



14 December 2010

## **UNDERGROUND MINING AND SURFACE WORKS UNDERWAY AT PERKOA**

### **Key points**

- **Onsite construction activity has commenced at the Perkoa Zinc Mine in Burkina Faso.**
- **More than 45 staff and contractors are currently on site.**
- **Personnel numbers are expected to increase during January 2011 when additional contractors (civil, earthworks, power and water) for infrastructure will be appointed.**
- **Underground drilling has commenced using hand-held equipment until arrival of underground 'Jumbo' drilling rig. Explosives are on order and the first blast is scheduled to take place shortly.**
- **Orders have been placed for capital equipment, including Jumbo drilling rig, scoop loader, construction and engineering services. Orders for additional light vehicles as well as a crane and mining equipment will be placed within the next week as soon as the equipment has been inspected.**
- **Surface works are underway, including onsite road maintenance and preparation of the decline and ramp in readiness for production, installation and repairs of ventilation, pumps and piping. Other work being progressed includes construction of offices, mine store, laundry and recreation facilities, which are expected to be finalised by March 2011.**
- **A mine optimisation study has been initiated which aims to reduce mining and production costs through revised mine schedule and block plan, revised logistics and transport routes and improved processing and treatment methods.**



Blackthorn Resources Limited (ASX: BTR) (“the Company” or “Blackthorn Resources”) is pleased to advise that construction of mine and surface works at the Perkoa Zinc Mine is well underway. There are approximately 45 personnel currently onsite progressing with the start-up of construction and mining activities following the completion of the Perkoa joint venture with Glencore International AG (“Glencore”) in November 2010.

Additional personnel are expected to arrive onsite during January 2011 to scale up the level of development and target raising first ore in early 2011. Already significant progress has been made in repairing haul roads, surface ramps and the underground decline for vehicle access. Work in progress also includes servicing and maintenance of dewatering pumps, ventilation and piping as shown in Figure 1.

Glencore, who is managing and operating the Perkoa Zinc Project, has also initiated a mine optimisation study which aims to further explore opportunities to reduce operating and production costs at the mine. This review includes but is not limited to a revised mine schedule, review of logistics and transport routes, ore handling and treatment processes.

Underground drilling has already commenced using hand-held equipment until the arrival of a mechanised underground drilling ‘Jumbo’. Blasting is scheduled to commence soon. Other site works include construction of offices, workshops, mine store, laundry and recreational facilities. These are expected to be completed by March 2011.

A number of orders have been placed to source other equipment including a scoop loader and drilling Jumbo. The following orders will be placed within the next week; 1) Grid power 2) Overland pipeline for water supply 3) Underground and surface equipment, and 4) Civil and earthworks construction.

Managing Director Scott Lowe said:

*“We are delighted with the way in which Glencore has hit the ground running, and the priority that has been given to getting construction underway. We are very confident that Glencore is going to do an excellent job managing the construction of the mine. The Company intends to keep the market regularly updated as construction continues to progress.”*

**Should you require further information please contact:**

**Scott Lowe**  
**Managing Director**  
**Ph: + 61 2 9357 9000**



**FIGURE 1** - Photograph showing work in progress at Perkoa including maintenance of mine ventilation system.



**FIGURE 2** - Photograph showing underground miners at Perkoa drilling the working face for blasting.