

Capricorn Copper green light for \$110m restart



program is planned for the processing plant.

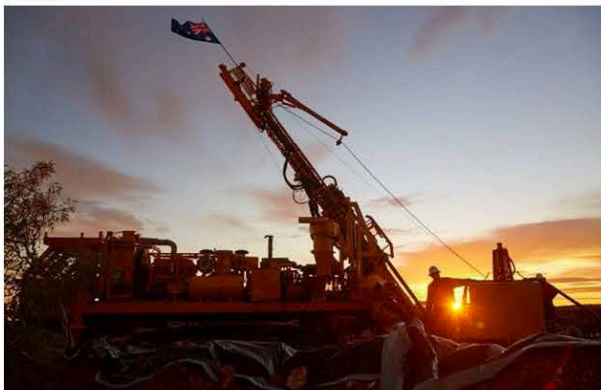
A \$27 million refurbishment

Capricorn Copper has begun a \$110 million capital program to restart the former Mount Gordon copper mine, with concentrate production expected to resume in late 2017.

A five-year mining contract worth about \$300 million is due to be awarded within a fortnight and the company has commenced the final tender stage for works to refurbish the processing plant, according to managing director Carl Hallion.

“The recruitment process for mining will commence in January with the balance of the operational teams ramping up from February. We’ll eventually build up to a workforce of about 220 full-time staff on site,” he said.

Lighthouse Minerals and EMR Capital took control of the Mount Gordon operation from former owner Aditya Birla in October 2015 and are restarting it as Capricorn Copper.



The site, about 120km north of Mount Isa, has been on care and maintenance since April 2013.

The new owners have spent the best part of a year carrying out restart technical studies covering aspects including site geology, mining strategies, metallurgy and the processing plant, environmental management, and supporting infrastructure/services.

The board gave approval last week to go ahead with the refurbishment and restart programs at Capricorn Copper, Mr Hallion said.

“We’ve commenced preparations for the refurbishment program over the last two to three weeks and will ramp up the refurbishment program activities from January 2017,” he said.

Mr Hallion said the new mine plan would see the operators mining multiple ore bodies via two declines, rather than targeting a single ore body at a time.

“That will allow us to achieve the optimal production levels that the site needs to operate effectively,” he said.

Aditya Birla put about a million tonnes of ore through the mill in its final 12 months while Capricorn Copper will aim to process 1.6Mtpa-1.7Mtpa of ore at head grade of just over two per cent copper.

“They were producing about 20,000 tonnes of copper per annum. We’ll be looking to produce about 30,000 per annum over a minimum 10-year life,” Mr Hallion said.

The new operators are also excited about the exploration upside at the site and the board has approved a budget of about \$14 million for an in-mine and near-mine exploration program in addition to the restart capital.

“We’ve got a highly prospective package of land,” Mr Hallion said.

“All of our ore bodies remain open at depth and there have been some significant improvements in the understanding of the local geology and structural controls.

“We’ve also had better than expected results in the metallurgy and the product that we’re putting out into the market is a very attractive high-grade copper concentrate.”



An underground drill program was carried out as part of the technical studies at the Mount Gordon site, now known as Capricorn Copper.

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