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P.O. BOX 284 ORBOST VIC 3888



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NEWSLETTER

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NOWA NOWA IRON ORE

by Lindsay Thomson

We all know about the large iron ore deposits in Western Australia, but how many know about the deposits of iron ore a few kilometers north of Nowa Nowa?

Not only was there interest in mining this ore in the early 1900s, but there is renewed interest in 2013 by Eastern Iron Ltd.

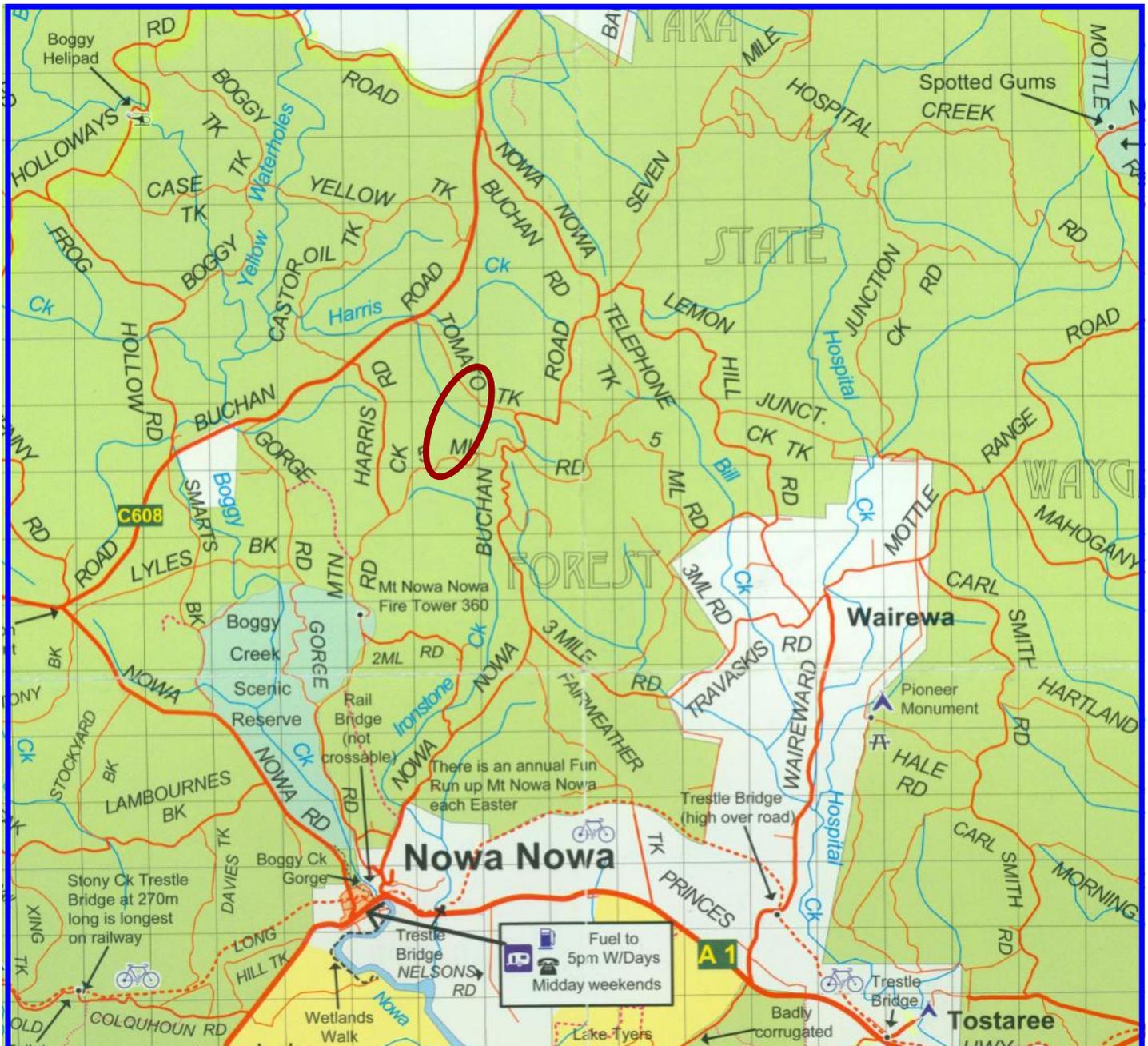
A syndicate was formed over 100 years ago to mine & smelt iron ore near Nowa Nowa. Interest continued until 1903, but the proposal did not eventuate. Again, in 1955, the Victorian Government Mines Department drilled into the iron deposits known as the Five Mile and found that massive magnetite with lesser hematite occurs at a depth of 30-50 metres below tertiary sands and Devonian volcanic rocks. Now, in 2012/13, Eastern Iron Ltd. is doing further drilling to assess the resource and consider the feasibility of opening up a new mine.

An indication of iron in the area is the naming of a creek which the Princes

Highway crosses just east of Nowa Nowa called **Ironstone Creek**. Also, after the supply of Newmerella gravel (used for making concrete) finished, screenings from a quarry at Nowa Nowa were used and these had small traces of iron in them which showed up as a rust after getting wet. Also, fifty years or more ago when radio reception was poor in the Orbost area, this was blamed on the iron ore deposits disrupting the signals.

While reading through the year 1900 editions of our local paper, the Snowy River Mail, I noticed references to Nowa Nowa iron ore.

The first reference that I came across was on **6th October 1900**.



ABOVE: The area marked with the red line shows the approximate location of the FIVE MILE iron ore deposit presently being explored by Eastern Iron Ltd. The proposed mine area has not yet been accurately defined.

This stated that Mr Jenkin, Government Metallurgist, has submitted a report to the Secretary for Mines on the deposit of iron ore at Nowa Nowa at the head of Lake Tyers. The report states that the deposit has all the surface indications of being a lode. Its outcrop can be traced for a quarter of a mile and in some places the lode is 30 feet in width. The analysis shows that much of the outcrop is of high grade iron ore, and Jenkin suggests that some exploratory work should

be done as a preliminary step to ascertain the probable extent of the lode. The surrounding country is heavily timbered, and supplies of charcoal would therefore be readily available for smelting the ore at Nowa Nowa. He also said that provided the cost of mining the ore, smelting it, and carriage to the coast, as well as business charges would not exceed £3 a ton, the mining would be viable. *“There should be very good opportunities for smelting iron at Nowa Nowa provided that*

the cost of pig iron delivered at Melbourne from abroad was above £3/10/0 per ton and that the work be carried out under trained and skilful management.” [Mr Jenkin, Government Metallurgist].

This article was followed by another reference on **22nd December 1900**.

A sample of manganese ore from a lode about 12 miles from Nowa Nowa was recently tested and found to be worth £16 per ton. The lode, which is very solid, has been sunk on to a depth of 80 feet. A route is being surveyed for a tramway from the mine to Nowa Nowa, where it intended at present to erect smelting works.

The syndicate who are at work on the iron deposits at Nowa Nowa are hopeful of developing the field at an early date in a manner that will give an impetus to the district.

The syndicate has under consideration the construction of a tramway line from the field to the north arm of Lake Tyers, where the ore could be shipped on barges without leaving the trucks and carried several miles by water to a point some five miles distant from the seaboard. At the termination of the water route the tramway would be continued and the trucks run off the barges over the line to Cunninghame [now Lakes Entrance]. If smelting works be erected at Cunninghame, coal could be landed there at a trifling cost by vessels which would have to take away the ore. The iron deposits around Nowa Nowa are of best grade, so good is much of the ore that it could not be smelted without the addition of a flux, hence a considerable proportion of low grade ore could have to be introduced to ensure fusion. [These comments are attributed to a Mr Clarkson who was visiting the field].

The Snowy River Mail, **6th April 1901** gave

another encouraging report from the Government Metallurgist, Mr H C Jenkins, followed by a report on **6th July 1901** of another visit from Mr Jenkins to Nowa Nowa. Mr Jenkins reports that “*The value of the deposits turns chiefly upon:-*

- 1. The cost of working the ore on a reasonable scale*
- 2. Either exporting it to a more or less distant industrial centre for smelting, or*
- 3. Of smelting it upon the ground.”*

He also offered the following caution, “*the cost of transit of the iron ore [from the mine] to Orbost or Cunninghame, and subsequent shipment say, to Geelong, would at the present moment, be prohibitive.* He therefore proposed that the best option would be to smelt the iron to pig-iron quality at Nowa Nowa.

A report on **30th November 1901** states that “*Negotiations are almost completed between the Minister of Mines and the syndicate which is desirous of developing the iron deposits at Mount Nowa Nowa. The concession the Government intends to make to the syndicate which proposes to devote £100,000 or £150,000 to working the deposits, is for running rights for a railway to carry ore over Crown Lands from Cunninghame to Nowa Nowa.*

The mystery is why given these very promising reports about the quality and extent of the iron deposits, mining did not proceed.

A hint is given in comments in the Snowy River Mail **28th March 1903** by Mr E M Cairnes, vice-president of the Geological Society of Australasia. Mr Cairnes had written a letter to the Minister of Mines in Victoria and this letter was then released to the Snowy River Mail by Mr James Cameron, M L A, Member for Gippsland.

Mr Cairnes states that “*employment could be found for thousands of men in Eastern Gippsland in developing its mineral resources and in fruit growing, but success can never be achieved until railway communication is established between Bairndale [where the train had arrived in 1888] or Cuninghame and the Bombala country, New South Wales. At present, the Snowy River is the barrier, cutting off one of the richest mineral portions of Victoria I have no axe to grind, and I do not want any favor. My only desire is to try to find a rift in that depression which continues to hang like a funeral pall over the fair land of Victoria.*”

So ended the earliest attempts to mine Nowa Nowa iron.



ABOVE: July 2013 photo showing a test site within the State Forest, adjacent to Tomato Track off the Buchan Road.

Now come forward to the present day and Australia’s mineral boom of recent years. The Nowa Nowa iron deposits are again being investigated, this time by Eastern Iron Limited.

A June 2013 ASX announcement by the company puts the total resource for Five Mile at an estimated 9.6 million tons at 50% iron at a lower cutoff grade of 40% total Fe. Also, elevated copper zones within the orebody indicate the potential for a copper by-product. The proposed mine site is approximately 7km north of Nowa Nowa situated in the State Forest.

The company is carrying out a feasibility study into the potential for mining the Five Mile deposit. It is proposed that iron ore would be mined, processed into saleable product at site, and trucked to an export port at Two Fold Bay south of Eden in southern N S W. The scoping study indicated ore could be mined at approximately 1 million tonnes per annum from an open pit mining operation. It is anticipated that the open pit mine would cover an area of around 15-20 Ha with an operating life of at least 8 years.

Test holes have been drilled into the Five Mile and samples assayed. It was noted during drilling that portions of the mineralized body were relatively rich in copper sulphides, averaging 0.16% copper. Further work needs to be done to determine if a saleable copper concentrate could be produced during recovery of the iron.

The feasibility study will include mining, processing, logistics, non-process infrastructure, port development, operations management, health and safety management, environmental and social impacts, project approvals, land access, native title and project execution for the project. Also, the proposed area of the mine will need to be accurately defined. If this mine eventuates, it will be the first iron mine in Victoria in modern times.