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Kalgoorlie Miner Regional WA Goldfields Mining

Bardoc Gold to recruit local workers for upcoming project as it reveals feasibility study

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📷 Bardoc Gold chief executive Robert Ryan at Kalgoorlie-Boulder's Super Pit lookout last month. Credit: Picture: Amber Lilley



Bardoc Gold is closing in on its bid to join WA's mid-tier goldmining ranks, with first production of the precious metal tipped for late next year.

The Goldfields-focused explorer yesterday revealed a landmark definitive feasibility study for its namesake project 40km north Kalgoorlie-Boulder.

That was alongside a 28 per cent increase to the project's probable ore reserve, taking it to more than 1 million ounces.

The wider project has a resource of 3.02Moz.

The study forecasts average annual production of 136,000oz at an all-in-sustaining cost of \$1188/oz across an initial mine life of 8.2 years.

Based on a gold price of \$2250/oz, it points to a net present value before tax of \$479 million, generating an average \$113m in free cashflow a year with an internal rate of return of 41 per cent.

The Australian spot gold price was yesterday at 2266/oz.

The study estimates a \$177m pre-production capital outlay being clawed back 32 months from first gold.

That would include the costs of a standalone processing plant, which incorporates a flotation circuit to produce gold concentrate.

The transition from explorer to the commissioning of the project is also expected to create more than 350 direct and indirect jobs.

Bardoc boss Robert Ryan yesterday told the Kalgoorlie Miner there would be an emphasis on employing a residential workforce.

“The Bardoc project is well positioned to leverage off the established road networks, logistics routes, mining contractors, suppliers and highly skilled resources based in Kalgoorlie,” he said.

“Where it is not possible to source people from the Goldfields we will look to incorporate a portion of FIFO employees into our workforce.

“Our team has a long history of working and living in Kalgoorlie, and we fundamentally

Bardoc said it had issued tender documents for the engineering procurement and construction for the processing plant.

Debt finance discussions are also well-advanced, with completion of project funding and a final investment decision targeted for the September quarter this year and first gold in the December quarter next year.

In December, Bardoc Gold toasted a binding offtake agreement struck with Swiss company MRI Trading AG that will see the global minerals trader snapping up the gold concentrate produced at the mine.

Accounting for about half of all future gold production for the projected life of the project, the balance is expected to be produced into conventional gold bars.

Yesterday, Mr Ryan said securing a buyer for the gold concentrate significantly de-risked the project.

“Based on the project’s very strong financial metrics and Tier 1 location, combined with the strong team we have assembled and our very strong institutional share register, we are confident of securing a highly competitive project funding package over the coming months,” he said.

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