

POWER PROFILE

Customer: Silver Lake Resources – Daisy Milano Gold Mine

Location:

Mount Monger, Australia

Customer Business Issue:

Provide power to remote mining site

Solution:

Cat® Rental Power

Cat® Dealer:

Energy Power Systems Australia



Cat® dealer Energy Power Systems Australia has been working with Silver Lake Resources for the past three years, providing an onsite power supply and upgrades to both the underground and surface operations at the Daisy Milano gold mine.

POWER NEED

Gold in Australia is a rich business today with exports valued at AUD \$15 billion, making it the country's third-ranked export commodity in 2010 (after iron ore and coal). Gold has consistently been one of Australia's major exports since the modern gold rush in the 1970s and 1980s, and it is seen as a reliable investment during challenging economic times. China in particular is proving to be a promising emerging market for Australian gold exports.

Silver Lake Resources is an ASX 200 gold producing and exploration company with a resource base of 4.5 million ounces across its portfolio of assets in the highly prospective western Australian regions, including the Mount Monger and Murchison gold fields and the Great Southern district. Silver Lake's strategy is to develop large production centers at Mount Monger and Murchison and in the Great Southern with multiple mines at each center.

In 2007, Silver Lake Resources acquired ownership of the remote Daisy Milano gold mine at Mount Monger, located about 50 kilometers southeast of Kalgoorlie. With a long and varied history of gold mining worked by several companies, mining began at Daisy Milano in the early 1900s. Originally an underground mine with a shaft haulage system, the ore body is now accessed via a decline, which currently extends down to a vertical depth of approximately 650 meters.

SOLUTION

Power generators are essential to create the electricity needed for much of the machinery used at gold mines, from water pumps to drill rigs. Cat Rental Power, a division of Energy Power Systems Australia (EPSA), has been working closely with Silver Lake Resources for the past three years at the Daisy Milano

site, providing an onsite power supply and upgrades to both the underground and surface operations at the mine.

RESULTS

Dave Crockford, a mining manager with Silver Lake Resources, believes that the capabilities of Cat products are outstanding. "Their output is always at 100 percent capacity, and it is that type of performance and reliability that is crucial to our operations." He adds that Silver Lake Resources is committed to sustainability in the environment in which it operates, and Cat products help the company meet its goals. "We work to achieve environmental standards by minimizing the use of energy, water and other consumptive resources and promoting recycling."

Sean Chidley, EPSA's southern Western Australia area manager, says that Cat dual-fuel generator sets provide customers such as Silver Lake Resources with the opportunity to increase their financial efficiencies and drive environmental benefits at these remote mining sites. With the soaring cost of diesel, Silver Lake Resources is investigating opportunities to tap into available natural gas supplies to further drive those economic efficiencies. "The installation of gas-powered and dual-powered generators would significantly reduce their energy costs," says Chidley. Crockford says this is imperative moving forward. "The savings in fuel costs would be significant, not to mention the favorable environmental impact. As Cat generator sets already operate dual-fuel engines, we are working closely with Cat Rental Power to investigate this possibility as an option to implement in the future."

For more information, please visit cat.com/powergeneration