

# Rio find could spark a copper rush

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Rio Tinto's rumoured copper discovery in a remote corner of Western Australia could trigger a fresh exploration rush and rewrite global geological opinion about the state's exploration potential.

The project, which has been christened Winu, sits in the Paterson Range of WA, between the Pilbara and Kimberley regions.

While Rio Tinto has had nothing to say about what it may have found, it has been aggressively pegging ground around the region and has established a sizeable exploration camp at the site.

There has also been a flurry of activity among other companies in the region, with Andrew Forrest's Fortescue Metals Group snapping up a large collection of leases and mid-tier miner Independence Group securing a joint venture with Paterson Range explorer Encounter Resources.

Will Robinson, the Encounter managing director and the Association of Mining and Exploration Companies president, told *The Australian* that a host of other large and mid-tier miners had also shown interest in the area.

He drew parallels between the Paterson Range and Ecuador, where a big copper discovery by junior explorer SolGold has drawn heavyweights such as BHP, Newcrest Mining and Fortescue Metals Group into the country.

"If you believe the rumours, it's been very successful for Rio. It's a potentially prolific copper district and I would have thought the Paterson and Ecuador are probably the two hottest places in the world for copper exploration right now," Mr Robinson said.

While the small end of the Western Australian resources industry is abuzz with talk about just what Rio Tinto is up to in the area, the mining giant has had little to say publicly about the project.

The state government is also in the dark, with Western Australian Mines Minister Bill Johnston telling *The Australian* he knew nothing about what Rio may or may not have found.

“All I can say is listed companies are obliged to notify the market of any material information and I expect all companies to comply with their listing rules,” he said.

Mr Johnston also confirmed he had not had any meetings or discussions with Rio over its efforts.

“I haven’t read anything more than what’s been in your newspaper and others,” he said.

While Rio remains silent, aerial photographs from the region show a significant exploration camp starting to take shape at the site. The images show two drilling rigs in action, a 50-person camp, a helicopter and racks of drill core underneath shade cloth.

Public filings also show that Rio Tinto has been pegging leases in the area, expanding its ground position from about 1000sq km to about 11,000sq km since December last year.

Fortescue, meanwhile, has also amassed more than 5300sq km of ground in the region within the past 12 months.

Newcrest also has a big position there surrounding its ageing Telfer gold mine, which was discovered back in 1970.

Both Fortescue chief Elizabeth Gaines and her Newcrest counterpart Sandeep Biswas had little to say about the status of their Paterson groundholdings at the companies’ annual general meetings in Perth last week.

Despite the absence of solid details, the nearologists are already flocking to the area.

ASX-listed minnows Metalicity and Carawine Resources last week both announced deals to pick up ground in the area, while West Wits Mining publicly noted the proximity of one of its leases to Rio's recent pegging frenzy.

Ian Sandl, the general manager of exploration at Independence, previously explored the Paterson when working for BHP in 1990s and notes that the thick sand that covers most of the region made it a difficult place to explore.

"The deposits that outcrop have been found, but most of the belt is under cover and you've got to work harder to tease out those discoveries," Mr Sandl told *The Australian*.

"But we think the area is relatively under-explored under the cover and we think there's plenty of opportunity for more discoveries in that environment."

Mr Robinson said any news of a big discovery would be a welcome boost for the junior end of the resources sector, which has endured a difficult 2018.

"If it turns out to be the sort of discovery that the rumours are indicating, that just resets the whole maturity clock for Australia and says that you can find major deposits under thin cover," he said.

"There should be a whole lot more people exploring in Australia now."

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Paul Garvey has been writing about the resources industry for more than 14 years. Prior to joining The Australian's Perth bureau, he spent two years writing for the paper out of Hong Kong. He has also been a mi... [Read more](#)