



Blackham picks up Apex assets

Nick Evans

Blackham Resources boss Bryan Dixon says there is no chance the company will seek to restart underground mining at Apex Minerals' Wiluna project in the near term, saying the bargain-basement buy of Apex's failed assets is purely about the mill, mine camp and associated infrastructure.

Blackham shares closed up 7.5¢, or 44 per cent, to 24.5¢ after the company said it would pay \$2 million up-front for the Apex mill, 350-person accommodation camp and the tenements, which include Apex's former underground mines. It will pay a further \$2.6 million in cash or shares to Apex receivers if 100,000 ounces of gold are produced from the Wiluna tenements.

The Joe Gutnick-backed explorer has long been seen as the logical buyer of the assets, building up significant gold resources around the Apex tenements and making no secret of its need for a cheap infrastructure solution to bring them into production.

Apex collapsed in June after losing a long-running battle to make Wiluna pay. Despite raising more than \$300 million in the five

years leading up to its collapse, Apex was dogged by persistent operational problems and disappointing mine grades, which combined to make it difficult to keep the mill fed.

Mr Dixon said Blackham had no near-term interest in the underground mines, which produce primarily refractory ore, which is more difficult to process than the "free milling" or oxide ores Blackham is chasing at its nearby Matilda, Galaxy and Williamson deposits.

Blackham is likely to spend at least the next year building up its mineable reserves to the half-million ounce mark, according to Mr Dixon, before looking towards feasibility studies aimed at returning the Wiluna mill to production.

Mr Dixon said Blackham's major focus was on the front half of the mill, which would eventually be used to process ore from Blackham's existing projects. The refractory circuit would stay mothballed unless a business case could be made for its use as a toll-treatment plant for gold concentrate produced elsewhere.