



## Red Rock Resources

Red Rock Resources Plc is an exploration and mineral property investment company focused on the discovery and development of iron ore, manganese and uranium, both through exploration for, and exploitation of, mineral deposits, through the acquisition and disposal of interests in actual or potential mineral deposits or companies holding them in exchange for cash, securities, or royalty and other deferred interests, through buy-in agreements and joint ventures with such companies, and through public offerings of securities in subsidiary or associate companies. Its operations are located in Australia and South Eastern Africa. Red Rock Resources (AIM: RRR) listed on London's AIM market in July 2005



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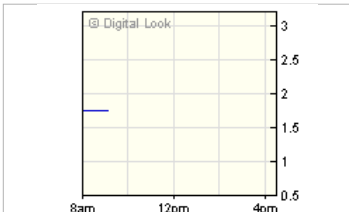


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Thursday, February 18, 2010

## Edison Ups Red Rock Resources Asset Valuation, Says Discount To NAV Could Be 89%

Edison ups Red Rock Resources assets valuation, says discount to NAV could be 89%

Edison Investment Research has revisited its stance of Red Rock Resources (AIM: RRR), saying the iron ore focused investor could be trading at a 89% discount to its NAV (net asset value) after revising its valuation of exploration assets following an analysis of the gold market.

The previously calculated average in-ground value of resources stood at US\$380.66/oz and US\$30.74/oz for the measured and indicated categories respectively, which have now risen to US\$403.53/oz and US\$85.94/oz for ounces listed in London and US\$283.68/oz and US\$243.76 for ounces listed in Canada.

The research house said that Red Rock, currently valued at 1.725 pence, was trading at a 17% discount to its NAV based solely on the value of its shareholdings in Jupiter Mines (ASX: JMS), Cue Resources (TSX-V: CUE) and Edison's estimate of the cash on the company's balance sheet after a recent equity issue that bagged Red Rock £240,000.

The discount then rises to 48% if the company's balance sheet is taken into account along with its shareholdings in Kansai Mining (TSX-V: KAN) and Resources Star (ASX: RSL) whose shares are currently suspended from trading.

Should the Mid Migori assets be ascribed the average value of resources in the London and Canadian market and the Cue Resources assets partially revalue, the discount will climb to 88% and to 89% assuming the full revaluation of Cue Resources and the exercise of the Mt Alfred and Mid Migori options.

Edison noted Red Rock's immediate focus on speeding up exploration at Mid Migori, particularly on tailings dams and also the largest historic anomaly within its leases, saying that both of them had the potential to add hundreds of thousands of ounces to the company's resource base.

Independent research group Growth Equities and Company Research (GE&CR) maintained its "speculative buy" rating for the stock at the end of January, saying that Red Rock's shareholdings in Jupiter Mines and Resource Star are currently valued in excess of £12 million, versus Red Rock's £9.2 million market cap as of 28 January. Therefore its own 1.17 million ounce gold resource and its other operations are valued by the market at 'less than nothing', said GE&CR.

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EPIC	RRR
Time:	16:30:05
Mid Price:	1.75
Change Today:	0.00
Change % Today:	0.00
Fifty Two Week High:	2.05
Fifty Two Week Low:	0.78
Market Capital:	10.06

PERIOD	PRICE
Now:	1.75
3 Months ago:	1.50
6 Months ago:	1.50
1 Year ago:	0.88

ADDITIONAL	INFORMATION
Market:	AIM
Sector:	General Mining
Epic:	RRR
News:	<a href="#">Latest news</a>
Web Site:	<a href="#">Red Rock Resources</a>
Other Articles:	<a href="#">29-01-2010</a> <a href="#">14-01-2010</a> <a href="#">03-12-2009</a>

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- 14/07/09 [Red Rock Resources : Building a steel feed business in a JV with Pallinghurst](#)
- 17/03/09 [Andrew Bell of Red Rock Resources Speaks to Proactiveinvestors](#)

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- 29/01/10 [GE&CR says Red Rock Resources' own projects undervalued, maintains 'speculative buy'](#)
- 14/01/10 [Red Rock Resources testing latest samples from prospects at Migori gold project, Kenya](#)
- 03/12/09 [Red Rock Resources ups interest in Migori Gold Project to 35.2%](#)
- 26/11/09 [Red Rock Resources to mobilize RC rig to Migori gold project on 7 December](#)
- 25/11/09 [Red Rock uranium exploration affiliate Resource Star in Malawi JV with Globe Metals](#)
- 17/11/09 [Red Rock Resources raises £413,000 in placing](#)
- 16/11/09 [Red Rock Resources to start new drilling programme at Kenya's Migori gold project in December](#)
- 06/11/09 [Red Rock's stake in Resource Star down at 24.4% after placement](#)