

## AFX UK Focus Story

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<b>Company</b>	<a href="#">GVM METALS LIMITED ORD NPV</a>
<b>TIDM</b>	GVM
<b>Headline</b>	GVM to buy Kelso Mining, stake option on Coal of SAfrica for up to 40 mln stg
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LONDON (AFX) - GVM Metals Ltd said it has agreed terms for the acquisition of Kelso Mining Ltd for up to 10 mln stg in cash and shares.

Kelso's whose principal asset is the right to acquire 70 pct of Coal of Africa Ltd ('CoAL') for up to a further 30 mln stg. CoAL is a South African company that owns the Mooiplaats coal project and surrounding New Order prospecting rights.

The properties owned by CoAL are located within 2 kilometres of the Camden Power Station near Ermelo and are beside the main rail line to the Richards Bay export coal terminal.

Kelso also owns the Itawes nickel project located in the northern Mindanao province in the Philippines.

GVM said it will pay for Kelso with an initial 3.7 mln stg, comprising cash of 2 mln stg and 1.7 mln in new GVM shares. A deferred payment of 4 mln stg will be paid in new GVM shares subject to completion of the CoAL acquisition.

And GVM said the remaining 2.2 mln stg will be paid subject to the receipt by the Itawes project of its Mineral Production Sharing Agreement.

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