
Lynas Corporation acquires stake in Northern Uranium

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Rare earths developer Lynas Corporation has popped up on the share register of Northern Uranium acquiring 9,509,366 shares in on market purchases in three tranches at USD 0.12 to USD 0.135 per share on August 19th 2010.

The share purchases provide Lynas with 9.44% stake in Northern Uranium. Interestingly, on August 9th 2010 Northern Uranium announced it had signed a binding letter of intent with Jiangsu Eastern China Non Ferrous Metals Investment Holding Company Limited. Results achieved to date by Northern Uranium at its heavy rare earths project have been very encouraging.

Subject to approval from Northern Uranium shareholders, ECE will invest about AUD 15.7 million in Northern Uranium at a share subscription price of AUD 0.145 per share.

Northern Uranium owns the Browns Range Rare Earths project which previously formed part of the Gardiner-Tanami Project but since 2009 has become a focus for the company's rare earth element exploration program. The project consists of two granted exploration licenses and one tenement application. The tenements cover an area of 400 square kilometers within Western Australia, located adjacent to the WA/NT border approximately 150 kilometers southeast of Halls Creek.

A total of 59 rock chip samples were collected from the Browns Range area with 11 returning assays with TREE+Y greater than 1% and up to a maximum of 7.95% TREE+Y. REE distribution is dominated by high value Heavy Rare Earth Elements with 65% to 75% of REE's being Heavy REE for all except one of the anomalous samples.

(Sourced from Proactive Investors)

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