



Substitute: Ralph De Lacey (left) and John Sainsbury are confident tin's non-toxic qualities will increase demand for the metal.

Mt Garnet mine a \$500m project

THE commercial potential of the Mt Garnet tin project has been estimated at \$500 million over the initial seven-and-a-half-year life of the mine.

In a statement, Consolidated Tin Mines Ltd's chairman and managing director Ralph De Lacey said a scoping study had estimated the total revenue of \$500,340,000 was based on \$18,000 a tonne with net cash-flow of \$244,875,000.

He said the returns were based on mine throughput of 700,000 tonnes a year of tin ore producing 22,868 tonnes of metal.

"The project has significant expansion potential to deliver additional financial returns over an extended mine life beyond the initial seven and a half years," Mr De Lacey said.

"The company's exploration activities lead it to believe that there is significant additional tin potential at shallow depths at the project, which represents a strong opportunity for further exploration to uncover additional tin resources and expand the project.

"The initial capital cost to de-

Nick Dalton

daltonn@tcp.newsltd.com.au

velop the project is estimated at \$124 million.

"The company will continue to assess required infrastructure and mining techniques to develop the project in a cost effective manner."

Tin metal is being recognised for its benign, non-toxic qualities.

— Ralph De Lacey

Mr De Lacey said the company was actively seeking a strategic partner to help provide funding and development of the project and had promising talks in China.

"The next stage in the project's development is to conduct feasi-

bility studies on the project, and the current entitlement issue is intended to fund the first stage of this, a pre-feasibility study.

"The board is of the view that the true long-term potential of the Mt Garnet project is not reflected in the company's current share price.

"Although tin is not a 'high-profile metal' in the market, research and future projections indicate a future shortfall in tin supply at a time when tin metal is again being recognised for its benign, non-toxic qualities.

"Tin's major historic usage is in the manufacture of food containers and utensils, and this is expanding in line with population growth around the world and demand from emerging economies.

"Tin is also seen as the best substitute for toxic materials like lead, with a current major use being in lead-free solder used in the electronics industry.

"The company is of the view that this is a good time to be involved in the tin sector and it is very well placed with a developing large-scale tin project."