

# Coeur pours first Palmarejo doré

## ■ LAVOIE INTERCEPTS

A resource definition drilling programme by Abitex Resources Inc at the Lavoie uranium property in Quebec's Otish mountains has returned results from the first holes, which tested the eastern half of the L deposit. The better of the latest results are as follows:

Hole	From (m)	Intercept (m)	U <sub>3</sub> O <sub>8</sub> (%)
L-08-43	61.50	6.75	0.235
L-08-42	68.05	9.40	0.355
L-08-35	103.75	14.80	0.369
L-08-15	109.45	15.30	0.342

## ■ AREVA'S DRC U DEAL

Areva SA has signed a preliminary agreement with the government of the Democratic Republic of the Congo regarding uranium exploration and mining. A spokesperson for Areva told *Mining Journal* that the relationship is at an early stage, and the first work to be completed would include a detailed inventory of mining sites and uranium properties, and updating databases. Any further work would depend of the results from these initial studies. The company was expected to spend €100,000-200,000 on the project during 2009.

## ■ PETRA INTERCEPTS

Further infill drilling at Discovery Metals Ltd's Boseto copper project in Botswana has intersected more copper mineralisation at the Petra deposit. Inferred resources at Petra are estimated at 4.5Mt at 1.1% Cu, at a 0.6% Cu cut-off grade. The better of the latest results are shown in the table:

Read more: [mining-journal.com/1135741](http://mining-journal.com/1135741)

Hole	From (m)	To (m)	Cu (%)	Ag (g/t)
PTDD810	44.0	11.0	1.3	8.3
PTDD348	35.0	5.5	1.7	15.8
PTDD324	112.0	6.0	1.8	13.7
PTDD350	46.0	6.0	1.5	16.5
PTDD316	49.0	8.4	1.9	16.6

## ■ FOCUS INTERCEPTS

Focus Minerals Ltd has intersected high-grade gold mineralisation at two deposits – Perseverance and Empress – that form part of its Tindals mining centre in Western Australia. The holes beneath the Perseverance deposit (denoted PEX) suggest a repetition of the mineralisation being mined. At Empress, Focus said the results (EMD) confirm continuity of mineralisation at depth. The better of the latest results are below:

Hole	From (m)	Intercept (m)	Au (g/t)
PEXP10	88.33	3.07	31.66
PEXP14	115.02	2.45	14.98
EMD19	32.5	4.24	5.28
EMD20	35.20	6.44	10.37

COEUR d'Alene Mines Corp has produced the first silver-gold doré at its Palmarejo operation in Chihuahua, northern Mexico.

The operation was expected to produce 5.3Moz of silver and 72,000oz of gold this year, at an average cash operating cost of US\$0.50/oz of silver. During 2010, output was forecast at 7.4Moz of silver and 92,000oz of gold. At

full production capacity, Palmarejo could produce 9Moz of silver and 120,000oz of gold over 11 years.

Palmarejo is a combined open-pit and underground mine, exploiting epithermal mineralisation hosted within multiple veins, breccias and fractures.

Category	Tonnage (Mt)	Ag (g/t)	Au (g/t)
Reserves			
Proven	6.2	174.5	2.1
Probable	4.9	184.1	2.4

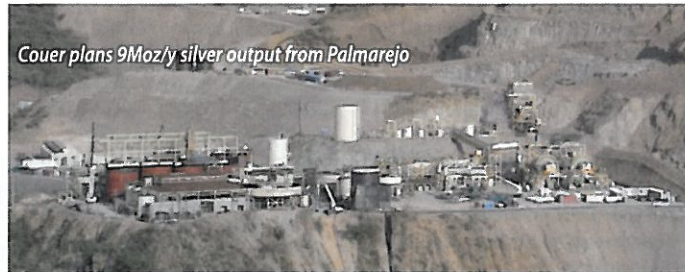
Using metals prices of US\$13.25/oz for silver and US\$750/oz for gold

The operation was awarded the Socially Responsible Business Distinction last year by the Centro Mexicano para la Filantropía.

The company has focused recent exploration at Palmarejo on the recent Guadalupe discovery, on which it spent more than US\$8 million last year, and planned to equal the amount during 2009. The latest estimate for Guadalupe included 43.3Moz of contained silver and 530,000oz of gold in measured and indicated resources, plus 30Moz contained silver in inferred resources.

Coeur outlines Palmarejo (Jun 13, 2008)  
Read more: [mining-journal.com/16998](http://mining-journal.com/16998)

Palmarejo assays (May 2, 2008)  
Read more: [mining-journal.com/100154](http://mining-journal.com/100154)



Coeur plans 9Moz/yr silver output from Palmarejo

# Mungana, Amulsar studies for Kagara, Lydian

SCOPING studies have been completed for development of Kagara Ltd's and Lydian International Ltd's respective Mungana (gold-copper) and Amulsar (gold) projects.

Kagara's study for the Mungana gold-copper porphyry in Queensland indicated that a combined open-pit and underground operation could support a 1.3Mt/y operation that could produce 70,000-80,000oz/y of gold.

By-products of 4,800t/y copper in concentrate and 1.7Moz/y of silver would also be produced by such an operation. Taking by-product credits into consideration would achieve cash operating costs of less than A\$300/oz

(US\$208/oz). The study assumed metals prices of US\$1,000/oz for gold, US\$15/oz for silver and US\$4,000/t for copper, and an exchange rate of A\$:US\$ of 0.65.

Mungana's in-pit potentially-mineable material was estimated at 3.2Mt at 1.58g/t Au, 0.5% Cu, 1.3% Pb, 1.0% Zn and 54g/t Ag. Below the pit outline, indicated resources above a 1.5g/t Au cut-off grade were estimated at 0.9Mt at 3.26g/t Au, 0.4% Cu, 0.1% Pb, 0.8% Zn and 24g/t Ag. Indicated resources above a 0.5g/t Au cut-off grade were estimated at 12.3Mt at 1.11g/t Au, 0.1% Cu, 0.1% Pb, 0.4% Zn and 10g/t Ag.

A heap-leaching processing facility

at Lydian's Amulsar project in Armenia was the subject of an independent study. The facility outlined could produce up to 1Moz of gold from the high-sulphidation epithermal mineralisation, recently estimated to contain inferred resources of 31Mt at 1.0g/t Au, using a cut-off grade of 0.4g/t Au.

Capital costs with comminution were estimated at US\$102.4 million and operating costs were estimated at US\$2.44/t, but if no crushing was used, capital costs were estimated at US\$45.9 million and operating costs US\$1.55/t. No mining costs, hauling roads, mine or contractor camps or cost escalation were included.

## Chaarat, Haile resources rise

CHAARAT Gold Holdings Ltd and Romarco Minerals Inc have received new resource estimates for their respective Chaarat and Haile gold mine projects.

Romarco's Haile gold mine redevelopment in South Carolina (pictured) is now estimated to contain about 3.3Moz of gold within measured, indicated and inferred resources. According to Romarco, the updated resource represented an increase of 65% compared with the previous calculation.

A recent feasibility study outlined an eight-year operation capable of producing an average 128,000oz of gold and



Project	Category	Tonnage (Mt)	Au (g/t)
Haile	Measured	13.8	1.78
	Indicated	14.0	1.84
	Inferred	57.4	0.89
Using a cut-off grade of 0.34g/t Au			
Chaarat	Indicated	11.8	4.32
	Inferred	12.3	4.29
Using a cut-off grade of 3g/t Au			

289,000oz of silver annually at a cash operating cost of US\$262/oz.

Meanwhile, an update at Chaarat's namesake project in the Kyrgyz Republic has raised contained gold by 205,000oz to more than 3.3Moz, after a drilling campaign at the C4600 and C5300 zones. The company said C5300 alone contains more than 1Moz. The resource estimate uses a cut-off grade of 3g/t Au to reflect underground mining methods, despite the company's belief that part of the deposit could be mined using open-pit methods.

Haile development to cost US\$153m (Feb 6)  
Read more: [mining-journal.com/126580](http://mining-journal.com/126580)

## Rönnbäcken resource for IGE

INTERNATIONAL Gold Exploration AB (IGE) has received an initial resource estimate for its Rönnbäcken nickel-cobalt sulphide resource in northern Sweden.

The Vinberget portion of the property was estimated to contain 54.8Mt at an average grade of 0.19% Ni (total), and 0.14% nickel in sulphides.

IGE's exploration has outlined a sub-horizontal nickel-bearing serpentinite at least 150m thick, with nickel sulphides occurring "over wide intervals" at 0.1-0.15% Ni. The company said previous metallurgical pilot-scale testing conducted during the 1970s indicated nickel concentrates of 25-35% Ni could be produced from the material using conventional flotation after grinding.

The resource estimate relates to the Vinberget portion of the property, and the company's exploration target for the whole property is 180-220Mt at 0.1-0.15% nickel in sulphides (Ni-AC).