

HD MARKET CLOSES MILDLY HIGHER IN LINE WITH ASIAN MARKETS

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The S&P/ASX200 closed up 16.8 points to 5366.9 on good volume worth \$6.3 **billion**, or \$4.3 **billion** subtracting \$2 **billion** against assignments this morning. There were 533 issues higher and 447 down. The SPI Futures was up 11 points to 5356 on light volume of 14,004 contracts.

Aussie 10 year bond yields were steady at \$4.08. The \$A is at 92.70US c, up 30 points on last evening.

*The banks contributed 12.5 positive points to the index, insurers contributed 0.4 negative points, resources contributed 3.2 positive points, **property** trusts contributed 1.3 positive points, retailers contributed 2.5 negative points, Telstra contributed 0.5 positive points.

Over the week the S&P/ASX200 rose 28.8 points or 0.5% to 5366.9.

*At 4pm AEST the Nikkei Dow futures was steady at 14,640 points, Shanghai CSI physical was up 5.92 points to 2052.51, Hang Seng futures was up 242 points to 22,077 points. S&P futures was up 4 points to 1844.60. Nasdaq futures was up 6.75 points to 3561. Dow futures was up 24 points to 16,206.

Gold futures were down 30c to \$1294.50, crude futures rose 19c to \$101.47.

An influx of buying in the afternoon, with prices rising seems to indicate offshore demand, but there was plenty of local activity as well. Metals, as well as the banks were well sought.

China stimulus hopes continue to buoy markets. As well, a lukewarm response to the US's strong lobbying to get members of the United General Assembly to declare Crimea's referendum to secede to Russia seems to have cooled the situation (more below in news of the day).

"We'll probably close up about 5 points"

"Bernborough" said, "Being a Friday, people are not likely to do too much. I am not expecting much action. We'll probably close up about 5 points'..

The S&P/ASX200 was down 26.7 points to 5350.1 last evening.

THE WEEK AHEAD

Mar 31: Aussie cr, HIA new hom sales. Ex div: MNY ex 2c; VRT ex 12c; WBA ex 1.5c. **China** HSBC Market Mfr PMI, **M**fr PMI. Japan IP. US Chicago Purch Mgr, Euro CPI. BOE consum cr, Mort appr.

Apr 1: RBA Rates; Aussie PMI, Hous prices. Ex div: ALR ex 1.5c; GBT ex 4c; HHV ex 3.5c; ONT ex 6.5c; SXL ex 4.5c; **China** official PMI. Japan Qtr Tankan. US constr spend, ISM **M**fr, ISM prices, PMI Mfr, **M**/v prices. Euro PMI **M**fr, UK PMI **M**fr.

Apr 2: Aussie eng constr, job vac, resid bldg approvals. Ex div: NCC ex 2.8c. **China** non mfr PMI. US ADP Employ, factory orders, crude inv. .

Apr 3: Aussie PSI Serv, retail sales, trade bal. Ex div: SIP ex 2c. US jobless, ISM non mfr, trade bal.

Apr 4: Ex div: AUB ex 12c; CAM x 1.2c; DJS ex 10c. US March jobs, avg wk hrs. German fact orders

TOP STOCKS

*Panoramic fell 14c to 41c on 7.19m shares following today's report on Savannah North Drilling that disappointed vs preliminary interpretation of the downhole EM survey when the Savannah North discovery hole was thought to be part of a substantial conductor was put into doubt.

Among the financials, AMP closed up 6c to \$4.96 on 10.74m shares including 3.8 mln shares assigned, ANZ rose 27c to \$32.82 on 10.18m shares including 6 mln shares assigned, CBA gained 58c to \$77.14 on 8.3m shares including 5.6 mln shares assigned, NAB rose 28c to \$35.32 on 10.7m shares, including 6.7m shares assigned, Westpac gained 21c to 434.43 on 10.8m shares including 5.8m shares assigned.

Among the TMT's Telstra rose 1c to \$5.03 on 48.6m shares including 26.7m shares assigned, Telecom NZ was steady at \$2.27 on 1.2m shares, SingTel was steady at \$3.12 on 917,318 shares.

Among the resources BHP rose 16c to \$36.14 on 11.26m shares including 6.2m shares assigned, RIO gained 6c to \$63.24 on 5.1m shares including 3.6m shares assigned, Fortescue rose 8c to \$5.34 on 28.9m shares, AWC rose 6c to \$1.20 on 19.6m shares, Iluka was down 7c to \$9.71 on 2.6m shares. Mt Gibson rose 3c to 87.5c on 10m shares.

Among the oils, Woodside closed up 22c to \$38.65 on 3.1m shares, also report below. Santos rose 2c to \$13.32 on 4.95m shares, **Oil** Search fell 6c to \$8.36 on 4.18m shares.

Among the golds, Newcrest rose 12c to \$9.80 on 14.8m shares, also report below, Perseus rose 1.5c to 43c on 5.6m shares, Regis fell 9c to \$2.19 on 4m shares, Saracen was down 1.5c to 32c on 2.6m shares, St Barbara fell 1.5c to 27c on 5.79m shares. Alacer rose 2c to \$2.71 on 532,127 shares.

WINNERS AND LOSERS AMONG THE TOP 20 OVER THE WEEK

Fortescue was the winner over the week, up 36c or 7.2% to \$5.34 followed by Macquarie, up 282c or 5.1% to \$56.75 and RIO, up 187c or 3% to \$63.24.

On the downside, QBE fell furthest, down 25c or 1.9% to \$12.65 followed by CSL, down 126c or 1.8% to \$69.85 and Brambles, down 15c or 1.6% to \$9.32.

AT THE SMALLER END

*Marmota closed up 1.7c to 4.1c on 47.6m shares on the report below.

*TNG closed up 1.2c to 7c on 25.5m shares on the report below.

*PIE Networks rose 1.1c to 6.2c on 380,000 shares on the report below.

*pSivida fell 39c to \$4.41 on 107 shares with ILUVIEN being filed again, for the third time, to seek FDA approval.

*Prana Biotech fell 10.5c to \$1.04 on 1m shares ahead of a likely result of the phase 2B Alzheimer's results expected on Monday.

NEWS OF THE DAY

*Japan's core consumer prices rose 1.3 percent in February from a year earlier, posting a ninth straight month of gains, government data showed, a sign the economy is making steady progress to overcome 15 years of mild deflation.

The year-on-year gain in the core consumer price index, which includes **oil** products but excludes fresh food prices, matched economists' median estimate for a 1.3 percent gain.

It also followed a 1.3 percent gain in January and December, which marked the quickest rise since 1.9 percent in October 2008.

The so-called core-core inflation index, which excludes food and **energy** prices and is similar to the core index used in the United States, rose 0.8 percent in the year to February.

It matched a high last hit in April 1998.

*Japan's household spending fell 2.5% in February from a year earlier, the first drop in six months vs up 0.1% expected.

*Retail spending slowed.

*Bloomberg reports almost half of the countries abstained from casting a vote on a US sponsored resolution to declare Crimea's secession to Russia as unconstitutional as none of their business.

Abstentions included **China**, Egypt, India, Iraq, Mongolia, Myanmar and other African nations.

Cuba and North Korea pointed out that the US and its allies had intervened to de-legitimize the democratically elected government of President Viktor Yanukovich who was ousted after an uprising last month.

Armenia, Belarus, Bolivia, Cuba, North Korea, Nicaragua, Sudan, Syria, Venezuela and Zimbabwe joined Russia in objecting to the resolution.

*Our Darvas System related Special Report is on ROC **Oil Company** Ltd today, posted separately.

*Our Week's Special is on "AYI: Sorghum - A Multi Purpose Crop For Sugar, Bio Fuel, Grain And Animal Feed - Expected To Be Of Increasing Importance In Australia - AYI Is A Listed Opportunity posted separately.

Ex div: ARP ex 13c; CWP ex 12c; MEQ ex div

LARGE CAP INDUSTRIALS

*AGK: Signs new landholder access principles with farmers and NSW Govt

AGL **Energy** Ltd announced it has agreed to new landholder access principles with farmers and the NSW Government to provide further assurance that farmers' wishes will be respected in the conduct of its gas **operations**.

Managing director Michael Fraser said the new principles formalised the respectful and collaborative approach AGL has always taken with farmers. It has more than 200 access agreements with farmers across the State.

Market Cap \$8.4b.

AGK up 1 cent to \$15.07

*FLT: \$11 mln penalties imposed following ACCC's case, may appeal

Flight Centre Travel **Group** announced in an update following the ACCC's 2012 competition law test case against FLT which has now concluded, penalties of \$11 **million** have been imposed on the **company** in the aftermath of the case.

Flight Centre may appeal the penalties.

Market Cap \$5.23b.

FLT down 11 cents to \$52.02

*GPT: GWSCF buys 50% in Northland Shopping Centre for \$496 mln

The GPT **Group** announced the GPT Wholesale Shopping Centre Fund (GWSCF) has acquired a 50% interest in Northland Shopping Centre for \$496 **million** from the Canadian Pension Plan Investment **Board**. The **transaction** represents an initial yield of 6.1% and a core capitalisation rate of 5.8%.

GPT CEO and managing director Michael Cameron said the **acquisition** was a rare opportunity to acquire an interest in a Super Regional asset in an off market process. (Mar 27)

Market Cap \$6.1b.

GPT up 3 cents to \$3.63

*NVT: Adult Migrant English contracts renewed up until June 30 2017

Navitas Ltd announced it has been advised by the Department of Industry that they intend to exercise the Commonwealth's Adult Migrant English Program contract extension options for all six NSW AMEP General Services contract regions, under similar terms and conditions.

The original contracts commenced on July 1 2011 with the contract extensions taking effect from July 1 2014 to June 30 2017.

Market Cap \$2.75b

NVT up 40 cents to \$7.33

*TTS: Revised calendar for full yr results

Tatts **Group** Ltd announced full year results will be announced on August 21, ex div on Sep 1, record date Sep 3, DRP pricing Sep 5. AGM October 29. (Mar 27)

Market Cap \$4.1b.

TTS up 3 cents to \$2.90

LARGE CAP RESOURCES

*FMG: Official opening of 40mtpa Kings Valley project

Fortescue Metals **Group** announced it has today celebrated the official opening of its 40 **million** tpa Kings Valley project at the Solomon Hub, marking the completion of the \$US9.2 **billion** expansion of its Pilbara **operations**.

The project was officially opened today by West Australian Governor His Excellency Malcolm McCusker, AC CVO, QC at an event attended by the Hon Bob Baldwin MP Parliamentary Secretary to the Minister for Industry as the PM's representative.

Market Cap \$16.6b.

FMG up 8 cents to \$5.34

*NCM: Extends bilateral bank loan facilities

Newcrest **Mining** Ltd announced it has completed arrangements to extend the tenor of the majority of its existing bilateral bank loan facilities out to various dates up to 2020. There is no material change to terms and conditions, or in the total level of debt facilities and no increase in interest cost.

Market Cap \$7.5b.

NCM up 12 cents to \$9.80

*NZO: Int NPAT down on pcpr on exploration, 3NZc div, \$184mln cash, no debt

New Zealand **Oil & Gas** Ltd for the half year ended January 31 2014 net profit after tax was \$NZ4.003 **million** vs \$NZ7.666 **million** for the previous corresponding period (pcpr) on revenue worth \$NZ51.418 **million** vs \$47.869 **million** for the pcpr.

A 3NZ c dividend was announced, steady with the pcpr.

Basic eps is 1NZ c vs 1.0NZ c for the pcpr.

NTA backing per security is 84NZ c vs 85NZ c for the pcpr.

Nil borrowings.

Cash and cash equivalent \$NZ184.211 **million** vs \$NZ208.997 **million** for the pcpr.

Comment

CEO Andrew Knight said in the report said in the report the lower profit vs the pcpr reflects higher exploration spend.

Gross profit was in line with the same period a year ago and EBITDAX was up 135.

The **company**'s two producing assets Tui and Kupe are delivering steady cash flows, sustaining a dividend and supporting a strong balance sheet.

He added the **company** is keeping a constant watch on growth opportunities that present value. The attention is on maximising opportunities within existing permits and producing assets.

The **company** listed its portfolio of projects, with the core focus on New Zealand, in the producing Taranaki basin and frontier exposure in the Canterbury-Great South Basin. It also has an interest in a new production sharing contract in Indonesia.

Market Cap \$295m.

NZO untraded last at 71.5 cents

*RIO: Output from Oyu-Tolgoi Cu/Au mine to be lower than expected full yr

Rio Tinto announced full year output from the Oyu Tolgoi **copper-gold** mine will be lower than initially expected.

Output is expected to be between 135,000/160,000 tonnes of **copper** in concentrate this year from 150,000/175,000 tonnes initially, Fast Markets quoted Standard Bank's Leon Westgate as saying.

Market Cap \$94b. RIO up 6 cents to \$63.24

*RSG: PFA contributes to 54% increase in **ore** reserves at Syama, DFS next yr

Resolute **Mining** Ltd announced the independent underground pre feasibility study completed by Snowden has contributed to a 54% increase in **ore** reserves at the Syama project in Mali, to 3.15 **million** ozs.

The PFS supports the high volume, low cost and financially viable underground operation extending long term production at Syama by at least 7 years to beyond 2025.

Diamond drilling continues to upgrade and extend the Syama **ore** body at depth. Early significant intercepts include 55m at 3.17gpt Au and 41m at 2.92gpt Au.

A DFS is expected to commence in 2015 following completion of a proposed 16,000m infill drilling campaign.

Analyst comment: Following the report a leading broker said its initial view of the PFS is a concept for a sub level caving operation, producing 2Mtpa of **ore** over a 7 year life, expected to commence in late 2020 in line with completion of the pit. The broker said overall it is early days. Additional drilling could provide the upside needed. It does not as yet include Syama U/G in its base case estimates.

Market Cap \$365m. RSG up 2.5 to 57 cents

*WPL: No definitive agreement on Leviathan on Mar 27, discussions continue

Woodside Petroleum Ltd advised with regard to the MOU entered with the Leviathan joint venturers, the parties have not executed the definitive agreements by the target date of March 27 contemplated in the MOU. Discussions continue with the parties and the Israeli government.

Market Cap \$32b.

WPL up 22 cents to \$38.65

MID TO SMALL INDUSTRIALS

*AIX: AIX in .5c buyback, set to become charitable trust

Australian Infrastructure Fund Ltd announced equal access buyback and new business direction as a Listed Investment **Company** with a charitable purpose. As foreshadowed in the half year report the **company**'s new business direction follows a proposal from the Wilson Foundation, an entity associated with Mr Geoff Wilson which includes an equal access buyback of shares at .5c per share, \$1 **million** commitment from the Wilson Foundation by way of subscription for new shares at an issue price equal to the **buy** back price subject to shareholder approval and will then seek to raise new capital. (Mar 27)

Market Cap \$3.1m.

AIX steady at 0.5 cents

*CYC: To cease Cyclopet prod, record provision due to ANSTO undercutting

Cyclopharm Ltd announced it has decided to cease **commercial** production at its molecular imaging business, conducted by Cyclopet at the end of April 2014.

Announcing this today, the Directors said that over the past few years the Cyclopet business has faced significant financial challenges associated with the ongoing anti competitive practices of the Australian Nuclear Science and Technology Organisation (ANSTO) which in 2012 through its wholly owned PETNET business, continues to sell its products into the NSW market at prices that are not commercially viable.

Cyclopharm commenced proceedings against ANSTO and PETNET in the Federal Court of Australia in the same year which are ongoing and will not be affected by this decision.

Cyclopharm will focus its financial and management resources on growing its Technegas business in international markets and continue the development of its patented Ultralute technology.

As a result of the Cyclopet decision Cyclopharm has recorded a non cash asset writedown of \$8.86 **million** in its 2013 accounts and expects to make a provision for closure related expenses including redundancy costs of approximately 11 **million** after tax on 2014.

Market Cap \$12m.

CYC steady at 21 cents

*GOW: Int NPAT steady disregarding one off, 6c ff div, DRP suspended

Gowing Brothers Ltd, established in 1868, (initially as a gentleman's outfitter) is an investor in both real **estate** and stocks, for the six months ended January 31 announced net profit after tax was down 30% to \$4.784 **million** on revenue up 7% to \$10.296 **million**.

Profit was down largely due to last year's result including as other income \$4.8 **million** from the recovery of a previously written off Collateralised Debt Obligation.

A 6c fully franked dividend was announced, steady with the pcg, record date is April 10. The DRP and Bonus in Lieu plan are suspended.

Basic eps is 9.8c vs 13.9c for the previous corresponding period (pcg).

Cash in hand is \$6.675 **million** vs \$15.213 **million** for the pcg.

NTA backing per security before tax on unrealised gains was \$3.36 vs \$3.29 for the pcg.

NTA backing per security after tax on unrealised gains on equities was \$3.27 vs \$3.21 for the pcg.

The **company** does not usually provide an outlook statement.

Market Cap \$127m.

GOW untraded last at \$2.60

*HLO: Loses GST claim appeal, expected to result in cost of \$1.7m plus

Helloworld Ltd advised a decision was handed down today on the GST appeal before the Federal Court of Australia that found in favor of the Commissioner. While needing to be reviewed and assessed, it is likely the outcome will result in a non recurring expense net of income tax to HLO in the range of \$1.7 mln exclusive of any interest, costs or penalties that have yet to be determined. HLO will also be required to remit GST withheld during the process of the claim. The GST has been separately retained in client cash rather than general **company** cash. There is no material ongoing impact on profitability because the **company** no longer operates an inbound travel business. (Mar 27)

Market Cap \$150m.

HLO untraded last at 34 cents

*MCS: CEO Paul Garaty to resign, Mark Rowsthorn becomes MD and CEO

McAleese **Group** Ltd announced the current interim executive chairman Mark Rowsthorn will assume the role of full time MD and CEO. Paul Garaty, currently CEO has resigned but will remain for an interim period to assist with the restructuring of the **company**'s Cootes Transport business.

Don Telford, one of the most respected figures in the transport industry and a current independent non exec director of the **company** will assume chairmanship. Wayne Kent will remain independent non exec chair.

The Chief Financial Officer Chris Nunn has resigned. Mr Rowsthorn paid tribute. Warren Saxelby has been appointed CFO.

Retains Norton **Gold** Fields haulage contract, worth \$65m over 4 years

Separately, McAleese Resources Pty Ltd announced it has retained the Norton **Gold** Fields haulage contract after a competitive tender process. The new four year contract has a total value of \$65 **million**.

McAleese Resources employs over 150 people in the Kalgoorlie region and operates 45 units to service customers across the WA Goldfields.

Market Cap \$151m.

MCS steady at 52.5 cents

*NAN: Miele launches NAN's trophon at Berlin hosp hygiene congress, Mar 30

Nanosonics Ltd announced it has entered into a strategic partnership with Miele Professional for the distribution of trophon EPR in Germany.

Miele Professional is a world leading authority and provider of medical disinfection and sterilisation equipment and has been in the forefront of development in the field of washer - disinfectors for hospitals and surgeries for several decades.

Nanosonics president and CEO Michael Kavanagh said the partnering with Miele provides a great opportunity to establish the trophon EPR as the new standard of care for the high level disinfection and ultrasound probes in the important German market.

Currently either wipes or immersion in toxic chemicals such as gluteraldehyde are the primary methods of ultrasound probe disinfection in Germany. While the commission for hospital hygiene and infection prevention at the Robert Koch Institute have recommended automated reprocessing systems are preferable, up until now such automated systems for the disinfection of ultrasound probes did not exist. Miele will conduct a national launch of trophon EPR at the DGKH congress (German Society of Hospital Hygiene) Berlin on March 30.

Market Cap \$226m.

NAN up 0.5 to 85.5 cents

*PFL: Steven Chaur appointed MD and CEO

Patties Foods Ltd announced Steven Chaur has been appointed MD and CEO, commencing April 15 2014.

Mr Chaur has had a 20 year career in senior leadership roles, including as Executive GM of Tip Top Bakeries (Southern) GM of Findus Australasia and GM of National Foods Tasmania. Most recently he was MD Pacific of Saint-Gobain.

Market Cap \$181m.

PFL down 3 cents to \$1.30

*PIE: Proposed **acquisition** of Newzulu, leading crowd sourced news platform

PieNetworks announced the proposed **acquisition** of Newzulu, one of the world's leading crowd sourced news and freelance journalism platforms. A 15% placement has been completed at 4c per share, raising approximately \$400,000. The **acquisition** will be made via a placement of shares to Newzulu. There is no certainty at this stage that a formal agreement will be concluded. Newzulu is one of the world's leading crowd sourced news and freelance journalism platforms, operating in partnership with Agence France-Presse, the Press Association in the UK & Ireland and Australian Associated Press in Australia and New Zealand.

Also chairman Peter Gunzburg announced the appointment of Phil Kiely as a director. Bill Zikou has advised he wants to resign on April 4 2014.

Market Cap \$4.2m.

PIE up 1.1 to 6.2 cents

*PRR: Abstract accepted for ASCO Gynecologic Cancer meeting, Chicago

Prima BioMed announced the American Society of Clinical Oncology has accepted the abstract entitled, "Progression free survival in ovarian cancer patients in second remission is improved with mucin-1 autologous dendritic cell therapy for oral presentation at the Gynecologic Cancer Session at the 2014 ASCO Annual Meeting to be held May 30/June 3 in Chicago.

Market Cap \$52m.

PRR up 0.2 to 4.2 cents

*PVA: NDA appl'n for ILUVIEN resubmitted to FDA responding to queries

pSivida announced the New Drug Application for ILUVIEN for the treatment of chronic Diabetic Macular Edema has been resubmitted to the US FDA, responding to questions raised in the FDA's October 2013 complete response letter and provided a safety update including **commercial** experience with ILUVIEN in Europe.

Market Cap \$31m.

PVA down 39 cents to \$4.41

*RVA: To fast track development of bioresorbable scaffold Fantom

REVA announced it will fast track the development of its breakthrough "thin strut" fully bioresorbable scaffold family Fantom, both less complex to manufacture and resulting in coronary scaffolds that are smaller and stronger than REVA's current ReZolve platform.

Fantom maintains REVA's unique attributes of x-ray visibility and a single inflation to expand the device, featuring the **company** believes competitive polymer scaffolds do not offer.

CEO Bob Stockman said in the report, "We are witnessing the conversion in an annual 44 billion market from metallic stents to the use of fully bioresorbable scaffolds, because these new devices help to restore blood flow in diseased heart vessels, then disappear.

The **company** will stop spending further resources on ReZolve other than to follow patients in the RESTORE CE Mark trial. This will enable the **company** to focus all resources on preparing Fantom for human studies beginning end of this year. (Mar 27)

Market Cap \$74m.

RVA down 17 to 22 cents

*SAV: ANZ approves terms for **sale** of ART entities

Savcor announced it has agreed the terms under which ANZ Banking **Group** Ltd will approve the proposed **sale** of the Savcor ART entities to Soletanche Freyssinet SAS.

Market Cap \$987,000.

SAV untraded last at 0.7 cents

*STS: Full yr profit to be up 120%/MD David Perry to retire Jun 2015

Structural Systems Ltd announced the full year NPAT is forecast to be within the range of \$6.7/7.5 **million**. The mid range represents an improvement of 120% on the 2013 financial year.

Provision has been made in the forecasts for legal expenses in relation to the Eastern Treatment Plant dispute.

Managing director David Perry also advised he does not intend to continue his employment contract beyond June 2015.

Mr Perry said the **company**'s balance sheet is in great shape and the **company** is on track for a significant improvement in profitability on last year.

His children were now of an age where it is important for him to spend more time with them than his current work and travel commitments allow.

The **board** paid tribute to David's dedication and efforts over the past 12 years, and thanked him for the advance notice. The **board** will meet next week to develop a replacement program.

Market Cap \$37.5m STS up 5.5 to 59.5 cents

MID TO SMALL RESOURCES

*AGS/Other: Four Mile **Uranium** Project ready to start production in April

Allegiance Resources Ltd advised the engineering and construction at the Four Mile **Uranium** Project is nearly complete and the project is currently being commissioned.

Quasar Resources Pty Ltd has advised the project is on schedule to commence production in April 2014, subject to final regulatory approval of the monitoring strategy. Alliance's 100% owned subsidiary ACE has 25% of ML6402 and EL5017, Quasar holds 75% and is manager.

Market Cap \$73m.

AGS down 1 to 21.5 cents

*CZA: Approval received for **sale** of Opgoedenhooop mineral rights for R20.4m

Coal of Africa Ltd announced that Section 11 approval has been granted by the Department of Minerals Resources for the disposal of the Opgoedenhooop mineral right. The consideration for the **sale** is R20.4 **million** and a deposit of R5 **million** has been received. The balance of the consideration is payable within 12 months. (Mar 27)

Market Cap \$92m.

CZA untraded last at 8.8 cents

*DRK: Conditional **sale** of Tasiast South following option period

Drake Resources Ltd announced it has entered into a binding heads of agreement with Martineau **Mining** Pty Ltd, a private **company** based in Perth to acquire Drake's Tasiast South prospects in Mauritania.

Martineau has an option period ending December 31 2014 to assess the projects and can extend the option period a further six months by paying Drake \$50,000 before December 31.

Martineau are responsible for maintaining the permits in good standing during the option period.

Martineau can acquire the tenements by paying Drake \$400,000 at any time during the option period.

Martineau will reimburse Drake's 2014 Tasiast South project expenditure and will pay Drake a production royalty equal to 1% of revenue net of refining costs.

The HOA is conditional on Martineau securing appropriate funding within 45 days of execution.

Market Cap \$4m.

DRK steady at 2.6 cents

*MEH/CDT: Agrees intro fees to parties that introduced its Ghanaian assets

Merah Resources Ltd announced it has reached agreement with regard to the payment of introduction fees to the parties that introduced the Ghanaian assets to the **company**. The parties also terminated exclusivity arrangements with Castle Minerals Ltd enabling Merah to secure an option to acquire the Antubia Project and the Kong Project from Castle and/or its subsidiaries.

Merah has agreed to make an immediate cash payment of \$A10, and a cash payment of \$45,000 to also be issued on certain milestones. (Mar 27)

Market Cap \$1.7m. / \$4.5m

MEH untraded last at 9 cents / CDT untraded last at 3.5 cents

*NDO: Terminates farmout to Colossal Petroleum on failure to secure approvals

Nido Petroleum Ltd advised the **Sale** and **Purchase** Agreements entered into between Nido and Colossal Petroleum Corporation with respect to the **company's** participating interests in Service Contract 54A and Block A, Block **B**, Block **B** Retention and Block D Retention of Service Contract 14 has been terminated due to the failure of the parties to secure relevant j/v and government approvals.

Nido will retain its interests in those service contracts.

Market Cap \$80m.

NDO down 0.1 to 3.9 cents

*PAN: Further drilling around KUD 1525 does not explain its EM response

Panoramic Resources Ltd in a drilling update on Savannah North said since the announcement on March 3, when the underground drill hole KUD1527 was still in progress, further drilling in proximity does not explain the strong off hole EM responses detected earlier in KUD1525 and KUD 1526. The current interpretation is that the gabbroic unit is not considered part of the Savannah Intrusion, but possibly related to the North Olivine Gabbro Complex situated to the north of the Savannah Mine. Further drilling and DHEM surveying will be conducted.

Market Cap \$132m.

PAN down 14 cents to 41 cents

*PCP: Up to 69 gpt Au in rock chip samples at Gunung Rosa, West Java

Paramount **Mining** Corporation Ltd announced analysis from random and composite rock chip samples confirm the extension of mineralised veins and breccias by 1 km to the north of the Gunung Rosa mine within its Gunung Rosa **gold**, silver and base metals licence in West Java, Indonesia and show significant co-anomalous **gold**, silver, base and trace metal values. Rock chip results grade up to 69gpt Au.

Chairman Mo Munshi commented results confirm the potential for a large mineralised system. The system remains untested by drilling to the north and east of the current mine workings.

Market Cap \$31m.

PCP untraded last at 5.5 cents

*PSA/AWE: Acquiring AWE's 21.25% **stake** in Block 7, onshore Yemen

Petsec **Energy** Ltd announced it has executed an agreement with a wholly owned subsidiary of AWE Ltd to acquire its 21.25% Participating Interest in the Block 7, Al Barqa Permit in the Republic of Yemen.

Block 7 is an onshore exploration permit covering an area of 5,000 sq km located approximately 340 km east of Sana'a, the capital of Yemen.

Terms include a cash consideration of \$US1 **million**, replacement of AWE's existing Letter of Credit with the Arab bank and working capital adjustments on completion. Completion of the **transaction** is subject to customary approvals from the j/v partners and the state owned Yemen **Oil & Gas Co.**

Market Cap \$22m. / \$781m.

PSA up 0.5 to 9.5 cents / AWE up 3 cents to \$1.495

*SBM: S&P lowers credit rating to **B**-/no change in debt arrangement

St Barbara Ltd announced it notes Standard & Poor's has revised its credit rating of St Barbara from **B** to **B-**. There is no change in existing debt arrangements as a consequence of the revised rating. (Mar 27)

Market Cap \$132m

SBM down 1.5 to 27 cents

*TGN: Raising up to \$4.24 mln via placement, 1 for 1 offer at 4c

Tungsten **Mining** NL announced it has entered into agreement to raise up to \$4.24 **million** before costs by way of an institutional placement and a renounceable entitlement offer. Funds raised will be principally applied towards advancing the **company's** Kilba project.

The **company** will issue 10 **million** new shares at 4c each to two clients of Eight Carat Securities Pty Ltd to raise \$400,000 before costs and proposes a 1 for 1 share offer at 4c per new share to raise up to \$4.24 **million** before costs. (Mar 27)

Market Cap \$4.5m

TGN untraded last at 7 cents

*TNG: Non binding MOU with Woojin Ind Co of Korea

TNG Ltd announced a non binding MoU was signed with leading Korean ferro-vanadium **group** WOOJIN IND Co Ltd for long term strategic cooperation. Woojin is one of the world's leading suppliers of ferro-vanadium and related products.

The landmark MOU envisages long term strategic cooperation with respect to offtake, marketing, technology exchange and other mutually beneficial agreements in relation to vanadium and other products from TNG's Mount Peake Project, subject to satisfactory due diligence over the following 60 days.

TNG is currently at an advanced stage of a Definitive Feasibility Study on the Mount Peake development, producing high purity vanadium pentoxide, **iron** oxide and titanium dioxide.

Market Cap \$39m.

TNG up 1.2 to 7 cents

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