

Goldplat PLC

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Goldplat confident on outlook as it progresses recovery operations

Goldplat plc (LON:GDP) is a business built around the recovery of gold from previously used mining equipment. As such it has been able to support its other endeavours in exploration and mining secure in the support of steady cashflow from a consistent supply of product.

The company's key operations are located in South Africa, Ghana and Kenya.

Goldplat takes waste materials from major mining companies like AngloGold Ashanti, Goldfields, Harmony and Lonmin.

The principal sources of Goldplat's production are mill liners, woodchips, waste grease, silt from lakes and tailings dams, and fine carbon.

Operational performance provides strong base for further growth

In the nine months ended 31 March, Goldplat produced 6,966 ounces of gold and gold equivalent and sold 28,534 ounces.

The South African operations accounted for 4,533 ounces, the Ghanaian operations for 1,192 ounces, and the Kilimapesa mine in Kenya for 1,241 ounces.

Kilimapesa production ramps up

Production from the Kilimapesa mine has been ramping up after completing 'Stage 2' of the expansion of new processing plant (Plant 2).

As a result of the expansion, the Kilimapesa mine is now processing at a rate of around 5,000 tonnes per month.

The company will close Plant 1, which will help reduce overall production costs, allow gold recovery to be optimised and increase the life of the mine.

"This will have a positive effect on profitability and help ensure we operate a more robust operation moving forward," said chief executive Gerard Kisbey-Green.

New Ghana elution plant

In Ghana, Goldplat has completed the installation and commissioning of an elution plant at the gold recovery operation.

The new piece of kit, which is used to extract the precious metal from other materials, achieved the first gold pour in early March.

Goldplat said there were cost savings benefits to being able to elute and smelt on-site.

Price: 7.2

Market Cap: £12.22 m

1 Year Share Price Graph



October 2019 April 2020 September 2020

Share Information

Code: GDP

Listing: AIM

52 week High Low
9.2 2.3

Sector: Gold & silver

Website: www.goldplat.com

Company Synopsis:

Goldplat is a profitable, African gold recovery services company with two market leading operations in South Africa and Ghana. Goldplat's strategy is focussed on utilising its robust cash flow generated from flagship gold recovery operations in Africa to self-fund sustainable growth and expansion of niche gold recovery business model.

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The additional infrastructure has also made it easier to expand the Ghana operation at the appropriate time, the group added.

Rand Refinery dispute ends

In another key development, Rand Refinery agreed to pay an undisclosed sum to settle a dispute with Goldplat Recovery in February.

The two parties agreed in December on an arbitration process to settle the dispute, which related to a contract to process silver, and last month they announced agreement on a final settlement.

CEO confident on outlook

Kisbey-Green said the end to the dispute and the completion of the elution circuit in Ghana were key highlights of its most recent quarter.

"As we continue to focus on building gold production and increasing profitability, we look forward to progressing the turnaround at Kilimapesa and securing new strategic supply contracts at an international level for our recovery operations," he said.

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