

Wiluna Mining Corporation Ltd

17:04 20 Mar 2020

Blackham Resources closes in on funding for Wiluna Gold Mine expansion

Blackham Resources Ltd (ASX:BLK) is nearing the closure of its \$52 million equity issue in April, after which the company expects to finalise a \$40 million project finance proposal for the stage 1 expansion of the Wiluna Gold Mine.

The funding package will allow the company to finalise the expansion, which will result in production of between 100,000 ounces per annum and 120,000 ounces per annum in concentrate and gold ore.

Executive chairman Milan Jerkovic said: "Within the current quarter of dramatic global change due to COVID-19, Blackham has been relentless in advancing our stated two-year transformation plan: we have added clout and expertise to our leadership team, refinanced the company and achieved fantastic initial underground exploration results, while significantly upgrading the processing capacity and development of our Wiluna Gold Mine."

While the company has experienced an impact on production from the cyclones Blake and Damien, there has been no impact on production, operations, explorations or on its supply chain from the virus to date.

Stage one activities progressing

The construction of tails storage facility K is near completion, the rod mill refurbishment is completed and successfully commissioned, and the dewatering of the East-West pits and underground mine is on schedule.

The engineering design for the sulphide flotation plant is close to completion with construction of the concentrator and filtration plant expected to take 11 months from approval.

Financial strategy

The company recently revealed a funding package of up to \$92 million by way of a placement of \$26 million in two tranches.

Tranche one of \$11.67 million is completed with funds received, and tranche two funds committed - subject to shareholder approval at a General Meeting to be held on 6 April.

In addition, a fully underwritten entitlement issue of \$26.1 million by major shareholder Delphi has commenced and will close on 26 March.

Both the placement and entitlement issue at a price of 1.0 cents per share.

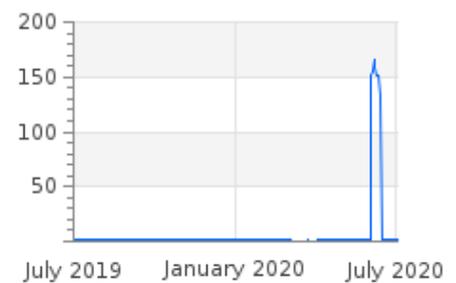
Blackham's gold production remains largely unhedged, with current forward sales contracts of only 10,991 ounces at an average price of A\$2,393 per ounce, maturing by 31 August 2020.

Looking forwards

Price: 1.45

Market Cap: \$145.41 m

1 Year Share Price Graph



Share Information

Code: WMX

Listing: ASX

52 week	High	Low
	1.55	1.135

Sector: Gold & silver

Website: wilunamining.com.au

Company Synopsis:

Wiluna Mining Corporation (ASX:WMX) (OTCMKTS:BKHRF), formerly known as Blackham Resources Ltd (ASX:BLK), controls over 1,600 square kilometres of the Yilgarn Craton in the Northern Goldfields of Western Australia.

action@proactiveinvestors.com.au

Jerkovic said: "Looking ahead to quarter four, we reaffirm our commitment to shareholders to deliver on our five-point strategy of transitioning to gold concentrate production, increasing operational cashflows, repairing the balance sheet, expanding gold production and advancing 'under the headframe' exploration, to underpin a future greater than 250,000 ounces/per annum long-life gold operation.

"We are 10 months into this two-year transformation process, and while there is still a lot of work to do, we are committed to building a safe, quality mining and exploration company, focused on creating value for shareholders."

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Wiluna Mining Corporation Ltd named herein, including the promotion by the Company of Wiluna Mining Corporation Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).