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Landsborough bonanza could extend mine lifeline

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BY TED O'CONNOR

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The discovery of high-grade gold deposits on the Landsborough Fault could extend the lifeline of Stawell Gold Mine.

Gold exploration company Navarre Minerals has been exploration drilling on the fault, 30 kilometres north-east of Stawell Gold Mine, since December.

Navarre Minerals managing director Geoff McDermott said the latest finds supported the company's original prediction there were 500,000 ounces of gold, worth \$815 million, at the site.

"It just blows your mind what we're sitting on," he said. "It feels like the planets are finally aligning for us."

Navarre's latest core results found 5.5 grams of gold a tonne at 65 metres and 29.5 grams a tonne at another intercept 3.1 metres below the surface.

"We're still waiting for more cores to be analysed, but this could mean there is more gold than we originally hoped," he said. "Finding gold this shallow also means it will be cheaper to mine."

The exploration company sends drill cores to Orange in NSW to have its mineral content analysed.

Mr McDermott said Stawell Gold Mine could potentially mine at the site.

"They would be the obvious choice," he said. "They're only 30 kilometres away."

"We will take plenty of time to find out what we're sitting on, but then we could strike a commercial deal."

Stawell Gold Mine general manager Troy Cole said a relationship with Navarre could be a good fit.

"The gold price is exceptionally high at the moment, but if it were to drop, our current operation could cease to be economically viable," he said. "That's why we need other irons in the fire."

He said any future mining at the Landsborough site would probably not increase the size of the company.

"It would offer continuation of our operation rather than growth," he said.

"Navarre's success is good news for the 380 workers we have on our books."

"It's also good for Stawell, because if the town didn't have the mine, those workers would leave to do other things."



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