

GOLDEN EAGLE GOOD ENOUGH FOR WEDGETAIL

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AN OPEN pit optimisation study on Wedgetail Exploration's 886,000-ounce Nullagine gold project in Western Australia has confirmed company predictions that the Golden Eagle resource alone could underpin capital for a possible 1 million tonne per annum operation.

According to the study, the Golden Eagle's 2.51 million tonne resource containing 179,000 recoverable ounces delivers a \$35.2 million "cash surplus".

The next largest returned gold ounces would come from the Bartons deposit with 50,000oz.

A proposed \$A20-25 million plant will be positioned at Golden Eagle.

A 1Mtpa scenario at Nullagine using a \$A570/oz gold price sees the six Nullagine deposits yielding 4.2Mt grading 2.6 grams per tonne gold for 314,000oz at \$A359/oz cash cost.

The study said preliminary production analysis had indicated a single 90-100t excavator and about five 50t trucks would "be sufficient to achieve the production requirements for this project".

Wedgetail project development manager Peter Woodman told *MiningNews.net* last week that the low strip ratio and near-surface nature of the deposits helped keep project costs down.

He said the study would hopefully appease a results-hungry market nervous about the prospectivity of the project.

Considerable upside from the study included possible heap leaching of low-grade ore and the "strong potential" to expand resources at all projects.

Woodman said the potential for significant profit existed particularly at Golden Gate because of the high-grade nature of the deposit.



Wedgetail Exploration's Golden Eagle deposit