



ASX Announcement

14 November 2016

## **Boorara Trial Open Pit Produced 1,550 ounces**

- ▶ **Milling of Boorara oxide ore at FMR Coolgardie mill produced 1,550 ounces.**
- ▶ **Spot gold sales reported A\$2.58m revenue.**
- ▶ **Final costs are still being compiled, operating costs are within budgeted costs and MacPherson's is confident that the operation will be cashflow positive.**
- ▶ **Operating costs were high given normal custom-milling rates and ore haulage was over some 67 kilometres to Coolgardie.**
- ▶ **The trial open pit at Boorara to 20 metres depth in the Southern Stockwork deposit extracted some 34,000 tonnes grading an estimated 1.8 grams per tonne (g/t) gold.**
- ▶ **Tonnage processed of 30,239 dry tonnes due to higher than anticipated moisture content.**
- ▶ **Actual head gold grade processed of 1.73 g/t and within the estimated 1.8 g/t based on RC grade control drilling suggesting minimal dilution.**
- ▶ **Low grade stockpile of 13,095 ore tonnes grading 0.68 g/t for 287 ounces.**
- ▶ **Milling rate down 25% daily to 115 tonnes per hour due to the viscosity (high clay component) of the ore which slightly increased the operating costs. The viscosity also reduced gold recovery from the expected 93% to 90.5%.**
- ▶ **A structural geological program within the Boorara trial pit to provide additional knowledge of the ore body to start in December.**
- ▶ **Future work at Boorara will involve refining current mine optimisation studies and maximising the opportunities to expand the Boorara gold resource base that can be potentially bought into future production**

The Boorara trial pit is an important step in bringing the Boorara gold project into full scale production which gives the board of MacPhersons Resources Ltd confidence in this project moving forward. The trial mining operation was a success with predicted tonnes and ounces from the vertical RC grade control drilling reconciling closely with actual mill head grade.

Head grade at the CIP mill was calculated at 1.73 g/t for 30,239 dry tonnes for total contained ounces of 1,682. Actual gold produced for the campaign was 1,550 ounces due to a mill recovery of 90.6 %

A total of 25 ounces of gold nuggets and gold specimens were recovered from trial pit that were found in a quartz vein in the western pit wall.

Milling rates and recoveries were lower than expected for oxide ore, this was due to the high clay content resulting in viscosity issues in the leach and absorption circuits. Any potential future CIP milling of Boorara oxide ore will involve the use of appropriate viscosity modifiers.

Ore blocks were up to 15 metres in width and the pit was mined on 2.5 metre high benches. The trial pit has clearly demonstrated that the Southern Stockwork deposit style of gold mineralisation at Boorara will lend itself to mining with larger mining fleet (120t class excavator, 100t trucks) with minimal mining dilution issues.

The ore body consisted of quartz rich granophyric dolerite with stacked sheeted quartz veins which in areas graded into quartz stockworks as the quartz vein geometry changed and intensity increased. Typically the high grade ore blocks could be identified by the goethite and haematite staining of the dolerite giving the ore zone a distinctive light chocolate yellow brown colour.

A structural study will be completed at Boorara in December that will involve mapping the larger Boorara project and trial pit area. This should help us to better understand the structural architecture that is controlling gold mineralisation at Boorara and any potential late stage fault displacement of mineralisation.

Boorara heap leach testwork results are expected to be finalised in January 2017 and based on these results a decision will be made as to whether Boorara feasibility study will solely focus on processing via heap leach or the carbon in pulp (CIP) process.

Mine optimisation studies are continuing to refine the various cost inputs that will deliver the maximum mineable ounces from Boorara gold project.

Work is also being undertaken to evaluate the option of a standalone gold CIP processing plant located onsite at Boorara.



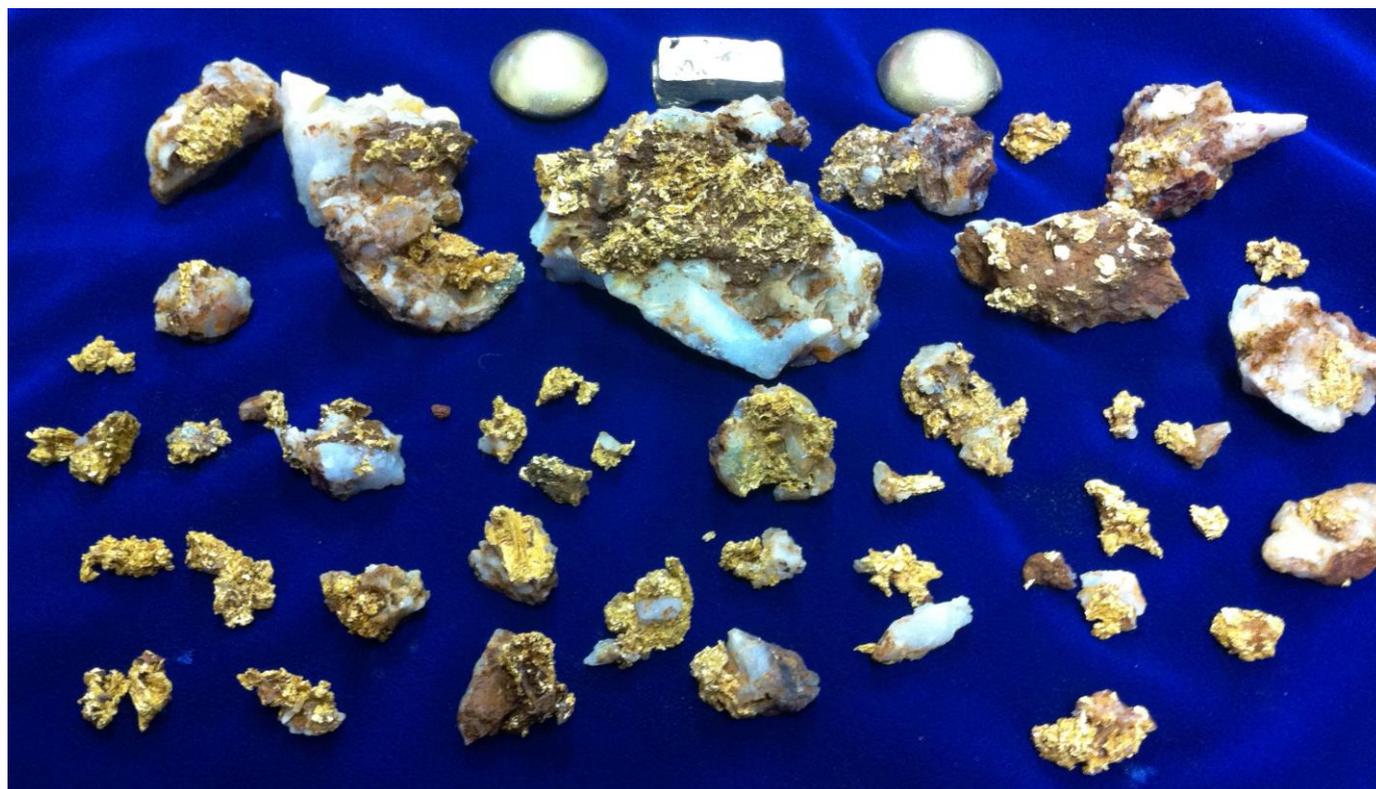


Figure 1: Boorara gold nuggets and gold specimens

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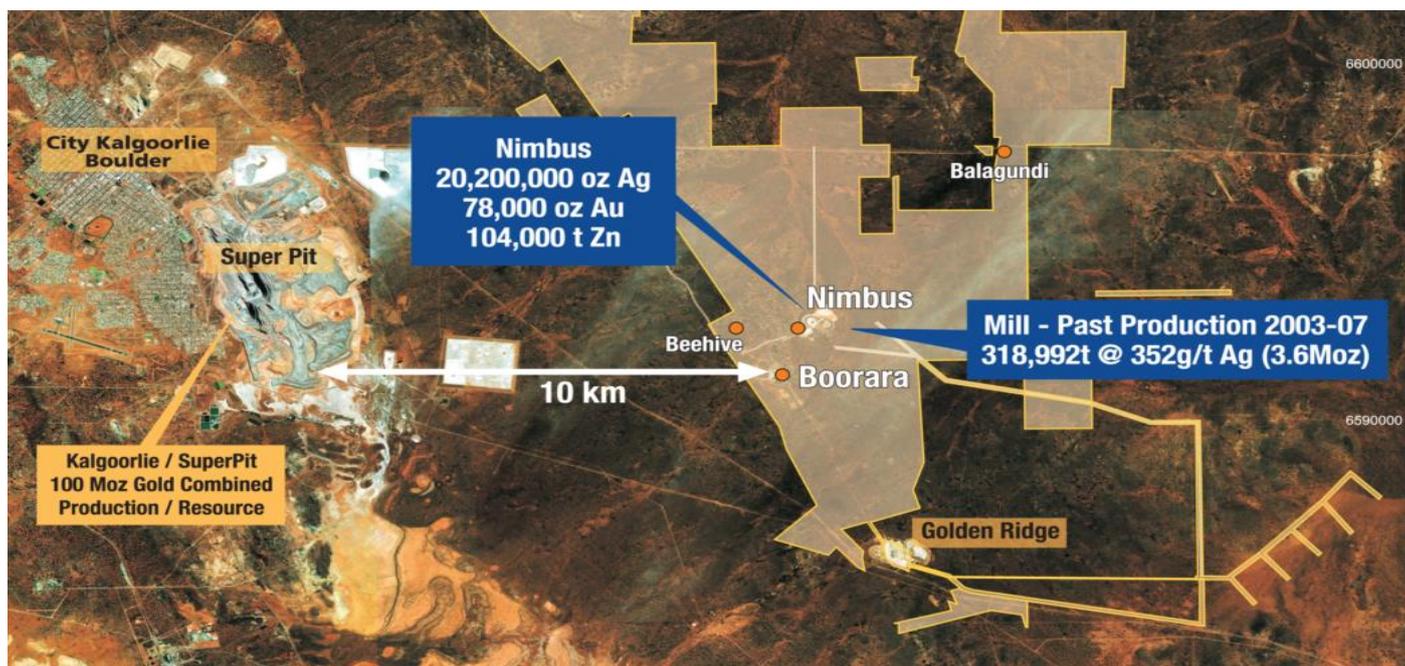
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**About MacPhersons**

MacPhersons Resources Ltd (MRP) is a Western Australian resource company with a number of advanced gold, silver and zinc projects.

The company's long term objective is the development of its existing assets and unlocking the full potential of its 100% owned highly prospective Boorara/Nimbus and Coolgardie projects.

For more information on MacPhersons Resources Limited and to subscribe for regular updates, please visit our website at: [www.mrpresources.com.au](http://www.mrpresources.com.au) or contact our Kalgoorlie office on [info@mrpresources.com.au](mailto:info@mrpresources.com.au) or - 08 9068 1300 potential of its 100% owned highly prospective Boorara/Nimbus and Coolgardie projects.



## Competent Person's Statement

The information in this report that relates to exploration results is based on information compiled by Andrew Pumphrey who is a Member of the Australian Institute of Geoscientists and is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Pumphrey is a full time employee of Macphersons Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pumphrey has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

