



SÃO PAULO (Metal-Pages) 09-Oct-13. Canada's Solid Resources is targeting tantalum and tin production in the next two-years at its Alberta-1 project in northwestern Spain, while eyeing European-based consumers as the company's main market.

With the project in the Galicia region reaching the permitting application stage this month, executives are stridently upbeat about the chances of moving ahead given both the Galicia and national governments have so far given exploration subsidies.

"We intend to be the first tantalum producing mine in all of Europe," Solid Resources Chief Operating Officer Rick Gliege told Metal-Pages. "We anticipate to be in production in no more than 24 months."

Capital expenditure at the site is estimated at \$25 million with the expected yield of 5,000 tonnes of tantalum alone worth \$1.3 billion over a 20-30 year mine life.

In a country where unemployment has spiralled to unheard of levels in the wake of the global economic downturn in 2008 and more recent European debt crisis, politicians are bending over backwards to attract new sources of tax revenues and work for the population.

With discussions being held with Europe-based processors, company executives are looking to establish a joint venture with a partner that can bring marketing and mine development expertise.

Alberta-1 is also expected to produce tin in equal measure to tantalum, in addition to lithium, which may be sold as a by-product to the ceramics industry given it is currently unclear whether material will reach battery grade.

Situated about 40km (25 miles) from the port of Vigo, the Alberta-1 concession spans 3,690 hectares, covering six potential mining zones. It has access to water and electricity and a secondary highway passing by.

Tests show that tantalum material to the south of the property has 50% higher tantalum grades and 20% higher tin grades.

Given worldwide publicity in relation to conflict minerals, most of the attention the project has received is on tantalum and tin, Gliege said. He pointed to tin being classified as the leading base metal on the London Metals Exchange (LME) because of market tightness and also due to demand from electronics producers using it in solder to replace lead, which has become undesirable for health reasons.

Recent events in Asia may have also boosted the outlook for tin producers. Shipments from Indonesia, the world's largest exporter, plummeted close to 90% in September versus the

previous month to the lowest level in at least six years, following the implementation of a new rule requiring the metal be traded on a local exchange before shipment.

"It is forecast to increase in value by 25% next year," said Gliege, highlighting concern among multinational companies and their customers over environmental and safety issues in Indonesia.

Solid Resources is also aiming to develop the Cehegin iron ore resource in the Murcia region of southeast Spain in parallel to Alberta-1.

-By John Evans in São Paulo