

# Diverse mineralised styles auger well for junior's current redevelopment plans

By Caroline Smith, who visited the project

Having a strong presence in historically significant mineral fields could be the key to success for Queensland junior Consolidated Tin Mines Ltd.

The company is looking to develop a strong mid tier operation at its Mount Garnet project in the state's far north with some support from a steady market in the metal and the interest of East Asian producers.

Mount Garnet has pride of place within the Herberton Tin Fields – situated 116 kilometres from Cairns – which carry a notable history, yielding more than 90,000 tonnes of product during an operational life from 1880-1985.

The junior is hoping to usher in a second generation of mining at the tin field, with targets of 5,000t per annum over an initial 8-10 year mine life from three key projects that were acquired by managing director Ralph De Lacey and executive director John Sainsbury.

The projects – Gillian, Pinnacles and Windamere/Deadman's Gully – centre on hard rock mineralisation, with Gillian and Windamere boasting ironstone rich-skarn rocks that literally stick out of the ground.

Meanwhile, drilling at Pinnacles has indicated skarn formations under the surface and good mineralised widths.

## Targets prioritised

Gillian, the most advanced project, was an obvious starting point for exploration, with its strong hematite and magnetite rocky outcrop. It currently has a measured JORC resource of 1.2 million tonnes at 0.82% picked up from drilling covering 4,454 metres over 81 holes.

This target lies to the south west of the Mount Garnet township, where the junior has its local field office/workshop, and where support for the development has been strong.

Sainsbury said the project offered a good opportunity for a simple but economic operation in the field.

"We can really pick the areas that we want to mine here, based on the outcrop, and we're aiming to get 5,000t of tin metal



Ralph De Lacey (left) and John Sainsbury on site.

at \$50/t in terms of production costs," he explained.

"Our focus is on putting together easily mineable parcels in the initial years, and we'll be continuing to improve our resource – there's an update due later this month, which will be included in the bankable feasibility study.

"We've got an independent review being done to assess mill options and we expect it will cost about \$60 million to build a mill."

Promising outcrop means that Windamere/Deadman's Gully – held within a mineral development license application – will be the next focal point for the junior, and it is being positioned as holding a significant ore body ripe for a large tonnage operation. Further exploration planned for later this year will build on an indicated resource of 401,500t at 0.49% in the Deadman's Gully portion of the tenement.

"We are really interested in this project, and we're just waiting on permission to develop it further," Sainsbury said.

## Focus maintained

While the junior has achieved an indicated and inferred resource at its third project, Pinnacles, its integration within the mining operation will be further down the track, according to Sainsbury.

"We won't come back here immediately, since our first focus is on Gillian and Windamere," he said.

"Recoveries here should be good – there are high grade pockets, but they're not extensive, although we're getting grades of up to 0.8%."

In terms of bringing Mt Garnet's tin operation to the market, the junior is positive that the time is right for it to fill a gap in the production needs for international importers.

Accordingly, the company has been speaking to prospective investment partners and buyers since the project's beginnings.

"Tin concentrates are the main area of interest for the Chinese – originally they had a resource, but now it's depleted and they're looking to Australia," Sainsbury noted.

"Ralph went to China last year and there's a Malaysian smelting company also interested.

"Indonesia is currently the biggest tin concentrate producer and has regulations set up to protect the interests of the government producer Temeh.

"However, production is dropping every year every anyway, and we think Australian tin production could help fill the gap."

Ultimately, the junior is looking ahead to a steady operation building from its prospective holdings and clear mineralisation.

"If we are able to start at 5,000 tpa we'd be in a strong negotiating position with smelters, so it's a matter of developing the resources and then ramping it up from there," Sainsbury added.