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Australia's 2nd lithium mine opens in WA

Ground has been broken on Australia's second lithium mine - Galaxy Resources Ltd's Mt Cattlin project at Ravensthorpe in Western Australia. First production is slated for late 2010.

The new mine was officially opened on Friday by WA Premier Colin Barnett, who said it was good news for Ravensthorpe and surrounding communities.

Residents of Ravensthorpe and nearby Hopetoun were left reeling in January, when mining giant BHP Billiton Ltd mothballed its Ravensthorpe nickel mine following a dive in the metal's price, resulting in more than 1,800 job losses.

Galaxy managing director Iggy Tan said in a statement on Friday that the Mt Cattlin project would deliver significant benefits to the region by employing a residential workforce, with flow-on effects to local industry and businesses.

Mr Tan said that by 2010, the Mt Cattlin mine would be the world's second-largest hard-rock producer of spodumene, and would be one of three lithium minerals currently mined commercially, along with petalite and lepidolite.

"Spodumene is the most important of the lithium-bearing minerals due to its higher lithia content and the fact that it tends to be found in larger deposits," Talison Minerals general manager strategic development David Miller told a conference earlier this year.

Until now, the unlisted Talison has been Australia's sole lithium miner, with operations at Greenbushes in WA's south-west region.

Demand for lithium, which is used in batteries for electric cars, is forecast to triple over the next decade.

Independent research house Stock Resource said in a research note this week that Galaxy and Orocobre Ltd were the only Australian stock exchange-listed companies that offered investors exposure to lithium, with Orocobre focused on Argentina.

Shares in Galaxy were up 8.5 cents, or 5.57 per cent, at \$1.61 at 1415 AEDT.

<http://news.theage.com.au/breaking-news-business/australias-2nd-lithium-mine-opens-in-wa-20091106-i1qy.html>

Ravensthorpe welcomes new lithium mine



Colin Barnett has turned the first sod at Galaxy Resources' new lithium mine site to the delight of neighbouring Ravensthorpe locals who he said were dealt a hard blow earlier in the year by the closure of the BHP Billiton nickel operation.

The Galaxy Resources Mt Cattlin mine, located two kilometres from Ravensthorpe, will start operation by the end of 2010 with a production target of 137,000 tonnes of lithium concentrate per annum over the minimum 15-year life of the mine.

Ravensthorpe Regional Chamber of Commerce president, David Borger was at the ground breaking ceremony this morning and said Galaxy's presence in the region was very important.

"It has created a positive in the area after BHP closed down, so it's turned the tables," Mr Borger told WA Business News.

"Ravensthorpe and Hopetoun people are pretty resilient, they're pretty tough, they take things with a grain of salt and mining companies, they come and go, as we've seen.

"And I think Galaxy is a very solid proposition and a very good thing for all of us."

Galaxy Resources managing director, Iggy Tan said since the project is fully funded through a partnership with Creat Group, and all environmental and works approvals have been granted, the company can now focus on rapidly advancing the construction of its mine and processing facility in order to meet the forecast increase in demand for lithium, with construction on the project set to begin in the coming days.

"By 2010, the Mt Cattlin mine will be the world's second largest hard rock producer of spodumene and, through the development of its value adding lithium carbonate plant in China, the Company will be the largest and lowest cost lithium carbonate producer in Asia," Mr Tan said.

Mr Tan said the project was important for the Esperance Ravensthorpe region, a sentiment echoed by the premier.

"As the company is committed to a residential workforce, the new project will provide jobs for displaced mining workers in the region, employing up to 100 people during construction and 75 when operational," Mr Barnett said.

"WA is the world's leading mining economy and the expansion of our presence in the mining of new minerals like lithium broadens that strength.

"Lithium is a strategic metal for the 21st century and will underpin emerging technologies, such as providing batteries that can charge faster and longer, helping to reduce the 20 per cent greenhouse emissions generated by transport."

The ore will be exported to China for processing into long-life lithium batteries for use in hybrid and electric vehicles.

<http://www.wabusinessnews.com.au/en-story/1/76512/Ravensthorpe-welcomes-new-lithium-mine>

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Barnett opens Galaxy's Mt Cattlin spodumene project

Western Australian Premier Colin Barnett was on hand today to officially open lithium producer Galaxy Resources' Mt Cattlin spodumene project near Ravensthorpe.

The opening ceremony was also attended from representatives from Galaxy's Chinese investment partner Creat Group.

According to the company's managing director Iggy Tan, the project is now fully-funded and has received all the environmental and works approvals.

Galaxy can now focus on rapidly advancing the construction of its mine and processing facility in order to meet the forecast increase in demand for lithium," he said.

"By 2010, the Mt Cattlin mine will be the world's second largest hard rock producer of spodumene.

"This, along with the development of a lithium carbonate plant in China, will make Galaxy the largest and lowest-cost lithium carbonate producer in Asia.

"The rapid development of the project is a testament to the commitment of our team and the strong relationship between WA and China."

The project will produce 137,000 tonnes of spodumene concentrate per year at its onsite processing facility, which will be shipped to the company's downstream processing facility in Jiangsu Province, China.

Construction is scheduled to commence next week.

<http://www.miningaustralia.com.au/Article/Barnett-opens-Galaxy-8217-s-Mt-Cattlin-spodumene-project/504722.aspx>

Galaxy up as Premier turns sod at Mt Cattlin

Shares in aspiring lithium producer Galaxy Resources were higher after Premier Colin Barnett turned the sod at its Mt Cattlin spodumene project near Ravensthorpe.

The mine will start operating at the end of next year with a production target of 137,000 tonnes of lithium concentrate per annum over its minimum 15-year life.

Ore from the mine will be crushed, screened and washed onsite to produce a higher grade, inert ore.

The ore will then be exported in bulk through Esperance port to China for processing into long-life lithium batteries for use in hybrid and electric vehicles.

The Mt Cattlin mine will potentially be the world's second largest hard rock producer of lithium by 2010.

The company is also planning to build a lithium carbonate processing plant near end users in China.

<http://au.news.yahoo.com/thewest/business/a/-/wa/6441529/galaxy-up-as-premier-turns-sod-at-mt-cattlin/>