

Kalgoorlie Miner

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HD Race is on for gold miner
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Norton Gold Fields is considering a major upgrade of its Paddington mill to process refractory ore, potentially leading to redevelopment of the Racetrack mine.

The high-grade Racetrack open pit is part of Norton's Mt Pleasant operations, north of Kalgoorlie-Boulder, and was last mined by Joseph Gutnick's Centaur Mining and Exploration in the 1990s.

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The stumbling block is the refractory ore — gold which cannot be recovered by conventional methods and would require upgrades to Paddington which opened in 1985.

Norton managing director Dianmin Chen said drilling had begun at Racetrack and he expected a feasibility study on mine development and mill upgrades to be finished in the first half of 2015.

Racetrack accounts for 541,000 ounces at 3.41g/t of Norton's total 6.9 million ounce resource base.

"If a refractory ore facility is set up, then certainly we are looking good with the numbers for Racetrack," he said.

The move is a sign Norton is moving on quickly from the disappointment of missing out on the Kanowna Belle roaster in Northern Star Resources' \$75 million acquisition of the Kanowna assets.

Roasting is the traditional method for processing refractory ore and Kanowna Belle will be the only WA gold mine with a working roaster after KCGM shuts down its 25-year-old Gidji Roaster next year.

Norton, which this week poured the one millionth ounce at Paddington since its \$45 million acquisition from Barrick Gold in 2007, is not planning its own roaster.

They are investigating new technologies for the plant expansion instead.

Paddington operations general manager Cullum Winn said Racetrack was a "great asset" but its true value has been hidden as the company did not have a processing stream.

"We need to prove up the ore body, both underground and open-pit, and that will give us the feasibility to build on," he said.

The expansion would set Norton on the road to meeting its annual production target of 300,000oz — a five-year goal set by China's biggest gold producer, Zijin Mining Group, when it acquired Norton in a friendly \$229 million takeover in August 2012.

Norton delivered record **gold** production of 172,739oz last year and expects to produce between 176,000oz and 184,000oz this year.

“We need another line of production (to reach out target) and at the moment, we are going to look at the refractory **ore** category,” Dr Chen said.

“We have started drilling at the Racetrack **ore** body and once that has proven the resources, we are going to do a feasibility study and make a decision, possibly in the middle of next year.”

Meanwhile, Norton is spending \$10 **million** on development at its newly acquired Bullant underground mine this year, focusing on drilling out reserves to “make the production more sustainable”.

Dr Chen said Norton had enough cash to fund its \$25 **million** takeover of Bullabulling **Gold**, which is developing a 3.75Moz project near Coolgardie worth about \$450 **million**.

“They have a reasonable-sized resource but it is low grade,” he said.

CO nogofe : Norton Gold Fields Ltd

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