

Kyrgyzstan project adds drive to Raisama raising

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One of the more eagerly anticipated floats between now and the end of the year, that of uranium explorer **Raisama**, has gained momentum with the acquisition of a project in Kyrgyzstan.

Unlike its neighbour Kazakhstan, where the joke is that the uranium industry is dominated by the dismantling of old nuclear warheads, Kyrgyzstan has a history of uranium mining.

Although the Kashkasu project is a greenfields one, mining and exploration in the area means drilling targets are identified for immediate action.

It is something **Raisama** needs.

The junior, run by former Summit Resources and Fusion Energy senior executive David Berrie, hopes to tap the equity markets for cash towards the end of this year.

The initial public offer is likely to target \$10 million to \$15 million of cash to give **Raisama** a market capitalisation of up to \$30 million and enough money to do some serious work on its promising WA projects. That is where Kashkasu fits in.

Notwithstanding the promise of **Raisama**'s WA portfolio, which includes a project almost adjoining [Cameco Corp](#)'s Kintyre monster as well as properties in the Gascoyne, they are pure greenfields exploration ground. There is limited infrastructure and substantial work has to be done just to identify drilling targets.

In Kyrgyzstan, drilling can start almost immediately, and at a low cost.

Raisama is buying 75 per cent of the Kashkasu project off ASX-listed minnow Monitor Energy. Apparently Ted Ellyard, who is an investor in both companies, did the introductions.

Raisama will issue Monitor with some stock and cash and has already flagged a minimum target of 10 million pounds of U3O8. Kashkasu looks like being an underground mine but, given Kyrgyzstan's low operating costs, even a smallish orebody and only average grades by WA standards can be enough to justify a development.

The beauty of all this, of course, is that **Raisama** has a ready-made offtake partner for any uranium from Kashkasu in the form of 14.9 per cent shareholder Hebei Mining.

The namesake region in China is crying out for uranium to supply its expanding number of nuclear power plants.

It has been more than a year since [China Metallurgical Group Corp](#) (MCC) committed to the \$400 million purchase of [Cape Lambert Iron Ore](#)'s namesake magnetite project in the Pilbara. That was the last we heard about progress at the project.

But on Friday engineers GHD trumpeted the award by MCC of feasibility studies for the project's port, power and water requirements.

MCC has also appointed a GHD-[GRD Minproc](#) team to carry out overall study management for the project, including accommodation village and mine planning.

The scale of the project as proposed by MCC is grand and includes a 110,000 cubic metres a day desalination plant and 350MW power station. The timetable and likely development cost remain an unknown, although MCC was considering a similar port structure to its peers Citic Pacific at Cape Preston, that is taking magnetite slurry to a deepwater transfer pontoon by barge.

MCC's project continues China's efforts to establish a big magnetite business in WA, including Citic's \$5 billion, 27 million tonnes a year project and the Ansteel-controlled \$1.8 billion Karara mine in the Mid-West.

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