

Southern Cross reignited

by Michael Washbourne

Altan Rio Minerals Ltd has unveiled plans to reignite Southern Cross as one of Western Australia's premier gold production centres.

More than 10 moz has been produced historically from the Southern Cross gold belt, but output has significantly declined over the last 15 years since the once-prolific Sons of Gwalia went into administration.

St Barbara Ltd, then Hanking Gold Pty Ltd and more recently Minjar Gold Ltd have kept the 2.5 mtpa Marvel Loch process plant ticking over, but the amount of available feed has dried up in recent times due to a lack of exploration in the district.

Following some strategic tenement negotiations by chairman John Jones, Altan Rio has now assumed control of the northern half of the Frasers-Corinthian Shear Zone (FCSZ).

Altan Rio's tenure effectively extends south from the historic Copperhead mine for 28km to the boundary of the Southern Cross township.

"It's one of those unique situations where you can put a ruler over that 310-degree alignment and every 3-4km there's some sort of gold mine," Altan Rio director Paul Stephen told **GMJ**.

"The southern portion of this FCSZ has had far more work done on it than the northern portion, but the northern portion certainly hosts some very attractive historical and current mines, and the tenure we have goes right up to the boundaries of all of those mines.

"While there has been some work done in and around these areas, there's actually been very little drilling below a depth of 50m, so we're really excited about the opportunity to take a closer look at that."

Up until recently, Altan Rio was focused on copper porphyry exploration in Mongolia. However, with market conditions not favouring any activity by juniors in the country, the TSXV-listed company is seeking to JV its ground in the Chadman-Yol district and focus solely on Southern Cross.

One of the main drawcards for Altan Rio in Southern Cross is the hungry Marvel Loch plant which has recently been made available for processing of third-party ore by owner Minjar.

"It is very well set-up for toll treatment in that they have a sorting tower that allows you to deliver ore to the mill and have it assayed and sorted so you can efficiently toll treat your feed," Stephen said.

"That plant is within very economic trucking distance of all of our tenure, so one of our initial targets will be to look for shallow, easily treatable tonnes that we can deliver to Marvel Loch. We can then use that to fund further exploration,

specifically exploration underneath the salt lake that has never been looked at before."

According to Stephen, Altan Rio has 17 drill-ready targets and permits in place for an initial campaign at Southern Cross. One of the first cabs off the rank will be the Aries target which is a northern strike extension of the historic Frasers mine, trending under the Lake Koorkoordinate salt lake.

Other drill targets include a possible dip-extension of the Hopes Hill mine which had previously produced 93,000oz at an average grade of 1.8 g/t gold.

"We think the chances of us turning up something on one of these targets, whether it be toll-treatable ounces or whether it be a standalone opportunity, is extremely high," Stephen said.

"I think, without doubt, the biggest factor here for us is the gold price. The last time people were actively working on this area



Altan Rio has made the move into Southern Cross

the gold price was less than \$400/oz. Now it's \$2,000/oz and we've also got a very available toll milling situation that didn't exist back then either.

"At one point in time, Southern Cross was the fifth largest gold producing belt in WA, but it really hasn't been properly drilled. So, we think there is an enormous opportunity for people to get involved in one of the premier gold belts in WA that has sat in private hands for the last 13 years."