



Victoria's gold boom continues as two big exploration tunnels approved

By Anna McGuinness, 18 December 2025

A gold mining "renaissance" in Victoria has marked a major milestone with the approval of the state's first exploration tunnels.

Two companies are set to head underground to see if they are sitting on enough lucrative gold to justify a mine.

It comes amid record gold prices and a spotlight on Victoria's potential due to the success of Fosterville Gold Mine, 20 kilometres east of Bendigo.

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By Anna McGuinness ABC Central Victoria Gold

10h ago



The Sunday Creek site owned by Southern Cross Gold. *(Supplied: Southern Cross Gold)*

At Sunday Creek, east of Kilmore and 60km north of Melbourne, Southern Cross Gold has ambitions to build a mine at the start of the next decade.

Southern Cross Gold president and CEO Michael Hudson said Fosterville Gold Mine's discovery of a high-grade gold mineralisation zone 10 years ago had "reshaped the understanding of Victorian geology".



"It wasn't just a wonderful fluke, now they're predictable and there's so much more to be found with that knowledge," Mr Hudson said.

"It's a Victorian renaissance without a doubt."

Southern Cross Gold said a Sunday Creek mine would only go ahead if it was economically viable and with further approvals.



Southern Cross Gold drill samples at Sunday Creek. *(Supplied: Southern Cross Gold)*

Deeper look at Sunday Creek

The Sunday Creek site owned by Southern Cross Gold was mined between 1880 and 1920, but modern techniques have allowed for deeper exploration.

Mr Hudson said 100km worth of drilling — each about the circumference of a person's forearm — had delivered "world-class", "very high-grade" results over the past three years.



Michael Hudson says the gold sector is in a renaissance in Victoria. *(Supplied: Southern Cross Gold)*



The exploration tunnel, which still requires secondary approvals, would allow for 24/7 drilling as the noise, lights and vibration move underground.

Mr Hudson, who was born and raised in Kilmore, said the project would see changes to the local area and having the community's support was critical.

However the question of whether a mine would eventuate at Sunday Creek remains to be answered.

"You never know until you get there because gold prices may drop, but this is a very special project and we've got huge confidence in it," Mr Hudson said.

"It will need half a billion dollars more or less to build the mine, so you want to make sure that you're really sure."

Mitchell Shire Council CEO Mary Agostino said community interest in the project was growing.

"At this early stage, council's focus is on ensuring robust environmental safeguards, careful management of land and water, and genuine, ongoing engagement with the local community," she said.



An artist's impression of the exploration tunnel at Sunday Creek. *(Supplied: Southern Cross Gold)*

Meanwhile in the state's north, a joint venture of West Australian companies Catalyst Metals and Hancock Prospecting is also looking to explore further underground.

Its Four Eagles Project is located near Mitiamo, about 75km north of Bendigo.

Catalyst Metals general manager of Victorian operations Rob Biro said the tunnel would allow for more



precise exploration under Murray Basin sediments.

While the focus is on securing further permits to build the tunnel, he said it was an exciting next phase and acknowledged Victoria's "significant" potential.

"We've always been liaising closely with the local community and already providing benefit to regional Victoria," he said.

"Our aim is towns like Mitiamo and Pyramid Hill see clear benefits from our work."

Gold left to find

The Minerals Council of Australia's Victorian executive director James Sorahan said central Victoria was the second biggest gold-producing region of Australia, behind Kalgoorlie in Western Australia.

The region is also home to Costerfield Mine, which produces about 5 per cent of the world's antimony, a critical mineral used in storage batteries.

The Geological Survey of Victoria estimated there may be up to 75 million ounces of gold left in the ground, about as much as has ever been mined in the state.



James Sorahan says mining delivers significant benefits to regional Victoria. *(ABC News: Tim Lee)*

"What the success of Fosterville and the gold price has done is brought a lot more money in to look beneath our feet in Victoria," Mr Sorahan said.

Fosterville Gold Mine, 20km east of Bendigo, [received Commonwealth approval, with strict environmental conditions, to expand its operations in November.](#)



Nearby residents have complained of [living with earthquakes, noise and dust from their mine neighbour](#).

A state planning panel examining the expansion's potential environmental impacts heard it would boost the region's economy by \$1.3 billion over the coming decade.

This article first appeared at <https://www.abc.net.au/news/2025-12-18/gold-renaissance-as-two-exploration-tunnels-approved-victoria/106137082> and was published on 18 December 2005.

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We explore for gold and antimony in the Victorian Goldfields. Our 100% owned flagship project at Sunday Creek is the best new grassroots discovery in Australia with a globally leading high-grade hit rate for this stage of the project's development.

Our results demonstrate high-grades and wide zones of gold and antimony over an 11km mineralised trend. As at August 31, 2025, we have delivered 74 individual intersections exceeding 50 AuEq g/t x m ("AuEq g/t x width in m") and 70 individual intersections exceeding 100 AuEq g/t x m from 97,553 m at Sunday Creek including results such as 1.0 m @ 2,318 g/t Au drilled within 455.3 m @ 7.2 g/t Au and 13.1 m @ 91.7 g/t Au within 331.5 m @ 6.8 g/t Au.

Our corporate objectives are to discover and develop large, long-life, sustainable assets which create value for shareholders and all stakeholders in the community.

The team has made numerous discoveries and has demonstrated success in advancing these towards mining.

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