

# Xtract Resources PLC

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## Xtract Resources reaches "equitable agreement" with Nexus over Manica mining deal

Xtract Resources PLC (LON:XTR) said it has agreed to revise the terms of its collaboration agreement with Nexus Capital Limited for the mining of alluvial gold deposits at its Manica concession in Mozambique.

The AIM-listed miner said on Tuesday that amendments made to an agreement made between the parties in June 2017 would create a new "equitable agreement".

**READ: Xtract Resources reports 6.35% quarter-on-quarter increase in gold production at Manica Concession**

Xtract announced in February 2017 that it had sealed a deal with Hong Kong-based Nexus to develop the alluvial gold interest at Manica together through the appointment of third-party contract miners, who would have the exclusive right to mine alluvial deposits on specified areas of the concession.

The terms of the agreement have been revised several times since. However, Xtract said the new agreement would help ensure that net gold production is shared equally between the two companies and that all entry fees received from the contract miners after 31 May 2018 are divided equally between the pair.

Xtract also agreed a settlement of US\$76,000 with Nexus for fees accrued between 1 January 2018 and 31 May 2018.

Xtract said the new agreement provides it with more favourable terms and potential additional income with minimal operating risk.

"The new agreement is the result of prolonged negotiations between Nexus and Xtract targeted towards an equitable agreement which reflects concession ownership and our responsibilities," said Xtract CEO Colin Bird.

"This agreement has removed key aspects of negative control by Nexus and remains in the general interest of both parties. I am very pleased that agreement has been reached with Nexus and now look forward to working to increase the production of the Manica alluvials by revising the current contracting arrangements," he added.

Xtract Resources shares were 1.5% up at 0.68p in late morning trade.

**Price:** 0.7711p

**Market Cap:** £2.74M

### 1 Year Share Price Graph



June 2018 December 2018 June 2019

### Share Information

**Code:** XTR

**Listing:** LSE

**52 week High Low**  
1.40p 0.57p

**Sector:** General Mining

**Website:** [www.xtractresources.com](http://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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