

# A little SOP to get most of your tomato crop



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Just add a dash of sulphate of potash and your tomatoes could rival Anna Michos's 10ft plant at her home in Bonbeach, Victoria

BARRY FITZGERALD



It's tomato planting season and the best bit of advice you'll ever get is to use a good sprinkling of sulphate of potash (SOP).

The combination of potassium and sulphur is guaranteed to deliver a healthier bush, an improved yield and, if you can believe it, tomatoes that actually taste like tomatoes.

But any SOP you do use will have travelled a long way given Australia hasn't produced its own since the 1950s, even though it has some of the most nutrient deficient soils in the world.

Farm gate prices for the stuff are about \$1200 a tonne, making it a premium product compared with muriate of potash (MOP), the chloride carrying form of potassium used on cereal crops and the bulk end of the market, the sector BHP Billiton hopes to eventually break into with its \$US10 billion Jansen project in Canada.

Global demand for SOP runs at more than 6 million tonnes, accounting for about 10 per cent of total potash demand.

It sells for at least twice the price of MOP and, naturally enough, has tight-fisted farmers using it sparingly.

Lower the price in this and other markets and it is London to a brick that there would be more SOP used in the growing of things where it works best — high-value fruits (15 per cent of usage), vegetables (25 per cent) and nuts/turf (60 per cent).

But supply is restricted to the extent that big brine salt deposits with operating costs of about \$US200 a tonne of SOP are few and far between, with about half of production having to come from the high-cost Mannheim process (upwards of \$US450 a tonne) that uses sulphuric acid to convert MOP to SOP.

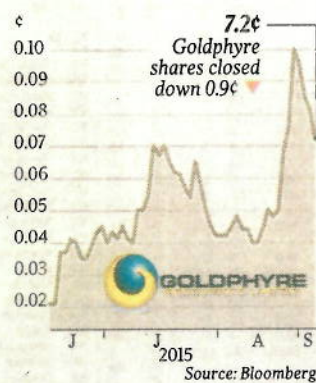
Domestic production of SOP is on the agenda, with Reward Minerals (RWD) advancing work on getting its Lake Disappointment SOP project in Western Australia's Little Sandy Desert to the starting stalls. It is now an \$83 million company.

Meanwhile, Melbourne-based EMR Capital is backing the SOP plans of Canadian-listed Crystal Peak Minerals at its Sevier Playa project in Utah.

But today's interest is in former gold explorer and SOP aspirant Goldphyre Resources (GPH). In the clapped out market for anything to do with resources, its shares have swum against the tide, doubling to 7.8c since June 30. It gives Goldphyre a market capitalisation of \$8m.

The interest in the stock reflects the success of a drilling program that tested the SOP potential of its Lake Wells project, 400km northwest of Kalgoorlie.

Results from a drilling pro-



gram reported last month returned "very strong" SOP concentrations in brine beneath the lake proper and in the surrounds.

It was a good start and made all the more interesting because despite Lake Wells' seemingly remote location, it has infrastructure access.

A resource estimate is the next signpost for the project but the pundits are already thinking about the potential for a 100,000 tonne-a-year SOP project.

Again, a lot more work to do. Goldphyre is positioning itself as a local hero in pursuing Lake Wells' SOP potential, which is not a bad idea in an environment where new resource projects of any description struggle to win political and bureaucratic support.

"Our goal is to target a low-capital operation that initially supplies farmers and other potash users in Australia with a product that they currently import 100 per cent of from costly overseas suppliers," the company states.

Can't argue with that.

## Alligator Energy

In the small world of uranium exploration in this country, an upcoming drilling program in Arnhem Land in the Northern Territory will be keenly watched.

A little thing called Alligator Energy (AGE) is set to punch in some holes in and around its Beatrice uranium joint venture with Canada's mighty Cameco.

Beatrice sits on aboriginal land in the Alligator Rivers uranium province (ARUP), about 50km east of the ERA's Ranger mine (300 million pounds mined), and ERA's undeveloped Jabiluka deposit (360 million pounds), both of which sit inside Kakadu.

The two Kakadu deposits — and the long-ago mined out Nabarlek mine — make ARUP a globally significant uranium province.

But it is lightly explored compared with the world's other great uranium provinces, notably Canada's Athabasca Basin — one with which ARUP shares similarities in terms of the style of mineralisation.

AGE is out to address that shortcoming in ARUP, albeit in a small way at first. But if the program comes up with some high-grade hits as hoped, the impact on AGE with its 3.9c share price and \$15m market cap will be worth watching.

That can be said with confidence, even if the uranium price is not exactly setting the world on fire at its current sub-\$US40 a pound level.

In a world increasingly wor-

ried about global warming, nuclear power can be part of the solution with its zero carbon emissions. And thanks to the Ranger mine alone, ARUP has already played its role in the fight, given production there over the last 30 years equates to the alternative of burning 2.8 billion tonnes of coal.

So make no mistake, 100 million pound "blocks" of uranium in places like ARUP have national energy security asset appeal, if not for Australia then for countries which have made nuclear power part of their energy mix.

On that score, it is worth noting that despite its light market cap, AGE has 100 million pound blocks in mind in its ARUP hunt, one that has grown sophisticated with the use of remote sensing exploration techniques.

The upcoming drilling program is to test for a southerly extension of high-grade hits previously recorded at Beatrice, as well as two new targets under thin alluvial cover in the Beatrice area — BT4 and BT.

A one-for-four rights issue at 4c a share to raise \$3.1m is in progress. It is not underwritten but 19.8 per cent shareholder, the private equity resources group Macallum, has put up its hand for its full entitlement.

Included among Macallum's ranks are some guys involved in the discovery of the Husab uranium deposit in Namibia, since sold to the Chinese for \$US2bn.

Getting in to AGE represents their "return" to uranium as it were.