

Rafaella Resources Ltd

07:57 27 May 2019

Rafaella Resources enters into conditional heads of agreement to acquire Galicia Tin and Tungsten S.L.

Rafaella Resources Ltd (ASX:RFR) has entered into a conditional Heads of Agreement (HoA) to acquire Galicia Tin and Tungsten S.L. (GTT), which owns the Santa Comba Project in north-western Spain.

To support the development of Santa Comba, the company has proposed a share placement raising up to \$2.6 million at 20 cents per share.

Funds raised will support further drilling to upgrade and extend near-surface resources as well as the feasibility study to unlock access to project funding from the German government.

Issue of 17.5 million shares

Subject to shareholder approval, the consideration payable for the proposed acquisition is the issue of 17.5 million shares to vendors at a price of 20 cents per share.

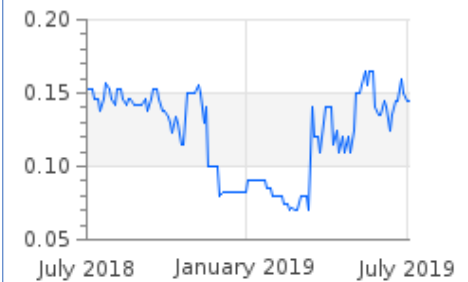
An additional 30 million shares will be issued over two equal tranches subject to critical milestones being fulfilled.

An offer of offtake and project debt financing has been secured via a leading global German-based consumer H.C. Stark Tungsten GmbH subject to completion of a positive feasibility study.

Price: A\$0.145

Market Cap: A\$5.52M

1 Year Share Price Graph



Share Information

Code: RFR

Listing: ASX

52 week High Low
A\$0.18 A\$0.07

Sector: General mining & base metals [new T2]

Website: www.rafaellaresources.com.au

Company Synopsis:

Rafaella Resources Ltd (ASX:RFR) is listed on the Australian Securities Exchange.

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Primary crushing, screening and dense media separation plant constructed in 2012

The Santa Comba project is fully permitted for underground and partial open pit mining with defined maiden JORC mineral resources recorded in 2016 by GTT as shown below:

The near surface disseminated JORC inferred mineral resource estimate is based on 23 drill holes conducted over less than 10% of the prospective endogranite lithology.

About 5.1 million tonnes with an average grade of 0.203% tungsten oxide has been defined.

Individual lode widths range from 2 metres to 30 metres and as part of the feasibility studies, the company will assess this style of mineralisation for potential open pit mining

Conveyor belt, crusher and ROM pad

The Santa Comba underground was mined in substantial quantities between 1980 and 1985, before becoming uneconomic due to low tin and tungsten prices.

Surging demand and prices for tungsten and tin means the company believes there is a compelling opportunity to re-commission the mine.

In addition, the recent discovery by GTT of the near-surface resource at Santa Comba suggests substantial additional shallow tonnage could be developed via open pit mining.

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