

Valuation Curves now with Supporting Document

By Gbenga Ojo

Venmyn is providing supporting documentation with its commodity valuation curves (CVCs). These curves have been developed based on the market approach for valuation using a comprehensive database of recent transactions involving various mineral assets.

This valuation approach used to generate these curves relies on the principle of “willing buyer, willing seller” and requires that the amount obtained from the sale of the asset be determined in an arm’s length transaction. The valuation method requires a comparison of relatively recent transactions involving mineral assets that have similar characteristics to those of the asset being valued. It is generally based upon a monetary value per unit of resource or reserve.

However, many interested organisations had expressed reservations about purchasing the CVCs because, in the past, they did not include access to the underlying data that made up the curve. The lack of access to the underlying data made the curves appear to many to be comprised of a confusion of scattered dots, with few people able to effectively interpret or use the curves.

In order to make available the CVCs to interested users, Venmyn now provides a supporting document with every valuation curve purchased. Each supporting document provides the following information:-

- a summarised write-up on the methodology used to arrive at the figures/points on the curve;
- a summary of all the information used in public domain. This includes transactions, market capitalisation of companies producing the commodity of interest and mineral resources and minerals reserves of the various companies; and
- the source of information for data in the public domain.

However, it must be stated that the supporting document does not include Venmyn’s master spreadsheet as this is Venmyn’s intellectual property.

For further information on the Venmyn CVCs and their supporting documentation, please call [Gbenga](#).