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Altus sells out of bauxite JV

Project generator Altus Strategies (AIM:ALS) has generated itself a return by agreeing to sell off its 50% stake in the Birsok bauxite project for £3 million (US\$3.96 million) in shares and a \$1.50 per tonne royalty.



Altus Says the Birsok greenery is hiding some strong bauxite mineralisation

Buyer Canyon Resources (ASX:CAY) is the existing joint venture partner on the Cameroonian project.

Altus' company strategy is to develop early stage projects, put them into joint ventures and then exit for a profit.

CEO Steve Poulton said this deal showed the strategy had legs.

"Our agreement with Canyon further validates our project generator business model, generating returns from exploration, while growing a portfolio of potential high value royalty income streams," he said.

Altus did not give a deadline on the letter of intent being turned into a sale, but said it would likely be done by the end of the year.

The company flagged the Birsok deal last month, after saying it had "delineated a number of high grade bauxite plateaux with results including 48.8% Al over 6m".

It will not be handed the shares immediately after confirming the end of the JV: 15 million shares will be handed over first, 10 million will be placed in escrow for 12 months a year

after the deal is signed, and another 5 million shares will be issued "upon the execution of a mining convention on the Minim Martap project".

Canyon also has the Minim Martap project next door, which has a resource of 550 million tonnes at 45.5% total Al_2O_3 .

Altus also has a letter of intent for the sale of its four Moroccan projects with Raptor Resources, an Australian company hoping to soon list on the ASX.