

22 September 2010

## Red Rock Resources

Year End	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
06/08	1.3	(0.2)	(0.12)	0.00	N/A	N/A
06/09	0.1	(0.8)	(0.24)	0.00	N/A	N/A
06/10e	2.7	1.6	0.11	0.00	22.5	N/A
06/11e	2.9	1.8	0.26	0.05	9.5	2.0

Note: \*PBT and EPS (fully diluted) are normalised, excluding intangible amortisation and exceptional items.

### Investment summary: Cranking up

Red Rock's recent updates on its interests in Australia, Columbia and Kenya have allowed us to put indicative values on the potential value of its 1.5% gross production royalty at Mount Ida and also Jupiter Mines' shares, assuming that the company is successful in meeting its exploration target of 1.1-1.3bn tonnes of magnetite at Mount Ida at a grade of 30-40% iron (Fe). The company has also raised £1.2m since July via the issue of a total of 43m shares, making the current number of shares in issue 642m.

### Macalder tailings resource

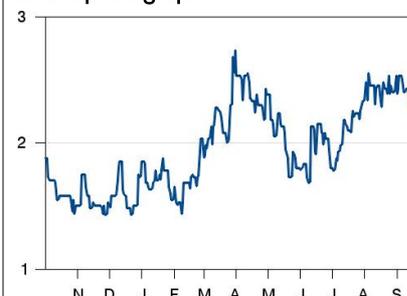
Red Rock's revised estimate of resources at Macalder tailings showed a 17,206oz (30%) increase in the number of ounces in the 'indicated' category and an 8,042oz (12%) increase in total ounces, to 75,084oz. While our overall valuation of the broader Mid Migori asset has remained largely unchanged as a result of the resource upgrade (within 2.1% of our original valuation), our confidence in the valuation has been increased by the fact that it was conducted by UK-based CSA Global.

### Valuation: Potentially over 20p per share

At 2.47p, Red Rock's shares are currently discounting solely the value of its listed assets plus our estimate of its cash balances. The value of the company and the share price discount to its asset value increase (to 3.24p and 23.7%, respectively) on taking into account 1) the likely, short-term realisable value of Red Rock's holding in Kansai Mining Corp (last raised funds at 10c per share but suspended for failure to file accounts in a timely fashion); and 2) our estimate of the value of Red Rock's consultancy and loan agreement with MFP, as set out in our note of 12 July 2010. Including other factors (eg the Mount Ida royalty) and a re-rating of its assets to average industry valuations, we estimate that Red Rock could be worth in excess of 20p per share.

Price 2.47p  
Market Cap £16m

#### Share price graph



#### Share details

Code RRR  
Listing AIM  
Sector Mining  
Shares in issue 642m

#### Price

52 week High 2.9p Low 1.2p

#### Balance Sheet as at 31 December 2009

Debt/Equity (%) N/A  
NAV per share (p) 1.7  
Net cash (£'000s) 231.0

#### Business

Listed on AIM in July 2005, Red Rock Resources is now a combination of a junior gold explorer and a mineral property investment company focused on the discovery and development of gold, iron ore, manganese and uranium primarily in Africa and Australia.

#### Valuation

	2009	2010e	2011e
P/E relative	N/A	219%	104%
P/CF	N/A	8.1	7.4
EV/Sales	N/A	4.7	4.3
ROE	N/A	8%	16%

#### Geography based on revenues (H110)

UK	Europe	US	Other
100%	0%	0%	0%

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## Investment summary: Cranking up

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Red Rock has had an eventful summer, updating the market on developments at each of its main assets, namely Australian-listed Jupiter Mines, its Kenyan and Columbian gold assets and Australian-listed Resource Star. In addition, it has raised £1.2 since August via the issue of a total of 43m shares, making the current number of shares in issue 642m.

### Jupiter Mines' Tshipi approval and Mt Ida fast track

Red Rock holds 83.7m shares in Jupiter Mines Ltd (JMS:AU), which equates to a 22.6% interest in the company. In August, however, Jupiter held an Extraordinary General Meeting at which shareholders voted in favour of the acquisition of a 49.9% interest in the Tshipi manganese project in South Africa for a consideration of A\$255m (including the assumption of A\$10.2m in debt). As a result of the acquisition, the number of Jupiter's shares outstanding will increase by 1,232m (or 333%) to 1,602m, in which case Red Rock's interest in the company will decline to 5.2%. As noted in a previous report, the Tshipi open-pit manganese project has a SAMREC/JORC resource of 163Mt at a grade of 37% manganese (NB this excludes a lower grade 'top cut' horizon, which could be as large again, with an average grade of c 29%) of which 101.4Mt is in the 'inferred' category and 61.8Mt is in the 'indicated' category. The resource has been the subject of a feasibility study in respect of 62Mt, which envisaged mining 2Mt of ore per annum for a period of 28 years at a development cost of up to A\$200m. The development time from a decision to mine is estimated at approximately two years. At its current share price of A\$0.26, the transaction will leave Jupiter with a market capitalisation of A\$417m (from A\$96m currently) and three principal assets, being:

1. A 49.9% interest in the Tshipi manganese project in South Africa.
2. A 100% interest in the Mount Ida Magnetite Project (part of the Central Yilgarn Iron Ore Project, or CYIP) in Australia (see below).
3. A 100% interest in the Oakover manganese tenements in the Pilbara in Western Australia.

Pursuant to the Tshipi deal, Jupiter has also announced that it is to 'fast track' the development of its Mount Ida Magnetite Project. In the first instance, this will involve an increase in the Mount Ida budget to A\$3m to fund the deployment of a second drill rig to target the magnetic anomalies in the central area of Mount Ida as part of an 11,000m reverse circulation (RC) drill programme. This is intended to generate a maiden JORC-compliant 'inferred' magnetite resource in December 2010, after which a decision will be made on the progression of the project. The near-surface resource potential of the deposit is currently estimated by the company to be of the order of 1.1-1.3bn tonnes at a grade of 30-40% iron (Fe).

### Migori, Kenya

While listed Jupiter Mines remains Red Rock's largest asset, its second largest asset – with the potential to become its largest – is its interest in the Mid-Migori Mining Company (MMMC) in Kenya. Currently, this comprises a 15% direct holding in the company, plus an effective 35.2% interest in Canada's Kansai Mining Corporation (which holds the remaining 85% of MMMC).

MMMC owns five assets with JORC-compliant resources, namely KKM, Gori Maria, MK, Nyanza and Macalder tailings. Historically, the sum total of MMC's resources was estimated to be 1,239,042oz, of which 1,229,878oz were in the 'indicated' category and 9,164oz were in the 'measured' category.

Last month, following work completed by consultants, CSA Global (UK) Ltd, Red Rock announced an increase in the estimated resource at Macalder tailings in the 'indicated' category, from 67,042oz to 75,000oz – an increase of 7,958oz, or 12%.

The Macalder tailings material was produced as a product from historic mining at the Macalder mine (both open pit and underground). It is contained within a dam and comprises four types of material, namely Gossan, Sulphide, Calcine and Oxidised Sulphide. A summary of the new Macalder tailings resource estimate is as follows:

#### Exhibit 1: Mid-Migori Macalder tailings' updated resource estimate

Note: Estimate defined according to JORC (2004) standards; 0g/t cut-off; *in-situ* dry bulk density of 1.98g/cm<sup>3</sup> assumed; numbers may not add up owing to rounding

Material	Bank cubic metres (000s)	Tonnes (kt)	Grade (g/t)	Contained gold (oz)
Sulphide	412	816	1.53	40,128
Calcine	245	485	2.03	31,661
Gossan	63	125	1.74	6,978
<b>Total</b>	<b>719</b>	<b>1,424</b>	<b>1.64</b>	<b>75,000</b>

Source: Red Rock Resources, CSA Global (UK) Ltd

A total of 437.5m was drilled over 38 holes (11.5m per hole, on average) using shell and Auger drilling and sampled every metre. The 438 samples were then analysed at respected consultants SGS's Mwanza laboratory. Five holes, situated on a smaller tailings dam to the south of the main Macalder tailings dam, were excluded from the resource calculation, as no volume information was supplied for the area.

As a result of the updated resource at Macalder tailings, Mid-Migori's resources have changed as shown in Exhibit 2:

#### Exhibit 2: Change in Mid-Migori resources

Zone	Category	Previous			Current			Change (oz)
		Tonnes (kt)	Grade (g/t)	Contained gold (Moz)	Tonnes (kt)	Grade (g/t)	Contained gold (Moz)	
KKM	Indicated	22,110	0.96	680,000	22,110	0.96	680,000	0
Gori Maria	Indicated	8,600	0.87	240,000	8,600	0.87	240,000	0
MK	Indicated	1,450	2.32	108,000	1,450	2.32	108,000	0
Nyanza	Indicated	840	5.32	144,000	840	5.32	144,000	0
Sub-total	Indicated	33,000	1.10	1,172,000	33,000	1.10	1,172,000	0
Macalder tailings	Measured	114	2.50	9,164	0	0.00	0	-9,164
	Indicated	1,000	1.80	57,878	1,424	1.64	75,084	17,206
Sub-total		1,114	1.90	67,042	1,424	1.64	75,084	8,042
Total indicated		34,000	1.13	1,229,878	34,424	1.13	1,247,084	17,206
<b>Total</b>		<b>34,114</b>	<b>1.13</b>	<b>1,239,042</b>	<b>34,424</b>	<b>1.13</b>	<b>1,247,084</b>	<b>8,042</b>

Source: Edison Investment Research

On the basis of the results of its resource re-estimation, CSA has recommended that:

- The Macalder tailings and smaller dam to the south be re-surveyed with a Differential GPS to increase accuracy.
- A representative portion of the samples be sent for re-assay at another laboratory.

- c) The results of ongoing metallurgical test-work be used as a guide for re-assaying elements that may be capable of being economically extracted and may add value to the project (eg silver and cobalt but also, potentially, copper and zinc).
- d) A metallurgical desk top study be undertaken to produce process flow sheets.

After completing all four recommendations, it is Mid-Migori's intention to conduct additional work, with a view to potentially upgrading the classification of the mineral resource estimate prior to making a decision on moving the prospect towards production.

In the meantime, results are expected imminently from a fixed-wing, magnetic/radiometric survey which was conducted at Mid-Migori's assets in August. The survey comprised 3,117 line kilometres flown at a height of 30m, with 2,295 line kilometres flown at a 200m spacing and 822 infill kilometres flown at a 50m spacing. Preliminary interpretation of the lines flown in the vicinity of the Macalder VMS mine suggests that there could be potential additional resources to the west and northeast of the mine as well as under the tailings; it also identified two targets worthy of follow-up work to the west and south of the mine. In addition, leaching test-work has begun on the Macalder tailings samples at Amdel Laboratories, the results from which are also expected imminently.

## Colombia

Red Rock's interest in its Columbian (gold) assets is via a US\$2m loan extended to Mineras Four Points SA, plus options to acquire up to 51% of the company's equity. Using the Black-Scholes method of option valuation, we estimate that Red Rock's interest in Minas Four Points (MFP) has the potential to become its second largest asset, if not its largest asset (see update note published on 12 July 2010).

Red Rock is working closely with MFP with a view to implementing an investment programme to increase throughput at the latter's El Limon mine and to bring its La Aurora (Machuca) mine into production. *Inter alia*, the programme involves the refurbishment of the treatment plant, the improvement of ventilation, electric & mine safety systems, pumping out the shaft at Machuca and the recruitment of a professional staff and workforce. To this end, new jaw and cone crushers and engines have been installed at El Limon at the same time as corrosion inspection and a programme of electrical works has begun. The first phase of safety and access improvements underground are also reported to be 'near completion'. As such, the target date for the plant renovation to be completed and for production to recommence at 100 tonnes per day (tpd) is 30 November 2010. Similarly, at Aurora, a new crushing plant, with conveyors, has been installed and an environmental plan delivered to the authorities. Like El Limon, La Aurora is expected to be operational by 30 November and to supply the El Limon processing plant with up to 20tpd for a total plant throughput of 120tpd (cf Red Rock's initial target throughput rate of 150tpd). In the meantime, Red Rock's consultant geologist has provisionally identified a new sulphide-bearing vein 20cm wide at surface and running close to, and to the east of, the main vein. While parallel to, and sharing many characteristics of, the main vein, initial indications are that the new vein is up-thrown by faults on at least two occasions, which could render it amenable to open cast mining techniques – a possibility which is currently being investigated by a drilling campaign.

## Resource Star

On 9 August, Australian-listed Resource Star (in which Red Rock owns a 24.8% interest) announced the results of its Edith River uranium project in Australia's Northern Territory. To date, first pass sampling has confirmed the presence of 'significant levels of uranium in outcrop at the Tennysons Prospect in the Edith River Project. Strongly-localised ground radiometric responses were mapped at both Hayes Ck South and O'Shea Hill along structural features associated with potential host rocks.' Eight targets have now been identified out of a possible sixty of which four are described as 'good' and exploration programmes developed to test this potential for the remainder of 2010.

In the meantime, an RC drill rig has been mobilised at the company's Machinga Rare Earth Project in Malawi by its partners, Globe Metals & Mining, to begin a maiden 1,500m drill programme, the objective being to 'test four different zones of heavy rare earth oxide (HREO) and high-grade niobium mineralisation intersected in trenches at the Machinga North target.' Elsewhere, a follow-up drill programme is in progress at the Livingstonia project to capitalise on the announcement of a maiden JORC inferred resource of 4.6 million lbs of U<sub>3</sub>O<sub>8</sub> at 0.27kg/t, while New Resolution Geophysics has been contracted to fly 270 line kilometres of helicopter magnetic/radiometrics over the Ilomba Hill uranium/niobium/rare earth prospect in northern Malawi.

## Valuation considerations

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Four points relating to Red Rock's announcements are of significance to our valuation of the company.

First is the news surrounding Jupiter's Mount Ida deposit. In particular, the quantification of a near-surface resource of potentially 1.1-1.3bn tonnes at a grade of 30-40% Fe. Taking the lower limit of each range (ie 1.1bn tonnes at 30% Fe) generates an in-situ resource of 330Mt of iron units. Valued at the industry average of US\$3.53 per tonne of JORC-compliant iron units, this exploration target (if realised) suggests a potential value for the Mount Ida Project alone of US\$1,165m, or US\$0.727 per Red Rock share (post-the Tshipi deal), compared to Jupiter Mines' current share price of A\$0.265 (or US\$0.247). Obviously this analysis excludes potential dilution of current shareholders in the future; on the other hand, it also excludes the value of both Tshipi itself and Oakover to the company. Nevertheless, it is indicative of the fact that Jupiter's shares have the potential to rise appreciably from their current level.

The second point of significance – and of greater direct interest to Red Rock – is the 1.5% gross production royalty that it retains over future production at Mount Ida. While few figures are known with any certainty at the current time, the initial production target from Mount Ida has been suggested to be of the order of 5Mt of concentrate per annum at a grade of 65% Fe (NB Davis Tube Recovery tests have indicated concentrate grades up to 71%), rising to around 20Mtpa. This being the case, Exhibit 3 is a summary of the scoping economics and approximate value of the 1.5% gross production royalty retained by Red Rock over Mount Ida at production rates of both 5Mtpa and 20Mtpa.

**Exhibit 3: Mount Ida 1.5% gross production royalty scoping economics and potential value**

Note: \* Valued over 20 years at 10% discount rate

Concentrate production (Mtpa)	5	20
Price (US\$/t)	120	120
Implied turnover (US\$m)	600.0	2,400.0
Gross production royalty at 1.5% (US\$m)	9.0	36.0
Royalty value (US\$m)*	76.6	306.5

Source: Edison Investment Research

Clearly these values need to be discounted further to account for the risk that the targeted resource may not be defined and that, even if it is, it is still possible that no mine will be built. Nevertheless, it provides an indication of the value potentially accruing to Red Rock as a result of its asset.

The third point of significance is the change in the resource at Mid-Migori. Whereas we had previously ascribed a value of US\$109.4m to the total resource (at the average value of each category of resource ounces in the London market - see Exhibit 5), the change in the resource at Mig-Migori now reduces this valuation to US\$107.2m. This is due to the decline in the number of ounces in the 'measured' category (representing a decline of 2.0%). However, since Red Rock also has a 35.2% effective interest in Canadian-listed Kansai Mining Corporation, it is also appropriate to consider the resource at the average value of each category of resource ounces in the Canadian market (Exhibit 5). In this case, because of the higher valuation of 'indicated' ounces in Canada compared to London, the value of the total Mid-Migori resource rises to US\$304.0m, from US\$302.4m – an increase of 0.5%.

Finally, the last point of significance – relating to Red Rock's Columbian gold assets – is that scheduled production commencement of El Limon and La Aurora on 30 November should enable payment of MFP's first US\$200,000 consultancy fee to Red Rock (in arrears for the quarter ending 31 December 2010), exactly in line with our expectation, as set out in our note of 12 July.

Making appropriate adjustments to account for the four factors noted above, our updated valuation of Red Rock is as follows:

**Exhibit 4: Edison estimates of Red Rock Resources' company balance sheet**

Note: \* Estimate; US\$ values converted at a rate of \$1.567/£

£000's	Worst-case scenario	Low-end scenario	Median scenario	Top-end scenario
<b>Current assets</b>				
Investments in associates				
- Jupiter Mines	13,534	13,534	13,534	80,603
- Resource Star	1,062	1,062	1,062	1,062
- Cue Resources	371	371	1,478	2,584
- Kansai		2,476	58,043	27,314
- MFP interest and fees		626	626	626
- MFP US\$6.5m option			26,654	46,925
- MFP US\$1.0m option				436
Cash and cash equivalents*	961	961	961	961
Trade and other receivables		224	224	224
Investments in subsidiaries		964	964	964
Available for sale financial assets		368	368	368
Exploration properties		437	10,259	37,974
Mount Ida royalty				195,589
<b>Total current assets</b>	<b>15,928</b>	<b>21,022</b>	<b>114,172</b>	<b>395,629</b>
<b>Total assets</b>	<b>15,928</b>	<b>21,022</b>	<b>114,172</b>	<b>395,629</b>
<b>Liabilities</b>				
Trade and other payables	-253	-253	-253	-253
Loan re MFP	-1,276			
<b>Total liabilities</b>	<b>-1,529</b>	<b>-253</b>	<b>-253</b>	<b>-253</b>
<b>Net assets</b>	<b>14,399</b>	<b>20,770</b>	<b>113,919</b>	<b>395,376</b>
Shares in issue (millions)	642.0	642.0	642.0	642.0
<b>NAV per share (pence)</b>	<b>2.24</b>	<b>3.24</b>	<b>17.74</b>	<b>61.59</b>
RRR current share price (pence)	2.47	2.47	2.47	2.47
<b>Share price discount to NAV (%)</b>	<b>10.1</b>	<b>-23.7</b>	<b>-86.1</b>	<b>-96.0</b>

Source: Edison Investment Research

The assumptions inherent in each of these scenarios may be summarised as follows:

- The worst-case scenario considers only Red Rock's interests in currently listed assets (ie it excludes Red Rock's interest in Kansai) at market value plus our estimate of the company's cash position, less our estimate of trade creditors (taken from the group's last balance sheet). In addition, we have assumed that Red Rock's loan investment in MFP is a total loss; note that we do not regard this scenario as likely, but include it for indicative purposes. In this respect, it is notable that, even under these circumstances, Red Rock's shares are trading at a discount to the value of its listed assets and cash less balance sheet liabilities.
- In addition to listed assets and cash, the low-end scenario considers Red Rock's holdings in companies whose shares have been suspended – ie Kansai Mining Corp. In this case, it values Kansai at 10 Canadian cents (the last price at which the company was able to raise funds, in August 2007, before its suspension on 31 December 2008 for failure to file its accounts). Consistent with this, it then values Red Rock's direct

holding in the Mid Migori Mining Company (under exploration assets) in direct proportion to the market capitalisation of Kansai at a price of 10 Canadian cents. We also assume that MFP repays its loan and fees under the terms specified, but exclude any value for the associated call options that Red Rock holds over MFP's equity. Other items on the balance sheet are included as at their values at Red Rock's last reporting date.

- The median scenario values Red Rock's 15% interest in the current Kenyan resource base (under exploration assets) plus its 35.2% interest in Kansai, which has an 85% interest in those same assets at the average values calculated for 'indicated' and 'measured' resources listed in London and Canada in our January 2010 report, as shown in Exhibit 5, below. The Cue Resources stake has been valued at the mid-point between its market value and our estimate of its value based on the size and categorisation of its uranium resource base (see 'top-end scenario', below). We have also added the value of Red Rock's US\$6.5m call option on the assumption that management is successful at increasing throughput at El Limon to 150tpd, resulting in MFP achieving the NPV valuation calculated in our note of 12 July.

**Exhibit 5: Enterprise values per resource oz summary by category and market (US\$)**

Note: \* Excluding Witwatersrand ounces; \*\* Excluding JSE; Highest valuations in each category in bold.

	Measured	Indicated	Inferred	Average
London*	403.53	85.94	3.78	120.73
Canadian*	283.68	<b>243.76</b>	62.01	196.90
Australian*	<b>738.55</b>	143.43	<b>91.47</b>	191.75
Simple average	395.46	131.57	48.38	120.26
<b>Weighted average* **</b>	<b>339.90</b>	<b>158.55</b>	<b>33.65</b>	<b>158.56</b>
JSE (maximum)	156.08	53.14	36.27	36.27

Source: Edison Investment Research

- Finally, the top-end scenario assumes that Red Rock exercises its option to take a direct 60% interest in the Kenyan gold assets (against which US\$8m has been deducted as the estimated expense of the related bankable feasibility study), as a result of which Kansai's interest in the same assets has reduced to 40%. It also takes into account the effect of the exercise of the Mount Alfred Bonus option and the allocation of the maximum number of shares in Jupiter to Red Rock and assumes a re-rating of Jupiter shares to a value of US\$0.727/sh derived via the application of an industry average valuation to a 1.1-1.3bn tonne magnetite resource target (see page five). The value of Red Rock's 1.5% gross production royalty is also included at US\$306.5m (see page six). Its Cue Resources stake is valued at 15.78% of US\$25.7m (being the value of 9.5m lbs of U<sub>3</sub>O<sub>8</sub> indicated and inferred resources at US\$2.70/lb). In this case, we have also added the value of Red Rock's US\$1.0m call option on the assumption that management is successful at increasing throughput at El Limon to 250tpd, resulting in MFP achieving the NPV valuation calculated in our note of 12 July.

Worthy of note is the fact that, whereas we have considered the potential revaluations of Cue and Kansai based on their resource bases, we have performed only a partial revaluation of Jupiter Mines in the top-end scenario and have performed no revaluation at all on Resource Star.

**Exhibit 6: Financials**

	£'000s	2007	2008	2009	2010e	2011e
Year end 30 June		UK GAAP	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>						
<b>Revenue</b>		<b>535</b>	<b>1,347</b>	<b>68</b>	<b>2,728</b>	<b>2,926</b>
Cost of Sales		(185)	(1,026)	(108)	(440)	(360)
Gross Profit		350	321	(39)	2,288	2,565
<b>EBITDA</b>		<b>(310)</b>	<b>(249)</b>	<b>(750)</b>	<b>1,592</b>	<b>1,811</b>
<b>Operating Profit (before GW and except.)</b>		<b>(310)</b>	<b>(249)</b>	<b>(750)</b>	<b>1,592</b>	<b>1,811</b>
Intangible Amortisation		0	0	0	0	0
Exceptionals		85	422	(3)	4	0
Other		0	0	0	0	0
<b>Operating Profit</b>		<b>(225)</b>	<b>173</b>	<b>(753)</b>	<b>1,595</b>	<b>1,811</b>
Net Interest		2	13	(5)	1	4
<b>Profit Before Tax (norm)</b>		<b>(309)</b>	<b>(235)</b>	<b>(755)</b>	<b>1,593</b>	<b>1,815</b>
<b>Profit Before Tax (FRS 3)</b>		<b>(223)</b>	<b>186</b>	<b>(758)</b>	<b>1,597</b>	<b>1,815</b>
Tax		0	0	0	(907)	(1)
<b>Profit After Tax (norm)</b>		<b>(309)</b>	<b>(235)</b>	<b>(755)</b>	<b>686</b>	<b>1,814</b>
<b>Profit After Tax (FRS 3)</b>		<b>(223)</b>	<b>186</b>	<b>(758)</b>	<b>690</b>	<b>1,814</b>
Average Number of Shares Outstanding (m)		188.2	266.2	389.7	523.2	633.9
EPS - normalised (p)		(0.16)	(0.12)	(0.24)	0.11	0.27
EPS - normalised and fully diluted (p)		(0.16)	(0.12)	(0.23)	0.11	0.26
EPS - FRS 3 (p)		(0.12)	0.07	(0.19)	0.13	0.29
Dividend per share (p)		0.00	0.00	0.00	0.00	0.05
Gross Margin (%)		65.5	23.8	N/A	83.9	N/A
EBITDA Margin (%)		N/A	N/A	N/A	58.4	N/A
Operating Margin (before GW and except.) (%)		N/A	N/A	N/A	58.4	N/A
<b>BALANCE SHEET</b>						
<b>Fixed Assets</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Intangible Assets		0	0	0	0	0
Tangible Assets		0	0	0	0	0
Investments		0	0	0	0	0
<b>Current Assets</b>		<b>2,848</b>	<b>4,364</b>	<b>5,552</b>	<b>7,700</b>	<b>11,052</b>
Stocks		0	0	0	0	0
Debtors		1,080	394	275	224	240
Cash		220	88	49	138	3,070
Other		1,547	3,883	5,228	7,338	7,741
<b>Current Liabilities</b>		<b>(294)</b>	<b>(413)</b>	<b>(180)</b>	<b>(253)</b>	<b>(207)</b>
Creditors		(294)	(413)	(180)	(253)	(207)
Short term borrowings		0	0	0	0	0
<b>Long Term Liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long term borrowings		0	0	0	0	0
Other long term liabilities		0	0	0	0	0
<b>Net Assets</b>		<b>2,554</b>	<b>3,951</b>	<b>5,372</b>	<b>7,447</b>	<b>10,845</b>
<b>CASH FLOW</b>						
<b>Operating Cash Flow</b>		<b>(349)</b>	<b>(1,316)</b>	<b>(559)</b>	<b>1,605</b>	<b>2,110</b>
Net Interest		2	13	(5)	1	4
Tax		0	0	0	(907)	(1)
Capex		(260)	(112)	(184)	(437)	(874)
Acquisitions/disposals		0	(11)	(402)	(1,375)	0
Financing		727	1,293	1,112	1,202	2,035
Dividends		0	0	0	0	(342)
Net Cash Flow		119	(133)	(38)	89	2,932
<b>Opening net debt/(cash)</b>		<b>(101)</b>	<b>(220)</b>	<b>(88)</b>	<b>(49)</b>	<b>(138)</b>
HP finance leases initiated		0	0	0	0	0
Other		0	0	0	0	0
<b>Closing net debt/(cash)</b>		<b>(220)</b>	<b>(88)</b>	<b>(49)</b>	<b>(138)</b>	<b>(3,070)</b>

Source: Edison Investment Research, Red Rock Resources accounts

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