

## ASX sweet on Manuka debut

THE market debut of New South Wales-focused precious metals producer Manuka Resources was honey-sweet this morning, with the company's shares debuting at A29c, and spending much of its maiden session up around 30%, with the shares not falling below 26c.



*Manuka has been producing gold since May.*

### Finance > Project-finance

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Comments

Share

**Haydn Black**

Reporter

Manuka closed its oversubscribed IPO, with robust support from institutional and retail investors, in recent weeks, raising \$7 million, but the company said interest significantly exceeded the maximum raising, resulting in a substantial scaling back of applications.

Executive chairman Dennis Karp, who rescued and combined the assets from administration, said funds raised would be primarily be used to invest in exploration of the company's near-mine opportunities with a focus on expanding the Mt Boppy mine plan by five years.

It also aims to look at its extensive regional ground holding in the prolific Cobar Basin in Western New South Wales.

Drilling is expected to start almost immediately, part of a \$4 million extension and regional exploration program within its 1126sq.km holdings within the Cobar Basin.

The company has refurbished its 850,000 tonne per annum Wonawinta mill, which processed some 63,499 tonnes of stockpiled ore at an average grade of 2.63 grams per tonne for 3600 ounces of gold from ore at Mt Bobby between late April and June 30, with costs, grade and recoveries consistent with expectations.

Late last month mining operations commenced at the Mt Boppy pit, with plans for commissioning of the new elution column and electrowinning circuit over the next few weeks, which should simplify and shorten the gold recovery process

Manuka completed its first gold pour in late May.

The miner 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.

Karp's Rescap Investments owns some 36% of the company, with the top 20 shareholders owning 78%.

Shares in Manuka closed at 26c, valuing the company at \$63.4 million.

