

Regulatory Announcement

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Company	GVM Metals Ltd
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GVM Metals Limited Admission to Trading on AIM

- 30 June 2005 annual revenues AUS\$31m; Profit before tax AUS\$1.5m
- NiMag business manufactures nickel magnesium and other alloys
- Holfontein coal mining project in South Africa scoping study shortly to be announced
- Dual listing as quoted on the Australian Stock Exchange

GVM Metals Limited ("GVM" or "the Company" ticker "gvm"), the South African mineral processing and coal mining company today announces the commencement of trading on AIM after an Introduction by the Company's Nominated Adviser and Broker Beaumont Cornish Limited. The Company is already quoted on the Australian Stock Exchange.

GVM has a 49% interest in 'Holfontein' a coal mining project containing an in situ resource of 56 million tonnes coal in South Africa. Feasibility and scoping studies are underway to determine the economics of this project. Subject to the studies showing that the project contains more than 8 million tonnes of economically recoverable coking coal and there being no outstanding environmental matters, the Company will then decide whether to sell or develop the project.

If the decision is taken to develop the project, the Company will need to raise the additional funds to meet its obligations under the acquisition agreement. Under the new order prospecting rights, the Company has already appointed a BEE partner- Motjoli. Funding and payment obligations for the project will be the joint responsibility of GVM and Motjoli.

The Company's other principal asset is a 74% (with an option to increase to 100%) interest in NiMag, a producer of specialist nickel magnesium and ferro magnesium alloys, which is used in the mining, civil engineering and refractory industries. NiMag currently supplies approximately 40% of world demand for these products in what is a mature market. The Company's September 2005 quarterly report highlighted that the net operating cash flow for the quarter was AUS\$1.06m with the NiMag business operating slightly better than budgeted.

Commenting today, Simon Farrell, Managing Director GVM Metals said:

"GVM plans to find and acquire suitable additional assets within the coal mining sector as we believe the outlook for coal in South Africa looks bright due to increasing power demands and the country's switch from being a coking coal exporter to an importer."

www.gvm.com.au/

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Notes to Editors

South Africa

South Africa is the Company's principle area of expansion for mining and minerals processing assets as illustrated by the recent acquisitions of NiMag and the JV in the Holfontein project. Traditionally, South Africa has been a major producer and exporter of coal. The vast bulk of this coal has been sourced from the Witbank coalfields which are now in their mature phase. Recent developments in the demand for coal have concentrated expansion efforts towards the relatively underdeveloped northern coalfields, an area of great interest to GVM. Domestic demand for coking coal is also growing rapidly as a result of expanding steel production in the face of contracting local supply

NiMag

GVM has a 74% interest in NiMag which produces a range of metal alloys and fibres. The alloys are principally used in improving the technical characteristics of cast iron and also in exotic metals used in the aeronautical industry. The Company can increase this interest to 100%

Holfontein

As a result of increasing power demands in Southern Africa and the switch in South Africa from being a coking coal exporter to importer, it was felt by the Company that it should examine local opportunities. In April 2005 GVM acquired a 49% interest in a small coal mining project called 'Holfontein'. The Holfontein Coal project is a mineable coal deposit consisting of two mineable coal seams, the No 5 seam, which is a coking coal, and the No 4 Seam, which is a low-grade steam coal. The recent scoping study confirms the value of the Holfontein property.

It is believed the market value of the project will comfortably exceed its cost and thus the decision will have to be made whether to sell or develop the project. A scoping study is nearing completion and the Company believes its outcome is better than originally expected.

Future expansion and acquisitions

The Directors intend to grow the Company both organically and by acquisition especially in the coal mining sector. Largely through Chairman Richard Linnell's connections, several substantial coal properties have been identified and negotiations have commenced regarding GVM's participation.

Management

Chairman - Richard Linnell

Richard is a geologist with over thirty years of experience. Linnell's early experience includes involvement in the establishment of the Delta Manganese Project (now Manganese Metal Company) and the Murray & Roberts Industrial Corporation. Linnell was additionally marketing manager for the Stainless Steel division of Middelburg Steel & Alloys and general manager of the Manganese Division of Samancor, a joint venture between Billiton Plc and the Anglo American Corporation. Linnell was accountable for all of Biliton's exploration and development activities in South Africa and was an originator of the Bakubung Initiative, a forum designed to revive the South African mining industry which in turn led to the establishment of the Eskom Council.

Managing Director - Simon Farrell

Simon has a 20 year record that includes a number of relevant management and board level positions in the resources sector. During his career Farrell has overseen the successful exploration and extraction projects in many countries

including, Australia, South Africa, Papua New Guinea, Algeria and Mozambique. His experience comprises knowledge of markets in metals, ores, diamonds and gold in which Farrell has established relationships with distributors and traders the world over. As architect of the restructure of GVM, Farrell has relocated to South Africa to both oversee NiMag operations and advance further opportunities in the region.

CEO of NiMag - Trevor Sinclair

Trevor has been involved in NiMag for 10 years and has extensive experience in the metals trading industry. Sinclair has established contacts within the South African metals trading industry in particular establishing the strong relationships with the distributor chain that are essential to the continued development of the Metals business. In order to ensure continuity in these matters, Sinclair will remain as CEO of NiMag reporting directly to MD Simon Farrell.

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