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GME starts work on laterite plant design

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LOW-KEY laterite hopeful GME Resources has started work on the plant design for its Niwest laterite heap leach project in Western Australia in the hope of getting a 35,000 tonne per annum operation underway.

The company is running the ruler over the proposed Niwest plant as part of its feasibility study work.

GME is reviewing the project in light of the pre-feasibility study and ongoing test work into the heap leaching process, which it said was gaining industry acceptance as a preferred treatment route for nickel laterites.

The Perth-based junior will be using process engineers Simulus as its preferred plant designer as it works on phase one of the plant design and feasibility study.

The company is looking to have the feasibility study finished by the second half of next year and could be in production as early as 2011, provided the project stacks up economically.

Central to GME's plans in bringing Niwest online is the construction of a smaller scale demonstration trial at the Hepi site.

The 4000t Hepi demonstration trial will use a single heap, with provision for additional heaps if required, and GME has picked up major equipment needed for the trial from Heron Resources.

The company is also developing new resource models for all deposits within the NiWest project.

While the numbers are yet to be finalised for Niwest, in April GME said it could cost around \$A1-1.2 billion to get off the ground, but could have a pre-tax net present value of around \$2-3 billion.

Shares in the junior play were last trading 37c after falling 3c yesterday.