

Theta Gold Mines Limited: Pre-Feasibility Study for Initial Underground Projects

13.04.2021 | [ABN Newswire](#)

Sydney, Australia - [Theta Gold Mines Ltd.](#) (ASX:TGM) (OTCMKTS:TGMGF) is pleased to announce its Maiden Underground Prefeasibility Study (PFS) for the Beta, Frankfort, and CDM mines, all of which form part of the Central Northern area and now collectively referred to as TGME Underground (UG) Project.

HIGHLIGHTS: TGME Phase 1 Underground Project, which excludes the open pits. All numbers in USD and financials based on forecast gold price of average USD\$1,570/oz and ZAR/USD exchange rate of 15.9.

- Pay-back period from first gold 13 months
- Pay-back period from start of mining 22 months
- 419,000 oz Au delivered to plant over initial Life of Mine (LoM)
- By the third year, production over 60,000 oz Au/year (recovered)
- LoM is 7.67 years
- US\$241.2 million EBITDA over LoM
- Internal Rate of Return (IRR) 82%
- US\$91.2 million Net Present Value (NPV)
- US\$905/oz Au all-in sustaining cost (AISC) over LoM, bottom quartile for South Africa producers
- Total LoM Capital Expenditure (CAPEX) US\$79 million includes -
 - o Peak CAPEX first 3 years US\$37M - Oxide and Backfill Plant and Beta Mine development
 - o Year 4 US\$27M Sulphide Circuit and Frankfort and CDM Mine development
 - o US\$15M of remaining capital to develop and sustain operations

The company continues to honor its commitment to improving the project economics and expansion of the production profile. The team has delivered a Maiden Underground Prefeasibility Study based on only 16% of the 4.5m oz Au underground gold resource, and incorporates only three mines out of a total 43 historical mines across the project area. As well, it considered only measured and indicated resources for initial inclusion in production and reserve conversion. The inferred resources of these phase 1 mines, together with more than 40 historical mine sites under management, will be systematically studied and incorporated into future production modelling.

This is a very positive early step to developing the goldfield.

The initial study focused on the easy access of 684,000 oz Au in the Measured and Indicated categories of the TGME Underground Resource for the Beta, Frankfort and CDM areas. (Appendix B). The team achieved a conversion factor of 63% from resource to mining reserve in those areas.

A further 3.5m oz Au of inferred resources is available to be upgraded to the Measured and Indicated resource category and potentially a portion could be converted into mining reserves.

Theta Gold has demonstrated, through the first phase underground PFS, excellent project economics for what it believes to be only a small portion of the underground resource and will continue to build up its Mining Reserves during the year by progressing Rietfontein and other mines through to PFS level, while concluding detailed designs for the Phase 1 UG Project.

Previously the company announced a five-year plan, which targets four (4) mine developments, Theta

open-pit Starter Project (MR83 only), Theta open pit extension (MR341) and the Rietfontein and Beta underground mines. This 4-mine strategy provided the company with a clear growth plan with a combined open pit and underground resource of over 2.75 Moz. The recent detailed work that was done on Frankfort, Beta and CDM UG mines, together with Theta Phase 1 OP, has further enhanced this strategy. The Company will expand further regarding this wider scope during Q2 2021.

The TGME Underground PFS shows that the narrow high-grade reefs system can be mined with modern mechanized mining techniques (safer, increased productivity and minimum dilution), and that the gold can be recovered by utilizing modern metallurgical technologies (Ultrafine grinding and Intense CIL). This proof of concept is part of de-risking the underground projects. The "New CEO's Development Strategy" later in April will review how the underground and open pit mines will be combined to organically grow the production profile.

Chairman Mr Bill Guy stated, "The TGME Underground Prefeasibility Study clearly demonstrates that the extensive flat high-grade narrow reef systems of East Transvaal Goldfield can be mined economically, and modern mechanized mining and metallurgy can deliver strong project economics.

Now that the company has generated a PFS for the TGME Underground Project, we can optimize our development strategy based on confident numbers. At a 63% conversion ratio, Theta Gold still has 3.5 million oz Au of underground resources to develop in order to extend LoM and increase production into the future.

Due to the shallow, high grade and on-reef development characteristics of the ore, our AISC of US\$905 per ounce of gold sits in the bottom quartile of costs for South Africa. At a forecasted average US\$1,570 gold price, EBITA is US\$241m from revenue of US\$545m and the NPV is US\$91m; all based on a very small proportion of the overall project area. The CAPEX is modest and staged and production peaks at 70,000 oz Au per annum. This PFS clearly demonstrates very strong project economics for the underground mines. In real terms, we have only completed the study on 16% of the total of 4.5m ounces of gold in the underground mineral resource. The team will complete the Rietfontein PFS in Q3 of this year. The Mining Reserve from Rietfontein can then be brought into the updated PFS to further increase the production profile.

At Theta Gold, the resource pipeline into the future is strong, and the scale of the potential resources and the geology in South Africa should not be underestimated. The Company will soon be a key player in the South African mining industry, a sector that has produced more tons of gold than any other country when measuring gold bullion tonnage. Over 40% of the world's gold has come from the small corner of South Africa that we call home."

Financial Summary

Financial modelling was completed over a range of gold price environments, using all of forecast prices and constant prices of US\$1,500/oz, US\$1,600/oz, US\$1,700/oz, US\$1,800/oz and US\$2,000/oz. The forecast prices are considered the Base Case as per the completed PFS.

To view tables and figures, please visit:
<https://abnnewswire.net/lnk/IPGTCBM8>

About Theta Gold Mines Limited:

[Theta Gold Mines Ltd.](#) (ASX:TGM) (OTCMKTS:TGMGF) is a gold development company that holds a range of prospective gold assets in a world-renowned South African gold mining region. These assets include several surface and near-surface high-grade gold projects which provide cost advantages relative to other gold producers in the region.

Theta Gold Mines core project is located next to the historical gold mining town of Pilgrim's Rest, in Mpumalanga Province, some 370km northeast of Johannesburg by road or 95km north of Nelspruit (Capital City of Mpumalanga Province). Following small scale production from 2011-2015, the Company is currently focussing on the construction of a new gold processing plant within its approved footprint at the TGME plant, and for the processing of the Theta Open Pit oxide gold ore. Nearby surface and underground mines and prospects are expected to be further evaluated in the future.

The Company aims to build a solid production platform to over 100Kozpa based primarily around shallow, open-cut or adit-entry hard rock mining sources. Theta Gold Mines has access to over 43 historical mines and prospect areas that can be accessed and explored, with over 6.7Moz of historical production recorded.

Source:

[Theta Gold Mines Ltd.](#)

Contact:

Bill Guy, Chairman [Theta Gold Mines Ltd.](#) T: + 61 2 8046 7584 E: billg@thetagoldmines.com Investor Relations Australia: Ben Jarvis Six Degrees Investor Relations T: +61 (0) 431 271 538 United States: Michael Porter Porter, LeVay & Rose Inc T: +1 212 564 4700 E: theta@plrinvest.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/380260--Theta-Gold-Mines-Limited--Pre-Feasibility-Study-for-Initial-Underground-Projects.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).