

# General Moly firms up Liberty numbers

GENERAL Moly Inc has released the final numbers for a prefeasibility study that examined development of the Liberty project, formerly the Hall-Tonopah molybdenum mine (pictured) in Nevada.

The company announced a resource increase earlier in the year, and consultant M3 Engineering, with support from International Mining Consultants, concluded the deposit could support a 42-year operation.

The study considered two options, one including the use of Federal lands, and one that restricted operations to privately-owned land during the first three years of operation. The study assumed that after this period permits



would have been granted, allowing operations to continue on Federal lands.

A conventional open-pit mine would feed a processing plant designed to recover 8,800t/y of molybdenum and 7,700t/y of copper during the first five years of the unrestricted option. The respective amounts for the restricted option were 8,000t/y and 7,600t/y.

In total, the operation would yield 271,500t of molybdenum and 242,000t of copper over the mine's life.

Capital costs were estimated at US\$556 million for the unrestricted option, with cash operating costs of

US\$5.71/lb of molybdenum during the first five years, including by-product credit, and US\$6.98/lb for the mine's life.

Capital cost for the restricted option were US\$573 million (the difference attributed to additional pre-stripping costs required to ensure the pit remained within private lands), and cash operating costs US\$6.65/lb and US\$6.96/lb, respectively. Sustaining capital costs were estimated at US\$309 million.

**General Moly tries again at Liberty (Oct 7)**  
Read more: [www.mining-journal.com/287503](http://www.mining-journal.com/287503)

**Liberty study for General Moly (May 2, 2008)**  
Read more: [www.mining-journal.com/100106](http://www.mining-journal.com/100106)

Category	Tonnage (Mt)	Mo (%)	Cu (%)
<b>Reserves</b>			
Proven	123.6	0.090	0.06
Probable	367.4	0.061	0.09
<b>Resources</b>			
<small>Using metal prices of US\$15.00/lb for molybdenum and US\$2.50/lb for copper</small>			
Measured	126.5	0.09	0.06
Indicated	460.0	0.059	0.08
Inferred	229.1	0.040	0.13

## Ampella raises Konkera estimate to 3Moz

AMPELLA Mining Ltd has released a resource update for its Konkera gold property in Burkina Faso, outlining 3.1Moz of gold within indicated and inferred categories.

The calculation, made by consultant Ravensgate and based on data and interpretations by Ampella staff, used a number of cut-off grades, with the

3.1Moz total for a 0.5g/t Au cut-off. At a cut-off of 1g/t Au, contained gold was estimated at 2.6Moz, and fell to 1.3Moz at 2.0g/t Au.

The resource was contained within five prospects connected along a strike length of 4.9km in total, with mineralisation remaining open along strike and at depth.

The latest total was prepared as part of the ongoing prefeasibility that was expected to be completed by the end of the March quarter next year.

**Konkera grows for Ampella (Feb 18)**  
Read more: [www.mining-journal.com/255874](http://www.mining-journal.com/255874)

Category	Tonnage (Mt)	Au (g/t)
Indicated	30.0	1.6
Inferred	31.8	1.5

Using a 0.5g/t Au cut-off grade

## Rönnebäcken costs decline further

IMPROVED metallurgical results at IGE Resources AB's Rönnebäcken nickel project in Sweden have reduced forecast cash operating costs for a proposed development.

Earlier this year the company announced that magnetite iron ore could be recovered from the nickel project, allowing by-product credits to reduce cash operating costs.

Fredric Bratt, chief executive of IGE's subsidiary, Nickel Mountain Resources AB, told *Mining Journal* that recent improvements have reduced the expected cost to process the material,

and also increased iron-ore recovery.

IGE recently announced it planned to list Nickel Mountain separately after raising funds for further work at Rönnebäcken through a rights issue.

As a result of the latest testing, cash operating costs were forecast at US\$3.55/lb payable nickel, net of by-product, representing a 13% further reduction in cash operating costs from the original US\$5.55/lb forecast by a preliminary economic assessment earlier this year.

**Magnetite cuts Rönnebäcken costs (Oct 21)**  
Read more: [www.mining-journal.com/289633](http://www.mining-journal.com/289633)

## Sandspring signs Toroparu deal

SANDSPRING Resources Ltd has signed the mineral agreement for its Toroparu gold project in Guyana with the government, a milestone that Sandspring said was the first such agreement to be signed since that for the Omai operation in 1991.

Sandspring agreed, inter alia, to pay a royalty of 5% of gold sales while the gold price is below US\$1,000/oz, and 8% of gold sales at a price of more than US\$1,000/oz.

Royalty on other products would be 1.5%, corporate income tax would be 30% and there would be no withholding tax on interest payments to lenders.

A mining licence would be issued after two hurdles were passed: issuance of an environmental authorisation for the project from the country's environmental authority; and delivery of a feasibility study to the government.

The company completed a scoping study earlier this year.


**Toroparu scoping positive for Sandspring**  
Read more: [www.mining-journal.com/261258](http://www.mining-journal.com/261258)

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