

Miner to cash in on old deposit

A DEPOSIT near Charters Towers mined more than 100 years ago is helping producer Red River Resources boost mineral resources 20 per cent at its Liontown project.

The deposit, about 50km south of the historic gold mining city, will be the location for Red River's next mine, which will feed its processing plant at Thalanga.

The company reported this week that Liontown and another deposit Liontown East now comprised 4.2 million tonnes at 0.6 per cent copper, 1.9 per cent lead, 5.9 per cent zinc, 1.1 grams per tonne gold and 29 grams per tonne of silver.

Red River managing director Mel Palancian said the mineral upgrade, including a more than doubling in contained gold and copper, was an outstanding result and validated its decision to develop Liontown as the third mine for the Thalanga operations.

"We plan to progress Liontown for potential development next year as we work to increase our exposure to gold at Thalanga while prices are at record highs, in tandem with bringing the Hillgrove gold project in NSW back into production," Mr Palancian said.

Gold prices have soared to just under \$US1700 an ounce (\$2741) amid the sharemarket rout. Liontown was discovered by Frederick Carrington in 1905 and mined for six years before the mine and an adjacent town was abandoned in 1911.

Red River found the nearby Liontown East deposit in 2016.