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Brief: RUSINA

Rusina signs letter of intent with Philippine partner

Rusina Mining NL has made significant steps in selecting its Philippine partner for its Acoje nickel/chromite/platinum project in the Philippines by entering into a letter of intent with Geograce Resources Philippines Inc.

The Lol envisages Rusina and Geograce jointly exploring and developing various mining projects within the Philippines, satisfying Rusina's requirement for local Philippine ownership of projects and having a financially capable partner with known property acquisition potential.

Geograce, formerly known as Global Equities Inc, is a listed company on the Philippine Stock Exchange. In its recent meeting of shareholders, Geograce approved the company's focus on mining investments following its restructuring over the last six months.

Geograce is headed by chairman Jerry Angping, also chairman of Angping Securities and vice chairman of First Metro Investment Incorporation, and is currently negotiating the acquisition of various mining tenements covering more than 100,000ha all over the Philippines.

The Lol signed between Geograce and Rusina initially contemplates a share swap between the two companies, in addition to Geograce investing into the Acoje Property by

way of Geograce shares, cash, and/or certain Geograce properties pending acquisition.

Both Rusina and Geograce expect to complete an arrangement by next year's first quarter, subject to all necessary regulatory approvals.

In a separate agreement, Rusina, through its Philippine entity, has signed a technical services agreement with Geograce to supply technical services and assistance in the evaluation of mineral properties acquired by Geograce. This separate agreement will further strengthen the partnership between the two companies.

In November Rusina raised \$3.5 million in fresh capital from UK investors who have backed the company's move into the Philippines.

"The placement proceeds ensure Rusina is fully funded through to the completion of the chromite feasibility study and nickel laterite JORC estimate work," said Rusina managing director Robert Gregory.

"It's a pleasing outcome considering the difficult market at the moment and shows tremendous institutional support for Rusina's new initiatives to generate early cash flow, build a solid nickel laterite resource and then fully explore the Acoje property for platinum group metals," he said.