

Mining silver lining

By Jarrod Lucas

EMERGING Kalgoorlie miner MacPhersons Resources says it is highly leveraged against the rising silver price and could mine \$44 million worth of the metal in its first year of production.

With some analysts predicting demand for electronics and medical products to drive silver towards \$US100/oz, up from \$US33.10 yesterday, MacPhersons chairman Ashok Parekh said the plan is to produce 2Moz of silver in 2014-15 at the company's Nimbus project, 10km east of KCGM's Super Pit gold mine.

At current prices, it equates to about \$44m and would be \$76m if the silver price hits \$50/oz.

"Because the silver price has gone right up to \$32/oz and our costs are \$10/oz, you are going to make 70 per cent net cash before capital expenditure," Mr Parekh said.

"The profitability is very high in this project."

However, MacPhersons managing director Morrie Goodz warned

shareholders at yesterday's annual general meeting at Kalgoorlie's The Australia Hotel to expect delays at Nimbus.

The initial target was late next year, but he expects a pit optimisation study to be released in January and construction of a 480,000tpa mill to postpone production until 2014. The plant will include a Merrill Crowe circuit from the United States capable of processing gold and silver feed.

Shares in MacPhersons closed 5.2 per cent higher yesterday at 40 cents, down from a record high of 45 cents on November 2.

Baillieu Research analyst Adrian Prendergast predicts MacPhersons shares will hit 64 cents, forecasting the resource to range between 25-50Moz of silver equivalent.

But Mr Goodz is more bullish and has suggested Nimbus has the potential to become Australia's second-biggest silver mine, behind BHP Billiton's Cannington mine in north-west Queensland which sits third on world rankings (32Moz last year) behind Mexico's Fresnillo

(42Moz) and Poland's KGHM (41Moz). Mr Goodz told shareholders a major resource upgrade at Nimbus is due next month.

"When they made that assessment (25-50Moz), Nimbus was just a deposit with three lenses," Mr Goodz said.

"We now know there are over 10 lenses and we have nine other deposits within 5km of the mill.

"I do not think it is inconceivable we will bring this up to the hundreds of millions of ounces of silver and therein lays the opportunity for this becoming a major silver field in the future."

Mr Parekh yesterday ruled out another capital raising in the near future as New York-based metal merchant Red Kite Group in August took an 8.5 per cent stake in MacPhersons, worth \$8.6 million, through its subsidiary RK Mine Finance.

"To get a billion-dollar company whose only investment in the whole of Australia is our company, they are in there for a reason," he said.

Port e-waste service free

A FREE electronic waste recycling service has started at the Wylie Bay tip.

The Shire of Esperance is the first local government body in WA to enter into an agreement for the service with the National Television and Computer Recycling Scheme called Tech Collect.

Acting chief executive officer Shane Burge said Tech Collect was a free e-waste recycling service for the general public and small business.

"Shire staff have been monitoring the initiatives undertaken by Australian and New Zealand Recycling Platform Limited and were quick to act on the scheme once it became available," Mr Burge said.

Under the agreement, the Wylie Bay Waste facility is now a free collection point for all unwanted televisions, computers and computer accessories.

"The items collected will be recycled in an environmentally friendly manner rather than going into landfill," he said.

"We strive towards reducing as much landfill as possible.

"Being so far from Perth, the transportation costs for these items needed to be covered by a service fee.

"Now we have access to this scheme the community can benefit without incurring a fee."

ANZRP chief executive officer Carmel Dollisson said the partnership with the shire was a great example of industry and local



Free e-waste: Shire of Esperance acting chief executive officer Shane Burge and waste management supervisor Karen Naylor with electronic waste which can now be dumped for no charge. Photo: TIM SLATER

government working together to deliver sustainable environmental outcomes for e-waste.

"We are delighted with the support we have received from the team at Esperance Shire and we look forward to a long-term relationship with Esperance and other councils who are interested in safe, sustainable solutions to recycling e-waste," Ms Dollisson said.

"We encourage the general public and small business to dispose of

their unwanted televisions and computer products in an environmentally sustainable way, which TechCollect is able to guarantee."

More than 1400 televisions and 1200 computers and accessories have been recycled since the shire introduced its e-waste scheme in 2010.

It used to cost two tip vouchers, or a maximum of \$26, for any size television or computer screen to go into the e-waste container.



All smiles: Daniella Stemp and 'Basil' enjoy the fireworks. Photo: MARY MILLS

Weather fails to dampen the city's festive spirit

AROUND 2000 people braved wild weather conditions on Thursday night for the annual lighting of the Christmas tree.

Despite a storm threatening to put an end to the festivities, City of Kalgoorlie-Boulder mayor Ron Yuryevich said it was a well-supported event.

"We made the best of it, in true Goldfields fashion," he said.

Mr Yuryevich said he and city officers had huddled around an iPhone to watch the weather radar before deciding the event should go ahead.

"(The system) was like a u-shape going through," he said.

"We could see the clearance behind it (on) the radar and we thought, 'this

is good, it's going to clear'."

He said it was "disappointing" some of the entertainment for the street festival had to be performed on the road instead of the stage.

But he said the cloud cover made the fireworks display all the more impressive.

"The fireworks were spectacular," he said. The lighting of the Boulder Christmas tree will take place in Loopline Park tonight.

Entertainment, a bouncy castle and free face painting will be on hand for the annual Carols in the Park.

Festivities will get under way at 6pm.

• More photos on page 14.
KARA VICKERY

Community Centre goes SOLAR



Congratulations to the City of Kalgoorlie Boulder on their Solar initiative of 17.5 kw

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