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## Investment drives Bendigo-Ophir Project's value

Colin Williscroft - Wed, 17 May 2023

The size of the Bendigo-Ophir Project discovery and its accompanying gold grade has fundamentally changed since Santana Minerals bought it less than three years ago, says Damian Spring, the company's NZ general manager.

The \$8 million investment the ASX-listed company made buying the project from Matakanui Gold in late 2020 has resulted in a 300 per cent increase in gold grade.

At the time of the purchase, Matakanui had only been able to focus on old workings in the Rise and Shine Valley, centred around the Shreks, Rise and Shine and Come in Time deposits. Shreks showed the greatest potential yield at that time.

However, a better understanding of the northerly trend of the deposits since then, along with the funding and desire to drill and test on a ridge 150 metres higher, not only found the Rise and Shine Shear Zone's northerly extensions but also much greater intercepts, Spring told an AusIMM event in Westport yesterday.

The event preceded today's annual Minerals West Coast forum.

### Drilling programme

A mineral resource estimate released in February upgraded the project's global resource across the Rise and Shine Shear Zone - RAS, Come in Time, Shreks and Shreks East - to more than 3 million ounces.

That has subsequently been supported by two lots of infill drilling results released in the past six weeks.

That compares to 200,000 ounces when Santana bought the project.

Since the company acquired the project in late 2020, the gold resource increment has been delivered at a discovery cost per ounce of about A\$3.50/oz.

The February MRE shows global resources at all four of the project's RSSZ deposits are 2.91 Moz @ 2.3 g/t Au.

The resource – inferred and indicated – within the four deposits is 2.91 Moz at 0.50 g/t Au lower cut-off grade. At a 0.25 g/t Au lower cut-off, the resource increases to 3.01 Moz.

RAS is now the jewel in the crown, with its February MRE of 2.66 Moz at 2.5 g/t Au accounting for 92 per cent of the increased global resource MRE.

In a statement to the ASX earlier this month, Spring said infill drilling of RAS continues to show consistency of mineralisation.

He said that provides the company with a high degree of confidence that the drilling programme at RAS will lead to a likely expansion of the current indicated resource of 300,000 ounces at a grade of 4.3g/t of gold that was modelled in the February resource estimate.

That's critical to underpinning the company's scoping study, which is currently underway as part of the project's development.

### Next steps

Spring says with Santana's recent A\$15.5 million placement and it currently looking to raise another A\$3 million through a share purchase plan with shareholders, the firm is well funded to continue its project scoping studies and work towards its resource consent application.

Meantime, Santana is looking for key personnel to join the team to make that happen.

He says studies will look at things like tailing sites, tailing methodology and mining methods, with a view to completing prefeasibility studies probably in the third quarter of next year, meantime writing up the assessment of environmental effects, submitting a resource consent by December next year.

He told the AusIMM delegates, who will be attending today's Minerals West Coast Forum in Westport, the project will likely be publicly notified. All going well there will be a public hearing in late 2025, with a decision in early 2026.

## History

While in recent years Bendigo Station - a working farm and nowadays a home to vineyards - is best known for Shrek the sheep, it has a long history in gold exploration.

The Bendigo-Ophir Project area includes the 180,000 oz Bendigo Reefs deposit which produced gold at grades of 1 to 6 oz per ton in the late 19th century.

According to author Jill Hamel's *The Rich Fields of Bendigo*, it was the only quartz field where more than a few men made a fortune.

Many tried in the Rise and Shine Creek area, including alluvial miners, but it was tough going.

Two founding directors of Matakanui Gold, Kim Bunting and Warren Batt, are now non-executive directors of Santana.

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