

U308 Holdings hot on Chile



Robert Tyerman

8th July, 2008

Uranium hopeful U308 Holdings expects to have a drill target for its Peralillo East project in Chile in two months.

Headed by youthful entrepreneur Conrad Windham and with backers including small company investor Bruce Rowan, PLUS-quoted U308 has high hopes for Peralillo East, on which its local subsidiary has an option as one of several prospects in the country.

Pointing out that Chile is seeking to develop nuclear energy and will pay world market prices for domestically produced uranium, director Mike Parr, the company's experienced chief geologist, says East Peralillo resembles proven sandstone-based uranium deposits in the US state of Wyoming and deposits in France's Massif Central.

U308, which floated on PLUS in January after raising £733,000 at 10p, tapped the market again last month for another £140,500 at 5.5p and says it has enough cash for its present programme. The company's recently established precious metals subsidiary, Southern Star Resources, has 33 per cent of another concern, South American Mineral Exploration, which is itself believed to be contemplating a PLUS quote fairly soon.

Although uranium at around \$60 a lb is well down on its all-time high, it remains well above the levels it commanded before the current rehabilitation of nuclear power began to gain momentum, a trend that soaring oil and coal prices, together with environmental concerns, can only stimulate. Now 8p (with a 2p spread), the shares value the company at £4.26 million and could repay a bold punt.

