



Bright prospects for tin as Europe comes to the fore, says Solid Resources

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Tin could have a “bright future”, according to Richard Gliege, chief operating officer and cfo of Spain-focused mining exploration company Solid Resources.

Solid, a tin-tantalum-lithium company with a project in Galicia, northwestern Spain, expects to be producing 1,500 tpd of ore within the next two years.

“The fundamentals of tin are going to be very strong for the remainder of this year. I think it should be the best performing metal on the London Metal Exchange,” Gliege told Metal Bulletin.

Tin has traditionally been the least liquid of the base metals traded on the LME, but this could change if and when prices improve, he added.

“Tin is one of the most ignored metals out there, but it shouldn’t be. About 10% comes out of Peru, but that’s going to be fully exploited by 2017,” Gliege said.

“The largest producer is Indonesia but there are a lot of issues there with trying to create a commodities exchange,” he added.

Production sources must therefore be found elsewhere, Gliege said, as the electronics industry is still heavily reliant in tin for use in solder.

He also expects further focus to drift towards Europe, where there is currently very little tin production, as companies become more risk averse, and look to get out of the Democratic Republic of Congo (DRC) and Indonesia.

Indonesia has struggled to set up an exchange that is able to compete with the LME, and the DRC continues to be dogged by issues over conflict minerals, Gliege added.

“Indonesia supplies more than a third of the world’s tin and 90% of that is mined in Bangka and Belitung,” he said.

“There are a lot of issues with these islands in terms of how they’re obtaining the tin. It’s not regulated and it’s not controlled.”

The methods employed cause damage to the environment, as well as being dangerous for those involved, according to Gliege.

Turning to a country such as Spain, where the government is supportive of the mining industry and there is already robust infrastructure in place, may therefore be the answer for the industry.

The potential reduction in available supply is also likely to push prices up.

“Into next year, the prediction is that prices could rise by as much as 25% – that means prices of \$28,000 per tonne,” Gliege said.

"[Tin] doesn't get the credit it deserves. There's not a tremendous amount consumed per year, but it is still classed as a critical metal, as it pertains to the electronics industry."

Spain is likely to gain renewed recognition as a mining-friendly country in future, he added.

"It's been very good to us. It's probably going to get recognised as the most mining-friendly jurisdiction in Europe. They're motivated to advance their natural resources," Gliège said.

"They were once the dominant miner in Europe but they've ignored mining for years. They now recognise that those natural resources have not gone away. They want to dig their way out of [economic difficulties]."

The regional authorities in Galicia have also been supportive, Gliège said, as they are keen to create jobs and bring in revenue.

"It's been a very positive experience for us. It's a good place to do exploration and mining and the world is starting to realise that now."

Solid Resources is listed on the TSX venture exchange and is considering a listing on London's Alternative Investment Market.

It has also raised funds through private placements and is now looking at a debt structure for financing, as well as joint venture partnerships with European companies.

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