

Diversity key to success

By Mark Fraser

BRISBANE-BASED D'AGUILAR Gold Ltd has – in the words of its managing director Nicholas Mather – plenty of irons in the fire, although not all of them involve the precious metal.

Since listing on the ASX in 2003 the junior resources house has established an impressive pipeline of development assets, including its priority Anduramba Molybdenum play in south east Queensland, the Mt Isa iron oxide-copper/gold and uranium targets in the state's north west as well as the evolving Black Snake nickel prospect (also in south east Queensland).

During the RIU conference Mather said the company had successfully established three subsidiaries (Anduramba Molybdenum Pty Ltd, Mt Isa Metals Pty Ltd and D'Aguilar Nickel Pty Ltd respectively) to oversee the advancement of each of these projects.

D'Aguilar also had two additional gold plays – one near Bathurst in New South

Wales and the other near the Cracow mine in Queensland – currently on its radar screen.

"We've got work going on all of these projects at once," Mather told delegates.

"We are fanatically busy and we are short-staffed – the greatest challenge in this industry at the moment is finding enough people good people to populate these enterprises.

"We are very busy...and we are sure that a number of them will lead to significant projects that go into development.

"I can proudly say that my track record is to be associated with the early stage discovery of a number of projects which have ended up as significant developments, and that's my intention with D'Aguilar."

In terms of Anduramba Molybdenum, which currently has an inferred resource of 14.4 million tonnes at 0.07% molybdenum, Mather said geological modeling had indicated a net present value of \$90 million (based on a molybdenum price of US\$25/pound).

This, however, had not included remodeling the effect of a high grade core zone, which appeared to cover an area of 250 metres long by 200m wide. The best intercept thus far was 18 vertical metres at 0.22% molybdenum.

A feasibility study for this project is now due in April, with the independent upgrading of the original block model and pit optimisation having been commissioned.

At Mt Isa – an undertaking in which RAB Capital has taken a 16.8% pre-listing stake for the subscription of \$1m – the company has identified large untested IOCG targets using magnetic and gravity data within its Normanton tenements. Coincident magnetic and gravity work suggested potential for IOCG mineralisation on the northern extension of Boomara Ridge.



▲ Nicolas Mather