



EMR Capital chooses not to participate in 29Metals' \$150m equity raising - DATA ROOM

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Body

EMR Capital, the 45 per cent shareholder of 29Metals, has opted out of participating in its latest \$180m equity raising.

It would secure \$47m of the funds through a placement and the rest through an entitlement offer. The copper miner remained in a trading halt on Tuesday as advisers at Macquarie Capital moved to find more funds for the group.

29Metals has struggled with flooding at its Capricorn Copper project in Queensland and disappointing production and said the funds were being used to pay down \$US18m of debt and refinance, fund its Gossan Valley development to first ore and reduce water levels at Capricorn Copper.

AustralianSuper's share would move to 18 per cent and. BUMA would hold 19.9 per cent after taking up their rights to participate in the offer. 29Metals listed at \$2 a share in 2021 and its market value is now \$260m.

There had been speculation that the private equity firm EMR Capital had been keen to sell out of the company and had tested buyer interest.

DataRoom reported in October another raising was on the cards after it tapped the market last year through Macquarie and Jarden.

29Metals also owns the Golden Grove copper and gold mine in Western Australia. Analysts at Jarden had forecast a cash balance of \$30m at December, assuming all loans are full drawn, and they said they remained of the view that additional funds were needed.

They pointed out that its cash balance had reduced to about \$60m, from \$85m at June, and its liquidity had fallen to about \$104m, from about \$130m, as net debt increased to \$147m.

In August last year, the company raised \$151m at 69c a share, an 8 per cent discount to the last closing share price of 75c.

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Spartan **Resources** Meanwhile, **Ramelius Resources** is believed to be participating in the Spartan **Resources** equity raising, adding to speculation it remains keen for a buyout.

The move will take its interest in the company to 19.9 per cent, say sources. Spartan entered a trading halt on Tuesday as it taps the market for \$220m by way of a placement at \$1.32 per share through Canaccord.

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