

Trigg: From river to beach and now lake

Trigg Mining Pty Ltd is set to complete an IPO and list on the ASX in Q2 after reaching an agreement to acquire 100% of K2O Minerals Pty Ltd.

An agreement between the two parties last month saw Trigg acquire 100% of K2O via a share sales agreement therefore overriding the second earn-in requirements stated under the original deal struck in July 2017.

Since then Trigg has worked feverishly to expand overall tenure from 668sq km to 2,689sq km and establish an exploration target of 2.6-9.3mt of drainable SoP at Lake Rason, Laverton Links, Western Australia, which fulfilled the initial earn-in requirement in February.

Trigg's acquisition of K2O paves the way for the former to complete an IPO and fast-track exploration uninterrupted during the 2018 field season.

Furthermore, two tenements forming a key part of the Laverton Links project – the Lake Hope Campbell prospect – have also been granted. Lake Hope Campbell contains about 95km of paleochannel prospective for SoP and is potentially twice the size of Lake Rason.

Prior to the latest round of announcements, Trigg – named after company managing director Keren Paterson's ancestor Henry Trigg who was a founder of the Swan River settlement in 1829 – was already well placed to hit the ASX at full tilt and now its position in a niche space has been enhanced.

While the wave of new entrants to the ASX have taken the battery minerals route, Paterson's experience in paleochannels and the importance of SoP as an essential fertiliser for high value food crops will feed the company's growth ambitions.

"The industry is connected to food supply and human population growth, as well as increasing demand for quality foods in which SoP is used mostly on high value food crops. It is a more expen-



Trigg managing director Keren Paterson

sive version or supply of potassium and important for those [crops] that are chloride sensitive and can't have MoP put on them," Paterson told **Paydirt**.

"This isn't just an opportunistic IPO, we're a genuine company with genuine prospects. We are not necessarily chasing the IPO window, we have got the projects to a stage where it is ready to go to market and we can optimise the exploration in the coming field season."

Once the company is listed, drilling at Lake Hope Campbell is planned, while the 2018 field season will also include a second drilling programme at Lake Rason to determine a resource and continued evaporation trials plus reconnaissance and ground and seismic surveys at East Laverton.

A country meeting as part of the Native Title Agreement at Lake Throssell is also planned for this quarter, as is heritage clearance work.

While the company is eager to get on quickly with work and bring all projects to resource status as the basis for scoping studies, dealing with boom/bust SoP price scenarios won't be a problem.

SoP prices, which trade at a premium to MoP, have remained steady for the past eight years, generally trading at around \$US500-600/t. At the time of

print, SoP was worth about \$US500/t.

And, while the demand for SoP brines, which makes up about 40% of the market, is expected to grow at about 3% p.a. prices are expected to be stable.

"There is a price floor because there is a secondary process where it is more expensive to produce [SoP] to fill up that market demand, so there is no boom pricing," Paterson said.

"I like it because of the product. We are able to produce it organically and there is a very light touch environmentally such that when projects close there will be very little evidence that there was a project there in the first place. I like it from the sustainable

environmental perspective and that it is all part of the food supply chain and we all need potassium in our food, so it is a good thing to be doing."

Paterson is convinced of the fundamentals of demand for SoP in the future and given she discovered the Carley Bore paleochannel resource prior to Energia Minerals' listing, is ideally suited to explaining Trigg's role in the sector to an Australian audience.

"I think it is very exciting that we can identify these types of projects; they are organic sources of SoP in a market that needs more supply, particularly organic sources," she said.

"We have been out there and drilled Lake Rason which is just 15% of our tenure and we have already identified 2.6-9.3mt of drainable SoP from our project. Our projects now cover some 2,688sq km, all in the same district in Laverton and are really well supported by infrastructure including roads, rail and the Great Eastern road through to Central Australia and Queensland. Plus, there are two gas pipelines across our tenements."

– Mark Andrews