



Meteoric blasts back into Brazil

Barely three months after exiting Brazil having finalised its sale of the Juruena gold project, Meteoric Resources NL is making a sensational return to the South American country to pursue what director Andrew Tunks believes is a “world-class” ionic clay-hosted rare earths opportunity.

Meteoric has entered into a binding agreement with a family-led private company to acquire the Caldeira rare earths project in Minas Gerais. Historical shallow auger drilling has been conducted over six of the 30 licences which make up the property, with 85% of holes finishing in grades exceeding 1,000 ppm TREO.

A new diamond drilling campaign began at Caldeira late last month with Meteoric

to rest on their laurels, so to speak, which is how this opportunity has all come together for us.”

Meteoric has engaged ANSTO to provide metallurgical expertise and processing recovery for rare earths at Caldeira, while BNA Mining Solution in Brazil will compile a maiden resource based on the historical project data.

The acquisition of Caldeira may not have happened had Tunks not had a chanceless conversation with Kingfisher Mining Ltd chairman Warren Hallam at last year’s Diggers & Dealers forum in Kalgoorlie.

A seasoned geologist with notable success in gold and uranium, Tunks admitted he knew very little about ionic clay-hosted

rare earths prior to speaking with his long-time friend about Kingfisher’s breakthrough discovery in the Gascoyne region of WA.

“It got me really interested and so I started researching it a little bit more and that’s when this opportunity in Brazil came along,” Tunks said.

“I was immediately struck by the grade. It’s very dif-

ferent to anything else that I had seen reported so we did some independent checking, firstly by TLA and then I went over for a couple of weeks, and we managed to pull the deal off.”

Meteoric is acquiring the Caldeira project for a total cash consideration of \$US20 million, comprised of an initial \$US5 million payment to the vendors and three further payments of \$US5 million on the first, second and third-year anniversaries of the deal completion.

The acquisition also includes a royalty payment of 4.75% on minerals extracted from the project, offset against the \$US20 million purchase price.

“We essentially get a holiday once we’re in production,” Tunks said.

“These are mining licences already so there’s a great advantage for us to get into production relatively easily. We still need to have rare earths added to the list of exploitable minerals, but that’s really only an ad-

ministrative thing and it’s done all the time in this area.”

Tunks said the company’s return to Brazil had been warmly received by most Meteoric shareholders, with particular kudos paid for identifying a project which sits just four hours from the international airport at Sao Paulo.

Investors have also championed Meteoric’s move into the potentially lucrative rare earths space which Tunks points out was devoid of “any great discoveries” in the last boom period from 2007-2012.

“We had a uranium boom, then graphite and now we’ve got a lithium boom, with lots of massive discoveries made all over the world, but in between all that we had



Meteoric director Andrew Tunks with the historical remnants of previous auger drilling at Caldeira

targeting a maiden resource for the project in early Q2 2023.

Meteoric was set to pivot the bulk of its attention to the Palm Springs gold project in Western Australia’s Kimberley region after pocketing a tidy \$US17.5 million from the sale of Juruena. However, the company and its Brazilian-based partner Target Latin America (TLA) were then presented with a host of other project opportunities in the country to consider and Caldeira proved too enticing to pass on.

“The sale of Juruena was instrumental in this deal we’ve just done because it not only gave us a lot of money to look for new projects, but it actually significantly raised our profile in Brazil,” Tunks explained to **Paydirt**.

“This project has been held by a big family company who have been mining refractory clays and producing bricks for furnaces in metals, ceramics and all sorts of industries for 112 years and they’re now looking



A sample of rare earths-enriched clay taken from the Caldeira project in Brazil

a rare earths boom and you can’t say we had any great discoveries during that run,” Tunks said.

“I always felt that rare earths was a space that would come back and I always felt that there had to be more discoveries made.

“Electrification is here to stay and independently of how we get the power and how we store that power, we will need the electric motors and the high field-strength batteries that rare earths provide. So, from that perspective, I see fantastic demand coming as the globe electrifies.”

– Michael Washbourne