

Borneo Oil: Inferred gold resources total 1,819kg

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PETALING JAYA: Borneo Oil Bhd's wholly owned subsidiary Borneo Oil and Gas Corp Sdn Bhd's first phase of gold mining prospect in Bukit Ibam, Pahang, has inferred gold resources of about 60,814 troy ounces (or 1,819.5kg).

In a filing with Bursa Malaysia yesterday, Borneo Oil said exploration works, which were completed in six months, consisted of a two-metre depth trenching programme covering a total of 1.32 sq km to intercept the ore zone outside existing pits.

“The inferred gold resources for Bukit Ibam for the first phase is 60,814 troy ounces (1,891.5 kg) embedded in 6,266,663 tonnes of oxide and fresh ore with an average grade of 0.3 g/t. This also comprises 874,228 tonnes of ore with an average grade of 1.0 g/t or 28,107 troy ounces (874.2 kg) up to a depth of 25 metres,” it added.

The group noted that the second phase of exploration works on Bukit Ibam are still ongoing and announcements will be made upon completion.

Borneo Oil said the group will spend about RM2.5 million as an initial capital investment cost to set up a pilot heap leaching plant using “Earth Gold”, which is environmental friendly and designed to replace sodium cyanide in gold leaching process.

The group said it has obtained approval from the Minerals and Geoscience Department for the pilot heap leach project. The plant is targeted to be completed by the end of August and commercial operations will begin in September.

On March 11, 2015, Borneo Oil and Gas entered into an exclusive production sharing agreement with HDL Global Sdn Bhd for 20 years.

Borneo Oil shares jumped 2.78% or half a sen to 18.5 sen yesterday. It was the second most actively traded counter with 63.71 million shares changing hands.