

African Eagle Resources plc: Preliminary Results for 2011

06.06.2012 | [Globenewswire Europe](#)

PRELIMINARY ANNOUNCEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

6 June 2012 - [African Eagle Resources plc](#) ("African Eagle" or the "Company") (AIM: AFE; AltX: AEA) today announces its preliminary results for the year ended 31 December 2011

Dutwa Project:

- Majority of Wamangola resource upgraded to JORC indicated category
- Positive results from testwork establish atmospheric tank leaching as most competitive project economics
- Aidan Schoonbee appointed as Dutwa Project Manager
- SGS Metallurgy of Perth selected for pilot-scale hydrometallurgical testing programme
- Lycopodium Minerals of Perth selected as engineer to prepare the bankable feasibility study

Corporate:

- Julian McIntyre appointed as Non-Executive Director
- Trevor Moss appointed as Chief Executive Officer
- IFC invests in the Company and becomes major shareholder
- Don Newport and Christopher Pointon appointed as Independent Non-Executive Directors
- Placing and open offer raises £9.5 million
- Board restructured and Chris Pointon appointed Chairman

African Eagle's recently appointed Chairman, Chris Pointon, said "Over the past six months, African Eagle has transitioned from a diversified explorer into a project development company fully focused on the development of the Dutwa nickel project. We have confirmed that Dutwa has the size and metallurgical characteristics to become a highly competitive nickel producer.

As part of this transition, the Board and management team have been restructured to bring in development, operating and project finance skills and I am confident we now have the right project team, ably supported by world class consultants. Most of the Company's non-core assets have been successfully spun off to free up the Company's management and financial resources to concentrate exclusively on Dutwa.

The bankable feasibility study is progressing well. A resource upgrade is due to be announced shortly and the bulk sample for the pilot plant testwork, due to commence in August, has been shipped."

The Company also announces the publication of its 2011 Annual Report and Financial Statements, which is being posted to shareholders today and is available on the Company's website: www.africaneagle.co.uk.

The information in this preliminary announcement has been extracted from the audited financial statements for the year ended 31 December 2011 and as such, does not contain all of the information required to be disclosed in the financial statements prepared in accordance with IFRS.

For further information, please visit www.africaneagle.co.uk or contact:

[African Eagle Resources plc](#)

Trevor Moss, CEO
Alex Buck
+44 20 7248 6059

Canaccord Genuity Limited (NOMAD and Joint Broker)
Rob Collins or Andrew Chubb
+ 44 20 7523 8000

Ocean Equities Limited (Joint Broker)
Guy Wilkes
+44 20 7786 4370

Russell & Associates, Johannesburg
Charmane Russell or Marion Brower
+27 11 880 3924

Letter from the Chief Executive Officer

Dear Shareholders,

It is six months since I took over from my able predecessor, the Company's founder Mark Parker, with a mandate to lead African Eagle and to transform it from an exploration company into a focused nickel development company.

Much has changed in that time and African Eagle is now well positioned to develop into a mid cap base metal producer. During my short time as CEO we have made good progress in our efforts to focus the Company's activities towards the timely development of our flagship Dutwa nickel project in Tanzania.

From my first day I have sought to extract the maximum benefit from the inherent strengths of the project - its location in a mining friendly and stable democratic country, its exceptionally favourable metallurgy, the favourable location of the resources on the tops of two hills and the skills of the Tanzanians who have already ably assisted in the considerable development efforts so far.

In these past six months we have thoughtfully assembled a world-class team of dedicated professionals who are working in an integrated way to rapidly advance the development of Dutwa through old-fashioned common sense, hard work and teamwork. Engineers, social and environmental specialists, brokers, JV partners, investors and all levels of Company's management and staff are working closely together with a single collective objective. We have much to accomplish and have set a bold target for ourselves. The project deserves the best we can muster and we have mustered the best.

Trevor A. Moss
CEO

Chairman's Statement*

Dear Shareholders

In my Statement last year, I reported that we were taking steps towards the pre-feasibility stage of the Dutwa project, and throughout 2011, we continued work towards that goal. On his arrival at the Company, Trevor conducted a thorough review, and recommended that the project was robust enough to move directly to a bankable feasibility study (BFS).

We can look back on 2011 as the year when African Eagle changed from being a mineral explorer to a mine developer. Resource drilling, metallurgical test work and economic analysis continued to demonstrate the value of our Dutwa Nickel Project.

We have made key board and management changes, to give African Eagle the capabilities needed to develop Dutwa. It has been a particular pleasure for me to have welcomed Trevor Moss as our new Chief Executive Officer, Andrew Robertson as Finance Director, Julian McIntyre as a Non-Executive Director, Aidan Schoonbee as Dutwa Project Manager and (just after the year end), Don Newport and Dr. Chris Pointon as Independent Non-Executive Directors.

Key Appointments

On the finance front, Andrew Robertson joined us as Finance Director in December, taking over from Bevan Metcalf. Andrew is a Chartered Accountant with 35 years experience and prior to joining us, was Chief Financial Officer for several TSX listed Canadian gold mine operators and developers. Andrew has extensive experience in capital and debt funding and in setting up the financial systems which will be necessary for a producing mine in Tanzania. In May 2011, Julian McIntyre, a founder of MWB Capital, joined the Board as a Non-Executive Director after MWB bought an 11% stake in African Eagle. Julian brings a City background and the skills of a successful entrepreneur.

Early in 2012, the Board further enhanced its base of expertise by appointing Dr Chris Pointon and Mr Don Newport as independent Non-Executive Directors. Don and Chris are two of the best qualified people in our industry and we count ourselves extremely lucky to attract them. Chris worked for Rio Tinto, Billiton and BHP Billiton, where he headed the Stainless Steel Materials Division, building it into one of the world's largest nickel and ferrochrome producers. He was a member of BHP Billiton's Executive Committee from the Company's formation in 2001 until his retirement in 2006.

With 23 years of sector-specific experience, Don is a veteran of the London mining finance industry who, after heading up the Metals & Mining Team at Barclays Bank, went on to lead the Global Mining Finance team at Standard Bank. In 2008, Don was honoured with the Mining Journal's Lifetime Achievement Award for "an outstanding contribution to the advancement of the international mining industry".

A year ago, I reported that Mark Parker, our Managing Director and African Eagle's founder, had made the pragmatic decision to step aside as soon as the Board found the right person to take over as Chief Executive Officer and drive the development of Dutwa. We were delighted when Trevor Moss, a seasoned professional engineer with 30 years experience in the mining industry, agreed to lead the team. Trevor, who has worked for such major groups as Barrick Gold, Cyprus Amax and Newmont Mining, was attracted to African Eagle by the opportunity to build Tanzania's first industrial metals mine. His most recent role, which particularly attracted us, was as Chief Operating Officer of Nevsun Resources, for whom he successfully brought the Bisha gold mine in Eritrea into production, below budget and on time.

In addition to these important additions to our Board, in January we appointed Mr Aidan Schoonbee as the Project Manager for the development of Dutwa. Aidan has more than 20 years of experience in the African mining industry and has managed projects from feasibility study through to operation. Aidan will work closely with Dr. Chad Czerny (Project Manager of Metallurgy), a world authority on nickel laterite processing who is now overseeing metallurgical test work and process design in Australia.

IFC Subscription

At the end of the year, we were very pleased to welcome the International Finance Corporation (IFC), the commercial investment arm of the World Bank Group, as a leading investor and strategic long term partner. The IFC carried out detailed due diligence on the Dutwa project, which covered not only technical and legal matters but also environmental and social aspects. The latter are criteria which the Board believes are critical to the responsible development of mining operations, a view shared by the Government of Tanzania. We will be working with the IFC and the Government of Tanzania to ensure the Dutwa project is developed in full compliance with the Equator Principles.

Technical Progress

2011 was a year of good progress on the Dutwa project. I refer you to our Operational Review for the details. In my Statement last year, I reported that we were taking steps towards the pre-feasibility stage of the Dutwa project, and throughout 2011, we continued work towards that goal. On his arrival with the Company, Trevor conducted a thorough review, and recommended that the project was robust enough to dispense with a formal pre-feasibility report and move directly to a bankable feasibility study (BFS). The Board agreed with this

judgement, which will avoid repetition, save management time and costs, and lead to faster project development. We are confident that the deep experience of Trevor and his team will enable us to manage the risks of fast tracking the project.

To this end in early 2012 we have appointed the key contractors for the completion of the BFS all located in Perth Western Australia, the global heart of nickel laterite expertise, namely Lycopodium as study engineer, SGS Orestest for the pilot plant, Snowden as resource geologists and mine planners and Knight Piésold as geotechnical engineer. These appointments followed the 2011 engagement of both Citrus Partners of the UK and MTL Consulting a Tanzanian consultancy for preparation of the environmental and social impact study.

Legacy Projects

Although we didn't reach the end 2011 target to spin out or divest our Zambian copper assets, as anticipated in my statement last year, this is being actively progressed at the time of writing. Chris Davies moved over to be interim CEO of Cobra Copper and resigned from the Board of African Eagle, I would like to thank him for his 11 years service as Operations Director. At the Miyabi gold project in Tanzania, our joint venture partner, ASX listed Brightstar Resources, has achieved encouraging drilling results. BrightStar is earning a 75% interest from African Eagle by funding and managing the project through to a Feasibility Study.

Instead of its planned listing on the ASX, Jacana Resources Limited was successfully sold into ASX listed Syrah Resources Limited. African Eagle's agreement with Jacana to transfer a number of licences in Mozambique, Tanzania and Zambia, mainly for uranium exploration, was fulfilled by Syrah and the Company received £0.47 million out of a total of about £0.64 million expected under the transaction, with the balance expected to be received later this year.

Financing

In January 2011, we took advantage of the strong demand for our shares and placed 23.86 million shares at 15.5p to raise gross proceeds of £3.7 million. With the market weakness that share price momentum was not maintained, however, and the placing price for the IFC subscription agreed in November was 6.8p for a total of £3.1 million. After receiving that sum in February this year, we had £4.6 million in the bank.

In April 2012 we raised £9.5 million to secure a significant contribution to the funding for the BFS through a placing with existing and new shareholders, and from an open offer.

The Year Ahead

Challenges lie ahead to raise capital for the development of Dutwa but banks, government lending agencies and potential off-take customers are already making encouraging approaches.

Our management and Board will seek the best advice, capital structure and optimal pricing to fund this project. The appointment of our new CEO signalled a significant acceleration of progress on the Dutwa project and I can assure you that there is much work going on in Tanzania, Western Australia and London, towards a successful completion of a BFS to be published in the first quarter of 2013.

It is the Board's intention to appoint an Advisor to work with us on the project finance for Dutwa and we will maintain an aggressive timetable to finance and construct Dutwa and bring it into production by the end of 2015.

The new direction that the Company is taking requires a fresh Board of Directors and as such, Mark Parker, Geoffrey Cooper and I have resigned as directors. Great thanks must go to them all for their hard work, commitment and financial support over the past decade. Particular thanks go to Mark Parker, founder of the Company who recognised the great potential of Dutwa.

I welcome all our new Directors to the Board as our Company takes its next steps towards becoming a nickel mine developer and I would like to thank all our

employees and managers for their hard work and commitment during this period of change.

Euan Worthington

Chairman

*(Covering the period 1 January 2011 - 24 April 2012)

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2011

Year to 31 December 2010
2011

£ £

Depreciation expense (30,511) (41,661)

Employee benefits expense (677,784) (588,557)

Impairment of deferred (1,640,836) (57,498)
exploration expenditure

Share of loss in associate (9,116) (2,337)

Other expenses (819,479) (469,169)

Other income - 120,000

Operating loss (3,177,726) (1,039,222)

Finance income:

Bank interest receivable 10,117 28,182

Foreign exchange 207,485 (23,490)
gain/(loss) on translation

Loss before tax (2,960,124) (1,034,530)

Income tax expense - -

Loss attributable to equity (2,960,124) (1,034,530)
owners for the year

Other comprehensive
income/(loss):

Exchange differences on (233,131) 182,155
translation of foreign
operations

Available for sale
investments:

Fair value adjustment (170,400) 210,400

Other comprehensive (loss)/income for the year (403,531) 392,555

 Total comprehensive loss attributable to equity owners for the year (3,363,655) (641,975)

Loss per share:

Basic and diluted loss per share from total and continuing operations (0.7p) (0.3p)

Headline loss per share from total and continuing operations (0.3p) (0.3p)

Consolidated Statement of Financial Position
 For the year ended 31 December 2011

31 31
 December 2011 December 2010

£ £

ASSETS

Non-current assets

Property, plant and equipment 81,259 43,578

Available for sale investments 160,000 330,400

Investment in associates 2,677,921 2,564,515

Investment in joint ventures 32,993 33,664

Deferred exploration costs 11,126,684 11,176,584

 Total non-current assets 14,078,857 14,148,741

Current assets

Cash and cash equivalents 2,285,347 3,170,709

Other receivables - Short term 509,556 451,239

 2,794,903 3,621,948

Exploration assets held for sale 2,465,518 1,098,843

 Total current assets 5,260,421 4,720,791

Total assets 19,339,278 18,869,532

LIABILITIES

Current liabilities

Other payables (385,494) (395,253)

 Total liabilities (385,494) (395,253)

Net assets 18,953,784 18,474,279

EQUITY

Equity attributable to owners of the parent:

Share capital 4,095,862 3,847,622

Share premium account 27,201,169 23,888,084

Merger reserve 705,723 705,723

Available for sale revaluation reserve 40,000 210,400

Foreign currency reserve (190,266) 42,865

Retained losses (12,898,704) (10,220,415)

 Total equity 18,953,784 18,474,279

Andrew Robertson
 Director

Consolidated Statement of Changes in Equity For the year ended 31 December 2011

	Share Capital	Share premium account	Share Merger Reserve	Available for sale revaluation reserve	Foreign currency reserve	Retained Losses	Total equity
--	---------------	-----------------------	----------------------	--	--------------------------	-----------------	--------------

£ £ £ £ £ £ £

Balance at 31 December 2009	2,967,622	21,678,832	705,723	- (139,290)	(9,422,679)	15,790,208
-----------------------------	-----------	------------	---------	-------------	-------------	------------

Loss for year	- - - - -	(1,034,530)	(1,034,530)			
---------------	-----------	-------------	-------------	--	--	--

Other Comprehensive income/(loss):

Exchange	- - - -	182,155	- 182,155			
----------	---------	---------	-----------	--	--	--

differences on
translation of
foreign
operations

Available for - - - 210,400 - - 210,400
sale
investments -
fair value
adjustment

Total - - - 210,400 182,155 (1,034,530) (641,975)
comprehensive
income/(loss)
for the year

Transactions
with equity
owners for
2010:

Issue of share 880,000 2,420,000 - - - - 3,300,000
capital

Share issue - (210,748) - - - - (210,748)
costs

Share-based - - - - - 236,794 236,794
payments

Total 880,000 2,209,252 - - - 236,794 3,326,046
transactions
with equity
owners

Balance at 31 3,847,622 23,888,084 705,723 210,400 42,865 (10,220,415) 18,474,279
December 2010

Loss for year - - - - - (2,960,124) (2,960,124)

Other
Comprehensive
income/(loss):

Exchange - - - - (233,131) - (233,131)
differences on
translation of
foreign
operations

Available for - - - (170,400) - - (170,400)
sale
investments -
fair value
adjustment

Total - - - (170,400) (233,131) (2,960,124) (3,363,655)
comprehensive
income/(loss)
for the year

Transactions
with equity

owners for
2011:

Issue of share capital 248,240 3,512,720 - - - - 3,760,960

Share issue costs - (199,635) - - - - (199,635)

Share-based payments - - - - - 281,835 281,835

Total transactions with equity owners 248,240 3,313,085 - - - 281,835 3,843,160

Balance at 31 December 2011 4,095,862 27,201,169 705,723 40,000 (190,266) (12,898,704) 18,953,784

Consolidated Statement of Cash Flows

For the year ended 31 December 2011

Year to 31 December 2011 Year to 31 December 2010

£ £

Operating activities

Loss before taxation (2,960,124) (1,034,530)

Adjustments for non-cash items:

Depreciation 30,511 41,661

Exchange loss/(gain) (3,953) (1,115)

Loss on disposal of property, plant and equipment 1,082 423

Impairment of deferred exploration expenditure 1,640,836 57,498

Share-based payments 281,835 236,794

Share of loss in associate 9,116 2,337

Share of joint venture loss 680 975

Recognition of investment in a listed company - (120,000)

Other cash flows

Interest received (10,117) (28,182)

(Increase)/decrease in other receivables (59,300) (326,205)

Increase in other payables 69,783 2,043

Cash flows from operating (999,651) (1,168,301)
activities

Investing activities

Payments to acquire property, (69,828) (1,961)
plant and equipment

Deferred exploration (3,137,095) (1,800,872)
expenditure

Interest received 10,117 28,182

Investments in associates (248,740) (270,436)

Cash flows used in investing (3,445,546) (2,045,087)
activities

Financing activities

Proceeds from issue of share 3,561,325 3,089,252
capital

Cash flows from financing 3,561,325 3,089,252
activities

Net (decrease)/increase in (883,872) (124,136)
cash and cash equivalents

Cash and cash equivalents at 3,170,709 3,293,014
beginning of year

Exchange (loss)/gain (1,490) 1,831

Cash and cash equivalents at 2,285,347 3,170,709
end of year

Basis of Preparation

The financial information set out above do not constitute statutory accounts as defined in Section 435 of the Companies Act 2006 in respect of the 2011 Accounts but have been extracted from the Group's 2011 audited statutory financial statements. The auditor's report on the statutory financial statements for the years ended 31 December 2011 and 2010 were unqualified and did not contain any statement under Section 498(2) or (3) of the Companies Act 2006.

This announcement is distributed by Thomson Reuters on behalf of Thomson Reuters clients. The owner of this announcement warrants that:
(i) the releases contained herein are protected by copyright and other applicable laws; and
(ii) they are solely responsible for the content, accuracy and originality of the information contained therein.

Source: African Eagle Resources PLC via Thomson Reuters ONE
[HUG#1615321]

Unternehmen: African Eagle Resources PLC - ISIN: GB0003394813

Dieser Artikel stammt von [Rohstoff-Welt.de](http://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/127128--African-Eagle-Resources-plc--Preliminary-Results-for-2011.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).