

Investment in Leed Petroleum plc

Released : 22 Dec 2011

RNS Number : 5175U
Viridas PLC
22 December 2011

Viridas plc ("Viridas" or the "Company") Investment in Leed Petroleum plc

Viridas announces that it has acquired 592,666,667 ordinary shares in Leed Petroleum plc ("Leed") from Old Church Street Holdings Limited and Lighthouse Investments Limited at a price of 0.08 pence per share, for an aggregate consideration of £474,133. It will also receive 166,666,667 warrants to subscribe for new ordinary shares in Leed at a subscription price of 0.15 pence per share. As a result of this acquisition, Viridas will have a 22.2% shareholding in Leed. At the same time, Nicholas Lee, Chairman of the Company will join the board of Leed as a non-executive director.

Leed is a natural resources company listed on AIM with a current market valuation of £1.9 million. It currently has an investment in Manas Coal Limited Liability Company ("Manas"), the main activity of which is the exploration and development of coking coal resources and deposits within the Kyrgyz Republic. Leed acquired this investment for around £1 million and also has cash resources of around £1.4 million.

Manas holds a licence for the exploration of coal in the Eastern Kokkia area of Toguz-Toro district, Jalal-Abad region, Kyrgyz Republic. On the basis of previous geological studies and exploration, the official Kyrgyz Government's resource register records an estimated reserve of approximately 114 million tons of high grade coking coal in the area covered by the Manas licence. The other shareholders in Manas include Dr. Reza Tabrizi, who has many years experience of advising major corporates and governments in the region, including the Kyrgyz government on energy matters, Mr. Kubanychbek Jumaliev, formerly Prime Minister of the Kyrgyz Republic and Mr. Dushenbek Kamchybekov, formerly Minister of Natural Resources in the Kyrgyz Republic.

Located in Central Asia, and bordering the People's Republic of China, the Kyrgyz Republic is one of the world's six independent Turkic states. Among its significant mineral reserves are substantial deposits of coal, gold, uranium and other valuable earth metals. The Kyrgyz Government

is committed to the development of a market economy and is actively encouraging foreign investment in extracting and processing these resources.

Nicholas Lee, Chairman said:

"The investment in Leed provides Viridas with an interest in an attractive asset in an exciting part of the world along with access to additional funding for Manas and other potential opportunities. The acquisition of strategic stakes in companies with a combination of cash and natural resource assets enables the Company to fulfil its investment strategy whilst securing funds for the future growth of those assets. The investment in natural resource related assets carries a degree of inherent risk and so by making a number of selective investments, Viridas is able to gain exposure to a range of attractive opportunities on a reduced risk basis"

For more information please contact:

Viridas plc:

Nicholas Lee, Chairman +44(0) 20 7580 7576

Nominated Advisor and Joint Broker:

Arbuthnot Securities

Antonio Bossi/Paul Gillam +44(0) 20 7012 2000

Joint Broker:

Rivington Street Corporate Finance

Peter Greensmith +44(0) 20 7562 3351

This information is provided by RNS
The company news service from the London Stock Exchange