

Mining Briefs: Aquila, Tanami, Doray and more
MiningNewsPremium.net

11 March 2011

Type: Online News Article

Section: Today's News Stories

URL: <http://www.miningnewspremium.net/StoryView.asp?StoryID=2383107>



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Final Call:

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IN today's edition of Mining Briefs: Aquila expands scope of feasibility study for Avontuur project, Tanami completes first stage of Coyote plant upgrade, Doray gives Murchison region exploration update, Exco updates on White Dam production and resource while Sheffield and Cerro complete asset purchases.

Aquila Resources says the feasibility study for its Avontuur manganese project in South Africa has been expanded to 2 million tonnes per annum from 1Mtpa following a review of the latest resource statement.

Last month, Aquila announced a 63% increase in the resource statement to 108.9Mt at 38.6% manganese.

"Following a review of this resource statement and its potential impact on pit design, the feasibility study base case of one million tonnes per annum from open cut operations has been expanded to target an operation with an annual production of two million tonnes per annum," Aquila said.

The feasibility study is expected to be completed in the September quarter.

Tanami Gold says the first stage of its growth plan to increase gold production has been completed with the successful commissioning of the \$3.4 million stage-one upgrade to the Coyote treatment plant, part of its Western Tanami project in Western Australia.

In other news, ongoing drilling at the Hurricane-Repulse deposit, part of the Central Tanami project, has extended mineralisation to over 200 metres beneath the floor of the Hurricane open pit.

Down-hole intersections include 3.3m at 8.6 grams per tonne gold from 251.7m, and 2.4m at 8.1gpt gold from 361.7m.

Doray Minerals has reported updates from recent drill programs within a number of its Murchison region properties in Western Australia.

At Webbs Patch, a total of 21 reverse circulation holes were completed during January despite mechanical issues and heavy rainfall.

Results received so far include 1m at 7.89gpt from 83-84m, 7m at 1.2gpt from 68-75m, 13m at 1.1gpt from 64-77m, including 3m at 2.2gpt.

At Andy Well, results from RC drilling of the Wilber South area have been received. Results include 4m at 3.91gpt from 60-64m, and 4m at 5.64gpt from 56-60m.

Exco Resources says production levels at White Dam continue to exceed expectations with 19,378 ounces produced in January and February, 20% above target.

The company said both mining rates and operating costs were in line with expectations.

Operating costs remain under \$A500 an ounce while net cash flows attributable to Exco from production in January and February were over \$12 million.

Exco has also achieved a life-of-project average sale price of \$1368 an ounce, approximately 30% above budget.

Meanwhile, Exco announced a revised, depleted resource to the end of September 2010 for White Dam of 5.99Mt at 1gpt gold for 192,899oz at a 0.3gpt cut-off.

The company said ongoing exploration and resource development is expected to extend the life of the operation.

Bulk minerals explorer **Sheffield Resources** has wrapped up the purchase of four heavy mineral sands tenements in Western Australia from Iluka Resources.

Sheffield paid \$150,000 and a 1.5% gross sales royalty for the three mining leases and a retention licence near Eneabba, and will continue discussions with Iluka over the sale of any synthetic rutile ilmenite extracted from the tenements.

Perth-based Sheffield holds 2500 square kilometres of tenements in the North Perth Basin HMS province.

Finally, **Cerro Resources** has wrapped up the purchase of the Namiquipa silver project in Mexico from local company Minera Tasmania.