

Tawana switches Bald Hill on

Tawana Resources NL will spin-out its non-core assets in an effort to sharpen its focus on newly minted operations at its Bald Hill lithium mine.

Tawana became Western Australia's newest lithium miner in March when it switched operations on at Bald Hill – 50km south-east of Kambalda. The company and JV partner Alliance Mineral Assets Ltd are aiming to export 10-15,000 tpa of spodumene concentrate from the mine with first concentrate product anticipated to leave Bald Hill this month.

With ramp-up operations set to continue through 2018 and a major new exploration push to be undertaken around Bald Hill, Tawana has chosen to clear the decks. The three projects to be housed in the proposed new vehicle are the Cowan and Yallari lithium projects in WA and the Mofe Creek iron ore project in Liberia.



Mark Calderwood

Tawana managing director Mark Calderwood said the focus on Bald Hill meant the projects were “unlikely to garner the appropriate management focus and budgetary allocation which they warrant and require for short-term advancement.

“Tawana recognises the value of the Cowan, Yallari and Mofe Creek projects may be better recognised by the market by de-merging these assets from Tawana to form a new standalone exploration company,” Calderwood said. “Following the proposed transaction, both companies will be better placed to advance their respective asset portfolios.”

Earlier in March, Calderwood had addressed Paydirt's Battery Minerals Conference in buoyant mood given Bald Hill operations

had started the previous day. He said development had been remarkably swift given the first drilling targeting lithium at Bald Hill had only occurred in 2016.

The company now boasts resources of 8.9mt @ 1.18 lithium oxide and 6.4mt @ 330 ppm tantalum as well as a reserve of 4.3mt @ 1.18% lithium oxide.

Ramp-up of Bald Hill's DMS plant will now take 3-4 months with the work on completion of the Stage 2 lithium fines circuit design and recommissioning of the tantalum circuits occurring in parallel.

Calderwood said the decision to go ahead with construction of the DMS circuit was based on both financing and customer factors.

“We completed the PFS and realised we weren't going to get traditional bank finance so got on with building the DMS plant; that is the easy part of spodumene concentrate production,” he said. “We haven't done any drilling in the last six months because we didn't want to drill for three years when we had off-takers screaming at us.”

As well as the fines circuit, Tawana is also investigating building a second DMS plant however it will need the resources to fill it.

“We have a short mine life [3.6 years] and next year we will look at installing another DMS circuit but I have full confidence the exploration team can do it,” Calderwood said.

“There are vast pegmatite fields at Bald Hill, more than 200sq km of them. The JV has 770sq km of ground and Tawana has a further 770sq km owned 100%. Both areas are riddled with pegmatites and there has only ever been 12 months of lithium-focused drilling so there is a decade of exploration ahead of us.

“It is a vast area to explore but we will focus on the mining licences to begin with. Mapping has shown outcropping pegmatites on the ground which have never been drilled before.”

– Dominic Piper

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