



Bonanza for gold explorers

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Body

This time last year Gareth Solly's Black Cat Syndicate was battling for relevance, trading at a little over \$60m even as it progressed the refurbishment of its Paulsens gold mine, the first leg of a three-step process to become a 150,000-ounce-a-year gold producer.

Now, 12 months down the line, the booming ASX junior is sitting on a near-300 per cent 12-month share price gain, a \$460m market cap, and owns the status of Australia's newest gold miner.

Even before forms have been returned, interest is already looking overwhelming for a run of minted one ounce coins to commemorate the Paulsens mine's reopening, cut from its first gold bar. Each day those seem to become more valuable - the price of bullion has gone from \$US2014 an ounce this time last year to about \$US2912 this week, or about \$4585 an ounce.

"It's been a welcome relief from where we came from. Absolutely the gold price has helped, becoming a producer has helped and we're getting a lot of investors who want to get into gold now," Solly said on the sidelines of the RIU Explorers Conference in Fremantle, where gold miners have become the toast of the port city.

Black Cat engineered a transformative change in 2022 when it paid \$40m for Northern Star's mothballed Paulsens and Coyote mines in WA.

"The market didn't give us any credit for the first couple years and now that the gold market has turned they are very valuable assets," Solly said.

Who's next in line?

It's a common cliché for a junior explorer to call themselves "undervalued" at a mining conference.

But junior golds have some right given where prices sit - and few investors are betting on a collapse as Trump's tariffs, war, global uncertainty and a growing chasm between trade in the East and West sends investors running for a safe haven.

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Odyssey Gold executive director Matthew Syme says it's hard to be bearish. "We've never really been gold bulls - we've always just dealt with the gold price that's in front of us," he says. "Even today I wouldn't say I was a gold bull, but it's very difficult to think of a set of circumstances that's more favourable to gold or anything that's going to bring this gold bull run to an end for at least the next couple of years. Gold looks as good than it ever has in my long career." Odyssey has a familiar strategy when it comes to WA gold producers. Located at Tuckanurra, it owns 80 per cent of a resource containing 407,000 ounces at 2.5 grams a tonne. It's also well within trucking distance of mills owned by Westgold Resources, Ramelius Resources and Catalyst Metals, all of which makes its gold highly marketable.

More generally, profit-taking has started to emerge in recent days, as investors take stock of a gold run that has accelerated amid fears from US traders that tariffs could be placed on imports of the precious metal.

A great time for metal to shine While some investors are astonished to see gold prices double, longer-standing industry figures have seen it run from far lower levels.

Gold veteran Andrew Pumphrey, MD of ASX gold explorer OzAurum Resource, has seen bullion trading in the hundreds, let alone over \$4000.

"I remember going to Diggers & Dealers once, it was around \$200 an ounce. Now it's around \$4500 so for anyone getting into production, producing gold, or has got gold projects, it's really nice to see the whole sentiment change," he says.

Explorers aren't just taking a victory lap. OZM is studying a heap leach with a JV partner on its 260,000-ounce Mulgabbie North gold project, while its share price has run 300 per cent higher this month after striking 20m at 3.57 grams a tonne gold from surface at a high-grade discovery south of previous drilling.

Early-stage explorer Arika Resources is among those said to be receiving interest from investors who normally steer clear of riskier, retail-backed stocks such as micro-cap explorers.

It holds numerous targets near the historic Goldfields production centres of Menzies and Laverton, with 5000m of diamond drilling now under way at its Yundamindra project.

"We're in the fortunate position where we've got gold and we've got high-grade gold on mining leases, so it can be easily converted into cash," Arika MD Justin Barton said. Stockhead

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