
CENTRAL ASIA METALS EYES FURTHER EXPANSION AFTER MACEDONIA DEAL

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Nick Clarke, executive chairman of the Aim-listed mining company, said he wanted to build a strong business in the right manner.

Were not going to become deal junkies for the sake of it but if the right opportunities come along, we will take a look them.

CAML completed the \$400m (£292m) purchase of Lynx Resources at the end of last year. Mr Clarke said the deal had already added \$14m to the companys bottom line, as well as increasing its production of metals by 150pc and its resources by 200pc.

Weve now got a company that produces three metals: copper, lead and zinc, he said.

CAML has pleased investors by maintaining steady dividends since 2012, in contrast with many in the mining sector. Prior to the Lynx deal, its biggest asset was its copper mine in Kazakhstan.

For the year to Dec 31, CAML will pay a dividend of 16.5p a share, a 6pc increase on the year before. Revenues jumped 35pc to \$102.5m while pre-tax profits climbed 33pc to \$49.7m.

Mr Clarke remains bullish on the outlook for copper, noting global supply is tightening, while zinc supply is also volatile. The latter metal is used to coat steel to protect it from corrosion.

He added that recent US sanctions on Russia should not affect Kazakhstan, despite its close ties to its neighbour.

A management reshuffle at CAML effective from the end of this week will see chief financial officer Nick Robinson step into the chief executive role. Mr Clarke will step back to being non-executive chairman, though he insisted he would remain hands on, being involved in strategy and where the company goes next.

CAML shares dipped 1pc in noon trade to 322.5p. The value of its stock has risen more than a third in the last year, giving it a market cap of £564m.

<https://www.telegraph.co.uk/business/2018/04/12/central-asia-metals-eyes-expansion-macedonia-deal/>