



Northern Star may sell Carosue Dam to Ramelius Resources - DATA ROOM

The Australian

December 13, 2024 Friday

Australian Edition

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Section: BUSINESS; Pg. 14

Length: 359 words

Byline: EDITED BY BRIDGET CARTER

Body

Following Northern Star's \$5bn buyout of De Grey Mining, speculation is mounting that it may move to sell its Carosue Dam Operations to **Ramelius Resources**.

Carosue Dam is 120km northeast of Kalgoorlie in Western Australia and produces 248,000 ounces of gold annually.

Market sources estimate a price tag of about \$800m.

Sources believe it would be a valuable addition for **Ramelius Resources** and strategic for its Rebecca-Roe project, 150km east of Kalgoorlie.

Ramelius released a pre-feasibility study for Rebecca-Roe on Thursday. RBC analysts at RBC said it came in below expectations with a net present value of \$332m, with higher costs and a shorter than expected mine life.

It will produce about 130,000 ounces per annum.

But others in the market say that the findings are largely in line with what many had been anticipating.

RBC analysts say that while the project fell below its expectations, it still offers a path for **Ramelius** to develop a second production hub, following the Edna May closure in the 2025 financial year.

Sources believe that Northern Star would probably be willing to part with Carosue Dam if offered the right price for the asset.

Its merger with gold miner Saracen Mineral Holdings meant it gained full control of the Super Pit gold mine, which was its key objective, and it now has a very large mill in the Kalgoorlie district.

So does it really need the far smaller processing facilities of Carosue Dam? Northern Star's mill expansion is well advanced - 77 per cent of engineering and design is complete and 84 per cent of procurement contracts have been awarded.

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Construction is on schedule.

Ramelius is developing both the Rebecca-Roe project and the Cue Gold Project, 35km north of Mt Magnet, after buying Apollo Consolidated in 2022 and Musgrave Minerals the following year.

It owns and operates two production and processing hubs at Mt Magnet and Edna May, in Western Australia.

Ramelius purchased a 8.9 per cent stake in Spartan **Resources** in June. It then increased its holding to 18.3 per cent. It is also known to have been eyeing up other targets at a time when it is cashed up, with the gold price surging to record highs this year.

Load-Date: December 12, 2024

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