

Source: Proactive Investors

Date: 27<sup>th</sup> September 2012

Link: <http://www.proactiveinvestors.co.uk/companies/news/48498/herencia-aims-to-benefit-from-zinc-supply-dip-48498.html>

## Herencia aims to benefit from zinc supply dip



[Philip Whiterow](#) Herencia will move Paguanta towards production potentially to coincide “with supply constraints in the zinc market forecast for 2014 onwards”.

**Herencia Resources (LON:HER)** hopes first production from its Paguanta project in Chile will coincide with a drying up of zinc supplies elsewhere, it said today.

The company has reported some of its highest grades at the zinc, lead, silver prospect over the past six months, especially at the Patricia target, its main focus on the Paguanta licence.

At a 2 per cent zinc cut-off, Patricia is now estimated to contain a JORC compliant 4.53 Mt at 3.7 per cent zinc, 1.3 per cent lead, 83 grams per tonne of silver and 0.2 grams of gold.

Chairman John Moore said Herencia will move Paguanta towards production potentially to coincide “with supply constraints in the zinc market forecast for 2014 onwards”.

The company spent £2.27 mln on exploration in the half year to June and posted a pre-tax loss of £1.3 mln against a loss £1.25 mln a year ago.

Cash was £1.49 mln at the end of June. Herencia raised a further £1.2 mln in July backed by major shareholder [Nyrstar](#).