

Creasy unearths ancient treasure

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RESOURCES

Over a lifetime in the mining industry, Australia's most famous and successful prospector Mark Creasy has amassed a vast collection of mining relics and curios. Almost every square centimetre of his West Perth office is filled with various pieces of mining bric a brac representing a vast cross-section of the industry's history.

But what may end up being the most valuable part of Creasy's private collection of mining history sits in Myanmar, where one of his companies — the ASX-listed Myanmar Metals — has picked up a mine that has effectively been frozen in time.

Myanmar Metals, in which Creasy owns a 12.6 per cent stake, earlier this month exercised an option to acquire a stake in the historic Bawdwin zinc-lead-silver project.

Bawdwin was once considered one of the world's great mines and was a jewel in the crown of the British Empire, but was stopped abruptly by World War II and has all but laid idle over the seven ensuing decades.

While Bawdwin was forgotten by the rest of the mining world, it stayed in the memory of Mr Creasy.

He first learned about Bawdwin decades ago when reading the autobiography of Herbert Hoover, who before becoming the 31st US president was an engineer who left his mark on some of the most important mines in Australia.

Hoover's book also documented his time at Bawdwin, where he was responsible for the design and construction of a tunnel connecting the mountainous Bawdwin mine to a processing facility on more amenable terrain.

When news reached Creasy last year that Baldwin's Myanmar-based owners were looking



for a partner, the history of Bawdwin was still fresh in his mind and he pounced.

"This is like getting hold of something like Broken Hill in 1948 or getting hold of the Golden Mile," Mr Creasy told *The Weekend Australian*.

"We've got something that's been frozen in time, nothing has happened to it, all the modern techniques, the quantum leap in what we do and the machinery we use and how we go about it, has all bypassed what was one of the great mines of the world."

Myanmar Metals recently secured a \$14.9 million investment from the Chinese-backed owner of the Broken Hill mine, Perilya Limited, which helped the company fund the exercise of the Bawdwin option.

Now the company is pushing ahead with a pre-feasibility study over the project in the expectation it can establish an operation over a portion of the remaining resource at Bawdwin, which it hopes will be the start of a much larger, longer-life renaissance of the mine.

(Hoover's handiwork, incidentally, will be central to those plans. The tunnel he built for the mine back in 1914 still represents the best path for from the mine to a processing site for Bawdwin's ore.)

And Creasy and Myanmar's executive chairman John Lamb



COLIN MURTY

Myanmar Metals executive chairman John Lamb, right, with Mark Creasy, and (inset) Creasy in the WA outback in 1968

are both confident that Bawdwin, with a little help from modern drilling techniques, will ultimately deliver a resource base in line with its storied history.

Since Myanmar Metals started working on the project a year ago, the company has already identified an 82 million tonne resource base grading around 12.4 per cent zinc-equivalent.

That is a bigger and higher grade than the resources and reserves owned by Queensland-focused New Century Zinc (market capitalisation \$681m) and is not a world away from the scale and grade of the Taylor resource of Arizona Mining, which last month was the subject of a \$US1.3 billion

takeover offer from South32. The vast gap in valuations between those plays and Myanmar Metals (current market cap \$96m) is easily explainable. Myanmar is definitely not Queensland or Arizona, especially in the eyes of investors.

Mr Lamb is well aware that a big part of his job will be proving to the market that the company can operate and invest in Myanmar safely and securely, which will be no mean feat given the country's decades of troubles.

The country's re-engagement with the world was gathering pace a few years ago, with the likes of international giants Ford and Unilever and Australia's home-grown oil and gas champion

Woodside Petroleum among the companies to enter the market.

But the recent international outrage over Myanmar's treatment of the Rohingya people has set back the country's efforts to rehabilitate its reputation and attract foreign investment.

Mr Lamb said Myanmar's recent troubles only reinforced the need for the country to continue its economic development.

"There's very little I can do to make that situation better, but what I can do, and what mining does like no other industry, if it's built and managed well it changes the outcomes for people in remote and impoverished areas," he said.

"There's nothing like a mine;

no other class of asset can bring wealth and educational outcomes and health outcomes and business ownership and training, just by putting that mine in that district."

Mr Lamb, who earlier in his career spent time running both the Rosebery and Century since mines, believes the potential rewards at Bawdwin are too great for the mine to be forgotten and lost to the world again. "We are really on the tip of the iceberg," he said.

"We've already got a deposit that by any comparison is a world-class deposit, it ranks right up there alongside some of the existing large zinc mines of the world, and that's without testing any of that upside."