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Mining company moving head office to city

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The mining company that's developing the Mount Pleasant zinc, indium and tin mine is moving its head office from Toronto to Fredericton.

The mine owned by Adex Mining Inc. is located 97 kilometres south of Fredericton and 83 kilometres from the U.S. border.

"It's quite exciting," said Linda Lam Kwan, interim CEO and president of Adex, in an interview Friday.

"Our project is here in New Brunswick and Fredericton is the capital of New Brunswick."

Kwan made the comments during a break in a shareholders' meeting in Fredericton.

The company's website states the Mount Pleasant site is the only mine in the world that contains indium, molybdenum, tin, tungsten and zinc in significant quantities.

Those metals are critical for the construction of everything from cars to television screens, computers and smartphones.

The mine site includes a 430-metre-deep mine and thousands of metres of underground development, according to the website.

Adex bought the property in 1995. Billington Canada mined tungsten at the site in the last century, but shut it down in 1985 when the price of the metal fell on world markets.

But metal prices have been bouncing back in recent years. Indium is selling for \$850 US a kilogram.

Hong Kong-based Great Harvest Investment Co. Ltd. bought 40 million shares of Adex last month for \$7.2 million and Kwan became the head of the company.

Great Harvest Investment owns 80 million shares of Adex, or 45.14 per cent of the outstanding shares.

"We want to bring this project to production so I think the big operations will be happening here," said Kwan.

"That is why it is our intention to move our head office to Fredericton.

"We can use the local expertise and the local employment and maximize our profits and the benefits to the shareholders.

"Of course, we would like to gather support from the local government, which was very positive from their side when we had the reception yesterday."

She said the move of the head office to Fredericton will be done before the end of the year, but couldn't say when.

She said the mine could employ up to 200 people.

Kwan said a feasibility study for the mine to reopen should be done by the middle of next year.

Adex hopes to produce 40 tonnes a year of indium, 4,000 tonnes a year of zinc and 1,500 tonnes a year of tin at the Mount Pleasant mine, according to a company press release dated March 7.

Kwan said the ore would be processed at the mine site.

"I am very positive," she said "We now have enough cash flow for moving this project forward. But we will be raising the funds for construction."

Earlier media reports stated it would cost \$200 million to reopen and operate the mine.

Fredericton Coun. Stephen Chase, chairman of the capital's development committee, said he's delighted Adex was moving its head office to Fredericton, which is good for the capital and the province.

"I think that's a very positive indication of the attractiveness of Fredericton as a community for these

corporate head offices," he said Friday.

"It would be really easy to retain the office in Toronto and deal with this as a sideshow.

"The fact that they're prepared to move their office here indicates Fredericton is a nice place to be, run a business and raise a family."

Chase said the city is looking forward to learning more about the company's plans and helping in any way it can to ensure Adex's success.

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