

**Nemex Resources**

Ticker	ASX:NXR
Project	Télimélé
Resource	258Mt lf.
Development 2013	Télimélé concept study



# NEMEX RESOURCES

IRON ORE & OTHER METALS

The Télimélé iron ore license, Nemex Resources' flagship project in Guinea, is somewhat atypical compared to other iron deposits in the country. Unlike the Simfer SAoperated Simandou South project, where ore lies in vertical strikes along a prominent mountain range in southeast Guinea, the Télimélé project sits in flat topography with high-grade ore found in a semi-continuous horizontal formation up to four meters thick.

That has made Télimélé an anomaly in Guinea, where most deposits are located in heavily forested, high-altitude regions. Nemex has kept its drilling costs low by using its own rig, and has also eliminated the need for a processing plant. Furthermore, the site has the rare advantage of being in a mining district, with infrastructure already in place.

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Peter Turner  
Managing Director  
**Nemex Resources**

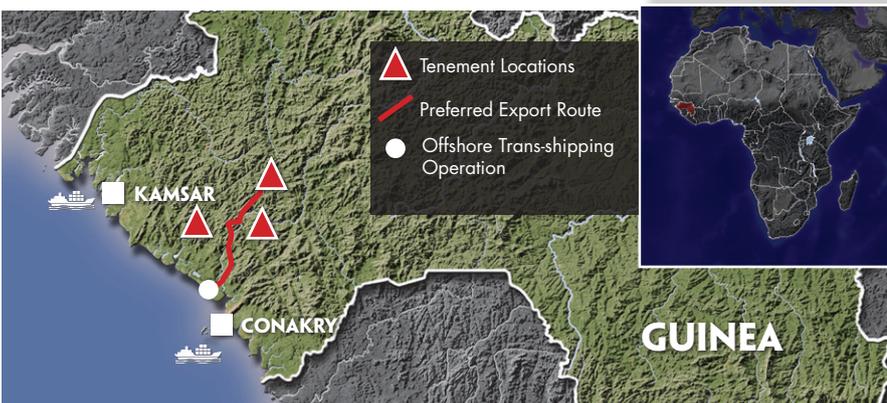
Télimélé lies just 120 kilometers from the coast, with its two ports and two railways, both of which have been scoped out as possible export routes. "Iron ore projects rely on dependable transportation links," says Nemex's managing director Peter Turner. "If good infrastructure exists, it is a massive box to tick and can be the difference between developing a project or not."

Nemex acquired the 1,400-square kilometer greenfield project from a local Guinean businessman, and has now advanced to pre-development. The project's inferred resource estimate of 258Mt Fe is contained on several plateaus and—importantly—contains a high-grade (>55%) core, much of which is near-surface. Considering only 5% of the site has been explored, the company's management believes further drill results will prove the project can sustain a minimum operation of 2.5Mt per year. Drilling will commence over a 10-square kilometer plateau where Nemex identified high-grade iron mineralization in its March 2013 drill program. The drilling will aim to lift resources above 40Mt at a grade of 50%–60% Fe.

The company will decide, using the results of its recent concept study, whether it is feasible to bring Télimélé into production before the second half of 2013. The report will establish the cost of producing between 1Mt–5Mt of high-grade iron ore per year and exporting it to Asia.

Exporting its high-grade ore could give Nemex early cash flow while it looks to expand its mining operations to above 5Mt per year, says Turner. Such investments could see the Télimélé project significantly increase its profile in the iron ore-rich country. 

**Nemex's Project Locations (Télimélé)**



Source: Nemex Resources