

QMiners seeking to spark Mt Chalmers revival

ACCORDING to QMiners' executive chairman Andrew Sparke, there's a scarcity of local copper development stories, and he wants to tap into that demand for advanced red metal plays.



QMiners is looking to revitalise an old mining centre

Finance > Capital-markets Sparke said there haven't been many ways to invest the Australian copper space until recently.

Comments "Now there's about 16 junior companies, but all but three are early stage," he said.

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QMiners is launching a A\$10-20 million capital raising at 30c with the aim of advancing redevelopment of the Mount Chalmers mine in Queensland, which it hopes to get into production within five years.

The junior has already secured more than the minimum \$10 million sought through a broker round, with support from large European and smaller Australian institutional investors.

The selling point, according to Sparke, is the offer of an advanced brownfields copper project that could be rapidly moved towards production into a market

that's expected to see increasing demand and falling production.

"If you take out Olympic Dam (in South Australia), really Queensland is the place to be to find big copper deposits," Sparke said

"It has the geology, the ports, and the proximity to Asia."

The project is just outside Townsville and about 60km by rail to Gladstone port.

Over the past six months QMines has defined a maiden inferred resource of 3.9 million tonnes grading 1.15% copper, 0.81 grams per tonne gold and 8.4gpt silver using a 0.75% copper equivalent by reviewing almost 50,000m of historical drilling to an average depth of just 70-80m, and 170,000 soil samples.

The same work has defined similar sized exploration targets at Woods Shaft, Botos, and Mt Warminister.

Sparke said large areas on its tenements are untested by drilling, or only have shallow drilling, but there is significant potential for additional volcanic-hosted massive sulphide copper-gold and epithermal gold deposits.

"When we looked at this area, the mapping, and geophysics, it's clearly a VHMS system, and that should indicate a cluster of targets, typically between 5-40, with an average of 12 deposits," he said.

"At the moment we know we have one, so there should be more, but the area was last mined in 1982, and apart from some limited drilling below the pit in 1995, it hasn't really benefited from any modern exploration."

The mine was run by Peko-Wallsend as supplemental feed for its Mt Morgans plant, some 70km away, and when that that facility was shuttered it was the end of Mt Chalmers.

QMines plans to complete an electromagnetic survey and up to 55,000m of RC and diamond drilling after listing, with the aim of a resource update later this year.

Sparke and his core team - James Anderson and Elissa Hansen - looked at the area with their former gold explorer, Alt Resource, with an eye to getting into the red metal, but a deal couldn't be done at the time.

After Alt was sold, the trio went back to the vendors, and a deal was done for Mt Chalmers and three projects in southern Queensland in September 2020.

The secondary projects - Herries Range, Silverwood and Warroo - are in the New England Orogen south of Brisbane, and offer a mix of base and precious metal targets.

Warroo has a historical 14,700 ounce open pit resource, some high-grade intercepts such as 8m at 13.46gpt, and a mineralised strike currently mapped over a 1km.

Silverwood has an exploration target of 800,000t-1Mt at 3.2-3.7% zinc, 0.3-0.5% copper, 0.3-0.5% and 15-25 per parts million silver. Previous drilling did not assay for gold.

The Herries Range project contains an abundance of gold occurrences and workings, and it prospective for large scale intrusion-related gold deposits and possibly sediment-hosted gold deposits, but there are just five holes, despite the area being held by large explorers in the past.



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