

Buxton expands Kimberley holdings

BOUYED by some extremely promising exploration results in its Double Magic project in Western Australia's Kimberley region Buxton Resources has acquired the adjacent landholding from New World Cobalt.



Ram found some promising sulphides in the Kimberley.

Finance > M-a

Comments

Share

Haydn Black

Editor

The West Kimberley project was a legacy asset for the recently rebranded New World from its era as Ram Resources, and covers some 552sq.km adjacent to the Merlin prospect.

New World's interest in three tenements, which adds 552sq.km to Buxton's 824sq.km, reportedly contain the north-western continuation of the geological sequence that hosts Buxton's Merlin prospect, and the company considers the areas highly prospective for additional nickel-copper-cobalt sulphide mineralisation within the Ruins Dolerite.

The Ruin Dolerite is similar in age and composition to the intrusion on the east side of the Hall Creek Orogen that hosts Panoramic Resources' Savannah nickel-copper mine.

Buxton will earn 100% in E04/2423 and will gain the right to acquire an 80% interest in E04/1972 and E04/2314 for a mostly delayed consideration that won't become due unless there is some exploration success.

It will issue 1.3 million shares to New World on completion (valued today at around A\$182,000), and if it intersects greater than 20m nickel equivalent with a grade of least 1.5% (on a grade-thickness basis) an additional A\$250,000 worth of shares will be issued.

Further payments totalling \$750,000 could become due based on estimation of a JORC resource of any size, and then a resource of at least 15,000t of nickel equivalent.

Completion of the full deal requires consent from the vendor of E04/1972 and E04/2314.

New World, then known as Ram Resources, secured the areas in the wake of Buxton's initial Double Magic nickel sulphide discovery, and defined a number of magnetic and gravity anomalies, shooting a high power fixed loop electromagnetic ground survey and finding sulphide material in its first drilling.

There were indications it may have intersected the distal part of a SEDEX system, but Ram then became interested in Irish zinc, briefly changing its name to Longford Resources, before rebranded as New World to chase US cobalt project, leaving untested multiple bedrock conductors ranging from 75m to 175m in the Kimberley.

Buxton declared the West Kimberley as a "fertile and un-explored new nickel-copper-cobalt" province based on drilling in late 2017 that intersected primary brecciated massive sulphide, yielded up to 7.11% nickel, 1.44% copper and 0.19% cobalt.

A diamond rig has recently started follow-up drilling of several high priority open conductors, including the 600m-long AB plate.

Buxton has around \$1.6 million in cash, and is completely funding the drilling with a government grant to the tune of \$150,000 and the issue of shares to DDH1 Drilling.

Buxton shares were up 12% today to 14c, valuing the company at \$16 million.



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