



John Jones' Anglo Australian gets a slice of the most recent round of the Exploration Incentive Scheme.

Big players take share of State funding

■ Josh Chlat

Some of Australia's biggest gold mining companies have shared in the spoils of the most recent round of the WA Government's Exploration Incentive Scheme, with Anglo-Gold Ashanti, Gold Fields and Evolution Mining among the owners of 42 projects to get a slice of the \$10 million a year program.

Evolution will test gold targets at Mungari near Kalgoorlie-Boulder, while Gold Fields subsidiary Granny Smith Mining is to search deep in the multimillion-ounce Wallaby underground deposit. Gold Fields

is also preparing a seismic campaign around Victory, where Western Mining made the first gold discovery in the St Ives complex in 1981.

But smaller companies and prospectors are in the mix too, with the Black Cat Syndicate getting funds to conduct deep diamond drilling at its Bulong gold project east of Kalgoorlie-Boulder, and John Jones' Anglo Australian Resources receiving a grant to co-fund drilling next financial year at the Feysville project, 15km south of the Super Pit.

Around half of the scheme's

annual funding allocation goes into co-funding "innovative" drilling campaigns around WA.

The grants fund 50 per cent of exploration expenditure on selected campaigns up to \$150,000 for multi-hole campaigns, \$200,000 for a single deep diamond drill hole and \$50,000 for prospectors.

The other half goes into pre-competitive data through surveys and other study work by the Geological Survey of WA.

The State Government is bumping up the cost of renting mining tenements to cost-recover the program under the State Budget.

Exploration grants pay for investors

■ Josh Chlat

Shareholders who tipped cash into junior Goldfields explorers Breaker Resources and St George Mining this financial year were among the biggest winners from the first round of the Federal Government's \$100 million junior minerals exploration incentive.

The Australian Taxation Office has revealed the 23 companies that took a share in the first year's pool, with a combined allocation of \$8.46 million.

As revealed by the *Kalgoorlie Miner* last week, the allocation came up almost 45 per cent short of the \$15 million set aside for the first year of the four-year program, which was introduced after the similar Exploration Development Incentive Scheme was canned last year because of a lack of interest.

Both Finance Minister Mathias Cormann and Association of Mining and Exploration Companies chief executive Warren Pearce said it would take time for companies to adjust their invest-

ment strategies around the scheme.

It allows exploration companies to pass on their tax losses to shareholders as credits in a bid to encourage investors to reach into their pockets to fund speculative drilling.

Breaker, which is trying to firm up a major gold discovery at its Lake Roe project 100km east of Kalgoorlie-Boulder, is eligible to transfer the maximum allocation of \$750,000 back to its investors.

St George, which is drilling at the Mt Alexander nickel-copper project near Leonora, also received a \$750,000 share, along with Will Robinson's Encounter Resources, Navarre Minerals and Core Exploration.

IPO hopeful Trigg Mining, Mithril Resources, Cassini Resources, Riversgold, Maximus Resources and DevEx Resources were among the Goldfields-focused plays which grabbed a share of the funding.

The scheme has been mooted as a way to revitalise investment in greenfields exploration activity.