

**HD PanAust Looks Good to UBS Despite Recent Rally -- Market Talk**
**WC** 203 words

**PD** 16 July 2014

**ET** 11:29

**SN** Dow Jones Institutional News

**SC** DJDN

**LA** English

**CY** Copyright © 2014, Dow Jones & Company, Inc.

**LP**

0128 GMT [Dow Jones] Investors should continue to buy shares in PanAust (PNA.AU), even though the **copper**-and-**gold** miner's stock has bounced since it rejected a A\$2.30/share offer from **China's** Guangdong Rising Assets Management, says UBS analyst Jo Battershill. "In our view, GRAM has been opportunistic with the timing of its proposal given that its offer price simply covers our net present value for the existing **operations** and doesn't ascribe any value for the Frieda River or Inca de Oro assets," he says. UBS believes the deal with Glencore (GLEN.AU) to buy the Frieda River **copper** deposit in Papua New Guinea will be completed in 3Q. At that point, the **equity** market could begin to include a risk weighted asset value into the PNA share price. UBS's un-risked valuation is around A\$1 **billion**. UBS has a A\$2.47 price target, above PNA's last trade at A\$2.20. (david.winning@wsj.com; @dwinningWSJ)

Contact us in Singapore. 65 64154 140; MarketTalk@dowjones.com

**TD**

(END) Dow Jones Newswires

July 15, 2014 21:29 ET (01:29 GMT)

**CO** guramc : Guangdong Rising Assets Management Co., Ltd. | ubs : UBS AG

**IN** imet : Mining/Quarrying | ibasicm : Basic Materials/Resources | i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | ifinal : Financial Services | iinv : Investing/Securities

**NS** c1521 : Analyst Comments/Recommendations | c18 : Ownership Changes | c181 : Acquisitions/Mergers/Takeovers | ccat : Corporate/Industrial News | namt : All Market Talk | ncmac : Commodities Asset Class News | ndjmt : Dow Jones Market Talk | neqac : Equities Asset Class News | c15 : Performance | c152 : Earnings Projections | cactio : Corporate Actions | ncat : Content Types | nfact : Factiva Filters | nfce : FC&E Exclusion Filter | nfcpin : FC&E Industry News Filter

**RE** austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

**PUB** Dow Jones & Company, Inc.

**AN** Document DJDN000020140716ea7g0001a