

Eyre mine site digs in for the long-term

CAMERON ENGLAND

ANDROMEDA Metals is aiming to break ground on its proposed \$230m kaolin mine on Eyre Peninsula before the end of the year.

The Adelaide firm on Wednesday released a definitive feasibility study into the project, 65km east of Streaky Bay, saying it has the capacity to operate for 28 years, employing 70 people and generating more than \$2.2bn in pre-tax earnings.

Andromeda will now seek to gain its remaining approvals for the mine and secure financing for the \$93.8m first stage of the project while also progressing detailed designs for the mine and processing facilities.

Andromeda's managing director James Marsh said the "Great White Kaolin Project"

(GWKP) will be a "globally significant supplier of high-value kaolin to international ceramic, paint and other specialised markets".

"Completion of this stage in the development of the GWKP further advances Andromeda as a fast-growing South Australian company with a vision to lead the world in the sustainable supply of superior quality industrial minerals and advancement of nanotechnologies," Mr Marsh said in a statement to the Australian Securities Exchange.

"The project offers up to 70 long-term jobs on a residential basis and provides an opportunity to reverse the contracting of the regional community population." Mr Marsh told The Advertiser Andromeda was now continuing with its final technical and financial studies, and was on track to start construction before the end of this year.

"We're looking at breaking ground at the end of this year and then getting cashflow probably first quarter of next year," he said.

Andromeda was granted a mining lease for the project in December last year and said it expected to submit its Program for Environment protection and Rehabilitation to the state government in the middle of this year.