



# Silver Lake shines

**By Blake Wilshaw**

SILVER LAKE RESOURCES listed on the ASX yesterday at a 19.5c premium, with plans to recommit the Daisy Milano Gold Mine in three months.

The company floated 100 million shares at 30c to raise \$30 million. Shares closed on 37.5c.

The initial public offering was oversubscribed, which managing director Les Davis attributed to company strategy and gold market strength.

"The interest is a clear recognition of our corporate strategy, the quality of our projects and confidence in our team to progress our development and exploration plans," he said.

"Gold is trading at a 28 year high and is currently at A\$900 per ounce with the outlook still positive.

"Silver Lake is well placed to capitalise on the strong fundamentals of the gold market where demand is strong and supply is decreasing."

The Daisy Milano mine, 50km east of Kalgoorlie-Boulder, was shut down suddenly in March.

Twenty-nine miners lost jobs without warning when owner Perilya closed the site during divestment of its gold assets.

Now part of Silver Lake's Mount

Monger project, the orebody is easily accessible via decline which could also provide access to adjacent orebodies.

"Regionally, previous explorers in the Mount Monger goldfield concentrated on finding near surface, oxidised mineralisation suitable for open pit mining," the company's prospectus said.

"However, historical mining points to the high grade, quartz reef hosted nature of the mineral field, indicating that the real thrust should have been directed towards more Daisy Milano look-a-like structures, where ore grades of over 10g/t Au could be expected.

"The Daisy Milano underground mine in more recent times has been operated for 18 consecutive years by private and public consortiums and has produced in excess of 200,000oz of gold at an average grade of 16g/t Au."

The company will spend \$15 million over three years on drilling at Mount Monger and exploration at its Murchison gold projects.

The Silver Lake board has a strong Western Mining Corporation background.

The company name is taken from the shaft sunk to access the first nickel orebody at Kambalda in 1966.

"Chairman Paul Chapman and non-executive director Brian Kennedy were



**Silver Lake Resources managing director Les Davis.**

the drivers behind the board make up," Mr Davis said.

"They targeted individuals with a diversified spread of professional attributes and proven track records of success.

"We were all very well known to each other during our respective careers with WMC."

Mr Davis will continue to reside in Kalgoorlie-Boulder.

"The corporate office will be located in West Perth, however I am planning to set up a hub in Kalgoorlie, ensuring that Silver Lake has a presence in the region," he said.



**Reopening soon: The Daisy Milano portal.**