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Mining

Altius hooks up with S.African company

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A local mining exploration company has entered into an agreement with a South African-based mining operation to share expertise and work together on joint venture projects in Canada, particularly Labrador.

Altius Minerals Corp., which operates its head office in St. John's, has signed a one-year strategic alliance agreement with Alease, which is engaged in gold and uranium mining in South Africa.

"Alease is purely a mining company. They don't have an exploration expertise at all. We're an exploration company and we don't have a mining expertise at all," Altius president Brian Dalton said Friday.

"The thing we like about Alease is that it's a company that has expertise in the mining of uranium."

Altius, which has been engaged in uranium exploration since 2001, is involved in Labrador's Central Mineral Belt activity, is a part of a joint venture with JNR Resources in the Deer Lake Basin and has a royalty interest in the Voisey's Bay nickel deposit.

An airborne geophysical survey conducted by the company has identified a potential several-kilometres-long nickel deposit in Labrador. Altius has the exploration rights to 443 square km of territory, located about 90 km north of the Town of Churchill falls.

While surveys have identified the potential presence of nickel, cobalt and copper, the company plans to undertake more detailed rock sampling and ground surveys this summer.

Dalton, meanwhile, said the company is always interested in partnerships that bring expertise to the table that the company doesn't possess, adding the Alease is keen on sharing its knowledge and expertise while expanding into North America.

This province happens to be one of the best places to expand, he said, noting Altius has been "searching the world for mining-capable partners to join us on our different projects throughout Newfoundland and Labrador and eastern Canada," he said.

Earlier this week news broke of Altius and the Fronteer Development Group creating a new entity to operate and fund the Labrador uranium projects, including the startup of a \$5-million exploration phase.

Both companies plan to use the summer months to conduct mapping, surveying and environmental testing of the targeted areas. As well, diamond drilling will commence in August in untested territory, such as Otter Lake, Jacques Lake and Michelin East.

Considering Fronteer has opted to cover the cost of summer program, it increases the company's interest in the initiative to 57 per cent from the original 50- 50 deal.

Dalton said Altius will also consider third party submissions from other mining companies involved in uranium projects that are interested in partnerships. Those interested parties range from prospectors to junior firms.

"Submissions from other parts of the country are certainly most welcome," he said.

Aflease CEO Neal Froneman said the agreement with the St. John's firm is "non-binding and non-exclusive."

"However, it does represent the start of an important new era for Aflease, as we spread our wings outside SA (South Africa), and start to look at the possibility of developing new uranium projects offshore," he stated in a news release.

"Aflease has undertaken to provide advice and assistance on technical, operational and financial issues relating to the development of Altius properties, and Altius will contribute its expertise in uranium exploration and uranium exploration environments."

Froneman said particular emphasis will be placed on Canadian properties.

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