

# Dateline Resources Limited(ASX: DTR)

## 813,000oz Gold Maiden Resource at Colosseum

BY ACE INVESTORS / 07 JULY 2022



**DATeline  
RESOURCES** →

**ASX:DTR**  
[datelineresources.com.au](http://datelineresources.com.au)

Reading Time: 5 Mins

Stock Code	ASX: DTR
Shares O/S	495.73 million
Closing Price	AUD 0.098
Market Cap	48.08 million
52 High/Low	0.205/0.073
One Year Stock Performance	6.52%
Avg volume (TTM)	0.44 million
EPS (TTM)	-0.025
P/E	-
Annual Dividend Yield	-
Franking	-
Last Dividend Ex-Date	-
Last Dividend Pay Date	-
DPS (AUD)	-
ROE %	-

## COMPANY OVERVIEW

Dateline Resources Limited (“DTR” or the “Company”) is an Australian publicly listed company focused on gold mining and exploration in North America. The Company owns 100% of the Gold Links and Green Mountain Projects in Colorado, USA, and 100% of the Colosseum Gold Mine in California.

The Gold Links Gold Mine is a historic high-grade gold mining project where over 150,000 ounces of gold was mined from high-grade veins. Mineralisation can be traced on surface and underground for almost 6km from the Northern to the Southern sections of the project. Ore mining commenced in late 2021, with the first saleable gold concentrate produced in April 2022.

The Company owns the Lucky Strike gold mill, located 50km from the Gold Links mine, within the Green Mountain Project. Ore is transported to Lucky Strike for processing. The Colosseum Gold Mine is located in the Walker Lane Trend in East San Bernardino County, California, and produced approximately 344,000 ounces of gold. Significant potential remains for an extension to mineralisation at depth as well as the potential for rare earth elements.

On 6th July 2022, the Company announced the estimation of a JORC-2012 compliant Mineral Resource of 20.9Mt @ 1.2g/t Au for 813,000oz at the Colosseum Gold Project in California, USA. Of the total Mineral Resource, 258koz @1.2g/t Au (32%) are classified as Measured, 322koz @1.2g/t Au (39%) as Indicated, and 235koz @1.3g/t Au (29%) as Inferred. The Mineral Resource model commences at the base of the existing open pits and is constrained by a lack of drilling below 4900ft RL. The Mineral Resource is estimated at a cut-off grade of 0.48g/t Au.

### JORC-compliant Mineral Resource estimate for Colosseum Gold Mine

	Cut-off Grade g/t Au	Tonnes	Grade g/t Au	Contained Ounces	%
<b>Measured</b>	0.48	6,866,000	1.2	257,000	32%
<b>Indicated</b>	0.48	8,326,000	1.2	321,000	39%
<b>Inferred</b>	0.48	5,745,000	1.3	234,000	29%
<b>Total</b>	<b>0.48</b>	<b>20,936,000</b>	<b>1.2</b>	<b>813,000</b>	<b>100%</b>

Source – Company’s Report

The Company believes that, based on the continuity of mineralisation within the Mineral Resource and the fact the breccia pipe has been intersected at depth, significant exploration potential exists below the current Mineral Resource estimate. As

mineralisation forms a pipe-like structure and is relatively consistent over the full depth of the model, the Company believes there is excellent potential for this mineralisation to continue at depth. The Company is preparing plans to drill beneath the Mineral Resource model using a directional diamond rig to minimise surface disturbance and allow for multiple deviated drill holes to be drilled from the same collar position.

## **INVESTMENT RATIONALE**

- **Commencement of Gold Mining at the Gold Links Project** – Gold Links hosts a swarm of high-grade narrow gold veins over more than 5km strike length and a kilometre across strike. Historical mapping and drilling coupled with the Company's own exploration work has confirmed mineralisation is extensive throughout the Project. The Company has commenced ore mining at Gold Links with first gold-in-concentrate sales planned to occur during the June quarter. High-grade stoping ore is being blended into the processing ore stream with the head grade and production expected to increase during the June quarter. Additional milling and flotation capacity is currently being installed and is expected to be brought online for further commissioning during the June quarter. Production and operating cost data will be provided in the June quarter, representing a full quarter of production
- **Rare Earth Exploration Continued in the Quarter** - The primary activities for the March quarter included surface sampling and planning of field work and rare earth specialists conducting a site visit to the project. During the quarter, the Company progressed drilling plans for Colosseum, aimed at validating the historical drill database, testing below the previously identified mineralised zone and assessing water quality in and around the open pits. The drilling program commenced in April 2022 and results will be reported during the June quarter.



*Colosseum location relative to other operating mines and significant discoveries*

Source – Company's Report

- **Offtake Agreement Finalised with Multi-National Commodities Group** – The Company announced that it has executed an offtake agreement with IXM for the purchase of 100% of the gold concentrate by IXM from the Company's Gold Links Mine in Colorado, USA for an initial period of 18 months starting in June 2022. The concentrate produced from the Gold Links mine will be delivered to an end user in Korea. To date, the Company has produced 40 tons of saleable gold concentrate that contain gold and silver valued at AUD1,500,000 using an AUD price of \$2,571 and \$30 respectively. The Company has achieved this first sales milestone, it has more to achieve at Gold Links as it expands exploration, increase mining and processing and ramp up production over the remainder of 2022.
- **\$4m Raised to Meet Capex Requirements** – The Company has received firm commitments to raise approximately \$4 million pursuant to the issue of approximately 40 million new shares in the Company (each, a New Share) at \$0.10 per New Share (Placement). The Company has received the above-mentioned commitments from a number of sophisticated and professional investors in Australia. The funds raised under the Placement will be used by the Company to accelerate the Company's USA-based projects.

### **ACE's RECOMMENDATION:**

The drilling program at the Colosseum has proven that high grade mineralisation continues below the historic resource shell. The final assay results for hole CM22-05 are significantly better than they had expected and prove that gold is contained in several of the breccia lithologies.

813,000-ounce Mineral Resource of which over 70% is in the Measured and Indicated category is an excellent starting point for the Colosseum Project. Significantly, the Mineral Resource estimate is open at depth, with further drilling being planned to assess the depth potential of this breccia pipe deposit. The recent diamond drilling program validated its belief in the geology of the system, and the Company is extremely pleased to be delivering a Mineral Resource of this scale as its first estimate for the Project.

The Company believes that significant potential exists below the current Mineral Resource estimate. As mineralisation forms a pipe-like structure and is relatively consistent over the full depth of the model, there is excellent potential for this to continue at depth. The Company is planning the next steps for the Colosseum project that include drilling beneath the Mineral Resource model using a directional diamond rig to minimise surface disturbance and allow for multiple deviated drill holes to be drilled from the same collar position. We recommend the stock as a **SPECULATIVE BUY** at a closing price of \$0.098.

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