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IN THE BLACK

with John Beveridge



It is not every day that an exploration company with a market capitalisation under \$20 million seals a financing deal worth up to \$US36 million with Caterpillar Financial.

Then again, Proto Resources and Investments is not your conventional company with plans to next year turn its laterite nickel project at Barnes Hill in northern Tasmania into a prototype for a string of nickel projects.

The key to Barnes Hill other than its proximity to a port and qualified labor at Beaconsfield is a new method of processing laterite nickel ore.

Rather than a very expensive high pressure acid leach plant, the Barrier Bay system uses a low temperature, low pressure system.

By using electricity and a membrane and resin technology, tailings are minimised, acid is recycled and magnesium and iron become valuable byproducts rather than waste.

Managing director Andrew Mortimer said by using more electricity and less acid, Proto would have a much more stable cost base and turn Barnes Hill into a working example of technology that could be used to extract the 70 per cent of the world's nickel that is found in laterite form.

"Nickel is an area where a small company can still make it big," said Andrew. "We are planning to sell this technology for use at other mines and we want to grow our nickel output as well."

Proto is a **speculative buy**.

