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Paternoster Resources PLC
17 December 2013

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PATERNOSTER RESOURCES PLC
"Paternoster" or the "Company"

Trading update

Paternoster is pleased to provide an update on its investment portfolio on the basis of the three investment categories previously set out:

Unlisted pre IPO

Andiamo continues to progress its copper and gold prospects in Eritrea, north-east Africa. Based on recent drilling at its Yacob Dewar prospect, the company believes that this deposit contains an in-situ grade of more than 4g/t of gold for currently 100,000 ounces of gold. The prospect has economic mining potential as it is amenable to open pit mining and has good infrastructure. The company is now proceeding with engineering and technical studies.

The stakeholders in Bison are currently pursuing alternatives to an IPO in order to realise value from the frac sand assets it owns in Wisconsin. It is expected that there will be a more detailed update on how this is progressing shortly.

Listed special situations

There is currently an increasing demand for AIM listed cash shells that can provide companies and businesses with access to the capital markets. Both Astar Minerals plc and Plutus Resources plc are actively considering a number of investment opportunities. Unfortunately, Brady Exploration was unable to complete the acquisition of 100% of EER as the necessary new equity funding could not be raised within the necessary time frame. However, Brady is now back from suspension and able to pursue other opportunities.

North American Petroleum plc recently announced that it has acquired a 24.2% interest in the producing Little Drum oil and gas project focused on the Mississippi Lime formation and a 30% working interest in the Mathis Unit, both in Osage County, Oklahoma. This increases the company's proven reserves to over \$21 million on an NPV(10) basis.

Shumba Coal continues to make good progress on its principal coal asset. This includes additional drilling to increase measured and indicated resources. It has also acquired four new energy prospecting licenses in north eastern Botswana. The company, having completed its listing on the Botswana Stock Exchange earlier this year, is also in the final stages of listing in Mauritius. This is expected to occur early next year.

Listed value opportunities

The Company's portfolio of liquid listed investments has continued to move ahead, particularly driven by the exceptional performance of Quadrise whose share price has increased by over 650% since the Company made its investment. The Company has steadily realised profits during this period but still holds some 400,000 shares, valued today at over £190,000.

In addition, the Company continues to hold a significant cash balance and so is well placed to take advantage of opportunities as they arise.

Nicholas Lee, Chairman said:

"Paternoster continues to hold an exciting portfolio of assets with significant opportunity for future growth combined with sufficient liquid resources to take advantage of new opportunities as they arise"

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