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Medusa back on track

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PERTH-based Medusa Mining expects to resume normal production of about 40,000oz gold per year at its Co-O operation in the Philippines in the June quarter, after output was severely curtailed by a landslide in January.

The landslide, which caused the loss of access to the mine, blocked drainage, cut off electricity for the water pumps and flooded the bottom of the mine, resulting in a drop in production to 1315oz for the first quarter ended March 31, 2007.

The company managed to restore the bottom 3050m level of the mine to full operational status in late February following a clean up of the mine, though the development of the new 3010m sublevel was delayed until mid-March when sustained pumping lowered the water level sufficiently.

Medusa added that the 500 tonne per day ball mill at the mine was successfully commissioned in March and will continue to be operated on a batch basis for all future processing until an average of more than 400tpd of ore is mined. The 200tpd circuit will be retained as a backup unit.

The company also said re-estimation of reserves at Co-O is expected to be completed during the third quarter of this year following the completion of its deep drilling program and the securing of more underground information.

Meanwhile, the company has completed drilling around the existing Cobra shaft at its Sinug-ang project north of Co-O. This is expected to access a nearly 500m-long zone with grading of more than 5 grams per tonne gold that has been outlined from surface to depths ranging from 100-250m.

Some drill results include a 5.8m intersection of 13.5gpt gold within a larger 9.2m interval of 9.5gpt gold at SNG 005 and 2.9m of 10.3gpt gold within a 6m interval of 7gpt gold at SNG 003.

The Cobra shaft, which could be refurbished to establish relatively quick and cheap access to the vein system for underground investigation, is also a possible development position for the Banbanon prospect at Sinug-ang.



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