



MACPHERSONS

ASX Announcement

05 February 2013

Green Light for Silver Superpit at Nimbus

ASX Code: MRP

MacPhersons Resources Ltd

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Capital Structure

Ordinary Shares on issue:
249 M

Options on issue:
22 M
Exercise Price \$0.30
Expiry 31 December 2013

Board of Directors

Ashok Parekh
Chairman – Executive Director

Morrie Goodz
Managing Director – Executive Director

Jeff Williams
Non-Executive Director

Highlights:

- **Nimbus Resource Upgrade of 46% confirms original two open pits at Nimbus will be merged into a single Silver Superpit;**
- **First pit will deliver 8.6Moz silver-equivalent* (6.6Moz silver plus 2.0Moz Ag-Eq from gold-zinc credits);**
- **First pit proposed to mine 1.5 million tonnes @ 179g/t silver-eq* (137g/t silver plus gold-zinc credits);**
- **First pit to have design depth of approximately 205m;**
- **New gold zone and oxide silver in Lens 4 to be mined in Year 1; and**
- **Documents released to mining contractors for tender submissions.**

The Directors of **MacPhersons Resources Limited (ASX:MRP)** are pleased to announce pit optimisation studies have advanced adequately to release mining contracting tender documentation at its 100 per cent owned Nimbus Silver-Zinc-Gold Project located 10km east of Kalgoorlie's Super Pit gold mine.

The pit optimisation studies on the recently announced 46% upgrade in the JORC classified Mineral Resource to **4.4Mt @129g/t Ag-Eq* for 18.3Moz**, have now confirmed the original two open pits at Nimbus can be merged into a single Silver Superpit.

Various optimisation scenarios are still being modelled, however **all of the options have the new proposed operation being a single superpit** of approximately 900m length by 500m width and 205m depth.

Measured and Indicated resources continue along strike and beneath the pits and are anticipated to support further extensions to the Silver Superpit in future mine planning scenarios.

This is a significant milestone for the Company and still the Nimbus project has more exploration upside with **mineralisation open along strike and at depth**.

The pit cutback in Year 1 will have four shallow pits to focus on the oxide ore and the new gold zone and Lens 4, and then in Year 2 will commence the merging of the pits as the primary ore is developed.

The Company is pleased to announce the mining schedule and movement documentation has been completed this week to be **released to mining contractors for tender submissions**.

MacPhersons Resources Managing Director Morrie Goodz commented:

"The pit optimisation studies all support a single superpit model, which is what we predicted when the new mineralisation zone at Lens 3 was intersected," Mr Goodz said.

"The drilling results, resource upgrade, and new pit model support the Directors decision to approve the plant expansion and the new Merrill-Crowe plant scheduled for delivery in October 2013."

Independent Resource Consultants, CSA Global, prepared the pit optimisation studies after their release of the resource upgrade detailed in the ASX release dated 15th January 2013.

Note* refers to silver-equivalent (Ag-Eq); the full calculations are detailed in the same ASX release dated 15th January 2013.

Figure 1 – shows the site location 10km east of Kalgoorlie's superpit.

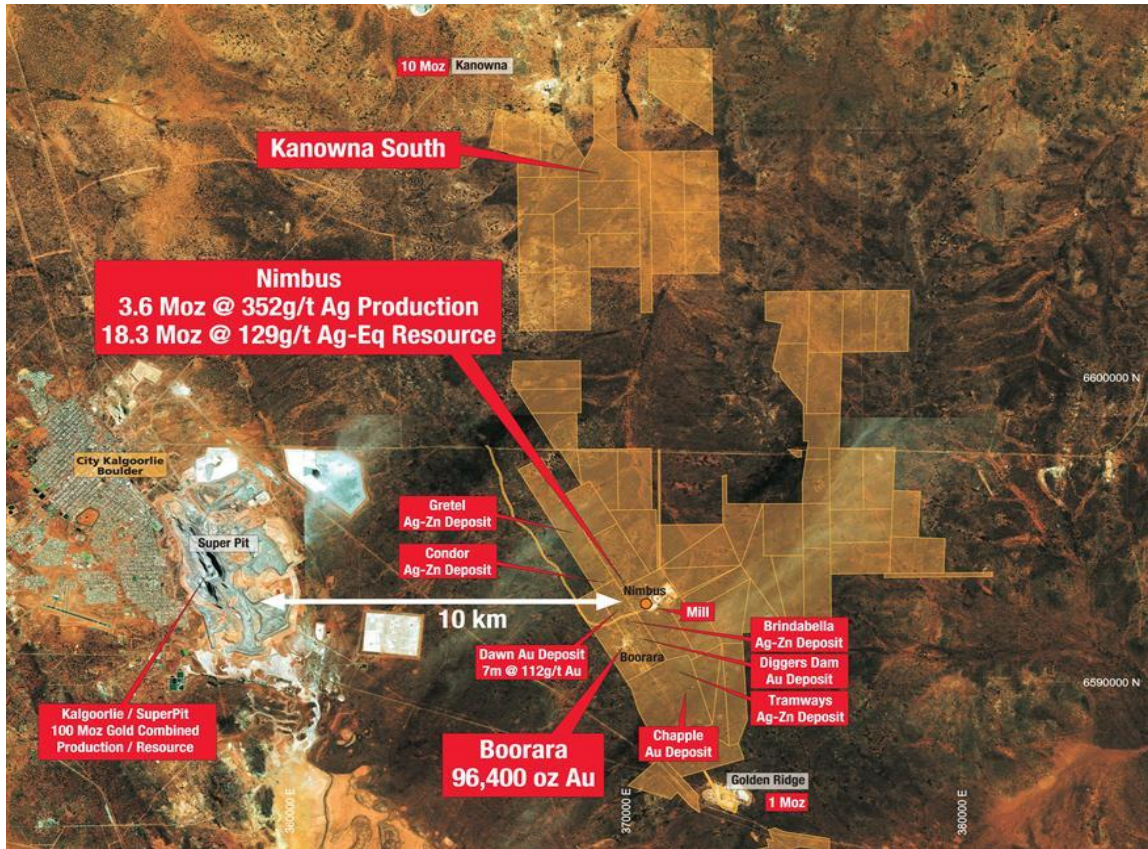


Figure 2 – Close-up of Nimbus Mill site showing the existing Discovery and East Pits and proposed optimised pit shell 59 (blue).

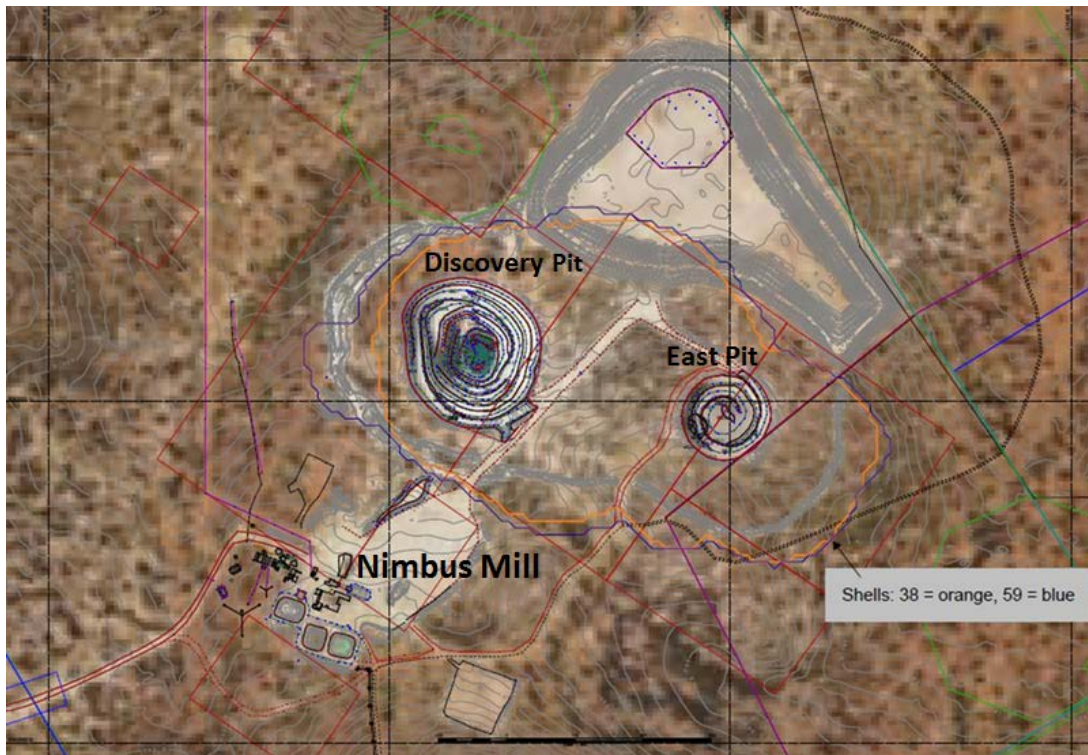


Figure 3 – Longsection view of insitu mineralisation blocks showing the existing Discovery and East Pits, and the open end nature of the multiple oxide silver and massive sulphide lenses.

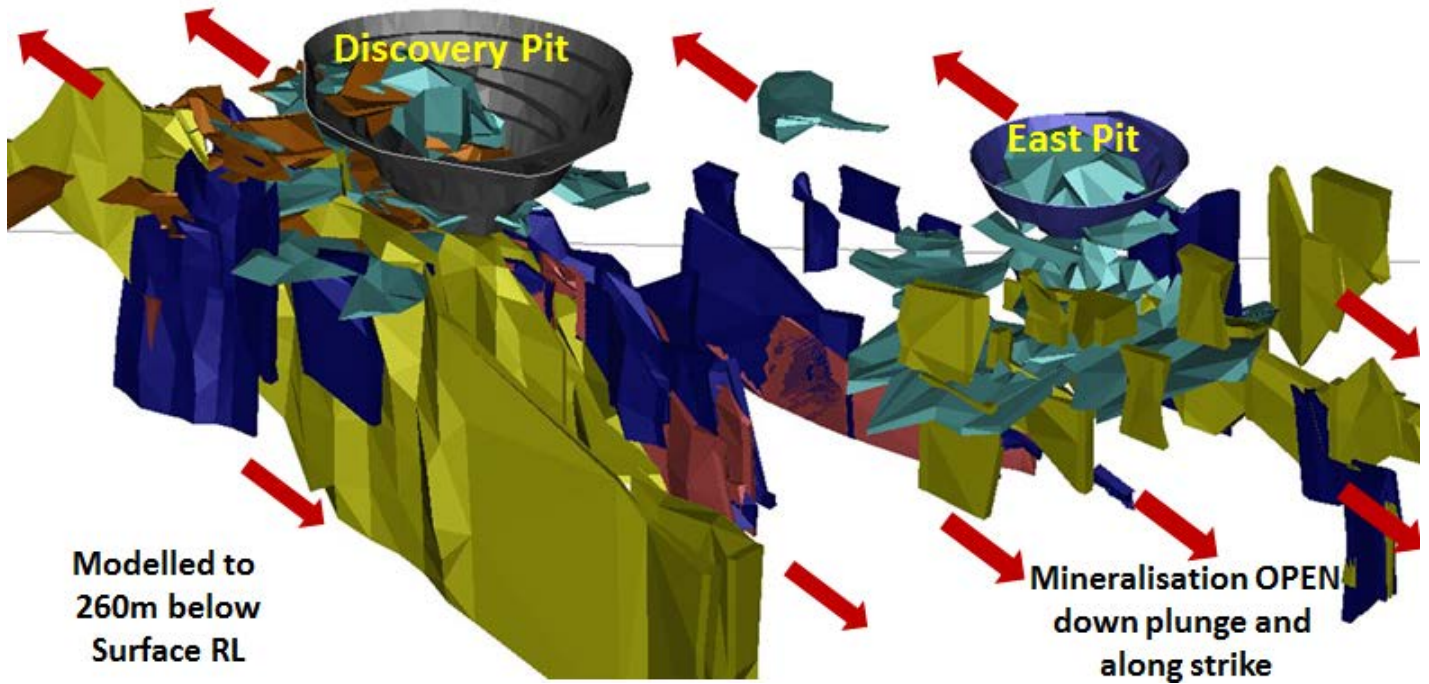


Figure 4 – Longsection view of insitu mineralisation blocks showing the new proposed Silver Superpit and the existing Discovery and East Pits. The key point illustrated is that the edge of the proposed superpit boundary is limited by existing drilling and remains open to expansion in further modelling.

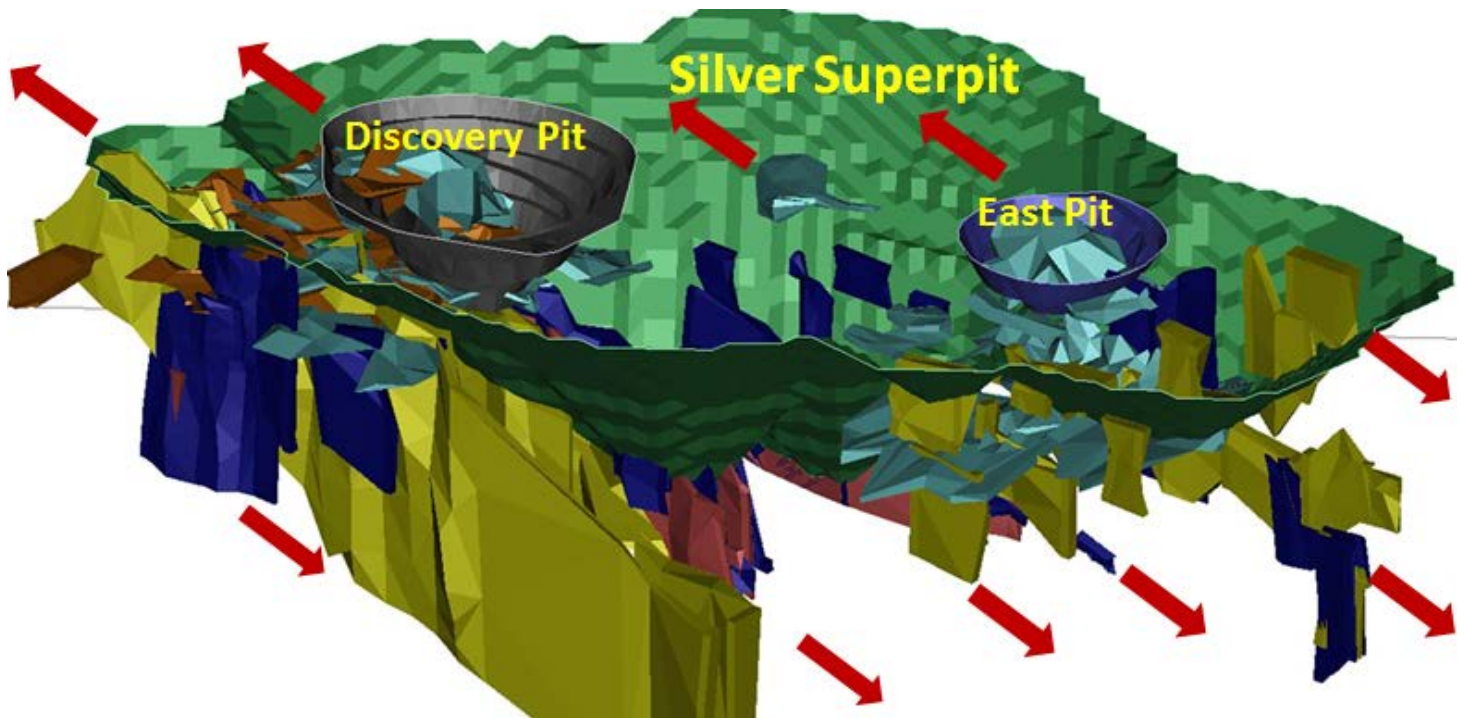
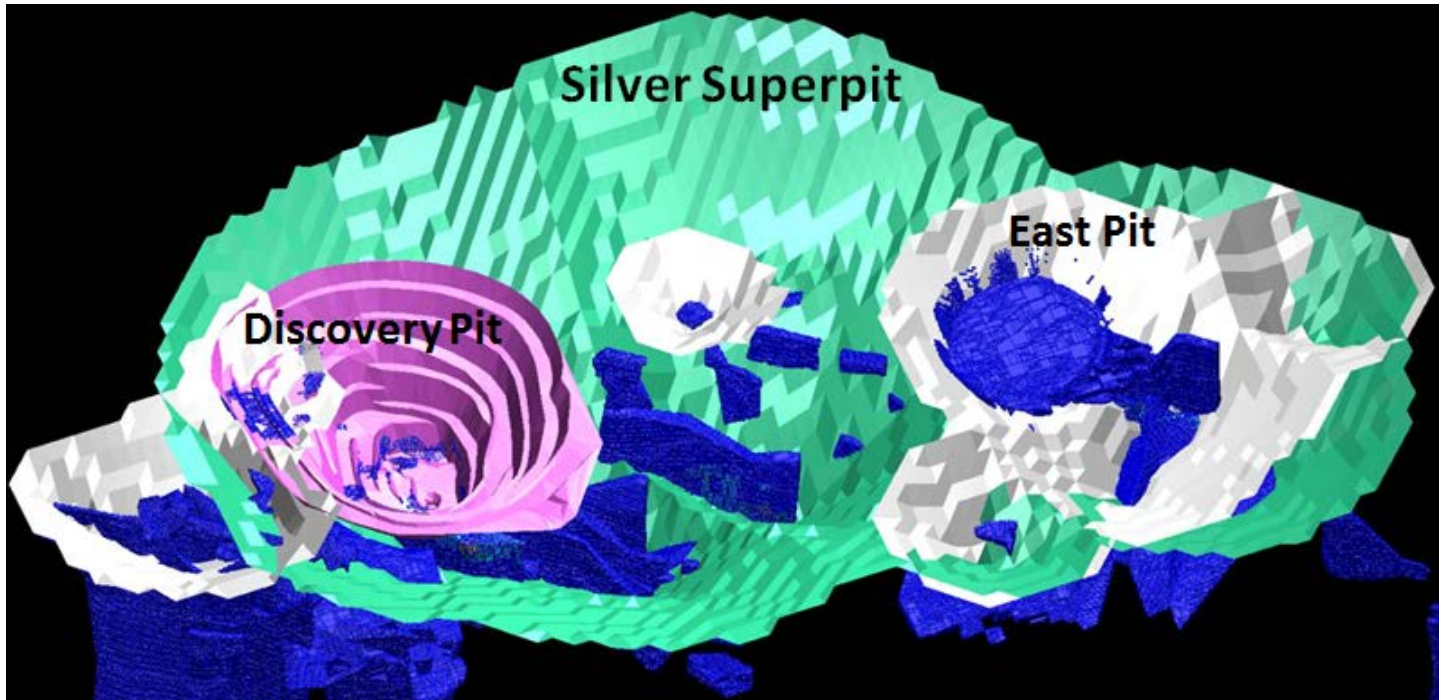


Figure 5 – Year 1 Oxide Silver Pits shown in white outline over longsection view of insitu mineralisation blocks (blue) showing the new proposed Silver Superpit and the existing Discovery and East Pits. The key point illustrated is that the focus of the cutbacks in Year 1 would be to mine the oxide silver mineralisation to process through the Merrill-Crowe plant after commissioning in FH 2014.



Primary sulphide mineralisation will transition into the operations in Year 2 with the introduction of a sulphide flotation circuit.

Documentation with bench by bench mining schedules has been prepared for mining contractors to prepare tenders for the mining operations. The review by mining contractors will commence this month with tender submissions closing next month.



Historical Overview

Nimbus silver mine operated from 2003 to 2007, producing 3.6 million ounces of silver at an average grade of 352g/t silver (11.7 oz/t).

- Nimbus Statistics (2007):
 - ❖ Tonnes Processed: 318,992 tonnes
 - ❖ Average Grade: 352g/t silver
 - ❖ Production: 3.616 Million ounces of silver
 - ❖ Operating Cost: \$ 6.54 / ounce
 - ❖ Average Price: \$ 9.07 / ounce
 - ❖ Current Price: \$ 32 - \$ 37 / ounce silver (30 day range)
- Nimbus had various additional silver and polymetallic deposits in the advanced stages of exploration.

A review of the historical project economics has shown that the cost curve from 2007 has remained relatively flat, whilst the silver sale price is 400% of that obtained by the operations.

To maintain lower costs, in 2011, MacPhersons completed the construction of a 5.5km HV electricity line to connect the Nimbus mill to the state electricity grid, which would reduce 2007 costs where power was from diesel generation.

In late 2011, MacPhersons commenced a diamond drilling program to test a multi-million ounce exploration target associated with up to nine VHMS massive sulphide lenses. Targets include various silver, silver-gold, silver-zinc-gold-lead deposits and the Boorara Shear Zone which includes several gold deposits at Boorara and Nimbus.

The Directors have included the following extracts as an overview of the current project status. Recent diamond drilling has defined additional thickness and continuity of the silver (Ag) bearing VHMS zones, and the extension of mineralisation between the Discovery and East Pits. This mineralisation is associated with large haloes of disseminated sulphides carrying in excess of 12g/t Ag as background.

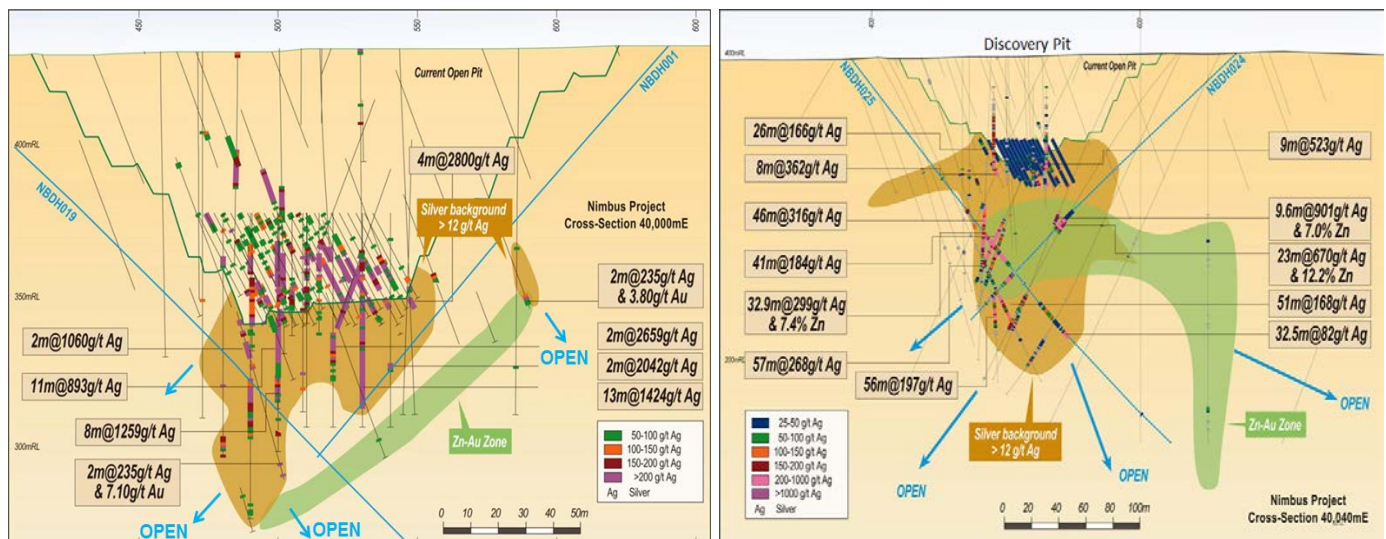


Figure 6 – Greater than 1000 g/m silver equivalent intersections within massive sulphides showing greater than 12g/t silver halo.

There are several zones of high grade polymetallic mineralisation which have been reported in detail in recent ASX reports (see MacPhersons website: <http://www.mrpresources.com.au/>). A summary of the results from drillhole NBDH024 massive sulphide zone which intersected a downhole thickness of 17.4m are:

- 860g/t silver (27.6 ounces/tonne);
- 16.6% zinc
- 3.5% lead
- 0.3g/t gold

This included a central 7m portion (see Photo (Figure 3) below) with an average assay of:

- 1660g/t silver (53.4 ounces/tonne);
- 31.1% zinc
- 6.9% lead
- Individual metre thick samples assay up to 3270g/t silver and 41.1% zinc (see Table 2).
- This VHMS mineralisation is intersected from 20m to 70m below the existing Discovery Pit floor.

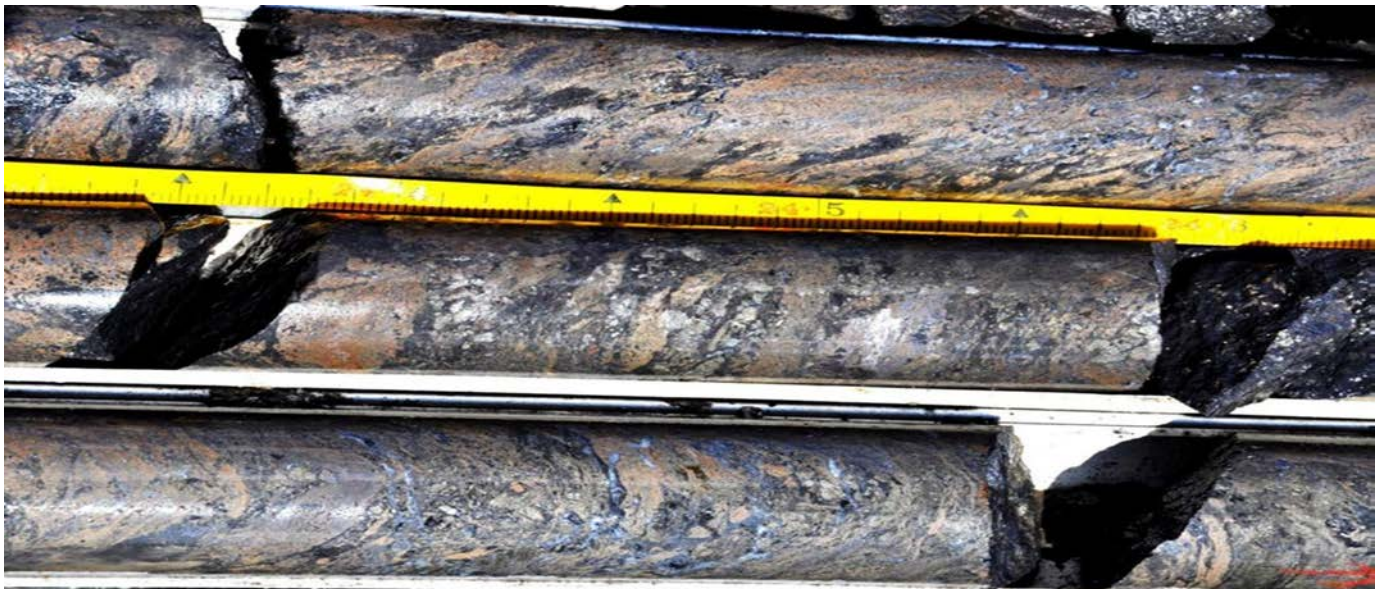


Figure 7 – Greater than 2000g/t silver intersections within massive sulphides grading in excess of 40% zinc and 14% lead (portion of NBDH024 intersection between 160-165m depth).



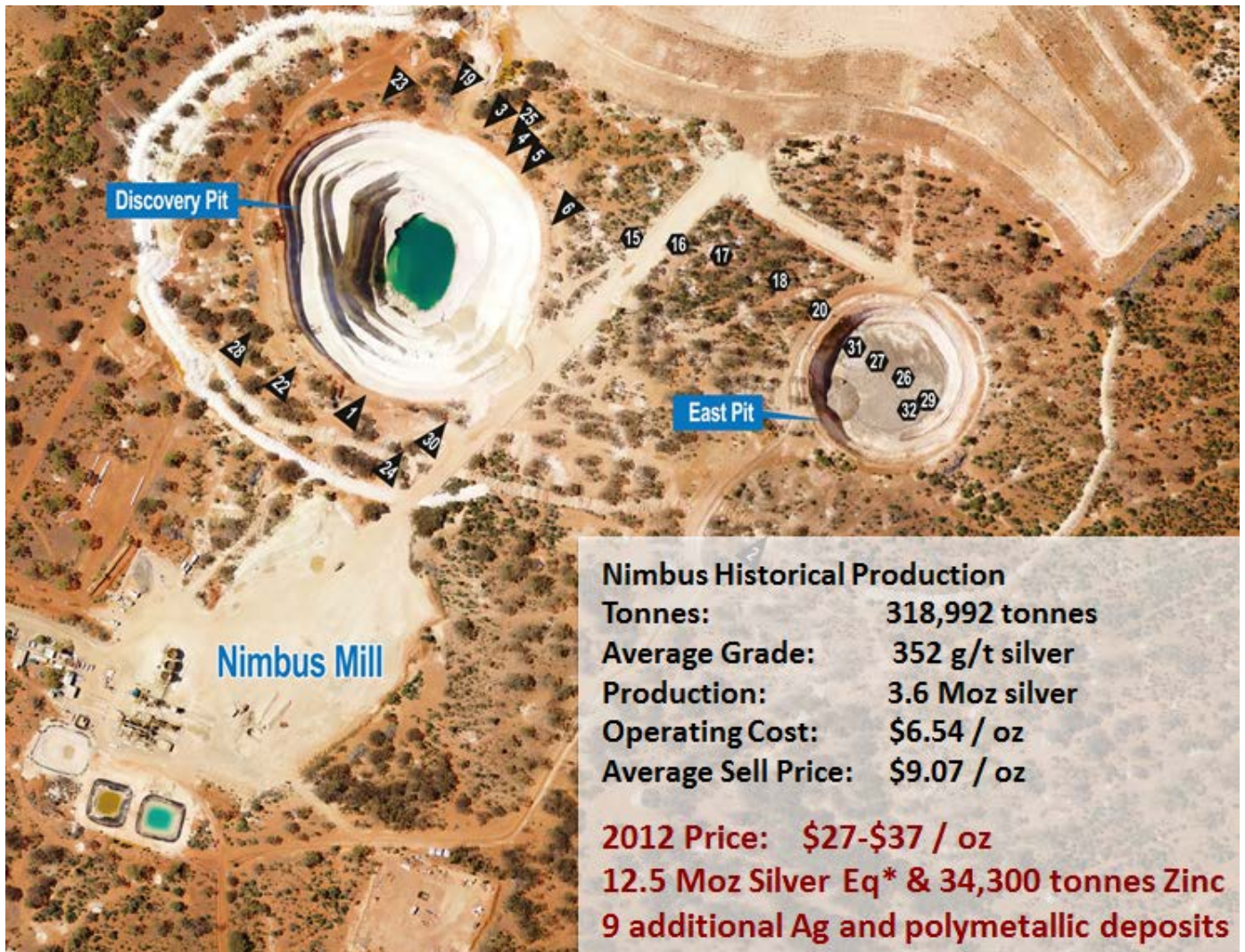


Figure 8 – View of Nimbus Silver Mine, current mill processing site and East Pit TSF showing recent diamond drillhole collars.

For more information on MacPhersons Resources Limited and to subscribe for regular updates, please visit our website at: www.mrpresources.com.au or contact our Kalgoorlie office.

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 Managing Director
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About MacPhersons

MacPhersons Resources Ltd (MRP) is a Western Australian resource company with a number of advanced gold, silver and zinc exploration projects.

The Company's focus is to explore and extend the highly prospective Boorara and MacPhersons geological domains of which the Company holds 100% interest in 20km and 11km of strikelength, respectively, including the Nimbus silver-gold-zinc mine and the namesake MacPhersons open cut gold mine.

To fast track the opportunity to process MacPhersons' ore within the MRP business, the Company has acquired mill processing and mine assets at the Nimbus silver-gold-zinc mine, located 10 km east of Kalgoorlie's superpit. The assets come with an approved site for ore processing.

The assets have advanced exploration targets adjacent to and beneath 10 existing open cuts and with multiple polymetallic VHMS deposits carrying silver-gold- zinc-lead-copper mineralisation, and new greenfields discoveries.

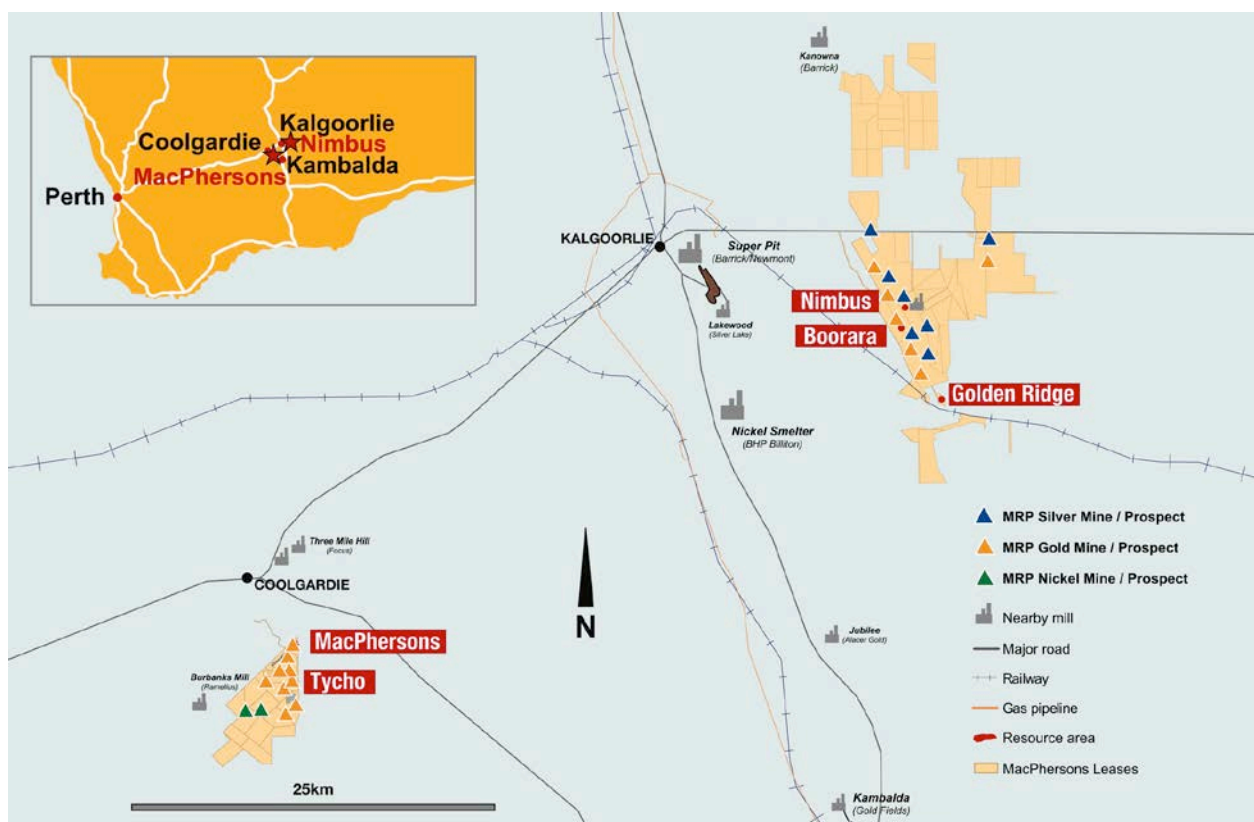


Figure 9 – Location of the Nimbus processing facility and silver mines, Boorara gold-silver-zinc projects, the MacPhersons Reward gold mine and Tycho gold project at Coolgardie.

Competent Person's Statement

The information in this report that relates to mineral resources and exploration results is based on information compiled by Mr Morrie Goodz who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Morrie Goodz is a full time officer of MacPhersons Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Goodz has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.