

Bellevue inks MoU for operating copper project

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JUNIOR gold and base metals explorer Bellevue Resources says it has taken a significant step towards becoming a mineral producer after signing a memorandum of understanding to acquire a privately-held operating copper oxide project.

The Queensland-based company said the copper oxide project produces a copper cement product from a heap-leach copper oxide operation.



The copper oxide ore is mined from an open pit, which is free dig, and the project consists of two copper resources in the measured and indicated categories, only one of which is currently being mined.

Bellevue managing director Jeremy Read told *Mining News.net* the plant was producing 2-5 tonnes of copper cement per day but had the potential to ramp up to 10tpd.

He said the MoU was a positive step towards achieving a major strategic goal – to move the company from mineral explorer status to a producer with a strong, positive cash flow.

"In recent months the company has accelerated its advanced project search with a particular focus on assessing producing or near-production copper and gold projects," Read said.

"The MoU provides an opportunity to acquire a producing copper project which is aligned with the company's focus on copper and gold projects and our goal of having a project which will underpin the growth of the company."

The project has a mine life of 4-7 years and has potential free cash flow per annum of \$4-10 million.

The current project owners have a life of mine offtake agreement in place with pricing being set at 75% of the London Metal Exchange cash copper price.

Read said that a six-week due diligence period would now begin.

"We are moving quickly to commence the due diligence on the project as our objective is to conclude the transaction before the end of the year, subject to positive outcomes from the due diligence," he added.

The company said it would also assess producing and near-producing copper and gold projects for possible purchase and was in discussions with the owners of several other gold and copper projects that contained defined mineral resources.

Bellevue merged with Meridian Minerals earlier this year and Canadian mining house Teck Cominco has an 8.5% shareholding in the merged company.

The company has a portfolio of gold and gold-copper projects within the Lachlan Fold Belt in central and southern New South Wales and the Gawler Craton in South Australia.

Bellevue also holds the Running River tin project, 120 kilometres northwest of Townsville in the prospective Kangaroo Hill mineral fields in Queensland and the unexplored northern extension of the Lachlan Fold Belt into the Thomson Terrane in northern New South Wales.

Shares in Bellevue, which listed in December last year, remain unchanged at 7c in morning trade.