

Graphite project's future is in limbo

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THE future of a promising graphite project near Port Lincoln appears to be up in the air, with its owner, Lincoln Minerals, suspended from



Geologists examine drill cuttings at Lincoln's Minerals Gum Flat project with former managing director, Dr John Parker, who parted ways with the company several years ago.

The Lincoln board is undertaking a strategic review

trading on the share market and little in the way of progress in the past year.

The former Adelaide-based company paused work on the Kookaburra Gully graphite project's Program of Environment Protection and Rehabilitation (PEPR) in 2018, saying at the time it needed to find funding of a further \$6 million to progress.

At the time, it had \$2.8m in the bank. The project has a mineral lease, but the PEPR must be completed and approved before any mining can take place.

A feasibility study carried out on Kookaburra Gully by Lincoln has estimated it could produce up to 35,000 tonnes of graphite a year for 10 years, following construction costs of \$40m-\$50m.

Since early 2018, the company's share price has fallen from 3.9c to 0.8c. Its shares have been suspended from trade since September 21 "as ASX has determined that Lincoln Minerals' operations are not adequate to warrant the continued quotation of its securities and therefore it is in breach of (listing rules)".

Two of the company's board members resigned late last week

– non-executive director Kee Saw and executive director and chief financial officer Ms Ruiyu Zhang – and the company now has \$655,000 in the bank.

Lincoln has had three managing directors in just over 12 months, with Salvatore Matarazzo appointed in November last year, to be replaced by Johnson Zhang – now a nonexecutive director – in March, with Mr Zhang replaced by Grace Tsui in August.

Ms Tsui is described in the company's September quarterly report as the former chief executive of Noah Holdings Australia, a subsidiary of Chinese wealth-management company Noah Holdings and, prior to that, head of multicultural customer acquisition and director of premium Asian business for Westpac.

The Advertiser has been unable to contact Ms Tsui. The quarterly report says during the preceding three months it was "working to develop its business strategy and extract value from existing assets to fund its 100 per cent owned Kookaburra Gully Graphite project".

"The Lincoln board is undertaking a strategic review of its business operations to develop its business plans", the release says.

During the most recent quarter the company spent \$47,000 on keeping its exploration tenure maintained, \$147,000 on administration and corporate costs, and \$52,000 on staff costs.

At the company's annual meeting, to be held tomorrow, shareholders were to vote on the re-election of the two directors who resigned last week, as well as Mrs Tsui's reelection.