

HAMPTON MINING & CIVIL PREFERRED CONTRACTOR FOR DEVELOPMENT OF COOLGARDIE PROJECT

HIGHLIGHTS

- Hampton Mining & Civil confirmed as "preferred" contractor for development of Coolgardie Project in Western Australia
- Final stages of negotiations for Hampton to be contracted to undertake all drill and blast, excavation and haulage of ore to the mill for toll treatment
- PFS contemplates recovered gold of approximately 65,000 ounces over an initial 28month mine life
- Under the proposed terms, \$750,000 of contractor costs will be deferred by up to three (3) months after production commencement

Australian focused gold company Primary Gold Limited (ASX: PGO) (Primary or the Company) has confirmed Hampton Mining and Civil (Hampton) as the preferred contractor for the development of the 100% owned Coolgardie Project in Western Australia.

Hampton is the mining division of Hampton Transport Services, and was established in 2003.

Hampton provides open pit mining services to a range of clients throughout the Goldfields of Western Australia. They also have vast experience in earthmoving and civil services related to mines, including construction of haul roads and mill and crusher feeds.

Under the terms of the agreement with Primary, Hampton will undertake all drill and blast and excavation operations of the three open pits – MacPhersons, A-Cap and Tycho – plus establish underground portal positions in each pit design to cater for potential underground entry. In addition, they will also be responsible for establishment of all site setup (including workshop) and haulage of ore to mill for toll treatment.

Commenting on the appointment of Hampton, Primary Managing Director, Mr Garry Mills, said:

"Hampton are a very experienced mining contractor in Western Australia, and we are pleased they are working with us on the development of the Coolgardie Project.

"We have recently completed a highly encouraging PFS and subject to receipt of necessary approvals look forward to commencing mining at this project in the current quarter."

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Hampton equipment operating a various Kalgoorlie mining operations

Primary recently competed a Pre-Feasibility Study (**PFS**) (refer ASX announcement dated 17 October 2017) which contemplates recovered gold of approximately 65,000 ounces over an initial 28-month mine life. The PFS include a low upfront capital outlay of \$850,000, of which Hampton has agreed that \$750,000 will be deferred by up to 3 months after production commencement.

All site setup, infrastructure, offices, roads and mobilisation will be catered for in the mining services contract tender rates. Offices and ablutions already exist from previous operations.

The proposed agreement with Hampton will be subject to board approval and receipt of key mining approvals.

-ENDS-

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Or download our Primary Gold App

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