



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

[CLICK HERE FOR FULL ANALYSIS OF RED ROCK RESOURCES](#)

Wednesday, March 31, 2010

Red Rock Resources Swings To Profit In H1, Expects 1st Dividend In FY

In its results statement for the six months ended 31 December 2009, Red Rock Resources (AIM: RRR) said the period saw a recovery from the depressed conditions early in 2009, and the gradual maturing of the company's strategies. The company reported an interim pretax profit of £3.2 million compared with a loss of £1.9 in the comparative period of 2008.

Red Rock said that this profit was sufficient to eliminate the accumulated deficit, and provided there are no significant setbacks, it should allow it to declare its first dividend at the 2010 financial year end. Red Rock's total comprehensive income for the period was £2.9 million (H108: £1.9m loss), which built upon the trend set by the previous full-year, which showed income of £243,860.

The company said the income includes the surplus on revaluation of available for-sale investments, including Red Rock's holdings in Jupiter Mines (ASX: JMS). "We prefer to adopt a cautious treatment at the interim stage, and have written down the value of those Jupiter shares still subject to escrow". For calculating the first-half profit, the 54.1m Jupiter shares issued to Red Rock which are subject to escrow until August 2010 were thus valued at their price at the time of issue rather than the current market price.

Since the end of the period, the price of Jupiter's shares, of which Red Rock held 93.3m at 31 December 2009, had risen from AU\$0.195 to AU\$0.285, it noted.

Red Rock's key assets are its shareholdings in Jupiter Mines (ASX: JMS), Resource Star (ASX: RSL) and - through its shareholding in Mid-Migori Mining and Kansai Mining - its stake in the Migori gold project in Kenya. Overall the company also is interested in several assets and projects in Australia and East Africa, covering iron ore and manganese, uranium and rare earths, and gold.

In terms of its investments and operations during the first half, Red Rock completed the sale of its manganese assets to Jupiter Mines, it farmed into and invested in the Migori gold belt, and carried out a number of other transactions relating to its exploration investments.

Since the end of the period, the company's associates have made considerable progress. The most notable is Jupiter's deal with Pallinghurst Resources (JSE: PGL) in respect of the Tshipi manganese project. In early March Jupiter announced the major and transformative transaction, which sees it acquire a 49.9% in the project in a deal worth A\$490m. Under the terms of the deal, Jupiter will issue 1.1bn new shares to the Pallinghurst co-investors at a price of A\$0.2110 per share.

Consequently, Red Rock's current 25% shareholding will dilute to approximately 6%.

"We support the transaction, which has the potential to make Jupiter one of the world's dominant manganese producers, and though it is the first substantial transaction by Jupiter, we believe and hope that it will not be the last", Red Rock stated.

In February, Resource Star re-listed on the ASX, as the Australian based uranium explorer raised AUD\$4.4m.

Red Rock yesterday announced it completed the acquisition of its interests in the Mid-Migori Mining Company, issuing 4m shares as the third and final tranche of the consideration, payable in respect of the agreement between Red Rock and Kansai, announced in August 2009.

With the completion, Red Rock will become the manager of the mining tenements and related information and intellectual property rights and will be responsible for the cost of exploration of the mining tenements until completion of a bankable feasibility study - at which point the company will own 60% of Mid-Migori Mining.

In terms of its outlook, Red Rock said that whilst it continues to be presented with potentially interesting new projects and challenges, it is focused on protecting the growth in shareholder value, which it believes will come from the maturing of the current portfolio.

Indeed in its own interim statement today, a major shareholder with approximately 30% and fellow resource investor, Regency Mines (AIM: RGM), said it looks ahead with considerable confidence and it believes that the prospects for Red Rock are exceptional.

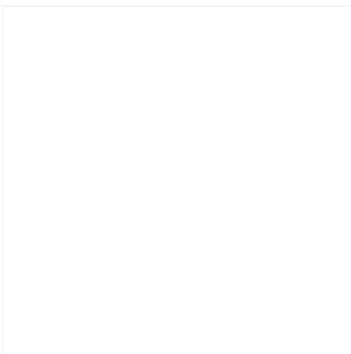
[ADD THIS](#) [RSS FEED](#)

[Register here to be notified of Proactiveinvestors One2One Forums.](#)

Other Red Rock Resources articles

17/08/09 [Red Rock Resources in deal to acquire 60 pct of Migori gold project in Kenya](#)

14/07/09 [Red Rock Resources : Building a steel feed business in a JV with Pallinghurst](#)



ADDITIONAL	INFORMATION
Market:	AIM
Sector:	General Mining
Epic:	RRR
News:	Latest news
Web Site:	Red Rock Resources
Other Articles:	30-03-2010 16-03-2010 15-03-2010

Today on Proactive UK ▼

Thursday April 01, 06:25

ADVANCED COMPUTER SOFTWARE IS THE CAT AMONGST THE NHS SOFTWARE PIGEONS



In February of this year Advanced stepped up through the gears to complete the £100m purchase of COA from private equity group Alchemy Partners,

[FULL ARTICLE ►](#)

Today on Proactive NA ▼

Thursday April 01, 07:14

NEWCREST MINING LAUNCHES OFFER FOR LIHIR GOLD IN BID CREATE A\$25 BILLION COMPANY



The combination of the two companies would create the world's fourth largest gold company, with a portfolio of low cost, long life, high margin assets.

[FULL ARTICLE ►](#)

Today on Proactive CN ▼

Thursday April 01, 07:40

CNOOC FULL YEAR PRODUCTION CLIMBS 17%



China focused oil and gas goliath CNOOC (NYSE: CEO, HKG:0883) reported an impressive 17% increase net production for the 12 month period ended 31 December 2009

[FULL ARTICLE ►](#)



Learn how to find potential in rising and falling markets
Get a Free Guide



Anticipate market twists and turns
Get a Free Guide



10 tips on how to avoid a trading tragedy
Get a Free Guide