

Press Cutting

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**THIS WEEK'S
Stocks to watch**

Mining

Herencia Resources (HER:AIM) 2p
Market cap: £8.7 million
3-month relative strength: +17%
1-year relative strength: +50.2%

The exploration group unveiled its first resource statement this month for the small but relatively high-grade zinc-silver-lead Paguanta deposit in Chile. It starts a new drilling programme late November and will also advance work on a porphyry copper deposit called La Serena. Management have been quiet on its potential but revealed that talks are underway with major mining houses to farm out a chunk of the licence for funding assistance. Majors favour porphyry deposits because of their potentially large size. **BHP Billiton (BLT)** and **Antofagasta (ANTO)** have tenements near to La Serena. More immediate may be fundraising for working capital as it only has £400,000 cash in the bank.

