

Allana Potash Provides Project Update and Files NI 43-101 Technical Report

07.08.2013 | [Marketwired](#)

TORONTO, ONTARIO--(Marketwired - Aug 7, 2013) - [Allana Potash Corp. \(TSX:AAA\) \(OTCQX:ALLRF\)](#) ("Allana" or the "Company") provides project update and announces that it has filed a technical report entitled "Resource Update for the Danakhil Potash Deposit, Danakhil Depression, Afar State, Ethiopia" (the "Technical Report") prepared in accordance with National Instrument 43-101 in support of the June 26, 2013 news release, which outlined the updated mineral resource estimates on its Danakhil Potash Project in Ethiopia.

Project Update

The Company is pleased to report significant progress on its key initiatives.

Mining Permit Process

The Company has submitted complete mining permit documentation to the Ministry of Mines of Ethiopia as requested and has held a number of meetings with Ministry officials. We are very pleased with the progress that the Ministry has made on Allana's mining permit application to date. Ministry officials have confirmed that all documentation and work requirements are complete and all outstanding questions and requests to Allana have now been satisfied. We are now entering the stage of final clarifications on certain aspects with the Ethiopian government and we expect the approval of the mining permit in the next few weeks.

Debt Financing Process

Allana's management is very pleased to announce that the first formal due diligence trip to the Company's site by representatives of a group of large Development Financing Institutions (DFIs) and Export Credit Agencies (ECAs) was successfully completed in late July. The Company and the group of lenders have also advanced various technical and legal aspects of the entire process. Our timeframe on finalization of the debt process remains intact and we expect significant developments in the near future.

Offtake and Strategic Partnership Talks

The Company has successfully advanced talks on both offtake and equity investment with a number of large fertilizer companies in the last several weeks. Under the current conditions in the sector, the interest in Allana's low-cost potash project has increased and some of these organizations are now pursuing a potential partnership agreement with Allana. Management is working with various parties and advisors with a view to maximizing value for shareholders.

The Company has also launched the EPCM selection process over the course of the last few weeks. A number of very strong engineering firms have been selected to participate in the process and management's goal is to choose a company that can deliver on engineering and construction objectives in the most efficient manner. Management also continues to strengthen Allana's technical expertise, recently adding a solution mining expert to the team.

Management believes Allana is uniquely positioned to thrive in the current environment that will favour low-cost production projects for the following reasons:

- Allana's project economics are very robust. Our estimated low CAPEX (\$US 642 m for 1 million tpy), production OPEX (\$65/t), FOB cost (\$US100/t) and strategic location position Allana well in the final planning stages of our debt and equity financing process (see news release dated February 4, 2013 and the results of Allana's feasibility study prepared by Ercosplan in February 2013 which are restated in summary in the Technical Report)
- All required infrastructure is in place or under construction (roads, rail, port, power) and is expected to be completed by the time Allana's operation is in production.
- Negotiations with our lender group, consisting mostly of Development Financing Institutions, Export Credit Agencies and strategic off-take partners, are progressing and are expected to be concluded over the course of the next several months. Our existing partners (LMM & IFC) are expected to provide financing as well.
- The application for our mining licence is being processed by the Ethiopian government and Allana is optimistic that the granting of the Mining License will occur in the next few weeks
- Allana is uniquely positioned to meet growing potash demand in Africa and Ethiopia proper. Ethiopia has recently announced the tender process in relation to four NPK plants that will require about 200,000 tonnes of potash annually.
- Allana is working diligently to reduce its cash burn rate, which has come down from its Feasibility Study peaks and as reported as at and for the nine months ended April 30, 2013, Allana had a cash balance of over \$20 million. In the event of any unanticipated licensing or financing delays, Allana's management believes there are sufficient cash reserves to weather any headwinds.

Technical Report Filing

The Technical Report outlines an updated mineral resource estimate for all four potash units on the Company's Ethiopian potash project. The estimated mineral resources are outlined in the tables below:

Table 1: Estimated Measured & Indicated Mineral Resources effective as of April 17, 2013

CATEGORY	POTASH MEMBER	IN-SITU TONNAGE (MT)*	KCl (%)	CONTAINED KCl (MT)
MEASURED	Sylvinite	115.3	27.8	32.1
	Upper Carnallite	121.5	17.5	21.3
	Lower Carnallite	235.0	9.7	22.8
	Kainitite	552.3	19.2	105.9
SubTotal		1,024.1	17.8	182.1
INDICATED	Sylvinite	212.1	28.6	60.7
	Upper Carnallite	289.8	17.2	49.9
	Lower Carnallite	322.2	8.9	28.7
	Kainitite	598.2	19.5	116.8
SubTotal		1,422.3	18.0	256.1
TOTAL MEASURED+INDICATED		2,446.4	17.9	438.2

Table 2: Estimated Inferred Mineral Resources effective as of April 17, 2013

CATEGORY	POTASH MEMBER	IN-SITU TONNAGE (MT)*	KCl (%)	CONTAINED KCl (MT)
INFERRED	Sylvinite	90.8	27.8	25.2
	Upper Carnallite	175.5	16.5	29.0
	Lower Carnallite	369.3	7.7	28.3
	Kainitite	481.8	19.8	95.3
TOTAL INFERRED		1,117.4	15.9	177.8

Cautionary Notes:

1. MT=Million Tonnes, tonnage is for in-situ resource with no discount for recovery as mining method is to be determined. Potash deposits have been mined by underground, open pit and solution mining methods, a Feasibility Study has indicated solution mining and solar evaporation are the optimal mining methods.

2. The numbers for tonnage, average KCl per cent are rounded figures.

3. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The estimates of mineral resources may be materially affected by environmental, permitting, legal, title, taxation,

sociopolitical, marketing, or other relevant issues.

4. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

5. Average densities used in resource calculations are 2.14, 1.81, 1.91, and 2.10 g/cm³ for the Sylvinite, UC, LC and Kainitite members respectively.

The Technical Report is available under Allana's profile on SEDAR at www.sedar.com.

About Allana Potash Corp.

Allana is a publicly traded corporation with a focus on the acquisition and development of potash assets internationally with its major focus on a previously explored potash property in Ethiopia. Allana has secured financial support from two significant strategic investors: IFC, a member of World Bank Group, and Liberty Metals and Mining, a member of Liberty Mutual Group. Allana has estimated measured and indicated Sylvinite mineral resources of 327.4 million tonnes of 28.3% KCl; and an estimated inferred Sylvinite mineral resource of 90.8 million tonnes grading 27.8% KCl. In addition, the Danakhil Project hosts estimated measured and indicated Kainitite mineral resources of 1,150.5 million tonnes at 19.4% KCl, an estimated inferred Kainitite mineral resource of 481.8 million tonnes of 19.8% KCl; estimated measured and indicated Upper Carnallite mineral resources of 411.3 million tonnes grading 17.3% KCl, estimated inferred Upper Carnallite mineral resources of 175.5 million tonnes of 16.5% KCl; estimated measured and indicated Lower Carnallite mineral resources of 557.2 million tonnes of 9.2% KCl, and estimated inferred Lower Carnallite mineral resources of 369.3 million tonnes grading 7.7% KCl. The foregoing mineral resource estimates are as at April 17, 2013. For more information with respect to the data verification procedures undertaken and the key assumptions, parameters and risks associated with the foregoing estimates refer to Allana's Technical Report entitled "Resource Update for the Danakhil Potash Deposit, Danakhil Depression, Afar State, Ethiopia" dated effective April 17, 2013 filed under the Company's SEDAR profile at www.sedar.com on August 7, 2013. Allana has approximately 276.9 million shares outstanding. Allana trades on the Toronto Stock Exchange under the symbol "AAA".

The mineral resource and reserve estimates were completed by ERCOSPLAN under the supervision of Dr. Henry Rauche, Ph.D., EurGeol, Managing Director, CEO ERCOSPLAN, Dr. Sebastiaan van der Klauw, Ph.D., EurGeol., Consulting Geologist, ERCOSPLAN and Euro Ingenieur Ralf Linsenbarth of ERCOSPLAN Ingenieurbüro Anlagentechnik GmbH who are each independent Qualified Persons for the purposes of National Instrument 43-101. Dr. Peter J. MacLean, Ph.D., P. Geo., Allana's Senior VP Exploration, is the Company's designated Qualified Person for the purposes of the Technical Report and has reviewed and approved the technical information presented in this release.

Forward-Looking Statement

Except for statements of historical fact relating to the Company, certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update

any forward-looking statements or forward-looking information that are incorporated by reference herein, except in accordance with applicable securities laws.

Contact

[Allana Potash Corp.](#)

Richard Kelertas

Senior Vice President, Corporate Development

514 717 6256

rkelertas@allanapotash.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/154179--Allana-Potash-Provides-Project-Update-and-Files-NI-43-101-Technical-Report.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).