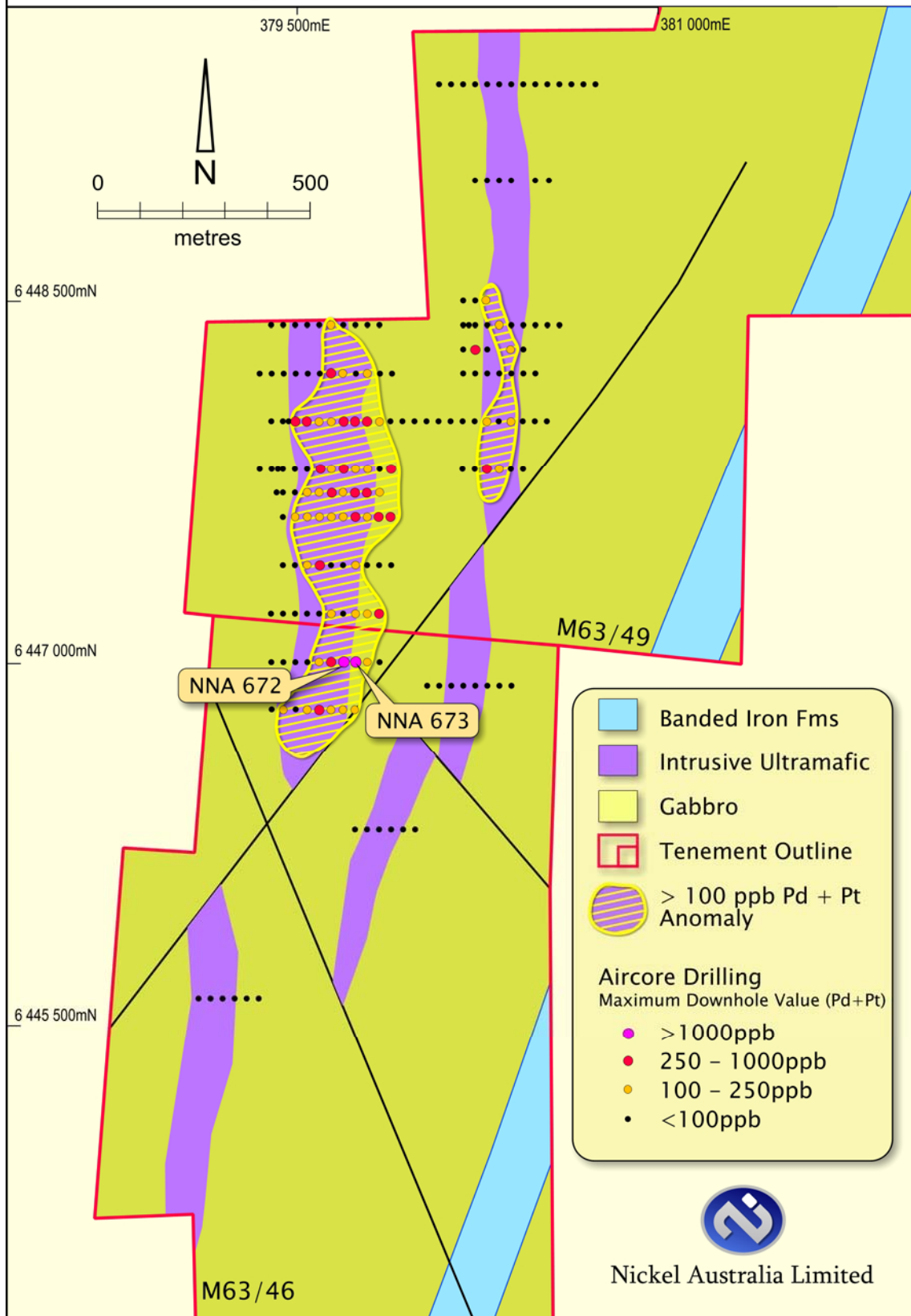
*The information in this report that relates to Exploration Results is based on information compiled by Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rovira is a full-time employee of Nickel Australia Ltd. Mr Rovira has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Rovira consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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# Monarch Project

## Geology and Aircore Geochemistry



Nickel Australia Limited