Kasbah produces positive DFS for Achmmach

The Achmmach site. The project is located approximately 40 km south-west of the city of Meknès in central northern Morocco (photo: Kasbah).

ASX-listed Kasbah Resources has announced very positive results from its 2018 Definitive Feasibility Study (DFS) of the Achmmach tin project in Morocco. The company says the DFS confirms Achmmach's robust project economics and enhances its outstanding development potential as a new, large scale tin mining operation.

Based on the positive outcomes of the Achmmach 2018 DFS, the Kasbah board and the company's joint venture partners in the project, Toyota Tsusho and Nittetsu Mining, have requested management to proceed with securing funding for the project, offtakers for the tin product and identifying a suitable EPC engineering contractor and a capable underground mining contractor with the aim of commencing construction in 2019 and production in 2020.

The project includes a proposed underground mine with an initial 10-year life, producing 750 000 tonnes of ore per annum at an average head grade of 0,82 % tin (Sn). The associated processing plant will incorporate ore sorting and High Pressure Grinding Rolls (HPGR) technology to produce approximately 4 500 tonnes of tin per annum in a 60 % tin concentrate.

Highlights from the 2018 DFS (on a 100 % ungeared project) include: a post-tax NPV of US$98,1 million, with a 23 % IRR using a tin price of US$21 000 per tonne and an 8 % real discount rate; a capital cost of US$96,4 million; and an all in sustaining cost (AISC) of US$11 435/tonne of tin.

Every additional US$1 000 increase in the tin price increases project NPV and ungeared returns by approximately US$20 million and 3 % respectively.

Achmmach is located approximately 40 km south-west of the city of Meknès in central northern Morocco.

It is envisaged that the mine will be accessed via two locations from the surface: a central portal boxcut at 1 015 mRL and an eastern portal boxcut at1 085 mRL. Each boxcut location has twin portals and declines providing ventilation and escapeway drives parallel to the decline. This eliminates the requirement for raisebored ventilation raises to surface in the Central and Eastern Zones early in the mine plan.

The primary mining method to be used for the Achmmach deposit is conventional mechanised longhole stoping. As the geometry and thickness of the mining shapes vary throughout the different lodes, a combination of bottom-up cemented rock fill (CRF) and top-down open stoping methods is planned.

"We are delighted with the results of the 2018 DFS for the Achmmach tin project," comments Kasbah's CEO, Russell Clark. "The 2018 DFS follows on from a number of previous studies and whilst it incorporates elements of those studies, our ability to successfully utilise ore sorting and HPGR technology in a new processing flow sheet has delivered a significant positive impact on project capital and operating costs as well as tin recovery. This, in conjunction with a strong prevailing tin price which is predicted by the International Tin Association to be sustained or improve in the future, has resulted in this very positive DFS outcome." ■

Oena diamond sells for US$11 267 per carat

Tango Mining, listed on the TSX-V, reports it has sold the 42,26 carat diamond recovered from run of mine gravel (ROM) in the Oena Central Area at its Oena diamond mine, an alluvial property on the Lower Orange River in the Northern Cape. The diamond was sold on tender at the Kimberley Diamond Exchange for US$11 267 per carat.

During the most recent production period, ending 19 July 2018, an additional 125,87 carats (82 diamonds) were produced from ROM, placed on tender and sold with an average price of US$945 per carat. This includes a 10,48 and a 7,17 carat diamond which sold at US$2 374 and US$3 600 per carat respectively. Total diamond production was 168,13 carats (83 diamonds), from 37 020 tonnes of ROM material processed by Bluedust 7, during the most recent production period. Tango has a contract mining and diamond recovery agreement with Bluedust 7.

Diamond production from Oena, since acquisition, including production from both ROM material, as well as pan tailings and bantam material, now totals 2 019 carats, says Tango. These diamonds have been sold at an average price of US$1 290 per carat. ■