



# Plant to stay closed for year as owners build up reserves

## Jarrod Lucas

The new owners of the Wiluna gold plant will not restart the mill for at least a year until it has built up gold reserves at the nearby Matilda project.

The Joe Gutnick-chaired Blackham Resources acquired the mill this year from the collapsed Apex Minerals for \$2 million upfront and \$2.6m in deferred payments.

Blackham managing director Bryan Dixon told Paydirt's Australian Gold Conference the plant would unlock the value at Matilda, positioning the company as a near-term gold producer.

Mr Dixon said there had been little systematic exploration in the area for more than a decade.

"Our focus is to mount an aggressive exploration campaign to secure new oxide and free milling shallow underground ore bodies to maximise the economics of the Wiluna plant acquisition when we re-commission it," he said.

"While Wiluna has very strong historic production credentials, something in the order of four million ounces of gold, we believe the gold resource within this Wiluna-Matilda footprint is equal to that, so we are well positioned to work towards new discoveries in parallel with optimising the economic development of the known resources through the existing plant."

The combined resources for Matilda and Wiluna total 4.3 million ounces, offering a mix of open pit and high-grade underground ore.

Mr Dixon said any decision to mine would be subject to a rigorous feasibility study.

The company's drill targets and known deposits are within 26km of the plant, which will be used as a crush, grind, gravity and carbon-in-leach gold operation, he said.

The production target of up to 1.5 million tonnes of treated oxides per annum should return between 80,000 and 100,000 ounces.



**Bryan Dixon**