



Phoebe Shields

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Firefinch continues to drive mining and processing at Morila towards 100,000-ounce gold target in 2022

"We are very pleased with progress at our Morila operations, which continue to advance towards our goal of achieving more than 100,000 ounces of gold production in 2022," says MD.



Firefinch Ltd (ASX:FFX) has advanced mining and ore haulage operations at its

Morila Project in Mali ahead of an expansion with the aim of producing 100,000 ounces during 2022.

Milestones include the start of mining at the Viper satellite deposit and commencement of ore haulage from Viper to the Morila processing plant.

Firefinch continues to advance its drilling program with five drill rigs in operation. Four are drilling at Morila Deposit, focused on following up high-grade intercepts (as high as 10.5 metres at 34.0 g/t gold in MRD0001) as well as improving mineral delineation within initial mining areas to the west.

The company is a Mali-focused gold miner and lithium developer, with an 80% interest in the Morila Gold Mine, also known as 'Morila the Gorilla' for its high output of 7.5 million ounces of gold since 2000. Firefinch is pursuing mineralisation at depth and in satellite pits close to the main deposit.

“Continued improvement”

“We are very pleased with progress at our Morila operations, which continue to advance towards our goal of achieving more than 100,000 ounces of gold production in 2022,” Firefinch managing director Dr Michael Anderson said.

“While our Q3 production was impacted by the wet season, the continued improvement in grade, recovery and the commencement of mining at the satellite pits provides a solid platform for next year. It is also very encouraging that our drilling continues to intersect significant mineralisation, as well as highlighting high-grade targets for follow up.

“We are also pleased to announce our collaboration with MSALABS, a subsidiary of [Capital Limited \(LSE:CAPD\)](#), to build a new laboratory facility at Morila, including the innovative Chrysos PhotonAssay process.

“High-quality laboratory services are a key part of managing and maintaining best practice processes and this new facility is aimed at helping us to achieve that. We have a strong relationship with Capital and we look forward to commissioning of the laboratory in the coming weeks.”

New laboratory

Firefinch has partnered with MSALABS to produce an independently operated state-of-the-art geochemistry laboratory on-site at Morila, including a Chrysos PhotonAssay unit.

The PhotonAssay uses X-ray technology to determine concentrations of gold and other metals, dramatically cutting the time taken to analyse samples on-site. This technology is the first of its kind in West Africa and will bring multiple benefits to Morila including:

- Mining efficiency: Fast turnaround for grade control data will aid mining productivity and ore recovery;
- Improved accuracy: PhotonAssay analyses samples 10x the size of the standard fire assay analyte, improving the detection and accurate analysis for high-grade gold; and
- Environmental sustainability: Samples can be analysed without being destroyed (as they are in traditional methods) meaning diesel furnaces, lead flux and other chemicals are no longer required.

Capital Limited (LSE:CAPD) executive chairman Jamie Boyton said: “We are very pleased with the announcement of this new laboratory services contract for our subsidiary MSALABS. As an early investor in Firefinch, our relationship expanded with the successful drilling programs undertaken at the Morila Gold Mine utilising five Capital rigs.

“It is exciting to see this partnership further strengthen with the laboratory services contract, which expands our service offering on-site and sees us introduce the first Chrysos PhotonAssay unit into West Africa. This is widely regarded as ground-breaking technology for the industry and will deliver significant benefits to Firefinch as their mining operations continue to ramp up.”

Production update

The Morila Project produced 12,149 ounces of gold in the September quarter, about 7% below previous guidance because of a wetter than expected wet season impacting operations and material handling at the plant.

Firefinch says it has already implemented measures to mitigate potential wet season impacts going forward, with several engineering and operational changes made to ensure continuity of mining and processing operations.

Average recovery improved from the last quarter, averaging 75% with an improved mill head grade of 0.61 g/t. As part of an initiative to reduce process costs and elution stripping, Firefinch has increased the amount of gold in the process circuit by about 1,000 ounces during the quarter.

The Morila plant has performed to schedule, with no safety incidents and 92% of planned work completed before the first scheduled maintenance shutdown. Firefinch

is pleased with the result, praising the efforts of its maintenance team, consultants, and contractors in achieving it.

Screen fire assays

A screen fire assay (a more accurate analytical technique) of the samples from MRD0001 returned an increase in grade of the intersection, now reporting as 10.5 metres at 34.0 g/t gold from 309.2 metres.

Drilling of structures at Morila has returned highly variable results as up to 40% of gold can occur as free gold at the deposit. Consequently, all high-grade samples will now be re-analysed using screen fire assay to ensure better accuracy.

To date, results have only been received from MRD0002, 25 metres east of MRD0001, which returned 6 metres at 2.62 g/t gold from 324.1 metres. Further drilling will focus to the west and below MRD0001, with results to determine the next target area.

Ongoing drilling results

Two diamond drill rigs are in operation on the western site of the Morila open pit, with a program designed to upgrade the measured resource. Results will inform the updated pit design, to be implemented in two stages of progressive depth.

Results have been received from six holes from the northwest of the Morila deposit including:

- 9.2 metres at 3.01 g/t gold from 210 metres, including 3.7 metres at 6.81 g/t from 211 metres;
- 13.0 metres at 2.20 g/t from 291.5 metres, including 3.3 metres at 6.93 g/t from 299.5 metres and 1.8 metres at 3.84 g/t from 255.0 metres;
- 15.3 metres at 1.91 g/t from 279.7 metres, including 6.9 metres at 3.74 g/t from 288.1 metres;
- 20.6 metres at 1.64 g/t from 221 metres within a wider zone of 47.0 metres at 1.05 g/t from 217.5 metres;
- 42.0 metres at 1.39 g/t from 263.9 metres; and
- 4.4 metres at 1.88 g/t from 290.5 metres and 11.0 metres at 1.46 g/t from 336.9 metres.

Drilling at Viper continues to return high-grade intersections below the current mineral resource and within pit design parameters. Results include:

- 9 metres at 5.65 g/t gold from 18 metres;
- 10 metres at 2.77 g/t from 75 metres;
- 7 metres at 3.62 g/t from 55 metres;
- 9 metres at 2.38 g/t from 66 metres;
- 14 metres at 1.38 g/t from 89 metres;
- 8 metres at 2.34 g/t from 89 metres; and
- 3 metres at 5.94 g/t from 51 metres.

Mineralisation at Viper has now been defined over 1.5 kilometres of strike and to depths of 120 metres. Mineralisation remains open at depth and Firefinch believes Viper is developing into an important secondary ore resource for the Morila Project. An updated mineral resource model is in the works.

Further drilling at N'Tiola has been completed targeting near-surface mineralisation at the northern and southern extremes of the deposit. Results include:

- 3 metres at 16.3 g/t gold from 39 metres;
- 13 metres at 2.24 g/t from 5 metres;
- 14 metres at 1.40 g/t from 42 metres;
- 11 metres at 1.87 g/t from 22 metres;
- 11 metres at 1.14 g/t from 69 metres; and
- 10 metres at 1.16 g/t from 10 metres.

These intersections will be used to update the mineral resource in the final pit design, mining schedule and ore reserves for N'Tiola. The near-surface mineralisation, especially at the southern end of the deposit, is anticipated to enable the earlier scheduling of ore mining, which is scheduled to begin in November.

Next steps

The five drill rigs at Morila will continue to implement the drill plan, designed to grow the measured mineral resource and ore reserves while also optimising the initial

stages of open cut mining, and testing the potential for underground mining. High-grade intersections will be prioritised with ongoing drilling in 2022.

Firefinch will continue to ramp up open pit mining, with primary mill feed to be provided by the Morila Pit 5, N'Tiola and Viper pits as the tailings resource is depleted. Pre-stripping activities at the Morila Super Pit will commence in Q1 2022, which will facilitate a ramp-up in production to levels above 100,000 ounces in 2022.

The company is also advancing plans to demerge its Goulamina Lithium Project, which it is developing through a joint venture partnership with Jiangxi Ganfeng Lithium Co Ltd, one of the largest lithium producers in the world.

Source: <https://www.proactiveinvestors.com.au/companies/news/963967/firefinch-continues-to-drive-mining-and-processing-at-morila-towards-100000-ounce-gold-target-in-2022-963967.html>