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Paternoster Resources PLC
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PATERNOSTER RESOURCES PLC
"Paternoster" or the "Company"

Quarterly Update to 31 March 2016

Paternoster Resources plc, the investing company focused on the natural resources sector, is pleased to provide a quarterly update to 31 March 2016.

The key unaudited performance indicators are set out below.

COMPANY STATISTICS	31 March 2016	31 December 2015	Change
Net asset value	£3,370,562	£2,948,406	14.3%
Net asset value - fully diluted per share	0.363p	0.320p	14.3%
Closing share price	0.190p	0.185p	2.7%
Share price premium/(discount) to net asset value	(48%)	(42%)	-
Market capitalisation	£1,753,430	£1,707,287	2.7%

Category	Principal investments	Cost or valuation (£)
Unlisted/pre IPO	Bison Energy Services Limited, Andiamo Exploration Limited, Elephant Oil Limited, MX Oil plc and Alecto Minerals plc	892,221
Listed	Metal Tiger plc, MX Oil plc, Plutus PowerGen plc, Shumba Coal Limited and New World Oil and Gas plc	1,813,294
Investment portfolio		2,705,515
Cash resources		550,140
Total		3,255,655

Since the Company's last quarterly update, the Company's net asset value has increased by over 14%, principally as a result of a significant increase in the Metal Tiger plc ("Metal Tiger") share price. Subsequent to the end of the period covered by this quarterly update, Metal Tiger has continued to perform well and the Company has realised some substantial profits by selling part of its interest in Metal Tiger which has contributed significantly to the Company's cash resources. In addition, the Company has realised additional profits from the sale of some more shares in Plutus PowerGen plc ("Plutus PowerGen") and this company's share price has also started to recover. The convertible loan notes ("CULs") held in Alecto Minerals plc ("Alecto") have also now been converted. The impact of these subsequent events will be included in the Company's next quarterly update.

There have been a number of recent exciting developments with certain of the Company's investments as described below:

New World Oil and Gas plc

The company has been carrying out a review of its strategy and has now entered into a non-binding agreement to acquire a business called Big Sofa Limited which operates in the market research sector. As this acquisition would be classified as a reverse takeover, the company's shares have been suspended pending the publication of an admission document or a decision not to proceed.

Metal Tiger plc

Since 31 December 2015, the company's share price has increased very significantly and, subsequent to the end of the quarter to 31 March 2016, Paternoster has sold over 15 million shares in Metal Tiger at an average price of 4.2 pence per share for a total consideration of over £650,000 before expenses. This represents a 4.6 times return on Paternoster's investment in Metal Tiger. Paternoster continues to retain a holding of Metal Tiger shares, although this is now below the 3% disclosure threshold.

MX Oil plc

The MX Oil's indirect investment in OML 113, which includes the Aje Field, has now commenced production. This initial production phase is progressing as planned and the company may decide to retain this asset rather than sell it, particularly against the background of an increasing oil price. The company has also recently carried out a placing to raise £3.4 million.

In Mexico, the company had agreed to assign three of the four licences it had been awarded to its local partner, Geo Estratos, whilst retaining a 66% share in the fourth licence, subject to the satisfactory outcome of a Competent Person's Report ("CPR"). Due to certain funding issues in Mexico, this assignment could not take place. Furthermore, the outcome of the CPR was unsatisfactory so the company decided not proceed with the fourth licence.

Plutus PowerGen plc

Paternoster's holding of 69.3 million shares in Plutus PowerGen, includes 20 million shares subject to an option in favour of certain members of the company's management team at a price of 0.75 pence per share. This option has now been exercised, resulting in the Company realising another £150,000 from its investment returning a 3 times multiple on its original investment. Since 31 March 2016, the Plutus PowerGen share price has been recovering and is currently trading at 1.3 pence. The Company still owns 49.3 million shares or 7.1% of the company.

Alecto Minerals plc

As at 31 March 2016, Paternoster held US\$495,365 of CULs in Alecto. On 5 April 2016, Paternoster decided to convert the CULs at a price of 0.08 pence per share into 434 million shares in the company. The company has made good progress putting in place the necessary financing in order to bring the 400,000 tonnes per annum open-pit Matala Gold Project in south-central Zambia into low-cost production in the near to mid-term. In particular, the company recently raised around £665,000 by way of a placing and is also at an advanced stage with regard to securing vendor financing with regard to plant and infrastructure costs.

Nicholas Lee, Chairman of Paternoster, commented:

"The value of Paternoster's portfolio has continued to increase during the first quarter of 2016. Furthermore, the Company has clearly demonstrated that not only can it make attractive returns on its investments but that these returns can be effectively realised. The vast majority of its investment portfolio, which is currently worth around £3.4 million, now comprises principally cash and listed investments. The company is therefore very well positioned for its next phase of growth"

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