



16 FEB, 2021

Townsville silica bid

Townsville Bulletin, Townsville

Page 1 of 1

Townsville silica bid

TONY RAGGATT

BRISBANE-based and China-backed mineral and silica sands developer Diatreme Resources is evaluating opportunities for downstream processing of premium quality silica in Townsville.

Diatreme Resources plans to mine high-grade silica sand at the Hope Vale Aboriginal Community's Cape Bedford area north of Cooktown in its Galalar Silica Project.

The company told the Australian Securities Exchange on Friday it had undertaken site

visits in Townsville with the help of the State Department of Regional Development, Manufacturing and Water and Townsville City Council.

The site visits examined potential available land and supporting infrastructure, including access to power, water and gas, for potential downstream processing or manufacturing opportunities.

The company said it was actively examining the potential for a portion of its planned mine product, a low iron (sub 100 ppm Fe) silica product, to undertake further beneficia-

tion. It said this would likely be through a hot acid immersion process to produce an ultra-low iron (sub 50 ppm Fe) silica used in high value electronics manufacturing and other specialist uses.

The company had also consulted with parties considering establishing onshore glass manufacturing operations to supply the solar panel market and who required reliable supply of the high quality photovoltaic grade silica used as direct-feed product for the solar panel sheet glass manufacturing process.

Diatreme Resources CEO Neil McIntyre said they were working as hard as they could to deliver the best project possible for the people of North Queensland.

"Demand for Galalar's product continues to rise on the back of the solar energy boom and with the clean energy revolution accelerating, our project has the right product at the right time," Mr McIntyre said.

An economic study has estimated the mining project has the potential to create up to 110 full-time equivalent jobs

and inject up to \$42 million into the region during its operation.

Affected native title holders will have a 12.5 per cent project stake.

A draft EIS is under way for the mine and Diatreme is targeting receiving environmental approvals and Mining Lease in the fourth quarter of this year with first mining production in 2022.

The company said it would update the market as discussions progressed with parties considering onshore glass manufacturing operations.