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Exco looking to extend White Dam mine life

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PERTH-based Exco Resources has increased the resource at its White Dam gold project in South Australia by 28% to more than 330,000oz after the latest drilling brought the resource status of the Vertigo deposit into JORC compliance.

Vertigo is located 800m southwest of the main White Dam deposit with the latest drilling returning standout intersections of 14m at 2.14 grams per tonne of gold from 18m, 12m at 1.82gpt from 24m and 6m at 3.44gpt from surface.

The Vertigo deposit now hosts an inferred resource of 1.78 million tonnes at 1.28gpt for 73,000oz. Exco said it believes mineralisation at Vertigo remains open in all directions with further drilling now planned to increase the size and confidence level of the resource into an indicated category.



Bulk sampling at Exco's White Dam gold project

The latest drilling at the main White Dam deposit was also said to have indicated the deposit remained open to the east. Standout intercepts here included 6m at 1.96gpt from 10m and 2m at 1.79gpt from 16m.

Exco has already secured a 2Mt per annum processing plant at White Dam and says it is currently focused on finalising the water supply program as it moves closer to first production next year.

The company has previously flagged a production rate of 50,000oz per annum with the current mine plan encapsulating 4.3Mt at 1.25gpt for a total of 115,000oz.

"Further drilling and pit optimisations will be carried out over the Vertigo and White Dam North deposits with a view to adding ounces to the production schedule," the company said.

Exco said preliminary metallurgical test work had already been carried out on samples from Vertigo, with the results indicating good leaching characteristics with bottle roll leach tests across 21 samples from nine holes averaging 84% recovery after eight hours.

Further drilling of both the White Dam and Vertigo prospects is now planned.

Shares in the company were off 0.5c (1.8%) in morning trade at 27c.

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