

HD UP ALMOST EXACTLY AS EXPECTED/ CHINA NEWS A DAMPENER

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WC 4,890 words

PD 15 January 2014

SN OzEquities News Bites

SC NBOZEN

LA English

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The S&P/ASX200 closed up 33.4 points to 5245.4 on lightish volume worth \$3.3 billion. There were 600 issues higher and 360 down. The SPI Futures closed up 31 points to 5205 on 17,793 contracts. Aussie 10 year bond yields were steady at 4.23%.

The \$A is at 89.14US c, down 1.20US c from last evening.

*The banks contributed 10.4 positive points to the index (after contributing 28.4 negative points yesterday), resources contributed 1.2 positive points, property trusts contributed 1.2 positive points, retailers contributed 2.9 positive points and Telstra contributed 0.9 positive points.

At 4pm AEST the Nikkei Dow futures rose 360 points to 15,780 points, Shanghai CSI physical fell 12.74 points to 2014.10, Hang Seng futures rose 93 points to 22,865, S&P futures fell 0.2 points to 1832.50. Nasdaq futures fell 0.75 points to 372.25 points, Dow futures fell 2 points to 16,298 points. Gold futures fell \$5.80 to \$1239.60.

Crude futures were down 1c to \$92.58.

* The price of gold fell after two US senators made speeches strongly in favor of tapering.

Our market regained less than half of yesterday's loss, as expected, with the \$A back to recent levels after the inexplicable spike up over the last few days (that triggered a bank sell off), with sobering China eco news, and World Bank forecasts for China, a dampener for expected growth in Australia's major trading partner.

CHINESE BANKS NEW LOANS FAR SHORT OF FORECAST

*Chinese banks made 482.5 billion yuan (HK\$614 billion) worth of new yuan loans last month, falling far short of a forecast of 600 billion yuan and the previous month's 624.6 billion yuan, central bank data showed on Wednesday.

The broad M2 money supply rose 13.6 per cent last month from a year earlier, the People's Bank of China said, missing the forecast in a Reuters poll of a 13.8 per cent rise.

Outstanding yuan loans rose 14.1 per cent from a year earlier versus forecasts for growth of 14.3 per cent.

The central bank said China's total social financing aggregate, a broad measure of liquidity in the economy, was 1.23 trillion yuan last month, unchanged from the month before.

China's foreign exchange reserves, the world's largest, hit US\$3.82 trillion at the end of the year from US\$3.66 trillion at the end of September.

WORLD BANK UPGRADES FORECAST FOR GLOBAL GROWTH ..

*The World Bank upgraded its forecast for global growth this year by two tenths to 3.2%.

Growth is then projected to stabilise at 3.4 per cent in 2015 and 3.5 per cent in 2016.

"Growth appears to be strengthening in both high-income and developing countries, but downside risks continue to threaten the global economic recovery," World Bank **Group** president Jim Yong Kim said in a statement.

"The performance of advanced economies is gaining momentum, and this should support stronger growth in developing countries in the months ahead."

.. BUT **CHINA'S** GDP TO BE FLAT THIS YEAR, SLOW NEXT FEW YEARS

The World Bank said it expected **Chinese** GDP to stay flat this year at 7.7 per cent before slowing to 7.5 per cent over the next few years, "reflecting deleveraging and less reliance on policy-induced investment".

"The region is vulnerable to risks of disorderly unwinding in **Chinese** investment and abrupt tightening in global financing conditions," the World Bank added. "Commodity exporters are also vulnerable to sharper than expected declines in commodity prices."

"High will be 5257. Low 5220. Close at 5242, up 30 points"

Daniel Goulding, the author of The Sextant Report said, "Our market looks set to open higher with our local futures contract up 30 points.

"Global equities were given some breathing room overnight with a moderate pull back in the Japanese yen.

"Over in the US the Semiconductor index hit a new rally high and with the Trannies on the verge of doing the same, there is a green light for US equities to hit new rally highs.

"Volume yesterday in our market, while higher than what we have witnessed recently, was not that significant, suggesting it is just a pullback on the way to a new, perhaps final, rally high.

"The high today will be 5257. The low will be 5220. When the dust has settled the market will have closed at 5242, up 30 points".

The S&P/ASX200 fell 80.1 points to 5212 last evening.

ECO NEWS

The ABS reported in lending finance for November,

HOUSING FINANCE FOR OWNER OCCUPATION

The total value of owner occupied housing commitments excluding alterations and additions rose 1.4% in trend terms and the seasonally adjusted series rose 1.9%.

PERSONAL FINANCE

The trend series for the value of total personal finance commitments rose 0.5%. Fixed lending commitments rose 0.6% and revolving credit commitments rose 0.3%.

The seasonally adjusted series for the value of total personal finance commitments rose 0.6%. Fixed lending commitments rose 1.2%, while revolving credit commitments fell 0.1%.

COMMERCIAL FINANCE

The trend series for the value of total **commercial** finance commitments rose 1.1%. Fixed lending commitments rose 1.7%, while revolving credit commitments fell 0.7%.

The seasonally adjusted series for the value of total **commercial** finance commitments rose 8.3% in November 2013, after a fall of 4.1% in October 2013. Revolving credit commitments rose 4.8%, after a fall of 11.5% in the previous month. Fixed lending commitments rose 9.4%, after a fall of 1.6% in the previous month.

LEASE FINANCE

The trend series for the value of total lease finance commitments fell 1.9%, while the seasonally adjusted series rose 1.9%, following a rise of 1.7% in October 2013.

*The ABS reported Engineering Construction Activity in Australia in September 2013 in trend rose 1.2% in the September 2013 quarter.

The seasonally adjusted estimate for the value of total engineering construction work done rose 4.3% in the September quarter to \$32,720.8m.

PRIVATE SECTOR

The trend estimate for the value of work done for the private sector rose 2.6% in the September quarter.

The seasonally adjusted estimate for the value of work done for the private sector rose 7.9% in the September quarter to \$25,290.5m.

PUBLIC SECTOR

The trend estimate for the value of work done for the public sector fell 2.8% in the September quarter.

The seasonally adjusted estimate for the value of work done for the public sector fell 6.0% in the September quarter to \$7,430.3m.

VALUE OF WORK COMMENCED, CURRENT PRICES

The value of work commenced in the September quarter was \$21,017.6m in original terms, an increase of 18.3% from the June quarter.

Sales of New **m**/vs in Australia, December 2013

TOTAL NEW MOTOR VEHICLE SALES

Trend estimates: The December 2013 trend estimate (95 401) has increased by 0.3% when compared with November 2013.

Seasonally adjusted estimates: The December 2013 seasonally adjusted estimate (97 014) has increased by 1.7% when compared with November 2013.

SALES BY TYPE OF VEHICLE

Trend estimates: When comparing national trend estimates for December 2013 with November 2013, sales of Sports utility and Other vehicles increased by 0.7% and 0.8% respectively. Over the same period, Passenger vehicles remained steady.

Seasonally adjusted estimates: When comparing seasonally adjusted estimates for December 2013 with November 2013, sales of Passenger, Sports utility and Other vehicles increased by 0.7%, 1.9% and 4.0% respectively.

SALES BY STATE

Trend estimates: Five of the eight states and territories experienced an increase in new motor vehicle sales when comparing December 2013 with November 2013. The Australian Capital Territory recorded the largest percentage increase (1.6%), followed by Victoria (0.6%) and Tasmania (0.6%). Over the same period, sales in the Northern Territory decreased by 0.4%.

Seasonally adjusted estimates: Five of the eight states and territories experienced an increase in new motor vehicle sales when comparing December 2013 with November 2013. Western Australia recorded the largest percentage increase (5.2%) followed by Queensland (4.2%) and the Australian Capital Territory (2.5%). Over the same period, sales in South Australia decreased by 3.4%.

TOP STOCKS

*OZL rose 43c to \$3.50 on 5.5m shares on a better than expected quarterly.

*Paladin rose 4c to 49c on 22.9m shares for the same reason.

*James Hardie rose 55c to \$13.05 on 1m shares, a major beneficiary from a lower \$A, also a broker's "**buy**" recommendation today.

*Fortescue rose 18c to \$5.33 on 16.7m shares on further lowering its debt levels.

*Crown rose 57c to \$17.66 on 1.9m shares.

*Magellan Financial rose 32c to \$1.33 on 298,000 shares.

*Platinum Management rose 16c to \$6.72 on 677,349 shares.

Among the financials, AMP closed steady at \$4.42 on 4.68m shares, ANZ rose 18c to \$30.97 on 3.9m shares, CBA gained 39c to \$76.19 on 2m shares, NAB rose 26c to \$33.83 on 2.8m shares, Westpac gained 20c to \$31.71 on 4.1m shares.

Among the TMT's Telstra rose 2c to \$5.22 on 19.3m shares, Telecom NZ gained 3c to \$2.21 on 2.2m shares, SingTel was up 5c to \$3.12 on 351,544 shares.

Among the resources BHP closed down 21c to \$35.93 on 7.2m shares. RIO, reporting production for the December quarter and full year tomorrow rose 89c to \$64.24 on 1.55m shares. Atlas fell 1c to 93.5c on 26.7m shares, AWC rose 1c to \$1.22 on 16m shares. Iluka rose 2c to \$8.26 on 1.4m shares, Lynas rose 2.5c to 33c on 21.3m shares. Sandfire was up 14c to \$6.28 on 372,420 shares.

Among the oils, Woodside also reporting for the quarter tomorrow, rose 28c to \$37.63 on 1.9m shares. Santos closed up 13c to \$14.17 on 2.5m shares, **Oil** Search fell 4c to \$8.04 on 1.3m shares. Karoon rose 1 to \$3.79 on 612,210 shares.

Among the golds, losers outnumbered the winners again as the **gold** price weakened. Newcrest fell 27c to \$8.53 on 5.1m shares, Medusa fell 4c to \$2.10 on 969,162 shares, Alacer was up 2c to \$2.37 on 345,208 shares. Regis fell 21c to \$2.69 on 5.1m shares, also downbeat comments from brokers on RRL today.

AT THE SMALLER END

*WDS rose 6c to 84c, also a broker's recommendation today.

*Sundance rose .4c to 9c on 16.6 **million** shares.

NEWS OF THE DAY

Ex div: EZL ex 1.8c.

Changes in substantials reported January 13 and 14 inc posted separately.

LARGE CAP INDUSTRIALS

*CNU: Chorus Ltd announced it will release its half year result prior to market opening on February 24.

Market Cap \$565m.

CNU up 4 cents to \$1.425

*FSF: Fonterra locates and recalls batches of e-coli contaminated fresh cream The Waikato Times reported today, "Fonterra's chairman and **board** are being asked to resign by a Waikato farmer and Fonterra shareholder Russ Rimmington after the **dairy** giant's latest food safety scare.

Fonterra yesterday said a batch of fresh cream supplied to Anchor and Pams was contaminated with E coli and recalled 8700 bottles - of 300ml and 500ml - of the product.

Mr Rimmington was angry that nearly 24 hours after the recall was announced through media Mr Wilson had not contacted the co-operative's 10,500 farmer shareholders to explain the situation.

Fonterra shareholder and Waikato Federated Farmers provincial president James Houghton was also frustrated at the lack of communication provided to shareholders.

Mr Houghton said he only learned about the E coli contamination through the emailed news service provided by The Global **Dairy** news service yesterday morning.

"It is frustrating, as a farmer, that these things happen."

But Waikato farmer Bruce Rowe was impressed with Fonterra Brands managing director Peter McClure communicating that it was the first positive test for E coli in nearly 20 years.

"That was clever, but I don't think this is anything like the botulism scare."

Federated Farmers **dairy** section chairman Willy Leferink said the recall showed that Fonterra's quality assurance systems worked.

"It also shows that traceability is working because the co-op has zeroed in on the batches involved and locations they were **sold** in."

(No ASX report has been sighted).

Market Cap \$571m.

FSF up 6 cents to \$5.35

*GUD: Ends Australia **m**fr/relocating to Malaysia+Philippines, up to 75 jobs go

GUD Holdings Ltd announced plans to relocate the production capacity of its Kings **Park** (Sydney) Dexion Industrial pallet racking factory to newer and lower cost Dexion factories in Malaysia and **China**. The **board** has determined this to be necessary to improve Dexion's competitiveness in Australia. Dexion will retain sales, design and installation and customer support teams in Australia.

The decision to cease manufacturing in Australia will involve a staged closure of the Kings **Park** factory during 2014 with redundancy of up to 75 positions. The total costs associated with the project to relocate manufacturing are \$15.9 **million** and includes the writedown of obsolete and surplus plant and equipment for \$3.2 **million**, \$4.2 **million** in new capital expenditure and \$8.5 **million** in closure costs of the Kings **Park** factory. The writedown and costs will be brought to account in first half results, to be announced on January 21 2014.

It is expected the project will be completed by December 2014 and is expected to realise an annualised cost reduction of \$67.5 **million** after that.

Market Cap \$411m.

GUD down 1 cent to \$5.77

*MQG: Macquarie said to be a bidder for JP Morgans commodities biz

"The Age" reports Macquarie **Group** is reported to be among three shortlisted bidders for JPMorgan's physical commodities **business**, a **sale** that may fetch as much as \$US2 **billion** (\$2.2 **billion**). Blackstone **Group** and investment **company** Castleton Commodities International are also due to lob a final offer for the **business** next week, according to a report on CNBC. A Sydney-based spokeswoman for Macquarie declined to comment.

Market Cap \$17b.

MQG up 67 cents to \$53.11

*REA: Buys 1For.com for \$A15 mln

REA **Group** Ltd announced it has acquired 1Form Online Pty Ltd, operator of rental application service 1Form.com for a total cash consideration of \$A15 **million**.

1form.com was established in Melbourne in 2006 and is the leading online tenancy application service in Australia and New Zealand. It has 2.3 **million** registered tenants and an extensive presence across a broad range of **property** advertising portals and real **estate** agency websites. (Jan 14)

Market Cap \$5.4b

REA up \$1.65 to \$41.21

LARGE CAP RESOURCES

*BHP: Tony Cudmore appointed President Corporate Affairs

BHP Billiton Ltd announced the appointment of Tony Cudmore as President, Corporate Affairs, to commence his role on March 3 2014. He will be based at the headquarters in Melbourne.

Tony joins BHP from Exxon Mobil Corp tht he joined in 2001. Between 2006 and 2012 he was based in Dallas Texas.

Earlier Tony was the Assistant Director of the Australian Institute of Petroleum and prior to that the Principal adviser to the then Premier of Victoria, the Hon Jeff Kennett MP.

Tony assumes direct responsibility for BHP corporate affairs from Karen Wood, the longest serving member of the BHP Billiton GMC (**Group** Management Committee). She will continue her work on a

range of significant corporate and **board** issues with Andrew Mackenzie and retain accountability for the **company's** office in London.

Market Cap \$120b.

BHP down 21 cents to \$35.93

*FMG: Issues voluntary redemption notices for \$US1.6bln of debt

Fortescue Metals **Group** Ltd announced it has continued its debt reduction program with the repayment of \$US1.6 **billion** of Senior Unsecured Notes.

FMG has issued two voluntary redemption notices for the remaining \$US1.04 **billion** Senior Unsecured Notes due in 2015 and the \$US600 **million** Senior Unsecured Notes due 2016. The notes will be redeemed on March 14.

Fortescue also itemised total repayments since November 2013 of \$US3.07 **billion**. Gross debt will fall to \$US9.6 **billion** with net debt of approximately \$US7.8 **billion** by the end of March 2014 from peak gross debt of \$US12.7 **billion** earlier.

Market Cap \$16.6b.

FMG up 18 cents to \$5.33

*OZL: Quarterly production/\$363m cash in hand/lifts prod guidance for 2014

OZ Minerals Ltd for the December quarter announced total **copper** production was 18,119 tonnes and was 73,362 tonnes for the year, total g old production was 37,060 ozs for the quarter and was 128,045 ozs for the year,.

C1 cash costs are 134US c/lb for the quarter and 179.6US c/lb for the year.

Cash in hand is \$363 **million** as at December 31 with undrawn debt facilities of \$US200 **million**.

At Prominent Hill full year **copper** production of 73,362 tonnes and **gold** production of 128,045 ozs was within the upper half of guidance ranges for both **copper** and **gold**.

C1 cash costs of 179.6USc/lb were below guidance range of 190/205US c per pound.

From the Malu open pit in 2013 material mined was 896.8Mt comprising 8.3Mt of **ore** and 78.5Mt of waste, material movement will reduce in 2014 in line with the mine plan. In the December quarter the combined **copper ore** and **gold ore** mined from the open pit of 2.4Mt was 35% above the previous quarter.

Malu underground is expected to commence commissioning in late 2014. Approximately 4,000 tonnes of production is expected from Malu Underground in 2014.

The Carrapateena pre-feasibility study progressed during the quarter, metallurgical test work continues to confirm the production of a high grade **copper-gold** concentrate and high **copper** and **gold** recoveries with **uranium** being considerably downgraded from feed to concentrate.

Regional exploration on the Carrapateena licences continued.

OZ Minerals also acquired a 2,554 sq km tenement package from Straits Resources in mid 2013. The tenements are on strike from Carrapateena and Khamsin and enhance OZL's ground holding in the region.

OZL expects to release its results for the year on February 12.

2014 guidance

Cash costs in 2014 are expected to be in the range of 115US c/lb to 125 US c/lb of payable **copper**. This is down on 2013 reflecting a number of factors including increased **copper** and **gold** production together with a lower proportion of waste tonnes allocated to the income statement. The reduction also reflects the benefit of cost saving initiatives implemented in 2013 which remain ongoing.

Quarterly C1 costs are expected to reduce through the year as production is expected to be higher in the second half.

Market Cap \$1.06b.

OZL up 43 cents to \$3.50

*PDN: Dec qtr prod below budgetted cost, prod up for yr/progressing **stake sale**

Paladin **Energy** Ltd in its report for the December quarter said in highlights sales revenue was \$US101.75 **million**, selling 2,774,814 lb U3O8 at an average price of \$US36.67/lb.

There was record combined production for Langer Heinrich and Kayelekera mines in the December quarter, demonstrating stable operation near or above budget and below budget unit cost.

For the full year 2013 Langer Heinrich production rose 7% to 5,444Mlb and Kayelekera production was up 3% to 2.943 Mlb.

Cost saving and optimisation initiatives continue to make significant improvements.

Positive progress continues on the **sale** of a minority interest in Langer Heinrich.

Market Cap \$472m.

PDN up 4 to 49 cents

*SYR: Prospective customer gets 99.3% concentrate grade for Balama graphite

Syrah Resources Ltd announced metallurgical data from Balama East in Mozambique shows recovery of abundant coarse to very coarse material totalling 25% of the processed material. The weighted average of the concentrate grade is 96.6% TGC. These results were obtained via fine crushing only to 2mm (no further grinding required) and followed by 4 stages of flotation.

A potential customer obtained a concentrate grade of 99.3% using simple flotation processes. Extensive zones of coarse flake graphite with a probable strike distance of 7km have been mapped across the Balama deposit.

Balama graphite easily upgraded to 99.9% C using chemical wash **operations** at low temperature of 90 degC.

Balama graphite has been micronized down to 1 micron size and can be **sold** in to the micronized graphite market.

Market Cap \$445m.

SYR down 1 cent to \$2.74

MID TO SMALL INDUSTRIALS

*ALA: Takes option over 25% **stake** in online staff rostering system

Applabs Technologies Ltd announced it has signed a binding option agreement to **purchase** 25% of the issued capital of Roster Elf Pty Ltd, that has developed an online staff rostering system with significant **commercial** opportunity across a range of businesses.

Features include 100%Cloud hosting, 24/7 online and phone support, multiple sites and departments.

A non refundable deposit of \$25,000 has been paid to Roster Elf Pty Ltd, subject to satisfactory due diligence, with the option period 45 days. Exercise of the option includes payment of \$250,000 in cash minus any deposit already paid, an issue of \$100,000 worth of fully paid shares subject to one year 's escrow, providing Roster Elf with 80 sq **m** of office space, to be made available from existing space in the Applabs Subiaco Office, and appointing an Applabs director or nominee to the RosterElf **board**.

Market Cap \$5.4m.

ALA up 2.5 to 28.5 cents

*FRI: Expects int profit of \$19mIn, could be material increase for full yr

Finbar **Group** Ltd advised it expects to report an after tax profit of approximately \$19 **million** for the half year to December 31. The **company** expects the Au **residential** project will reach practical completion this financial year, although it is still uncertain as to whether settlements will occur in the current financial year. If as the second half progresses it becomes sufficiently definite that Au settlements will be achieved in 2014, there will likely be a material increase in profit for the full financial year.

Market Cap \$349m.

FRI steady at \$1.58

*SLM: Craig Dower appointed Salmat's new CEO

Salmat Ltd announced Mr Craig Dower has been appointed Salmat's new CEO. Mr Dower will commence with Salmat on April 14 2014 and will work alongside the chairman Peter Mattick during his induction and familiarisation with the **company**. After this period Mr Mattick will step back from day to day management but remains chairman.

Mr Dower will join Salmat after seven years with global IT consultancy Avanade, a provider of **business** technology solutions and managed services functions. He was responsible as President Asia Pacific and **China** for the past four years.

Market Cap \$336m.

SLM down 4 cents to \$2.10

*SUD: Exclusive distributor of TGA approved Hemostyp

Suda Ltd announced its subsidiary Westcoast Surgical and Medical Supplies has become the exclusive distributor of Hemostyp in Australia, NZ, New Guinea and the Pacific Islands.

Recently approved by the Australian TGA, HemoStyp is formulated to aid in the process of clotting when positioned on a wound or cut. It is hypoallergenic and contains no potentially harmful chemicals or animal by products. It was developed and is manufactured by United Health Products.

Market Cap \$67m

SUD up 0.1 to 7.3 cents

*TOX/TTN/RIO: TOX awarded 2 yr contracts by Rio, Titan **Energy**

Titan **Energy** Services Ltd announced it has awarded a two year total waste management contracts in the Surat and Pilbara regions of Queensland and Western Australia to Toxfree Ltd commencing in January 2014. Estimated revenue will be approximately \$17 **million** over the term of the contract with capital expenditure of \$2 **million** over the same period.

TOX also announced a 2 year total waste management and industrial services contract at Rio's Dampier Salt Hedland and Dampier **operations** commencing in January 2014.

Toxfree managing director Steve Gostlow said in the report the **company's** focus is to build long term relationships with the **mining, oil** and gas industry in the region.

Market Cap \$440m / \$107m / \$95b

TOX up 1 cent to \$3.30 / TTN down 6 cents to \$2.19 /RIO up 89 cents to \$64.24

MID TO SMALL RESOURCES

*COY: Reacquisition from Barrick of New Britain **Island** project in qtr

Coppermoly Ltd in its quarterly report on activities at its projects on New Britain **Island**, PNG said on the corporate front, 51% ownership and full management control of three key advanced exploration licences on New Britain were restored through completion of the Reacquisition agreement with Barrick, with first payment completed.

Following the sampling program undertaken in the December 2013 quarter on the Nakru-02 prospect, the **company** intends to undertake a targeted drilling program during the March 2014 quarter.

Further sampling will be undertaken on priority prospects on the Nakru and Talelumas exploration licences.

Market Cap \$4.75m.

COY steady at 1.8 cents

*DML: Restructuring of Boseto **copper** will mean 85 redundancies

Discovery Metals Ltd announced it is undertaking a restructuring program at its 100% owned Boseto Operation to improve cost competitiveness and further enhance production efficiencies.

The restructuring follows extensive detailed discussions with key stakeholders, including employees, the relevant Botswana Government Departments and the Botswana Mine Workers Union.

The retrenchment at Boseto will affect 85 of the 516 employees based at the **site**. It does not expect the restructuring will have a material effect on production at the **company's** Boseto Operation. Ongoing improvements in efficiencies and cost competitiveness will help to enable the Boseto Operation to maintain long term sustainability in the world **copper** market. (Jan 14)

Market Cap \$26m.

DML down 0.1 to 4.7 cents

*SRI: Recent AMT results provides better understanding of Enigma basin

Sipa Resources Ltd announced results of preliminary processing of data from the recent Audio Magneto Telluric (AMT) geophysical survey at Sipas 100% owned Thaduna **copper** project are providing a much better understanding of the geological framework of the sedimentary basin hosting **copper** mineralisation at Enigma.

The new AMT data combined with other geophysical, geological and geochemical datasets will allow more accurate and confident drill hole siting to achieve Sipas aim of discovering a major **copper** sulphide deposit or deposits.

Market Cap \$25m.

SRI up 0.2 to 5.2 cents

*STX/GLY/ORa: Gas supply agreement from PEL 96 agreed with Orora

Strike **Energy** Ltd advised it has entered into a Gas Supply Option Agreement for 30 PJ of gas with Orora Ltd, the recently demerged Australasian and Packaging Distribution division of Amcor Ltd. The gas is to be produced by Strike from its Southern Cooper Basin Gas Project, centered on the substantial gas resource identified within permit PEL 96.

Strike has granted an option to Orora for the supply of 30PJ of gas to be delivered at 3PJ per annum at a fixed price over a 10 year term from 2017, the expected commencement of production from the project.

Orora has agreed to pay an option fee to Strike, conditional only on the PEL96 j/v proceeding with a pilot production test project.

Orora can then exercise the option when a decision is made by the PEL 96 j/v to proceed with development of the Project.

Market Cap \$74m / \$37m. / \$1.5b.

STX up 1 to 10.5 cents / GLY steady at 16.5 cents / ORa up 1 cent to \$1.255

*TAW: Grades between 50/60% Fe at Gofolo N/E in Liberia project

Tawana Resources NL announced a new high grade itabirite discovery has been made at the Gofolo North-East Project within the Mofe Creek **iron ore** project in Liberia. Significant new infill drilling intersections at Gofolo main include between +50% Fe up to 60% Fe over a 1 km strike, following completion of the RC drilling program, including 12-20m at 54.6%Fe in hole GMRC003 and 12-26m at 57.5% Fe in hole GMRC006. Significant new infill drilling intersections at Gofolo main include 34m at 40.2% Fe from surface, 62m at 38.8% Fe from surface and 60m at 28.2% Fe from surface.

Only 8km of a potential 65km interpreted prospective strike has been drilled to date.

Market Cap \$36m.

TAW steady at 2.9 cents

*TGS: 112% increase in estimated **ore** reserve for Kipoi Central Stage 2

Tiger Resources Ltd announced a 112% increase in the estimated **Ore** Reserve for the Kipoi Central Stage 2 open pit, the principal deposit at the Kipoi **Copper** Project in the Democratic Republic of Congo.

The **ore** reserve estimate was independently completed by Cube Consulting Pty Ltd, updating the January 9 report.

Market Cap \$305m.

TGS up 2.5 to 38 cents

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AN Document NBOZEN0020140115ea1f0008d