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Blackham draws down funds to advance Matilda

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PERTH (miningweekly.com) – ASX-listed [Blackham Resources](#) on Monday announced that it had agreed to an early drawdown of A\$7-million on an existing A\$30-million debt facility with Orion Mine Finance to fast-track its [Matilda gold project](#) into production.

A prefeasibility study earlier this year revealed that the [project](#), in [Western Australia](#), would require a capital investment of A\$28-million to deliver 98 000 oz/y over a mine life of nearly five years, at a life-of-mine C1 cash cost of A\$920/oz.

The [project](#) was expected to generate gross revenue of A\$720-million, based on a [gold price](#) of A\$1 550/oz, a net present value before tax of A\$124-million and an internal rate of return of 105%.

The early drawdown of funds would be used to order long-lead items, to fund the initial plant and [infrastructure](#) refurbishments, to conduct additional [drilling](#) to extend the reserve and mine-life inventory and to complete the definitive feasibility study (DFS) by January.

"Blackham is pleased to have agreed with Orion the early drawdown of funds under the debt facility. A lot of the DFS work programmes have been completed. The early drawdown of these funds allows the Blackham team to look beyond the studies and begin the first stages of the development work," Blackham MD [Bryan Dixon](#) said.

"Starting the refurbishment of the plant and [infrastructure](#) will allow a more orderly progression into [gold production](#) planned for the middle of next year," he added. 🇳🇿