

Crusader proves up Borborema resources

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CRUSADER Resources continues to march down the path to gold production, announcing a 61% increase in the measured and indicated resource at its Borborema gold project in Brazil.

The company, which is undertaking a bankable feasibility study on the project, said Borborema's measured and indicated resource for the project totalled 50.9 million tonnes grading 1.14 grams per tonne gold for a contained 1.87 million ounces.

The resource estimate is a 61% jump from that recorded in November, which stood at 31.57Mt grading 1.18gpt gold for 1.2Moz.

The increase in resources in the measured and indicated category brings the total mineral resource estimate – including inferred resources – for Borborema to 68.6Mt grading 1.1gpt gold for 2.43Moz of contained gold.

In addition, the company said, preliminary Whittle pit optimisations on the updated resource indicated 43Mt grading 1.2gpt gold for 1.66Moz is contained within an economic-pit shell.

The pit shell returned the highest average discounted cash flow for the project with a projected life of 10.5 years at a throughput rate of 4Mt per annum.

"Crusader is now a major step closer to becoming a significant gold producer with Borborema poised to deliver its maiden ore reserve," Crusader managing director Rob Smakman said.

"The drilling undertaken since November 2011 has returned great results and the subsequent increases in grade and ounces during the conversion of inferred resources into the measured and indicated resource categories is crucial to Borborema becoming a gold producer."

Crusader aims to undertake the mine planning needed for the release of a maiden reserve sometime this quarter.

A prefeasibility study has already identified the potential for the project to produce up to 180,000oz of gold over nine years.

Shares in Crusader were last trading down 1.7% or A1c to 59c.



The Borborema project in Brazil