



Tertiary Minerals updates Lassedalen fluorspar resource

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Estimates resource at 4m tonnes; hopes to complete more detailed work in Q1

Tertiary Minerals has updated its JORC compliant inferred mineral resource for its Lassedalen fluorspar deposit in Norway to 4m tonnes, grading 25% fluorspar.

The company is now working to complete more detailed work on the resource by the end of Q1 2012, in order to demonstrate that acid grade fluorspar can be produced from the resource.

It will be undertaking a more detailed evaluation for commercial production and the scoping study metallurgical test work is already in progress, executive chairman, Patrick Cheetham, told **IM**.

The update upgrades the company's overall fluorspar resource by 1m tonnes across its two deposits, Storuman, Sweden, and Lassedalen. Storuman holds a JORC compliant resource estimate totalling 27.8m tonnes, grading 10.2% fluorspar.

"What we are looking to do is develop a European presence in fluorspar production," Cheetham explained

"We are advancing both of the projects together but at this point in time the Norwegian project is behind the Swedish project," he added.

The previous resource estimate on Lassedalen was done before the introduction of JORC and was based on exploration work carried out by Norsk Hydro A/S in 1974 and 1975 on the most intensively explored section of the Lassedalen vein.

Mineral in demand

The economic parameters used for the resource estimate included various estimated mining and processing costs and a mine-gate fluorspar price of US\$350/tonne.

Fluorspar prices have rocketed recently, even as far as US\$600/tonne. The world's leading producer of fluorspar is China, whose export quotas and increased domestic demand is blamed for the rising prices. IM assesses prices at between \$310-359/tonne (metallurgical, min85% CaF₂, Chinese CIF Rotterdam).

Fluorspar is a mineral in demand. In June 2010, the EU declared fluorspar one of its 14 minerals that had a significant supply risk.