

Sickle looking healthy, feasibility slow

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Monday, September 20, 2004

CRESCENT Gold has reported a high grade intersection from diamond drilling of the Sickle deposit at its Laverton gold project, with the result pushing the company's feasibility study back two months.

A 1.5m interval graded 26.6 grams per tonne gold from 67m downhole. Another interval graded 3.9m at 5.1gpt from 9m.

"We would like to take some time out to do some further work on it to fully understand what that means for us in terms of modelled cash flow," Crescent Gold's general manager Andrew Haythorpe told *MiningNews.net*.

"We have a lot of RC drilling around that area that showed grades up to 10-15gpt. What we don't have is a solid intersection that is nearly an ounce to the tonne and that has come from diamond drilling."

The company will now undertake about 3000m of RC extensional drilling around the Sickle deposit. The deposit currently has a resource of 1.2 million tonnes grading 2gpt for 77,000 ounces, a figure which is continually being upgraded, according to Haythorpe.

The feasibility study for the entire Laverton project was originally due before the end of September. Haythorpe said it has now been pushed back to encompass latest drilling results.

The study will be an upgraded resource. The measured, indicated and inferred resource as announced in July of this year was 18.6 million tonnes at 1.6gpt with 941,000oz in the inferred category. Haythorpe said the resource upgrade would improve the confidence level in the resource.

The project will move into production in the middle of next year "give or take three months", said Haythorpe. The company is aiming to produce 50-70,000oz per annum for 3-5 years at cash costs of \$400 per ounce at a start up cost of \$3-9 million.

Announcement on the funding of the project and a narrowing of the broad capex range is expected within a few weeks.

Shares in the company were off 0.5c to 13.5c in morning trade.



Crescent Gold's Laverton project