

MNN Awards: Botswana copper success could herald new era

HAVING enjoyed superb exploration success last decade with the Flying Fox nickel discovery – followed four years later by the outrageously good Spotted Quoll find – geologists' Julian Hanna and Terry Grammer now head companies involved in a joint venture having a big success finding copper in the backblocks of Botswana.



MOD Resources managing director Julian Hanna examines core with an employee

The Hanna-led ASX-listed MOD team and its 30% joint venture partner AIM-listed Metal Tiger (led by Grammer), first found copper at the plainly-named T3 in March 2016, and a mere six months later a resource of 28.36 million tonnes grading 1.24% copper and 15.7 grams per tonne silver was estimated.

Exploration cost? A rather stunningly low US\$1.7 million according to MOD.

The expectation is there is plenty more red metal to be found at both at T3 and elsewhere in the Kalahari copper belt, where MOD holds thousands of square kilometres of ground both in its own right and in its joint venture with Metal Tiger.

As is often the case, the route to success was circuitous.

When Hanna joined MOD post-Western Areas, the focus was the Sams Creek gold project in New Zealand (that was sold just this month), with the ground in Botswana nearly getting the chop in the early days.

However when the liquidators or ASX disaster Discovery Metals put that company's exploration ground up for sale, Hanna contacted an old mate Grammer to see if he was interested.

Hence the 70:30 joint venture under the Tshukudu Metals umbrella.

The ground picked up in the western part of the belt had been ignored over the years because of perceived low prospectivity given low level soil anomalism.

However it is being shown the low soil anomalism was due to the masking effect of a calcrete layer.

A host of "targets" – hence the "T" in T1, T2, T3 ... – were generated in 2015/16 based on magnetics (that revealed an unusual structure) and low level soil anomalism (28ppm copper), and drillers mobilised.

The drilling at T3 (which was the fourth target drilled due to easier access to T4) subsequently hit 52 metres grading 2% copper in March last year.

MOD shares flew such that a company that was worth about A\$5 million at the start of 2016 is now capitalised at more than \$115 million – and with about \$15 million cash in the bank.

The pre-feasibility for a "starter" project is well underway and a definitive feasibility study is flagged for later in the year.

The scoping numbers point to a robust initial development and Hanna is confident there's plenty more copper to be found at T3.

The ongoing exploration at T3 and regionally will be being closely watched by the copper majors.

A 60km long structural zone dominated by the T3 prospective sequence has been identified, with interpreted shallow thrust faulting.

Regional soil sampling programs are ongoing and airborne EM (AEM) has been added into the mix, with the initial focus on the area surrounding the T3 deposit extended for about 50km along the axis of the T3 dome.

The AEM was completed this week and interpretation and modelling is now underway.

MOD has recently drawn attention to the Ivanhoe Mining's rather stunning copper exploration success at the Kamo-Kakula deposits in the Democratic Republic of Congo, as an example of sediment hosted copper deposits having the potential to be very large.

The added beauty for MOD and Metals Tiger is the project's location, with Botswana often flagged as a premier destination for mining and exploration companies from a sovereign risk perspective.

Another pointer to Botswana potentially becoming a big contributor to the copper world in the years ahead.

MOD Resources' T3 discovery is nominated for Explorer of the Year in the inaugural MNN Awards.