

# Kalgoorlie Miner

SE WestReg  
HD **Southern Cross on forum delegates' lips**  
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The emergence of three **gold** projects and the potential **sale** of Cliffs Natural Resources' Koolyanobbing **iron ore** operation put the Southern Cross region firmly in the spotlight at this week's Diggers and Dealers **Mining** Forum.

First cab off the rank was **China's** Hanking **Gold Mining**, which this month restarts the Southern Cross **operations** it acquired from St Barbara for \$22.5 **million** last year.

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ASX-listed Watpac secured the \$29 **million mining** services contract for the Cornishman open pit, creating 50 jobs.

Cornishman will feed the 2.2Mtpa Marvel Loch processing plant over the next 19 months ahead of a production ramp-up by Hanking, a subsidiary of **Hong Kong**-listed steel producer **China** Hanking Holdings.

Southern Cross, with its immense endowment about 200km west of Kalgoorlie-Boulder, was also on the lips of Evolution **Mining**, Convergent Minerals and Southern Cross Goldfields at Diggers.

Evolution, the fourth-biggest ASX-listed **gold** miner behind Newcrest, Northern Star Resources and African-focused Endeavour **Mining**, has walked away from talks for a potential **sale** of its Edna May mine.

Deutsche Bank had put a price tag of about \$68 **million** on Edna May, which poured its first **gold** bar in 2010 under Catalpa Resources ownership.

But industry sources suggested the Jake Klein-led Evolution would have fallen well short of that valuation based on discounting in the **gold** sector.

Evolution's market value was \$552 **million** yesterday.

Convergent and Southern Cross Goldfields might be lesser known, but both have projects which have grown legs in the past month.

Convergent expects to call for tenders for underground development and construction of surface infrastructure early next year for its Blue Vein **gold** mine, with start-up priced at \$59.8 **million**.

Taking a longer-term view is Brisbane-based Southern Cross Goldfields, which last month secured a \$60 **million** debt funding agreement, expected to **lead** to production at its long-delayed Marda project in 2017.

Southern Cross Goldfields, which merged with Polymetals last August, will initially focus on bringing its Mt Boppy project in central NSW on-stream in the first half of next year before cash flow funds Marda development.

US miner Cliffs Natural Resources' Koolyanobbing **iron ore** operation is up in the air after dissident investors won a battle for control of the \$US2.6 **billion company**.

It has not taken long for fingers to be pointed at potential suitors, namely Mineral Resources, which operates the Carina mine near Southern Cross and this year lost out in its surprise tilt for Aquila Resources.

**Iron ore** shapes as a potential game-changer in the emerging Yilgarn province, freeing the Goldfields from the shackles of **gold** and nickel price cycles, but this year's price fall for the seemingly bullet-proof commodity may have spooked investors.

There was renewed optimism, however, with BC **Iron** chief executive Morgan Ball predicting at Diggers the **iron ore** price would head above \$US100 per tonne over the next six months as demand for the Pilbara miner's product remained strong.

<b>CO</b>	ccic : Cliffs Natural Resources Inc   convmn : Convergent Minerals Limited   nostre : Northern Star Resources Ltd   scrosg : Southern Cross Goldfields Limited   westml : Evolution Mining Limited   zghwzd : China Hanking Holdings Ltd
<b>IN</b>	i211 : Metal Ore Mining   igoldm : Gold Ore Mining   ibasicm : Basic Materials/Resources   imet : Mining/Quarrying   i2111 : Iron Ore Mining   i2114 : Copper Ore/Nickel Ore Mining
<b>NS</b>	ccat : Corporate/Industrial News
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