

Bardoc re-rate underway as development looms

BARDOC Gold is putting the finishing touches on the definitive feasibility study for its namesake gold project near Kalgoorlie.



Gold And Silver > Events-coverage The DFS for the 3 million ounce project will be released in March, with capital costs expected to be about A\$140 million.

Comments Bardoc is targeting production of over 135,000 ounces of gold per annum over about eight years at all-in sustaining costs of \$1220 an ounce.

Share

Kristie Batten

"There are significant margins to be made at the project," CEO Rob Ryan told the Resources Rising Stars Summer Series yesterday.



While the DFS is a catalyst, Ryan said the company had achieved several key de-risking milestones in 2020.

One was the recent offtake agreement signed with MRI Trading.

Bardoc will sell about half of its production as concentrate to MRI, with the remainder to be sold as dore.

Another achievement was the \$24 million institutional raising in July 2020.

"The arrival of some key institutions on the register has given us the confidence to push ahead and deliver this project," Ryan said.

Bardoc has held initial financing discussions, which will ramp up once the DFS is released.

Ryan expects the company to be able to achieve a traditional debt to equity ratio of 65:35.

The company hopes to have financing in place by July for a final investment decision, and start construction in August/September.

First gold is targeted for the September quarter of 2022.

Bardoc is also continuing exploration with four drill rigs turning at site.

The North Kanowna Star project, 29km southeast of the proposed plant, has emerged as a major target.

Drilling in late 2020 hit 15m at 1.11 grams per tonne gold from 52m and 7m at 1.95gpt from 44m at the newly defined Serengeti prospect.

"The Serengeti prospect is really starting to show legs," Ryan said.

The company has now defined multiple mineralised zones over a 3.7km strike length.

North Kanowna Star has a resource of just 32,000oz of gold, but Bardoc will focus on defining further resources.

Unlike most gold companies, Bardoc shares have risen in the past three months, from about 7c at the start of November to 8.3c at yesterday's close.

"I only see the upside from here," Ryan said.



