

# Middle Island Leaving

## no Sandstone Unturned

Middle Island Resources (ASX: MDI) has made positive inroads to reviving the Sandstone gold project and processing facility, located between the mining towns of Mt Magnet and Leinster in the East Murchison Mineral Field of Western Australia.

Middle Island Resources' stated strategy is to recommission the Sandstone gold operation at the earliest opportunity.

"The key thing for the recommissioning of the plant is to identify some near-term, higher grade accessible ore to put in at the front end of the proposed PFS schedule to improve the payback period,"

Middle Island Resources managing director Rick Yeates told The Resources Roadhouse.

We are implementing that strategy using various means to increase the likelihood of success."

Middle Island completed an extremely busy March quarter, completing both Targeting and underground mining Concept Studies.

Other activity included RC drilling of greenfields gold targets and diamond core drilling of brownfields targets, while an assessment of adjacent permits hosting additional quantified resources and exploration potential was undertaken alongside reviews of third-party gold deposits within the broader Sandstone district.

The Targeting Study identified multiple targets within the Sandstone project, including two larger, higher-weighted targets and numerous smaller, lower priority opportunities.

All targets are being reviewed against the exploration database to determine the company's best approach for on-going exploration.



Middle Island Sandstone Plant

The study led into a ground gravity survey to infill an existing 400m by 200m survey on a 100m by 50m pattern to refine known and interpreted syntectonic, felsic intrusive bodies Middle Island has identified to be elements controlling the location of gold mineralisation within the project.

The survey was undertaken over the north-western half of the project, with two rounds of infill surveying completed over higher priority targets.

Middle Island commenced a RC drilling program at the Macintyre prospect (along with minor infill drilling at the north-eastern extremity of the Two Mile Hill open pit deposit), where previous RAB drilling identified broad zones of shallow sub-horizontal gold mineralisation.

The RC drilling is expected to identify and quantify additional shallow gold mineralisation that may contribute towards the early re-commissioning of the Sandstone gold processing operation.

“We completed these two drilling programs over Easter looking for extensions that could contribute to a readily accessible open pit Resource,” Yeates explained.

“Should infill results at Two Mile Hill come back as we anticipate we could drop the optimum pit a further 20 metres – potentially up to 40 metres - which makes a substantial difference to the economics of the project.

“Unfortunately, we have hit a backlog of assaying at the lab, which means the results we expected to be receiving in May, most likely won’t be available until June, however, we do think they will be well worth the wait.”



The Two Mile Hill prospect also received some diamond drilling attention, partly-funded by the initial phase of the company's successful Exploration Incentive Scheme (EIS) application, under which 50 per cent of the direct drilling costs (to a maximum of \$150,000) are to be reimbursed by the WA State Government.

The Two Mile Hill diamond drilling comprised two deep holes of 450m and 500m with two key objectives.

The first hole (MSDD154) targeted dual electromagnetic (EM) plates interpreted to represent lenses of massive pyrite replacement associated with gold mineralisation within the deeper elements of the Shillington BIF package, adjacent to, and intruded by, the north-eastern contact of the Two Mile Hill tonalite.

This style of mineralisation is consistent with broad intervals of high-grade gold encountered along the western margin of the tonalite.

The second hole (MSDD155) tested the depth of sheeted vein/stockwork gold mineralisation within the northern extremity of the Two Mile Hill tonalite, well below the realms of any open pit cutback, to confirm the continuation of gold mineralisation at greater depth than previous drilling and assess the target's potential as a possible sub-level caving (underground mining) opportunity.

"We believe there is a great deal of potential at the Two Mile Hill prospect," Yeates said.

"However, the capital costs associated with a sub-level caving exercise may well be beyond us.

"Having said that, we would be keen to bring that potential to the attention of some of the mid-tier, or major, gold producers."

## **Middle Island Resources Limited (ASX: MDI)**

### **...The Short Story**

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