

# Red River project's future looks golden

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NORTH Queensland base metals producer Red River Resources has struck gold from its investments into exploration just 32km from its Thalanga operations.

The company has reported “outstanding results” from an ongoing drilling program at the Liontown project and says they indicate the potential for a near-term mining oppor-

tunity which could be material to the Thalanga operations.

While the company reported “exceptionally” high grades of gold and silver, it also calculated results in zinc equivalents, including 35.75 metres at 14.9 per cent zinc equivalent and 23.65 metres at 19.4 per cent zinc equivalent.

“We are impressed with the results from Liontown, which are demonstrating the potential of this deposit to add to the mine life of our Thalanga operations,” Red River managing director Mel Palancian told the ASX. “The New Queens Lens has potential to become a starter pit, targeting the shallow high-grade polymetallic mineralisation, while results from the Main Lens support a possible underground mining operation.”

A maiden mineral resource

of 1.5 million tonnes at 12.2 per cent zinc equivalent at Liontown East was announced in July 2018, increasing the total mineral resource at the Liontown project to 3.6 million tonnes at 10 per cent zinc equivalent.

Red River Resources operates a processing plant and mines at Thalanga, 200km southwest of Townsville, which

employs about 170 people.

It is already developing the Far West mine at Thalanga to support its West 45 mine.

In its 2019 annual results, Red River chairman Brett Fletcher said its first full year of production had laid the platform for continued growth and expansion in 2020.

“The Liontown project is the largest undeveloped mineral resource at the Thalanga operations and the company has recently commenced development studies for this project,” Mr Fletcher said.

In 2018-19, the company generated revenue of \$96.5 mil-

lion, with \$55 million from the sale of zinc metal in concentrate, \$20.6 million from the sale of lead metal in concentrate, \$9.7 million from the sale of copper metal in concentrate and \$11.2 million from the sale of gold and silver contained in copper and lead concentrates.

It produced \$23 million in cash from operations, funding the development of the Far West mine (\$12.7 million) and \$4.3 million in exploration.

In August, Red River finalised the acquisition of the Hillgrove Gold-Antimony project in NSW and said it was seeking further acquisitions.