

Hopes high for Cape Flattery silica sand hub

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A silica-rich area of Cape York being touted as a Critical Minerals Zone has the potential to become a prime global supply hub for the burgeoning solar industry, according to mine proponent Diatreme Resources.

Diatreme Resources was highly supportive of creating a silica mineral hub out of Cape Flattery as flagged in the new Queensland Critical Minerals Strategy, chief executive officer Neil McIntyre said.



Diatreme Resources chief executive officer Neil McIntyre.

“I think what that does is enable fast-tracking of things like permitting, approvals, co-operation,” he said.

He believed it would bring a more holistic approach to the development of the region and mechanisms for better shared use of the Cape Flattery port facilities, for example.

Diatreme’s proposed Northern Silica project alone would have a start-up production rate equivalent to the existing Cape Flattery silica sand operation owned by the Mitsubishi Corporation of about 3Mtpa.

Its recently released scoping study showed the potential to produce 5Mtpa of high-purity silica there for 25 years.

Then there is Diatreme’s Galalar project, and fellow junior Metallica Minerals is advancing its Cape Flattery silica sand project in the same area, about 220km north of Cairns.

Related: [Positive scoping study for Diatreme silica plans](#)

The State Government this week unveiled the Queensland Critical Minerals Strategy at the World Mining Congress, with a \$245 million funding package to back its bid to see the state become a global leader in the field.

Establishing critical mineral zones, initially at Julia Creek/Richmond and around Mount Isa, was among the initiatives.

The paper noted that consultation would be undertaken to investigate this approach at other locations, including Cape Flattery, focusing on silica.

Metallica Minerals also welcomed the potential for targeted investment at Cape Flattery as part of the strategy to grow Queensland's critical mineral sector.

"A key component of the Queensland Government's focus on Cape Flattery is planning by the Office of Co-ordinator General to undertake baseline environmental studies at Cape Flattery," Metallica executive chairman Theo Psaros said.



Metallica executive chairman Theo Psaros (right) with Queensland Resources Minister Scott Stewart.

"These studies have potential to be value adding to the process to complete our Environmental Impact Statement. Preliminary meetings have been held between this office and Metallica and when completed this independent work will be made available to all developers at Cape Flattery."

Silica sand is already classed as a critical mineral in Queensland due to its use in the renewable energy sector.

"It's a primary mineral used in the manufacturer of solar panels. Over 70 per cent of every panel is the encompassing glass on the outside of the panels, and that has to be manufactured from a very high-purity, low-iron silica," Mr McIntyre said.

"So it's an important part of the push for decarbonisation."

He said Diatreme was genuinely appreciative of the State Government's initiative on critical minerals.

"I think it (the strategy) is unusual in that it's well crafted and really sets a platform for developers in the critical mineral space with some pretty smart policy. We're really encouraged by it," he said.

In addition to its planned Cape York mining, Diatreme aims to establish manufacturing capacity in Townsville to value-add to its silica product.

"Once we know we have certainty on a pathway to getting the production, we can look for those value adds a lot more earnestly," Mr McIntyre said.

"But, we would love to be able to create secondary industries, particularly in Townsville – we think it is a logical place for us to site some secondary processing.

“We think that’s an important part of our forward program, and these sorts of policies, again, just create the runway for those sort of things to happen and for us to plan around them as we move forward. We would love to see the creation of a solar panel manufacturing industry in Australia.”