

Strategic Minerals PLC

07:45 16 May 2019

Strategic Minerals says early modelling of its Cornish tin and tungsten project points to its world-class potential

Strategic Minerals PLC (LON:SML) managing director John Peters says a recent study of the company's tin-tungsten project in Cornwall has confirmed its world class potential.

A preliminary assessment of the underground possibilities for the Redmoor asset by the consultants Wardle Armstrong concluded there is scope to mine 600,000 tonnes of ore a year for the next decade. That is based on a 7.1mtn-tonne resource with a 1.09% tin equivalent grade.

WATCH: Redmoor study confirms its 'attractive returns' - Strategic Minerals' Alan Broome

Internal financial modelling of those numbers suggested the mine would have an internal rate of return of 19% and a net present value of US\$94mln, funded by capital investment of US\$89mln.

MD Peters said: "Using the results of this study, Strategic Minerals believes it has confirmed its view that Redmoor has the potential to be a world class tin and tungsten mine which will deliver attractive returns on investment."

The current resource base at Redmoor is 11.7mtn tonnes, though it currently sits in the inferred category. Strategic believes there is "significant exploration upside".

Metallurgical testing, meanwhile, "confirms amenability of ore to gravity pre-concentration with good potential recoveries and grades".

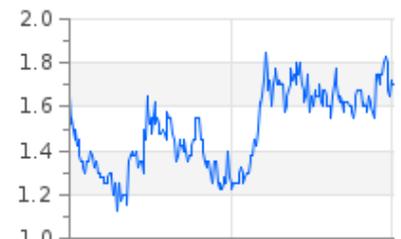
Further work will now be carried out to advance and further optimise the project as it heads towards a more formal pre-feasibility study, investors were told.

Strategic is the 50% owner of the Redmoor deposit, which is around 16 miles inland from Plymouth, and has a deal in place to acquire the remainder.

Price: 1.74p

Market Cap: £24.43M

1 Year Share Price Graph



June 2018 December 2018 June 2019

Share Information

Code: SML

Listing: AIM

52 week High Low
2.08p 1.10p

Sector: General Mining - Iron Ore and Bauxite

Website: www.strategicminerals.net

Company Synopsis:

Strategic Minerals plc is a AIM listed (AIM: SML) minerals production and development company focused on developing projects prospective for battery materials.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

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

No investment advice

Proactive Investors is a publisher and is not registered with or authorised by the Financial Conduct Authority (FCA). You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value or suitability of any particular security, portfolio of securities, transaction, 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.