



Troubled Wiluna gold returns to Gutnick

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MINING

MINING entrepreneur Joe Gutnick has been reunited with the Wiluna gold mine in central Western Australia more than a decade after it formed part of his Great Central Gold Mines empire.

The Mr Gutnick-chaired Blackham Resources yesterday announced a deal to acquire the mine for \$2 million up front and \$2.6m in deferred production payments.

The sale will make Blackham the eighth different owner of the Wiluna mine in just over 15 years. Previous owner Apex Minerals collapsed into administration last June.

Blackham had previously been touted as a potential merger partner with Apex, given the proximity of Wiluna to Blackham's own undeveloped Matilda gold deposit.

Blackham said the Matilda and Wiluna projects would have a combined resource base of 4.3 million ounces of gold, with the infrastructure at Wiluna — such as the processing plant, airstrip, camp and power station — set to speed up the development of the Matilda project.



Joe Gutnick

“The acquisition of the plant saves Blackham millions of dollars in development costs for the Matilda gold project and will slash years off our development timetable, both of which should be a significant win to Blackham's shareholder returns going forward,” Mr Gutnick said in a statement.

The purchase of the mine will be funded out of a \$13m facility Blackham holds with Mr Gutnick's Great Central Gold.

One fund manager who did not want to be named said the history of ownership changes at Wiluna meant the mine was not for the faint-hearted.

“If a project is getting shut down and restarted time and time again, there's generally a good reason for it,” he said.

Shares in Blackham soared 44.1 per cent on the news, closing at 24.5c per share.