



# MacPhersons Resources

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## MacPhersons Resources assays show Nimbus silver-zinc at greater depth

MacPhersons Resources (ASX: MRP) has reaped the rewards of recent drilling at the Nimbus-Boorara Project in Western Australia as intersections of silver-zinc lenses of economic grade occur in deep strata more than double their previous known depths at Nimbus.

Preliminary silver assay results have confirmed depth extension of silver-zinc mineralisation at Nimbus potentially offers long term underground mining opportunities.

Results include confirming deep extension to 512542 metres depth of silver-zinc mineralisation in EIS hole NBDH010 and AG211 Lode intersections provide a depth extension of 210 metres a 130% increase.

Drillholes to date have confirmed the silver and zinc lodes within the reserve model and that mineralisation continues at depth and remains open.

In addition, the deep EIS hole is mineralised and assaying mineable grades at more than twice the plunge depth of the current resource of AG211.

Suitable geotechnical and variability samples have also been intersected and collected.

"Assay results on the deep EIS hole demonstrates that intersections of silver-zinc lenses of economic grade, occur in deep strata more than double their previous known depths at Nimbus and these volcanic systems remain open," managing director Morrie Goodz said,

"The value of this EIS co-funded diamond drilling has been enormous in that we have confirmed that suitable host rocks and mineralisation occurs up to 600 metres below historical producing mines and offer long term underground mining opportunities."

### Assay Details

New depth extensions to known silver and zinc lodes have been intersected in all seven holes, underpinning the underground mine model and showing that lenses remain open at depth.

A new silver lode AG250 has also been intersected between existing design stopes forming the ore reserve (between AG211 and AG311 Lenses).

Assays received for the first three holes include:

- NBDH010, 18.7 metres at 87 grams per tonne silver equivalent from 513 metres depth including 3.6 metres at 203g/t silver equivalent from 513.5 metres;
- NBDH011, 2 metres at 1,028g/t silver from 180 metres, 22.5 metres at 77g/t silver from 291.5 metres including 5.2 metres at 169g/t silver from 294.8 metres; and
- NBDH012, 4.4 metres at 110g/t silver from 186 metres, 20 metres at 419g/t silver equivalent from 206 metres including 2.1 metres at 528g/t silver equivalent from 206 metres and 6.3 metres at 1,139g/t silver equivalent from 219.7 metres, 5.4 metres at 88g/t silver from 260.7 metres including 0.54 metres at 644g/t silver from 260.7 metres.

**Price:** A\$0.17

**Market Cap:** A\$42.82M

### 1 Year Share Price Graph



### Share Information

**Code:** MRP  
**Listing:** ASX  
**Sector:** Gold Mining  
**Website:** [www.mrpresources.com.au](http://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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Drilling currently in progress at Nimbus is designed to provide the drillcore samples for testwork to sign off the BFS parameters.

## Nimbus-Boorara Silver-Gold-Zinc Project

Nimbus which is located just 10 kilometres east of Kalgoorlie's superpit gold mine, currently hosts an Ore Reserve of 1.126 million tonnes at 298 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 calculated to a depth of just 260 metres though the latest drilling that has further extended mineralisation at depth could further increase resources.

MacPhersons had previously 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 silver 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.

Thanks to its location near the Super Pit, Nimbus has existing infrastructure including electricity, gas, water and road infrastructure.

## Analysis

MacPhersons Resources' intersection of new depth extensions to known silver and zinc lodes in all seven holes underpins the underground mine model and shows lenses remain open at depth which is especially exciting.

This offers long term underground mining opportunities that could substantially increase mine life at the project and could provide future production growth opportunities beyond the current ore reserve.

Given that the current resource of 23.4 million ounces silver equivalent is calculated to a depth of just 260 metres, the depth extensions are also likely to lead to a resource upgrade.

This is supported by the confirmation of a new silver lode AG250 between existing design stopes that form the ore reserve.

Proactive Investors believes that at its current market cap. of circa \$45 million; this does not take into account the upside case from recent drilling and work. There is significant upside potential as there are price catalysts ahead including:

- Bankable Feasibility Study (BFS) activities. This includes diamond drilling which continue on schedule for the completion of BFS studies mid-2014.

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