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## **TERTIARY MINERALS ACQUIRES RIGHTS TO SECOND IMPORTANT FLUORSPAR DEPOSIT IN EUROPE**

- **Deposit Tied Up After Nearly Two Years Of Complex Negotiations**
  - **Over 1 Million Tonnes Contained Fluorspar Reported In 1970s**
  - **Close To Infrastructure & Established Port Facilities**
  - **Complementary To Storuman Fluorspar Project & Targeting Wider Range Of Fluorspar Markets.**
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In pursuit of its plans to become a dominant supplier of fluorspar in Europe, Tertiary Minerals plc (“Tertiary” or “the Company”) is pleased to announce that it has been granted exploration rights for fluorspar at the former producing Lassedalen Fluorspar Mine near Kongsberg, 80km to the south-west of Oslo in Norway. The area has excellent infrastructure and a rich mining history.

Commenting today the executive Chairman of Tertiary Minerals said “We are delighted to have secured exploration rights to this valuable project after nearly two years of complex negotiations and legal work”.

The project further establishes the Company as a committed future supplier of fluorspar to European consumers which, according to a recent report by the European Commission, are facing the possibility of future supply shortages.

The Lassedalen fluorspar deposit was mined on a small scale during World War II when it was developed to a depth of 40m below surface and fluorspar was mined from a 700m long drift for use in aluminium smelting.

The mine was dewatered in the late 1970s by Norsk Hydro A/S when drilling was carried out from both surface and underground. Norsk Hydro defined a fluorspar “reserve” reported at that time to be “well over 1,000,000 tonnes of (contained) fluorspar concentrate” (Fluorspar concentrate price currently quoted at US\$350-365 per tonne CIF Rotterdam). Whilst based on a significant drilling and underground exploration programme, this historical “reserve” estimate is not compliant with any current resource or reserve code and should therefore only be used to indicate that the tonnage potential of this deposit is significant.

Fluorspar mineralisation at Lassedalen occurs in steeply dipping veins and as disseminations within an east-west striking fault breccia that is reportedly up to 8km long and generally between 15 and 30m wide, but up to 80m wide in places. Economically important fluorspar can be followed more or less continuously for at least 1km where the largest veins reach a

width of 10-13m for a distance of 200—250m along strike. The fluorspar content in these veins is reportedly rich, varying between 40-80%.

The Company holds exploration permits at Lassedalen that grant exploration rights to claimable minerals (those with a specific gravity of 5g/cm<sup>3</sup> or greater) and the Company has secured exploration rights for non-claimable minerals (which includes fluorspar, specific gravity 3.2) from private land and mineral owners under new mining legislation introduced earlier this year.

The fluorspar exploration rights have been granted by the Norwegian Directorate of Mining and will expire at the end of 2016. The Company will be required to submit a bond in the amount of 200,000 Norwegian Kroner (approx. £20,500) prior to the commencement of exploration). There are no other ongoing costs to maintain the rights and no specific expenditure obligations.

This project has complementary characteristics to the Company's Storuman Fluorspar Project where a positive scoping study was announced earlier this week.

Where Storuman is a large low-grade deposit mineable by open-pit; Lassedalen is potentially much higher grade and would need to be mined by underground methods due to the surrounding steep topography. Subject to mineral processing testwork results, the Company believes the Lassedalen project may have potential to supply metallurgical-grade fluorspar for the European steel industry, a grade of fluorspar not targeted by the Storuman project, as well as acid-grade fluorspar.

The deposit is less than 1km from highway E134 and approximately 40km from the nearest Norwegian port. It is well placed for European export markets as well as an important established market within southern Norway where fluorspar is used to manufacture aluminium fluoride for use in the large hydro-powered aluminium smelting and refining industry.

The Company is planning a programme of exploration at Lassedalen in order to define Mineral Resources and evaluate the metallurgical characteristics of the fluorspar mineralisation.

**Further info:**

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**Note:**

*The information in this release has been compiled and reviewed by Mr. Patrick Cheetham (MIMMM, MAusIMM) who is a qualified person for the purposes of the AIM Guidance Note for Mining Oil & Gas Companies issued on March 16, 2006. Mr Cheetham is a Member of the Institute of Materials, Minerals & Mining and also a member of the Australasian Institute of Mining & Metallurgy.*