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## **WA resource hopefuls tap cautious optimism**

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WA resource hopefuls are rattling the tin for more than \$500 million in what will be a test of investor appetite for new listings amid lingering uncertainty over the global economic environment.

Nearly 20 Perth-based resources companies are scheduled to hit the boards over the next three months, chasing funding for everything from gold and uranium in WA to potash in Mongolia and iron ore in Scandinavia.

By comparison there were just 45 new listings nationally in the year to June 30. Despite signs the market for new floats is returning, commentators say it is still a far cry from the heady days of the boom.

Of the floats waiting in the wings only two top nine figures: Talison Lithium's \$196 million lithium float and the \$214 million spin-off of Cape Lambert's Lady Annie mine into Q Copper.

In most cases the size of the initial public offers are small, ranging from \$2 million being sought by Chinese-backed Ishine International Resources to \$12.25 million **Raisama** has raised to bankroll its uranium plans.

[Patersons Securities](#) head of corporate finance Aaron Constantine said despite the apparent bullish sentiment there was still a need for caution.

"It's horses for courses," he said. "If you've got the right product and the right structure and the right people and the right address and the right price, chances are you'll get your business done.

"But it's no longer just a wholesale 'float anything' type of environment, which you had two and a half years ago. You're a long way away from seeing that."

Patersons is behind the biggest resources float of the year, Q Copper.

Others are more bullish. Jonathan Rosham, managing director of micro-cap specialist Cygnet Capital, said he expected to see the market for new floats strengthen into next year.

“With the ‘Armageddon’ scenario off the table and low interest rates and international demand picking up, the environment is A-plus for equity performance,” he said.

Investors who put money into WA’s most recent resources floats have mostly fared well.

Shareholders who bought into Luiji Gold’s 20¢ a share prospectus earlier this month have more than doubled their money, with the Zambian-focused gold and iron ore explorer last trading at 41.5¢.

[Laconia Resources](#), which is exploring for gold near Kalgoorlie-Boulder raised cash at 20¢ last month and last traded at 23.5¢, while the [Poseidon Nickel](#)-backed [Triton Gold](#) is up from its 20¢ issue price at 21¢.

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