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HD COMPANIES; New club to pitch S'pore as hub for mining businesses
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A NEW club was launched yesterday to promote Singapore as a regional hub for managing and financing mining enterprises.

The founders of the Singapore Mining Club told The Straits Times they are aware of several planned listings on the Singapore Exchange (SGX) by mining companies from the region over the next 12 to 18 months.

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The club hopes to capitalise on SGX's efforts to court listings in the mineral, oil and gas sector. For starters, it will provide a networking forum for the mining community here as more of these firms head to the SGX, founding club members Brian Gordon and Sebastian Jones said yesterday.

One key pull factor for companies in the sector to list in Singapore has been the introduction last year of new mainboard listing rules for companies operating in the sector.

The rules allow such firms not yet in production - and so unable to meet current listing rules for profit, operating revenue and positive cash flows - to list if they have a market capitalisation of at least \$300 million.

Another draw is the Republic's rise as a private wealth centre, especially as new liquidity has left the sector amid a slowing world economy and a rising supply of metals and minerals.

"The pool of available capital for an industry that's capital-intensive is limited now. Singapore offers those businesses ways to raise money in ways they can't get in other jurisdictions," said Mr Gordon, a partner at the Singapore office of international law firm Holman Fenwick Willan.

Mr Jones, a Singapore-based corporate financier handling mining transactions at Canaccord Genuity, said his firm is acting as financial adviser to a handful of mining companies looking to list on the SGX in the next 12 to 18 months. These firms, which range from small-cap mining companies to large producers, are from Indonesia, China, Africa, Central Asia, Malaysia and the Philippines.

"It's acknowledged that the mining sector in Singapore isn't as mature as the established mining hubs of London, Toronto or Australia. But, while those markets remain capital-constrained, Singapore is an increasingly attractive destination for small and medium-sized miners seeking development capital," he said.

The SGX's ability to tap international capital is a big pull factor for other resource firms, particularly those in Australia, in the light of a recent move by Linc Energy to shift its listing from Australia to Singapore.

This comes as Australian interest in resources and mining stocks, which dominated listings on the Australian Securities Exchange (ASX) over the past few years, wanes, and the energy and resources sector is hurt by weak commodity markets.

"Despite not having natural mineral wealth of its own, Singapore is well-positioned to capitalise on the sector due to its proximity to regional **mining** activity, availability of capital and increasing sector expertise," said Mr Graeme Robertson, honorary chairman of the club's advisory panel.

The club's sponsors include mainboard-listed Noble Group; law firms Holman Fenwick Willan and Linklaters; Canaccord Genuity; AMC Consultants, an Australian **mining** consultancy; Intrasia Capital, a private **equity firm**; and Orica, a **mining** services **company**.

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ART	Singapore Mining Club founding members Brian Gordon (above) and Sebastian Jones. For starters, the club will provide a networking forum.
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