



MacPhersons Resources

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MacPhersons Resources targets deep mineralisation with drilling at Nimbus

MacPhersons Resources (ASX:MRP) have started a diamond drilling program targeting deeper mineralisation at its wholly-owned Nimbus Silver-Zinc-Gold Project in Western Australia.

The company had previously noted the Nimbus deposit remains open along strike and at depth. A number of lenses at depth are also untested by drilling, offering opportunity for resource growth.

It noted the drilling program represents an opportunity to confirm the continuity of the favourable geological stratigraphic units that host base metal mineralisation at similar copper-zinc-lead-silver-gold mines located across the Eastern Goldfields district.

In addition, the first hole, NBDH010, has intersected massive sulphide clast-supported volcanoclastics unit from 90 metres, which suggest proximity to a previously unknown vent discharge point.

"The deep drilling will test stratigraphy up to 900 metres deep where no drillhole has ever gone deeper than 300 metres across this target area and no drillhole has ever been drilled from southeast of the Nimbus WLF," managing director Morrie Goodz said.

"We have been able to identify some deep "blind" targets by geochemical and geophysical surveys that suggest the host geological units may exist at depth this program is to confirm repetition of the favourable alteration/mineralisation assemblages.

"Our modelling has also identified copper targets".

Recent studies have shown that volcanic-hosted massive sulphide (VHMS) deposits similar to Nimbus can extend vertically down to 700 metres. Geochemical and geophysical studies have identified targets at Nimbus.

The deep drilling campaign is supported in part by the Royalties for Regions EIS program, which supports up to 50% of approved drilling.

Drilling is expected to last 8 weeks with results expected in early 2014.

Nimbus Silver-Zinc-Gold Project

The Nimbus Silver-Zinc-Gold Project is located just 10 kilometres east of Kalgoorlie's superpit gold mine.

The current Nimbus mineralisation model is calculated to a depth of just 260 metres through drilling has extended mineralisation to a depth of 370 metres, which could increase resources by 40%.

In addition, there a number of lenses at Nimbus where no drilling exists at depth, offering an opportunity for continued resource growth into 2014.

The deposit remains also open along strike and at depth.

Price: A\$0.22

Market Cap: A\$54M

1 Year Share Price Graph



Share Information

Code: MRP

Listing: ASX

Sector: Gold Mining

Website: www.mrpresources.com.au

Company Synopsis:

MacPhersons Resources (ASX: MRP) is a Western Australian resource company with a number of advanced gold, silver and zinc exploration projects within close proximity to Kalgoorlie and Coolgardie. The company's focus is to develop its Nimbus-Boorara silver-gold-zinc-lead-copper projects.

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Nimbus currently hosts an Ore Reserve of 1.126 million tonnes at 297 grams per tonne, or 10.8 million ounces silver equivalent, and a Resource of 4.9 million tonnes at 149g/t, or 23.4 million ounces silver equivalent.

This is boosted by the Boorara and MacPhersons open pits have resources of 3,455,000 tonnes at 1g/t gold and 565,000 tonnes at 2g/t gold respectively.

The company is currently focused on completing the Nimbus Gold-Silver-Zinc Plant Expansion in 2014 and move from developer to producer.

It has noted that concurrent mining of its Boorara and MacPhersons gold open pit operations with the Nimbus Silver-Zinc-Gold Project in Western Australia could have a two to three year payback on capital.

Initial mine designs and schedule support a 5.5 year mine plan with all in cash costs of ranging between \$12 per ounce to \$16 per ounce silver and \$600 per ounce to \$1050 per ounce gold.

Initial production in the second year is expected to be between 2 million and 2.5 million ounces of gold as well as 1,000 to 2,000 ounces of gold before ramping up to 3.5 million to 4 million ounces of silver and 16,000 to 20,000 ounces of gold in the third year.

Nimbus has existing infrastructure including electricity, gas, water and road infrastructure.

The site is located 4km from the Trans-Australia railway main line and 15 kilometres from a railway crossing and station.

It also has bitumen road access to within 4 kilometres of the expanded plant site.

The site has a fully operational office and technical complex, core facility and workshop, as well as the existing process plant.

Analysis

MacPhersons Resources' deep diamond drilling at Nimbus has the potential to transform its resource potential by targeting lenses that had previously being untested,

These could yield repetitions of its silver-gold bearing zone, resulting in a multiplication of existing Resources, while discovering copper could enhance the economics of the project.

Notably, the program could set the stage for further resource growth by highlighting areas for the company to focus on in 2014 and beyond.

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