

# Cyprium keen to accelerate WA copper story

IT'S been less than 12 months since Barry Cahill and his former cohorts from Finders Resources secured the copper rights over Musgrave Minerals' Cue gold project, and just six months after first drilling, Cyprium Metals looks to have delivered a proof of concept for Australia's first copper sulphide heap leach operation.



*Cyprium is hopeful of becoming a dedicated WA copper producer.*

## **Copper > Leader-interviews**

Copper is widely recognised as a key barometer of global economic health, and while it is sitting just above its 12-month low at US\$2.50 per pound, and hasn't traded above \$3/lb for almost 18 months, Cahill is bullish.

Comments

Share

"Gold has had run we think copper is next," he told MNN.

## **Haydn Black**

Reporter

Cahill, Cyprium's executive chairman Gary Comb, company secretary Wayne Apted, and chief geologist Peter van Luyt, all came from Finders Resources, the company that successfully developed a world-class copper sulphide heap leach operation on remote Wetar Island, Indonesia.

While Wetar suffered a string of operational issues at the same time its major shareholders undertook a hostile takeover, Cahill said his faith in the technology was strong.

Cyprium was born from a desire to develop similar projects in Australia, using proprietary intellectual property for successful, low-cost copper sulphide heap leach operations, refined post-Finders.

"We had a lot of ideas we developed after Finders. We had fixed Wetar and it was going gangbusters when we left, but we decided to come closer to home, where it's less remote," Cahill said.

The plan to develop a new mid-tier copper miner saw Cyprium review over 250 copper projects in Australia.

"There are lots, in Western Australia for example, that don't amount to much, and there's a lot of prospect hording going on," he said.

"We were successful at matching around 20 to our concept, short-listing five, and we were able to do a deal with Musgrave about 12 months ago."

The company's unique IP allows it to consider deposits that may have deleterious elements or difficult metallurgy, and proposes a cheaper development option, Cahill said.

It is earning 80% in the Cue copper rights, initially by focusing on Hollandaire deposit.

Originally discovered by Silver Lake Resources in 2011, Hollandaire has a JORC 2004 resource of 1.9 million tonnes at 2% copper for 38,700t that is being updated to JORC 2012 status.

Recent column test-work on Hollandaire recovered around 92% copper in as little as 21 days, which Cahill said was not only more rapid than expected, but generated surplus acid, so the leach pads can be smaller, and operating costs lower.

More recently copper plate was successfully produced.

The company moved into a scoping study, earlier than expected, and Cahill expects the first internal draft is about 6-8 weeks away.

That should answer key questions about the size of the resource needed for development and costs.

"Right now, we think we're pretty close," Cahill said.

"With the rate of recovery in the metallurgical process we have developed being so quick, we think that has had a massive positive impact on the economics. We need a lot less to get into production."

Its recent drilling has identified further mineralisation at depth and on the western margins of both the east and west structures, including 1m at 1.04% copper, 0.16 grams per tonne gold and 5.5gpt silver from 156m, with all intercepts outside the resource envelope.

Cyprium believes its first development will be a low capex, low opex operation.

It is too early to speculate on costs, but Wetar's costs were below US\$1.60 per pound in 2017, and that was in a remote, mountainous area that posed considerable logistical challenges.

Hollandaire is in a "much, much better environment", he said.

"Being flat is very helpful," Cahill said, and the presence of the gold mining sector means accessing key inputs such as acid and power should be simple to access.

Beyond Hollandaire, Cahill said Cyprium was focused on ensuring it had a pipeline of future prospectivity, something he admitted was a shortcoming at Finders.

There is plenty of prospectivity at Cue, with the nearby Hollandaire West prospect open at depth and along strike, and prospects such as Eelya South, Rapier West, Mount Eelya and Colonel, many of which it has drilled already or expects to drill this year.

"We need to pursue them, but because we have been so successful at Hollandaire, we have decided to stop, take a breath, so we can see what we have, and how we can apply that knowledge," he said.

In the background the junior is also scouting other areas, and Cahill believes several opportunities Cyprium originally identified will emerge as projects for the company.

"We've done due diligence on a number, and we are monitoring a few, because we are developers, constructors and producers, we are not explorers going out into the wild bush," he said.

Cyprium started the year with \$3.6 million cash following a \$2.31 million raising at 21c late last year.

Cyprium shares have halved from January's peak 31c and were last traded at 15c, valuing the company at \$6.8 million.



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