

IPO watch: Another huge mining float is on the way with \$200m Nickel Mines offer

Resources

June 20, 2018 | Angela East

Another huge resources float is set to make its way to the ASX, rivalling the \$240 million Jupiter Mines raised in April.

Nickel Mines, an Indonesian miner led by successful mining investor Norm Seckold (pictured below), **reportedly plans to launch an offer of 571.4 million shares at 35c each**

It's been just two months since manganese producer Jupiter lit up the boards of the Australian bourse following a \$240 million IPO.

That was the biggest mining IPO since Aston Resources listed on the ASX following a \$400 million raising in 2010.

With Nickel Mines now attempting a big raising and subsequent listing, industry commentators see this as a good indicator that risk appetite is loosening in the resources sector.

Perth-based Aldoro Resources also this week launched an IPO to raise up to \$5 million (see below).

However, the sector is still a long way from the top.

Hedley Widdup, a fund manager for investment firm Lion Selection Group, said recently deals of this magnitude are usually done at the top of the cycle.

But he doesn't believe the resources sector is close to its peak just yet.

"You don't get these deals very often," he said.

"Generally, they are towards the top of market, but I don't see that as an indicator of that at all. What I see is there was a pool of liquidity and they managed to scoop it up."

Sydney-based Nickel Mines owns an 80 per cent interest in the Hengjaya Mineralindo nickel mine in Indonesia.

The company is expected to lodge a prospectus in early July ahead of a listing on August 2.

