

Client: Greenland Minerals
Source: Growth Company Investor
Date: February 2010
Page Number: 01



Greenland mineral group plans £20m London float



Aussie-listed **Greenland Minerals and Energy** is planning a flotation on the London Stock Exchange to raise £20 million for a £1.4 billion world-class rare earth and uranium project at Kvanefjeld in Greenland. An independent pre-feasibility study has suggested that the project could run for 23 years with capital expenditure of \$2.3 billion (£1.4 billion), generating an operating surplus of \$600 million and paying back the initial outlay in five years.

Greenland Minerals, valued Down Under at almost £70 million at the equivalent of 30p, owns 61 per cent of the Kvanefjeld licence, with options to take that to 90 or 100 per cent, says managing director Rod McIlree. Having hired Evolution Securities to advise on the London issue and considering adding J.P. Morgan or another group to the team, the company would spend the money on a definitive feasibility study.

With Kvanefjeld containing an estimated 4.9 million tonnes of rare earth oxides (used in high-tech and environmental applications,



Greenland's managing director, Rod McIlree

including flat display panels, hybrid cars and wind turbines) and 120,000 tonnes of uranium oxide, U3O8, the pre-feasibility study envisages annual production of 43,729 tonnes of rare earth oxide and 3,895 tonnes of U3O8. McIlree insists that 'the uranium will pay for

everything', but he sees rare earths as the major profit generator.

Describing rare earth carbonates, now trading at around US\$13 (810p) a kilogram, as 'the new market darling', McIlree expects a favourable political reaction. Greenland Minerals has made former Greenland prime minister Lars Emil Johansen chairman of its local subsidiary and he contends the territory is anxious to cut unemployment as it seeks greater autonomy from Denmark. This should be a float to watch.

COMPANY WATCH

Fiberweb regain

Having emerged from a major restructuring, fabric products **Fiberweb** is now fitter and focused on some attractive markets. Under determined CEO Daniel Dayan, margins are expanding, debt levels are reducing and the fully listed firm is poised for profitable long-term growth.

COMPANY PROFILE

CVS's pet growth

Veterinary services sector **CVS** is growing by acquisition market continuing to demonstrate high-levels of recessionary. Floated on AIM in 2007, the based company is pursuing growth buy-and-build strategy speaking for a modest 7 to 8 its chosen small animal sector plenty of growth left to go for

CITY NEWS

LED lighting pioneer moots AIM launch

PhotonStar LED, which produces eco-friendly light bulbs with a claimed life of 11 years, is considering tapping investors for around £5 million fund acquisitions, says chief executive officer James Mcker. Based at Romsey near Southampton, the company, which physicist Mckenzie founded in 2007 with a Lebanese business partner, expects to increase turnover tenfold to £23 million this year, has been profitable since August and wants to expand its sales network by taking over ailing lighting companies and upgrading them.