

# Altius strikes iron-ore deal with Century

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TORONTO (miningweekly.com) – Altius Resources, the St Johns, Newfoundland-based exploration firm, said on Tuesday it had penned an accord with Century Mining that would see it transfer some of its iron-ore properties in the Labrador trough in exchange for royalties on the properties.

As part of the deal, Century has also agreed to spend a minimum of \$7-million on each project and issue Altius five-million shares over the next

five years.

Altius' royalties on the properties, which span 1 647 km<sup>2</sup>, will on a gross sales basis and have a 1% to 4% sliding scale.

"Century has successfully attracted more than \$100 million in financing, plus ongoing financing, development support and off-take commitments, from its strategic partners," Altius CEO **Brian Dalton** said, pointing out that these partners, Wuhan Iron & Steel Co. (Wico) and China Minmetals, were two of China's industry giants.

"We believe that our ability to attract world-scale strategic partners will continue to be our dominant strength and provide Century with the financial and technical resources to advance its projects into production and export to world markets including China," Century CEO **Sandy Chim** said.

Wisco bought a 25% stake in Century for C\$60-million, and a 40% joint venture interest in Century's projects for C\$120-million.

Minmetals has a 5% stake in the junior, and an agreement to buy 10% of production at

market prices.

Century debuted on the TSX-V in May, and aims to move up to the main board.

The company already has three of its own iron projects in Labrador and Quebec - Duncan Lake, Sunny Lake and the Attikamagen project.

TSX-listed Altius follows the business model of staking claims and doing initial exploration of properties in Newfoundland & Labrador and then selling them to other companies for shares or royalties.

Rio Tinto unit Iron Ore Company of Canada is the biggest producer of the steelmaking ingredient in the country, followed by London-based ArcelorMittal and US miner Cliffs Natural Resources.

All three companies are pursuing major expansions in Canada to take advantage of soaring demand for iron-ore in China, which has led to high prices.

There are also a slew of other junior companies that hope to build iron mines in the Labrador trough.