

Diverse portfolio developed by exploration house

With the East Kirup lithium-tantalite-tin play in Western Australia back in the total control of Red River Resources Ltd, the company is now gearing up for a 6,000 metre drilling program which is scheduled to start early this year.

The target is a geochemical anomaly which lies 20 kilometres north-north west from the world class Greenbushes operation, a project containing total resources of 25.2 million tonnes of 3.6% lithium oxide as well as substantial associated tantalite-tin mineralisation.

Spanning 4 km in length and 1.5 km in width, Red River believes the East Kirup anomaly is a mineralised halo over better mineralisation at depth.

Previous geochemical sampling by the group delineated widespread geochemically anomalous lithium, tantalite and tin over the East Kirup prospect area.

The junior's managing director – John Karajas – said the forthcoming drilling program was designed to test this concept and would likely be followed by a program of deeper holes.

The company recently obtained 100% ownership of the property following the termination of a joint venture with Ord River Diamonds Ltd.

Another JV for Red River is the Miaree project in the Pilbara. It holds this property, and the Blythe play in northern Tasmania, in partnership with Iron Mountain Mining Ltd (IRM).



East Kirup is in an ideal location for development.



A member of the Miaree drilling team.

At Miaree, the global exploration target is estimated to be 1.8 billion tonnes of magnetite, but metallurgical testwork has revealed complex mineralogy that may limit recoveries.

Karajas said the focus going forward would be on undrilled peak intensity aeromagnetic anomalies.

Reports of a gold rush on a neighbouring tenement have also highlighted the precious metal potential on Miaree following the identification of electromagnetic anomalies.

Geochemical sampling has also shown a strong association with these EM indicators and a drilling program is planned for the latter part of 2010.

Intriguing structures

Meanwhile at Blythe, the target is iron ore-tin and tungsten, and drilling last year successfully delineated magnetite iron ore-tin mineralisation at both Kara North and Button Grass as well as magnetite iron at Hampshire.

Mineralisation at Kara North spans 900m in length and 400m in width and occurs in semi massive to heavily disseminated magnetite rich skarn adjacent to intrusive granites.

Similar mineralisation has been found at the Button Grass prospect, located 900m south of Kara North.

The strike length of both systems is at least 2 km in length and is situated adjacent to a north easterly trending aeromagnetic linear which is parallel to the geological structure hosting the well

known Mt Bischoff tin mineralisation to the south west.

Karajas said metallurgical testwork on the high grade magnetite from Kara North had shown it was amenable to beneficiation. However, tin was unlikely to be extractable.

A program of tin-focused exploration was now being considered given the extent of the base metal in the area.

A more recent JV for the group has been the Wongan Hills base metal and gold project, which it holds in partnership with IRM and Dominion Mining Ltd. The latter is required to spend \$90,000 within the first 12 months and can then move to 70% ownership by spending a total of \$400,000.

Drilling by Dominion has intersected minor gold as well as silver-lead-zinc mineralisation and further holes are planned.

Other projects in the company's stable include the Hooley Well and Imagi Well, which are both located in WA's Mid West region.

At the latter, Red River has formed a JV with Eagle Nickel Ltd and is spending \$500,000 to earn a 50% stake by 2012.

An under-explored ultramafic intrusive, Hooley Well spans 3 km in length and 2 km in width and has returned nickel results of up to 22m at 0.9%. This includes 4m at 1.4% nickel, 2% chromium and 0.11% cobalt.

An IP survey has identified a chargeability anomaly 3 km long by 300m wide that is now planned to be drilled in mid 2010.