



Lincoln upgrades link in Kalimantan

An Adelaide-based explorer is set to become Australia's newest iron ore producer following approvals by government authorities to grant a vital road permit needed to complete the necessary infrastructure corridor to export ore from the Indonesian island of Kalimantan.

Lincoln Minerals will immediately move to upgrade the road in order to commence both open pit mining, and the transport of ore from existing stockpiles, at the high grade Desa Mirah iron ore project in the south central area of Kalimantan.

First ore, from the existing stockpile, will be road hauled 70 kilometres at a rate of at least 20,000 tonnes a month to barge loading facilities at the Pundu Jetty for on-shipment to the Indonesian port of Sampit.

Lincoln's transition from

explorer to producer – just two years since its debut on the ASX – follows a new joint venture (JV) struck earlier this year between the Australian explorer and Jakarta-based mining house, Samusa Corporation.

The JV provides for an immediate start to mining, the processing and immediate agreed sale within three months to a Chinese-based buyer of the 7000 tonne stockpile currently on site, and the development of a minimum 250,000 tonne a year iron mining operation.

Lincoln Minerals is earning a 45 per cent interest in the project by spending up to \$US2 million on the initial mining and exploration program for Desa Mirah where early sample testing by the Adelaide explorer returned extremely pure, high-grade assays of up to 68.7 per cent iron from a project whose outcrops extend over

a strike length of at least 3.5 kilometres.

The project area covers nearly 5000 hectares of exploration concessions, including a 200-hectare mining area where the successful trial mining of Direct Shipping hematite Ore (DSO) has already taken place.

Lincoln's managing director John Parker said that in addition to the initial mining, an infill resource definition and regional drilling campaign would commence at Desa Mirah next month to build on further mineable resources.

Samusa mines iron ore, iron sand, lead, manganese, copper and chrome.

It has secured a sale contract with a Chinese buyer to purchase the 7000t ore stockpile from trial mining via the Pundu loading facilities. ■