



## **Brightstar, Alto Metals agree to merge; kick off \$20m raise; Street Talk**

Australian Financial Review

August 1, 2024 Thursday

Print & First Editions

Copyright 2024 Fairfax Media Publications Pty. Limited All Rights Reserved

**Section:** MARKET WRAP; Street Talk; Pg. 16

**Length:** 304 words

**Byline:** Sarah Thompson, Kanika Sood and Emma Rapaport

### **Body**

---

There's never a dull moment in Australia's listed gold sector.

Street Talk understands the \$71 million Brightstar **Resources** and the \$24 million Alto Metals are set to merge in an all-scrip deal. The shares will be exchanged on a one-for-four basis, giving Brightstar a circa 66.6 per cent ownership of the combined entity.

As part of the deal, Canaccord Genuity and Argonaut will seek to raise about \$20 million from investors, sources said.

Alto's Sandstone project in Western Australia has been producing gold since the 19th century and has a 17.6 million tonne mineral **resource** estimate at 1.5 grams per tonne. It is next door to Westgold's Big Bell mine and **Ramelius** Mount Magnet. The small-cap had long been seen as a takeover target - the now \$1.2 billion Westgold **Resources** held a 14 per cent stake in 2022, while China's Shandong Goldsea Group Co tabled a bid in 2020.

Merger partner Brightstar is led by Alex Rovira, who was previously a banker at Canaccord. It is drilling at the Cork Tree Well deposit in WA's Laverton. Sources said the company has been hunting for acquisitions.

The tie-up comes as ASX-listed gold stocks remain a reliable source of M&A activity for bankers and investors, at a time when deals have dried up in lithium and nickel amid a slump in commodity prices. Established gold players are being driven by a need to replace ageing mines, while juniors are exploring combinations to secure their future.

At the bigger end of the town, Westgold has acquired Toronto-listed Karora **Resources** - despite attempts from **Ramelius Resources** to kibosh the deal. Earlier in the year, Red5 and Silver Lake agreed to a \$2.2 billion merger.

**Ramelius**, for its part, has been scoping out targets. Recently it raided WA explorer Spartan **Resources** register for a 17.94 per cent stake after an unsuccessful tilt at Karora.

**Load-Date:** August 3, 2024

Brightstar, Alto Metals agree to merge; kick off \$20m raise Street Talk

---

End of Document