

Monument forges ahead in Malaysia

BY MATTHEW KEEVIL

VANCOUVER — It has been three years since Vancouver-based junior **Monument Mining** (TSXV: MMY) started production at its Selinsing gold mine at Bukit Selinsing Koyan, 65 km north of Raub, Malaysia. And the company is showing no signs of slowing down.

Monument has benefited from its first-mover status, as well as good relationships with the University of Tasmania and the Malaysian government. The company is expanding assets in Malaysia, and is aiming to complete a resource update and preliminary economic assessment on its large-scale Men-gapur polymetallic skarn deposit by year-end.

“We do wholly own every asset that is on our balance sheet,” president and CEO Robert Baldock notes during an interview.

“We don’t have any government participation, equity or otherwise in our assets, so it’s not like some places where governments come along after you’ve spent a significant amount of money and ask for a carrying right, or worse yet, take the asset and tell you to go home. I think that indicates our knowledge and experience in regards to the authorities, and how to get along with them,” he adds.

Over the most recent fiscal quarter Monument cranked out 13,000 oz. gold at Selinsing, which represents a 25% year-on-year production increase. The company saw its quarterly throughput jump 142% compared to the same period in 2012 after a plant expansion, with its mill processing 268,000 tonnes of ore.

Baldock says the throughput increase was also driven by better equipment availability, drier weather and recent contributions of oxide ore from its satellite Buffalo Reef pit.



Mining activity in the pit at Monument Mining's Selinsing gold mine in Malaysia.

Monument is aggressively drilling at the site, with a 138-hole diamond drilling program in 2013 that covered 19,200 metres across Selinsing and Buffalo Reef.

In April the company released a reserve and resource estimate that incorporates both sites, and will provide the company with mill feed to operate Selinsing at 1 million tonnes annually through 2017.

“We have a lot of mining experience in the company, and we were fortunate to have some good hits early that let us identify our structures,” Baldock says, pointing out that Monument is drilling up to 12 km north of its current resources at Selinsing. “We rely on some quite big-picture geophysics, as well as a variety of geochemical sampling. We’re on structure there that runs at least 4.5 km long, and we also know it runs south some distance, but we’re not sure about the extent yet.”

Malaysia’s Central Gold Belt (CGB) hosts most of the country’s peninsular gold occurrences, including Selinsing. The CGB runs up the Malaysian peninsula into Thailand and hosts structurally controlled quartz veins in a sequence of older and folded slates.

Monument remains focused on oxide and transition ore at its mill, with proven and probable oxide material at Selinsing and Buffalo Reef totalling 2.9 million tonnes grading 0.9 gram gold per tonne for 81,300 contained oz. Measured and indicated resources at the two deposits tack on another 2.95 million tonnes at 0.9 gram gold for 84,100 contained oz. All resources and reserves assume a 0.3-gram-gold cut-off grade.

Monument is studying an expansion at Selinsing that would allow for the processing of refractory ores. Sulphide reserves total 2 million tonnes at 2.2 grams gold for 141,700 oz., with measured and indicated resources adding

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3.34 million tonnes of 1.9 grams gold for 205,300 contained oz.

“We’re going to look at the refractory materials. Likely in the next year and a half we’re hoping to work out a way to deal with that,” Baldock says, pointing to the company’s intention to run a bio-oxidation demonstration plant. “We’ve done some research and test work on the fresh material, and we can get about 90% recoveries. It’s capital intensive, so we’re looking at alternative ways that might lower the development costs.”

Monument’s current estimates peg the expansion’s capital costs at US\$46 million, with an US\$11-million net present value and 21% internal rate of return.

In April Monument announced an agreement with the Federal Land Development Authority of Malaysia that covers another 39 sq. km east and south of its resources and tenements. The agreement will allow more exploration, infill drilling and development of the Buffalo Reef Central, Buffalo Reef South and Selinsing resources.

Baldock adds that the land “is down-dip to the east, which is the way the orebody is trending. We’ve been chas-

ing it during the season, but we don’t have drill results out on that yet, since we had to stop work on Salinsing because we wanted to focus our lab capacity on Mengapur.”

Mengapur is located 130 km from Selinsing, and contains historic oxide and sulphide resources totalling 224 million tonnes grading 0.25% copper, 0.16 gram gold and 8.86 grams silver.

wide 90- to 100-metre spacings.

Monument remains well capitalized with US\$28 million in cash and equivalents at the end of March, after having raised US\$15 million in a brokered private placement that saw it issue 30 million shares at 50¢ apiece.

Monument shares have traded within a 52-week range of 28¢ and 54¢, and closed at 33¢ at press time. The company

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— ROBERT BALDOCK, CEO, MONUMENT MINING

The project came with 58,000 metres of historic drilling completed by the Malaysian government in the 1980s. Monument has drilled around 40,000 metres since it acquired the asset, and the site hosts a 1,000-tonne-per-day pilot plant that the company hopes to get into production in early 2014.

“We’re currently going over a lot of the work, and adding to our drilling database because there weren’t enough data points there to develop an actual pit or mine plan,” Baldock says, explaining that the government conducted a stepout drill program across fairly

has 263 million shares outstanding for a \$89-million market capitalization.

“We have a bit of a march on first-mover status,” Baldock says. “Our objective is to be able to find bigger resources in country. We solely fund research programs through the University of Tasmania, and whether we’re successful or not, we put that data into a big report on a three-year basis, which we donate to the Malaysian government. Of course we have prior knowledge in that situation, and if we find an elephant, we’ll put our foot on it.”