



Gold production continues to rise – report

AMY MATTES-HARRIS

AUSTRALIAN gold production, which rose strongly toward the end of 2009, will continue to grow, according to industry consultant Surbiton Associates.

In its latest overview of the Australian gold sector, Surbiton reported that Australia produced a total of 7.3 million ounces of gold for the 2009 calendar year, a 3 per cent increase on 2008.

Gold output in the December quarter of 2009 rose by 13 per cent over the September quarter to 2 million ounces, and by 14 per cent as compared to the same quarter of the previous year.

Surbiton Associates director Dr Sandra Close said Australia's production increase cemented its position as the world's second largest gold producer.

"China was the largest producer in 2009 at 314 tonnes, with preliminary figures putting the US third at about 216 tonnes and South Africa fourth at about 210 tonnes," she said.

Dr Close said the increase in gold output during the December quarter was largely assisted by the opening of Newmont Mining's re-developed Boddington operations.

The Boddington mine, although still in the ramp-up phase, produced 118,000oz of gold in the December quarter, and is expected to produce at a rate of more than 200,000oz of gold per quarter this year.

In addition to Boddington, Dr Close said a number of other Australian gold producers had increased production to take advantage of higher gold prices and attractive operating margins.

According to the overview, the top five Australian gold producing operations in 2009 were Newmont and Barrick Gold's Super Pit joint venture, Newcrest Mining's Telfer, the Gold Fields-owned Lefroy, Newmont's Jundee and AngloGold Ashanti's Sunrise Dam.

Among the smaller producers, Ramelius Resources' new, high-grade, underground mine at Wattle Dam added 21,000oz to the total.

Looking forward, Saracen poured the first gold from its redeveloped Carosue Dam mine near Leonora at the end of January, while Navigator Resources is expected to restart its Bronzewing operation in the coming weeks.

Catalpa Resources is also expected to begin producing in June at its rejuvenated Edna May project at Westonia.

"Gold production should increase in the near term, with the continued ramp up of Boddington plus output from additional producers in WA," Dr Close said.

"Despite the low level of exploration, which is still a real cause for concern in the longer term, the current attractive gold price and margins are fostering the redevelopment of old operations and there are even a few new developments as well."

At the current Australian gold price of about \$1250oz, (at the time of writing) the gold produced domestically in 2009 is worth more than \$9 billion, making gold a significant contributor to Australian export earnings.



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Resources chiefs top up coffers

Directors' Cut



LOUISE BURKE

Aquila Resources has made good money for its backers, the stock climbing almost 500 per cent from its low of \$1.85 in March last year to increase the miner's market value to \$3.5 billion.

Non-executive director **Derek Cowlan** took some cash off the table on March 25-26, selling 100,000 shares for \$1.06 million, leaving him with an interest in 10.5 million shares, worth \$115.9 million.

Troy Resources non-executive director **Clement Parish** has also been among the sellers, offloading 100,000 shares in the gold producer for \$220,404 on March 24. Mr Parish also sold 107,471 shares on March 19 and March 26, pocketing \$239,432.

Catalpa Resources chairman **Peter Maloney** paid \$1.8 million for 1.2 million shares on March 31.

Fellow director **Barry Sullivan** was a buyer, converting two tranches of options at 88¢ and \$1.10 into 45,454 shares on March 18 for a total of \$44,999.

Iluka Resources managing director **David Robb** bought 72,044 shares in the mineral sands miner for \$265,842 on March 23 and Metals X non-executive chairman **Peter Cook** paid \$98,500 for 800,000 shares in the nickel and tin explorer on March 18.

