

# Sirius Minerals PLC

15:12 12 Jan 2018

## Many positives in Sirius Minerals' latest update say brokers

Sirius Minerals PLC's (LON:SXX) first quarter update' contained a number of positives, according to analysts at brokers Liberum and Shore Capital.

Richard Knights, at Liberum, notes that the fertiliser group is targeting a further 1.7mt of offtake deals by mid-year (to add to the 4.3mt already agreed), a total he thought might take longer to achieve.

Agreeing offtake deals on this scale would be a material share price catalyst for the York Potash project developer, believes Knights.

Delivery of the stage 2 financing, meanwhile, is still being targeted for the second half of 2018 and though D-walling work is around two months behind schedule, Sirius is confident it can make up the time lost.

Signing of the shaft sinking contract, which was expected by the end of 2017, is a priority but still not imminently on the critical path said Knights, who maintained a 'buy' recommendation and 60p target price.

Yuen Low, at Shore Capital, says the fact that the huge and complex engineering project is on time and on budget were the key messages from the update.

For the next round of financing, US\$2.6bn to build the shafts and a 23-mile tunnel to the River Tees, the company is confident that it will have all the requisite ducks in a row by mid-2018 or earlier thereby enabling debt commitment during H2 2018.

These include finalising procurement and securing the take-or-pay/offtake volumes "on the right terms", Low added.

While still some years from a becoming a cash flow-generating company, Sirius should become progressively de-risked and enjoy a significant value uplift as it advances towards production.

Shore Cap has a target range of 65p-82.5p post the state two funding.

Shares eased 3% to 23.1p valuing Sirius at £1.07bn.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

No investment advice

**Price:** 5.465

**Market Cap:** £383.65 m

### 1 Year Share Price Graph



January 2019 July 2019 January 2020

### Share Information

**Code:** SXX

**Listing:** LSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>8389</b>	<b>2.1</b>

**Sector:** Potash & fertilisers

**Website:** [www.siriusminerals.com](http://www.siriusminerals.com)

### Company Synopsis:

*Sirius Minerals is a UK based fertilizer development company focused on the development and operation of its polyhalite project in North Yorkshire.*

[action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.