

## INDEPENDENT DUNROBIN FEASIBILITY STUDY COMPLETE

### Luirigold Limited

ASX Code: LGM

[www.luirigold.com](http://www.luirigold.com)

### Corporate Structure

Shares on issue	268.70m
Options	23.1m
52 week high	A\$0.05
52 week low	A\$0.008

Cash (as at 31 July) A\$1.06m

### Company Directors

**Melissa Sturgess**  
Executive Chairman

**Evan Kirby**  
Technical Director

**Mike Langoulant**  
Executive Director

**Robert Brown**  
Non-Executive Director

### HIGHLIGHTS

- Coffey Mining Pty Ltd (Perth) has issued an independent feasibility study confirming the Company's internal studies that the Dunrobin project is a technically feasible and economically viable project in the current gold price environment
- Gold production forecast to be 77,000 ounces (supported by a probable Ore Reserve of 87,000 ounces) over a 6 year mine life with initial capex of USD21m and cash costs excluding royalties of \$766/oz
- A break even cost, including capex and royalties of USD1,134/oz
- Total revenues of USD100m and net pre-tax post-royalty cashflows of USD35m based on a USD1,300/oz gold price over the mine life
- Life of mine average head grade of 2.67g/t and recoveries of 88.1%
- The Coffey Mining study will be immediately lodged with potential debt financiers to advance debt negotiations

Luirigold Chairman, Melissa Sturgess, said *"The Coffey Mining feasibility study has verified the internal feasibility studies generated by the Company over the last 12 months. Although the initial Dunrobin development anticipates modest production of 12-17,000 ozs per annum it will satisfy the mining licence development conditions and provide the Company with both the time and cash flow to unlock the full value of its underexplored 277 sq km mining licence holding. We expect this report to accelerate our ability to finalise debt negotiations."*

For further information please contact:

Luirigold

P: +61 8 6313 5155  
F: +61 8 9324 2977  
E: [info@luirigold.com](mailto:info@luirigold.com)  
W: [www.luirigold.com](http://www.luirigold.com)

Media and Investor Inquiries:

Greg Galton  
Cannings Purple  
Tel: +61 8 6314 6300  
[ggalton@canningspurple.com.au](mailto:ggalton@canningspurple.com.au)

## **Coffey Mining – Independent Dunrobin Feasibility Study**

As requested by potential debt funders, the Company recently commissioned Coffey Mining Pty Ltd of Perth to complete an independent Feasibility Study (Coffey FS) of the Dunrobin project. This report has now been issued confirming the Company's internal studies that the Dunrobin project is a technically feasible and economically viable project. The Coffey Mining study utilised a life of mine USD1,300/oz gold price that produces a positive IRR of 18.2% even in this current low gold price environment. The sensitivity analysis shows that this return will increase substantially with gold price improvement.

In adopting a lower gold price than used in Luirigold's internal study the Coffey study has produced (as expected) a lower IRR with a slightly reduced total gold production reflecting a different optimum pit shell. Notwithstanding this reduced IRR the Coffey Mining study has produced a lower cash cost of \$766/oz compared to the Company's internally generated estimate of \$790/oz.

In July 2013 the Company announced a maiden Probable Ore Reserve of 1 million tonnes at 2.7 g/t for 87,000 ozs of gold. The pit shell incorporated into the USD1,300 gold price initial feasibility study has not taken into consideration the remaining JORC compliant Indicated and Inferred Resources already identified at Dunrobin.

## **Luirigold Hill Development Strategy**

Since the Company's mining license was re-instated in October 2011 the Company has executed a clear development strategy for the Luirigold Hill gold projects. A short term development strategy has been driven by the very tight timeframe dictated by the conditions attaching to the mining licence upon its re-instatement.

The Company's strategy remains unchanged with the Phase 1 objective being to develop the Dunrobin open pit and construct the Dunrobin processing plant. Commencing this development will meet the strict licence requirements of Zambian stakeholders. The issue of the Coffey Mining feasibility should allow the Company to complete debt negotiations to move closer to development commencement and as such meet these licence conditions.

However, the development of the Dunrobin open pit and processing plant only represents Phase 1 of the Company's long term plan to exploit the full potential of its tenement holding. This vision is to build up substantially higher annual production levels of gold while developing sustainable operations for at least the next decade.

Phase 2 developments envisaged include the possibility of constructing a moderate scale open pit mine at Matala followed by deeper extraction of ore from underground. In addition, the advanced targets, Chosa and Shadreck, that are in close proximity to Dunrobin will be further investigated for near surface ore that could be easily mined to extend gold production for a number of years. Although no studies have yet been commissioned, an underground mining operation at Dunrobin may be possible to extract additional tonnage from the JORC compliant Indicated and Inferred Resources situated below the current proposed pit shell. All of the above development opportunities could add significantly to both the life of the Dunrobin plant and the annual production levels.

Further exploration of the license area is also warranted as there are many indicators of targets highly prospective for both gold and copper that have not been explored with modern techniques. Targets identified from the aerial survey remain untested while recent follow-up ground-based magnetic surveys have confirmed the existence of Dunrobin-style gossans that can now be easily mapped across the full tenement area. In addition to this, external consulting geologist studies have assisted in improving the understanding of the controls on local gold mineralisation and the appropriate geophysical techniques to use to locate blind deposits at depth. All of these elements are fundamental to the Company's Phase 3 objective of identifying large previously unknown gold deposits to add to its existing resource base. Success in this Phase will also significantly add to future gold production opportunities and an increased production profile.

## About Luir Gold Ltd

Luir Gold Limited is a gold exploration and development company that holds 2 mining licences in Zambia that cover the historic Dunrobin and Matala gold deposits. Coffey Mining Pty Ltd of Perth have estimated the current Multiple Indicator Kriging derived open pit gold resource at the Matala and Dunrobin deposits to be a combined (Measured, Indicated plus Inferred) resource of 10.53 million tonnes at 2.2 g/t Au, for 761,000 ounces of gold reported at a cut-off of 1.0 g/t. Refer to the table below.

Luir Hill Gold Project Summarized Resource Estimate Reported at 1 g/t Gold Cut-Off				
Matala Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	3,204	2.7	278
Inferred	1.0	4,525	2.0	290
Dunrobin Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	1,063	2.0	69
Inferred	1.0	763	1.8	43
Matala and Dunrobin Deposits Combined				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Measured	1.0	978	2.6	81
Indicated	1.0	4,267	2.5	347
Inferred	1.0	5,288	2.0	332

### Competent Persons

*The information in this report that relates to both the Dunrobin and Matala Mineral Resources is based on information compiled or supervised by Mr Ingvar Kirchner who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Kirchner is employed by Coffey Mining and has reviewed this report and consents to the inclusion, form and context of the relevant information herein as derived from the original resource reports. Mr Kirchner has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

*The reported Ore Reserves have been compiled by Mr Harry Warriess. Mr Warriess is a Fellow of the Australasian Institute of Mining and Metallurgy and an employee of Coffey Mining Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2004 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. Mr Warriess gives Luir Gold Limited consent to the inclusion, form and context of this reserve estimate in this report.*

*The technical exploration and mining information contained in this report has been reviewed and approved by Mr C White B Sc (Hons) in Applied Geology, General Manager for Luir Gold Limited. Mr White has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the*

*'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr White is an Employee of Luri Gold Limited and is a Member of the Institute of Materials, Minerals and Mining. Mr White consents to the inclusion in this report of such information in the form and context in which it appears.*