

# **Rio's 'find' sparks rush to remote WA region**

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RESOURCES REPORTER

12:00AM NOVEMBER 13, 2018

The buzz surrounding Rio Tinto's secretive exploration camp in a remote corner of Western Australia has gathered further momentum, with mid-tier miner Independence Group agreeing to pump in almost \$17 million to join the hunt in the region.

The West Perth rumour mill has been going into overdrive in recent months amid talk that Rio Tinto may have a potentially significant copper discovery in Western Australia's Paterson Ranges, between the state's Pilbara and Kimberley regions.

Aerial photographs from the region show a significant exploration camp starting to take shape at the site. The images show two drilling rigs in action, a 50-person camp, a helicopter and racks of drill core underneath shade cloth.

Public filings also show that Rio Tinto has been pegging leases in the area, expanding its ground position from about 1000 square kilometres to around 11,000sq km since December last year.

The company has also lodged an application to build an airstrip at the remote site, an exercise estimated to cost several million dollars.

Rio Tinto has, as is its usual practice for early-stage exploration projects, had little to say publicly about what it may or may not have found at the site.

The absence of solid information has allowed rumours to flourish, with growing talk that the company has got a whiff of something big.

Speculative punters have already poured into two juniors with nearby ground, namely Antipa Minerals and Sipa Resources, with both stocks up markedly since mid-October. Antipa, which also has a joint venture with Rio in the region, copped a price query from the ASX last week and noted that its rise may have been driven by news reports about Rio's work.

Yesterday, long-time Paterson explorer Encounter Resources announced a deal that will see Independence take a \$1.8m placement in the company at a 60 per cent premium to its previous share price. Independence will also have the right to spend up to \$15m on exploration at Encounter's Yeneena prospect in the Paterson in return for a 70 per cent interest.

Fortescue Metals Group has also built a big foothold in the region since rumours of Rio's find started to surface.

Antipa executive chairman Stephen Power told *The Australian* yesterday that Rio's growing ground position, its investment in the area and the persistent rumours all pointed to something significant.

"Rio have definitely got something extremely sizeable up there," Mr Power said.