

Regis receives final approval for Tropicana acquisition

May 7, 2021

News

Nickolas Zakharia



Regis Resources has received ministerial approval for its acquisition of IGO's 30 per cent interest in the Tropicana gold mine in Western Australia.

Western Australia Minister of Mines and Petroleum Bill Johnston approved the \$903 million deal. This was the last condition that needed to be fulfilled ahead of the acquisition, which is expected to occur on or around May 31, 2021.

Regis managing director and chief executive officer Jim Beyer welcomed the approval.

"We are very pleased that the Minister's approval for the tenement transfer has been received and, now that the transaction is unconditional, we look forward to completing the deal," he said.

"As I've said previously, this acquisition provides significant strategic benefits to Regis and when combined with our existing assets, provides a larger-scale, longer-term financial and operating platform to pursue internal and external growth opportunities."

AngloGold Ashanti owns the remaining 70 per cent of the Tropicana mine under a joint venture (JV), with Regis to replace IGO as the JV partner.

IGO's divestment of Tropicana was due to the company's focus on clean energy technologies.

"Since discovery in 2005, Tropicana has been an important part of IGO's history and a key driver of our sustained growth," IGO managing director and chief executive Peter Bradford said in April.

"While IGO continues to believe that Tropicana is a high-quality Tier 1 gold asset with strong upside potential, it is no longer aligned with our focus on commodities critical to clean energy.

"This transaction, along with the recent investment in Tianqi Lithium assets in Australia, solidifies IGO's position of becoming a globally relevant pure-play battery minerals producer and developer, uniquely exposed to tier 1 nickel, copper, cobalt and lithium."

The Tropicana mine has a mineral resource of 7.64 million ounces of gold and a 2.7-million-ounce ore reserve. It is one Australia's highest producing gold mines and delivered 463,00 ounces in the 2020 financial year.

IGO holds a 30 per cent interest in the Tropicana joint venture with AngloGold Ashanti. Image: IGO

Latest News

[Australia-China trade tensions escalate](#)

[Rio Tinto optimistic amid stakeholder backlash](#)

[Critical minerals producers needed to meet future demand](#)

[Where does Australia's metallurgical coal go?](#)