

Tawana's bold bid for Bald Hill

One-time iron ore explorer Tawana Resources NL has launched its bid to become a spodumene producer by the end of the year.

Tawana has pulled the trigger on a feasibility study for its Bald Hill lithium-tantalum project in Western Australia after a conceptual engineering study returned several "outstanding" results.

Highlights of the study included a low capex and rapid payback, based on the retrofit of a spodumene circuit to the project, about 50km south-east of Kambalda.

The feasibility study is due for completion by the end of this quarter, coinciding with the release of a maiden resource/reserve estimate for Bald Hill.

Primerio Group Pty Ltd, which oversaw construction and commissioning of the Mt Cattlin spodumene-tantalite mine for Galaxy Resources Ltd, will serve as lead study manager.

A target commissioning date for Bald Hill has been set for October, with long-lead items to be procured during the early stages of detailed design to allow for seamless transition between the various construction phases.

Tawana's share price lifted to 17c – its highest level in almost a decade – following the feasibility study launch, with the company quickly emerging as one of WA's next lithium producers.

"It's all about getting to market quickly because the next couple of years could be quite spectacular for the industry," Tawana managing director Mark Calderwood told **Paydirt**.

"You don't want to be on a three-year curve and miss out on these big years that are coming up."

Calderwood is best known for guiding Ghana-focused Perseus Mining Ltd from gold explorer to producer over a nine-year period, followed by a recent stint with Manas Resources Ltd in the Kyrgyz Republic.



Tawana's Bald Hill project includes a tantalum processing facility and associated infrastructure

What is less widely known about Calderwood is that he is one of WA's foremost experts on lithium deposits, having co-authored the book *Pegmatites of Western Australia* with Ben Grguric and Mark Jacobson.

When lithium took off at the start of last year, Calderwood began tying up prospective ground around Bald Hill through his private company before approaching Tawana about taking on the project.

"This is one of the better spodumene deposits in WA," Calderwood said.

"WA has the bulk of the world's spodumene resources and will remain a significant producer of lithium minerals for some time to come. Probably half the world's lithium will come from WA over the next 10 years."

Tantalum was historically mined and processed at Bald Hill, about 75km south-east of Neometals Ltd's Mt Marion lithium project. On site is an existing processing facility and associated infrastructure, while the project also holds environmental permits and remains approved for tantalum mining.

Drill rigs have been turning at Bald Hill since last August and the company has been encouraged by the results returned thus far, including hits of 9m @ 1.65% lithium oxide

from 140m, 23m @ 1.15% from 107m (including 15m @ 1.33% from 108m), 8m @ 1.3% from 109m and 15m @ 1.18% from 127m (including 8m @ 1.61% from 134m).

Tawana has also been drilling at the neighbouring Cowan lithium project, which was acquired shortly after the company entered into discussions to JV into Bald Hill with Alliance Mineral Assets Ltd.

Lithium's emergence last year came as a surprise to many, including Calderwood, who admitted he was still coming to terms with the hype surrounding the key battery mineral.

"It's really only dawning on me now that we're undergoing this massive change," he said.

"In 20 years time, none of us will be driving petrol cars, they will all be electric. And they'll probably be driverless electric. I don't think people realise how quickly the momentum is changing."

Tawana has also obtained the rights to the giant Uis pegmatite tailings stockpile in Namibia, estimated to contain about 20mt. Metallurgical test work to confirm what grades can be recovered will begin this month.

"The lithium minerals have never been extracted from it," Calderwood said. "It will be cheap to drill and cheap to do the initial met work. A very quick and easy review will tell us whether we've got a ready-to-go, decent project."

Meanwhile, the company is seeking a partner to help develop the Mofe Creek iron ore project in Liberia.

Tawana was assessing a DSO start-up option before the iron ore market tanked in late 2015 and the project was put on the backburner. However, with iron ore showing signs of a longer-term recovery, Mofe Creek may get a second chance at becoming operational.

"We're in discussion with a couple of groups at the moment because it's one of those deposits that can be kicked into gear very easily," Calderwood said.

"It's a sweet little asset that has been recognised by quite a few people as being one of the easier things out there to develop. And there's spare port capacity and loading capacity at Monrovia."

– Michael Washbourne



A maiden resource/reserve estimate for Bald Hill is due later this quarter