

Saturn peels off

by Mark Andrews

Just as the Apollo Hill gold prospect started to emerge in 2011, Peel Mining Ltd struck a new Cobar-style copper discovery in New South Wales.

Peel has since charged ahead at the Mallee Bull copper-polymetallic JV with CBH Resources/Toho Zinc and has made a number of other discoveries in NSW which have attracted the likes of JOGMEC.

Such has been Peel's success in Cobar, West Australian gold miner St Barbara Ltd has taken its shareholding in the tightly-held base metals company to 16.3%.

The big company interest justifies Peel's decision to shift attention from Apollo Hill to Mallee Bull but the gold prospect remains appealing with an inferred resource amenable to gravity gold and cyanide leach recovery of 17.2mt @ 0.9 g/t gold for 505,000oz (0.5 g/t cut-off) to a depth of about 180m at Apollo Hill.

Therefore, with the IPO market heating up, spinning Apollo Hill into the standalone Saturn Metals Ltd this year appears the right move with the new outfit easily fulfilling the nominal \$4.5 million raising and taking the maximum \$7 million at 20c/share.

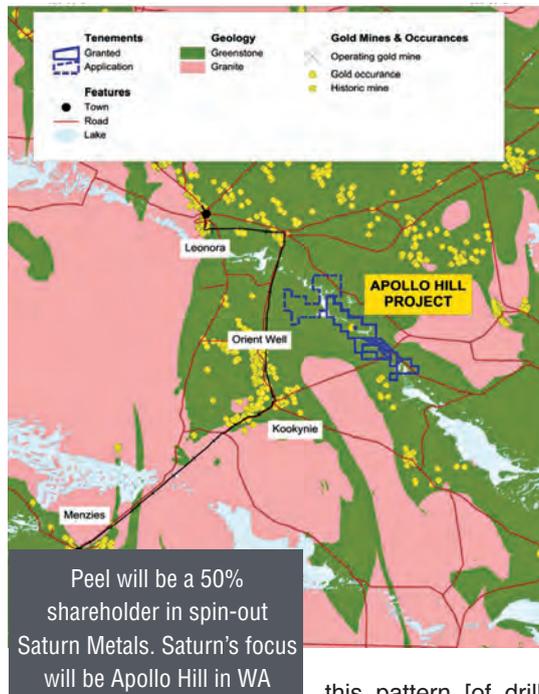
Peel's Rob Tyson will be executive chairman of Saturn and will be joined by Ian Bamborough as managing director, Andrew Venn as non-executive director and Ryan Woodhouse company secretary.

Bamborough has developed his career with Newmont Mining Corp and has spent considerable time in the US with the gold major.

He told **GMJ** the potential at Apollo Hill, in WA's North Eastern Goldfields, was as good as anything that had come across his desk while at Newmont.

"It has captured a lot of people's imagination plus I have seen something in the data that hasn't been pulled together for a number of reasons in the past. We have captured that and want to sell that vision for people in buoyant times in the market; maybe it is a perfect storm," Bamborough said.

Saturn has had a RC drill rig booked since November which was immediately fired up upon listing. Bamborough hoped to materially upgrade the existing resource within six months



by targeting along strike potential (5m @ 25.9 g/t gold hit) and testing newly identified high-grade plunging shoots (5.3m @ 10.3 g/t).

"The holes have been planned, everything is in place with about 2,500-3,000m planned initially. We will be targeting high-grade plunging shoots and grade distribution within the deposit. And, if we look at extensional and resource drilling we are working towards a resource upgrade within that programme," he said.

"We have a diamond rig booked for May to follow up on those results as we're optimistic about them. The average depth of the drilling in the first programme will be about 120m and we hope to keep repeating

this pattern [of drilling programmes] at regular intervals throughout the year. We will keep the news flow going and are targeting about 20,000m of drilling this year."

The 1,000sq km of ground Saturn has tied up stretches south of Gwalia, Leonora, and covers a significant portion of the Eastern Goldfields, meaning it has neighbours of the highest calibre. However, as with Apollo Hill itself, Saturn's regional landholding has not received due attention in the past.

"I think with the people around us, there is a good opportunity for a JV. If you look at Peel's history and Rob's strategy, which has been to get real solid JV partners, we can leverage from that if granted. Also, can we find a new multimillion ounce deposit ourselves? There is a lot hidden there," Bamborough said.

"We are in the middle of a big regional hi-res airborne magnetic programme and we've had to go out and fly 750sq km of our 1,000sq km out there. If you look at other parts of the Goldfields, that work was probably done 10 years ago, so it speaks to the greenfields opportunities. We have put the new data sets together and we have pulled what we can of the historic data which has been quite fragmented. I think we have the potential to completely rewrite what we do, that is quite exciting."

A programme of 9,000m of aircore drilling is planned to test regional targets in the back end of 2018, with Bamborough keen to see prospects such as Bobs Bore (9m @ 10.9 g/t gold) and Yerilla (17m @ 6.04 g/t) start to emerge.