

Black Iron's 7.3Mt/y Shymanivske potential

BLACK Iron Inc, part of the Forbes & Manhattan group, has received an independent preliminary economic assessment for the Shymanivske iron project in the Krivoy Rog iron-ore basin in Ukraine.

The assessment, or scoping study, was completed by BBA Inc with contributions from other consultants including CRU and Wats Griffis and McOuat.

Based on a company-generated resource, it designed a 28-year open-pit operation capable of generating 7.3Mt/y of iron-ore concentrate at an average grade of 67% Fe. The product was considered suitable for pellet-plant feed.

The operation would exploit in-pit measured and indicated resources estimated at 361.9Mt at 31.5% Fe and in-pit inferred resources estimated at 319.5Mt at 31.08% Fe. Metallurgical testing indicated a mass recovery of 29.6%.

Capital costs were estimated at about US\$896 million, excluding other costs including sustaining capital estimated at about US\$690



Shymanivske could generate 7.3Mt/y concentrate

million (for the first 20 years). Average cash operating costs over 20 years were estimated at US\$52.40/t of concentrate.

The scoping study also considered producing 7.6Mt/y of 65% Fe iron-ore pellets, for initial capital costs estimated at US\$1.57 billion (excluding sustaining capital) and cash operating costs estimated at US\$64.15/t pellet.

Black Iron said the project was located

near considerable infrastructure, and close to existing iron-ore mines, including ArcelorMittal's Kryviy Rih integrated steel-making complex.

Black Iron's preliminary timetable included initial concentrate production during 2015, and later development of a pellet plant, or expansion of concentrate production, using cash generated from initial operations.

Sundsberget estimate up 60%

CONSULTANT SRK has estimated 60% more resources at the Sundsberget nickel deposit, part of IGE Resources AB's Rönnebäcken nickel project in Sweden, and increased the confidence category to indicated from inferred.

Indicated resources for the Sundsberget deposit were estimated at 296.6Mt (an increase of 111Mt) at an average grade of 0.17 total Ni, 0.088% nickel in sulphide.

Measured and indicated resources for the whole of the Rönnebäcken project, including the latest Sundsberget resource, were estimated at about 574Mt at 0.174% total Ni, 0.097% nickel in sulphide. Inferred resources were revised to 93.2Mt at 0.177% total Ni, 0.103% nickel in sulphide.

SRK's latest calculation included a remodelling of the geological contacts of the serpentinite host body, and extension at depth of the resource model. The cut-off grade was 0.031% nickel in sulphide, and a nickel price of US\$11/lb was used in a Whittle open-pit optimisation. A scoping study earlier in the year found the project's deposits could support a 19-year operation, at a production rate of 26,000t/y nickel-in-concentrate, with by-product cobalt of 760t/y.

Rönnebäcken review raises scale (Apr 1)
Read more: www.mining-journal.com/261976

Andean American delays Invicta study

PRELIMINARY estimates from a feasibility study for Andean American Gold Corp's Invicta gold project in Peru have persuaded the company's board of directors to delay the project.

The initial indications from consultant SRK suggested that the underground project could cost as much as US\$150 million, "considerably higher" than the US\$62 million outlined in an optimised feasibility study last year.

Andean American attributed the increase to factors including increases in estimates for infrastructure, such as roads and water supply.

In addition, work has suggested the

mine plan may not support the 5,000t/d envisaged by the previous feasibility study, and may only provide 4,000t/d, with operating costs between US\$30-40/t (preliminary estimate), compared with US\$28/t in the previous study.

The firm said that the revised capital costs could be more than the project debt that it had arranged with Barclays Capital and West LB, which would delay the completion of the current feasibility study.

The company and its consultants were conducting a series of studies to find ways of reducing costs.

Trafigura-backed Invicta audited (May 28, 2010)
Read more: www.mining-journal.com/218141

Ivanhoe confirms results at two Australian projects

IVANHOE Australia Ltd has confirmed the initial results released earlier in the year for studies at its Merlin molybdenum-rhenium and Osborne copper-gold projects in Queensland.

At Merlin, a prefeasibility study designed a ten-year underground mine producing 500,000t/y that would support production of just over 5,000t/y molybdenum and 7.2t/y rhenium.

Estimated capital costs were confirmed at A\$337 million, and cash operating costs

US\$6.78/lb molybdenum after by-product credits and including royalties.

The Osborne project could yield concentrate containing 21,000t of copper and about 34,000oz of gold, according to a scoping study, for capital costs estimated at A\$137 million. Cash operating costs were estimated at US\$1.67/lb copper, including royalties an by-product credits.

Ivanhoe's Australian projects outlined (Sep 23)
Read more: www.mining-journal.com/285625

VETAS HIGH-GRADE

CB Gold Inc has confirmed the presence of high-grade gold mineralisation at its Vetás property in Colombia. Visible gold was observed in some drill-core recovered from the ongoing programme, and the better results from those holes, plus previous assays, included the following:

Hole	From (m)	Intercept (m)	Au (g/t)	Ag (g/t)
RM-DDH				
11-18	281.32	1.83	10.85	2.01
11-31	197.69	3.13	26.77	8.86
11-046	31.32	114.98	7.57	1.48
incl	31.32	40.89	17.17	2.40
and	173.33	13.22	1.63	3.05

MORE FROM SMARTS

Azimuth Resources Ltd has completed further drilling at the ongoing programme at the Smarts prospect of its West Omai gold property in Guyana. The holes tested extensions and known mineralised zones.

Hole	From (m)	Intercept (m)	Au (g/t)
SRC335	73	18	5.94
SRC371	4	30	1.57
SRC382	135	21	7.01
incl	145	4	25.39
SRC389	65	14	2.42

SIRIBAYA ASSAYS

Merrex Gold Inc has reported further gold results from drilling completed at the joint-venture Siribaya gold property in Mali. Iamgold Corp is earning a 50% interest in the property, and Merrex anticipated its partner would achieve the earn-in during the December quarter.

Hole	From (m)	Intercept (m)	Au (g/t)
SRD			
11-109	126	8	2.14
and	137	4	2.84
11-112	56	2	4.47
and	61	13	1.31
11-113	154	4	6.86

GREENBUSH EXTENDED

Cap-Ex Ventures Ltd has confirmed the extension of iron mineralisation at the Greenbush zone of its Block 103 iron-ore property in the Labrador Trough near Schefferville in Quebec. The company interpreted the result as indicating that one limb of the zone had a strike length of more than 8km, and a width of up to 1km; and the other a strike length of more than 10km, and a width of up to 2km. Cap-Ex reported Davis Tube weight recovery (DWTWR) and concentrate grade for intercepts.

Hole	From (m)	Int (m)	Fe (%)	DTWR (%)	Conc (Fe%)
DDH103					
7	6.08	158.86	31.2	30.57	70.1
8	2.74	118.26	28.6	29.29	67.5
9	83.57	74.32	29.5	32.61	67.1
32	59.73	84.05	31.9	30.08	69.9
27	2.13	127.11	29.6	26.14	68.1