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Tirex roars to life on Albanian mining deal

VANCOUVER — **Tirex Resources** (TXX-V) has taken a big step towards production at its Mirdita volcanogenic massive sulphide project in Albania after signing a memorandum of understanding with a private Turkish firm to finance development in exchange for a stake in the project.

The tentative deal has **Ekin Maden**, a metals and mineral trading company, agreeing to fund mine development and required equipment at Mirdita, as well as provide mill capacity at its Fushe Arrez mill, while Tirex will transfer six historic deposits at Mirdita into a new operating company that each company will equally own.

Under the deal, the new company will sell mostly gold and copper ore to Ekin Maden's mill at the mill gate, getting a yet unspecified percentage of the gross contained value. Other details, such as which deposits or what size of land package, were also scarce as the two companies continue to hash out a definitive agreement and secure regulatory approvals.

Tirex sees the deal as a way to quickly generate cash flow from a portion of its 344-sq.-km land holdings in the country without dilution, while also leaving room for further exploration. The company could also benefit from Ekin Maden's experience in Albania as it already owns the biggest copper mine in the country.

The Mirdita project does not host any compliant resources, though Tirex has set that as one of its goals for the year. Resource estimates are currently in the works on the Koshaj, Letitna and Gurthi South deposits, while the company plans to launch a preliminary economic assessment once the resource estimates are in.

According to the technical report, the deposits include both Cyprus or mafic-type and Noranda or bimodal mafic-type volcanic massive sulphide deposits. Cop-

per, gold, zinc and silver mineralization occurs in several forms including classic massive sulphide lenses, zones of disseminated sulphides and stockwork vein mineralization.

Late 2010 drilling on Gurthi South No. 2 hit 19.3 metres grading 3.66% copper, 1.13% zinc, 8.3 grams silver per tonne and 1.3 grams gold per tonne in hole 65 from 102 metres depth, while assay results are still pending for another five holes on the target. Last year's drilling on Gurthi South No. 1 hit 7.7 metres of 5.23% copper, 1.84% zinc, 57 grams silver and 4.6 grams gold from 250 metres depth in hole 60. In the same program, hole 61 cut 2.2 metres of 1.26% copper from 266 metres and hole 62 returned 4.5 metres carrying 0.62% copper, with both holes containing nominal amounts of zinc, silver and gold.

Tirex did not drill the Letitna zone, 1 km east of Gurthi South in 2010, nor the

Koshaj zone, 2.5 km north of Gurthi South.

The company's property, of which it effectively owns 90%, hosts 17 historical deposits including the four it is actively exploring. The historic deposits were either previously in or nearing production when the country's state mining regime fell apart after the fall of Communism.

In early March, Tirex had \$6 million on hand following a January \$5-million financing at 50¢ per share that brought its total outstanding shares to 66.4 million. Also in January the company added roughly \$2 million to a financing facility from the European Bank for Reconstruction and Development, bringing the total facility to \$11.1 million.

Tirex's share price rose 12¢ or 13.6% to a dollar on the news with 1.4 million shares traded. The company has climbed from a low of 12¢ last July to its current 52-week closing high.



TIREX RESOURCES

Tirex Resources' CEO Bryan Slusarchuk surrounded by core at the Mirdita project, 70 km northeast of Tirana, Albania.