



[Xtract Resources plc](#) - XTR

## New high grade reef system discovered at Chepica

Released 10:36 15-Jul-2015



RNS Number : 1142T

Xtract Resources plc

15 July 2015

15 July 2015

Xtract Resources Plc

("Xtract" or "the Company")

### New high grade reef system discovered at Chepica Mine

Xtract Resources (AIM:XTR) has intersected a new reef system which is open along strike and depth at the Colin Mining Area ('Colin') of the Chepica Gold and Copper Mine ('Chepica') in Chile. In mid June development at the Colin Mining area got underway to access a reef system 45m below surface previously intersected by surface boreholes. On 18 June 2015 the Company announced that it estimated this area could contain approximately 100,000oz of gold (estimated from surface to a depth of 150m below surface over a 1km strike-length) and could significantly increase the Life of Mine ('LOM'). The development being undertaken to this area has intersected a previously unknown reef system:

- The reef system grades 4.2g/t over a 3.5m width (the reef system is open along strike and depth)
- On reef development along the new reef system is already underway
- The new intersected reef system requires no additional off reef development and potentially will significantly reduce the Company's mining cost in the area
- Both the newly discovered reef system and the known reef system will only require one decline system for access
- The new reef system could potentially double the previous in-house company estimates of contained gold in the area and, as a result, could also increase the LOM
- The new reef system will increase mining flexibility at Chepica

**Jan Nelson, CEO of Xtract,** said: "Whilst we continue to drive development to the main reef system in the Colin mining area, we will now drive two additional prospect development ends on the newly discovered reef system. This will impact positively on not only the grade but also the tonnage profile of the mine. We will also increase the amount of underground drilling planned to prospect for more reef systems in the area. These results once again demonstrate that the Chepica mine continues to show potential to develop into a significant gold project."

#### Enquiries:

Xtract Resources Plc	Jan Nelson, CEO	+44 (0)20 3416 6471
Cenkos Securities plc	Derrick Lee Nick Tulloch	+44 (0)131 220 6939
Beaufort Securities	Jon Belliss	+44 (0)207 382 8300
St James's Corporate Services Limited	Phil Dexter	+44 (0)20 7796 8647
	Justine James	+44 (0)7798 634398 +44 (0)20 7193 7463

Gable Communications

xtract@gablecommunications.com +44 (0) 7525 324431

This information is provided by RNS  
The company news service from the London Stock Exchange

END