

Tethyan rethink for Tanjeel at Reko Diq

■ SPANISH MT ASSAYS

Skygold Ventures Inc and Wildrose Resources Ltd have completed further diamond drilling at the joint-venture Spanish Mountain gold property in British Columbia (MJ, July 1, p9). The holes tested the bulk-mining potential of the mineralisation at Spanish Mountain, although some higher-grade zones were also intersected. The better of the recent assays are shown below:

Hole	From (m)	Intercept (m)	Au (g/t)
254	12.6	90.6	1.15
255	71.5	35.5	2.02
256	126.3	12.0	2.88
257	250.3	30.2	1.97
260	40.5	19.5	2.64
264	26.5	6.4	10.8
and	195.0	17.4	2.35

■ UZBEK SILVER POUR

Oxus Gold plc has poured the first bar of silver at its open-pit Vysokovoltnoye gold-silver project in Uzbekistan (MJ, September 23, p7). The US\$9.1 million project has reserves estimated at 1.66 Mt at an average grade of 127 g/t Ag and 1.13 g/t Au in one orebody, and 2.33 Mt at 27 g/t Ag and 1.24 g/t Au in another. Annual production should reach 21,035 oz of gold, and about 2.5 Moz of silver.

■ TAPINOS RESULTS

Jubilee Mines NL has completed further drilling near its Cosmos nickel mine in Western Australia (MJ, June 3, p9). The recent holes were drilled at the Tapinos property (previously named Anomaly 4), 3.5 km south of Cosmos. Intersections of massive and massive-stringer nickel mineralisation were made within a zone that extends about 190 m down-plunge, and along about 70 m of strike. The better of the recent holes from Tapinos are shown below:

Hole	From (m)	Intercept (m)	Ni (%)
BJD159	341.4	16.7	2.68
BJD162	310.0	3.0	6.46
BJD168	353.0	8.3	7.00
BJD169	313.4	3.6	13.00

■ ARCKARINGA COAL SALE

AIM-listed Altona Resources plc has agreed to buy, subject to due diligence, the Arckaringa coal project in South Australia, for 30 million Altona shares. The project comprises three exploration licences covering an area of about 2,500 km², near the Adelaide-Darwin railway. The licences contain a resource of over 7,000 Mt of sub-bituminous Permian coal amenable to open-pit mining. Altona says the coal is suitable for power generation, and also has "coal-to-oil" potential.

TETHYAN Copper Co Ltd has suspended an engineering study of the Tanjeel copper project (previously known as the H4 deposit), part of its Reko Diq copper porphyry project in Pakistan (MJ, July 22, p10).

The decision was taken owing to the initial results of the study, which is part of the larger feasibility study in progress, having identified significant rises in the projected capital cost estimates. The increases suggest that the present plan for the development of Tanjeel may not be optimal.

Tethyan will now re-evaluate the project engineering parameters with the new cost estimates in mind, a process expected to take three months.

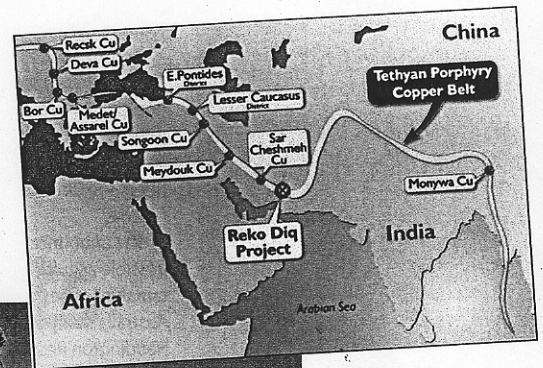
The other parts of the feasibility study have progressed well, according to the company, and will continue while the engineering study is suspended.

David Moore, managing director of Tethyan, noted that the new cost estimates are an issue confronting mining projects throughout the world, adding: "The new cost structure within the global mining industry means that

some of the basic parameters on which the original design of Tanjeel was based have changed."

Meanwhile, Tethyan has completed further drilling as part of the regional exploration programme it is conducting at Reko Diq. The better of the recent results come from holes testing the Western Porphyries complex, one of several centres of mineralisation at Reko Diq.

Hole	From (m)	Intercept (m)	Cu (%)	Au (g/t)
RD003	120	392	0.48	0.26
RD014	24	276	0.66	0.40
RD013	228	114	0.92	0.38



Above: map showing the Tethyan Porphyry Copper Belt



Left: exploration drilling at Reko Diq

Pine Valley begins Willow Creek commissioning

TORONTO-LISTED Pine Valley Mining Corp has begun commissioning its Willow Creek coal preparation plant in northeastern British Columbia, and expects the facility to be operating at its design feed rate of 450 t/d by the end of this month.

The plant will provide the Willow Creek coal mine with the capability of producing coking coal in addition to the low-volatile pulverised-coal-injection (PCI) coal it currently produces.

The plant will also provide Pine Valley Mining with greater flexibility in producing a range of coking and PCI coal products by targeting ash levels that differentiate its coal from competitors in the market.

Ahead of the start of mining of the coking-coal seams at Willow Creek later this month, Pine Valley Mining is currently completing the installation of coal mining, crushing, preparation and handling facilities that will

support an annual mining capacity of at least 2.2 Mt. The coal preparation plant has an output capacity above this level and is designed such that additional increases can be achieved if appropriate.

To achieve its 2.2 Mt/y production level, the company has had to submit to the British Columbian provincial government an amendment to its original mining permit requesting an increase from the currently-permitted production level of 0.9 Mt/y to 2.2 Mt/y.

The amendment application seeks an accelerated production rate based on the existing Willow Creek reserves of 12.3 Mt and the mine and plant infrastructure, but without any increase in the mine's footprint.

Although not certain that the mine permit amendment will be granted, Pine Valley Mining does not anticipate that its application will be rejected.

Farallon's G-9 discovery at Campo Morado

FARALLON Resources Ltd has made a preliminary geological interpretation of its recently-discovered G-9 deposit at the company's Campo Morado project in Mexico's Guerrero State.

According to the company, the deposit is characterised by an irregular southeast-northwest trend-line defined by faulting and contact zones between argillite and felsic volcanic host rocks.

The 50 m step-outs at each end of the deposit have intersected massive sulphides, expanding the deposit to 500 m from southeast to northwest.

The weighted average grade of the G-9 intersections is 4.52 g/t Au, 269 g/t Ag, 1.41% Cu, 1.32% Pb and 7.95% Zn, with an average true thickness of 10.6 m.

The company estimates that drilling completed at G-9 thus far indicates a tonnage potential of some 2-3 Mt, and with the zone remaining open in both directions, further expansion can be expected.