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### Corporate News

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## Tampakkan miner setting aside funds for port, coal-fired plant

**SAGITTARIUS MINES, Inc. will spend 10% to 15% of the project cost of its Tampakkan copper-gold project in Southern Mindanao for additional infrastructure, the firm's top executive said yesterday.**

Peter J. Forrestal, Sagittarius Mines president, told reporters the additional infrastructure will include a port and a coal-fired power plant.

The coal-fired power plant is needed for ore production which is expected to start by 2015, and will generate around 400 megawatts of power, he said.

The firm, which is controlled by Swiss miner Xstrata Copper, is considering either Bawing in General Santos or Malalag in Davao del Sur as possible locations, Mr. Forrestal said.

The Tampakkan project is the country's largest single investment, worth \$5.2 billion. Development in the mining site is underway, and production is expected to start by 2015.

Meanwhile, Mr. Forrestal said Sagittarius Mines was not expecting any problems after China's largest gold producer, Zijin Mining Group Co. Ltd. takes over Australian firm Indophil Resources NL, which holds a 37.5% stake in the Tampakkan project.

"We're not directly involved in the transaction between [Indophil Resources and Zijin Mining Group]. As far as we're concerned in the project, we don't expect it to make a huge difference to the project but it's certainly welcome once the transaction transpires," Mr. Forrestal said.

After the transaction is concluded, Sagittarius Mines will discuss the project with Zijin Mining Group executives, the executive said.

Xstrata Copper has a 62.5% stake in the project. In December, the Swiss firm agreed to sell a 19.99% stake in Indophil Resources to Zijin to jump-start the latter's takeover bid.

The Chinese miner offered \$498 million to take over Australia's Indophil Resources.

Sagittarius Mines is aiming to submit an Environmental and Social Impact Assessment for the Tampakkan project to the Department of Environment and Natural Resources before the end of the year, Mr. Forrestal said.

Last April 8, Sagittarius Mines said in a statement it had delivered its \$74-million mining project feasibility study for the Tampakkan project to the Environment department's Mines and Geosciences Bureau, confirming the potential of the project to become a "world-class operation that would be among the largest copper producers in the world."

Full-scale production in the site is projected to start in 2016, Mr. Forrestal said.

Based on Sagittarius Mines' latest resource estimates, the massive Tampakkan project contains 13.5 million metric tons (MT) of copper and 15.8 million MT of gold.

The mining site, touted as the largest undeveloped copper deposit in Southeast Asia, straddles the towns of Tampakkan in South Cotabato, Columbio in Sultan Kudarat, and Kiblawan in Davao del Sur. -- **Kathleen A. Martin**

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