Edison investment research

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EMED Mining

Year End	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	PE (x)	Yield (%)
12/06	0.0	(2.8)	(2.9)	0.0	N/A	N/A
12/07	0.0	(8.3)	(6.8)	0.0	N/A	N/A
12/08e	0.0	(8.6)	(4.3)	0.0	N/A	N/A
12/09e	22.4	(9.0)	(4.5)	0.0	N/A	N/A

Note: *PBT and EPS are normalised, excluding goodwill amortisation and exceptional items.

Investment summary: Window of opportunity

EMED has the option to acquire 100% of the Rio Tinto copper mine in Spain. Providing various legal conditions are met and regulatory approval is granted before Q209, first revenues are expected in 2009, transforming the company from a cash-burning entity into one which is expected to generate approximately £35m in EBITDA and estimated EPS of 10p in 2011.

Restarting the Rio Tinto Mine

It has been just over a year since the company was granted the option to acquire 100% of the Proyecto de Rio Tinto (PRT) in southern Spain. This mine has been on care and maintenance since 2001 when copper prices were less than US$1.00/lb. Prior to PRT's restart, the company must satisfy various legal conditions (including obtaining regulatory approval) before shareholder approval will be sought to exercise the option.

Biely Vrch and Slovakian gold exploration

In Slovakia, the company's exploration team has discovered a cluster of three gold porphyry deposits. Company geologists' estimates of the mineralisation at Biely Vrch indicate a low-grade, bulk-mineable gold deposit of at least 1.2Moz (non-JORC).

Permitting is key

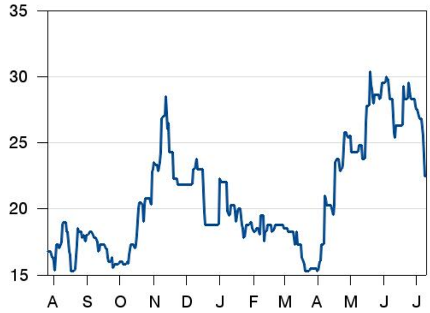
Without doubt, the timing of the regulatory approval at PRT will have a crucial impact on the value of the business. While we expect a positive decision on permitting during Q308 at the earliest and Q109 at the latest, delays to the restart will affect the timing of initial production and first revenues.

Valuation

The company's share price has recently traded between 20p and 30p. However, if and when a positive regulatory decision is made at PRT, we estimate the company's fair value at 113p per share with an NPV_{10} for PRT alone of £169.1m.

Price	23.5p
Market Cap	£47m

Share price graph



Share details

Code	EMED
Listing	AIM
Sector	Mining
Shares in issue	199.6m

Price

52 week	High	Low
	31.75p	15.10p

Balance Sheet as at 31 December 2007

Debt/Equity (%)	N/A
NAV per share (p)	0.9
Net cash (£m)	0.8

Business

EMED Mining has an option to acquire 100% of the Rio Tinto Mine in Spain. Elsewhere, the company's exploration in Europe has yielded gold discoveries in Slovakia with the potential to become a significant (>1Moz) resource.

Valuation

	2007	2008e	2009e
P/E relative	N/A	N/A	N/A
P/CF	N/A	N/A	N/A
EV/Sales	N/A	N/A	N/A
ROE	N/A	N/A	N/A

Revenues by geography

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

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EMED Mining is a research client of Edison Investment Research Limited

Investment summary: Window of opportunity

The timing of the regulatory approval of PRT's restart is critical to our valuation. Assuming PRT gets the go-ahead before Q209, we expect initial cash flows to be generated during the second half of 2009. On the basis of our financial model and assumptions, including a long-term copper price of US$2.75/lb, the NPV_{10} for PRT alone is £169.1m or 85p/share, compared to the current share price of 24p.

Valuation

If and when a positive regulatory decision is made at PRT, we estimate the fair value of the company at 113p per share. The company's current share price of c 24p is a discount of approximately 80% to the fair value.

Exhibit 1: Sum-of-parts valuation for EMED Mining

	Total value (£m)	Value per share (p)
PRT (NPV)	169.1	84.7
Biely Vrch (estimate)	50.0	25.0
Kefi Minerals plc (34%)	1.4	0.7
Equity placing (net of cash allocated to PRT)	4.6	2.3
Total	225.1	112.7

Source: Edison Investment Research

Sensitivities

Besides the timing of the restart, maintaining PRT's operating cash costs at US$1.30/lb is also a key driver of value. We estimate that for every US$0.20/lb change in PRT's operating cash costs, there is roughly a 15p change in its NPV_{10} per share. In addition, copper and gold prices, although beyond the company's control, will also impact the value of the business. As such, for every US$0.50/lb change in the long-term copper price, PRT's NPV_{10} changes by approximately 37p.

Financials

We have revised our financial forecasts for 2008 to reflect the recent equity fundraising; our forecasts for 2009 have also changed. This is mainly as a result of the delay in the restart of PRT owing to the longer-than-expected wait for regulatory approval. Consequently, our initial revenue and capital expenditure profiles have shifted out by approximately 12 months.

Exhibit 2: Summary of revised forecasts

Note: Figures in £m except per share data (in p)

	EPS			PBT			EBITDA		
	Old	New	% chg.	Old	New	% chg.	Old	New	% chg.
2007	(6.8)	(6.8)	0.0	(8.3)	(8.3)	0.0	(8.3)	(8.3)	0.0
2008e	(7.4)	(4.3)	41.9	(13.3)	(8.6)	35	(11.6)	(8.5)	26.7
2009e	10.4	(4.5)	(143)	31.6	(9.0)	(128)	31.5	(3.7)	(112)

Source: Company accounts, Edison Investment Research

We estimate a peak funding requirement of £50m as at 31 December 2009 and leverage (net debt/net debt plus equity) of 112% in 2009. Initial cash flows are expected during the second half of 2009, assuming PRT gets the go-ahead before the second quarter. By the third year of mining (anticipated in 2011), higher production revenues and lower capital expenditure should translate into positive earnings per share of around 10p.

Restarting the Rio Tinto mine

In 1873, a group of investors established the London-based Rio Tinto Company to reopen the Crown-owned copper mines in southern Spain. The Rio Tinto Company operated these mines until the mid-1950s when it sold its majority stake, subsequently divesting its remaining interests. More recently, 25Mt of copper ore were extracted over a six-year period (1995-2001). Since then, PRT has been on care and maintenance and the company is required to satisfy various legal conditions and obtain shareholder approval before it can exercise its option to acquire PRT and restart mining.

Addressing the conditions precedent

The conditions precedent, as initially reported in the company's release dated 11 May 2007, are listed below. For each, we provide an update on the company's efforts to address these.

- Regulatory approvals by the Government (Junta de Andalucia), support of the local community and approvals by the relevant statutory authorities in respect of performance bonds.

The company has submitted formal permitting applications to the regulatory authorities. As a result of the legal dispute between the vendor (MSA) and mine-permitting authorities, no decision on permitting has been made to date. However, we expect a positive decision during Q308 at the earliest and Q109 at the latest. Working with its consultants, the company has assessed the likely costs of financial guarantees and operational commitments with respect to the tailings dams, environmental rehabilitation and personnel entitlements. While these costs have been built into the company's financing plans, we do not expect full details to be released until commercially sensitive discussions with the regulatory authorities have been concluded.

- Satisfactory settlement, where required, of MSA's liabilities, liens and contractual arrangements with a number of third-parties.

Following a decision by the Andalucían judiciary, control of MSA will be transferred to its principal financier, Swiss-based Shorthorn Ltd. The judicial execution of this decision is expected within a month's time and will serve to resolve disputes regarding control of MSA. This will also pave the way for the company to agree to counterparty settlements, thereby satisfying one of the conditions precedent.

- Completion of all due diligence to EMED Mining's satisfaction, including environmental considerations and infrastructure needs.

As part of its due diligence exercise, the company has engaged the services of several internationally respected consultants and advisors, including AMC Consultants (mining), URS (environmental) and Baker McKenzie (legal). AMC Consultants are leading the preparation of a detailed restart plan, while URS have confirmed that the classification of the tailings dam needed for the environmental bonding is in line with the company's restart plans and proposals.

- Securing adequate financing to exercise the option and fund the working capital requirements of the restart of PRT's mining operations.

The company estimates that total funding of £85m will be required to acquire 100% of PRT and restart mining (£75m), fund ongoing gold exploration in Slovakia as well as other group activities

(£5m) and for general working capital (£5m). In May 2008, the company raised £10m of equity, while the remaining funds are expected to be raised through a combination of debt and post-permitting cash flow (£57m) as well as counterparty guarantees and deferred settlements (£18m). For the purposes of our financial model (and until the full details of the financing are confirmed), we have taken a conservative view that 100% of the outstanding £75m will be funded by debt.

Only once all the conditions precedent have been satisfied will the company's shareholders be approached to fully approve the exercise of the option and the restart of copper production at PRT.

Resources and reserves

PRT has had a long history of mining, although the most recent activity was undertaken between 1995 and 2001, when the Spanish worker's co-operative extracted 24.7Mt of ore at an average copper grade of 0.57%. On the basis of the review by AMC Consultants, PRT's JORC-compliant mineral resources and ore reserves are outlined below (Exhibit 3).

Exhibit 3: Mineral resource estimate for Cerro Colorado deposit

Note: Cut-off grade of 0.2% copper.

	Mineral Resource	Cu grade	Contained Cu
	kt	%	kt
Measured	47,971	0.38	181.3
Indicated	155,093	0.48	748.4
Inferred	2,105	0.50	10.5
Total Mineral Resource	205,169	0.46	940.2

Source: EMED Mining

The mineral resource estimates (Exhibit 3) are lower than those previously reported by the company. This is due to various factors, but primarily the result of a reassessment of the inputs to the resource calculation undertaken by AMC Consultants.

Exhibit 4: Ore reserve estimate for Rio Tinto mine

Note: A proved ore reserve has been derived from the measured mineral resource and a probable ore reserve has been derived from the indicated mineral resource. A cut-off grade of 0.2% copper has been used.

	Ore Reserve	Cu grade	Contained Cu
	kt	%	kt
Proved	38,001	0.37	141.1
Probable	84,925	0.52	443.3
Total Ore Reserve	122,926	0.48	584.9

Source: EMED Mining

The ore reserve estimates (Exhibit 4) have increased on previous estimates, predominantly as a consequence of reducing the cut-off grade (from 0.25% to 0.20% Cu) and increasing the size of the pit shell. We consider the lower cut-off grade to be justified given the company' s improved understanding of processing cost, expected recoveries and forecast metal prices.

We previously reported a 10-year life-of-mine on the basis of reserves alone and the company's proposed extraction rate. However, given the revised ore reserve estimates presented above, as well as the very real prospect for further exploration and development work to increase both mineral resources and ore reserves, we have increased our life-of-mine estimate to 20 years.

Focused exploration and development

In Slovakia, the company has discovered a cluster of three gold porphyry deposits. Company geologists' estimates of the mineralisation at Biely Vrch indicate a low-grade, bulk-mineable gold deposit of at least 1.2Moz (non-JORC). Although less of a priority, exploration in Cyprus and Georgia continues to make good progress. So too does the Turkey-focussed team at Kefi Minerals plc, in which the company has a 34% stake. In addition, EMED continues to develop a strong 'social licence to operate' and a proactive approach to environmental management across all its operations.

Biely Vrch and Slovakian gold exploration

After Spain, the company's gold exploration in Slovakia is its next priority, and for good reason. The company holds 100% of seven exploration licences that cover an area of 1,106km^2 within the Central Slovakian Volcanic Field. Of these licences, the greatest success has come from the Detva licence. Here, the Biely Vrch gold porphyry represents a potential low-grade, large volume, bulk-mineable deposit. According to the drilling results published to date, the company's geologists estimate the mineralisation at Biely Vrch to contain at least 1.2Moz of gold. This is based on the approximately 50Mt that has been identified with typical grades of between 0.8g/t and 1.1g/t. While it should be noted that this is not a JORC-compliant resource, we consider it a useful indicator of the potential scale of the deposit. Drilling at Biely Vrch is ongoing (24/7) and expected to continue until Q408, when the company's own drill rig will most likely move to Spain for the coldest part of winter. As such, we expect details of a JORC-compliant resource at Biely Vrch to be released in early 2009.

Exhibit 5: Drilling at Biely Vrch (Detva Licence) with the company's Atlas Copco CS10 core drill

Source: Edison Investment Research

In addition to the company's discovery of the Biely Vrch deposit, extensive exploration in the region has also identified two other gold porphyry deposits within the Detva licence, namely the Kralova and Slatinské Lazy prospects. At Kralova, the most encouraging drill hole intercepted 55m at 0.8g/t, while at Slatinské Lazy, the best two intercepts are 51m at 1.2g/t and 121m at 0.5g/t.

Cyprus

Although the company maintains an active presence in Cyprus, this is largely focused on its registered office in Nicosia. However, at its Klirou copper-zinc project, a JORC-compliant Inferred Mineral Resource has been established with 6.6Mt at 0.41% copper and 0.81% zinc for 18,500 tonnes of copper and 53,600 tonnes of zinc. As it stands, this project's total resources represent less than one year's production from PRT, hence the company's focus on the latter. However, once the additional work recommended by AMC Consultants is undertaken, EMED will be in a better position to decide whether or not to proceed with a full feasibility study, although we do not expect a decision on this before the end of the year.

Georgia

As Georgia continues to open up to Western business, the company is well positioned to take advantage of potential opportunities there. To date, the company has acquired 100% of the Upper Racha Licence (1,600km^2) in the Caucus Mountains, where it has confirmed Russian Resources of 969koz of gold at the Zopkhito Prospect. The company has adopted a low-cost exploration and evaluation approach, which seems prudent given the exploration team's current focus in Slovakia.

34% stake in Turkey-focused Kefi Minerals plc

Initially spun out from EMED Mining (who retain a 34% stake), AIM-listed Kefi Minerals plc (with a market capitalisation of £4.1m) continues to make steady progress in Turkey. With an extensive exploration database, 26 exploration licences and eight exploration projects, the company stands to benefit from Turkey's mineral prospectivity and mining-friendly government. In order to fast-track exploration at its Artvin Project in north-eastern Turkey, Kefi has entered into discussions with a number of potential exploration JV partners. Recent progress on this project includes infill soil and rockchip sampling, which has confirmed the potential for base and precious metal mineralisation. We expect the IP survey planned for the end of July to provide further definition of this potential. Kefi has also identified low-sulphidation epithermal quartz veins with mainly silver, and some gold, mineralisation at its Derinin Tepe prospect. To fund ongoing exploration, Kefi Minerals recently placed 21m new ordinary shares raising £624,367 in April.

Strong environmental and social commitment

It is widely acknowledged that mining and exploration activities have the potential to negatively impact certain aspects of both society and the surrounding environment. Given that the company's activities are largely focused in Europe, its ability to manage these potential impacts will be crucial to the success of the business. In addition to the regulatory permits required for ongoing operations, developing a 'social licence to operate' has been a key pillar-stone of the company's approach. Similarly, we are pleased to see that the company has adopted proactive and responsible practices in terms of environmental management.

Valuation

Recently, the company's share price has traded between 20p and 30p. However, once PRT receives regulatory approval, we estimate the company's sum-of-the-parts fair value to be £225.1m or 113p per share with an NPV_{10} for PRT alone of £169.1m.

A window of opportunity in Spain

We have modelled the discounted cash flows from PRT assuming a 20-year life-of-mine, a long term copper price of US$2.75/lb, operating cash costs of US$1.30/lb, copper grades of 0.48%, a foreign exchange rate of US$2.00/£1.00, 30% tax, metallurgical recovery of 84% and peak production of 36,000t copper-in-concentrate falling to 24,000t after year 10. We have also assumed that the company acquires 100% of PRT once the option is exercised and that capital expenditure and working capital are broadly in line with the planned levels of financing discussed above. Until full details of PRT's funding are released, we have been conservative in our assumption that the capital required to acquire PRT and restart mining (£75m) is all raised as debt. On the basis of these assumptions, our NPV_{10} for PRT is £169.1m or 85p/share (compared with the current share price of c 24p).

Biely Vrch

According to the company's estimates (which have yet to be verified to JORC standards), the Biely Vrch deposit has the potential to contain some 1.2Moz of gold. In October 2007, we reported a value for Biely Vrch of US$50.9m, taking into account 10% of the value of the contained metal (0.7Moz) and a gold price of US$727 at the time. We have since revised our valuation of Biely Vrch on the basis of the higher current gold price (c US$900/oz) and increased ounces in the ground (1.2Moz) reported by the company. At a foreign exchange rate of US$2.00/£1.00, we now ascribe a value of approximately £50m to the Biely Vrch deposit (25p per share).

Sum of the parts

On the basis of our valuations for PRT and Biely Vrch, as well as the company's 34% stake in Kefi Minerals plc and the cash raised during the recent equity placing (net of the cash allocated to PRT), our sum-of-the-parts valuation of the company is 113p/share, approximately five times the current share price. This assumes that the company's estimate (of 1.2Moz gold) at Biely Vrch is confirmed to JORC standards. It also assumes that PRT restarts within the timeframe discussed. Our valuation does not take into account any potential upside from other exploration projects in Cyprus, Georgia and Turkey (via the 34% stake in Kefi Minerals plc).

Exhibit 6: Sum-of-parts valuation for EMED Mining

	Total value (£m)	Value per share (p)
PRT (NPV)	169.1	84.7
Biely Vrch (estimate)	50.0	25.0
Kefi Minerals plc (34%)	1.4	0.7
Equity placing (net of cash allocated to PRT)	4.6	2.3
Total	225.1	112.7

Source: Edison Investment Research

Sensitivities

The timing of the regulatory approval for PRT's restart is critical to our valuation. Maintaining operating cash costs at US$1.30/lb is another key driver of value following restart. Copper and gold prices, although beyond the company's control, will also impact the value of the business.

Permitting is key

Without doubt, obtaining regulatory approval at PRT will impact the value of the business. While we expect a positive decision during Q308 at the earliest and Q109 at the latest, any delays to the restart will affect the timing of initial production and, hence, first revenues. The company appears to be doing all it can to initiate the restart of PRT and is working closely with the relevant authorities. However, PRT's fate ultimately rests with the Spanish regulators. We view the company's presence at the mine (where approximately 40 people are now working) and the absence of any obvious challenges to this presence as positive initial steps towards permitting.

Rising costs across the sector

Around the world, the rising costs of fuel, supplies and refining has resulted in an increase in the typical operating cash (C1) costs for every pound of copper produced. According to AMC Consultants, PRT's inflation-adjusted historical cash costs are approximately US$1.35/lb. However, the company's operating cash costs are projected lower (by AMC Consultants) at US$1.30/lb due to the company's planned modern mining methods. While these operating cash costs are higher than the near-term industry average of around US$0.90/lb, it is worth noting that EMED's capital expenditure (C2) costs of US$1.40/lb are relatively low compared to those expected for new projects in the near term (approximately US$1.80/lb), as the majority of the mine's infrastructure is already in place. In order to demonstrate the impact of various copper prices and operating cash costs, Exhibit 7 compares their effect on our NPV_{10} per share valuation. This valuation varies by approximately 15p for every US$0.20/lb change in operating costs and 37p if copper prices vary by US$0.50/lb.

Exhibit 7: Impact of variable copper prices and operating cash costs on the NPV per share of PRT(p)

Note: According to the parameters and assumptions discussed in the text.

NPV per share (p) of PRT	Operating cash costs (US$/lb)				
	0.90	1.10	1.30	1.50	1.70
Copper price (US$/lb)					
1.75	41	26	11	-ve	-ve
2.25	78	63	48	33	18
2.75	115	100	**85**	70	55
3.25	152	137	122	107	92
3.75	189	174	159	144	128

Source: Edison Investment Research

Metal prices

The company hopes to be in production at PRT by mid-2009. At this stage, the price of copper will have an impact on the company's profitability. While copper prices have enjoyed a recent period of relative strength, trading around US$3.80/lb, weaker Chinese demand going forward may cause prices to soften. However, a declining dollar and lower copper inventories seem to be supporting the metal's price in the short term. While it is likely we will continue to see volatility in this market, we do not expect short-term prices to fall much below pre-April 2006 levels of around US$3.00/lb. Given the company's expected total operating (including capital) cost of US$1.40/lb, it stands to profit from a healthy margin on copper production.

Financials

We have revised our financial forecasts for 2008 to reflect the recent equity fundraising; our forecasts for 2009 have also changed. This is mainly owing to the delay in the restart of PRT, which has shifted initial revenue and capital expenditure profiles out by approximately 12 months. Nevertheless, with an NPV_{10} of £169.1m, PRT's potential value to shareholders equates to 85p per share.

Cash flows in H209

First cash flows from PRT are expected during the second half of 2009, assuming mining restarts within the timeframe discussed above. Taking into account the company's planned fund-raising and the anticipated start of production at PRT, our financial model indicates that the company will remain cash positive through the restart and into full production, provided it is able to increase its creditor days to 130 during the restart (2008 to 2010) before stabilising at 45 days. According to these assumptions, the company's year-end cash will be approximately £10.1m in 2011. However, should our assumptions not be validated, at current cash burn rates, the company may be required to seek additional financing.

Positive EPS in 2011

On the basis of our financial model, we expect the company's losses to decrease over the next three years, as potential production from PRT increases. By the third year of mining (anticipated in 2011), significantly higher production revenues and lower capital expenditure are expected to translate into positive earnings per share of around 10p.

Debt will impact balance sheet

The company has a healthy level of liquidity, which should continue through the restart of PRT. When this gets underway, the current ratio drops from historical levels of around five to more efficient levels closer to three. On the conservative assumption that future capital expenditure at PRT will be entirely debt-funded, we estimate a peak funding requirement of £50m as at 31 December 2009, with first cash flows forecast for the latter half of the year. This equates to leverage (net debt/net debt plus equity) of 112% in 2009. The company believes this funding arrangement can be further mitigated through the use of counterparty guarantees and deferred settlements. Nevertheless, our financial model indicates the company will be in a position to start repaying its borrowings in 2014 (over an assumed 15 year period), at which point we estimate a dividend of roughly 10p per share could be paid.

Exhibit 8: Financials

£'000s Year end 31 December	2005 IFRS	2006 IFRS	2007 IFRS	2008e IFRS	2009e IFRS
PROFIT & LOSS					
Revenue	0	0	0	0	22,440
Cost of Sales	(964)	(1,926)	(6,345)	(6,575)	(26,350)
Gross Profit	(964)	(1,926)	(6,345)	(6,575)	(3,909)
EBITDA	(1,469)	(2,746)	(8,309)	(8,500)	(3,685)
Operating Profit (before GW and except.)	(1,477)	(2,763)	(8,346)	(8,575)	(6,009)
Intangible Amortisation	(585)	0	(71)	0	0
Exceptionals	0	0	0	0	0
Other	10	328	0	0	0
Operating Profit	(2,052)	(2,435)	(8,417)	(8,575)	(6,009)
Net Interest	10	(13)	43	(60)	(2,982)
Profit Before Tax (norm)	(1,467)	(2,776)	(8,303)	(8,635)	(8,992)
Profit Before Tax (FRS 3)	(2,042)	(2,448)	(8,374)	(8,635)	(8,992)
Tax	(1)	(1)	0	0	0
Profit After Tax (norm)	(1,614)	(2,657)	(8,303)	(8,635)	(8,992)
Profit After Tax (FRS 3)	(2,043)	(2,449)	(8,374)	(8,635)	(8,992)
Average Number of Shares Outstanding (m)	56.6	92.7	122.5	199.6	199.6
EPS - normalised (p)	(3.0)	(2.9)	(6.8)	(4.3)	(4.5)
EPS - FRS 3 (p)	(3.7)	(2.7)	(6.9)	(4.3)	(4.5)
Dividend per share (p)	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET					
Fixed Assets	41	916	718	1,394	44,069
Intangible Assets	0	71	0	0	0
Tangible Assets	41	52	204	880	43,555
Investments	0	793	514	514	514
Current Assets	1,017	1,743	4,260	5,996	11,332
Stocks	0	0	78	0	2,767
Debtors	46	536	912	0	2,767
Cash	971	1,207	3,270	5,996	5,799
Current Liabilities	(130)	(324)	(893)	(1,816)	(8,294)
Creditors	(130)	(324)	(591)	(1,514)	(7,992)
Short term borrowings	0	0	(302)	(302)	(302)
Long Term Liabilities	0	0	(2,216)	(2,216)	(52,216)
Long term borrowings	0	0	(2,216)	(2,216)	(52,216)
Other long term liabilities	0	0	0	0	0
Net Assets	928	2,335	1,869	3,358	(5,110)
CASH FLOW					
Operating Cash Flow	(1,324)	(2,529)	(7,452)	(6,196)	(5,348)
Net Interest	10	8	2	73	151
Tax	(1)	(1)	0	0	0
Capex	(46)	(28)	(189)	(750)	(45,000)
Acquisitions/disposals	5	(272)	0	0	0
Financing	2,327	3,058	7,184	9,600	0
Dividends	0	0	0	0	0
Net Cash Flow	971	236	(455)	2,726	(50,198)
Opening net debt/(cash)	0	(971)	(1,207)	(752)	(3,478)
HP finance leases initiated	0	0	0	0	0
Other	0	0	0	0	0
Closing net debt/(cash)	(971)	(1,207)	(752)	(3,478)	46,719

Source: Company Accounts, Edison Investment Research

Growth	Profitability	Balance sheet strength	Sensitivities evaluation	
N/A	N/A	N/A	Litigation/regulatory	◖
			Pensions	○
			Currency	◖
			Stock overhang	○
			Interest rates	○
			Oil/commodity prices	●

Growth metrics	%	Profitability metrics	%	Balance sheet metrics		Company details	
EPS CAGR 05-09e	5.3	ROCE 08e	N/A	Gearing 08e	4.5	Address:	
EPS CAGR 07-09e	N/A	Avg ROCE 07-09e	N/A	Interest cover 08e	N/A	1 Lambousa St. Nicosia 1095, Cyprus	
EBITDA CAGR 05-09e	25.8	ROE 08e	N/A	CA/CL 08e	3.3		
EBITDA CAGR 07-09e	N/A	Gross margin 08e	N/A	Stock turn 08e	N/A	Phone	+357 2244 2705
Sales CAGR 05-09e	N/A	Operating margin 08e	N/A	Debtor days 08e	N/A	Fax	+357 8842 1956
Sales CAGR 07-09e	N/A	Gr mgn/Op mgn 08e	N/A	Creditor days 08e	N/A	www.emed-mining.com	

Principal shareholders	%
Oxiana Limited	12
Resource Capital Funds	11
Board of Directors	8
RMB Australia Holdings Limited	5
Fidelity International Limited	5
Altima Partners	4

Forthcoming announcements/catalysts	Date *
Spanish regulatory approval to commence operations at PRT	Expected Q308 –Q109
Shareholder approval to exercise option on PRT	Following on from regulators decision above
*Note: * = estimated*	

Management team
MD: Harry Anagnostaras-Adams
CEO with 20 years of experience in mining and mining investments. Former CEO of Gympie Gold, and former Deputy Chairman of the Australian Gold Council. He is a qualified accountant, and holds an MBA.
FD: John Leach
CFO with 30 years of accounting experience in mining in Canada and Australia. Currently Executive Chairman of Resources Mining Corp Ltd (ASX:RMI) and FD of KEFI Minerals.
Chairman: Ronnie Beevor
Former Head of Investment Banking at Rothschild Australia. Currently a director of Bendingo Mining Ltd, Oxiana Ltd and QMAG Ltd.

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