
NEWS

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NEW WATER CONCEPT PLAN FOR BIRD-IN-HAND GOLD MINE IN ADELAIDE HILLS

Options for the beneficial community use of water released from any de-watering of the Bird in Hand gold mine in the Adelaide Hills are outlined in a draft water management plan released today by proponents of the project.

South Australian minerals explorer, Maximus Resources Ltd (ASX: MXR), said sustainable management of water impacts from any such development could include water being made free of charge to local users affected by the project, with the remainder of the water feeding into the Mt Bold Reservoir.

But Maximus has emphasised that its discussions with SA Water and other authorities are at a very early stage and a great deal of work is required to define the quality and quantity of water which could be released; and other key factors such as the impact on the aquifer.

“Any future mining development at Bird-in-Hand can only proceed if approved by the South Australian Government’s Primary Industries Resources SA (PIRSA),” Maximus’ Managing Director, Dr Kevin Wills, said today.

“If that eventuates, the mine site will need to be dewatered and a significant quantity of water is likely to be released,” Dr Wills said.

“A reliable estimate of just how much water could be involved, and any potential drawdown area around such a mine, cannot be estimated until a pumping test is carried out,” he said.

“We hope to be in a position by the winter of 2008 to carry out such a test over several weeks and over one or more bore hole locations.

“Until such tests are completed, we can expect from historic data and current bore hole location and usage that any volumes produced in a dewatering exercise will be far in excess of total irrigation needs locally.”

Dr Wills said topping up local farmers' water needs and feeding into the Mt Bold reservoir would reduce farm irrigation costs and cause no material damage to the mine site's neighbours.

"In fact, at the end of mining, groundwater areas in the Adelaide Hills can, from our current knowledge, be expected to return to normal levels," he said.

The potential for top-up and public water contributions follows 12 months of work by Maximus to research and develop an initial conceptual water plan for Bird-in-Hand's potential mining scenario.

The Company now proposes to enhance the concept plan with the appointment of two independent groundwater specialists to undertake detailed hydrological studies of the mine site.

Dewatering of the area has taken place five times since 1880 with the site's water levels returning to normal once pumping has ceased.

"Our current research also indicates that the number of properties likely to be impacted by any dewatering may not be significant."

Dr Wills said outcomes from the proposed pumping test in the winter of 2008 would be provided to all relevant SA Government authorities when available.

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