

# Alkane Resources' Nic Earner on the supply challenges facing the critical materials sector

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"Our project stands ready to execute. We continue to look for market offtakes, strategic investment in Australia, government support as well. We wait and watch prices rise around for all of the commodities that we are in. We think that it is approaching a trigger where some of the customers must have to act and secure their supply chains." States Nic Earner, Managing Director of [Alkane Resources Ltd.](#) (ASX: ALK | OTCQX: ANLKY), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

**Tracy Weslosky:** Thank you so much for joining us because many of us, actually everybody at InvestorIntel is well aware of Alkane's Dubbo Project and being one of the leaders of critical materials in the world. Why do we not just start with an update on Dubbo please?

**Nic Earner:** Thank you Tracy. Our project stands ready to execute. We continue to look for market offtakes, strategic investment in Australia, government support as well. We wait and watch prices rise around for all of the commodities that we are in. We think that it is approaching a trigger where some of the customers must have to act and secure their supply chains.

**Tracy Weslosky:** In your critical material food chain we have got zirconium, hafnium, rare earths and niobium. Did I get the highlights or am I missing any?

**Nic Earner:** You did get the highlights. Thank you.

**Tracy Weslosky:** Okay. Of course we have all been watching the geopolitical tensions caused between the United States and China. I was reading a little bit more about what is happening specifically with the niobium and the ferroniobium steel and how this is actually affected by this. Can you talk to this a little bit more?

**Nic Earner:** With increased use in vanadium in particular niobium is a key substitute for vanadium. We are seeing both high-strength low-alloy steels rising in their use, but as well as that we are seeing vanadium-flow batteries starting to emerge. Vanadium itself is taking off and it is dragging niobium with it as a substitution. Niobium is at the highest prices we have seen in quite some time. It is into the plus \$40 range, which is really, really, really interesting. As well as that we also have the fact that CBMM based in Brazil, single largest producer, 85% of the market, is out there. All of those things are combining. People are a little bit worried that there is a shortage. They are looking for alternative supply. They are looking for substitutes for vanadium and there is a lot of price pressure with not many new supply options out there.

**Tracy Weslosky:** Okay. In addition to that, of course, we have had a couple of the rare earths leaders saying, okay, they are back. Rare earths are back. I am not seeing the rise or the lift in the share prices yet, but we are watching and we are noticing an increase in people going to the rare earth columns and reading about them and sending us emails. Can you talk to us about rare earths and their demand right now?

**Nic Earner:** Fundamental demand continues to rise. CAGRs are 6% generally. A lot of it is driven by renewable energy and the rise of electric vehicles. A lot of the forecast in the future

are almost all driven by electric vehicles and the rise of renewables and higher efficiency domestic devices. We are right to see that interest is rising so people are saying, hang on a minute, particularly like we talked before about the tensions between China and the U.S...to access the complete interview, [click here](#)

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## **Nic Earner on the Australian gold bull market, Alkane's M&A deals and the Tomingley Gold Mine**

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"At the end of September we had \$82.4 million in cash and bullion. We have been accruing that cash up. We looked at the kind of gold investments that are a little smaller than what the majors might want. Think in that 50,000 to 100,000 ounce per annum range that people do not really go for. They tend to be a bit unloved by investors. We look at how can we contribute to those and become a major investor in those and then use our expertise to help develop them and therefore create value for both companies." States Nic Earner, Managing Director of [Alkane Resources Ltd.](#) (ASX: ALK | OTCQX: ANLKY), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

**Tracy Weslosky:** Nic you just put out your most recent quarter announcements and it looks like you are right on track on your gold production. Can you give us a bit of an update please?

**Nic Earner:** We operate the Tomingley Gold Mine in the central west of New South Wales. In the last financial year we did just under 80,000 ounces of production. In the last quarter we did just under 15,000 ounces of production. It is an open cut mine that has been producing well for us. We are actually right now making the transition to go underground on that mine. We are very happy with how it is progressing.

**Tracy Weslosky:** Correct me if I am wrong. I saw a lot of drilling. It looked like a lot of drilling results in that 80-page update you had. Can you talk to us about some of the more outstanding updates?

**Nic Earner:** Compliance does drive a large appendix in all of these announcements. Alkane operated a heap leach gold mine at the town of Peak Hill, which is about 15 kilometers south of Tomingley from the mid-nineties to the mid-2000s. That corridor is quite prospective. We have been drilling about 4 kilometers south of our existing infrastructure, the Tomingley Gold Mine, where we have a mill and processing facility operating at present. Quite interestingly, we have 3 major prospective types. We think each of them is as large as a potential hit area or as our largest pit at Tomingley. We are drilling those right now, between now and Christmas. Those results will come out next year. We got some of the intersections circa, people will see in the announcement, circa 10 meters around that, sort of, 2 gram at different depths. A lot of mineralization and we are trying to define what may be economic and what may not be economic, so quite interesting.

**Tracy Weslosky:** Speaking of quite interesting and economic, I

noticed you have been doing a number of M&A activities too, actually in the last month and a half. Can you talk to us about the highlights?

**Nic Earner:** Yeah, we have. At the end of September we had \$82.4 million in cash and bullion. We have been accruing that cash up. We looked at the kind of gold investments that are a little smaller than what the majors might want. Think in that 50,000 to 100,000 ounce per annum range that people do not really go for. They tend to be a bit unloved by investors. We look at how can we contribute to those and become a major investor in those and then use our expertise to help develop them and therefore create value for both companies. The first one that we did was a company called Calidus. They are up in the Pilbara region probably known to quite a few listeners for their whole conglomerate gold story, not that they are part of the conglomerate gold story. They have some very, very interesting surface mineralization...to access the complete interview, [click here](#)

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