



## The Northern Miner

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### **Yankee Hat forms tungsten JV with Japanese group**

*Restrictions on tungsten exports from China have caused resource-poor Japan to look to the Yukon and Northwest Territories as a new source for the rare metal.*

**Yankee Hat Minerals (KHT-V) and Japan Oil, Gas and Metals National Corporation (JOGMEC)** have formed a joint venture to explore for tungsten starting with a budget of \$800,000 for the rest of this year.

The Yukon holds about 15% of the world's tungsten reserves while about 57% are in China, and up until recently, 85% of world supply has come out of China.

In January, the Chinese government increased tungsten export tariffs and began restricting exports to foreign markets to reduce its trade surplus. This year China allocated 10,785.55 tonnes of tungsten for export, 10.2% lower than last year's quotas, according to [www.chinamining.org](http://www.chinamining.org).

Yankee Hat will be the project manager but under the agreement will set up a management committee with JOGMEC. The committee will approve the annual exploration budget; the agreement will continue until 2011.

"We are the only company partnered with JOGMEC for generative, grassroots tungsten exploration in North America," said Brad Kitchen, Yankee Hat president.

Kitchen says that having JOGMEC as a partner will be beneficial to its shareholders.

"When an important discovery is made "Yankee Hat will be able to exploit these assets while not requiring heavily dilutive funding," Kitchen said.

Programs will be funded 60% by JOGMEC and 40% by Yankee Hat.

JOGMEC will have the right to acquire a 60% interest in any mineral property identified for further exploration, which will become a 'designated property,' with separate

agreements for each. Properties identified for the regional joint venture program but not selected as a designated property will be fully owned by Yankee Hat.

So far, Yankee Hat has 294 tungsten claims in Northern Canada.

JOGMEC's mandate is to secure a stable supply of natural resources for the Japanese economy.