

MINING FLASHNOTE

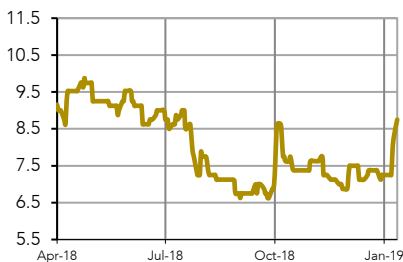
Fox Marble Holdings (FOX LN)

21 January 2019

Stock Data

Share Price:	8.75p
Market Cap (M):	£19.1
EV (M):	£19.6

Price Chart



52 Week Range

6.625p		8.75p
12.5p		

Company Summary

Fox Marble Holdings plc is a natural stone extraction company operating in Kosovo and the Balkans region. The Company is currently extracting blocks from the Cervenilla, Malesheva, Prilep and Syrigane quarries and constructing a cutting and polishing plant in Kosovo.

MAIN SHAREHOLDERS HOLDING

Gilbert Christopher	8.95%
Kesari Tours Pvt	8.74%
Etrur Albani	8.02%
Hargreaves Lansdown	6.86%
Milton Group PLC	6.41%
AJ Bell Securities	5.60%
HSBC Holding	4.87%

Source: Fox Marble Holdings & Bloomberg

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Fox Marble Announces New Material and New Orders

The Event

Fox Marble has announced the start of commercial extraction of Alexandrian Blue from its Prilep quarry in Northern Macedonia. A 441t order was completed and paid for in December 2018 and a new sales agreement for Alexandrian Blue has been entered into with an indicative value in excess of €1M.

Comment

This material only started appearing in small quantities around a year ago, but as Fox-Marble has developed the east side of the Prilep quarry more and more became available. Alexandrian Blue has dense blue grey banding with smaller bands of white which produce a marked blue tone and is akin to the highly desirable Zebrino marble from Northern Italy.

Following the successful delivery of 441t of Alexandrian Blue to an Italian customer, it was sold in block form, Fox-Marble has entered into a sales agreement with this customer to purchase Alexandrian Blue with an expected value in excess of €1M over the next twelve months. Under this sale and purchase deed the Company agrees to supply a minimum monthly quantity of Alexandrian Blue blocks for a 12 month period, commencing 16 January 2019. The indicative value of the agreement is dependent upon the company making available sufficient material to the client to meet the minimum monthly commitment.

Fox Marble is now focussing on penetrating the markets in Italy, India, China, Turkey and Dubai where it has established a base with its most popular marbles, the Alexandrian White and Illirico Selene, with material from the Cervenilla quarry including Argento Grey, Rosso Cait and Flora, and Syriganë quarry which contains Breccia Paradisea and Etrusco Dorato.

Sales of Fox-Marble's premium quality products are definitely increasing and BHC expects this to be reflected in revenues in 2019, which we expect to result in Fox-Marble at least breaking even in CY2019.

Research Disclosures

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 11 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 21 January 2019

<u>Company Name</u>	<u>Disclosure</u>
Fox Marble Holdings (FOX LN)	1, 2, 3, 7, 8, 9

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