



Bellevue belted as mine fails forecast

The Australian

January 7, 2025 Tuesday

Australian Edition

Copyright 2025 Nationwide News Pty Limited All Rights Reserved

Section: BUSINESS; Pg. 15

Length: 492 words

Byline: Brad Thompson

Body

Bellevue Gold faces questions over its ability to live up to production targets after slashing guidance for financial year 2025 amid teething problems at its namesake mine in Western Australia.

Perth-headquartered Bellevue on Monday slashed gold production guidance to 150,000-165,000 ounces, down from 165,000-180,000 ounces, blaming grade and other issues for weaker-than-expected output.

Bellevue said it would update the market on its 2024-25 cost guidance in its December quarter production report due before the end of the month. The company's share price closed down nearly 14 per cent at 98c.

Moelis Australia's Paul Hissey said the Bellevue update appeared to manifest concerns about the miner's ability to ramp up head grades and would do little to silence a growing chorus of doubters.

"There is also some abstruse disclosure in the result which a sceptic may choose to infer additional underperformance for the quarter," he said.

"We retain our neutral investment view ..." Bellevue said it was on track to produce 90,000 ounces from what has been touted as one of Australia's highest-grade gold mines in the six months to June 30. On an annualised basis, that would equal the top range of original 2024-25 guidance of 180,000 ounces. Bellevue also said it would reach an annual production rate of 200,000 ounces from early in the June quarter.

Bellevue has a five-year growth plan to produce 250,000 ounces annually by 2027-28, and said in October that it had completed key infrastructure upgrades and was on track to hit the original 2024-25 guidance.

On Monday, Bellevue said gold sales in the December quarter totalled 26,230 ounces at an average sale price of \$3339 an ounce, and it had \$81m in cash and gold on hand compared to \$109m at the end of the September quarter.

Bellevue said it encountered lower grades and geological variability in mining of the outer edges of the main ore in the December quarter. The Bellevue update coincided with updates from two other gold producers - considered central players in sector consolidation.

Bellevue belted as mine fails forecast

Gold Road said its Gruyere mine, owned in partnership with Gold Fields, produced a quarterly record 91,631 ounces in the three months to December 31.

Gruyere, operated and managed by Gold Fields, produced 287,270 ounces across 2024, below annual guidance of 290,000-305,000 ounces.

Gold Road owns 17 per cent of De Grey Mining, the target of a \$5bn takeover offer from Northern Star, and is shaping up as a potential king maker if a rival offer emerges.

In its December quarter update, **Ramelius Resource** hailed record free cash flow of \$174.5m before splashing out \$68m to increase its stake in Spartan **Resources** to 19.9 per cent and dividend payments of \$43.4m. **Ramelius**, led by noted deal-maker Mark Zeptner, took its investment in Spartan from 18.3 per cent to the takeover brink in December after participating in a \$220m Spartan capital raising aimed at restarting mining at the Dalgaranga project in WA.

Load-Date: January 6, 2025

End of Document