Aurelia Metals Ltd Quarterly Activities Report - September 2014

22.10.2014 | ABN Newswire

Sydney, Australia (ABN Newswire) - Aurelia Metals Ltd. (ASX:AMI) provide the Quarterly Activities Report for the period ending September 2014 with the following highlights:

- Commissioning of the Hera Gold-Zinc-Lead Operation (100%) is proceeding as planned

- Budgeted throughput rates and metal recoveries achieved during the ramp up phase

- First gold dore and base metal concentrates produced, and first gold sales

- Schedule and capital costs in line with plan

- Significant exploration results highlight high grade extensions north and south of the Hera deposit

OPERATIONS & DEVELOPMENT

- Commissioning of the Hera Operation is proceeding to plan with the first gold poured on 12 September and the first zinc-lead concentrate production achieved on 24 August.
- Formal handover of the Hera Process Plant occurred on 22 September following successful performance trials.

- Design plant throughput levels achieved and design zinc-lead metal recoveries achieved.

- Enhanced mine flexibility delivered by continued high rates of mine development with 1,112.5m of lateral advance for the quarter.

- Firing of first underground production stopes occurred in the quarter.

EXPLORATION

- Drilling 200-300m north of the Hera deposit discovered a new zone of strong gold-silver-lead-zinc mineralisation (Hera North Lens) outside of the Hera Reserve. Drill results indicate potential to add high grade extensions to the current mine life. Drill intercepts form the Hera North Lens received in the quarter included:

* 17.1m @ 14.8g/t Au, 168g/t Ag, 15.9% Pb and 15.2% Zn

- Drilling at the southern end of the Hera deposit also returned very strong results outside of the Hera Reserve with best intercepts including:

* 9.0m @ 32.6g/t Au, 1.3% Pb and 2.3% Zn

* 3.1m @ 80.9g/t Au, 24g/t Ag, 1.1% Pb and 1.6% Zn

* 4.2m @ 17g/t Au, 6g/t Ag, 0.9% Pb and 1.9% Zn

- Assay results from massive sulphide intersected at the Nymagee Copper Project (hole NMD092) were received in the quarter confirming the strong tenor of the Nymagee North mineralisation, with results including:

* 6.25m @ 0.5% Cu, 3.7% Pb, 8.6% Zn and 107g/t Ag from 957.75m

CORPORATE

- First gold sales of 483 ounces at an average price of A$1496/oz. At quarter end, the Company's held

28,429 oz of gold put options at a strike of A$1500/oz.

- At 30 September 2014, the Company held cash reserves of $12.6 million.

- During the quarter the company issued 5,590,027 shares at an average price of 35.78 cents per share to the Hera underground contractor, Pybar for part payment of services, and issued 9,905,000 shares at an average price of 32.57 cents per share to Pacific Road Capital to raise $3.22 million.

- Mr Tim Churcher was appointed as Chief Financial Officer during the quarter.

HERA OPERATIONS, NSW (100%)

Construction and commissioning activities progressed well during the quarter with a number of key milestones achieved for the Hera Process Plant.

PROCESSING

The Hera Process Plant moved to full scale commissioning during the quarter, with mill handover achieved on 22 September following the successful completion of plant performance trials by Gekko Systems.

The performance trials included:

- A continuous 240 hour operating run processing 9600 tonnes of ore, including a continuous 12 hour run at 50 tonnes per hour;

- Equipment performance tests; and

- Grinding and environmental compliance tests.

Commissioning activities in the quarter advanced from waste rock trials to the introduction of first ore to the process plant on 12 August. Throughput rates were steadily ramped up with design throughput and metal recoveries achieved during the month of September. Highlights, included:

- Crushing circuit achieving throughput rates well above design capacity;

- Grinding and gravity circuits performing well;

- Flotation circuit operating well at design recoveries for lead and zinc

- First gold pour completed on 12 September; and

- First zinc-lead concentrates delivered to the concentrate shed on 24 August.

Assays confirmed a concentrate grade of >55% Pb + Zn in line with concentrate sale specifications. At the end of September the Hera site was holding approximately 2,700 tonnes of zinc-lead concentrates.

To view the quarterly report, please visit:
http://media.abnnewswire.net/media/en/docs/ASX-AMI-695934.pdf

About Aurelia Metals Ltd:

Aurelia Metals Ltd. (ASX:AMI) is focused on the development and exploration of the high grade Hera-Nymagee Project in the Cobar district of NSW.

Aurelia is actively drilling the evolving copper deposit at Nymagee with the potential that the Nymagee mineralisation may evolve into another 'Cobar Giant' similar to the world class CSA copper deposit located approximately 100km north-west along strike.

Aurelia also remains active in the exploration for copper, gold and tin on a number of tenements in the Lachlan Fold Belt of NSW.

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