

Spinifex

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Olympia and Matilda go for waltz on sands

Olympia Resources went for a run last week after stitching up an offtake agreement for all titanium minerals produced at its planned \$32 million Keysbrook mineral sands project south of Perth.

But rival mineral sands start-up Matilda Minerals has also been quietly drawing supporters as it nears production at its Tiwi Islands project, near Darwin.

Better known as a breeding ground for footballers, the Bathurst and Melville Islands are now shaping as a lucrative boutique supplier of zircon, the most valuable of the heavy minerals typically produced by mineral sands miners.

According to Matilda chief executive Bruce Maluish, the zircon-rich nature of the Tiwi deposits has enabled Matilda to focus on much smaller assemblages and aim to become a niche supplier.

Hence it expects to start production from its initial Andranangoo deposit on Melville Island by the middle of next year for the tiny capital cost of just \$2.2 million, including a skid-mounted, gravity-separation plant.

Matilda reckons Andranangoo will spit out 14,000 tonnes of zircon, plus 10,000 tonnes of rutile and leucoxene a year for three years, generating a net operating surplus of \$9.1 million on revenue of \$16.6 million in its first year.

That works out to a surplus of over \$25 million in the first three years alone.

Matilda's plan is then to gradually move around the Tiwi Islands, where it has two granted mining leases and applications covering 350km of prospective coastline, developing small scale operations as it goes.

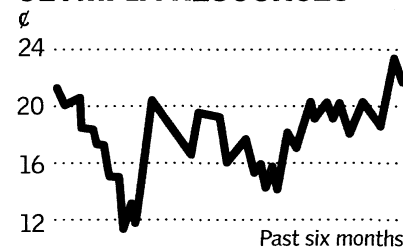
Apart from Andranangoo, Matilda has already outlined reserves at the nearby Lethbridge and Puwanapi deposits, giving it total contained heavy mineral reserves of 72,000 tonnes of zircon, 42,000 tonnes of rutile, 24,000 tonnes of leucoxene and 52,000 tonnes of ilmenite from 4.1 million tonnes of resource averaging 4.5 per cent heavy minerals.

Matilda has also identified at least 16 prospects on Melville and Bathurst islands needing follow-up

exploration.

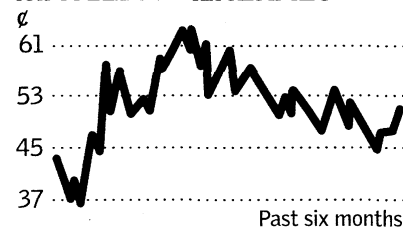
It has also just applied for licences covering 1500 square km on Cape York Peninsula in Queensland, and holds extensive licences near Carnarvon and Broome.

OLYMPIA RESOURCES



SOURCE: IRESS

MATILDA MINERALS



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