

Monday, 29 June 2015

PLANT COMMISSIONING

OPERATOR TRAINING

PLANT OPTIMISATION

COPPER SX/EW

ppmglobal.com.au

Blackham aims for next Wiluna chapter

Monday, 29 June 2015

Jack McGinn

BLACKHAM Resources will add another chapter to the significant life of the Wiluna gold region in Western Australia next year when it turns from explorer to producer at the Matilda project.

The company has been working on exploring and defining resources in the region since it acquired Matilda in 2011, but it was the acquisition last year of the Wiluna gold mine and infrastructure from Apex Minerals that truly changed the game for Matilda.

In acquiring the Wiluna mine, Blackham took on not only a historic project with 4 million ounces of production behind it, but a plant within 20km of all the Matilda project deposits capable of processing 1.5 million tonnes of ore per annum.

It was an acquisition that consolidated the entire Wiluna gold belt for Blackham, and it is not surprising the excitement and anticipation around the project has since progressed at a rate of knots.

The Matilda resource, including those at Wiluna, comprises 12.5 million tonnes at 1.8 grams per tonne gold for 713,000 ounces – 424,000oz of which is in the measured and indicated categories.

Just last month, Blackham secured a \$A38.5 million funding package with Orion Mine Finance that will fund Matilda through to production.

Blackham managing director Bryan Dixon told *MiningNewsPremium* the transition to production would change the game for the company.

"It would be a massive transformation to move into production," he said.

"Right now we've got about 13 employees and that will grow to about 170 employees, with about half of those as contractors.

"Ultimately, we'll be producing cash flow and paying dividends for our shareholders that have supported the company over a long period of time.

"It's going to be a massive time over the next six to 12 months and we're really excited about moving it forward."

The funding catalyst

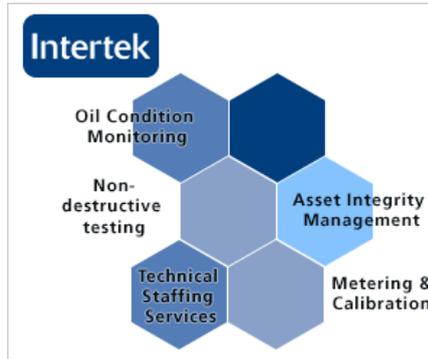
The most recent driver in the development of Matilda has been the funding facility with Orion, which Dixon said would be the catalyst driving Blackham's rapid transformation.

"So far we've received \$8.5 million as a mixture of debt and equity which will get us through to finishing our definitive feasibility study by December," he said.

"There's a further \$30 million to come into play for the plant refurbishment and the mining development which will get us into production."

Under the funding package, Orion has taken control of 12.5% of Blackham's shares through an initial \$2.5 million placement and appointed Orion nominee Peter Rozenauers to its board.

"[Peter] has a mining engineering qualification and has



STORY IMAGE SLIDESHOW

RELATED STORIES

Blackham progresses Matilda financing

16 June 2015



BLACKHAM Resources has placed \$A2.5 million worth of shares and issued a \$6 million drawdown notice to Orion Mine Finance to develop the Matilda gold project in Western Australia. - [more](#)

Blackham boosts Matilda gold

10 June 2015



BLACKHAM Resources has posted a significant upgrade to resources at its Matilda gold mine in Western Australia, upping measured and indicated material 40% to 424,000 ounces. - [more](#)

Blackham funded to production

19 May 2015



GOLD developer Blackham Resources has secured a \$A38.5 million funding package to get its Matilda project into production in the next 12 months. - [more](#)

Landmark deal sees production in sight

8 April 2014



AFTER a peer-beating 2013, Blackham Resources has opened 2014 with a game-changing deal that ensures low-cost, fast-tracked production at its prized Western Australian gold projects. **By Anthony Barich - RESOURCESTOCKS*** - [more](#)

Blackham grows Matilda

20 November 2014

User Logoff

>SUBSCRIPTIONS

Welcome **Kristie**

- ▶ [Update Details](#)
- ▶ [Pay an invoice](#)

Renewal Due: 10-Jun-2016

Search Companies

Company Search

Company Name	<input type="text"/>
Industry	<input type="text"/>
Keyword/Description	<input type="text"/>
<input type="button" value="Search"/>	

Process Engineers

Search this site

Type Text Here	<input type="text"/>
Section	<input type="text"/>
Commodity	<input type="text"/>
Region	<input type="text"/>
Feature	<input type="text"/>
<input type="button" value="Search"/>	

▶ [Advanced Search](#)

Process Engineers

Site search sponsor

RESOURCESTOCKS

FREE DIGITAL EDITIONS NOW AVAILABLE ON DESKTOP & IPAD!



Innovative • Productive • Safe

10

Discover Award Winning RC

Industry Leading Air Power
Safe, Automatic Rod Handling
Ergonomically Designed

www.swickmining.com

worked in banking and private equity extensively, so he'll bring some good experience to our board," Dixon said.

Orion also received 33.3 million non-listed options with an exercise price of 18c each and an expiry of December 31 2017 after providing the initial \$6 million loan facility.

The finance group will provide the final \$30 million project loan subject to the completion of the definitive feasibility study.

State of opportunity

While many mining projects are driven by the potential of the unknown, part of the opportunity for Blackham at Matilda is the familiarity the project's location and history has provided.

The project lies in a mining-friendly jurisdiction and an area with a strong history of gold production.

Dixon said this, in combination with the obvious advantage of proximate infrastructure, worked in the company's favour.

"Previously I've worked on other projects in other jurisdictions, but it's always good to work in your own backyard where you know the systems and regulations," he said.

"It's significantly easier and more cost-effective during the exploration phase to be operating in your own backyard, particularly in WA where we've got a really good mining act.

"It obviously comes with low sovereign risk, but having that knowledge of how WA industry and the mining act regulations work is a tremendous advantage."

Matilda leads the way

While Blackham holds a share in other projects in WA, including the Zanthus nickel project in the Fraser Range being drilled by Rumble Resources, Dixon said Matilda was the cornerstone for the company at the moment.

"The Matilda gold project is very much our focus, and that's why we've looked at joint-venturing out of our non-core assets," Dixon said.

"Getting Matilda into production as quick as we can to produce cash flow for our shareholders is our goal, and we're currently putting a lot of effort into that."

Dixon said the project had few peers in terms of size and potential.

"There are not too many gold projects of this size sitting in development at the moment," he said.

"Matilda has produced 4 million ounces and has another 4.7Moz worth of resources.

"This is a project that's capable of producing over 100,000oz of gold a year.

"There aren't too many other developers who are fully funded to get into production in the near-term so we think we've got a fantastic opportunity here."

Share this story:



[Click here to read the rest of today's news stories.](#)

 [Email to a Friend](#)  [Print This Page](#)



BLACKHAM Resources has increased resources and improved confidence at its Matilda gold project in Western Australia as testwork suggests the potential for high recovery rates. - [more](#)

RELATED COMPANIES

- [BLACKHAM RESOURCES LIMITED \[BLK\]](#)

PYBAR
MINING SERVICES



**DELIVERING
UNDERGROUND
MINING
SERVICES
EFFICIENTLY
AND SAFELY.**



**WITH AN
INNOVATIVE
CYCLE TIME
DATA CAPTURE
APPLICATION**



HAULSMART



Available on the
App Store

Industry News

