

Wedgetail upgrades Golden Gate resource

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WEDGETAIL Exploration has upgraded the resource estimate for its Golden Gate prospect at its Nullagine gold project in the Pilbara region of Western Australia by more than 80% ahead of a feasibility study scheduled for completion in early 2006.

Hellman & Schofield have calculated the Golden Gate resource at 590,000 tonnes grading 3.64 grams per tonne gold for 69,000 contained ounces.

Wedgetail said the upgrade from the previous estimate of 360,000t at 3.3gpt for 38,000oz was achieved through the expansion of the A, B and C reefs and the inclusion of a first estimate for the D reef.

About a third of the resource is in the inferred category and the company said once down hole surveys have been received for the D reef the bulk of its 140,000t of resources will be moved into the measured or inferred category.

Wedgetail's project development manager Peter Woodman told *MiningNews.net* he believed the resource risk was now off the table for the project and he believed further resource increases would come in the future.

Wedgetail is in the process of completing a feasibility study for the Nullagine gold project targeting a 70,000oz operation over five years with a cash margin of more than \$250/oz.

Preliminary work has estimated a capital cost of \$25 million is required to construct a 1Mtpa CIL treatment plant at Nullagine.

Wedgetail is targeting a first gold pour in the second half of 2006.

Shares in Wedgetail were down 0.1c (2%) in midday trade to 4.8c.