

RESOURCE OPPORTUNITIES

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ATW Venture Corp. (ATW-TSXV)

The following editorial is extracted from the March 2008-1 issue

ATW announced on March 13 that it has signed a letter of intent with Batavia Mining Limited to purchase 100 % of the Gullewa gold-copper mine in Western Australia. The project is located 300 kilometers southwest of the company's Burnakura gold mine. ATW is restricted from publishing details about the mine until the information has been presented to the Canadian regulators in appropriate form. Some information is available from the vendor's published information and is presented here. Please note that this information may not have been independently reviewed and may not be compliant with Canadian reporting standards. It is presented here to give a sense of the impact of this acquisition on ATW.

According to Batavia, Gullewa has 3.3 million tonnes of material with a grade of 5.3 grams per tonne gold, 0.76% copper and 5.18 grams per tonne silver at its primary deposit (the Deflector deposit). Those figures imply nearly 600,000 ounces of gold in the ground at Deflector, with significant credits of copper and silver. Other deposits on the property for which figures have been published add more than 10% to those totals.

The project includes a large land position, underground mine development as well as a processing facility, a 50-person camp, offices and workshops. The processing plant has crushing and

grinding circuits with gravity and carbon-in-leach circuits for gold recovery. The mine is currently under care and maintenance.

Even without seeing the details, it would appear that the recovery circuits in place would not work effectively with the high copper values. Some capital costs would be required to implement floatation recovery of copper plus gold and also to boost the throughput to a level that would be more effective. That need for further capital is likely the motivator for the vendor to sell the project to ATW for A\$13 million (about C\$11.5 million) and a 2 million share stake in ATW.

At the existing throughput capacity, Gullewa could produce about 40,000 ounces of gold a year, together with significant copper and silver. The upgrade and expansion could potentially be done within months.

This second mine, together with Burnakura, could see ATW producing nearly 100,000 ounces of gold a year once the two mines are back in operation with modest expansions. More importantly, purchase of a second mine in rapid succession adds credibility to the corporate objective of building a mid-tier producer.

There are still many questions to be resolved about this second mine, but the indications point to a

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