

Aussie convinced life still left in war horse

A major funding injection will give one Australian junior the chance to launch a robust exploration campaign to further test the extensions of an historic West African mine.

Noble Mineral Resources Ltd is continuing to forge ahead in its bid to further boost its mineral inventories at the Bibiani gold project in south west Ghana.

During November the company confirmed it had received firm commitments for the placement of around 77 million shares at 39 cents/share, boosting the exploration house's coffers by up to \$30 million.

The cash received from this transaction is to be used to fund an extensive drilling campaign at Bibiani that is expected to result in a significant hike in the project's resource and reserve estimates.

The aggressive field campaign will see as many as five rigs being deployed at the same time, drilling up to 55,000 metres a month over the coming year.

Bibiana's resources stand at 1.98 million ounces. It has 605,000 oz in reserves and was once owned and operated by Ashanti Goldfields (now AngloGold Ashanti Ltd).

The first phase of the field work will focus on the west wall of the main pit, which was initially earmarked for a substantial cut back.

However, recent data compilation and subsequent remodelling – in conjunction with new drilling from underground that intercepted good mineralisation – indicated that a significant portion of this area was mineralised and remained open.

Drilling will now take place from the surface to confirm the extent of the mineralisation in the region, with a view to including it in the resource-reserve model.

Noble's plan now is to re-optimize the pit design, review its mining schedule and reassess other operational requirements to ensure it takes full advantage of what would be a substantial boost to the project's life and economics.

In addition, the expansion of the cutback of the western wall will enable the pit to be deepened, allowing access to material – previously classified as underground ore reserves – to be exploited by more cost effective open cut mining methods.

Noble's managing director Wayne Norris said the project was going from

strength to strength.

Refurbishing of the processing plant was proceeding on track, with the latest assessment suggesting that its total annual capacity would now be up to 3.2 million tonnes compared with initial estimates of 2.7 Mt.

The upgrade, which is forecast to cost about \$12 million, is being funded from existing cash reserves and will not consume any of the proceeds of the current fund raising.

"We are well on track to commission the plant in May-June next year and ramping up quickly to a production rate of 150,000 oz a year," Norris explained.

"However, with the aggressive drilling campaign that is about to start and the superb results being achieved with the mill refurbishment, we see significant scope to increase our annual output.

"It is clear that Noble is fast emerging as a major West African gold producer that will have substantial production with robust margins and significant exploration upside."

Sam Burns