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# Scorned Lion snaps up 10.3pc stake in Yilgarn junior Mindax

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Having failed in its bid to snare Pilbara iron ore hopeful Polaris Metals, Malaysian steel producer Lion Group has bought a 10.3 per cent stake in Yilgarn junior Mindax.

With the investment in Mindax, Polaris becomes the junior's second-biggest investor, pipped on the register only by non-executive director Andrew Tsang with a stake of about 22 per cent.

The Lion investment will also result in the Brian Gilbertson-controlled Jupiter Mines being diluted from a 10.1 per cent stake in Mindax to about 9.1 per cent.

Lion is paying 52¢ a share, or a total of \$7.8 million, for its Mindax stake, in the process dispelling the resources sector's loudly voiced claim that the Federal Government's proposed resource super profits tax was stifling investment in the sector.

Mindax shares emerged from a trading halt yesterday to jump as



**Quality portfolio: Greg Bromley says Lion's investment is a vote of confidence.**

much as 5 per cent before closing up 1¢ at 48¢.

Lion made it clear during its tussle for control of Polaris this year that it wanted to vertically integrate to secure ore supply. Its newly acquired Mindax stake guarantees Lion a say in any future corporate move on the Yilgarn junior.

Mindax managing director Greg Bromley said Lion's investment

was a "vote of confidence in the quality of our portfolio of key strategic commodities", which includes uranium and copper-gold exploration assets.

Mindax's main focus is the Mt Forrest iron ore asset in the Yilgarn, which it believes could contain 2.8 billion tonnes of magnetite. Initial drilling has already discovered a small inferred resource of direct-shipping hematite.