

Dolphin ready to splash again

First concentrate from the new Dolphin tungsten mine on King Island is set to be produced within the next 12 months.

Civil works for the process plant and associated infrastructure began last month. The overall construction of the project remains on schedule despite owner Group 6 Metals Ltd experiencing some delays with the delivery of key equipment to site amid ongoing supply chain bottlenecks.

Revered engineering firm Gekko Systems was awarded the EPC contract for the new process plant. The first shipment of tungsten concentrate is pencilled in for the end of March 2023, some 31 years after the original Dolphin mine was closed due to low tungsten prices.

Group 6 (formerly King Island Scheelite) has been working on a restart plan for the best part of the last 17 years and new chief executive Keith McKnight said the rebirth of the historical operation would give the nearby town of Grassy and the whole island community “a real shot in the arm”.

“When the mine ceased operations in the early 90s, it really ripped the heart out of the town because there was something like 700 people being supported directly and indirectly from the mine operations,” McKnight told **Paydirt**.

“The recommencement of mining at Dolphin is going to have a massive impact not only to town of Grassy, but to the island as a whole. We’re committed to supporting the re-energisation of the town through jobs and providing opportunities and I’m very excited to play a role in that as well.”

Civil works for the redevelopment of the tailings storage facility on the existing site were also due to begin at the time of print.

McKnight, who officially started at Group

6 just days before preliminary earthworks began at the project, said the company was committed to reviving the Dolphin mine in a responsible and sustainable manner which preserves the environment, including establishing a covenanted area to protect important parts of Blue Gum Eucalyptus Forrest which provides nesting sites and habitat for some of King Island’s threatened flora and fauna.

“Regarding the environmental footprint, the real benefit for this project is that the overburden rock we extract to get the ore is a pH neutral rock and it’s non-acid forming,” he said.

“Historically, the rock from the mine was used to develop the breakwater at Grassy port and now that breakwater is actually home to a colony of fairy penguins, so I think this project is going to have a very low environmental footprint.”

The company’s redevelopment plan for Dolphin envisages an eight-year open cut mine, followed by a six-year underground operation, producing a 63% tungsten concentrate for supply into the ammonium paratungstate (APT) market which is currently at an eight-year high.

McKnight was full of praise for the company’s board – led by long-serving executive chairman Johann Jacobs – for their dedication to the project and having it primed to take advantage of elevated APT prices.

“I think it’s a testament to the management and the approach they’ve taken with the project,” he said. “While some might look at it from the outside and say it’s been a slower than desired approach, I would think it’s been a very considered approach to the project.”

“The company has spent millions of dollars on its process flowsheet to ensure that we can maximise recovery of tungsten from the orebody. I think that’s going to prove to be incredibly important, if it hasn’t already, given the emergence of tungsten as a critical mineral over the last few years.

“Having our own supply of tungsten from Australia is going to be very important given the recent geopolitical developments and countries recognising the importance of critical minerals and I think that’s what has given this project the springboard to launch into very positive market conditions.”

Group 6 has offtake agreements in place for circa 62% of production from Dolphin, based on the updated mine plan. Discussions are ongoing with other APT producers to increase committed sales.

One organisation to have recognised the strategic importance of tungsten is the Tasmanian Government which last year awarded a \$10 million loan to Group 6 for the mine restart.

“I’ve been in the role three months now and I’ve been really impressed with the support that we’ve received from the Tasmanian State Government and from the governing bodies associated with our approvals,” McKnight said.

“We’ve been very well supported along the way by not only the State Government directly but also by Kevin Robinson and his team at Mineral Resources Tasmania, who understand the benefits this project can deliver to the local community and Tasmania as a whole.”

– Michael Washbourne



First concentrate from the rejuvenated Dolphin tungsten mine on King Island is expected in March next year