



## Rusina Mining NL

THERE will be no Christmas cards this year for Goldman Sachs JBWere analysts from the junior nickel companies. The broker spooked the sector on Friday with its call that nickel was its least preferred base metal because of demand weakness, supply growth and forward selling by producers/short selling by speculators. While conceding that nickel at about \$US18.40 a pound was "still magnificently priced" since its fall from the May 16 peak of \$US24.58 a pound, GSJBW said that as the metal's fundamental outlook continued to weaken, prices have further to fall (\$US12.85 a pound in 2008 and \$US8.15 a pound in 2009).

But not all of the junior nickel stocks suffered on Friday. Rusina Mining NL was a case in point, with its 3¢ a share gain to 65¢, with some in the market

tipping there was more to come (Shaw Stockbroking set a \$1.20 "target price" on June 12).

The group's main game is its multipronged Acoje project in the Philippines, which is a direct beneficiary of China's surging imports of lateritic nickel ore. Ironically enough, that was one of the very reasons GSJBW was so down on Australian-based producers of the devil's metal.

Acoje, once one of the world's main chromite suppliers, is being worked up by Rusina across many fronts. First there is a 50:50 joint venture with local contractor DMCI to mine and export (to China) 5 million tonnes of surface laterite nickel ore, with Rusina free-carried for its 50 per cent profit share.

DMCI also partners Rusina in the feasibility study into a ferro-nickel smelter being established near DMCI's coal

operation of Semirara Island, and the pair are to put all of their other mining properties in the country into a joint venture, including DMCI's exploration property on the doorstep off Xstrata/Indophil's world-class Tampakan copper/gold deposit.

Then there is Rusina's joint venture with London-listed and BHP Billiton-backed European Nickel (ENK), a \$450 million company that is developer of the Caldag nickel heap-leach project in Turkey. ENK is funding a heap leach trial at Acoje and like DMCI, is to cement its relationship with Rusina by taking up a placement of shares

