

Altamin's Gorno zinc project in Italy now has the support of private equity group Applan Natural Resources Fund II

Altamin finds Italian boot on other foot



Altamin Ltd decision to persevere with its Italian exploration portfolio might see it eventually come out on the right side of history.

For much of more than a decade in Southern Europe, Altamin has been viewed by Australian investors as, at best an oddity, with Europe's reputation as hostile to new mining projects weighing it down despite the high-grade zinc orebody on its Gorno project.

Altamin chairman Alexander Burns has experienced plenty of negativity throughout that period, but with the company embarking on a new round of exploration on several projects, he is in a sprightly mood, as the signs of a European renaissance take hold.

"The general sentiment and received wisdom was that mining was a liability in Europe because of NIMBY-ism [not-in-my-backyard], but there has been a fundamental change in recent times," Burns told **Paydirt**.

"Instead of a Europe location being a challenge or liability, it has become an asset as policies around carbon emissions and supply chain security see European financiers and policymakers turning to mining. They now prefer it to be in their backyard."

Fortunately for Altamin, it managed to ride out the tough times and now finds itself well placed to take advantage of the changing mood.

The company has been focused on the Gorno zinc project, near the historic city of Bergamo in Italy's north. The project was

taken to feasibility study on two separate occasions but the market's indifference to European projects meant it never found the financial support needed.

The tide began to change last year when it executed the agreement with Applan Natural Resources Fund II which will see the private equity group spend \$15.9 million to take Gorno to DFS for a 29.9% interest and then a further \$87.3 million to go through FID and construction for an additional 38.5%.

Burns said the Applan deal represented a great opportunity for Altamin and its investors.

"They are very actively involved and supportive," he said. "They have teams going to site every month and offer support and constructive advice. They are totally immersed in the project."

With Gorno now funded through to FID, Altamin has been able to turn its attention to the rest of its portfolio. The company had already started work on the Punta Corna cobalt-nickel-copper-silver project in Piedmont, but has also added copper and lithium brines assets in the last six months.

Burns said after sticking out the dark times, Altamin had found itself with an advantage when Italy began opening up to exploration again last year.

"Altamin has managed to put itself into a position to stake out all of Italy's historical strategic minerals projects because we were the only company doing it at the time," he said.

"It has put us in a bright light for support,

attention and eventually EU funding, especially because we have broadened out from zinc into critical minerals."

The recent EU Critical Raw Materials Act and several other policies designed to shore up the bloc's critical minerals supplies could result in an avalanche of funding for mining projects on the continent, but any prospective miner will still have to negotiate national and local permitting frameworks.

Burns believes Altamin's longevity puts it ahead of the curve.

"A lot of the exploration game in Italy is about dealing with licensing and regulation, partners, etc. We have a strategic advantage having worked with the system for years," he said. "We've been getting a good hearing in Rome in the last 6-12 months because of the policy shifts."

In December, Altamin received a licence renewal for Punta Corna which paves the way for exploration drilling this year.

The target on the project is primarily cobalt-nickel with historical and recent surface mapping pointing to high-grade veins which were originally mined in the 18th and 19th centuries.

Burns said the drilling campaign had been designed and Altamin was now in the market for a strategic partner for Punta Corna.

"There is still a lot of rich material left," he said. "We have done all the surface work and now have drilling permits for some areas and waiting for others. Now it is in place, we are ready to talk to interested JV partners."

"Ideally, you want a partner that brings funding, reputation, local knowledge, political connections, market intelligence, etc, and those kind of groups are starting to come out of the woodwork."

The company has a similar strategy for the Corchia copper project in Emilia Romagna where an EL has been granted over a historical copper-cobalt mining district.

"It is VMS-style mineralisation and appears to be much more extensive than mined," Burns said.

The company's lithium portfolio consists of two exploration permits associated with geothermal brines in the Lazio region north of Rome.

"Our review found hard rock prospects were not worth pursuing but this region associated with the geothermal energy industry had potential," Burns explained. "There was a lot of geothermal drilling in the 70s and 80s and some of the brines were so saline that the drill casings become blocked. Our subsequent work has found these brines have the highest lithium grades in Europe."

With all four projects on the move after so much slow going, Burns expects the

market to finally wake up to the potential Altamin holds in Italy.

"Australian investors still don't get it, but I think they will start to understand more as more European projects get tapped for development," he said.

"You will see more of those critical minerals policies, both macro and country level and more money coming into the sector in Europe."

— Dominic Piper

