

Tinka Resources

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Tinka Resources meets major milestone with updated Ayawilca resource down in Peru

Tinka Resources Ltd (CVE:TK) met a major milestone with its upgraded resource for its flagship zinc project in Peru and 2019 is shaping up for more excitement.

As Dr Graham Carman, CEO told a recent Proactive interview: "It means 7.5 billion pounds of zinc in the ground and over 10 billion pounds of zinc equivalent, which makes us at Ayawilca one of the largest, if not the largest, undeveloped zinc projects in the world as a junior."

So now attention turns to the process of it becoming an actual mine, which Carman, reckons will happen.

It also follows 67,000 meters of drilling at the project in the last four years.

So what is Ayawilca?

Ayawilca is a 150 sq km area 200 km northeast of Lima in the zinc-lead-silver belt of central Peru. Tinka owns 100% of the concessions.

It has good infrastructure and is 15km from Peru's largest silver mine and 40km from the country's second largest zinc mine.

The recent resource estimate (effective date of November 26 last year) showed a higher confidence indicated resource of 11.7 million tonnes, containing 1.8 billion pounds of zinc, 983 tonnes of indium, 5.8 million ounces of silver, 42 million pounds of lead.

The inferred resource had 45 million tonnes, containing 5.6 billion pounds of zinc, 3,003 tonnes of indium, 25.2 million ounces of silver and 230 million pounds of lead.

PEA underway

A maiden PEA (preliminary economic assessment) is now underway, with the results expected in the first half of 2019.

Tinka has hired engineering giant Wood Group to be the lead consultant. Based in Aberdeen, Scotland, Wood completed its acquisition of Amec Foster Wheeler in October 2017.

The report will show the world what the project is deemed to be worth, and further de-risk the mine.

Carman says there is already interest from large base metals miners, although no deal, as yet is on the table.

Not standing still

So, there's still plenty to come from the resource group this year. Carman points to the published PEA, of course, but also detailed metallurgical work is planned as well as more drilling. The milestones just keep getting passed.

Price: C\$0.22

Market Cap: C\$58.21M

1 Year Share Price Graph



Share Information

Code: TK

Listing: TSX-V

52 week High Low
C\$0.50 C\$0.22

Sector: Mining

Website: www.tinkaresources.com

Company Synopsis:

Tinka Resources Ltd. is a junior exploration company based in Vancouver, Canada, that is developing its 100%-owned Colquipucro and Ayawilca projects. The projects are located 40 km northwest of Cerro de Pasco in the richly mineralized silver-lead-zinc belt of Central Peru.

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"Coming into the end of the first quarter, beginning of the second quarter next year, there's going to be a lot of news on these different milestones," said the company boss.

Outlook for zinc

After copper, aluminium and iron, zinc is the most commonly used metal by industry - mainly for galvanizing, to protect iron and steel from rust.

Zinc oxide is also widely used in making many household products such as paints, rubber, cosmetics.

But the price of the commodity has not been so positive in recent years and it has taken a hit since the trade war kicked off in June and July last year.

But zinc watchers - that's both analysts and company leaders - reckon there will be an upturn, in the short term. And recently, they have been proved right as prices have firmed on worries about shortages of the commodity.

Carman is upbeat

"I genuinely believe that base metals are going to go for a run," said Carman last month.

So Tinka Resources has lots going on this year and could be one to watch.

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