

## Power seizes the moment

Power Metals Corp expects its decision to focus on the cesium potential of its Case Lake project in Ontario will be vindicated early in the new year with the unveiling of a maiden resource for what will be only the fourth known mineable deposit of its kind in the world.

While cesium was first identified at the West Joe prospect in 2018, the niche mineral only came to the front of the Canadian junior's thinking earlier this year when a decision was made to sideline all lithium exploration work at Case Lake due to poor market conditions.

Grades of up to 24.7% cesium in pollucite have since been intersected from ongoing drilling at West Joe.

The maiden resource remains on track for Q1 2025 after the finishing touches were applied to metallurgical testwork at SGS Canada on all cesium chemicals.

Power chief executive Haydn Daxter suggested the resource could turn out to be larger than the 7,500t initially declared for the high-grade Sinclair cesium deposit in Western Australia.

"We're confident that we're sitting well

above that currently and we continue to drill," Daxter told **Paydirt**. "When we push out our resource, we will be only the world's fourth mineable cesium deposit and we'll probably be the only one producing high-grade cesium at a consistent rate."

Sinclair was mined out several years ago, while the Tanco operation in Manitoba is currently restricted to treating waste rock containing cesium grades of less than 1.5%. The Bakita mine in Zimbabwe is understood to produce only small amounts of material on a "very erratic" basis.

While a small market, predominantly controlled by China's Sinomine Resource Group and US chemicals giant Albemarle Corp, cesium is used across a number of industries, including solar technology, green energy transmission, cancer treatments, atomic clocks and satellite tracking systems.

The US Department of Energy recently published a paper which indicated cesium had the potential to increase the longevity and reduce charging times in lithium-ion batteries.

Cesium is listed as a critical mineral in Canada, Australia and the US as well as

several European countries.

"There is huge demand globally for cesium, but there's almost next to no consistent production ongoing currently, so the value is there to progress our project," Daxter said.

Pending the results of the metallurgical testwork, Power hopes to produce three products – cesium formate, cesium hydroxide and cesium carbonate – from Case Lake.

Daxter said the company would undertake a PEA next year with a view towards fast-tracking production during 2026.

"The mining of cesium is a dry process, it's basically just removal of the rock and then you crush and ore-sort into a concentrate, and that's the saleable product," he said.

"There's no massive opex, capex or time-frame here and environmentally the only water use on site is for dust suppression, so there's no need for tailings or other massive water requirements and there's also no state or federal environmental compliance required with the permitting.

"I think the more we've dug into it this year, the more we've realised the value of what we're sitting on. There's a lot of hard work that's already been done this year and 2025 is set to be another very busy but very fruitful year for the company."

ASX-listed Canadian lithium developer Winsome Resources Ltd holds 100% of the offtake rights to the Case Lake project and is Power's largest shareholder with a 19.59% stake.

Power plans to retain its TSX-V listing as its primary trading exchange despite a strong Australian contingent on its board and management, including Perth-based Daxter, Winsome boss Chris Evans and cesium expert Dr Nigel Brand who brings firsthand experience across each of the exploration, mining and production phases at Sinclair.

– Michael Washbourne



Power Metals has discovered what is shaping as the world's fourth mineable deposit of cesium

## Lincoln bridges price gap with industrial market



Lincoln has defined a 12.8mt graphite resource at its Kookaburra Gully project

Although Lincoln Minerals Ltd's PFS results may have placed a lid on blue-sky expectations within an unpredictable graphite market, it also confirmed the potential its Kookaburra Gully could play in Australia's battery minerals future.

Figures for the South Australian project were robust with an IRR of 41%, on a modest upfront capex of \$29 million, or \$53 million over three years, and cashflow positive over the entire mining cycle. The clincher in the results was an NPV-to-capex ratio of 2.2 which, according to Lincoln chief executive Jonathon Trewartha, was where the project stood its ground.

"This is a cracker of a project by standard metrics – anything above 1.5 is great and we used conservative numbers, conservative mineral prices, a 16-year mine life and we've got plenty of upside," Trewartha said. "I was disappointed because the results are fantastic, but our shares basically went sideways, but you're always going to cap [the market's] high expectations so sometimes shares get marked down quite a bit."

Kookaburra Gully is on track for production in 2026, in the process grabbing the title of newest graphite mine in Australia. Despite some recent softening in EV demand in the West, Trewartha believes countries

like China have made up for the lull in sales elsewhere.

"When I was in China, it was amazing – 45% of all cars on the road were EVs, so the market is growing strongly," he said. "The only problem at the moment is there's also a synthetic graphite product and the synthetic factories in China are having an internal price war. They're smashing the graphite price, so it's about \$US500/t and no one in the world is making money out of graphite. But natural graphite has advantages both electric in the battery and for ESG because it's actually cleaner to produce.

"Natural graphite has a longer charge life but if you want something that's cheap then you go for synthetic. In the West, the natural option [is preferred] because it has a lower carbon footprint – synthetic has 5-10 times the emissions."

Lincoln's next hurdle will be proving the stability of its graphite to potential offtake partners, which is set to take about two years. The qualification period can be the undoing of many graphite projects but in Lincoln's case its high-grade core provides a financial buffer where the company can generate cashflow while building up its contracts.

Selling into the graphite market for EVs

will take some time to be profitable, so in the interim Lincoln plans to target the industrial market where prices can reach \$US1,270-\$1,450/t. Its strategy to supply just 2% of the world's graphite, or 60,000 tpa, is also expected to add further certainty to Lincoln's capacity to sell its product, instead of stockpiling.

"We could do more, we could do 100,000 tpa if we wanted to, but we're capping our mine at 60,000 tpa because we feel we'd have more confidence of being able to sell it and not stockpiling as others are doing," Trewartha said.

The project's low capital requirements are due to the plethora of mining infrastructure already present in the region. The asset is just 40km from Port Lincoln on the Eyre Peninsula, with both power (6km) and water (13km) access nearby.

Graphite will remain Lincoln's core area of business for many years to come, making its recent strategy to exit from its uranium portfolio a matter to be finalised quickly.

"A combination of listed companies and individual groups have already signaled interest in our uranium asset – I am agnostic about how a deal will be formed," Trewartha said.

– Rhonda Malkin



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