

## MINING

21<sup>st</sup> August 2014

## STRATEX INTERNATIONAL

### H114 Results: Production just around the corner

BUY\*

2.85<sup>#</sup>

Year-end Dec	2012A	2013A	2014E	2015E
Revenue (£m)	-	-	-	-
EBITDA (£m)	(2.8)	(3.8)	(3.1)	(3.3)
Pre-tax Profit (£m)	9.6	(3.6)	(3.3)	(1.3)
EPS (p)	2.2	(0.8)	(0.7)	(0.3)
DPS (p)	-	-	-	-
Net Cash/(Debt) (£m)	2.4	9.4	3.5	0.9
P/E (x)	1.3	(3.6)	(4.1)	(10.3)
Dividend yield (%)	-	-	-	-
EV/EBITDA (x)	(3.6)	(1.2)	(3.3)	(3.9)

SOURCE: Northland Capital Partners Limited estimates

#Priced at market close, 20/08/2014

\*Northland Capital Partners Limited is Joint Broker to Stratex International and therefore this information should be viewed as Marketing Material.

H114 results from Stratex International were largely in-line with our expectations. H114 LBITDA was consistent with H113 at £1.3m. Loss attributable to shareholders was £1.6m compared to a profit attributable to shareholders of £1.2m in H113, which included £2.5m from the one off sale of the Inlice Project and a 55% stake in the Altintepe Project. Importantly net cash remained strong at £6.2m against £13.7m at H113. 2014 will be Stratex's last year as developer/explorer as early next year production will begin at its 45% owned Altintepe Project, giving the Company a steady income stream. The year to date has seen a number of positive developments that have not yet been reflected in the Company's share price and we believe Stratex is significantly undervalued.

- **Dalafin project:** Stratex's latest discovery at the Dalafin Project (85% Stratex) has returned exceptional results from the Faré South and Madina Bafé prospects; including 9.6m at 16.08g/t Au and 12m at 7.09g/t Au.
- **Tembo investment:** Positive assay results have also continued to be returned by Tembo Gold Corporation (13% Stratex) with results including 7.48m at 6.55g/t Au and 3.95m at 9.6g/t Au.
- **Goldstone investment:** Stratex is also planning to invest £1.25m into Goldstone Resources for a 33.4% holding in the Company. Goldstone has a resource inventory of 600,000oz Au at a grade of 1.77g/t Au at its Homase-Akrokerri Project, located in Ghana.
- **Thani-Stratex new co.:** Stratex and Thani Emirates Resource Holdings are combining their East African assets into a new company (40% Stratex) that will focus on the Arabian Nubian Shield and Afar Region.
- **Valuation:** We have downgraded our price target slightly to 9.3p from 10.9p. This follows continued weakness in the copper price, a decrease in net cash and a reduction in Tembo Gold Corporations share price. However, we continue to see significant upside (227%) to the Company's current share price based on our valuation and maintain our BUY rating.

Key Data	
Rating (12 month)	BUY*
Price Target	9.3p (from 10.6p)
Risk	High
Sentiment	Positive
Ticker	STIL.L
Shares in issue	467.31m
Market cap	£13.3m
12-mth price range	5.5p-2.7p
Net cash (H114)	£6.2m
Next event	Production Q414

## COMPANY DESCRIPTION

Stratex International Plc is a gold and base metals exploration and development company with key assets in Turkey, East Africa and West Africa. The Company has discovered more than 2.2moz of gold and is actively exploring all three territories through several JV partnerships with major operators.

## CONTACTS

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## INVESTMENT APPRAISAL

Stratex International packed the first part of the year with positive drill results and further corporate activity. The Company is now moving into its final few months as a developer/explorer with production expected to commence before the end of the year at the Altintepe Project (45% Stratex), located in Turkey.

Having a producing asset within its portfolio will not only provide the Company with sustained cash flow but will continue to demonstrate the Company's ability to monetise its discoveries which differentiates it from numerous other exploration juniors.

We have yet to receive a detailed update on the financials and operating specifications of the Altintepe Project but Stratex have stated that the contract agreement between Altintepe Madencilik (45% Stratex) and joint venture partners Bahar Mining is close to being finalised.

Work on site is progressing on schedule with site clearance, upgrades to the roads, power line installation, foundation work and some pre-stripping all occurring while the negotiations are finalised and Bahar remains confident of first production in 2014.

At Stratex's other development project, Muratdere, joint venture partner Lodos is close to completing the feasibility study that will see it increase it's holding in the project to 70% (Stratex 30%). Once Stratex has reviewed the feasibility study it will decide whether to contribute to the development costs, dilute to a royalty or sell its interest.

Stratex is continuing to progress its exploration alliances with mining major's Centerra and Antofagasta but results are expected to remain confidential for the foreseeable future to ensure the alliances retain their first mover advantage.

Exploration has always been Stratex's forte and will remain an important focus for the Company going forward. This year has seen a new major discovery at the Dalafin Project and continued positive results from the Tembo Project (discussed in more detail below).

Combined with positive exploration results Stratex has continued its corporate activity with the proposed acquisition of a 33.4% stake in Goldstone Resources and an asset combination and spin out with Thani Emirates Resource Holdings.

Stratex has consistently made discoveries and monetised or advanced these discoveries up the value chain and in the case of Altintepe to near-term production and cash flow. It has astutely used a portion of its considerable cash balance from the sale of several projects to advance the Dalafin discovery and acquire strategic stakes in Tembo Gold Corporation and Goldstone Resources. It's important to note that Stratex has not been frivolous with the funds it worked hard to generate and still has net cash of £6.2m.

**Becoming a producer**

**Monetises discoveries**

**Altintepe update expected shortly**

**On track for 2014 production**

**Muratdere feasibility study nearing completion**

**Exploration alliances progress remain confidential**

**Positive exploration results**

**Positive corporate developments**

**Net cash £6.2m**

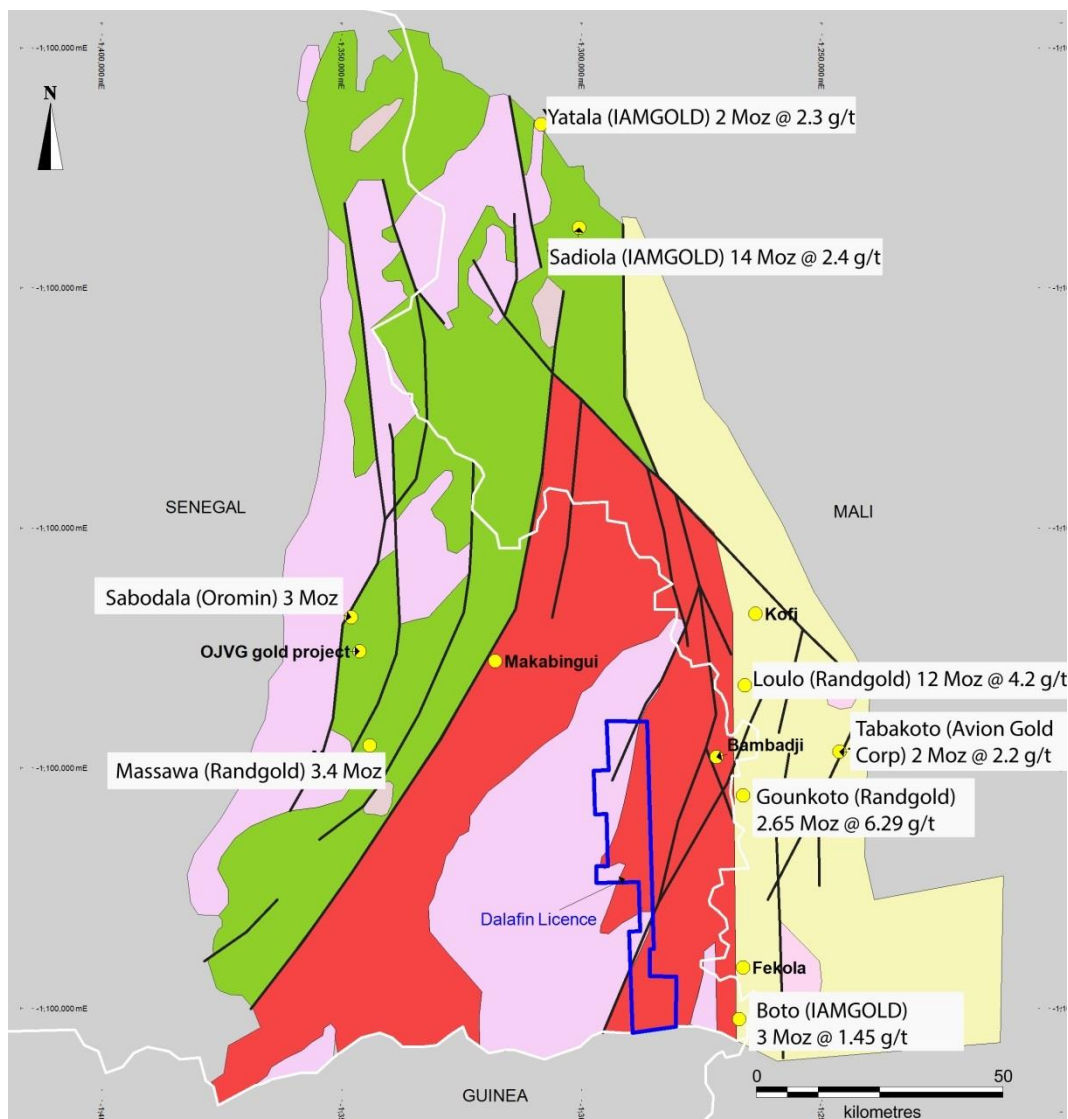


## DALAFIN PROJECT, SENEGAL

At the Dalafin Project, located in Senegal, there was both corporate activity and exciting exploration results in the first part of 2014. Stratex opted to form a joint venture company (Stratex EMC S.A.) in conjunction with the projects minority owner (EMC) to advance the Dalafin Project as well as pursue other opportunities in Senegal.

Stratex owns 85% of the new joint venture vehicle but will continue to fund all exploration costs at the project through an interest free loan. The loan will be repaid preferentially from any income derived from the project.

**FIGURE 1: LOCATION OF THE DALAFIN PROJECT**

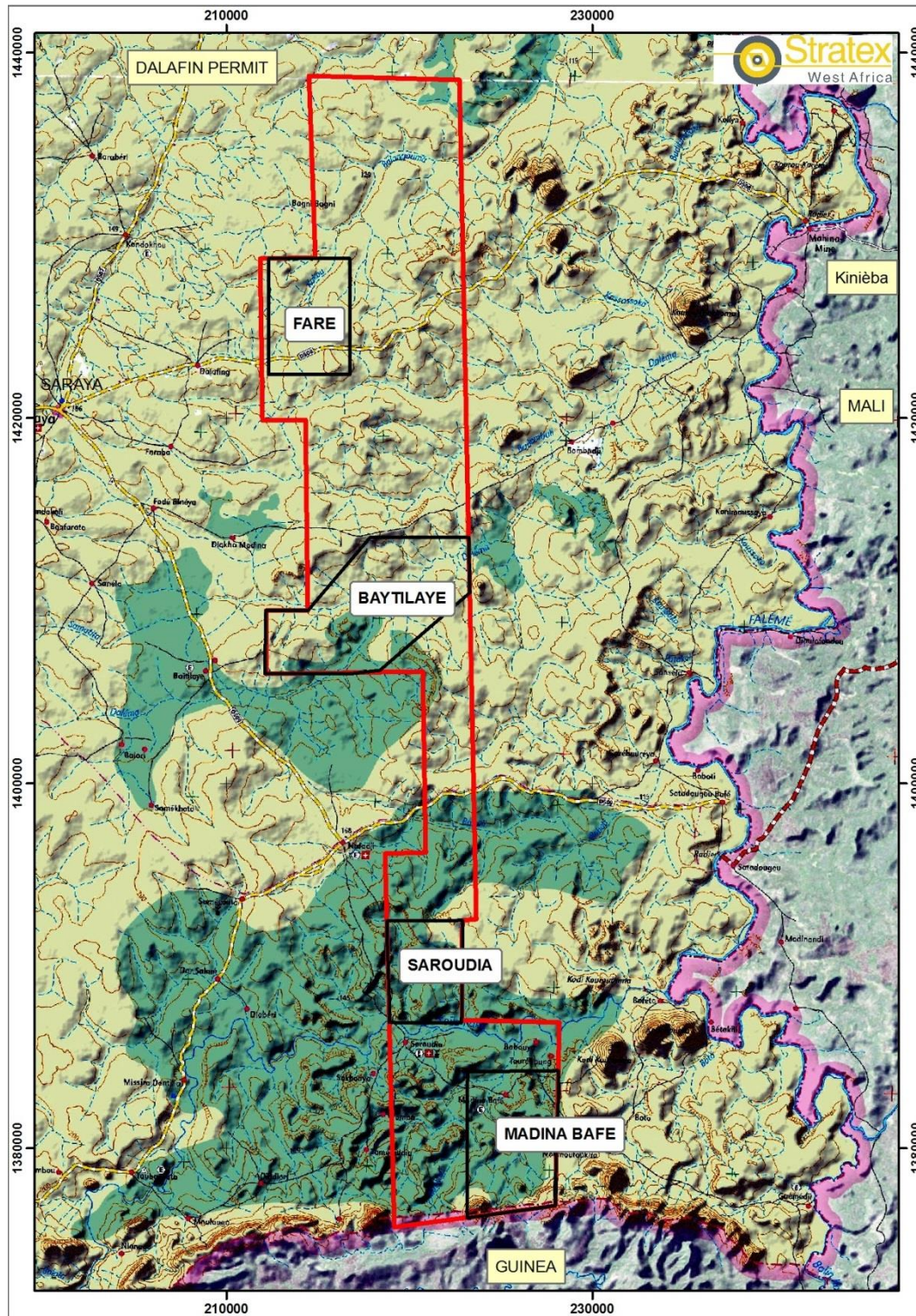


SOURCE: Company





**FIGURE 2: LOCATION OF PROSPECTS AT DALAFIN**



SOURCE: Company

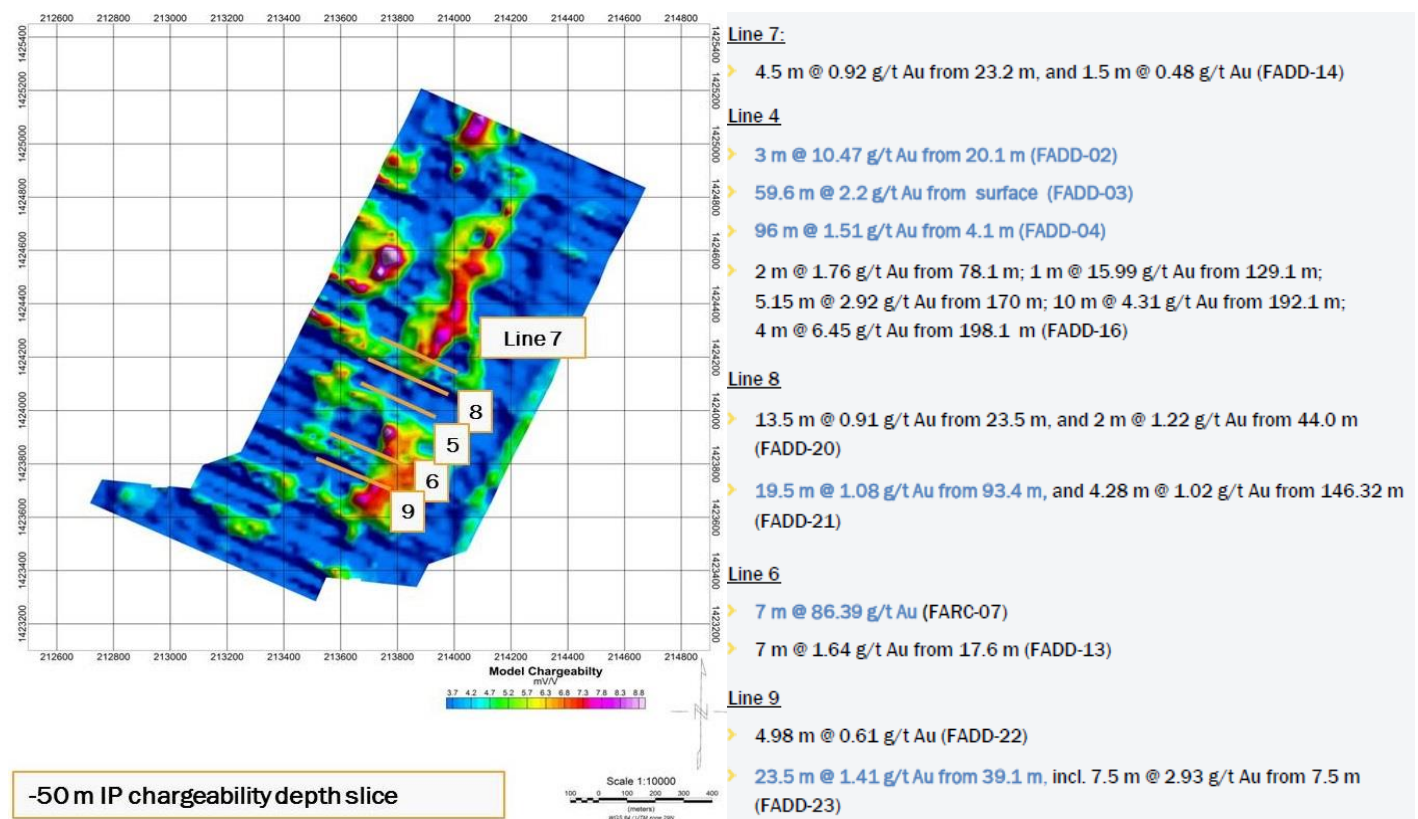


## FARÉ SOUTH PROSPECT

Drilling at the Faré South Prospect (Figure 2) was completed in August defining gold mineralisation over a strike of 600m in a northeast trending shear zone (Figure 3). Follow up drilling is planned for October 2014 as the gold mineralisation remains open along strike to the northeast, southwest and at depth. A high-resolution IP survey has been completed and the data received is now being reviewed to assist in planning next phase of drilling (Figure 3).

Latest results from the Prospect include; 12m at 7.09g/t Au from 18m (FADD-025), 10m at 4.31g/t Au (FADD-16), 23.5m at 1.41g/t Au (FADD-23) and 19.5m at 1.08g/t Au (FADD-21).

**FIGURE 3: IP SURVEY & ASSAY RESULTS FROM THE FARÉ SOUTH PROSPECT**



SOURCE: Company

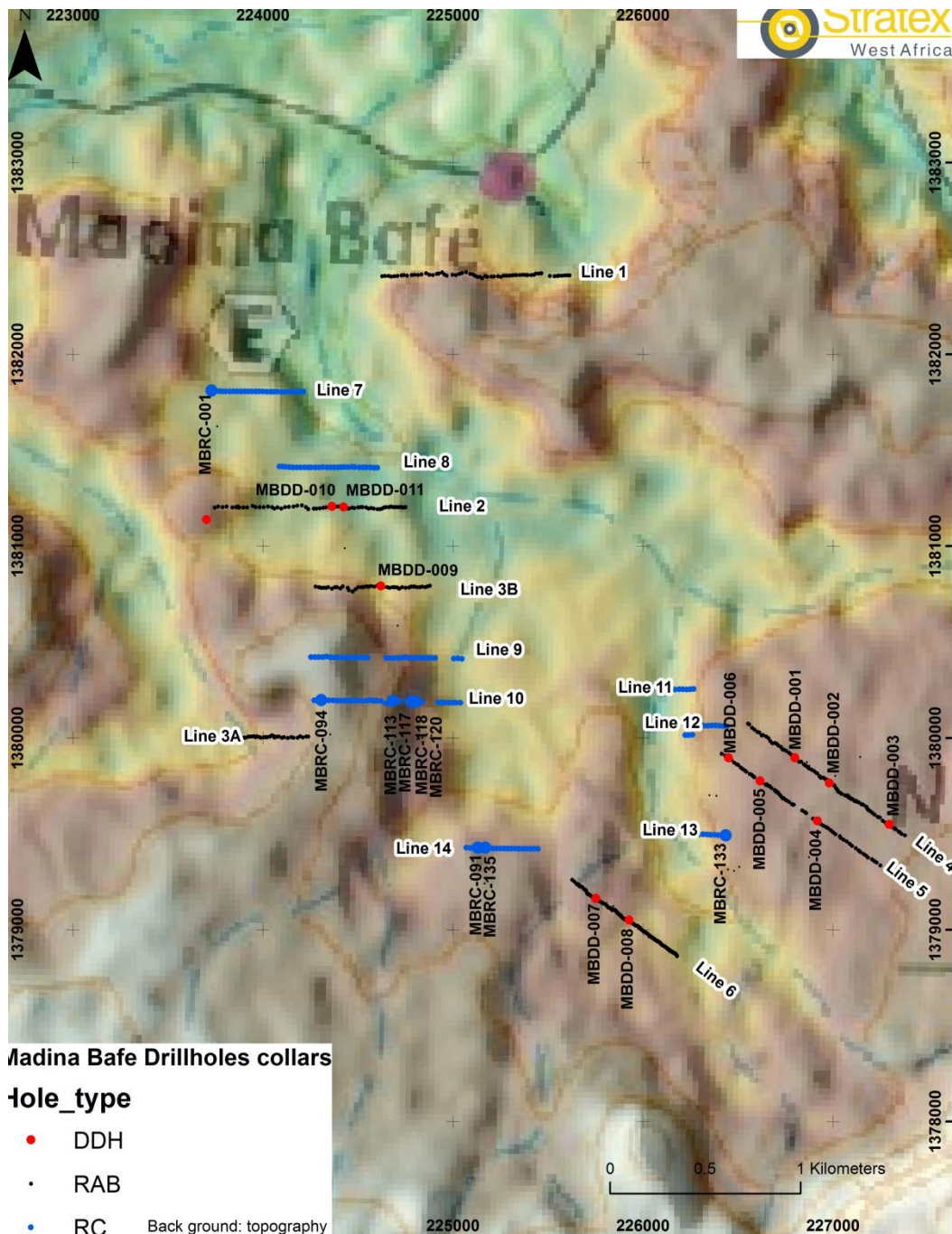




## MADINA BAFÉ PROSPECT

RC and diamond drilling at the Madina Bafé Prospect located 40km to the Southeast of the Faré South Prospect also defined significant gold mineralisation during this round of drilling (Figure 4). Results include; 9.6m at 16.08g/t Au from 15.1m (MBDD-002), 15m at 6.1g/t Au from 14m (MBRC-117) and 3m at 3.69g/t Au from 29m (MBRC-094). Follow up drilling at Madina Bafé is planned for October 2014.

**FIGURE 4: ASSAY RESULTS FROM DRILLING AT THE FARÉ SOUTH PROSPECT**



SOURCE: Company

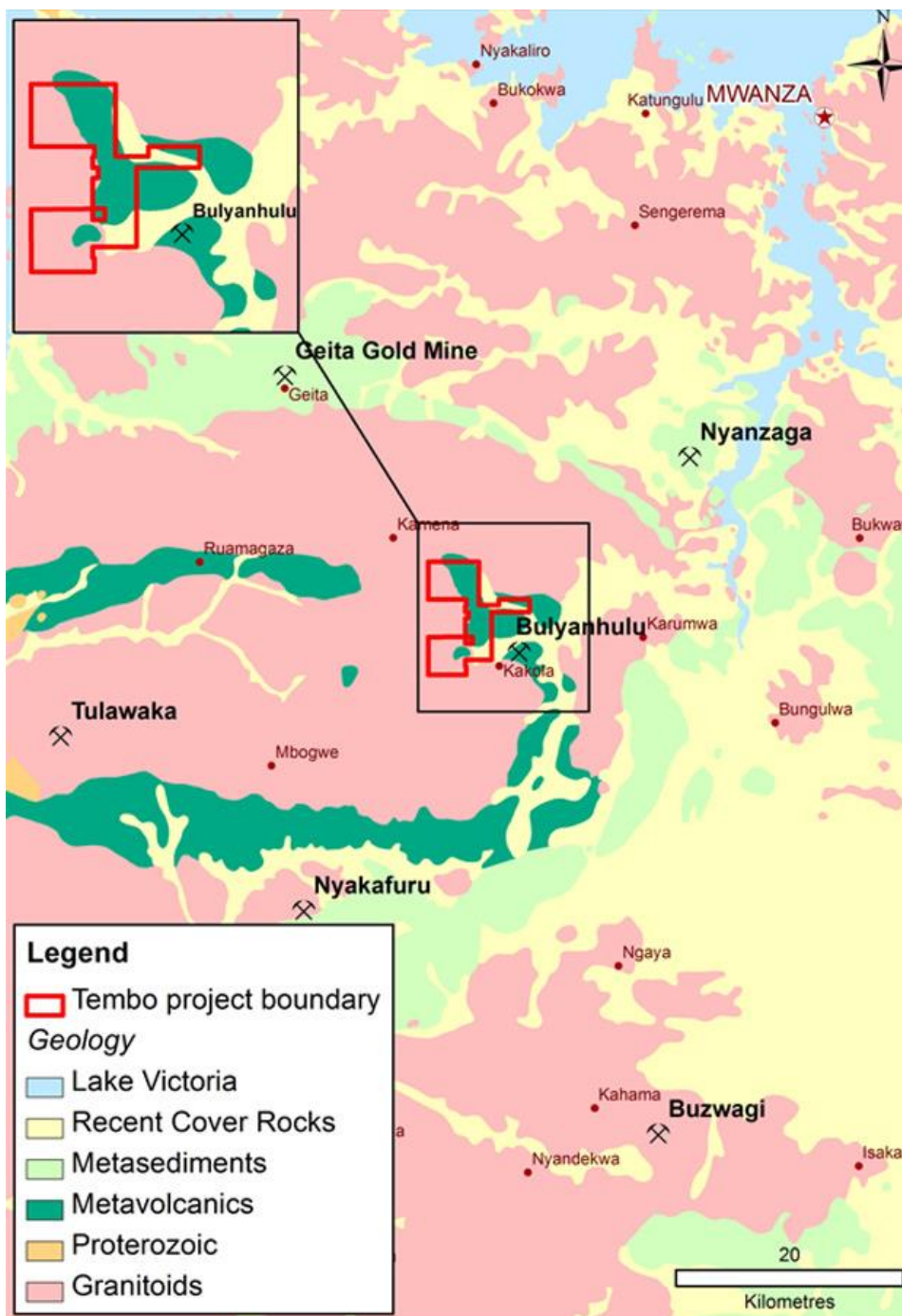


## TEMBO GOLD CORPORATION, TANZANIA

Tembo Gold Corporation (13% Stratex) has continued to deliver exciting results from its Tembo Gold Project located in Tanzania (Figure 5), but its share price has failed to match the results and has fallen from 10c in early December 2013, when Stratex invested to its current level of 5c (Chart 1).

The successful drill programmes conducted to date have returned high-moderate gold grades over significant intercepts in several areas, highlighting the substantial potential for multiple gold deposits to be discovered within the Tembo licence

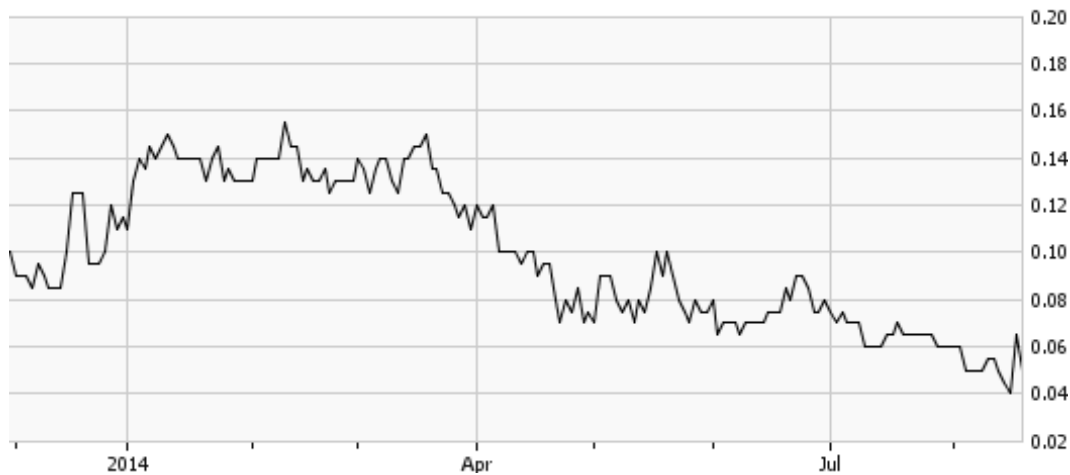
**FIGURE 5: LOCATION OF THE TEMBO PROJECT**



SOURCE: Tembo Gold Corporation

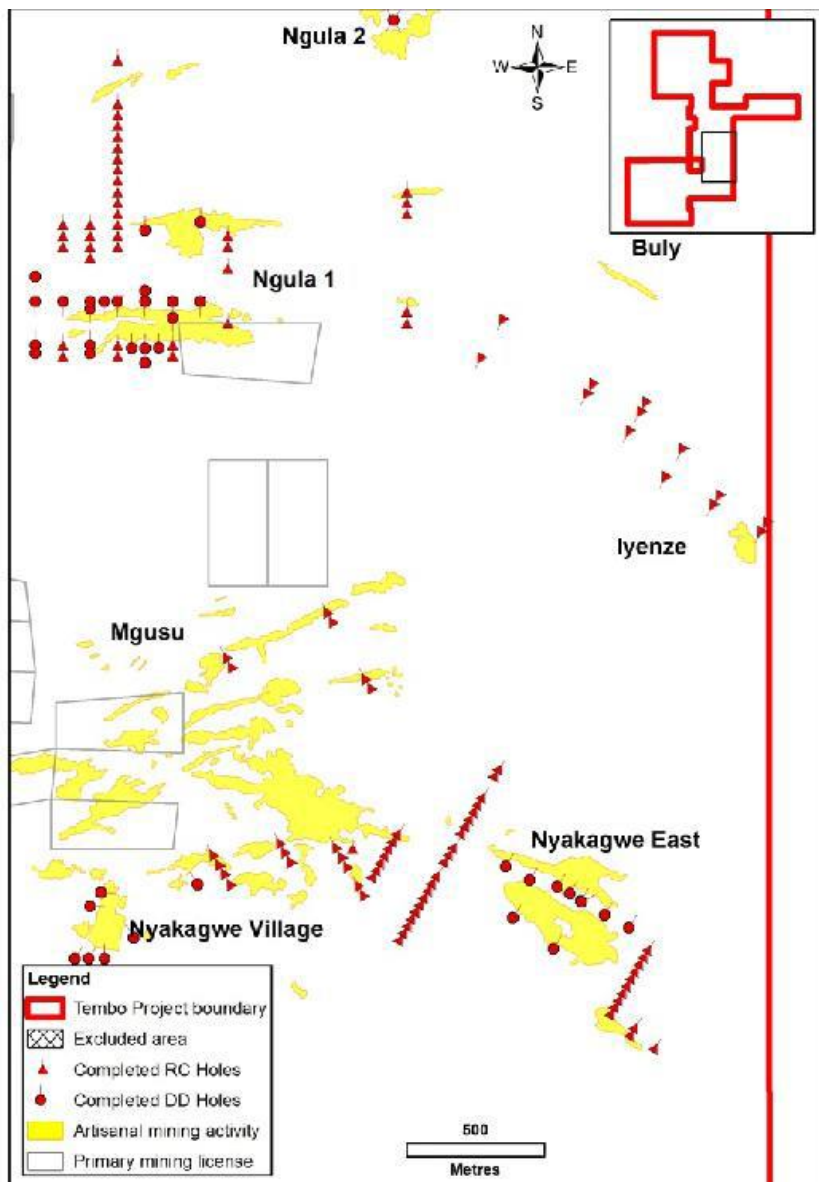


**CHART 1: TEMBO GOLD CORPORATION SHARE PRICE CHART**



SOURCE: TMX Media

**FIGURE 6: PROSPECTS WITHIN THE TEMBO LICENCE**



SOURCE: Tembo Gold Corporation



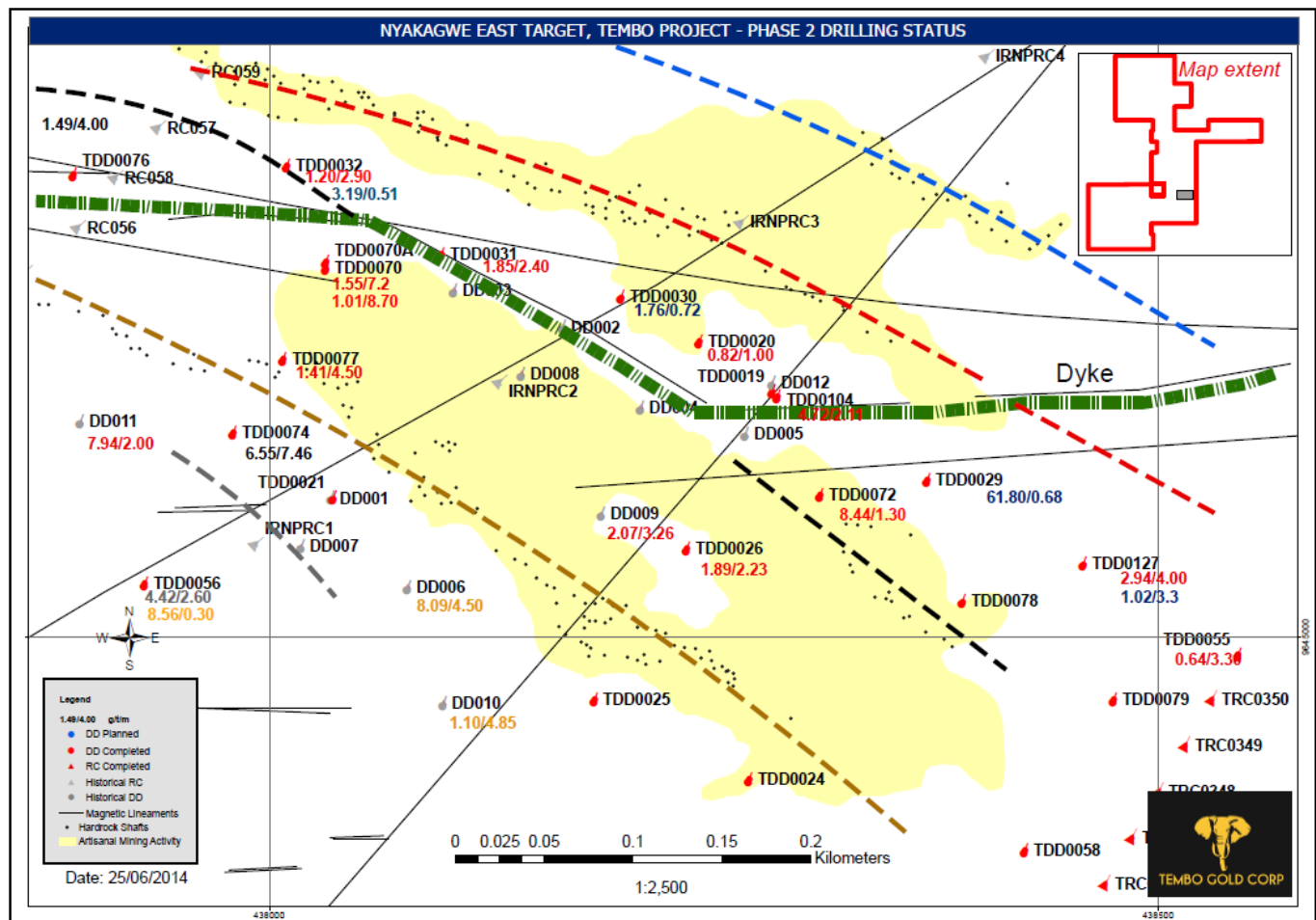


## NYAKAGWE EAST PROSPECT

Assay results from drilling at the Nyakagwe East Prospect continue to be positive with gold mineralisation intersected over 1km in WNW-trending structures that remain open along strike (Figure 6). Since Stratex became involved 6,924m diamond drilling had been completed over 23 holes and 2,238m of RC drilling has been completed for 20 holes to date. An additional programme of in-fill drill holes and expansion drill holes is planned to test possible extensions to the west of the structures at the Nyakagwe Village and Mgusu areas, once all outstanding results are received to assist with targeting.

Selected results from the 2014 programme include: 7.46m at 6.55g/t Au from 370.46m (TDD0074), 2.60m at 4.42g/t Au from 130.60m (TDD0056), 8.70m at 1.01g/t Au from 87.84m (TDD0070), 7.21m at 1.55g/t Au from 93.24m (TDD070A), and 1.30m at 8.44g/t Au from 99.90m (TDD0072).

**FIGURE 6: ASSAY RESULTS FROM DRILLING AT THE NYAKAGWE EAST PROSPECT**



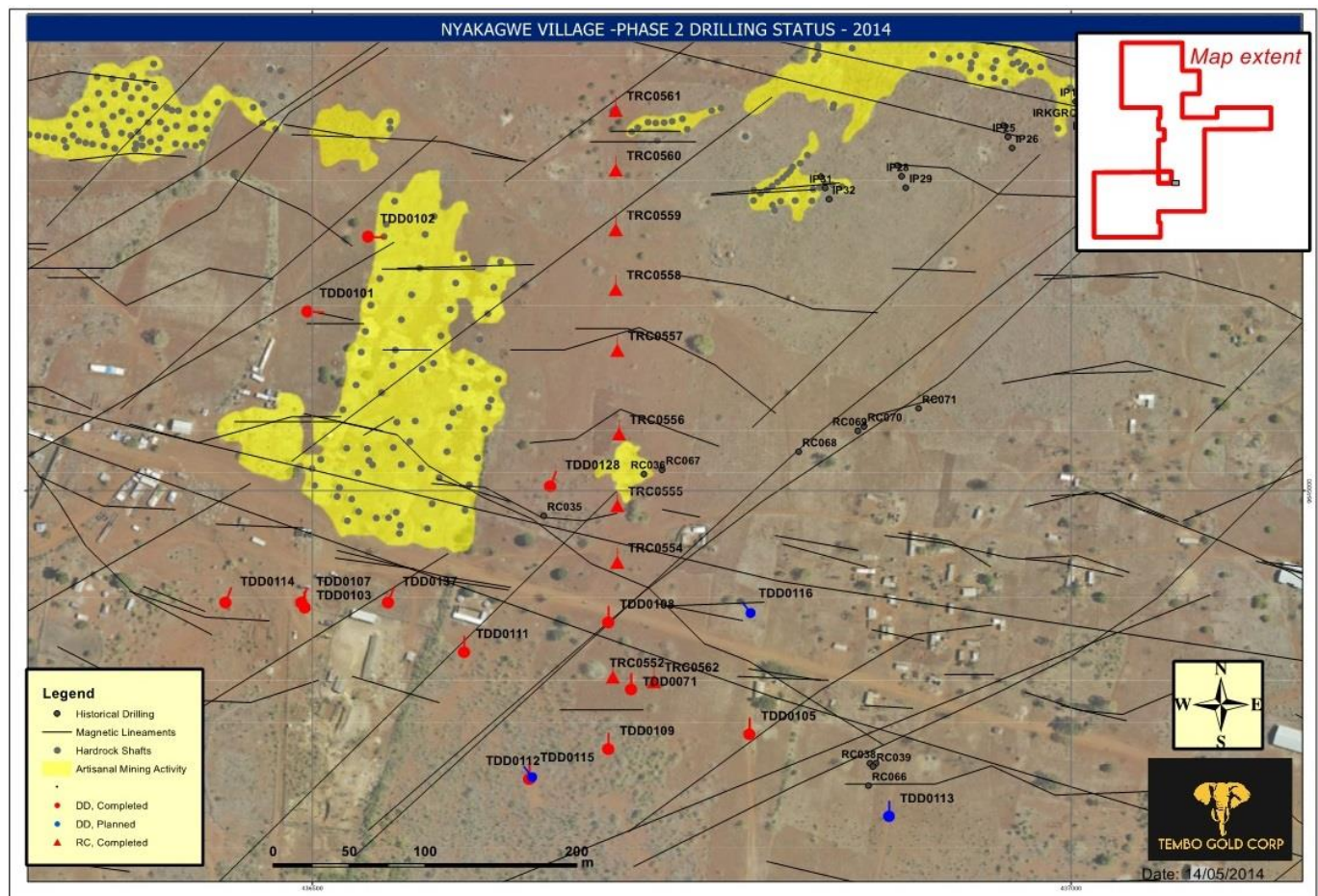
SOURCE: Tembo Gold Corporation

## NYAKAGWE VILLAGE PROSPECT

At the Nyakagwe Village Prospect Tembo has identified a northeast-southwest-trending mineralised zone while testing the continuity of the previously tested east-west structures (Figure 7). This newly discovered mineralised zone correlates with a similarly orientated strong magnetic lineament that continues some 1.8km to the northeast and passes through east-west and northwest-southeast oriented artisanal workings. These intersection zones could be some additional prospective targets if Tembo can demonstrate that the gold mineralisation continues along the northeast structure.

At Nyakagwe Village, 2,916m of diamond drilling in 15 holes and 1,315m of RC drilling from 11 holes has now been completed with 2014 results including; 3.95m at 9.6g/t Au from 85.25m (TDD0071), 1m at 15.1g/t Au from 54m (TDD0103) and 5.98m at 3.35g/t Au from 64.12m (TDD0112).

**FIGURE 7: ASSAY RESULTS FROM DRILLING AT THE NYAKAGWE VILLAGE PROSPECT**



**SOURCE:** Tembo Gold Corporation





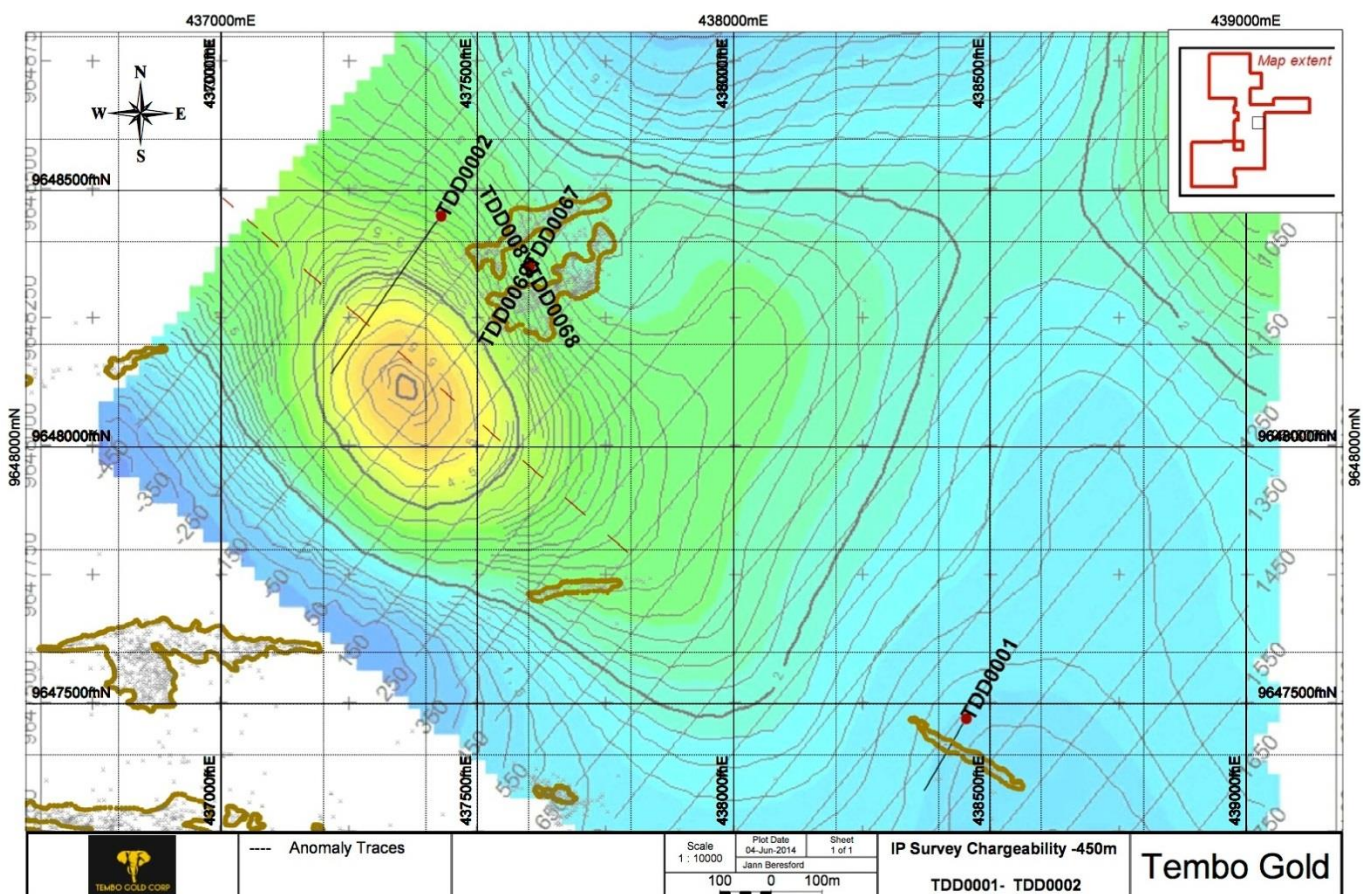
## NGULA 2 PROSPECT

At the Ngula 2 Prospect, Tembo began testing a series of northwest-southeast trending lineaments. The first hole drilled to test these lineaments (TDD0001) did not contain significant gold mineralisation but it did demonstrate the presence of shear zones that could potentially contain more interesting levels of gold mineralisation along strike.

An IP survey over the northwest-southeast orientated lineaments showed the presence of a large anomaly at the Ngula 2 Prospect, located along strike from the TDD001 drill hole (Figure 8). The Ngula 2 area contains an active artisanal working from which grab samples have consistently returned high grades including; 27.10g/t Au, 30.70g/t Au, 31.35g/t Au, 38.45g/t Au and 35.60g/t Au.

The northwest-southeast orientated lineaments have added significance given they are located along strike from the 20moz Au Bulyanhulu Mine. Drilling on the Ngula 2 Prospect is now underway and we look forward to the results.

**FIGURE 8: HORIZONTAL SLICE AT -450M OF THE CHARGEABILITY ANOMALY AT THE NGULA 2 PROSPECT**







## **GOLDSTONE RESOURCES, GHANA, SENEGAL AND GABON**

Last month Stratex International conditionally agreed to acquire up to 33.4% of Goldstone Resources Ltd (GRL.L) by investing £1.25m. The initial 33.4% interest could potentially increase to 50.1% on the exercise of one-for-one warrants. The placing is subject to various pending conditions including shareholder consent and an approval of the Takeover Panel of a waiver of Rule 9 of the City Code on Takeovers and Mergers.

As part of the deal there will be a one for ten share consolidation and Goldstone management will be restructured to give Stratex two board seats out of five and the right to nominate a new non-executive director.

Goldstone's principle asset is the 0.6moz Au Homase-Akrokkerri Project located in Ghana but it also owns the Sangola exploration project that is located 100km west of Stratex's Dalafin Project in Senegal, and two earlier stage projects located in Gabon.

In a market where it is difficult for exploration juniors to raise funds Goldstone has struggled to move its projects forward at pace, presenting Stratex with this opportunity. Stratex will pay around \$11/oz Au for its interest in Goldstone, which we consider a favourable price.



## HOMASE-AKROKERRI PROJECT

Goldstone owns a 65% interest in the Homase Project located in Ghana and has an option to increase its stake to 85% by completing a feasibility study, it also owns 100% of the adjacent Akrokerri Project.

The project is located 15km northeast of AngloGold Ashanti's 42moz Au Obuasi Mine in the Ashanti Gold Belt (Figure 9), an area that hosts over seventy million ounces of gold.

**FIGURE 9: LOCATION OF THE HOMASE-AKROKERRI PROJECT**

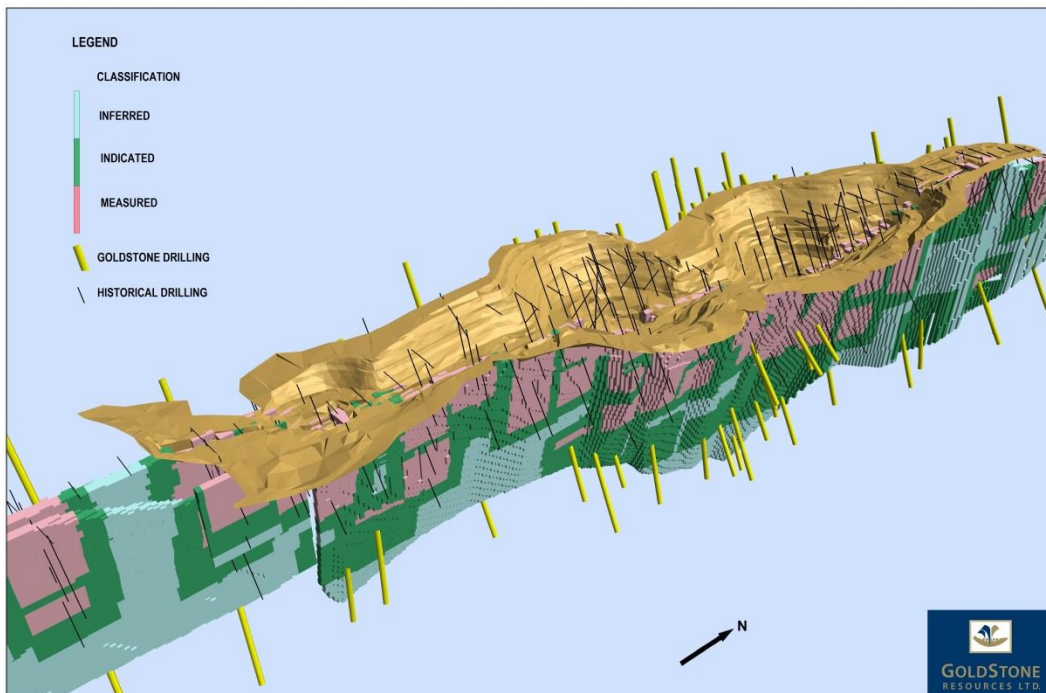


SOURCE: Goldstone Resources

The combined Homase-Akrokerri Project has a JORC compliant mineral resource estimate of 602,000oz Au at a grade of 1.77g/t Au (Figure 10). To improve the scalability of the deposit Goldstone undertook magnetic, radiometric, conductivity (VTEM) and chargeability (IP) surveys alongside regional mapping, soil sampling and outcrop sampling. The surveys defined a number of prospects located within the permit area (Figure 11) and importantly are within trucking distance of Homase-Akrokerri deposit highlighting the potential for the project to be bolstered by satellite deposits.

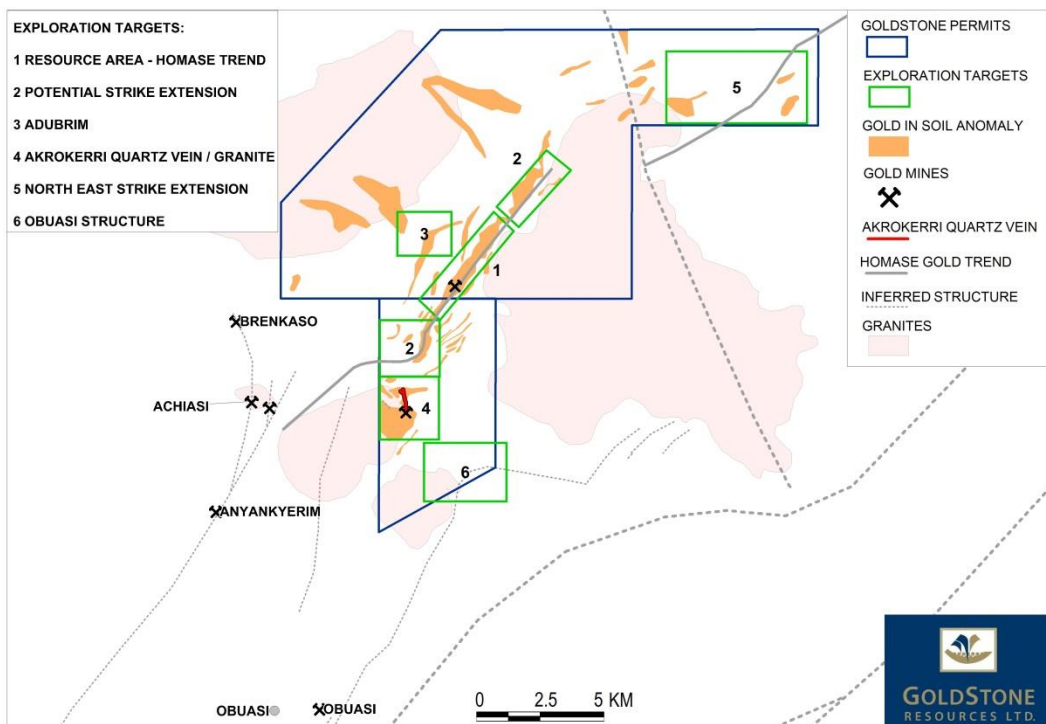


**FIGURE 10: THE HOMASE-AKROKERRI MINERAL RESOURCE MODEL**



SOURCE: Goldstone Resources

**FIGURE 11: PROSPECTS WITHIN THE HOMASE-AKROKERRI PERMITS**



SOURCE: Goldstone Resources

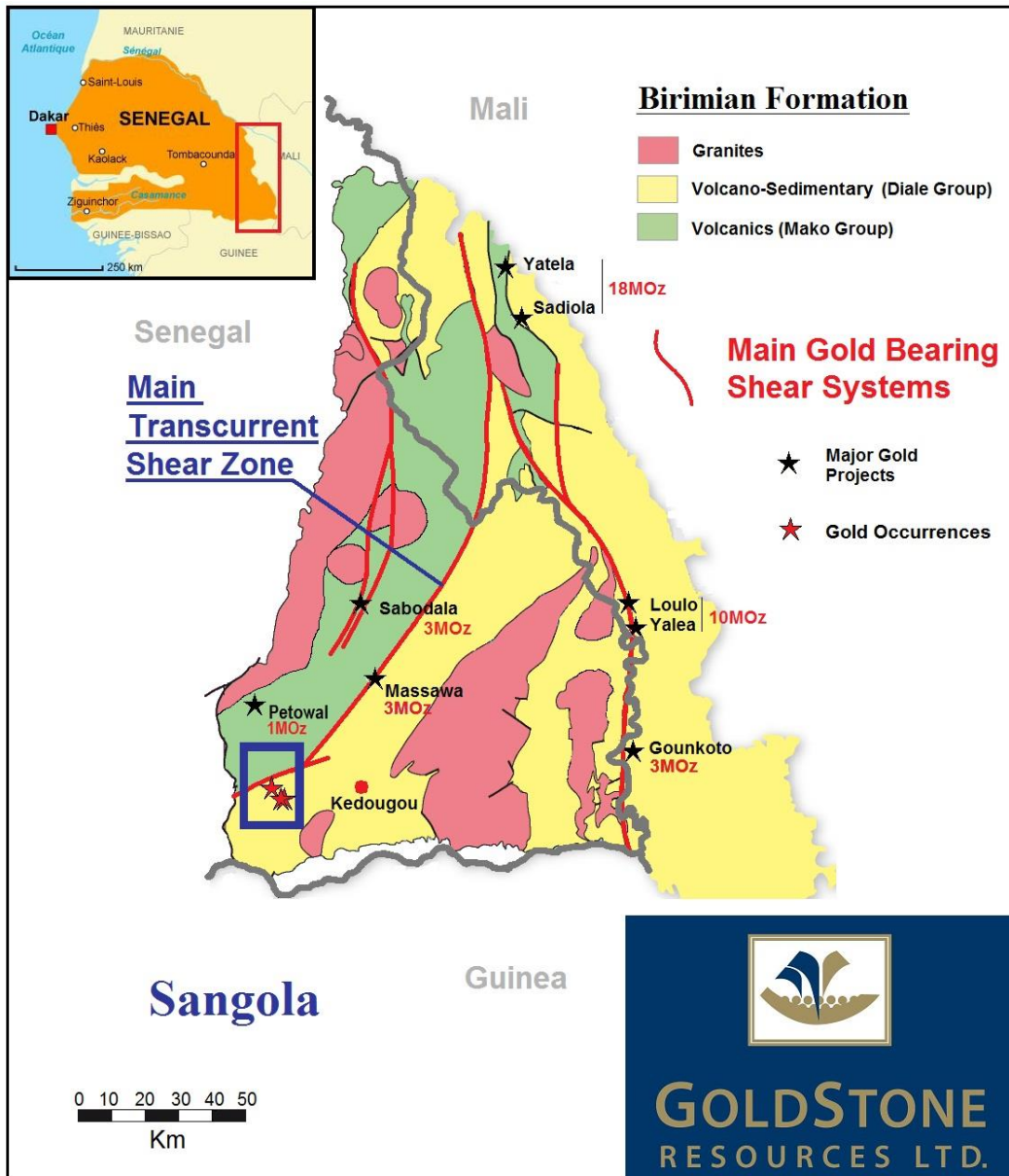




## SANGOLA PROJECT

Goldstone's 100%-owned Sangola Project is located around 110km to the west of Stratex's Dalafin Project and along strike of Randgold Resources' 3moz Au Massawa Project (Figure 12).

**FIGURE 12: LOCATION OF THE SANGOLA PROJECT**

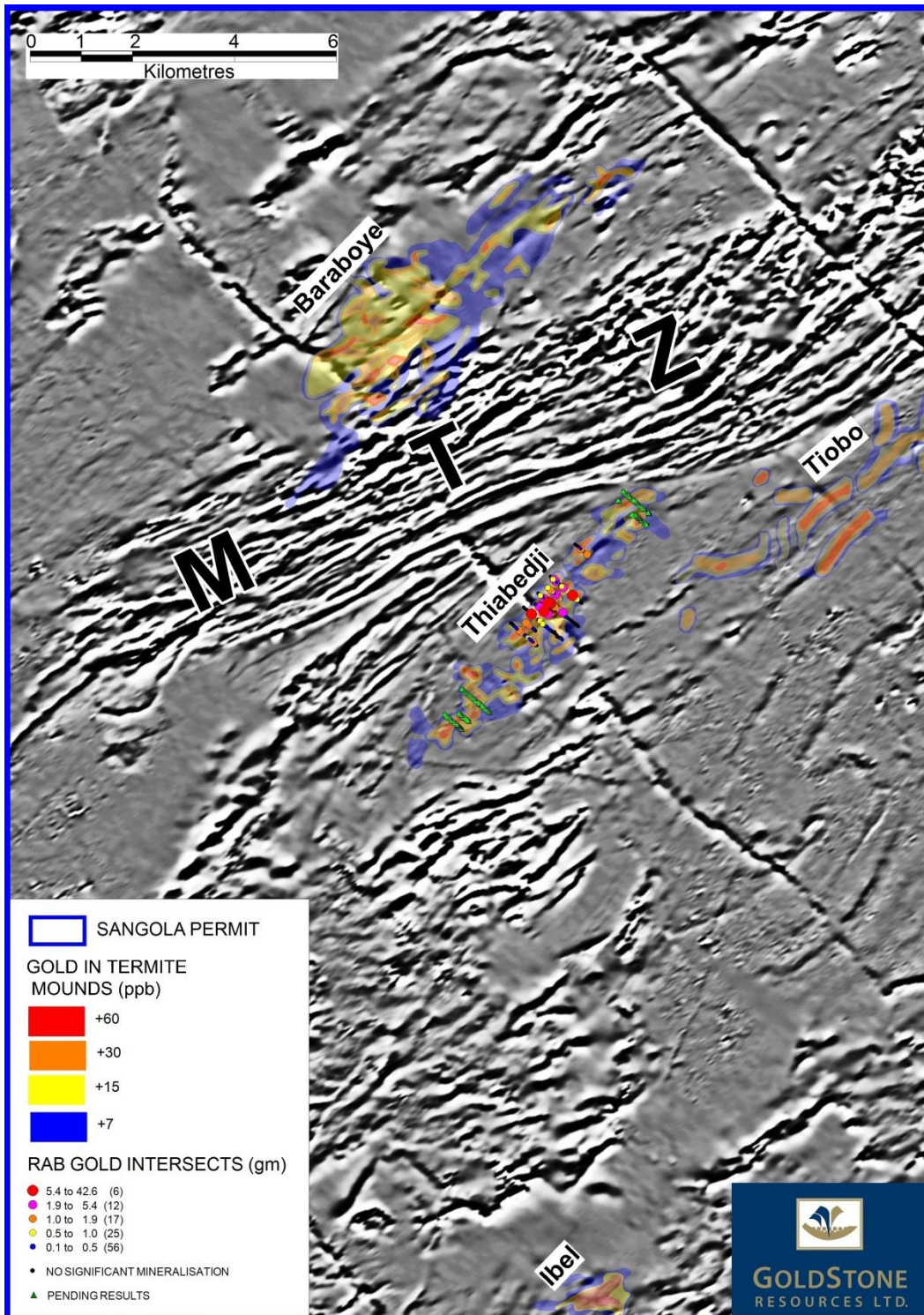


SOURCE: Goldstone Resources

Goldstone has completed an extensive surface sampling programme and an airborne geophysical survey over the Sangola licence and has defined four large gold anomalies at the Baraboye, Thiabedji, Tiobo and Ibel Prospects. Drilling on the Thiabedji Prospect delineated a 1.2km long mineralised trend that is up to 70m wide. Results include; 9m at 4.7g/t Au from surface (SGRB0196), 7m at 2.2g/t Au from 72m (TDRC009), 3m at 4.9g/t Au from 3m (SGRB0197) and 2m at 5.1g/t Au. from 92m (TDRC011). Results from the Baraboye Project include 7m at 1.5g/t Au from 34m (BYRC013) and 2.5m at 1g/t Au from 33m (BYRC034).



**FIGURE 13: PROSPECTS WITHIN THE SANGOLA PERMITS**



SOURCE: Goldstone Resources



## **THANI – STRATEX NEW CO.**

Stratex has agreed heads of terms for an asset combination with Thani Emirates Resource Holdings establishing a new company that will be focused on the Arabian-Nubian Shield and Afar Region. Both Stratex and Thani will inject USD\$1m (£0.6m) to fund initial working capital and will subsequently seek third party funding.

Thani will vest the Wadi Kareem and Hodine concessions, located in Egypt alongside the current Thani-Stratex Djibouti joint venture assets including the Oklila licence that contains the Pandora Prospect and Stratex will also vend its Blackrock concession located in Ethiopia. Following the asset combination Stratex will own 40% of the new co.

The new co. will initially focus on drilling the Okilila epithermal system but also examining the potential of the Egyptian assets. The new co. will also look at adding other projects in the region and an evaluation process of the potential opportunities is currently in progress.

The Wadi Kareem and Hodine concessions were previously explored with AngloGold Ashanti, and at the Hutite prospect, a non-JORC resource of 520,000 oz Au, has already been defined.





## VALUATION

We have reduced our valuation for Stratex International to 9.3p from 10.9p per share. The bulk of the valuation (c. 80%) coming from the development projects, where the Company has little or no financial risk exposure. The significant cash balance also contributes c. 8%, whilst the exploration projects and interest in Tembo and Goldstone, make up a relatively small part of the valuation c. 12%.

**Price target of 9.3p per share**

Our valuation does not fully reflect the blue sky potential of Stratex's exploration projects. As such, given Stratex's track record of making discoveries (over 2.2moz discovered to date) there is plenty of upside to our updated price target.

## SUMMARY OF OUR VALUATION

Project	Updated valuation		Previous valuation	
	Valuation (£m)	Valuation per share (p)	Valuation (£m)	Valuation per share (p)
Altintepe	23.3	5.0	23.2	5.0
Muratdere	6.2	1.3	8.0	1.7
Öksüt NSR	4.6	1.0	4.6	1.0
Turkey - other	0.2	0.0	0.2	0.1
<b>Turkey total</b>	<b>34.3</b>	<b>7.3</b>	<b>36</b>	<b>7.8</b>
East Africa inc. Afar	2.3	0.5	2.3	0.5
Tembo (Stratex interest)	0.5	0.1	1.2	0.3
Goldstone (Stratex interest)	0.6	0.1	-	-
West Africa	2.4	0.5	2.4	0.5
Net Cash (debt) FY14 forecast, prev. FY13 forecasts	3.5	0.7	9.4	2.0
<b>Total</b>	<b>43.6</b>	<b>9.3</b>	<b>51.4</b>	<b>10.9</b>

SOURCE: Northland Capital Partners



## FORECASTS

Income statement							
Year to 31st December (£m)	2010A	2011A	2012A	2013E	2014E	2015E	2016E
Revenue	-	-	-	-	-	-	-
Cost of Sales	-	-	-	-	-	-	-
Administration expenses	(1.7)	(2.0)	(2.9)	(3.2)	(3.2)	(3.4)	(3.5)
Other profit/(loss)	0.1	0.9	(0.0)	(0.8)	-	-	-
Issue of shares other than for cash	-	-	-	-	-	-	-
EBIT	(1.6)	(1.1)	(2.9)	(3.9)	(3.2)	(3.4)	(3.5)
Financial income	0.0	0.0	0.1	0.1	(0.0)	(0.0)	(0.0)
Financial expense	-	-	-	-	-	-	-
Post tax associate income from Altintepe	-	-	-	-	-	2.1	4.8
Öksüt royalty	-	-	-	-	-	-	0.3
Share of profit/(loss) of associate	(0.1)	(0.1)	(0.2)	0.6	(0.1)	(0.1)	(0.1)
Gain/(loss) on acquisition/sale	(1.1)	0.8	12.9	2.1	-	-	-
Impairment charges	(0.1)	(0.1)	(0.1)	(2.7)	-	-	-
Profit/(loss) before tax	(2.9)	(0.5)	9.7	(3.8)	(3.3)	(1.3)	1.4
Taxation credit/(expense)	(0.0)	0.1	(0.1)	0.2	-	-	-
Profit/(loss) for the year	(2.9)	(0.4)	9.6	(3.6)	(3.3)	(1.3)	1.4
Exchange differences on translating foreign operations	(0.3)	(0.7)	0.2	(0.2)	-	-	-
Profit/(loss) for the year	(3.1)	(1.2)	9.8	(3.9)	(3.3)	(1.3)	1.4
Profit/(loss) for the year attributable to:							
Equity holders of the parent company	(3.1)	(1.2)	9.8	(3.9)	(3.3)	(1.3)	1.4
Non-controlling interest (minorities)	-	(0.0)	(0.0)	-	-	-	-
Basic EPS/(LPS) (p)	(1.1)	(0.4)	2.2	(0.8)	(0.7)	(0.3)	0.3
Diluted EPS/(LPS) (p)	(1.0)	(0.3)	2.2	(0.8)	(0.7)	(0.3)	0.3
Taxation Rate %	0.3	(14.1)	(1.4)	(5.3)	-	-	-
Group Pre-tax Margin (%)	178.7	46.1	(331.3)	97.6	104.2	39.6	(41.5)
Operating Profit (EBIT) Margin (%)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dividends per share (p)	-	-	-	-	-	-	-
Dividend Cover (x)	-	-	-	-	-	-	-
Number of shares (m) (Ave weighted)	284.1	321.5	437.3	467.3	467.3	467.3	467.3
Number of shares (m) (Ave weighted fully dil.)	305.2	342.5	445.4	486.1	479.6	479.6	479.6
EBITDA (£m)	(1.5)	(1.0)	(2.8)	(3.8)	(3.1)	(3.3)	(3.4)
Enterprise Value (£m)	9.1	9.2	10.3	4.4	10.2	12.8	12.8
EBITDA Interest Cover (x)	(69.4)	(43.5)	(46.9)	(27.5)	89.1	379.9	374.3
Depreciation & Amortisation	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Cash Earnings Per Share (p)	(0.5)	(0.3)	(0.6)	(0.8)	(0.6)	(0.7)	(0.7)
Price (p)	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Price Earnings Ratio	(2.8)	(8.3)	1.3	(3.6)	(4.1)	(10.3)	9.3
Net yield %	-	-	-	-	-	-	-
NAV per share (c)	0.7	0.9	4.2	2.9	1.7	1.1	1.1
EV/EBITDA	(6.0)	(9.0)	(3.6)	(1.2)	(3.3)	(3.9)	(3.7)

SOURCE: Northland Capital Partners Limited estimates



Cash flow							
Year to 31st December (£m)	2010A	2011A	2012A	2013E	2014E	2015E	2016E
Operating profit (EBIT)	(1.6)	(1.1)	(2.9)	(3.9)	(3.2)	(3.4)	(3.5)
Net interest (cash paid)	0.0	0.0	0.1	0.1	0.0	0.0	0.0
Depreciation and Amortisation	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Post tax associate income from Altintepe	-	-	-	-	-	2.1	4.8
Öksüt royalty	-	-	-	-	-	-	0.3
Other	(0.0)	(0.1)	0.0	0.8	-	-	-
Cash in	(1.5)	(1.1)	(2.7)	(2.9)	(3.1)	(1.1)	1.7
Debtors less creditors	(0.4)	0.6	(0.2)	(0.7)	-	-	-
Tax paid	-	-	-	-	-	-	-
Cash out	(0.4)	0.6	(0.2)	(0.7)	-	-	-
Gross trading cash flow	(2.0)	(0.5)	(2.9)	(3.6)	(3.1)	(1.1)	1.7
Capital expenditure	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Intangibles	(1.7)	(4.5)	(5.2)	(5.5)	(1.8)	(1.5)	(1.5)
Net trading cash flow	(3.8)	(5.0)	(8.3)	(9.2)	(5.0)	(2.7)	0.1
Acquisitions & investments	(0.0)	(1.0)	(0.2)	(1.2)	(1.9)	(0.1)	-
Sale of fixed assets & investments (net)	0.7	0.8	1.3	15.5	-	-	-
Issue of share options	0.0	0.1	0.1	0.0	-	-	-
Issue of shares (net)	1.3	4.5	7.6	-	-	-	-
Funds from JV partner	1.4	2.8	1.2	0.8	0.1	-	-
Gain/(loss) from non-controlling interest in subsidiary	-	0.3	(0.2)	-	-	-	-
Exchange Rate Movements	(0.2)	(0.5)	0.2	0.0	-	-	-
Change in net cash and cash equivalents	(0.7)	2.0	1.7	5.9	(6.8)	(2.8)	0.1
Gross cash and cash equivalents	1.0	3.0	4.7	10.6	3.8	1.0	1.0

SOURCE: Northland Capital Partners Limited estimates





Balance sheet							
Year to 31st December (£m)	2010A	2011A	2012A	2013E	2014E	2015E	2016E
Share capital	2.9	3.5	4.7	4.7	4.7	4.7	4.7
Share premium account	9.3	13.2	20.4	20.4	20.4	20.4	20.4
Retained earnings/losses	(7.7)	(8.1)	1.6	(2.1)	(5.4)	(6.7)	(5.3)
Other Reserves (incl. Foreign currency reserve)	0.0	(0.6)	(0.4)	(0.6)	(1.0)	(1.0)	(1.0)
Non-controlling interest (minorities)	-	0.1	-	-	-	-	-
Deferred tax, provisions & retirement benefit obligations	-	-	-	0.1	0.1	0.1	0.1
Long term liabilities	1.4	0.5	0.5	-	-	-	-
Short term liabilities	0.1	2.0	1.8	1.1	0.3	0.1	0.1
Capital employed	6.0	10.7	28.5	23.7	19.1	17.6	19.0
Intangibles and goodwill	2.5	5.2	8.0	8.9	10.6	12.1	13.6
Fixed assets	0.3	0.2	0.2	0.2	0.5	0.5	0.5
Investments/assets held for sale	0.6	0.3	0.5	0.4	0.4	-	-
Investments in subsidiaries	0.1	0.3	1.1	-	-	-	-
Equity investments	-	-	-	2.5	2.5	2.5	2.5
Stocks	-	-	-	-	-	-	-
Debtors less creditors (incl. Loans receivable)	1.4	1.4	13.8	0.8	1.0	1.3	1.1
Deferred tax	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Cash & Equivalent (unrestricted)	1.0	3.0	4.7	10.6	3.8	1.0	1.0
Cash (restricted)	-	-	-	-	-	-	-
Capital employed	6.0	10.7	28.5	23.7	19.1	17.6	19.0
Net assets per share net of goodwill & intangibles (p)	0.7	0.9	4.2	2.9	1.7	1.1	1.1
Net assets per share inc. goodwill & intangibles (p)	1.6	2.5	6.0	4.8	4.0	3.7	4.0
Net cash (debt) (£m)	(0.4)	0.6	2.4	9.4	3.5	0.9	0.9
Free cash flow per share (p)	(0.6)	(0.1)	(0.7)	(0.7)	(0.6)	(0.2)	0.4
Gearing (%)	(9.2)	7.4	9.3	42.1	18.6	4.9	4.9
Shares in issue (m)	284.1	321.5	437.3	467.3	467.3	467.3	467.3
Post tax RoCE (%)	(0.3)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)
RoE (%)	(0.7)	(0.1)	0.4	(0.2)	(0.2)	(0.1)	0.1
Shareholders' funds (£m)	4.6	8.1	26.2	22.4	18.7	17.4	18.8
Shareholders' funds net of intangibles (£m)	2.0	2.9	18.3	13.5	8.0	5.2	5.2

SOURCE: Northland Capital Partners Limited estimates



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