



[Xtract Resources plc](#) - XTR

Ore zone defined at Colin prospect in Chile

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("Xtract" or "the Company")

Significant concentration of Gold defined on surface at Colin prospect at Chepica Mine

Xtract Resources Plc (AIM:XTR) has defined a significant concentration of gold along several gold bearing veins outcropping on surface at the Colin prospect at the Chepica Gold and Copper Mine ('Chepica Mine') in Chile. This is the result of recent exploration and sampling work targeting prospects where mining is not currently taking place but could be started up to increase flexibility on the mine. The main characteristics of the ore zone are:

- it outcrops on surface, has a strike-length of 150m and is open to depth
- to date the zone from surface to a depth of 25m represent 100kt at sampled grades of between 2g/t to 5.5g/t *in situ* over widths of 15m, according to Company estimates
- the ore zone has been intersected in depth by underground drill holes and work is being carried out to define the resource
- approximately 8,000oz of gold is available, according to internal estimates, and work is currently underway to access the zone that will be mined from surface
- the area represents an *in situ* metal value of US\$6 million (at an average estimated gold price of US\$1,200/oz)

In addition to the drill rig purchased recently, the board has approved an additional 1,500m drilling programme targeting the underground extension of the major gold bearing zones recently identified on surface. The drilling work has been contracted out and will commence within a month.

Jan Nelson, CEO of Xtract, said: "We have been very successful with our recent systematic exploration approach to defining gold bearing zones on surface. This has been the result of the hard work of our team at the mine and the capital recently raised in part to increase flexibility at the mine. We are looking forward to drilling these gold bearing zones to depth and believe that we can increase the Life of Mine significantly once the planned drilling programmes are completed."

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Qualified Person

In accordance with AIM Guidelines, Peter Moir, B.Sc. Civil Engineering, M.Eng. Petroleum Engineering, UK Chartered Engineer and Director of Xtract Resources plc is the qualified person as defined in the Guidance Notes for Mining, Oil and Gas Companies, February 2010, of the London Stock Exchange, that has reviewed the technical information contained in this press release. Mr Moir has more than 30 years' experience in technical, operational and commercial aspects of the E&P business.

This information is provided by RNS
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