



View to expand asset base

By Tania Winter

The Lachlan Fold Belt remains on of Australia's prime exploration frontiers.

A RECENT CORPORATE move by Bellevue Resources Ltd seems to be the right one for the junior, which has been striving to strengthen its board and expand its project portfolio.

Bellevue is looking to merge with fellow Australian junior Meridian Resources Ltd and in the process create an extensive portfolio of tenements in New South Wales, Queensland and South Australia, backed by a strong board with a proven track record of success.

The combined entity will be called Meridian Minerals Ltd, with current Meridian chairman Ray Miller and managing director Jeremy Read retaining their respective roles.

The proposal was due to be put before company shareholders at the time of going to press and, if the deal goes ahead, Meridian will then seek to list on the ASX.

It is intended that fellow Meridian directors Morrice Cordiner and Michael Howard will also remain on the board, and be joined by Bellevue chairman Paul Niardone.

Both Miller and Read have worked previously with BHP, and Read was more recently managing director and founder of Discovery Metals Ltd.

Under the terms of the acquisition, Bellevue will issue 34 million shares and 31 million options to Meridian shareholders, representing 50% of the expanded entity.

Importantly, 63% of this stock will be held in escrow until at least December 2009.

Meridian also has the support of its cornerstone investors Teck Cominco

Australia Pty Ltd, Mithril Resources Ltd and Macquarie Bank.

Impressive portfolio

With a focus on copper and gold in Australia, Meridian has assembled a suite of brownfield and greenfield exploration projects in the Lachlan Fold Belt in NSW and SA and the Thomson Fold Belt in NSW.

This has been achieved through agreements with Teck and Mithril – Teck vended its Lachlan Fold Belt tenements to Meridian and Mithril vended its tenements (also within the Lachlan Fold Belt and Koonenberry Inlier) in western NSW.

All of the Meridian's Lachlan project tenements are granted exploration licences, while granted tenements in western NSW cover a range of high priority ground electromagnetic conductors, which are interpreted to have the potential for base metal mineralisation.

"Having a series of drill ready, high priority targets thanks to the efforts of our project vendors, and major shareholders Teck Cominco and Mithril – plus the existing Bellevue tin project – is an exciting prospect," Meridian managing director Jeremy Read said.

This year the company is budgeting to spend \$2 million exploring its properties.

Meridian also acquired from Teck tenements covering 6,300 square kilometres in the Gawler Province of SA.

"We have gravity magnetic data over these areas and targets defined and will now go and drill test them," Read added.

"There is 200 metres of cover and if we can prove that our geological model is

correct, we would look to bring in a major to fund that."

The most advanced of Meridian's projects include Tumut, Boomey, North Parkes and Koonenberry in NSW.

Tumut, Read believes, has the potential to develop into a significant gold resource.

The company will start drilling there in August, following up historical surface trenching results of 20m at 4.04 grams/tonne. "We plan to put a regular drill pattern over the top of that and test beneath those historical trenches which cover a strike length of 650m and remain open to the south," he said.

"We will also do more surface sampling and are confident we will get some good results out of that."

Previous samples from the area have returned grades of 10-20 g/t.

Other targets

Boomey is a large copper surface geochemical anomaly located immediately north of the Copper Hill deposit in the Lachlan Fold Belt, and is a ready made drill target.

At North Parkes, surface rock chips of 7% copper and 10 g/t gold and 1.9% copper and 16 g/t gold have been returned from a structural corridor which hosts the Peak gold mine. Again, it is a ready made drill target.

Koonenberry Inlier, a ground electromagnetic conductor, represents a possible sulphide target for the company.

At Bellevue's Running River tin project in north Queensland, rock chip sampling has logged up to 6,050 parts per million tin.