Growth Equities & Company Research

Red Rock Resources*

Unlocking Value from Iron Ore, Uranium and Gold Assets. Buy at 1.65p with a 3.02p Target Price.

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Red Rock Resources* – Unlocking Value from Iron Ore, Uranium and Gold Assets. Buy at 1.65p with a 3.02p Target Price.

Red Rock Resources is an AIM listed mining company which has attracted the backing of major mining investment company Pallinghurst for the development of its iron ore projects through ASX listed Jupiter Mines. Iron ore and manganese is currently Red Rock's big draw card and underpins the valuation of the company, but it also owns attractive uranium and gold assets in Australia and Malawi, and we believe that Red Rock's underlying asset value is at least 3.02p per share. The company has net cash, an experienced and entrepreneurial management team and we initiate coverage at 1.65p with a stance of **buy**.

Recent developments have seen Red Rock's stake in Jupiter, a company now backed by both Pallinghurst and the Korean group POSCO, rise to 93.1 million shares (25.21%). At the current share price of A$0.205 this investment is worth £9.5 million or 2.05p per share to Red Rock.

Red Rock's uranium interest is a 27% stake in ASX company Resource Star Ltd. With 7 tenements in the Northern Territory, one in Western Australia and 2 in Malawi, Resource Star is building its uranium portfolio and strategic partnerships as it looks to prioritise future development work and re-list this autumn.

On the gold front, while Red Rock has a gold prospect in the Eastern Oakover tenement in Western Australia, the near-term interest is in the recently acquired operating interest in the Migori greenstone belt of southwest Kenya.

Our valuation of Red Rock is derived from the current market valuation of its stake in Jupiter Mines, a risk weighted valuation of its stake in Resource Star and the 4 Kenyan gold licences, and its net cash position of £400,000.

The fact that a small company like Red Rock has negotiated a partnership, through Jupiter, with a large industry player in Pallinghurst, and subsequently with POSCO, indicates the attractive nature of its assets and must be viewed as a coup for the management team. Establishing a gold business with

Key Data	
EPIC	RRR
Share Price	1.65p
Spread	1.6p – 1.7p
Total no of shares	464.8 million
Market Cap	£7.7 million
12 Month Range	0.375p – 2.05p
Net Cash	£400,000
Market	AIM
Website	www.rrrplc.com
Sector	Mining
Contact	Andrew Bell, Chairman & CEO Tel: 0207 402 4580

the potential of modest near term cash flows, together with its debt free status and cash on hand of £400,000, leaves Red Rock non-reliant on the equity markets for short term funding and, indeed, able to exploit opportunities created by the inability of others to raise funds. We believe that Red Rock's underlying asset value is at least 3.02p per share and initiate our coverage at 1.65p with a stance of **buy**.

Forecast Table:

Year to 30th Jun	Sales (£ million)	Pre-tax Profit (£ million)	Earnings Per Share (p)	Price Earnings Ratio	Dividend Per Share (p)	Dividend Yield (%)
2007A	0	(0.22)	(0.12)	NA	0	0.0
2008A	0	0.10	0.04	41.25	0	0.0
2009E	1.2	0.4	0.06	27.5	0	0.0
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**RSH, the ultimate owner of GE&CR owns shares in Red Rock Resources.*

Background

Red Rock shares were listed on AIM in July 2005 with the company raising £476,000 at 2p with the intention of developing a portfolio of iron ore and manganese properties in Western Australia and Tasmania. The following four years has seen it raise money on a number of occasions but unlike many of AIM's mining juniors it now has a credible portfolio of assets and is starting to realise value for shareholders.

Its relationship with Jupiter Mines Ltd began on the 22nd of May 2006 when it granted Jupiter an option over its Mt Ida and Mt Hope tenements in exchange for A$40,000 in cash and an undertaking from Jupiter to spend at least A$250,000 on exploration across the sites. On the 28th of May 2007 Jupiter exercised its option by paying Red Rock A$250,000 in cash, issuing 4,617,178 new Jupiter shares to Red Rock and granting Red Rock a 1.5% royalty on production.

Between the 15th of April 2008 and 21st of May 2008, Red Rock purchased an additional 10,287,275 shares to take its Jupiter holding to 14,904,453 and become its largest shareholder, allowing it to pressure the company for change. On the 6th of November 2008 Red Rock announced that, acting in partnership with Pallinghurst Resources Australia Ltd, the company had entered into an agreement with Jupiter which would see the Red Rock / Pallinghurst venture taking a controlling interest in Jupiter in exchange for a combination of asset vending and cash. The agreement, since passed by Jupiter shareholders on the 9th of March 2009, took place in two phases. Phase 1 comprised Red Rock vesting its Mt Alfred iron ore project and 1,512,404 shares in Mindax Ltd to Jupiter in exchange for 23,839,183 Jupiter shares. Pallinghurst contributed 11,670,675 Mindax shares and A$1 million in cash to Jupiter in exchange for 47,339,148 Jupiter shares. Phase 2 of the agreement, completed on the 1st of September, saw Red Rock vesting its portfolio of tenements at its Western Australian Oakover Manganese project to Jupiter for 54,155,579 Jupiter shares, while Pallinghurst received 26,845,017 shares as it looks to invest A$50 million in the greater Yilgarn region.

The final component of the Jupiter deal is a bonus option which provides both Red Rock and its partner Pallinghurst with additional Jupiter shares to the value of A$2 per tonne of Indicated or Measured resource in excess of 10 million tonnes of iron ore at Mt Alfred. The resource is to be independently certified, while the bonus option expires on the second anniversary of the date on which any 10 million tonne resource is certified as existing, so long as such a resource is defined within 2 years of the grant of the bonus option in March 2009.

On the 1st of July 2009 Jupiter Mines placed 48 million shares to POSCO Australia Pty Ltd at a price of A$0.16266 per share, raising A$7.81 million. POSCO is a subsidiary of the South Korean steel producer Pohang Iron and Steel Company, one of the largest steel producers in the world. POSCO has an existing relationship with Pallinghurst and has agreed an arm's length off-take agreement to purchase up to 50% of Jupiter's iron ore production. POSCO's involvement boosts Jupiter's operational and financial credentials and should enhance Red Rock's investment. The placing, approved by shareholders on the 21st of September, saw Red Rock's holding of 93,104,165 shares in Jupiter fall from 28.97% to 25.21%, while remaining the largest shareholder.

The Jupiter strategy is to develop a significant 'steel feed' business in iron ore and manganese, using Jupiter as the platform. Two years ago Pallinghurst's Brian Gilbertson was willing to pay over $1bn for Consolidated Minerals to gain a foothold in this market, and even that $1bn was seen as a platform rather than a standalone business. The expectation is that Jupiter will make aggressive moves to become a medium sized player, by (a) developing Jupiter's promising manganese assets at Oakover, and consolidating with other players, (b) creating, by acquisition or alliance, a critical mass of haematite iron ore producers in the Yilgarn to justify the $350m infrastructure spend necessary to expand rail handling capacity at and to the Esperance port, (c) a $2m drill programme to bring to resource status up to 1bn tonnes of high grade magnetite with low silica, phosphorous, and other impurities at Mt Ida, and (d) seek other acquisition opportunities within and beyond the region.

If the magnetite proves to be, what its potential suggest, one of the highest grade and most metallurgically desirable magnetite ores available in Australia, the prospects of production may be high. Red Rock's 1.5% royalty interest in Mt Ida and Mt Hope would then become a significant revenue source in a few years.

Mindax, now 10% owned by Jupiter, is an ASX listed company, based in Perth and with adjacent iron ore ground to Mt Alfred. The company also explores for uranium, gold, and base metals in the Yilgarn Craton in Western Australia, where it has in excess of 5,300 square kilometres of exploration acreage across 7 projects with Bulga Downs (gold and iron ore) and Yilgarn Avon (uranium) it's most advanced prospects.

Pallinghurst Resources is an international investment company involved in steel feed materials, coloured gemstones, platinum group metals and, surprisingly, the luxury brand of Fabergé. The company is listed on both the Johannesburg and Bermuda Stock Exchanges and invests globally. Pallinghurst was established by ex BHP-Billiton chief executive Brian Gilbertson and has since gained the backing of industry heavyweights POSCO (steel maker), AMCI (coal) and Investec (investment banking).

Operations

Jupiter Mines Limited

Jupiter has a broad portfolio of assets across the Iron Ore / Manganese, Nickel, Uranium and Gold commodities, but since gaining shareholder approval to proceed with the Red Rock / Pallinghurst deal on the 12th of March 2009, the company has undertaken to focus on the development of its Yilgarn Iron Ore and Manganese assets. Indeed Jupiter now holds all of Red Rock's previous West Australian Iron Ore and Manganese assets as Red Rock seeks to expedite development through collective investment.

Jupiter's prime Iron Ore and Manganese assets are in the Yilgarn region of Western Australia which lies around 400 kilometres North East of Perth. The Central Yilgarn region hosts large Banded Iron Formations (BIF) in its greenstone belts and enjoys direct rail links to the established port of Esperance in the south.

Mt Mason is situated about 90 kilometres West of Menzies (rail line to Esperance port) and is accessible via an all weather road. On the 23rd of February 2009, Jupiter released an updated resource statement at Mt Mason of 5.75 million tonnes at an average grade of 59.9% iron ore with a 55% iron ore cut-off in the Inferred category. The resource remains open to the North-East and so, with Jupiter now targeting it's drilling in this area alongside an in-fill drilling programme, the potential for further finds and resource upgrades remains very real. Mt Mason is a continuation of the **Mt Ida** trend, where Red Rock had returned surface sampling of 66% iron ore and 0.05% phosphorus from a haematite lens. Jupiter completed a geophysical interpretation and targeting exercise at the end of 2008 which identified a number of new anomalies for further investigation this year.

The co-existence of Mt Mason and Mt Ida, along with their strong prospectivity, has meant that Jupiter's focus has been on these prospects. However **Mt Hope**, acquired from Red Rock in May 2007, and **Walling Rock** similarly coexist and, although lagging their neighbours in terms of exploration activity, also look to hold significant potential. Magnetics have indicated that there are potential sub-cropping BIF and hematite targets within Mt Hope and Walling Rock with target zones extending in excess of 20 kilometres. Indeed, the Mt Hope prospect has been assessed as covering in excess of 3 kilometres of BIF.

Prior to the addition of Mt Alfred, Jupiter had set an initial iron ore production target of 1.5 million tonnes per annum (mtpa) from its four Yilgarn prospects and signed a Heads of Agreement in September 2008 with the Chinese iron ore company Haoning Group (via LSG Resources) to supply Haoning with 40% of Jupiter's future Western Australian production of DSO-grade iron ore. The agreement is contingent upon the identification of an economic iron ore resource which, given Mt Mason's significant Inferred resource, could be closer than was previously supposed.

The **Mount Alfred** tenement covers 201 square kilometres and was recently vended to Jupiter as part of Red Rock's agreement alongside Pallinghurst. Prior to its divestment Red Rock had planned to explore this highly prospective site with a view to proving up high grade direct shipping haematite deposits.

Uranium

Red Rock's uranium interests have been bundled up into the 27% owned, ASX listed, Resource Star Ltd. The company has a portfolio of uranium assets located in the Northern Territory, Western Australia and Malawi.

In the **Northern Territory** Resource Star has 7 granted tenements in 4 prospects covering a total of 790.4 square Kilometres. Each of the tenements are within 300 Kilometres of the State capital Darwin, and in close proximity to the main North-South Stuart highway and railway line. Their geological setting is within, or on the margin of, the uranium, gold and iron ore rich Pine Creek Geosyncline. The highest priority Woolgni/Edith River project had field reconnaissance work conducted in 2008 which identified 4 drilling targets with the resulting Mining Management Plan subsequently approved by the State government. Rock chip sampling has also been completed at 3 of the other tenements with further exploration work planned for this year.

Resource Star's lone **Western Australian** play is the Mt Alfred tenement in the Yilgarn district. A co-existence agreement between Resource Star, Red Rock and Jupiter gives the former access to the tenement for uranium exploration purposes. Assay results from a soil sampling programme in late 2007 confirmed the presence of sediment-hosted uranium, which appears to lie in a large drainage channel.

The company's uranium interests in **Malawi** are in the form of two exclusive prospecting licences at Machinga and Chintheche. Machinga is in the south of the country and covers 378 square kilometres, while Chintheche is in the north and covers 210.9 square kilometres. Machinga has had mapping & ground-based scintillometer and X-Ray Fluorescence (XRF) surveys completed at 50 metre spacing over all identified anomalies. A 2,000 metre long by 200-500 metres wide Niobium-Zirconium-Tantalum-Thorium-Uranium zone was uncovered in the main 7 kilometre anomaly. Of the 211 rock chip samples collected to date, highlights from the assay results of half of these are 3% Niobium, 5.4% Zirconium, 0.2% Tantalum and 783 ppm Uranium. These results compare favourably with Globe Mining's nearby Kanyika niobium deposit, while significant rare earths, largely heavy rare earths, are also present. An environmental baseline study is proposed prior to the commencement of a trenching and 50 hole drilling programme at the main north anomaly which will test the extent and continuity of the formation. Application has also been made for extensions of the licence along trend. Meanwhile the less developed Chintheche licence has had the data from a 1985 airborne radiometric survey reprocessed and plans are in place for initial field reconnaissance in 2009.

Both the Western Australian and Northern Territory state governments and Malawi federal government allow, and the latter two actively support, uranium mining.

Several significant joint venture and ground acquisition opportunities are nearing completion, and the company is preparing for relisting on the ASX later this year.

Gold

While Red Rock has gold exposure via its interest in Jupiter, the company's current gold focus is on its Eastern **Oakover** tenement, and its recent acquisition of gold rich licences at **Migori** in Southern Kenya. Red Rock also holds 11% of Resource Gold Ltd, which is commissioning its first mobile gold treatment plant. Eastern Oakover lies in close proximity to Newcrest Mining's 32 million+ contained ounce Telfer gold deposit and, has shown encouraging gold signs from stream sediment samples. Red Rock intends to explore in the area shortly, in co-ordination with Jupiter which will be looking for manganese.

In August 2009, Red Rock announced that it had agreed to acquire interests in 2 licences in Southern Kenya, with options over 2 more. The first right is to acquire up to 60% of the shares in the Mid-Migori Mining Company Ltd (MMM) – owner of the mining rights to the Migori Gold Project in South Western Kenya. Red Rock will acquire 15% of MMM and assume managerial responsibility of the mining tenements in exchange for a total consideration of $350,000 cash

($125,000 of which has been paid) and $375,000 in shares. Red Rock will then have to complete a bankable feasibility study within 6 years to qualify for the remaining 45% interest.

Migori's two contiguous special prospecting licences of SP202 and SP122 cover 310.5 square kilometres and together have a NI43-101 compliant Indicated Resource of 1,171,000 ounces of contained gold.

NI43-101 Indicated Resource	**Ore (tonnes)**	**Gold Grade (g/t)**	**Contained Gold (ounces)**
Kakula-Kalange-Munya	22,000,000	1.0	679,000
Gori Maria	8,600,000	0.9	240,000
MK	1,444,000	2.32	108,000
Nyanza	842,000	5.32	144,000
TOTAL	**32,886,000**	**1.0**	**1,171,000**

In addition to the ore identified above, 67,000 ounces of gold has been estimated as existing in the tailings of the closed Macalder mine. A drill programme aimed at increasing the total resource to 2 million ounces of gold was left unfinished in 2007 after Presidential election instability saw the drill company withdraw its rigs. 14 holes from that programme were completed at Kakula, Gori Maria and Macalder, but resource revisions are on hold until the remaining holes at MK and Nyanza are completed.

Several areas contain potential for small open pit operations to mine free gold, and preliminary pit optimisations have already been carried out by Red Rock's consultants. Open pit operation potential to generate short term cash flow is possible if early results are confirmed by further work now being undertaken.

Longer term, great potential is seen for exploration of the banded iron formations within the shear zone of the greenstone belt, which could form a chemical as well as structural trap for gold. This approach, untried at Migori, has led to significant finds including the 10 million ounce Geita deposit in similar belts south of the nearby Tanzanian border.

The second option was to acquire a 70% interest in the two Ngira-Migori properties – Special Licences 236 and 236 Phase 3, covering 320 square kilometres in Southern Kenya. Red Rock has paid a US$20,000 option fee and will have to spend US$60,000 in the first year, US$120,000 (including 1,200 metres of drilling) in the second year and perform 2,400 metres of drilling in the third year in order to earn its 70% interest.

Strategy

Red Rock's current strategy is to manage exploration and bring in partners to take projects forward as they prove themselves. While the senior Red Rock team have mining experience, Red Rock's financial and staffing limitations mean day-to-day project involvement is only feasible on easily controlled projects where the management are convinced risk is low and operations are within their area of expertise. This may apply to Kenyan operations. However, with Red Rock being a major shareholder in each of its investments, it does maintain a more active involvement than would a pure financial investor.

With an eye on creating near-term cash flows, Red Rock is looking to procure simple mobile gold treatment plant(s) to service small cash starved gold companies seeking an affordable means of releasing cash from their assets. Red Rock would look at providing the treatment service and sharing in the revenue generated from the resulting gold sales.

The company remains debt free and with cash of approximately £400,000 and access to another £3 million via a Standby Equity Distribution Agreement (SEDA) agreed with YA Global on the 1st of May 2009, Red Rock is well positioned to make further acquisitions - taking advantage of depressed valuations in the current market.

Moreover, Jupiter is a relatively liquid stock and Red Rock's holding could be realised – possibly via a sale to Pallinghurst – to provide additional short term cashflows if needed. However there is no rush to sell as the stated medium term aim of Red Rock is to build up a portfolio of investments in growing, quoted, mining companies of which Jupiter is likely to be one.

Board of Directors

Chairman - Andrew Bell, MA, LLB. Having begun his career as a natural resource analyst with Morgan Grenfell & Co, Bell subsequently gained experience in fund management, corporate advisory, corporate finance and private equity. Based in London, he is currently a director at Jupiter Mines Ltd and chairman of Regency Mines plc and Greatland Gold plc.

Executive Director - Michael Nott, BSc, MSc, FIMMM, FIQ, FMES. CEO of private company Magyar Mining and Managing Director of Alba Mineral Resources plc, Nott has 34 years of experience in geological, engineering and management roles. Previous roles include a decade with Roan Consolidated Mines as well as several other mining companies in Zambia, managing aggregate quarrying operations and then senior roles with ARC Southern Ltd and Hills Aggregates Ltd.

Non-executive Director - John Watkins, FCA. Current chairman of PLUS listed mineral explorer Lisungwe and director of AIM listed Starvest and Regency Mines, Watkins is a qualified chartered accountant and former partner at Ernst & Young and Neville Russell.

Non-executive Director - Robert Weicker, BSc, PGeo. A 25 year veteran of the mineral exploration and mining industry, Weicker has experienced the whole resource lifecycle from greenfield exploration to production, and is now President and CEO of Silver Quest Resources Ltd. Previous appointments were with Noranda and Lac Minerals in Canada, where he became chief geologist of the latter's Williams gold mine, before moving on to the development of zinc and gold mines at other Canadian companies.

Shareholders

Red Rock Resources currently has 464,843,387 ordinary shares in issue. Those shareholders with a significant holding (3%+) are as follows:

Name	Shares	Percentage
Regency Mines Plc	135,850,000	29.22%
Pershing Nominees Ltd	42,196,221	9.07%
City Equities Nominees Ltd	22,657,500	4.87%
HSDL Nominees Ltd	23,706,917	5.10%
Barclayshare Nominees Ltd	17,368,691	3.73%
Sunvest Corporation Ltd	16,637,500	3.58%
TD Waterhouse Nominees (Europe) Ltd	15,276,021	3.29%

Red Rock also has a number of options In Issue with 5 million exercisable at 3.5p before 11th May 2012, 7.5 million exercisable at 1p before 31st May 2010 and 7.5 million exercisable at 1p before 31st May 2011.

SWOT Analysis

Strengths

Relationship with Pallinghurst – The fact that Pallinghurst chose Red Rock as a partner in the Jupiter venture is a strong endorsement on the potential it sees in Jupiter/Red Rock's assets. The financial strength and backing of Pallinghurst will prove invaluable in seeing Jupiter's assets developed to a stage where shareholders can realise real value.

Exciting commodity mix – the commodities in which Red Rock is invested each have their own unique characteristics which make them an attractive investment. Iron ore is the basis of steel and thus a fundamental part of new construction (and hence demand for it is driven by the growth of China and India); uranium is viewed as a possible non carbon solution to the world's energy requirements, while gold is viewed as a "safe" currency and inflation hedge.

No funds committed – with Pallinghurst funding Jupiter in the near term, the mobile gold treatment plant to be self-funding and the remainder of Red Rock's assets share investments not requiring further cash calls, the company has no funds committed in the near future. This frees it up to manage its current portfolio and to pursue further acquisitions.

Potential near-term cash flows – Red Rock's plan to acquire a mobile gold treatment plant is with the intention of generating near term cashflows which would be more than sufficient to cover the corporate overhead. Serving a niche of cash-starved mining juniors, Red Rock would expect a good return from a business with low capital costs, low overheads and a share of output profit.

Weaknesses

Lack of majority ownership – Red Rock only has majority ownership of its mobile gold treatment business and, while significant shareholder status brings a degree of influence, co-operation from other shareholders is required to make real changes. Co-operation is never guaranteed and thus enacting change can be lengthy and frustrating if possible at all.

Reliance on external funding – apart form the prospect of earning near term cash flows from gold treatment plants or by selling investment assets Red Rock remains reliant on external funding.

Opportunities

Steel demand – having seen global economies stutter with low or even negative growth over the last 12 months, the end of the recession could spark a return to significant development and construction activity, notably in India and China. Development inevitably means construction and steel (iron ore) is a core resource in this activity.

Nuclear proliferation – the use of uranium as a source of 'clean' power has been debated for decades and if it wasn't for the material's volatility and waste, there is little doubt it would already be widely accepted. The advance of technology has mitigated some of these risks and, with global warming having moved up the political agenda in the last few years, many countries have adopted nuclear power as a core part of their future power strategy.

Threats

Resource risk and economic discoveries – common resource exploration / development risks can only be mitigated with careful planning and judicious research. Even before the logistics of extraction occur, an explorer bears the risk of just not finding valuable material, but also whether mining that material justifies its cost.

Nuclear being usurped – as an energy rich commercial fuel source, uranium is unparalleled, but with the continued development of renewable power sources (e.g. wind, solar, tidal) and research into nuclear fusion, the alternatives to nuclear fission may become compelling enough to negate the need for fission and its well known drawbacks. Were uranium to become redundant or universally unfavourable, uranium miners would be obvious casualties.

Other resource sector risks – unfavourable changes to legislation, permitting risk, social unrest and infrastructure capacity are all examples of other threats experienced throughout the resources sector.

Valuation

Our valuation of Red Rock is based on a sum of the parts model comprising valuations of its stakes in Jupiter Mines and Resource Star, a risk weighted valuation of the Migori Gold Project plus its net cash and equivalent position. We currently attribute no material value to Ngira-Migori.

Owning 93,104,165 shares in Jupiter Mines at a current ASX share price of A$0.205, Red Rock's holding is worth £9.5 million at an AUD/GBP exchange rate of $2. The investment in Resource Star comprises 9,635,295 shares which, as ASX listing rules dictate, must have a minimum share price of A$0.2 when it re-lists. The shares were trading at around A$0.014 prior to its voluntary suspension but after a 1 for 14 consolidation, will return to market at A$0.2. Again using an AUD/GBP exchange rate of $2, Red Rock's holding is worth £0.96 million.

Based on Red Rock earning its 60% interest in the Migori Gold Project through the payment of its initial consideration of US$725,000 and completion of a BFS at a cost of US$2 million, at the current Indicated Resource of 1,171,000 ounces of gold, assumed gold price of US$900 and risk weighting of 99%, we value Red Rock's net investment at US$3.6 million, or £2.3 million at a USD/GBP exchange rate of $1.60.

Finally, Red Rock is debt free and currently has cash of £400,000.

Adding these components together produces a valuation of £14.5 million or, with 464.8 million shares in issue, 3.12p per share. Using the same methodology, but risk weighting the expected value of Resource Star by 50% (£0.48 million), we get a valuation of 3.02p per share. And as we have noted above there is material upside to this number, most notably in our view, from the valuation of the stake in Jupiter.

If Red Rock can establish a gold treatment facility generating meaningful revenues, it has been suggested that once retained losses have been cleared – by 2010 – it may be in a position to join the dividend list. We do not view this as a stock to buy for income as, in our view, the company is likely to reject calls for dividends on the basis that cash generated can be used more effectively in investing in new projects in order to grow the asset base.

At 1.65p the upside, based on our cautious assumptions, is material. Investment companies historically trade at a discount to net assets but in the case of Red Rock we view the current discount as far too great. We initiate our coverage with a stance of **buy** and a target price of 3.02p.

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