

1 October 2014

**FinnAust Mining plc (“FinnAust” or the “Company”)**

**Hammaslahti mineralisation extended over 500m along north to south strike and remains open**

FinnAust Mining plc, the AIM listed exploration company, is pleased to announce that assay results have confirmed the discovery of additional high grade copper (“Cu”), zinc (“Zn”), silver (“Ag”) and gold (“Au”) mineralisation, which extends the previously identified high grade polymetallic mineralised lode at its Hammaslahti Project in Finland. Hammaslahti is one of three copper, zinc and nickel projects the Company is actively exploring in southern Finland.

**Highlights**

- Assay results from drill hole R331, on the southern-most drill section on the Hammaslahti discovery, have confirmed that the newly discovered polymetallic system has been extended to over 500m north to south and over 125m east to west, as expected
- Results include higher grade copper, zinc, lead, silver and gold results:
  - R331 drilled circa 150m south of R326 - sulphide zone (disseminated to semi-massive sulphides) of 3.00m @ 1.19% Cu, 0.39% Zn, 17.2 grams per tonne (“gpt”) Ag and 0.26 gpt Au from 350m downhole
  - The above intercept was within a broader disseminated zone of 10.6m @ 0.50% Cu, 1.10% Zn, 9.7 gpt Ag and 0.1 gpt Au from 348.4m downhole
  - Significant zinc zones both above and below the main copper mineralisation including 0.6m @ 5.14% Zn and 3.0m @ 2.26% Zn from 348m and 356m respectively
  - Company geologists note that the overall mineralised envelope (>0.3%Cu) encountered in hole R331 is the broadest yet encountered as part of this discovery programme
- The strike remains open to the south, east and west and further holes are currently focussed on testing the extent of the system
- All seven drill holes targeting this lode to date have intercepted the mineralised system, confirming the strength and persistence of the mineralisation
- Drilling of hole R322 is underway, circa 70m to the west of R330 – success with this hole would further grow the lode to nearly 175m in the east to west orientation

- The newly discovered system is well located beneath and proximal to existing underground developments and close to infrastructure

FinnAust Executive Director Alastair Clayton said, “As with every other drill hole into this lode, R331 hit a broad envelope of polymetallic mineralisation. This hole was our largest and boldest step-out hole to date and successfully confirms that our discovery extends to over 500m across the north to south strike and over 125m in the east to west. Importantly, it is clear that the strike remains open to the south, east and west and we are focussed on extending this further, with the drilling of hole R322 currently underway.

“We have an impressive 100% hit-rate from all seven of the holes drilled to date. The key challenge now is to delineate where the highest-grade zones of massive sulphide mineralisation are located and define its extent. Once limits on the overall extent of the lode are better defined we can begin to target specific areas to drill in order to define high-grade resources.”

### **Additional Information**

The Company is encouraged by the fact that the mineralisation discovered as part of the Hammaslahti drill programme is relatively shallow and proximal to the historic pit and underground drives. Company geologists believe this mineralisation is part of a relatively continuous north to south plunging lode system transitioning from shallow zinc and gold in the north to copper as it deepens in the south. Company geologists also believe this new lode sits en-echelon (slightly to the north and east) to the main Hammaslahti zinc lode, which was mined until 1986.

To date, the Company has received results from seven drill holes targeting the lode, all of which have encountered the mineralised envelope. On 21 July 2014, the Company announced that it had discovered a newly mineralised polymetallic lode proximal to the historic pit. Drilling since then has successfully focussed on expanding the lode.

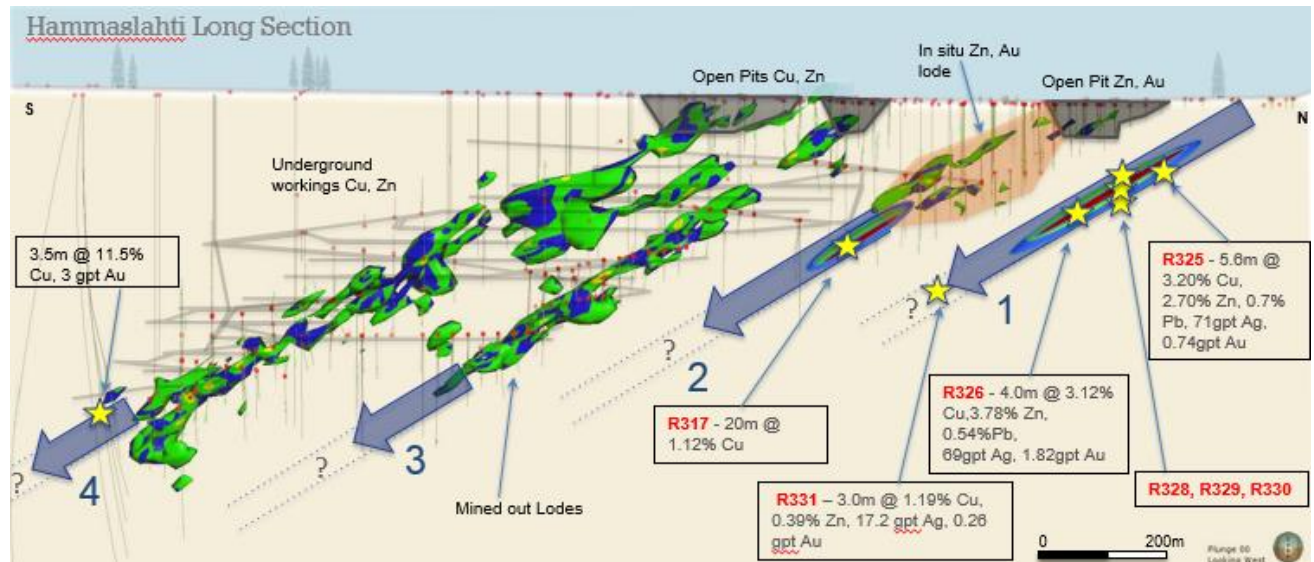
R329 was drilled circa 50m south-west of R325 and intercepted a sulphide zone (including massive to semi-massive sulphides) of 1.4m @ 2.34% Cu, 4.05% Zn, 0.96% Pb, 67.6gpt Ag and 0.13 gpt Au from 267.6m downhole. Hole R330 was drilled 50m west of R329 and intercepted a Cu/Ag sulphide zone (including semi-massive sulphides) of 1.0m @ 2.26% Cu, 36.1gpt Ag and 0.22 gpt Au from 280.5m downhole. Notably, this intercept was within a broader disseminated to semi-massive zone of 5.15m @ 1.02% Cu, 13.9 gpt Ag and 0.17 gpt Au from 276.4m downhole. Both R327 and R328 intercepted lower-grade disseminated Cu and Zn mineralisation.

Importantly, as evidenced by these results, the newly discovered system remains open to the south, east and west and the Company remains focussed on defining the extent of the mineralisation. As a result, the drilling of hole R322 is underway, circa 70m to the west of

R330. Success with this hole would further grow the lode to nearly 175m in the east to west orientation.

As with any early stage discovery FinnAust is focussed on identifying the highest-grade portions of the lode, although it is worth noting that often when drilling on relatively wide spaced centres, grades will vary from hole to hole.

**Figure 1: Drill holes location at Hammaslahti**



## Hammaslahti Target

The Hammaslahti Project is located in southern Finland and includes a previously mined copper-gold-zinc ore body interpreted to be a part re-mobilised volcanogenic massive sulphide ('VMS') type deposit. Historically, mining initially commenced at several shallow open pits, followed by an underground mine to a depth of approximately 450m. Mining ceased in the mid-1980s due to depressed metals prices.

In mid-December 2013, FinnAust commenced drilling regional targets near Hammaslahti. This forms part of its 10,300m 11 month rolling drilling campaign focussed across its three high-priority copper-gold and nickel-copper-platinum group element projects, Hammaslahti, Outokumpu and Enonkoski.

## Competent Person's Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Urpo Kuronen, who is Chief Operating Officer of the Company and a Member of The Australasian Institute of Mining and Metallurgy.

Mr Kuronen has sufficient experience, 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kuronen has reviewed this announcement and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

**\*\*ENDS\*\***

**For further information please visit [www.finnaust.com](http://www.finnaust.com) or contact:**

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## Notes

FinnAust Mining plc is an AIM listed exploration company focused on copper and base metals in Finland and Austria. Its proven management team, with its track record of exploring, discovering, financing, constructing and safely operating mines globally, has established a portfolio of highly prospective projects at various stages of development. Finland is rated the number one mining destination worldwide in the Fraser Institute Global Mining Survey Results 2012/2013.

The Company's primary focus of exploration is a portfolio of assets in Finland. Three high-priority target areas have already been identified, Hammaslahti, Outokumpu and Enonkoski, which are prospective for Volcanogenic Massive Sulphide ('VMS'), high-grade magmatic sulphide nickel-copper and Outokumpu type copper deposits. The assets are located in one of the world's most prolific geological belts, which hosts multiple high grade mines including the world famous Outokumpu copper mine, which reportedly produced a total of approximately 34.4 million tonnes of ore at average grades of 3.6% copper, 1.2% zinc, 0.22% cobalt and 0.1% nickel between 1914 and 1988.

FinnAust also holds an 80% interest in the previously producing 33 km sq Mitterberg Copper Project in Austria, which the Company is currently evaluating in order to determine the best plan for future development.