



## **ASX-hopeful Montem to develop Canada coking coal projects**



*Montem's Tent Mountain project.*

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**Montem Resources, a company with coking coal development projects in Canada, has announced its planned initial public offering (IPO) and listing on the ASX as it seeks to shore up funding for its brownfield projects in Alberta and British Columbia.**

The company has lodged its prospectus with the Australian Securities and Investments Commission to raise up to A\$20-million. Following a successful capital raising and on listing, Montem is likely to have a market capitalisation in the range of A\$50-million to A\$55-million.

The capital raising is expected to close in early October, and trading of Montem shares is expected to start mid-October.

Montem has multiple properties covering 220 km<sup>2</sup>, including four metallurgical coal projects that have been mined previously. These brownfield projects, known as the Chinook properties, contain an estimated 163-million tonnes of high-quality, metallurgical coal, which is an essential ingredient in the production of steel.

The Chinook properties are located in the Crowsnest Pass region, adjacent to the major production zone of hard coking coal in Canada, which includes five large opencut mines operated by Teck Resources. Australian billionaire Gina Rinehart's Hancock Prospecting last month invested in Montem's neighbours, Riversdale Resources, at a reported company valuation of \$500-million.

Tent Mountain opencut mine is the most advanced of the Chinook properties and is expected to start production within two years of the IPO. Montem said that the funds raised would be used to prepare Tent Mountain for construction, including the completion of engineering studies and necessary permit amendments to allow the restart of mining.

Montem would also use the IPO funds to conduct additional exploration on brownfield properties to provide information to support preliminary feasibility studies for new mines.

"Montem is enthusiastically focused on completing our listing on the ASX. The company's Chinook properties contain large volumes of low strip-ratio metallurgical coal adjacent to rail, and alongside some of the major producing coking coal mines in Canada," said MD and CEO Peter Doyle.

He added that the forecast for metallurgical coal remained strong. "Coking coal prices are again reaching toward historic highs, with forecasters continuing to expect robust pricing for hard coking coal as China and India continue to lift imports of this essential ingredient for their steelmaking," he said.

<http://www.miningweekly.com/article/asx-hopeful-montem-to-develop-canada-coking-coal-projects-2018-09-19/>