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## All Star Minerals Will Soon Set The Drill Rigs Turning On Its Uranium Ground In Sweden

By Alastair Ford

Anyone familiar with the enthusiastic expositions of Clive Sinclair-Poulton, executive chairman of [Beowulf Mining](#), will also be aware of Jan-Ola Larsson, [Beowulf's](#) technical director. While Clive looks after the marketing, and puts out the feelers for off-take agreements for [Beowulf's](#) growing iron ore resource base in Sweden, it's Jan-Ola who's tasked with adding value on the ground. And what a job he's done over recent months – [Beowulf's](#) shares have risen from less than 5p last summer to the current 67.5p, a near-fourteenfold rise. That's more than just a pick-up in the stock market at work - that's years of good geology at last paying off.

So, small wonder that interest is now beginning to rise in another of the companies that Jan-Ola is involved in – [All Star Minerals](#). Like [Beowulf](#), All Star has an extensive landholding in northern Sweden. But unlike [Beowulf](#), the primary target is not iron ore, but uranium. And the bull case for uranium, as the man at the overall helm of All Star, Conrad Windham, points out, is almost as strong as it is for iron ore. Spot uranium has risen strongly since the start of the year, although there has been a slight tailing off of the momentum in the past week or two. Still, the current price currently stands at just shy of US\$70 per pound, meaning that most of the ground lost over the past three years, as the whirlwind of the financial crisis blew through, has now been made up.

Of course seasoned observers will say that the spot price is no guide to the real price at which most uranium is traded, behind closed doors, by the big players, the major miners and the power stations. But upward momentum in spot is a good first point of reference, because the off-market deals usually go through at an even higher price.

And, at least there is a spot market, which is more than can be said for thorium, the mineral that All Star was originally set up to look for. There's very little visibility in thorium at all, and certainly no market awareness of it, and All Star found that to all intents and purposes it was whistling in the wind attempting to gain first mover advantage in the thorium space. The other problem, as Conrad explains, is that full-scale and widespread commercial use of thorium is still probably around 15 years off. One can't help feeling that shareholder opposition must have been muted when he took the decision to switch the focus to uranium.

He was aided in his choice of mineral by the presence of uranium on one of All Star's thorium licences. Not so long ago, a boulder was recovered from the company's Samon licence in the Jokkmokk municipality that graded 3.5% thorium and 500 parts per million U<sub>3</sub>O<sub>8</sub>. The ground also shows potential for cerium and yttrium, two of the better-known of the rare earth elements, and for iron ore. So, with new money coming into the treasury, the company plans to get the drill rigs turning, with a view to gathering some comprehensive data on just exactly what sort of potential Samon holds.

At this stage, though, the main focus is on All Star's other main property, Gilpas, in the Ajeplög Municipality in the north east of Sweden. Gilpas, says Conrad, "is the most attractive deposit in the portfolio". There are several reasons why Conrad takes that view, not the least of which is the close proximity, just 20 kilometres away, of Sweden's largest uranium deposit, Pleutajokk. Gilpas was also the subject of a Competent Persons Report that was completed in 2008 by consultants from CSA. That means that although in many respects Gilpas is still at a fairly early stage, given that it's not been properly drilled, it is, nonetheless, something of a known quantity.

What's more, although comparisons with Pleutajokk can only be for interest's sake at this stage, it is worth noting that the potential grade at Gilpas is much better. "We've had boulders at 29%", says Conrad. At Pleutajokk, he reckons, "they'd be delighted with boulders at 1%". The uranium in this area is found in vein deposits that lie fairly near to the surface, and there's also the possibility that the veins at Gilpas will be wider than those currently being mined at Pleutajokk. So why is no one already mining in the area? The answer, reckons Conrad, is that no one's ever really taken the time to look at it. Until, that is, Jan-Ola came along.

In the case of Gilpas there's about five metres of overburden, so although the boulders in the region provided a clue, there was no outcropping mineralisation to provide a clear geological shortcut. And even with Jan-Ola working the ground, there are still no short cuts. A campaign of close-spaced drilling will shortly get underway, designed to prove up a maiden JORC resource by the third quarter of this year. If that sounds ambitious, the answer is that it is, and that the resource will initially only be a small one.

Still, by the end of 2012 Conrad is planning to have a measured resource in place, with moves afoot to get mining fairly soon thereafter. "Gilpas could be

developed really quickly”, he says. “It’s high grade. We know exactly where the area is, and it’s pretty much at surface.”

By then, it’s unlikely that the company will still be listed on Plus. “A logical progression is to move to Aim”, says Conrad, although he adds that at this stage there probably wouldn’t be a huge raise to go with any Aim listing. The company is currently in the final stage of raising enough money to fund this year’s work, as it stated in a recent press release. In the same release All Star also stated that it knows of no specific reason why its shares have been so popular over recent week.

Uranium, plus Jan-Ola, plus impending drilling, plus new money, all have their allure, though. And, in the wake of that cautionary announcement the ardour of the market wasn’t exactly dampened. The shares gave back a mere 0.15p or so, to settle at their current level of 2.1p. It’ll be interesting to see what happens next.