

# Resource upgrade at Creston

## ■ APOLLO INTERCEPTS

Further drilling at Crescent Gold Ltd's Laverton gold project in Western Australia has intersected mineralisation outside the known resource at the Apollo deposit. The company has an agreement to sell gold-mineralised material to Barrick Gold Corp for processing at the latter's Granny Smith mill. The better of the results included:

Hole	From (m)	Intercept (m)	Au (g/t)
WHRC034	39	10	4.01
WHRC036	45	11	2.08
WHRC039	55	8	6.69
WHRC062	116	18	2.75
WHRC071	69	8	4.45
WHRC074	53	11	5.31
WHRC077	30	14	4.02

## ■ TETE RESULTS

Baobab Resources plc's reverse-circulation drilling programme at its Tete iron-vanadium-titanium property in the Tete region of Mozambique has focused on the South Zone prospect at Massamba. The holes intersected a series of magnetite-ilmenite mineralised bands, and samples were treated with Davis Tube recovery techniques to yield a concentrate grade at differing mass-recovery levels. Better intercepts included 40m from 78m down-hole at 43.6% Fe head grade, for a 56.5% Fe, 0.50% V<sub>2</sub>O<sub>5</sub> concentrate grade at 61.5% recovery. Also 13m from 32m at 24.5% Fe for 55.7% Fe, 0.66% V<sub>2</sub>O<sub>5</sub> concentrate at 27.9% mass recovery, and 68m from surface at 26.8% Fe for 57.6% Fe, 0.70% V<sub>2</sub>O<sub>5</sub> concentrate at 21.1% mass recovery.

## ■ SHEEP CREEK ASSAYS

Verification drilling at Tintinagold Resources Inc's Sheep Creek copper-cobalt property in Montana has intersected shallow chalcocopyrite mineralisation in a fine-grained massive pyrite layer of a shale-debris-flow conglomerate.

Hole	From (m)	Intercept (m)	Cu (%)	Co (%)
SC10-001	118.26	6.74	3.44	0.18
SC10-002	131.31	7.46	2.48	0.36
SC10-003	131.88	7.62	3.21	0.17
SC10-004	107.90	10.51	3.03	0.15
and	414.00	4.05	10.84	0.03

## ■ MORE FROM KAMI

Additional drilling at Alderon Resource Corp's Kamistiasusset (Kami) iron-ore property in Labrador has intersected long intervals of mineralisation.

Hole	From (m)	Intercept (m)	Fe (%)
K-10-42	86.9	283.1	31.4
K-10-46	13.5	690.5	28.2
K-10-47	253.8	349.2	27.2

CRESTON Moly Corp announced a resource upgrade this week at its eponymous molybdenum deposit in Sonora State, Mexico.

The Vancouver-based company has reported that the new estimate, by SRK Consulting, for the 100%-owned El Creston project has significantly lifted measured and indicated resources.

As constrained by a conceptual, optimised open pit (prepared by JDS Energy & Mining Inc), the resources were given as 215.4Mt averaging 0.071% Mo and 0.059% Cu, containing 335.5Mlb of molybdenum and 280.5Mlb copper. Measured resources made up about 56Mt of the total, with 159Mt in inferred resources.

This represented a 34% increase in the contained molybdenum and a 77% rise in the contained copper when compared with the proven and probable reserve given in the



Drilling at Creston has outlined 215Mt within an open-pit outline

prefeasibility study early last year by M3 Engineering & Technology Corp.

The M3 study examined a 40,000t/d conventional mine, using either owner-operated or contract mining. Average annual output was forecast at 20Mlb of molybdenum and 12Mlb of copper over the 11-year mine life. Initial capital costs were estimated at US\$576 million (owner-operated)

## Sundsberget adds to Rönnebäcken resource

IGE Resources AB's subsidiary, IGE Nordic, has received an updated resource estimate for its Rönnebäcken nickel sulphide project in Sweden, raising the inferred category by 185Mt.

The estimate was compiled by partner Mitchell River Group, which signed an agreement with IGE earlier this year to help develop the project in return for an option to buy a 10% interest.

The increase was due to a resource for the Sundsberget zone, not previously estimated, which was regarded as a potential open-pit target.

A 2009 scoping study for Rönnebäcken forecast production of 17,000t/y of nickel and 420t/y of cobalt in 60,000t/y of concentrates over a 13-year life, at an average cash operating cost of US\$5.55/lb nickel and capital costs estimated at US\$807 million life-of-mine.

The company's chief executive, Fredric Bratt, said the latest independently reviewed resource would be included in the prefeasibility study in preparation, potentially adding to throughput rates and mine life. Mr Bratt told *Mining*

Category	Tonnage (Mt)	Ni (%)	Ni in sulphide (%)
Measured	28.2	0.188	0.132
Indicated	228.9	0.179	0.107
Inferred	269.2	0.176	0.104

Using a cut-off grade of 0.05% Ni in sulphide

The Rönnebäcken nickel project



*Journal* that the company anticipated applying for an environmental permit towards the end of next year.

He noted that levels of iron sulphides were low in the resource, indicating little potential for acid-mine drainage in later years.

MRG backs IGE at Rönnebäcken (Jun 4)  
Read more: [www.mining-journal.com/219234](http://www.mining-journal.com/219234)

## Maiden Jambreiro iron-ore resource

CENTAURUS Metals Ltd has completed an initial resource estimate for its Jambreiro iron-ore project in Brazil's Minas Gerais state.

The calculation, in conjunction with a Brazilian consultant, delineated 77.1Mt in inferred resources at an average grade

of 29.5% Fe, within itabirite-hosted mineralisation. The total included 17.6Mt in friable itabirite and 59.5Mt in compact itabirite.

Beneficiation testing indicated that the friable material could be upgraded to +65% Fe sinter feed at a 48% mass

and sustaining capital costs were estimated at US\$56.2 million for owner-operated, and US\$22.7 million for contract mining.

Chief executive Bruce McLeod said that since Creston merged with Tenajon Resources Corp in September last year, the enlarged company has "embarked on an ambitious programme" of exploration.

The new estimate includes the results of all but the final 16 holes drilled in this year's exploration programme. These final holes will be incorporated in future estimates.

The stripping ratio is now estimated to be 0.94:1, compared with 1.23:1 in the 2009 report, and Mr McLeod anticipates using a new throughput of 50,000t/d in the ongoing preliminary economic assessment.

Creston study points to project (Feb 20, 2009)  
Read more: [www.mining-journal.com/130216](http://www.mining-journal.com/130216)

## Snow Lake boost for Alexis

FOLLOWING A 20-hole programme of infill drilling at its Snow Lake property in Manitoba, Toronto-based Alexis Minerals Corp reports a "substantial" increase in gold resources.

The increase in tonnage and contained gold is reported in the two principal zones, Main Mine and No 3 Zone, where the company reported gold intersections four months ago.

Alexis gives the new measured and indicated resource in the two zones as 5.47Mt (only 7,000t of this is in the measured category), grading 4.14g/t for a contained 728,000oz. Inferred resources are now 2.37Mt at 4.43g/t for a contained 336,700oz.

These figures represent a 63% increase in contained gold in the measured and indicated resources for No 3 Zone, and a 30% increase for Main Mine. However, the revised estimates were based on a lower cut-off grade of 1.95g/t Au, compared with 3.11g/t in the preliminary assessment, in response to the higher gold prices.

The new estimate was made in conjunction with a feasibility study that will be available shortly.

Snow Lake zone (Jun 18)  
Read more: [www.mining-journal.com/221491](http://www.mining-journal.com/221491)

recovery, with gravity separation. Tests on the compact material are in progress.

Centaurus acquired Jambreiro earlier this year.

Centaurus expands in Brazil (Jun 18)  
Read more: [www.mining-journal.com/237103](http://www.mining-journal.com/237103)