

Weekly News Round-up

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Small Cap Highlights: 21st Century Technology, Harvest Minerals, Edenville Energy, Ilika, StratMin

The picture has got a lot shakier at 21st Century Technology Plc (LON:C21), a provider of closed-circuit TV on buses, whose shares collapsed in half at one point during a torrid early trading session.

It is now in cost cutting mode as it issued a revenue and profit warning on Friday morning.

In fairness the warning signs have been there since April when the company said trading had been slower than expected in the first three months of 2016.

At that time, the 21st Century indicated trading was expected to pick up in the second half of the year, but rather like when waiting for a bus on a freezing cold wet night, the pick-up is taking longer to arrive than anticipated.

The company said that although its Passenger Systems arm has a number of irons in the fire in terms of contract bids, order intake has been well below expectations, and the board now expects full-year revenue will be lower than last year, resulting in a significant loss for the full year.

By mid-morning the stock had recovered a little of the initial losses and was down 'just' 20% at 1.89p. At that price the company is worth a micro £1.9m, or just £700,000 more than the cash it had on its balance sheet at the end of June.

Let's hope that is enough to get it through a tough second half.

Looking at the wider small-cap market, volumes have been subdued, as is normally the case in the middle of the summer holidays.

This was reflected in the movement of the FTSE AIM All-Share, which edged 0.2% higher this week. The AIM 100 lost half a percentage point, which was slightly better than the FTSE 100, which reversed 0.9%.

Sticking with the losers. Independent Oil & Gas PLC (LON:IOG) was down around 14% Friday and off around 30% over the week.

The movement was prompted by news that the company concluded its latest drilling without adding extra resources to the Skipper project in the North Sea.

The big gainer this week was Harvest Minerals Limited (LON:HMI), which added three-quarters to its value.

It followed the release of a scoping study that examined the economic potential of developing the Arapua fertiliser project in Minas Gerais, Brazil.

Currently changing hands for 16.5p, the shares have bounced from around the 4.75p level at the end of July.

"The project's where we wanted it to be," Brian McMaster, the company's chief executive told Proactive Investors on Thursday.

"We banked the cheque in January and here we are seven months later with a clear line of sight to getting ore on the

Share Information

MarketTopic Synopsis:

The news roundups, which are broken down by the sector, provide investors with an opportunity to read a summary of the most interesting news of the past five days of trading in just one story as they prepare for another busy week.

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pad."

Another big winner was Edenville Energy Plc (LON:EDL), up 57% this week after being given a boost by the Tanzanian authorities, which have put an embargo on coal imports.

That's good news for the AIM-listed mine developer which just happens that to have deposits in the country that can be fast-tracked into production.

AFC Energy plc (LON:AFC) has also had a decent run, pushing ahead 24% over the last five sessions. It has enjoyed an even more spectacular 70% jump over the past month as investors have warmed to the fuel cells company, which is gaining commercial traction for its technology. It also unveiled its new brand identity this week.

I lika, you lika; so what's not a lika about Ilika Plc (LON:IKA)? Well, quite a bit it would seem if the share price over the last year is anything to go by.

It is down by around a quarter in the past year. However that last week has seen a revival in the stock market fortunes of the battery maker with shares advancing 16% this week after it landed a £365,000 grant.

Finally, the graphite miner StratMin Global Resources (LON:STGR) has enjoyed a decent week too. It headed 25% higher after it emerged a would-be buyer of one its assets is close to securing the funding for the deal.

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