



NT miner clinches \$32m Chinese deal

By NIGEL ADLAM

A CHINESE resources giant has taken a major stake in a Territory minerals operation.

Jiangsu Eastern China Non-Ferrous Metals Investment Holding Company has formed a joint venture with Arafura Resources to explore the Jervois vanadium prospect, 300km north-east of Alice Springs.

As reported in Business Review last month, the Chinese have bought one quarter of Perth-based Arafura for \$24million.

Now it has been revealed the company will contribute \$8million over five years to exploring Jervois.

The Chinese investment will

enable a feasibility study to be conducted on Arafura's main target — the Nolans Bore rare earth project 135km north of Alice Springs.

And \$8million will go into a joint venture for the Jervois prospect, 300km north-east of Alice.

The Chinese company's boss, Shao Yi, told a signing ceremony at Parliament House in Darwin that he was looking for more mining ventures in the NT.

"We will look for more resources in the Territory," he said.

The deal with Arafura follows criticism by the federal Coalition of Chinese investment in the

Australian resources industry.

Senate Nationals leader Barnaby Joyce said the NT Government should not allow China to take a stake in Territory minerals projects.

NT Mines Minister Kon Vatskalis said the Coalition was indulging in a cross between "reds under the bed" and "yellow peril" rhetoric.

And Solomon MHR Damian Hale said Chinese investment was helping the Territory economy to thrive.

Mr Vatskalis said the Chinese deal was a "direct result" of NT Government ministerial trips to China.



DONE DEAL: Chinese mining executive Shao Yi and NT Mines Minister Kon Vatskalis after the sealing of the Arafura agreement at Parliament House. Photo: DAVID SILVA