

Xeros Technology Group PLC

10:20 14 Aug 2019

Aura Energy glows as it hits high-grade vanadium

Aura Energy Limited (LON:AURA) saw its shares bathed in a warm glow in late-afternoon after the stock rose 4.2% to 0.6p following the confirmation of a high-grade vanadium zone at its Häggån project in Sweden.

The Aussie-based mineral explorer said the "very positive and unexpected outcome" provided good potential for higher grade areas to be mined at the project, while Aura's executive chairman Peter Reeve added that the firm was reviewing the potential for Häggån to conduct an initial public offering (IPO).

Meanwhile, in the blue-chips, insurer Admiral Group PLC (LON:ADM) was the index's star performer on Wednesday, jumping 4.6% to 2,126p after reporting a 4% rise in pre-tax profit for the first half, supported by an increase in customers and a return to profit in the home insurance unit.

Pre-tax profit increased to £220m from £212m last year even as it took a £33.3m charge related to regulatory changes that meant British insurers need to set aside more money to compensate victims of car crashes.

Admiral, which is one of the UK's largest motor insurers, said the total impact of the change in the so-called Ogden discount rate, which is used to calculate how much accident victims should be given as a lump sum, was expected to be between £50m and £60m.

The company also raised its dividend by 5% to 63p per share.

1.00pm: Petro Matad gushes as it gets approval to resume operations at Heron-1 well

Petro Matad Limited (LON:MATD) shares gushed 32.4% higher to 7p in lunchtime trading after it received approval to resume operations at its Heron-1 well in eastern Mongolia.

The AIM-listed oiler had put its rig on standby last week after a dispute broke out over land use with the local government.

However, in an update, the company said the country's central and local governments were "resolving their issues" and that it had been given verbal approval to resume operations.

Another oil junior seeing good fortune was Attis Oil and Gas Ltd (LON:AUGL), which jumped 5.3% to 0.1p after securing two new oilfield service contracts in Texas.

The group said the agreements would see its US subsidiary, Attis Oilfield Services, provide regulatory testing and reporting services for 987 wells in the Texas Panhandle in the north of the state, with "positive cashflow" expected to result from September.

Attis also said the contracts would serve as a "first step" in building a "robust oilfield service offering" in the region.

Price: 1.11

Market Cap: £8.7 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: XSG

Listing: AIM

52 week High Low
21.0688 0.85

Sector: Chemicals

Website: www.xeroscleaning.com

Company Synopsis:

Xeros has developed a patented polymer bead cleaning system that significantly reduces water, energy and chemical use while also delivering a superior cleaning result.

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Elsewhere on AIM, Powerhouse Energy Group PLC (LON:PHE) surged 4.4% to 0.47p as it secured its first revenues and said it was confident of becoming a profitable business.

The revenues came from a contract with Powerhouse's exclusive partner, Waste2Tricity Limited (W2T) to build plastic-to-power projects.

11.00am: Conroy Gold gets the luck of the Irish with new discovery

Shares in Conroy Gold & Natural Resources PLC (LON:CGNR) had a little more shine to them in late-morning after a new gold discovery at the Slieve Glah project in Ireland sent the stock up 4.8% to 5.5p.

The AIM-listed explorer said both of the two holes drilled at the target had intersected gold, with chairman Richard Conroy saying the discovery had confirmed other "encouraging results" elsewhere at the project.

Meanwhile, FTSE 250 construction firm Balfour Beatty plc (LON:BBY) climbed 9% to 220p after hiking its interim dividend by 31% as fruits of its turnaround strategy yielded stronger profits and cash flow.

The group's order book had also risen by 5% in its latest half-year, driven by wins for the US construction business and the addition of the support services business's railway track renewal contract with Network Rail.

On less even ground was fellow index constituent Sports Direct International PLC (LON:SPD), which tumbled 11.1% to 211.4p following the resignation of its auditor, Grant Thornton.

Grant Thornton has been the cheap sportswear retailer's number checker since its initial public offering in 2007, but it was confirmed on Wednesday that it will step down next month.

The decision leaves Sports Direct in a tricky position, as all the other potential replacements have ruled themselves out.

Deloitte carries out the FTSE 250 company's tax work so are unable to audit the results, while KPMG, EY and PwC have said there are "barriers" preventing them from working with Mike Ashley and his team.

9.30am: Xeros shares submerged as it plans direct sales exit

Xeros Technology Group PLC (LON:XSG) saw its shares sink 13% to 7.9p in early deals after the water filtration specialist announced it would exit its direct sales business by the end of the year.

Instead, the group is aiming to switch to what it said is a "high margin" licensing business, stressing that it had made "significant commercial progress" in the year to date.

Investors also didn't seem keen on plans for the firm to raise between £5m to £10m of equity funding reach cash breakeven status.

In the mid-caps, Hochschild Mining PLC slipped 3.2% to 214.8p after the precious metals miner reported a decline in first-half pre-tax profit, dented by lower silver prices.

The FTSE 250 firm also reported that its gold equivalent production had dropped to 245,325 ounces from 256,939 ounces after the Arcata mine in Peru was placed on temporary care and maintenance in February.

In the risers, Sunrise Resources PLC (LON:SRS) gleamed as its shares rose 18.1% to 0.1p after successfully completing proof of concept trials for a horticultural grade of perlite from its CS deposit in Nevada.

Horticultural grade is a higher price raw perlite product that typically sells for around US\$100/t.

A larger trial is now planned for a 100-ton bulk sample already collected to produce larger amounts of horticultural grade perlite.

Proactive news headlines

The Borgland Dolphin drilling rig is soon to make its way to i3 Energy PLC's (LON:I3E) Liberator field in the North Sea ahead of a scheduled 94-day drill programme.

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Quadris Fuels International PLC (LON:QFI) has signed a cooperation deal with oil & gas consultancy Merlin Energy Resources Limited to promote upstream heavy oil projects.

RM Secured Direct Lending (LON:RMDL) beat its first-half dividend target as the investment fund's portfolio of secured and tailored loans grew 20% and the average investment size increased 17%.

Sound Energy PLC said non-executive director David Clarkson has now left the board. His departure was first flagged in May.

Chaarat Gold Holdings Limited (LON:CGH) says it is advanced discussions to extend the repayment date of a US\$10m loan into 2020. The Kyrgyzstan-focused miner also wants to increase the size of the loan, which matured on 13 August.

Touchstone Exploration Inc (LON:TXP, TSE:TXP), in its second quarter results, highlighted average crude sales of 1,768 barrels of oil per day, marking 3% growth on the comparative three months of 2018.

Esports solutions provider Gfinity PLC (LON:GFIN) is to exit its Australian joint venture at the end of November as it looks to double down on its investment in the more attractive US market.

ReNeuron Group PLC (LON:RENE) is teaming up with the University of Cardiff to find a method of delivering cancer treatments across the blood-brain barrier.

Benchmark Holdings PLC (LON:BMK) has appointed the corporate development director of veterinary pharmaceuticals firm Dechra Pharmaceutical PLC (LON:DPH) as its chief financial officer.

TomCo Energy plc (LON:TOM) told investors it has raised £450,000 of new capital as its field programme in Utah continues according to plan.

The chief executive of Nektan PLC (LON:NKTN), Lucy Buckley, has resigned with immediate effect.

European Metals Holdings Limited (LON:EMH) has raised gross proceeds of £750,000 via a share placing to UK investors to support the development of its development of the Cinovec project in the Czech Republic and to progress discussions with CEZ Group and potential off take partners.

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