

# Silver Bull Provides 2013 Corporate Year-End Review and Outlines Work Program and Key Milestones for 2014 Calendar Year

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VANCOUVER, BRITISH COLUMBIA--(Marketwired - Jan 21, 2014) - [Silver Bull Resources Inc.](#) (TSX:SVB)(NYSE MKT:SVBL) ("Silver Bull") is pleased to provide a 2013 year-end review and 2014 road map to its shareholders. The company is focused on advancing the company's flagship Sierra Mojada silver-zinc project, located in the historic Sierra Mojada mining district in the state of Coahuila, northern Mexico.

Despite very challenging market conditions in 2013, the Silver Bull team was extremely successful in continuing to advance the Sierra Mojada project with a significant increase in the silver and zinc resources and the completion of a Preliminary Economic Assessment ("PEA") assessing the economics of the project.

As a result, we feel we are well positioned to continue to move the Sierra Mojada project towards possible future production.

## 2013 Technical Achievements

- Our team completed a 6,500 meter underground drill program extending high grade silver and zinc mineralization as well as confirming the validity of a 39,000 meter historical drilling data set.
- In March we released the 4<sup>th</sup> in a series of NI 43-101 Resource Estimate reports, which showed a 99% increase in the indicated silver resource from the preceding estimate to 71.1 million tonnes with an average grade of 71.5g/t silver totaling 163.4Moz silver at the 25g/t cutoff grade. The indicated zinc resource also increased to 71.1 million tonnes with an average grade of 1.34% zinc totaling 2.1 billion pounds zinc using the same silver cutoff grade, representing a 91% increase from the previous resource estimate.
- In November we filed a Preliminary Economic Assessment (PEA) Report on the Sierra Mojada Project. The Base case study outlined an 8,500 tonne per day processing plant with an 18 year mine life producing on average 5.5Moz silver and 65.4 million pounds of zinc per annum with a pre-production CAPEX of \$297.2M (including a 15% contingency). Base Case assumptions include market prices at \$23.50 per silver ounce and \$0.95 per zinc pound. This resulted in a before tax NPV (5% discount rate) of \$641.1 million and IRR of 26.9%, and average silver production cost of \$6.58/oz (net of byproducts).
- Our team developed a metallurgical flow sheet for processing the silver and zinc mineralization through the efforts of our continued metallurgical program. Work particularly focused on assessing the viability of the "SART" (Sulphidization, Acidification, Recycling & Thickening) process which showed we could produce a high quality zinc sulphide concentrate in addition to silver dore, and regenerate up to 98% of the cyanide consumed, which significantly reduces overall processing costs for the project.
- We completed an exploration program targeting underground workings that lie outside of the zone of mineralization defined in the PEA. Approximately 440 meters of underground workings were sampled along the eastern extension, 330 meters along the northern extension, and 160 meters along the western extension. Of the 527 channel samples taken, 82 samples recorded values over 100g/t silver with a peak value of 1620g/t silver, 142 samples recorded values over 3% zinc with a peak value of 45% zinc, and 53 samples recorded values over 5% lead with a peak value of 19.75% lead and suggests there is significant upside to what has already been defined in the area.

## 2013 Corporate Achievements

- In February 2013 Silver Bull closed a public offering of units for net proceeds of \$8.1 million USD. The units were sold at a unit price of \$0.40, with each unit including one share of common stock and one-half of one common stock purchase warrant, with each whole warrant exercisable at \$0.55 for a term of 18 months.
- We reported a 2013 closing cash balance of just under \$5M US - expected to be enough to carry the company into 2015.

- We streamlined and optimized the company's expenditures to maximize the preservation of the treasury while we continue to experience difficult capital markets conditions.
- The company signed a letter of intent to sell the company's Ndjole License in Gabon, which if consummated, will add a further \$1.5M in non-dilutive capital to be to the company's treasury to advance the Sierra Mojada Project.
- We continued to strengthen ties with the local communities by remaining one of the largest employers in the area, holding regular community events, and contributing to a local mining museum.

## **The Road Forward in 2014**

Management remains very cognizant of the continuing challenging capital markets and the need to remain as efficient as possible with the existing treasury. Consequently we have prioritized the key tasks that will continue to advance the project forward in a meaningful way and maximize shareholder value.

The major focus in 2014 at Sierra Mojada will be on de-risking the project through securing the permits required to proceed with mine construction, if warranted. Subject to improving market conditions, the company may also test a number of other prospects in the immediate area for their mineral potential.

The main permits that will be targeted in 2014 include; water rights, the issuance of surface title (presently much of the project sits on Federal land), and continued work on environmental permitting. Although the full environmental permit cannot be issued until the project has a full feasibility study and is ready for construction, many of the individual studies needed for the permit can begin at the project's current stage. This work will allow the Company to reduce the time required to complete a pre-feasibility study if market conditions improve.

Technical work at Sierra Mojada will largely focus on metallurgy with the aim of increasing value by improving the recovery of the zinc in particular, and further refining the SART process. There may also be a need for geotechnical drilling to assess the potential pit slopes and stability.

The company also plans to internally assess the potential of a smaller 4,000 tonne per day operation at Sierra Mojada rather than the 8,500 tonne per day facility highlighted in the PEA. The aim of this study would be to model out the potential increase in overall grade mined by targeting only the highest grade portions of the deposit, and to significantly lower the overall CAPEX by building a smaller operation. One of the great strengths of the project is the orientation of higher grade silver mineralization that can be targeted early in the mine life, which buffers the operation against lower metal prices and allowing for a fast payback on initial capital expenditures. The smaller operation may also retain the optionality to scale up production in a higher metal price environment.

## **Exploration Upside Remains at Sierra Mojada**

Sierra Mojada remains a project with significant upside potential. The success of the channel sampling program during 2013 suggests that there is significant resource upside immediately adjacent to the Shallow Silver Zone. However, with an indicated resource already over 160 million ounces of silver and a mine life of 18 years we believe there is little value to be gained in current market conditions by adding additional ounces to the resource.

Any drilling in 2014 is dependent on market conditions and will focus on a number of prospects outside of the main mineralized zone, most notably "Palamos Negros" - a historic mining zone 9 kilometers to the west of the Shallow Silver Zone and also hosted on the Sierra Mojada fault. Positive geochemical results paired with extensive historic mine workings (similar to those seen at the Shallow Silver Zone) make this an exciting prospect that has never been drilled.

## **Outlook for 2014**

At Silver Bull, we remain extremely bullish on the fundamentals for both silver and zinc. The challenge of unwinding the loose monetary policy seen in recent times and the future threat of inflation means silver (along with gold) should continue to be a haven for wealth preservation. Furthermore, with the closing of a

number of major zinc mines expected in the next 3 years, coupled with both a lack of new zinc mines coming on line to replace this lost production and an expected increase in zinc demand, we anticipate a tightening in the zinc supply over the short to medium term. This squeeze on the supply of zinc is now starting to be recognized by the market, with the price of zinc per pound increasing from \$0.84 to as high as \$0.95 over the last 2 months.

The Sierra Mojada project is one of the largest undeveloped silver deposits in Mexico. It has excellent infrastructure; it lies 3 hours from an international airport with a paved road right to site, it has a functioning railway right to site, runs on grid power, and it has a skilled mining work force to draw upon in the local area. The resource provides exposure to both the precious and base metals markets and has the potential to be scaled in size depending on metal prices. In short, we believe there are not many projects like this in the world.

It is also very significant that many countries around the world are becoming less and less viable for mining and exploration activities due to increasing political risk. Mexico, however, remains one of the top mining jurisdictions in the world.

I would like to take this opportunity to thank you for your ongoing support of Silver Bull Resources and we look forward to the continued advancement of Sierra Mojada during 2014. As always, we invite you to stay informed about Silver Bull by contacting us by email at [info@silverbullresources.com](mailto:info@silverbullresources.com) or by calling 1-604-687-5800.

The technical information of this news release has been reviewed and approved by Tim Barry, MAusIMM Chartered Professional, a qualified person for the purposes of National Instrument 43-101.

On behalf of the Board of Directors

**Tim Barry, CPAusIMM**

Chief Executive Officer, President and Director

**Cautionary Note to U.S. Investors concerning estimates of Indicated and Inferred Resources:** *This press release uses the terms "indicated resources" and "inferred resources" which are defined in, and required to be disclosed by, NI 43-101. We advise U.S. investors that these terms are not recognized by the United States Securities and Exchange Commission (the "SEC"). The estimation of indicated resources involves greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves. U.S. investors are cautioned not to assume that indicated mineral resources will be converted into reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources. U.S. investors are cautioned not to assume that estimates of inferred mineral resources exist, are economically minable, or will be upgraded into measured or indicated mineral resources. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or other economic studies.*

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**Cautionary note regarding forward looking statements:** *This news release contains forward-looking statements regarding future events and Silver Bull's future results that are subject to the safe harbors created under the U.S. Private Securities Litigation Reform Act of 1995, the Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and applicable Canadian securities laws. Forward-looking statements include, among others, statements regarding our anticipated activities at the Sierra Mojada project during 2014, drilling plans and targets, the acquisition of necessary permits and surface rights, metallurgical work, plans to model a smaller possible mining operation, and future commodity prices. These statements are based on current expectations, estimates, forecasts, and projections about Silver Bull's exploration projects, the industry in which Silver Bull*

*operates and the beliefs and assumptions of Silver Bull's management. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "may," variations of such words, and similar expressions and references to future periods, are intended to identify such forward-looking statements. Forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, including such factors as the results of exploration activities and whether the results continue to support continued exploration activities, unexpected variations in ore grade, types and metallurgy, volatility and level of commodity prices, the availability of sufficient future financing, potential changes to royalties and taxes imposed by the Mexico government and other matters discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended October 31, 2013, as amended, and our other periodic and current reports filed with the SEC and available at [www.sec.gov](http://www.sec.gov) and with the Canadian securities commissions available at [www.sedar.com](http://www.sedar.com). Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those expressed or implied in the forward-looking statements. Any forward-looking statement made by us in this release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.*

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