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Admiralty all fired up

Just a few weeks before it became evident a large line of its stock was held through Opes, Admiralty Resources was celebrating the first spot sale of iron-ore fines from its 60 per cent share Cia Minera Santa Barbara joint venture in Chile.

The mine shipped 48,500 tonnes to China's Shouganq at \$US189 a tonne - more than twice last year's contract iron-ore price. The mine is producing 30,000 tonnes a month and ramping production up to 100,000 tonnes a month. The ore grade is less than 20 per cent - much lower than Australian hematite and magnetite ore - but it is processed into a product with 63.5 per cent iron and low impurities.

Admiralty also has a lithium project in north-west Argentina, near the Chilean border. Lithium is used in batteries and there are projections the demand for the product is about to skyrocket due to demand from car makers.

Admiralty is trying to demerge its lithium assets to provide more value for shareholders. In January it announced it had received tenders from 70 companies - and selected a short-list of 13 - to sell 10 per cent of its lithium production between June 2009 and June 2019. The agreement would also include marketing rights in Asia and the Americas.

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