

## NEWS

---

July 25, 2007

### **Minerva Resources Starts A New Life With Cash, Cash Flow And Exploration Potential**

By Jack Hammer

**There have always been certain advantages in bringing a company to the London market via a reverse takeover rather than via a straightforward listing. The most obvious is that it's cheaper. You save on listing costs, and in some cases the shell company brings serious money to the table itself. And some cash shells, like Palladex, bring a little extra too.**

Until it met Malcolm Burne and the Ambrian stable, Palladex was quite simply a mining company that had run out of steam. It still had a few raggle- taggle assets in Kyrgyzstan, £1.4million in the bank and an AIM quote. Strictly speaking, then, not a cash shell. But moribund, and cash shell enough for the purposes of getting Golden Prospect's left -over properties in Ethiopia and Sierra Leone listed. Under the terms of a reverse takeover completed in early July, into Palladex has now come some tiny platinum production and some promising gold exploration in Ethiopia, as well as platinum, gold and diamond exploration in Sierra Leone. New management's come too, and a new name: **Minerva Resources**.

But it's not all about change. **Minerva's** new managing director Terry Ward, who's got thirty years in mining behind him, knows a good thing when he sees it. "Palladex had some cash and a good geologist running it", he says. These days geologists aren't so easy to come by, and the geologist in question, Merlin Marr-Johnson, while he may not exactly have made a success of Palladex, has certainly learned a thing or two riding various City and Kyrgyz merry-go-rounds. He now becomes executive director, development, and will focus primarily on the Ethiopian assets, as the Sierra Leone properties are all being run by joint venture partners.

And, at least for the time being, Palladex's residual Kyrgyz assets will remain in place too. The company has actually booked 200,000 JORC ounces of gold to date, but, says Mr Ward, "the market doesn't want small scale slow exploration at the moment. If someone comes along and takes them - fine". The five drill rigs that were working up those ounces look more likely to stay on, though, as, like geologists, drill rigs are getting harder and harder to find. A cash shell with tasty extras, then.

But those extras are really only of peripheral interest to the new company. The takeover hasn't long been out of the blocks, but already the company is hitting the market hard and fast with newsflow. Drilling has been ongoing on the Tulu Kapi Ethiopian hydrothermal gold property, and the results are beginning to paint a picture. So far it's looking good. The best intersection on the latest hole showed 14.1metres grading 2.7 grammes per tonne gold, although last year the company drilled 37.9 metres at 1.6 g/t, cut to 31.1 grammes per tonne.

Meanwhile, trenching on the **Minerva's** other gold property has also been encouraging,

while development work at the Yubdo platinum property, 520 kms due west of Addis Ababa, continues to underpin the company's position in the country. Yubdo has been producing platinum on a small scale for more than 80 years, but lately has been running out of steam. A recent decline in recoveries has now been partially reversed by **Minerva's** installation of a pilot gravity treatment plant, a Knelson concentrator and a Gemini table. And further improvement ought to be forthcoming once the results of ongoing metallurgical analysis begin to come in

It's not big stuff, but it's not supposed to be - in 2006 the company estimated the resource base at Yubdo at just under 24,000 ounces. "Our idea with the platinum mine", says Mr Ward, "is keep it going, ticking over". That serves two purposes. It enables the Ethiopian government to say that Ethiopia is a platinum producer, which in turn buys **Minerva** a place at the table and enables it to go out and pick up further exploration ground to add to two gold properties already under investigation. "Things are coming across our table", says Mr Ward. "We're looking at other countries". It looks like the old Palladex shareholders are in for a much more interesting time of it now.

[<- Back to: Archives](#)

[Print this news](#)

**[Click here to tip a friend about this page!](#)**