
Xstrata Nickel announces additional resources at Raglan Mine

Monday, 10 Dec, 2007

Xstrata Nickel announced exploration result at its Raglan operation in northern Quebec have confirmed Zone 5-8 as the largest mineralized zone in Raglan's history, adding an estimated 4.5 million tonnes of inferred resources in 2007, up from the 2 million tonnes of resources previously announced.

In August 2007 Xstrata Nickel announced plans to increase mine production at Raglan to over two million tonnes of ore per annum. Work is currently under way to increase production to 1.3 million tonnes per annum by the end of 2008 and additional infrastructure is expected to be implemented to allow a further expansion to reach 1.5 million tonnes by 2011 and potentially double current production by 2013. After the expansion, Raglan will be one of the largest nickel mines in the world, with output approaching 50,000 tonnes of contained nickel in concentrate per annum, together with copper and platinum group metal by products.

Zone 5-8 now contains proven and probable mineral reserves of 0.8 million tonnes at 3.02% nickel and 0.80% copper, measured and indicated mineral resources of 0.4 million tonnes at 1.30% nickel and 0.35% copper and inferred mineral resources of 11.5 million tonnes at 3% nickel and 0.8% copper.

Mr Ian Pearce CEO of Xstrata Nickel said that "Our aggressive exploration strategy at Raglan continues to unlock significant value from this major nickel district. These exceptional exploration results confirm Zone 5 to 8 as Raglan's next mining centre and provide us with additional confidence in progressing our plans to increase production to two million tonnes per annum. We will invest over USD 200 million in further exploration activity at Raglan over the next five years to ensure we continue to realize the full potential of this exceptional property for the benefit of our shareholders and local stakeholders in the operation."

For more news visit at www.steelguru.com