

Xtract Resources PLC

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Xtract Resources expects "significant increase" in production at Manica after agreeing improved deal with contract miners

Xtract Resources PLC's (LON:XTR) Mozambican subsidiary has negotiated a "significantly enhanced" deal with the contract alluvial miners at the Manica gold project.

Explorator Limitada - wholly-owned by Xtract - agreed the original terms with Omnia Mining and Moz Gold back in June.

READ: Xtract sees first gold poured at Manica

The updated agreement will see the western mining area at Manica divided into two blocks - O and M.

Moz has been appointed on an exclusive basis to conduct alluvial mining and processing within the M block, while Omnia has entered into a new agreement for the O block.

'Significant increase' in production

"The size of the project is such that the division of the western half of the alluvial project was agreed to in the best interest of all parties, especially on the basis that Omnia has a significant alluvial plant some 3km west of the Manica Concession that has large capacity and is currently under-utilised," said executive chairman Colin Bird.

"The amended June agreement is expected to enable a significant increase in production from the two plants which will have the effect in increasing revenue whilst reducing operating risk."

Shares jumped 7.8% to 3.12p early on Thursday.

Price: 1p

Market Cap: £3.51M

1 Year Share Price Graph



August 2017 February 2018 August 2018

Share Information

Code: XTR

Listing: AIM

52 week High Low
3.98p 0.91p

Sector: General Mining

Website: www.xtractresources.com

Company Synopsis:

Xtract Resources (AIM: XTR) is a resource, development and mining company whose focus is and will be to acquire brown field resource projects with a view to release value for its shareholders. The projects targeted will be in regions where mining and infrastructure is prevalent and the mining regulations transparent.

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