

Updated PEA Delivers US\$107 Million (After-Tax) NPV for Diba Gold Project, Western Mali

18.11.2020 | [ACCESS Newswire](#)

DIDCOT, November 18, 2020 - [Altus Strategies Plc](#) (AIM:ALS)(TSXV:ALTS)(OTCQX:ALTUF) announces a significant increase to the Net Present Value ("NPV") generated by an update to the Preliminary Economic Assessment ("PEA") on its 100% owned Diba gold project ("Diba") in western Mali ("Mali"). The PEA has been updated to incorporate the significant increase in modelled oxide gold recoveries (from 80% to 95%), in line with the results of the metallurgical testwork undertaken on Diba drill core, as announced by the Company on 28 October 2020.

Highlights:

- Significant 32% increase in NPV to US\$107 million (after-tax) at Diba gold project in Mali
- PEA for an open pit oxide gold mine indicates strong cashflow and rapid payback
- Project economics applying a 10% discount rate and US\$1,500/oz gold price:
 - Pre-tax NPV of US\$152 million with payback of 5.5 months
 - After-tax NPV of US\$107 million with payback of 6.1 months
- After-tax NPV of US\$140.2 million at a 10% discount rate and US\$1,800/oz gold price
- Updated PEA applies 95% oxide recovery for heap leach compared to previous 80%
- 3.25 year mine life with average annual production of 57,000 ounces ("oz") of gold ("Au") and low strip ratio of 1:1.37
- Diba hosts a shallow dipping near-surface gold deposit with a Mineral Resource Estimate ("MRE") comprising:
 - 4,834,000 tonnes at 1.39 g/t Au for 217,000 oz in the Indicated category
 - 5,479,000 tonnes at 1.06 g/t Au for 187,000 oz in the Inferred category
- Diba is strategically located in a world-famous gold belt that hosts numerous open pit mines
- 10,000m RC drill programme underway on potential resource expansion and new targets

Steven Poulton, Chief Executive of Altus, commented:

"The updated PEA generates an impressive US\$107 million after-tax NPV10 for just the oxide portion of the Diba gold project using a highly conservative US\$1,500 per ounce gold price. The NPV10 increases to US\$140 million at a US\$1,800 per ounce gold price. This significant 32% increase in the NPV from the previous PEA (dated 22 July 2020) is a product of increasing the modelled oxide gold recoveries from 80% to 95%, in line with the results of the recently announced metallurgical testwork undertaken on Diba core. The PEA envisages a simple low-cost and low-strip ratio open-pit gold mine using standard heap-leach processing.

"We have recently announced the commencement of a 10,000m RC drilling programme at Diba, designed to test the potential for additional resource ounces along strike and down dip of the current deposit, as well as five priority targets within 3km of Diba hill. Initial results from this programme are expected to be available in the coming weeks and will be used to update the current MRE and PEA studies. We look forward to updating shareholders on progress from this drilling programme in due course."

Updated Preliminary Economic Assessment

The updated PEA describes the potential technical and economic viability of establishing a conventional open-pit gold mine for the Diba project. The updated PEA technical report has been prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators ("NI 43-101") by independent consulting firm Mining Plus UK Ltd ("Mining Plus") of Bristol, United Kingdom. The PEA will be filed on SEDAR at www.sedar.com and on the Company's website at

www.altus-strategies.com, shortly after the issuance of this news release. A summary of the economics is provided in Table 1 below.

Table 1: Summary of Economics (US\$1,500/oz base case)

Pre-Tax NPV at 10% discount rate ⁽¹⁾	US\$152.17M
After-Tax NPV	US\$107.1M
Pre-Tax Internal Rate of Return ("IRR")	1,176%
After-Tax IRR	715%
Life of Mine ("LOM") average gold price	US\$1,500/oz
Average All In Sustaining Costs ("AISC") / year	US\$544oz
Throughput	1.5Mtpa ⁽²⁾
Gold recovery (heap leach)	95%
Pre-production Capital Expenditure ("CAPEX")	US\$20M
Strip ratio	1.37:1 ⁽³⁾
Annual gold production	57,000 oz
Operating cashflow	US\$198M
After-Tax payback	6.1 months
Average grade of mined resource	1.33 g/t Au
Life of Mine	39 months

1. Includes deduction of 3% Net Smelter Return royalty to Mali Government

2. Million tonnes per annum

3. Strip ratio is defined as tonnes of waste per tonne of PMI.

Mineral Resource

The PEA is based on the Mineral Resources Estimate on the Diba deposit announced by the Company on 6 July 2020 in its news release entitled "Significant Gold Resource at Diba Project, Western Mali".

Table 2: Mineral Resource Estimate

1. Note: cut-off grade is 0.5 g/t Au.

2. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

3. The CIM definitions were followed for the classification of Measured, Indicated, and Inferred mineral resources.

4. The quantity and grade of reported Inferred Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

5. Altus is the operator of, and has a 100% interest in, the Diba Project.

Cautionary Statement Regarding Preliminary Nature of the PEA

Readers are cautioned that the PEA summarized in this press release is preliminary in nature and is intended to provide an initial, high-level review of the project's economic potential and design options. The PEA mine plan and economic model includes numerous assumptions and the use of Indicated and Inferred Resources. Indicated and Inferred Resources are considered to be too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves and as such, there is no certainty that the PEA will be realized. Actual results may vary, perhaps materially. The projections, forecasts and estimates presented in the PEA constitute forward-looking statements and readers are urged not to place undue reliance on such forward-looking statements. Additional cautionary and forward-looking statement information is detailed at the end of this news release.

Illustrations

The following figures have been prepared and relate to the disclosures in this announcement and are visible in the version of this announcement on the Company's website (www.altus-strategies.com) or in PDF format by following this link:

https://altus-strategies.com/site/assets/files/4936/altus_nr_-_diba_pea_update-_18_nov_2020.pdf

- Location of the Diba project in western Mali is shown in Figure 1.
- Location of Diba MRE area and additional targets is shown in Figure 2.

Diba Project: Location

The 81 km² Diba (Korali Sud licence) project is located in the Kayes region of western Mali, approximately 450 km northwest of the capital city of Bamako. The Project sits 5 km west of the Company's Lakanfla gold project, which is under joint venture with ASX listed Marvel Gold Limited and approximately 13 km south of the multi-million ounce Sadiola gold mine and 35 km south of the multi-million ounce Yatela former gold mine. Diba is bounded by the Sadiola permit on its northern and eastern boundaries. Mineralisation hosted on these properties is not necessarily indicative of mineralisation hosted at Diba.

Diba Project: Geology and Mineralisation

Mineralisation at the Diba project is sediment-hosted within a series of stacked lenses, typically between 20m and 40m thick. The lenses are shallow-dipping at approximately 30 degrees angled to the east/east-southeast. The deposit is considered to be controlled by a number of northwest and northeast orientated structures, with gold occurring as fine-grained disseminations in localised high-grade calcite-quartz veinlets. Alteration at Diba is typically albite-hematite+/-pyrite, although pyrite content is generally very low (<1 %). The weathering profile at the property is estimated to be up to 70m vertical depth, resulting in extensive oxidation from surface. The oxide gold mineralisation at the Diba deposit is predominantly found in saprolite within 50m of surface and across a compact 700m x 700m area.

Sensitivities

Diba is expected to be a robust operation that is profitable at a variety of gold prices. The PEA modelled metal prices, oxide gold recoveries and operating costs as shown in the tables below (on a pre-tax basis).

Table 3: Gold Price Sensitivity (pre-tax)

1.5 Mtpa ⁽¹⁾ operation		
Price (US\$/oz)	NPV10 (US\$000)	IRR%
US\$1,300	120,727	786%

US\$1,400	136,450	968%
US\$1,500 (Base case)	152,172	1176%
US\$1,800	199,339	1982%

Table 4: Operating Cost Sensitivity (pre-tax)

1.5 Mtpa ⁽¹⁾ operation		
Operating Cost	NPV10 (US\$000)	IRR%
80%	166,364	1466%
90%	159,268	1313%
100% (Base Case)	152,172	1176%
110%	145,076	1052%
120%	137,980	941%

1. million tonnes per annum

Mine Plan

Based on the assumption that the leach pad will be located to the south of the pit, the Diba project LOM plan proposes the simultaneous exploitation of three open-pit deposits. Pit phasing and exits would be independent of each other, the first phase exit located at 160mRL, the second phase exit at 150mRL, and the third pit at 145mRL. The overall strategy is to achieve an average LOM production rate of 4,000 tonnes per day mined. The strip ratio is expected to average 1.37 tonnes of waste per tonne of Potential Mineralised Inventory (PMI).

The production plan considers three mining phases based on the following considerations:

- Phases should be mined in sequence to generate the best value
- Each phase contains sufficient plant feed to maintain supply to the processing plant, and as far as possible, keeping waste handling to a minimum
- A minimum mining width of 30m should be used to ensure safe operation for one excavator and two haulage trucks

Mine design has been based on the optimal pit and considered the use of articulated trucks with 20m³ tray capacity during mining operations. To achieve the annual rate of feed to the leaching pad, it is necessary to mine at a rate of 125ktpm (thousand tonnes per month). Two months of advanced clearing will be required, from the third month, sufficient PMI (as defined below) will be exposed to maintain the required production levels. At an annual production rate of 1.5Mt the LOM would be 39 months.

Preliminary waste stripping would utilise two CAT365 excavators (or similar). Mining would be via conventional open-pit methods (drilling, blasting, loading, haulage and ancillary services). The use of a mining contractor for earth movement has been presumed.

Metallurgy and Processing

Heap Leach

For the PEA, the gold extraction method envisaged is heap leaching. On 28 October 2020 the Company

announced the results of a comprehensive PEA level metallurgical analysis completed by Grinding Solutions Limited of Truro (United Kingdom) on 130kg of drill core collected from representative oxide and fresh zones within the envelope of the Diba MRE. The results indicate a recovery of 95.8 % of gold from oxide material at a coarse (6.3 mm) crush size for the heap leach scenario. The PEA announced by the Company on 22 July 2020 modelled an estimated gold recovery of 80% for the oxide zone.

The following key factors have been considered in the decision to assume heap leaching rather than agitated leaching:

- Lower capital and operating costs
- Reduced project complexity and shorter time required for project construction and implementation

At this preliminary stage, no detailed design for the heap leaching has been prepared. The proposed mining system must therefore be considered as only conceptual at this point. The proposed heap leaching system is similar to existing and operating heap leach mines processing similar material under comparable conditions. The processing facilities proposed for the Diba project would include:

- Two-stage crushing, screening, and agglomeration
- Heap stacking and leaching using a lined 3,000,000m³ heap leach facility with berms
- Gold recovery by Carbon-in-Column processing.

Waste

Waste rock would be hauled to a designated area to form the Waste Rock Storage Facility ("WRSF") located west of the open pit. The locations of the WRSF will require detailed geotechnical investigation during the next phases of the Diba project to determine the suitability of the proposed area.

Access

Access roads and haul roads will be required around the site; these are planned to be maintained laterite roads. The locations and specification of the roads will require further investigation during the next phases of the Diba project.

Tailings

The Diba project envisions utilising a heap leach processing operation and as such no tailings would be produced from the operation. Therefore, a tailings containment and storage facility would not be required.

Operating Costs

The LOM operating costs (per tonne processed) inclusive of ore, overburden and waste rock have been assumed as set out in the table below.

Table 6: Operating Cost Assumptions

Cost	Per Tonne Processed
Mining	US\$7.5
Processing	US\$6.5
G&A	US\$1.5
Selling, Refining and Royalties	US\$2.2

Total Operating Cost

US\$17.7

Risks

As with all mining ventures, a large number of risks and opportunities can affect the outcome of the Project. Most of these risks and opportunities are based on uncertainty, such as lack of scientific information (test results, drill results, etc.) or the lack of control over external factors (metal prices, exchange rates, etc.). Subsequent higher-level engineering studies would be required to further refine these risks and opportunities, identify new risks and opportunities, and define strategies for risk mitigation or opportunity implementation.

Qualified Persons

Julian Aldridge, CGeol (FGS) Principal Geology Consultant, Mining Plus UK Ltd is the main author of the Preliminary Economic Assessment report and is responsible for the technical part of this press release and is the designated Qualified Person under the terms of NI 43-101.

John Battista, MAusIMM (CP), Principal Mining Consultant, Mining Plus UK Ltd is a contributing author of the Preliminary Economic Assessment, and is a Qualified Person under the terms of NI 43-101.

Nick Wilshaw, FIMMM, Principal Consultant, Grinding Solutions Ltd is a contributing author of the Preliminary Economic Assessment, and is a Qualified Person under the terms of NI 43-101.

The technical disclosure in this regulatory announcement has been approved by Steven Poulton, Chief Executive of Altus. A graduate of the University of Southampton in Geology (Hons), he also holds a Master's degree from the Camborne School of Mines (Exeter University) in Mining Geology. He is a Fellow of the Institute of Materials, Minerals and Mining and has over 20 years of experience in mineral exploration and is a Qualified Person under the AIM rules and NI 43-101.

For further information you are invited to visit the Company's website www.altus-strategies.com or contact:

[Altus Strategies Plc](#)

Tel: +44 (0) 1235 511 767

Steven Poulton, Chief Executive

E: info@altus-strategies.com

SP Angel (Nominated Adviser)

Tel: +44 (0) 20 3470 0470

Richard Morrison / Adam Cowl

SP Angel (Broker)

Tel: +44 (0) 20 3470 0471

Abigail Wayne / Richard Parlons

Yellow Jersey PR (Financial PR & IR)

Tel: +44 (0) 20 3004 9512

Georgia Colkin / Charles Goodwin / Henry Wilkinson E: altus@yellowjerseypr.com

About Altus Strategies Plc

Altus Strategies (AIM: ALS, TSX-V: ALTS & OTCQX: ALTUF) is a mining royalty company generating a diversified and precious metal focused portfolio of assets. The Company's focus on Africa and differentiated approach, of generating royalties on its own discoveries as well as through financings and acquisitions with third parties, has attracted key institutional investor backing. The Company engages constructively with all

stakeholders, working diligently to minimise its environmental impact and to promote positive economic and social outcomes in the communities where it operates. For further information, please visit www.altus-strategies.com.

Cautionary Note Regarding Forward-Looking Statements

Certain information included in this announcement, including information relating to future financial or operating performance and other statements that express the expectations of the Directors or estimates of future performance constitute "forward-looking statements". These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programmes on schedule and the success of exploration programmes. Readers are cautioned not to place undue reliance on the forward-looking information, which speak only as of the date of this announcement and the forward-looking statements contained in this announcement are expressly qualified in their entirety by this cautionary statement.

All of the results of the Diba Preliminary Economic Assessment constitute forward-looking information, including estimates of internal rates of return, net present value, future production, estimates of cash cost, assumed long term price for gold of US\$1,500 per ounce, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, and estimates of capital and operating costs. Furthermore, with respect to this specific forward-looking information concerning the development of the Diba Project, the Company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include among others: (i) the adequacy of infrastructure; (ii) unforeseen changes in geological characteristics; (iii) changes in the metallurgical characteristics of the mineralisation; (iv) the ability to develop adequate processing capacity; (v) the price of gold; (vi) the availability of equipment and facilities necessary to complete development; (vii) the size of future processing plants and future mining rates, (viii) the cost of consumables and mining and processing equipment; (ix) unforeseen technological and engineering problems; (x) accidents or acts of sabotage or terrorism; (xi) currency fluctuations; (xii) changes in laws or regulations; (xiii) the availability and productivity of skilled labour; (xiv) the regulation of the mining industry by various governmental agencies; (xv) political factors, including political stability.

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is based on assumptions made in good faith and believed to have a reasonable basis. The forward-looking statements contained in this announcement are made as at the date hereof and the Company assumes no obligation to publicly update or revise any forward-looking information or any forward-looking statements contained in any other announcements whether as a result of new information, future events or otherwise, except as required under applicable law and regulations.

TSX Venture Exchange Disclaimer

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organisation of Canada accepts responsibility for the adequacy or accuracy of this release.

Glossary of Terms

The following is a glossary of technical terms:

"AISC" means All-In Sustaining Cost

"Au" means gold

"CAPEX" means capital expenditure, money spent generating physical assets

"CIM" means the Canadian Institute of Mining, Metallurgy and Petroleum

"g" means grams

"g/t" means grams per tonne

"grade(s)" means the quantity of ore or metal in a specified quantity of rock

"IRR" means internal rate of return

"km" means kilometres

"LOM" means life of mine

"m" means metres

"MRE" means Mineral Resource Estimate

"NI 43-101" means National Instrument 43-101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators

"NPV10" means net present value using a 10% discount rate

"PEA" means Preliminary Economic Assessment, as a study that includes a preliminary economic analysis of the potential viability of a project's mineral resources

"PMI" means potential mineralised inventory

"Qualified Person" means a person that has the education, skills and professional credentials to qualify as a qualified person under NI 43-101

"RC" means Reverse Circulation drilling

"RL" means Reduced Level (a level once it has been reduced to a datum)

"t" means tonne (metric ton)

SOURCE: [Altus Strategies Plc](#)

View source version on accesswire.com:

<https://www.accesswire.com/617225/Updated-PEA-Delivers-US107-Million-After-Tax-NPV-for-Diba-Gold-Project-Western-Mali.html>

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/367311--Updated-PEA-Delivers-US107-Million-After-Tax-NPV-for-Diba-Gold-Project-Western-Mali.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer](#)!

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).