GOLDEN VISTA FOR MT TODD

An assessment of gold resources in the Mt Todd area will be undertaken following the signing of an agreement today between United States mining company Vista Gold Corp and the Territory Government.

The company has entered into a separate agreement with the Jawoyn traditional owners over mineralisation at Mt Todd.

Vista Gold Corp will manage and explore the site while Territory Government pre-rehabilitation studies are undertaken and a rehabilitation plan for the existing mine is developed.

Minister for Mines and Energy Kon Vatskalis said today’s agreement is a precondition in the process of transferring the Mt Todd mineral leases to Vista Gold Corp.

“Under this agreement Vista Gold is committed to actively exploring the mineral leases for five years. During that time the company will produce a technical and economic feasibility study of the mineral potential of Mt Todd.

“This is a very important day for the Territory’s mining industry. The price of gold is high and Vista is enthusiastic about the potential resources at Mt Todd.

“The three mineral leases there still contain commercial deposits of gold ore. There are also known gold deposits and areas of high prospectivity in the surrounding area.

“By 1 January 2007 Vista Gold Corp will be fully responsible for the costs of operating and managing the mine site. In the event that the company decides to commence mining at Mt Todd, it will assume full responsibility for the existing and any future rehabilitation. This would be a significant saving for the Territory.

“If Vista Gold Corp decide not to mine, they will have funded the management of the site until rehabilitation planning has been completed. There is no change to the Government’s commitment to rehabilitate the mine site,” he said.

So far, the Martin Labor Government has committed $5 million for the ongoing management of the site and ensuring that rehabilitation efforts continue.

The Department of Primary Industry, Fisheries and Mines will continue to manage the site until 31 December 2006. Vista Gold Corp will reimburse to the Northern Territory Government the costs of operating and managing the site for the remainder of this year - up to an amount of $375,000.

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