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## Diatreme targets new silica site

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WAYNE Swan-led silica sands developer Diatreme Resources has identified another 50 million tonne resource of high purity silica at Cape Flattery in Far North Queensland.

The company, at which the former treasurer and deputy prime minister took over as

chairman late last year, already has its foot on a 75 million tonne deposit near Hope Vale, where it hopes to begin construction of the \$60m Galalar project later this year.

The company's latest exploration has focused further north, abutting the Mitsubishi Corporation's Cape Flattery Silica Mine lease.

Diatreme CEO Neil McIntyre said the new resource, the Si 2 North project, may not be as high quality as Galalar but still showed potential as a possible second operation.

Ausrocks has estimated a maiden inferred mineral resource of 53.2 million tonnes at

99.32 per cent silica.

The region has just endured

category two cyclone Tiffany, which shut down the Cape Flattery mine but caused no significant problems for Diatreme, Mr McIntyre said.

The company plans to export silica for glass and solar panel manufacturing in Asia but is also looking at further beneficiation at a plant in Townsville to produce silica

for electronics. Mr McIntyre said they still had very strong intentions to bring some product to Townsville.

"We are still undertaking metallurgical and other testing to see whether we can take the sand to the next level ... which can remove the impurities further," Mr McIntyre said.

The Galalar project, creating 110 jobs and with a life of more than 20 years, involves a mine, gravity plant and conveyor system to the coast where a barge ramp is to be built. The silica will be barged 45km north for transshipment at the state-owned Cape Flat-

tery port area.

Exports could commence in early 2023.