



28 September 2010

**DRILL PROGRAMME TO START AT STORUMAN PROJECT**  
**Programme aims to define JORC Indicated and Inferred Mineral Resources**

Tertiary Minerals plc, a diversified mineral explorer and developer building a significant strategic position in the fluorspar sector, is pleased to announce that it has signed a contract for a major resource definition drilling programme at its 100% owned Storuman fluorspar project in Sweden.

**Key points:**

- Two drill rigs to be mobilised for six week programme
- 44 diamond holes to be drilled over area of 1.8 square kilometres including step out holes to test for extensions of open pittable fluorspar mineralisation
- Primary objective to define JORC classified Indicated and Inferred Mineral Resources
- Drilling will also generate samples for further metallurgical development, and
- Fluorspar supply shortages predicted by European Commission.

Today's announcement follows the release in July of the positive results of a technical and economic scoping study for the development of the 100% owned Storuman fluorspar project and the subsequent announcement of the acquisition of a second fluorspar project at Lassedalen in Norway. Fluorspar is an essential raw material in the chemical, steel and aluminium industries. The European Commission has named fluorspar as one of its 14 'critical mineral raw materials' as fears over supply grow.

The Storuman scoping study generated a base-case project producing over 100,000 tonnes of fluorspar/year over an 18 year open-pit mine life with a capital payback of less than three years and pre-tax NPV's in the range US\$33-104 million.

The resource definition drill programme will start next week and will be carried out by Protek Norr AB using two diamond drill rigs. It is expected to last for six weeks and assay results will become available in batches over the next 12 weeks. A total of 44 holes are planned, the majority of which will be drilled on a 200m x 200m grid within and around the conceptual open-pit. A recent geo-statistical study of existing drill assay data carried out by SRK Consulting (Sweden) AB suggests that this drill spacing will be sufficient to define a \*JORC Indicated Resource within the shallow laterally continuous mineralisation at Storuman.

The drilling is designed to define JORC Mineral Resources over an area of 1.8 square kilometres and will include a number of drill holes on the periphery at 400m spacing which will test for extensions to the known fluorspar mineralisation which has not been closed off by previous drilling.

Commenting on today's news, Patrick Cheetham, Executive Chairman, said: **"The definition of JORC Mineral Resources will be an important value-adding milestone for the Company as we advance towards our objective of becoming a major European supplier of fluorspar."**

*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.*

*\*JORC Mineral Resources are those classified under the JORC (Joint Ore Reserves Committee) Code, the Australasian Code for the Reporting of Exploration Results, Minerals Resources and Ore Reserves adopted by the Australasian Institute of Mining & Metallurgy and the Australian Institute of Geoscientists.*

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## **ENQUIRIES**

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## **NOTES TO EDITORS**

### **Background to the Company**

Tertiary Minerals is an AIM-quoted mineral exploration and development company building a significant strategic position in the fluorspar sector. Fluorspar is an essential raw material in the chemical, steel and aluminium industries and Tertiary controls an estimated four million tonnes of fluorspar across its two Scandinavian projects (Storuman in Sweden and Lassedalen in Norway).

A European Commission report recently named fluorspar as one of its 14 'critical mineral raw materials' for which a possible supply shortage would represent a substantial economic threat.

The Company also has interests in exploration and development of Gold, Iron, Tantalum, Niobium and Rare-earths in Finland and Saudi Arabia. Shares in the Company trade on AIM and also on PLUS Markets (ticker symbol 'TYM').

For further information: **[www.tertiaryminerals.com](http://www.tertiaryminerals.com)**

## Background to the Storuman Project

The Storuman Fluorspar Project is located in northern Sweden in an area with well established infrastructure. It is located adjacent to the E12 highway, 20km from the regional town of Storuman, which connects the Project to the city and port of Umeå on the Gulf of Bothnia and to the port city of Mo-i-Rana in Norway.

The basis for the Storuman Project is a large area of flat lying, sandstone hosted fluorspar mineralisation that runs along either side of the valley occupied by the E12 highway. The mineralisation has been defined (but not closed off) by 49 drill holes; 39 completed by Gränges International Mining in the 1970s, and 10 by the Company in 2008.

A computer block model of the mineralisation, which occurs in two distinct closely-spaced horizons, was made by Scott Wilson Limited ("Scott Wilson") as part of a Competent Persons Report ("CPR"). This included a tonnage and grade estimate for the two horizons of 28 to 31 million tonnes grading 11.2-12.3% fluorspar ( $\text{CaF}_2$ ) (at a cut-off grade of 8%  $\text{CaF}_2$ ) that was reported by the Company on 17 November 2009.

A recently completed technical and economic scoping study shows that the 100% owned Storuman project could give a three year payback on US\$46 million of initial capital costs with a 24% IRR (Internal Rate of Return) predicted from pre-tax operating cash flows which average US\$17 million/year for first 5-years.