



MINE TALK

Eureka a local hero for TNT

JASON MENZELL

The coronavirus pandemic and a strong gold price has prompted a Perth-headquartered explorer to shift its focus closer to home where it has snapped up an historic gold project near Kalgoorlie-Boulder.

TNT Mines last week revealed it had struck a \$3.8 million scrip deal to acquire a private company spearheaded by former Spectrum Metals executives Alex Hewlett and James Croser.

Warriedar Mining would be absorbed into TNT and Mr Hewlett would join the TNT board as chairman, with Mr Croser appointed

non-executive director. TNT would also take ownership of the Eureka gold project, 50km north of Kalgoorlie-Boulder, and the Warriedar gold project in the Murchison region.

Both Eureka and Warriedar have a history of gold production and are close to established infrastructure and operating gold mills.

Boasting a mineral resource of 762,000 tonnes at 1.8 grams per tonne for 43,100 ounces of gold, Eureka will be TNT's initial exploration focus.

TNT executive director Brett Mitchell yesterday told the Kalgoorlie Miner the explorer had

been on the lookout for a flagship operation in WA for about a year and Warriedar had ticked all the boxes.

With a flagship tungsten project in Tasmania, TNT hit the boards of the ASX at the end of 2017.

But when initial work "didn't come up as strongly" as it hoped, the explorer shifted its focus to the US, where it snapped up the Pelley Ridge zinc project in Montana in 2018 and then the East Canyon uranium-vanadium project in Utah earlier this year.

But Mr Mitchell said the company had still not nailed down a "lead project" until it came across War-

riedar. "Pelley Ridge and East Canyon were both early stage exploration projects and were nice projects," he said.

"We acquired them cheaply and they were strategic acquisitions in the portfolio but they weren't the core project that was going to become the company's main focus.

"That's where recently the opportunity came up to talk to and subsequently undertake a deal with Warriedar Mining, which we believe has delivered the core projects . . . and exploration teams in the WA gold sector that can deliver that . . . company-making project for TNT shareholders."

TNT plans to hit the ground running when it finalises the deal at its AGM at the end of November, with a drill rig poised to start sinking holes at Eureka from December.

Mr Mitchell said the program would be guided by the ex-Spectrum executives and Matthew Boyes, who would transition from Warriedar chief executive to TNT chief executive.

Spectrum Metals was snapped up in a \$200 million cash and scrip takeover by Ramelius Resources earlier this year, handing the mid-tier goldminer the prized Penny West deposit near Sandstone.

Dacian Gold on road to redemption

JASON MENZELL

Dacian Gold's long road to redemption is showing a flicker of promise, with the company's top brass believing the embattled goldminer has "turned a corner".

But Dacian boss Leigh Junk has conceded it is still early days and has warned "turnarounds don't happen overnight".

Dacian's quarterly report, unveiled yesterday, held few surprises.

The fledgling miner's bid to claw its way back into the market's good books saw it wasting little time when it earlier this month revealed it had hit its targets for the September quarter.

That was reiterated yesterday, with Dacian reminding the market it was on track to meet guidance this financial year after churning out 32,799 ounces of gold and reducing its net debt position to \$600,000 for the period.

That came after the miner that owns the Mt Morgans gold operations near Laverton disappointed investors in July by cutting production guidance for the year, reporting lower output than expected for the June quarter.

It punctuated a woeful 18-month run for the company that



Leigh Junk of Dacian Gold. Picture: Megan Powell

suffered back-to-back production downgrades in June and March last year before a resource downgrade early this year.

But Mr Junk, who stepped in to take the company's top job in January, yesterday told the Kalgoorlie Miner the September quarter showed Dacian had delivered on a "solid plan".

"It's the first step of many but at

least we're delivering on what we said we were going to do and that's really important to me," he said.

"We've certainly turned the corner, we've got a team and a good plan, and we've put out all our guidance for cost and production and we've hit all those.

"The momentum is really building. "We've got a good operation.

"Our processing plant is working really well so we've got all the key components to be successful and we just have to deliver quarter-on-quarter from here."

Yesterday's report said Dacian had put its Westralia underground mine into care and maintenance after it contributed 8782oz for the quarter. But the

shortfall in ounces is expected to be made up from the ramping up of production across three open pits.

Mt Morgans currently has a three-year mine life, with another 18 months of processing of stockpiles.

Mr Junk said the next challenge was extending the mine life.

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