

# Manuka IPO seeking to tempt investors

JUST days after its first gold pour, emerging Cobar Basin player Manuka Resources has hit the markets seeking to raise A\$5-7 million to shepherd further development of its Mt Boppy gold project and flagship Wonawinta silver project, both in New South Wales.



## Finance > Capital-markets

Manuka originally sought \$10-13 million in 2017, but pulled its original initial public offering when it managed to secure sufficient funding privately.

## Comments

Now it has established some production, the company believes the time is right to go public and seek funding for its expansion plans.

## Share

## Haydn Black

Reporter

Production at Mt Boppy commenced in April, and for that month the company was able to produce 800 ounces of gold-in-carbon for third party processing from stockpiled ore, although it is commissioning a modular elution circuit to produce gold dore at the refurbished 850,000 tonnes per annum Wonawinta mill.

Manuka has a three-stage plan involving around 12 months of processing some 60,000t of Mt Boppy stockpiles to recover up to 24,000oz, beginning milling the 500,000t silver stockpiled Wonawinta ore from the June 2021 quarter.

The third step is mining the 52Moz in shallow silver oxide resources at Wonawinta from early 2022.

In tandem with stage one, Manuka wants to complete infill drilling and mine planning studies, drill the best gold targets within Mt Boppy and sulphide potential beneath Wonawinta, and gradually expand out to greenfields targets elsewhere in its 1130sq.km

portfolio, which is considered underexplored and rife with potential for other Cobar-style polymetallic deposits.

The IPO funds will also help it keep a lid on its debts, which will stand at around \$25 million at float, primarily a US\$14 million senior debt facility with Hong Kong's TransAsia that needs to be repaid over three tranches between October 2020 and April 2021.

It has drawn some \$2.2 million in short-term debt with TransAsia that will be repaid before the IPO.

Manuka hopes to begin trading in mid-July.

If successful it would be only the fourth new resources float of the year after Cobre listed in January, and February's Kaiser Reef and Westgold Resources' Castile Resources spin-off.

The company is run by executive chairman and former commodities trader Dennis Karp, who rescued both assets from the administrators of Black Oak Minerals, and non-executive directors Anthony McPaul, most recently general manager for Newcrest's Cadia Valley Operations, and Dr Nick Lindsay.

Silver was last traded at \$17.24/oz having peaked close to its five-year high recently.



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