



MacPhersons Resources

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MacPhersons Resources boosted by finding gold bearing zones

MacPhersons Resources (ASX: MRP) looks likely to post an increase in resources and reserves at its Nimbus project after drilling results continue to intersect silver-zinc-gold mineralisation outside the planned stoping designs.

The new mine designs and ore reserve statements will be released in March-April.

Recent drilling has emphasised more gold-bearing intersections which is handy given the higher A\$1506/oz gold price.

The current drilling program is focused on adding extensions to the existing mine design at Nimbus, located just 10 kilometres east of the Kalgoorlie Super Pit.

This could add significantly to the current 5.5 year mine life of the Nimbus project.

Current drilling at Nimbus is now completed and onto resource modelling of the Nimbus silver-zinc and Boorara gold zones to complete the inputs for the Definitive Feasibility Study (DFS).

The results of further drilling in this area are expected in February and the resource modelling will be completed in March 2015.

Drilling results

Drilling has identified a new mineralisation zone which is a gold-rich sulphide zone located only 80 metres south of the Nimbus East Pit with the new intersections being:

- 10.0m at 4.10 g/t gold, 194 g/t silver and 1.94% zinc in NBRC167 from 122m depth;
- incl 2m at 8.22 g/t gold, 245 g/t silver and 2.97% zinc from 122m;
- incl 3m at 5.23 g/t gold, 102 g/t silver and 2.16% zinc from 126m;
- 3.0m at 5.12 g/t gold, 64 g/t silver and 1.84% zinc in NBRC167 from 141m depth;

Between these 2 zones is:

- 2.0m at 197 g/t silver in NBRC167 from 137m depth;

This new mineralisation is only 100m south and 50m deeper than the gold-rich zone reported in NBRC157 on 19 November 2014:

- 8.0m at 3.05 g/t gold and 326 g/t silver in NBRC157 from 70m depth;
- 1.0m at 6.58 g/t gold and 761 g/t silver in NBRC157 from 89m depth;

Drilling at Nimbus has now been completed and resource modelling has commenced.

The final assays for Nimbus will be received by early February and the resource modelling will be completed independently by CSA Global Consultants in March 2015.

Price: A\$0.14

Market Cap: A\$44.042M

1 Year Share Price Graph



Share Information

Code: MRP

Listing: ASX

Sector: General 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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Definitive Feasibility Study (DFS)

Upon completion of the mineral resource statements, the new mine designs and ore reserve statements, which will be released in March-April, are the final inputs into the Definitive Feasibility Study (DFS) which is on schedule to be completed by June 2015.

The overall project economics of the Nimbus project remain robust in light of recent increases in the metal prices along with the falling value of the Australian dollar.

The recent gold-rich zones being defined in the southern extensions will enhance project returns.

Managing director, Morrie Goodz said "the new gold zone at Nimbus combined with additional gold mineralisation at Boorara will add significant to the project scope in light of recent positive increases in the gold price.

"CSA Global are completing independent models which will enhance the resource and reserve updates and form the final inputs into the feasibility studies due for completion in Q2 2015.

"The recent drilling has emphasised more gold-bearing intersections will continue to deliver additional value to the silver-zinc mineralisation as evidenced now by the new mineralisation in NBRC167 which is 100m south of the NBRC157 intersections reported in November.

"We continue to identify that the upside at Nimbus is substantial and therefore we remain highly confident that the mine life could be extended significantly beyond the current five-and-a-half-year plan," he said.

Analysis

Success in growing the Nimbus inventory should extend the project's forecast mine life beyond 5.5 years, along with reductions in mining and processing costs. In turn this would deliver significant benefits to the project's overall economics, including shareholder returns.

Recent drilling has emphasised more gold-bearing intersections which is handy given the higher A\$1506/oz gold price and would also add to project returns.

Upcoming Price catalysts include:

- Further drill results expected in February.
- Resource modelling will be completed in March 2015.
- New mine designs and ore reserve statements will be released in March-April
- Definitive Feasibility Study (DFS) which is on schedule to be completed by June 2015.

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