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Scotgold hopeful in highlands

Spinifex



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Eighteenth century English author, poet, essayist and man of letters Samuel Johnson once said of Scotland: "What enemy would invade Scotland, where there is nothing to be got?"

Dr Johnson may have been regarded as a genius in his field but, fortunately for WA gold play Scotgold Resources, he wasn't infallible.

Exactly what there is to be got in Scotland is just what Scotgold is in the process of working out.

The company this week reported some encouraging gold grades from targets at its tenements in Scotland's Grampian Highlands, after reworking some historical data.

But Scotgold, which is backed by

one-time Bannerman Resources boss Shane Sadleir, hopes the targets will prove to be only the icing on the cake, as it steps up plans to develop its flagship Cononish project.

After a turbulent start to the year, in which former chairman Mr Sadleir stepped back from a boardroom coup and accepted a non-executive directorship, Scotgold is now thrashing out a joint venture with an unnamed private investment group.

Scotgold and its would-be partner signed a heads of agreement back in May. If the venture goes ahead, it will allow Cononish to be fast-tracked.

Initial discussions have focused on Scotgold being free-carried into production at Cononish, with its Scottish subsidiary to be installed as project operator. The two groups hope to formalise the deal in the next four weeks.

Still, like all would-be miners, Scotgold still faces the hurdle of environmental approvals. The project



Scotland: Old data reworked.

received some mining approvals back in the 1990s, but Scotgold plans to submit an updated application in the second half of this year.