

Modest Christmas for Silver Lake

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MiningNews - Kristie Batten

GOLD miner Silver Lake Resources has discovered a new gold resource at the Christmas Flats deposit, within the project area of the company's Mount Monger operation near Kalgoorlie.

The indicated and inferred mineral resource for the new Christmas Flats discovery is 453,700 tonnes grading 3.5 grams per tonne gold for 51,100 contained ounces.

The company said the resource is accessible by openpit mining.

The discovery of Christmas Flats boosts Silver Lake's total openpit resources at Mount Monger to 658,700t grading 3.62gpt gold for 76,600oz, while the total resource inventory at the project stands at 909,700t at 11.13gpt for 325,500oz, an increase of 19%.

"Our discovery of the near-surface resource at Christmas Flats will stimulate a lot of activity at Silver Lake in coming months as we conduct geological evaluation, metallurgical test work, and look to put an optimal pit design around the resource," Silver Lake managing director Les Davis said.

The company also reported that underground drilling from the Daisy Milano decline, beneath the Christmas Flats resource, has encountered high-grade gold consistent with the interpreted down-plunge extensions of the historically exploited Haoma, Austin and Maranoa lodes.

A resource estimate for the Haoma underground structure will be calculated in the coming quarter, Silver Lake said.

The company said the Daisy Milano mine, which trucked its first ore in December last year, was meeting production targets of 15,000oz of contained gold by the end of June, ramping up to 40,000oz gold per annum in July.

The refurbished Lakewood gold processing facility had its maiden gold pour at the end of April and Silver Lake said there were some minor commissioning and reliability problems in May, leading to lower than planned recoveries.

"Notwithstanding a few unexpected issues with the plant commissioning, the underground mine is ramping up to full production, allowing the company to now focus on mine expansion options from the various openpit and underground targets at Mount Monger," Davis said.

Shares in Silver Lake Resources were up 1c this morning to 30c.