



Minera IRL (MIRL LN)

BUY

Current Price: £0.75

Target Price: £0.94

Market Cap (M): £64.3

EV (M): £57.4

Event

Following the announcement made at the time of the 2009 financials release, Minera has this morning announced that it has filed and obtained a receipt for a preliminary short form prospectus with the securities regulatory authorities in each of the Provinces of Canada, other than Quebec, in connection with a best efforts offering of ordinary shares of the Company for gross proceeds of up to \$C25M. The Company has granted the Agents an over-allotment option to purchase such number of additional Shares equal to 5% of the number of Shares sold under the Offering, exercisable by the Agents in whole or in part for a period of 30 days from the closing date of the Offering.

Comment

The Offering will be completed by a syndicate of investment dealers led by Cormark Securities Inc. Final pricing and determination of the number of Shares to be sold pursuant to the Offering will be determined in the context of the market immediately prior to the filing of the final short form prospectus in respect of the Offering.

Any money raised in this listing will be welcome. Although Minera had \$13m cash on hand in the last release, it has a massive drilling programme underway. Whilst this is being hugely successful, it does consume funds and there is also the prefeasibility study for Ollachea to fund.

Our model will be updated once the outcome of the listing and its consequences are known.

Recommendation

We retain our buy recommendation with an unchanged target price of £0.94/share.

[Download FDC's Minera IRL Flashnote](#)

Vote for Fox-Davies Capital and our analysts in the Extel 2010 UK Small

Caps Survey. [Click here](#) to register

Fox-Davies Capital Contact Details

Research: +44 (0)20 7936 5240

Sales: +44 (0)20 7936 5220

[Click here to view the Fox-Davies Research Disclaimer](#)