

VSA Dispatch from The Secret Lair 4



We would like to categorically deny any rumours that Our Dear Leader maybe dead or critically ill. The Great Man is alive and well and simply keeping his head down with a very heavy workload due to his unbelievable brilliance at closing deals. We are all simply in awe of his capability and honoured to be able to work with him - Long live our Dear Leader!

Our Dear Leader wants to show that he has a Coming out plan (no don't get the wrong idea this is all about the lockdown!) and is totally on the front foot and ready to react to changing Government guidelines. His spies suggest Monday May 11th maybe the start of the lockdown coming off but that may not include City workers and we will only return when it is safe and appropriate and following Spain's lead that is more likely to be in June. Our Dear Leader wants to go back to normal so that VSA will be even more engaged to help the growing number of major investors looking for significant opportunities to deploy their capital.

The Back to Work plan will be a gradual routine as we are not key workers (well no one is under our Dear Leader) and so we are laying out our plans early but clearly, we can adapt to suit conditions. It is a Battenberg cake (Traffic Light) plan and so will evolve as the colours change

- No one has to return to the office if they feel uncomfortable.
- Rush hour should always be avoided - Ideally, they should cycle but if living more than 50 miles from the office they can continue to work from home. Tubes at 6am and 10pm tend to be less crowded.
- Our Dear Leader will use the lift, Grateful Staff will take the stairs.
- Hand sanitiser will be freely available - Shoes must be worn at all times.
- Doors will be left open so that they don't need to be touched - but last one to leave the office please close.
- Those on Furlough remain on furlough but may pick fruit!
- Now we are all experts on Zoom we will continue to do meetings by Zoom unless actually in the same room.
- WFH is acceptable on Thisday, Thatday, Otherday, Someday, Yesterday and Tomorrow.
- We will always follow Government guidelines and adapt where required.

We hope this will also give all our clients a degree of comfort that we are taking the appropriate precautions

Joking apart, Andrew has put in place a very clear plan for returning to work so that staff understand and can plan but we didn't feel readers really needed to know all about the Kitchen and Toilet issues we may have to face!

Also, as Clients won't probably be able to come into the office initially, we are able to offer Zoom roadshows (not quick meetings). This might be something that's here to stay, who knows, but may be of particular interest to our TSX and ASX clients as well as those interested in Asian marketing.

And to our Podcasts which can now be found on your iPhone



When in Podcasts simply search for VSA.

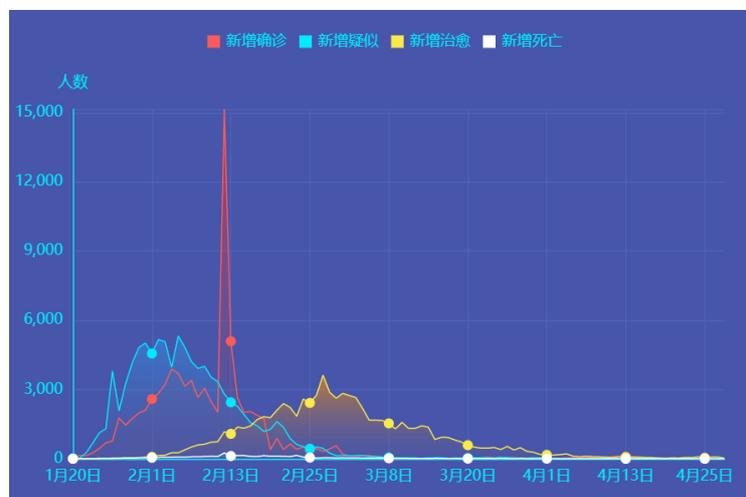
New releases since last dispatch from:

- [Lucy Huxley](#), Editor in Chief of the Travel Weekly
- [Jim Armitage](#) City Editor of The Evening Standard
- [Leo Koot](#) CEO of Columbus Energy Plc
- [Dominic Scriven](#) OBE Chairman of Dragon Capital in Vietnam
- [Nigel Robinson](#) CEO of Central Asia Metals Plc
- [Mark Abbott](#) CEO of Egdon Resources Plc
- [Trevor Raymond](#) - World Platinum Investment Council
- [Nick Bridgen](#) CEO of Ferro Alloy Resources Plc

All Podcast can also be found [here](#):

Elsewhere here is the latest report form our colleagues in Shanghai on how they are seeing recovery form the lockdown.

China has reported less than 15 newly confirmed cases and only 2 deaths over 15 consecutive days as the chart below shows



(Source: Xinhua News)

The VSA Shanghai office has been busy back in the office already for one month. At present, besides the requirement to wear masks in public, public transportation, shopping and dining-out are all back to normal. Anyone entering office buildings or shopping malls will be temperature checked and we expect this to become an international standard and without doubt it will do at all airports.

China had already moved to pretty much a cashless society with most payments being made on mobile phones, this also seems to now be becoming an international standard and Westerners will get very quickly used to the ease of paying by mobile phone. The use of phone based contact tracing is also something that the Chinese have always been a leader in and another area where the West needs to follow although western social freedom will add complications.

Travel within China has basically resumed.

The May Day holiday is just around the corner. Since this is the first five-day holiday after most parts of the country have reported zero new novel coronavirus infections, to travel may seem to be no big deal anymore. Yet, while people will want to get out and about to enjoy the nice weather, and scenic spots are keen to get back to business as usual, the government still requires tourists to take the necessary precautions.

It is estimated that scenic spots nationwide received more than 40 million visitors during the three-day Qingming Festival holiday in early April. The total number of visitors to scenic spots during the coming May Day holiday will undoubtedly be more than that.

Major Mining News from China

The Government of Papua New Guinea decided not to extend the mining license for Porgera calling for Barrick Gold and Zijin Mining to continue mining until the Government could take control. However, Zijin has cut its operating guidance for the year. In 2019 the mine produced 421.5koz which indicates that with the mine not producing it will significantly reduce tax revenues and employ thousands of workers; it has been a highly controversial decision within PNG particularly as Zijin and Barrick have offered attractive terms for future profit sharing. Talking to our network Zijin is understood to have made the acquisition during the market lows in 2015 for US\$300m, approximately two thirds debt; with the gold price having risen since then and Zijin is thought to be in a strong negotiating position having largely recovered its investment.

Tianqi's acquisition spree at the height of the lithium boom is taking a heavy toll on investors with the announcement of impairments of CNY 5,353mn (US\$764mn) recently; this is a major blow out having guided to a provision of just CNY 307mn (US\$44m) in February of this year. A rescue recapitalisation appears to be looming despite other industry players now returning to normality after the coronavirus shutdown.

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