

Pembridge Resources plc (PERE LSE)

17 October 2019

Company Summary

Pembridge is an aspiring copper producer, re-starting production at the Minto high grade copper mine in the Yukon

Pembridge Announces Restart of Minto Copper Operations

Event

Pembridge Resources plc ("Pembridge") has announced that operations at the Minto Copper Mine in the Yukon have restarted.

Highlights

The key highlights of the restart are:

- Wet commissioning of the mill was completed on the 4th October
- Mill operations commenced on 10th October. Milling will operate on a 2-weeks-on, 2-weeks-off schedule ("Campaign") until sufficient development has been achieved underground to enable a higher monthly processing capacity
- First concentrate of copper was produced on 11th October
- First underground blast (6,800t at 4.52% Cu) occurred in the Minto East mining area on 13th October. A further 15,850t (at 2.5% Cu) of ore is planned to be blasted over the course of the next 7 days
- Zero incidents reported and lost time injury free since 3rd June

Comment

This is a good start by Pembridge at the Minto mine. Our modelling assumed that 90kt would be processed in the December quarter and it would appear from this announcement that they are on schedule to achieve this. Further, the grades are a bit higher than we modelled, so copper production could be higher.

Perhaps more importantly, the copper price is above that used in the model, BHC having forecast 9 months of low copper prices commencing in the December quarter of 2019.

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Research Disclosures

Peter Rose

Peter has 33 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 13 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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Pembridge Resources (PERE LSE)	1, 2, 7,8

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