

Ecclestone on Alabama Graphite: Can't Beat a Past-Producer

As I never tire of stating, a past-producing mine gives a miner a head-start in the race to production and therefore last month's bolt-on of the Bama Mine to the portfolio of Alabama Graphite Corp. (TSXV: ALP | OTCQX: ABGPF) was a "Great Leap Forward" in moving the company closer to production. The results from the first testing of the site came out today ([click here](#)) and go to show that the transaction is loaded with promise. Indeed Bama may even race ahead of the initial Coosa prospect in getting ALP into the graphite production stakes.

The Samples Roll In

The stock should get a fillip from its first set of metallurgical results (from SGS Laboratory in Lakefield, Ontario) on sample material originating from the open-pit Bama Mine. The five kilogram composite sample was taken from the upper 50 feet of the existing Bama Mine pit wall.

Using only simple floatation (without chemical or thermal treatment) the Bama composite sample produced a graphite concentrate that contained an aggregate of 54.7% large flake (+80 mesh), of which 17.8% was in the jumbo flake (+48 mesh) category. For all size ranges coarser than +150 mesh the purity exceeded 96.3% with the jumbo flake fraction having a purity of 98.5% in Scoping Level Evaluations. Another positive to note is the sample's low sulphur content at 0.02%.

Some background

In the last month ALP picked up the Bama flake graphite mine in Chilton county, Alabama which is one of the best of the

past-producing mines in the southern graphite belt. The mineral lease comprises 200 acres and includes both the surface as well as the mineral rights over the historic mine. The company has also signed a mineral exploration lease on several parcels comprising 1,160 acres adjacent to the Bama mine. With the addition of these properties in Chilton county, the company now has a significant foothold within the Alabama graphite belt.

The Bama mine was the southernmost graphite mine in Alabama and the only one in Chilton county. It was one of the larger graphite mines and included an electrostatic separator in the mill building. The photo below shows the processing plant in its heyday of the 1940s. The mine operated from 1925 to 1930 when the mill burned. The main pit is 625 feet (190m) long and 150 feet (45.7m) wide and excavated to a depth of 40 to 80 feet (12.2 to 24.4m). Two smaller pits about 200 feet (61m) long were mined along strike between the main pit and the mill.



As with the other graphite mines in Alabama, the Bama mine shut down prior to the end of the Second World War, but not before a substantial volume of ore was extracted from the existing pit.

In the late 1940s the U.S. Bureau of Mines sampled all the known occurrences of graphite in Alabama and the published results showed the Bama mine to be unique. A sample taken from the pit wall not only registered the highest percentage of graphite (7.85% Cg), but also contained 17% jumbo flake.

With regard to the potential to host additional resources the company's NI 43-101 noted former authors on the subject saying: "To the southeast a large tonnage of weathered ore may be present along strike..." (Cameron & Weiss, 1960). The Bama Mine had the highest overall grades of the region and a much

higher content of 50-100 mesh flakes than average.

Work Program

There are similarities between the Bama Mine and ALP's pre-existing Coosa Project. The Bama Mine also contains a thick oxidized zone where weathering has both removed sulfide minerals and significantly reduced the hardness of the graphitic schist host. Therefore, when it comes to mining, much less work and energy will be required to liberate minerals from the soft, weathered host rock. As a corollary, the ease of liberating the graphite from the weathered rock in Alabama could lead to potential savings in both capex and opex.

Thus far, ALP has conducted airborne time domain electromagnetic, magnetic and radiometric surveys over the area of interest in Chilton County. Preliminary channel samples, which are what has just been announced, were collected for both graphitic carbon analyses and metallurgical testing. An exploration program consisting of additional surface sampling, ground-based GEM2 geophysical surveys and sonic drilling is planned to start immediately.

With two projects in relatively close proximity, this will allow ALP to use the same exploration staff and sample-prep facilities.

Conclusion

We see history repeated over and over again. The graphite deposits of Alabama were exploited in World War One, then World War Two when, on both occasions, the US economy was cut off from imported supplies. But after both events the mining efforts were allowed to languish back into obscurity (and supply vulnerability again). Isn't this what happened in Tin, Rare Earths, Antimony and dare I say it, Uranium? The one advantage of this stop/start approach to resource security is that, at least in graphite, the resources were never exhausted

and thus have been sitting there awaiting the fair wind of market forces to breathe life back into the production of these minerals.

In Bama, ALP has picked up the cream of the graphite crop from the golden days of Alabama's dominance in the US graphite industry. Now this serendipitous purchase has been justified by some excellent sample results. It's not that it topples the "first-born" Coosa prospect from relevance but means that Alabama Graphite is now like a stable-owner with two thoroughbred's in the main race.

Now that ALP's runners have doubled in number it will be a race well worth watching because the prize will be the reactivation of graphite mining in the US after an embarrassingly long period of dependence upon fickle foreign supply sources.