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Fresh eyes set to deliver Eleckra the golden touch

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ONE Western Australian gold junior quickly making a name for itself is Eleckra Mines.

The up and comer is soon to embark on a European investor road show to progress development of its Yamarna gold project.

The company raised eyebrows late last year after drilling hit high-grade numbers of 182 grams per tonne at the Central Bore discovery, where a maiden resource was due to be released in September.

While the project has an existing low grade resource of 749,000 ounces grading 1.78 grams per tonne, higher grades are driving Eleckra's \$3 million exploration push this year. A recent \$2.4 million share placement has aided the cause.



Part of Eleckra's exploration camp at Yamarna.

Located within the remote and under explored Yamarna Greenstone Belt of WA, the property is north of AngloGold Ashanti's Tropicana deposit. It incorporates a 4000 square kilometre tenement package.

Metallurgical testwork already has returned recoveries of up to 97% and further gravity testwork is being undertaken by Victorian gold specialists Gekko Systems.

When it releases its resource next month, Eleckra also should have a better handle on capital costs for the project. An in-house mining engineer is crunching the numbers.

After riding out the GFC by winding back drilling, the company is keen to get on with the job. However, it is really the work of Eleckra general manager Ziggy Lubieniecki, who noticed a jolt in the main cross cutting structure of the field during desktop studies that shaped the company's exploration model.

In fact it will be Lubieniecki and Eleckra executive chairman Ian Murray who will be selling the company's story to investors in Frankfurt, Germany and London during next month's European road show.

It already has attracted the eye of well known resource veteran and Platinum Australia executive chairman Peter Allchurch, himself a shareholder of the company.

While gold is the main focus for Eleckra, there also is uranium and nickel potential on the company's tenements. Murray said the group would look to either farm those out or do a joint venture on them.

It has the eastern portion of the Thatcher Soak uranium deposit [the western portion is owned by Uranex and hosts a resource of 20 million pounds of uranium] where a resource of 6.2Mlbs grading 174 parts per million uranium oxide has been outlined.

"One of the first jobs Ziggy did when he joined Eleckra in 2007 was to copy the drill lines of Uranex and calculate that resource," Murray said.

"But really our focus is on gold and Ziggy identified 10 areas from that early desktop work that he believed would host grades better than 10gpt.

"Last year he drilled two of them and the average grade was up around that figure, but at the same time he drilled Central Bore and hit 182gpt."

The deposit has been traced over 800m in length and up to 300m in depth and remains open to the north, south and at depth.

Of the 48 reverse circulation holes drilled since March this year, 47 have hit mineralisation. Work is focused on a 10,000m rotary air blast program to the north, south and east to be followed by a 10,000m RC and eight hole diamond drilling program.

This is scheduled to be completed by November and will follow up results from Central Bore and Hann.

Overall, high molybdenum values, up to 3%, are associated with the high gold grades at Central Bore, while to the south minor arsenic values are prevalent.

Some of the more tantalising results from recent drilling at Central Bore have included 3m at 136gpt gold from 192m depth including 1m at 404gpt, 2m at 52gpt gold from 104m including 1m at 105gpt, 2m at 21gpt gold from 188m including 1m at 40gpt, 2m at 41gpt from 201m including 1m at 70gpt, 4m at 16gpt gold from 157m including 1m at 49gpt and 6m at 9gpt gold from 290m including 2m at 18gpt.

While Central Bore has been the main focus of recent activity, Central Bore East, located only 200m away, stands out like a beacon in geochemical surveys. However, it is yet to be drilled and remains under application.

It has previously returned up to 0.84gpt gold in soil sampling and incorporates six anomalies spanning 600m in length.

A plethora of other targets within Eleckra's ground holdings include the Byzantium/Hann prospects, Attila-Alaric Corridor and Khan North and Tamerlane areas.

In an ideal world, Murray said, the company would look to develop a mining operation based on the high grade material, while the lower grade ore represented a heap leach opportunity.

Lubieniecki said while drilling at Central Bore seemed to have outlined four shoots, it was still early days and would require a systematic drill out.

"Whether they are separate shoots or just one big system we don't know yet," he said.

"If you look at the magnetics, almost every high magnetic anomaly is associated with gold mineralisation, except in the case of Central Bore, which sits in a magnetic low and is hosted in carbonates, whereas the others [Tamerlane, Hann and Attila] seem to have more iron-rich sediments.

"In the base of the greenstone belt we have ultramafics, which seem to be komatiites and no gold has been found associated with that, but there could be nickel mineralisation.

"As we move away from the ultramafics we have a granite diorite or the Elvis Trend, and there is gold mineralisation associated with narrow quartz veining, which is quite unusual.

"It is early days and we have a lot of smoke, but we are yet to do any systematic work."

Lubieniecki said an ultramafic dyke cutting through the tenement also seemed to be playing a vital role to the mineralisation.

Elsewhere, the Hann prospect, located 2.4km west of Central Bore, incorporates a 2.8km long gold anomaly, but three parallel areas have been identified.

Shares in Eleckra were up 10.59% in morning trade to 9.4c.

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