



MacPhersons Resources

May 14th 2014

MacPhersons Resources hits longest silver-zinc zone at Nimbus

MacPhersons Resources (ASX: MRP) has intersected the longest continuous zone of 61 metres of silver-zinc mineralisation with grades up to 550 grams per tonne silver-equivalent its Nimbus-Boorara silver-gold-zinc project in Western Australia.

BREAKING NEWS: Morrie Goodz discusses silver-zinc discoveries with Proactive Investors.

Assays from the earlier NBDH034 hole have also confirmed three new silver lens extensions adjacent to the East Pit cutback.

NBDH035, the final hole in the 2014 Nimbus drilling program carried out for sign-off of the Bankable Feasibility Study, intersected the mineralisation from 165 metres to 226 metres with the main zones being:

- 18 metres at 227g/t silver-equivalent from 167 metres including 1 metre at 372g/t silver-equivalent from 171 metres and 9 metres at 338g/t silver-equivalent from 175 metres; and
- 26.7 metres at 212g/t silver-equivalent from 188.3 metres including 5.6 metres at 550g/t silver-equivalent from 191.4 metres and 6 metres at 221g/t silver-equivalent from 202 metres.

"NBDH035 has confirmed the extensive silver-zinc mineralisation under the Discovery Pit proposed cutback," managing director Morrie Goodz said.

"Final results from NBDH034 have increased in grade and thickness, and confirmed the new lenses discovered immediately below and along strike from the East Pit proposed cutback."

"All silver-zinc and gold zones still remain open at depth and along strike."

Bankable Feasibility Study activities are on schedule for the completion of the BFS in the third quarter of 2014.

Exploration Results

The high grade results from preliminary assays on NBDH035 represent the depth of mine development where design is transitioning from open pit to underground mining.

This will form part of the underground mining study to be signed-off in June 2014.

In addition, the final silver assay results for hole NBDH034 has finalised the grades and downhole lengths with an increased grade on the three new lens extensions as follows:

- 18.75 metres at 178g/t silver-equivalent from 133.85 metres depth including 3.8 metres at 435g/t silver-equivalent from 136 metres and 5.1 metres at 198g/t silver-equivalent from 146.6 metres; and
- 2.75 metres at 157g/t silver-equivalent from 226.25 metres including 1 metre at 405g/t silver-equivalent from 227 metres.

The new lens in NBDH034 is only 12 metres below the East Pit cutback representing a new underground stoping

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

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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opportunity once open pit mining has been completed.

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.

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.

Recent drilling at the Boorara deposit, which hosts 258,000 ounces of gold, has indicated that mineralisation remains open at depth and along strike with the first geotechnical drillhole intersecting new quartz veins with visible gold.

Boorara is expected to provide additional mill feed to the Nimbus Silver-Gold-Zinc project.

Analysis

The discovery of a long 61 metre zone of silver-zinc mineralisation with grades up to 550g/t silver-equivalent at NBDH035 below the Discovery Pit highlights the potential for underground mining at MacPherson Resources' Nimbus-Boorara project.

Together with final assays of NBDH034 confirming new lenses immediately below and along strike from the East Pit proposed cutback, there is potential to add future production growth opportunities beyond the current ore reserve.

MacPhersons' current market cap. of circa \$38 million does not reflect its potential and we expect final assays from NBDH035 and the upcoming Bankable Feasibility Study to be key share price catalysts.

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