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## Osmond secures fertiliser project in Spain

Osmond Resources (ASX:OSM) has entered into a binding earn-in agreement to acquire up to 100% of the Iberian One Project in Spain, an asset prospective for potassium sulphate (SOP).

The binding earn-in agreement with privately held Global Mining Enterprises (GME) and Omnis Minera, a Spanish incorporated wholly owned subsidiary of GME, is for the \$5.7 million market capitalisation company to be granted the exclusive right to acquire Iberian One in a staged process.

During the 6-month due diligence period Osmond is planning on embarking on site visits to undertake review of historical data, geological mapping, and sampling at the project, including geophysical surveys where appropriate.

Preliminary metallurgical testing and drilling to validate historical data and test for extensions of the mineralisation will also be undertaken during the site visit.

The staged earn-in arrangement consists of an initial exclusivity payment of \$75,000 to undertake due diligence over a 6-month period.

Stage one of the acquisition process pertains to 51% ownership in which Osmond enters into an exclusive right to undertake due diligence for a 6-month period and pay of A\$75,000. An extension of 3 months can be agreed if required for an additional \$25,000.

Subject to due diligence results, Osmond can earn 51% ownership of the Iberian One Project, by issuing 15 million shares and 5 million options (exercise price \$0.30 per share and expiry date of 30 November 2025) to GME.

During stage two, 80% ownership can be obtained subject to completing and announcing to the ASX a JORC Code compliant Scoping Study by 31 December 2025. Also, if required Osmond may elect to issue an additional 25 million shares to GME to earn 80%.

Osmond has the option to wholly own the project subject to a range of stipulations including reporting a JORC Code-compliant Prefeasibility Study (PFS) by 31 December 2027.

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Osmond Resources Executive Director Andrew Shearer says Iberian One represents an opportunity for Osmond to fast-track the development of a European fertiliser and critical materials' project.

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*The earn-in terms are also very advantageous for shareholders with expenditure focused on project delivery and Osmond having sole discretion at each relevant milestone whether or not to progress. This has the potential to be transformative to Osmond.”*



## Interest in alunite

The Iberian One Project is located in a historic kaolin, iron, and graphite mining district between the villages of Madriguera and El Negredo in the Segovia Province, Spain, located not far from the major city of Madrid.

Osmond notes that the prospective processing flowsheet for the project is likely to be similar to commercial-scale production processes historically used in US, Australia, and Azerbaijan.

During the due diligence period Osmond plans to undertake preliminary metallurgical testing. The proximity of the project to key European agricultural markets is a strategic advantage for the project, the company adds.

Iberian One consists of the Grafenal Investigation Lease (47.5km-square), the Becerril Mining Permit (1.6km-square) and the overlapping Paula Mining Permit, together totalling approximately 50km-square as the Iberian One Project area.

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Osmond says the presence of alunite within the project area is the main mineral of interest as the sulphate of potash (SOP:  $K_2SO_4$ ) can potentially be produced from alunite with alumina and sulphuric acid produced as by product.

SOP is a high-quality fertiliser that has benefits over muriate of potash (MOP, or potassium chloride). SOP is a premium potash product as it contains key nutrients, potassium and sulphur and importantly low levels of chloride.

The use of SOP improves both quality and crop yields and makes plants more resilient to drought, frost, insects and even disease. Given the price premium of SOP over MOP, SOP is used on higher value crops such as fruits, vegetables, nuts, and coffee.



Historically SOP attracts a price premium to MOP in the range of US\$200–\$300/t. The global Potassium Chloride market was approximately 65.7Mt in 2022 and is expected to grow with a CAGR of 4.12% to 90.7Mt during the forecast period until 2030.

While the majority of the global SOP production is sourced using the Manheim process, converts MOP to SOP, the history of using alunite to produce SOP stretches back to the early 20th century when supply constraints of SOP during the two World Wars saw alunite utilised for SOP production in Australia and US.

Also, a mine and processing plant in Azerbaijan constructed in the 1960s produced SOP and alumina from alunite for several decades.

Currently SOperior Fertilizer Corp (TSXV:SOP) is advancing the Blawn Mountain Alunite deposit, located in Utah, US. The Blawn Mountain Project is currently at the DFS stage.

Source: <https://mining.com.au/osmond-secures-fertiliser-project-in-spain/>



Written By

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