



Wiluna purchase may fast-track explorer's path to production

REUBEN ADAMS

ACQUISITION of the Wiluna gold project in WA could considerably fast-track Blackham Resources' transition from explorer to producer.

The purchase from failed miner Apex Minerals, which went into administration mid-2013, would complement Blackham's nearby 1.4 million ounce Matilda gold project, and expand its footprint to about 780 square kilometres and 55km of strike along the Wiluna and Coles Find mine sequences.

Blackham chairman Joseph Gutnick said the established Wiluna plant and infrastructure would save the company millions of dollars in development costs and slash years off its development timetable.

All Matilda deposits are within 26km of the Wiluna plant via existing haul roads. Blackham's access to the plant would considerably reduce the cost of developing the free milling open pit Matilda deposits.

Blackham intended to refurbish then recommission the plant – which was operational until June last year – using both ball mills for its free-milling ore.

Mining studies and metallurgical testwork on the Matilda mine have suggested the plant could achieve 1.5 million tonnes per annum grading 2 grams per tonne for 88,500oz of gold.

The transaction would include a \$200,000 deposit plus \$1.8 million on completion; \$1.3 million in cash or Blackham shares on production of 50,000oz from the Wiluna tenements; and \$1.3 million in cash or shares on production of 100,000oz from the Wiluna tenements.

Completion of the sale, which is still subject to a number of conditions, is scheduled for 18 February, although this timeframe may be extended to 7 March at Blackham's option pending

the satisfaction of its financing requirements.

"It is not often you get an opportunity like this to buy a plant and related infrastructure in the middle of your existing gold project," Blackham managing director Bryan Dixon said.

"This significantly reduces the risk of re-commissioning the Matilda gold project.

"The Wiluna mine has historically produced 4moz over 100 years within an area of only 4sqkm.

"We believe it is time to step further out looking for new ore bodies in our 780sqkm holdings and within trucking distance to the plant.

"The Blackham exploration team have identified numerous exploration targets it is keen to progress.

"The acquisition of the plant means our future exploration successes will also have substantially more chance of being monetised for the benefit of shareholders," he said.



The established plant and infrastructure at Wiluna could significantly reduce the risk of re-commissioning the Matilda gold project for Blackham Resources