

Noosa round-ups

Here are further ruminations on some of the better opportunities outlined at last month's **Noosa Mining and Exploration Conference**.

Bauxite project developer **Metallica Minerals** (MLM) stood out for value as a remarkable little company. It has 322.4 million shares, giving it a market capitalisation of \$20 million and just \$3 million of cash with a \$2 million debt facility.

The company is now funded to develop a 50% owned, direct shipping bauxite project in Cape York. The Urquhart bauxite project is about to start operation at a rate of 1.5 mt pa, with a target resource of 8-10 million tonnes to generate a pre-tax NPV of around \$80 million, of which \$40 million, or twice its current market capitalisation would accrue to Metallica. Regionally, the project has potential for an additional 8.5 mt of lower grade material.

The Urquhart project is really a little pot-boiler for Metallica which also has the Sconi Ni-Co-Sc project near Greenvale in Queensland, where Australian Mines (AUZ) has the right to earn a 75% interest. Scandium is an alloying element with aluminium that makes a resulting alloy that is stronger than either pure aluminium or an Al-Li alloy, enabling the use of lighter component parts in transport goods.



Triangle Energy (TEG) also impressed. Since buying 78.75% of the Cliff Head oilfield, TEG has massively reduced operating costs and plans work-over and new wells that could lift production from ~1,200 BOPD to >3,000 BOPD, which would also reduce costs per barrel.

The company now has a market capitalisation of ~\$14 million.

StockAnalysis has previously commented on upcoming drilling on the Xanadu prospect by Norwest, Whitebark Energy (formerly Transerv) and Triangle. Even a 5 mmbbl result at Xanadu would be worth over 13.5 cps to Triangle, which would also be in the box-seat to process the oil at its onshore oil facilities that sit just 14 kilometres north of the Xanadu well pad.



Pumped and now solar power company **Genex** (GNX) looks like the sort of 'Clean & Green' company that could actually make money! The \$74 million market capitalisation Genex is 50% of the way through building a 50 MW solar farm on the tailings dam of the old Kidston gold mine in Queensland, where commissioning should occur this summer to deliver (or should I say generate) an estimated EBITDA of ~\$15 million per annum. A 250 MW pumped storage hydro power project, estimated to cost \$300 million will be designed to deliver 1,500 MWhr of power over a 6 hour period, with obvious operating synergies between its operation and the ability to pump water with its cheap solar power.

Genex is likely to sell-down its 'water-battery' project to fund development, once government transmission lines are under construction.

