

Emmerson tries radical survey to crack TC code

Michael Quinn, [23 February 2011](#)

WHILE the Tennant Creek mineral field continues to be parsimonious in revealing its secrets, the prizes are so great the likes of Emmerson Resources and partner Ivanhoe Australia will not be dissuaded. The joint venture's 2011 attempt at "cracking the code" will involve geophysics technology never before flown over the field.

Emmerson managing director Rob Bills told an Explorers Conference in Fremantle this week that the Heli TEM to be flown was designed for deep exploration and was the world's most powerful system.

It is hoped the geophysics will make the discovery breakthrough after the use of vector remnant magnetic intensity (VRMI) in 2010 was a technical success in predicting the location of the important magnetite host, but not directly the rich copper and gold deposits that made the field's name.

The Heli TEM work will begin next month.

At the start of the current quarter Ivanhoe Australia had spent \$A15.6 million of the initial \$A18 million required to earn 51% in the project, with Ivanhoe then required to spend a further \$A10 million to maintain its interest.

Meanwhile, Bills said Emmerson would also be assessing the potential of a number of near-mine targets in its own right.

One example cited was Warrego, where an interpreted gold lens below the mined openpit has never been tested by any drilling, and which could notionally contain 185,000oz of gold and 16,530t of copper if mineralised – based on Warrego's historic grades and other "conservative" assumptions.

Bills also made the point that mines in the field weren't closed because they ran out of mineralisation, but because of gold and copper prices at the time.

Emmerson has a 100% right to discoveries of less than 250,000oz gold equivalent, while for Tier 1 targets of greater than 1 million oz gold equivalent, it will retain a 30% right.

Emmerson had cash at the start of the month of \$A11 million and an enterprise value of about \$A16 million.

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