

QMiner sparks new beginning for Mt Chalmers

The former Alt Resources team is set to make a comeback to the ASX over the coming months via a new float aimed at reviving the historic Mt Chalmers copper-gold mine in Queensland.

Former Alt directors Andrew Sparke, James Anderson and Elissa Hansen have joined forces with Austex Oil Ltd founder Daniel Lanskey to form QMiner Ltd. The company lodged its prospectus with ASIC last month and is now seeking to raise \$10-20 million to list on the ASX before the end of the financial year.

Sydney-based brokers Shaw and Partners is assisting the company with the IPO which has already attracted interest from some large resource funds out of Europe and several former Alt shareholders.

Alt, which was developing the Mt Ida and Bottle Creek projects in Western Australia, was acquired by private equity group Aurene Ularring via an off-market takeover in September last year. The deal was completed at a 10% premium to Alt's highest trading price over the preceding two years and at a 74% premium to the company's closing price before the takeover bid was announced.

Sparke, who will be executive chairman of QMiner, said there was no reason why his new company could not deliver similar value for shareholders.

"We've brought a lot of the same team over that were very successful in executing the Alt Resources business plan over a period of two years," Sparke told **Paydirt**.

"We've got a team that has demonstrated we can deliver, our people are very hands on and know how to execute resource business plans and make money for shareholders. We're really excited about getting listed, getting the drill rods turning and growing the resource at Mt Chalmers."

Lanskey will be managing director of QMiner, while Hansen will serve as independent non-executive director and company secretary. Anderson, who founded Alt and was its former chief executive, rounds out the team as general manager operations.

QMiner acquired Mt Chalmers, which has not been mined since 1982, towards the end of last year. Sporadic production over almost a century totalled 1.24mt @ 2% copper, 3.6 g/t gold and 19 g/t silver (all recovered grades).

The resource at Mt Chalmers was recently updated to a JORC-compliant 3.9mt @ 1.15% copper, 0.81 g/t gold and 8.4 g/t silver. This equates to a copper equivalent resource of 73,000t @ 1.87% copper.

Sparke said Mt Chalmers had a lot of similarities to another VMS-style mine "just 70km down the road" in Mt Morgans, currently owned by Heritage Minerals.

"Both are quite unusual VMS deposits in that both were actually very high-grade copper and very high-grade gold," he said. "They're actually both in the top 5% of global VMS deposits in terms of gold grades. Obviously Mt Morgans was a real freak, so hopefully we can replicate some of that success with what we're looking to do at Mt Chalmers."

Pending a successful IPO, QMiner will immediately launch into a diamond drilling programme targeting extensions to the existing Mt Chalmers pit.

RC drilling is also planned for three exploration targets – Woods Shaft, Botos and Mt Warminster – which the company is confident of quickly converting into JORC-compliant resources.

"We already have a pretty good feel for the tonnes and grade at those three exploration targets, which are all near-mine and have already been drilled and modelled," Sparke said.

"We're going after tonnes here. We've

got just under 4mt in the resource at the moment, but we expect we'll be able to grow those tonnes quite quickly once we get that RC drilling going."

Sparke said the move from WA to Queensland had been relatively seamless thanks to the assistance the QMiner team continues to receive from authorities such as the Department of Abandoned Mines which owns the Mt Chalmers site, 17km north-east of Rockhampton.

"I have to say that it has been quite refreshing coming to Queensland because we've found the department to be very helpful in terms of getting information on the old mine site and accessing the historic data," Sparke said.

"We're building relationships with the local communities and the various resource and environmental authorities. We want to do things sustainably and certainly be good corporate citizens in the region."


Sparke added that QMiner presented one of the few opportunities on the ASX to "play copper".

"I was a resource fund manager for five years and we invested about \$300 million across about 40 investments on the ASX and in London and what that taught me is that there really isn't many ways you can play copper," he said.

"There's only about 16 ways to play copper on the ASX, but when you peel back the onion and look closely at those different listed companies, there really is only three developers with assets in Australia. There's a scarcity factor with copper that you just don't see in gold."

"If you want copper, Queensland is the key state for finding large copper mines."

– Michael Washbourne



QMiner is seeking to raise up to \$20 million via an IPO to bring the historic Mt Chalmers copper-gold mine back into production