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Cape silica mine secures Euro partner

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AN emerging Cape York silica miner now has the backing of a major international materials leader as the ink dries on a fundraising push to advance a proposed high quality sand mine north of Hope Vale.

Belgium-based silica miner and glass recycler Sibelco has become a significant shareholder in a Cape York sand mine slated to go ahead at a Cape Flattery lease owned by Diatreme Resources.

Under the partnership, Sibelco will invest \$13.97m in strategic placement with Diatreme through the sale of 559,465,000 new ordinary shares at a combined issue price of 2.5 cents per share.

The European company is expected to use its global networks to assist with product marketing, downstream processing and project finance.

Diatreme Resources chief executive officer Neil McIntyre said the “confidence building” partnership now had the potential to propel the emerging miner on to the world stage.

“Having access to Sibel-

co’s world-leading technical, processing and marketing expertise is a step change for Diatreme that propels us on to the global stage, enhancing the successful development of our projects,” he said.

“Sibelco is the perfect partner for us to unlock the value of our world-class silica sand deposits for the benefit of both companies and all our stakeholders, including our First Nations partners and other local communities.

“(Investment) at both the corporate and silica projects portfolio level is a vote of confidence in our company.”

Mr McIntyre thanked existing major shareholder Il-

wella for their “participation in the placement and ongoing support”.

Booming global demand for silica used as a semiconductor in photovoltaic cells in the production of solar panels is driving expanding Cape York resource exploration that includes the Galalar Silica Project north of Hope Vale.

In an update to shareholders on Monday it was stated a two tranche investment earning Sibelco a 26.8

per cent project interest would be dependent on approval by the Foreign Investment Review Board.

Sibelco and Diatreme have agreed on a joint venture to develop Diatreme’s emerging Galalar Silica Project and Northern Resource Project, supported by an investment from Sibelco of \$35m, split into two tranches of \$11m and \$24m respectively.



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Workers take sand samples at the Diatreme Resources Galalar Silica Project north of Hope Vale.