

Corporate Finance

Your latest update in the world of Moore Stephens Corporate Finance



"The dual listing posed some interesting challenges and CRG is a good example of our ability to deal with international transactions like this. We look forward to being able to act for CRG as it develops its operations."

Central Rand Gold - Dual Listing

Moore Stephens LLP has acted as reporting accountants to Central Rand Gold Limited (CRG) on its Admission to both the London Stock Exchange and the Johannesburg Stock Exchange on 8 November 2007, having been introduced to the client by Moore Stephens Johannesburg.

The team was led by Duncan Gregory (Partner) with audit work carried out by the Moore Stephens LLP Energy & Mining Group. Work was also carried out by Moore Stephens International Limited member firms in South Africa and Australia.

Duncan Gregory, who led the Moore Stephens team, said:

"The dual listing posed some interesting challenges and CRG is a good example of our ability to deal with international transactions like this. We look forward to being able to act for CRG as it develops its operations."

CRG was formed to re-establish commercial gold mining activities in the Central Rand Goldfield to the south of Johannesburg by using modern exploration, development and production techniques. They are able to benefit from reduced exploration time and costs due to the use of existing old mining infrastructure for the purposes of further exploration.

The aim is to mass mine underground areas using modern techniques accessed through old workings. As a consequence, CRG would hope to rehabilitate considerable areas of land making them suitable for future surface economic use. CRG is currently in an advanced state of exploration in these prospecting areas, and expects its mining operations, pending license approval by the South African government, to commence initial production in late 2009.

Greg James, Chief Executive of Central Rand Gold said:

"The proceeds from this offering will allow us to start the move from exploration to production, enabling us to bring gold mining home to the Central Rand Goldfields, the birthplace of gold mining in Johannesburg."

The Central Rand Goldfield of the Witwatersrand Basin is one of the most prolific gold mining areas in the world. With the anticipated production rates the expected life of the mines are at least 15 years from the commencement of production.

An independent report commissioned as part of the listing process notes there are other potential sources of gold that could be realised in the short to medium term and the CRG program is a globally significant advanced gold exploration project.

"Our new status as a listed company in London and South Africa will raise our profile and give us the flexibility we require to further develop our business," said non-executive Alastair Walton.

The placing raised £75 million from a range of institutional investors in London, South Africa and Europe as well as private client intermediaries in South Africa. The proceeds of the placing will be used to complete the initial Definitive Feasibility Study, to acquire capital equipment, develop mining infrastructure and further CRG's ongoing exploration programme.

For further details about the Corporate Finance team at Moore Stephens please call: Richard Blood
+44 (0)20 7334 9191
or visit our website:
www.moorestephens.co.uk