

Torque Metals to list on “Sydney” Stock Exchange with gold play



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Wednesday, 1 July 2020 4:43PM



Torque Metals is hoping to replicate the recent successes of a bevy of savvy ASX-listed gold players who have hit paydirt after breathing new life into old closed down gold projects.

Pictured is MD Ian Finch. Credit: File

Torque Metals is aiming to be the first company to list on a rejuvenated Sydney Stock Exchange as it looks to replicate the successes of a bevy of savvy ASX-listed gold players who have hit paydirt after breathing new life into old closed down gold mining projects.

If a gold mining project gave up high grades in its day and was perhaps underexplored in its previous incarnation, it is now back on the table as the soaring gold price wraps its magic around a number of historic gold mining shows that closed down years ago.

A number of listed explorers have recently set their sights on transforming mothballed historical gold mines that were closed prematurely because of a lack of modern exploration and lowish gold prices at the time.

Some were even thought to be mined out, however companies like Spectrum Metals, Kingwest Resources, Venus Metals, Rox Resources, Middle Island Resources and Ora Banda Mining to name just a few, put paid to that thesis, with all enjoying considerable success lately in taking old closed down gold projects and breathing new life into them.

Some are even finding they can sidestep the typical CAPEX expenditures to build a gold mine by simply scrubbing up the old mothballed mining plants on site.

Perth-based Torque Metals is the latest junior explorer to join the list of successful players deploying this strategy as it seeks to re-imagine an old gold mining project south of Kambalda in Western Australia.

The company says it has adopted a mantra of “location, grade and upside” to assemble its gold portfolio in WA and its initial strategy involves generating quick and early cashflows via trucking and toll treating near-surface ore from its Paris North prospect at its key Paris/HHH project near the famous Boulder-Lefroy fault that plays host to millions of gold ounces.

Both Paris and HHH boast existing closed down open pits that produced at good grades in their day and Torque says that both pits and the surrounding area have much more gold to give.

The company plans to apply modern exploration techniques to known resource and near-mine prospective areas within its mining and exploration licences in the hope of finding something bigger – at a similarly decent grade and perhaps a bit deeper.

The concept is that it is possible to make near mine new discoveries that former miners and prospectors may have missed or felt were not sizeable enough or economically viable to search for back in the day.

Torque acquired 100% of the Paris/HHH project from private operators, Austral Pacific, in November 2019. The tenement package comprises nine mining licences and two prospecting licences and two mothballed open pits that look a bit like the gifts that just keep on giving.

According to an independent Geologist’s report in Torque’s prospectus, between 1988 and 1989, Julia Mines pulled out 24,000 ounces of gold, 17,000 ounces of silver and 245 tonnes of copper from those pits at a lucrative grade of 11.2g/t.

Between 2016 and 2017, small private company, Austral Pacific had another go at it, scraping out the easier to dig oxide mineralisation to produce about 18,000 ounces of gold going 4g/t.

Whilst Austral identified more gold underneath and adjacent to the pits, the project required a wholesale makeover, drill out and re-imagining, something best left to a listed entity.

Torque is led by mining veteran and Managing Director Ian Finch of Paulsens gold mine fame amongst other things.

The company has raised just over \$1 million in seed funding to-date through the placement of unlisted shares since its incorporation in 2017.

Torque has turned to the newly rejuvenated Sydney Stock Exchange where it is seeking to list and raise between \$2m and \$2.5m through a public offer of 20 million shares at an issue price of only 10 cents a share – a price that the ASX will not allow for a new listing.

By listing on the Sydney Stock Exchange, Finch is seeking to bypass some of the considerable hurdles that can kill off an ASX listing.

For example, the minimum requirement of 300 shareholders and net tangible assets of \$4 million to list on the ASX are not a problem on the Sydney Stock Exchange, which only requires a minimum of 50 shareholders and a raising of just \$500,000. Shares can even be listed as low as 5c a share on the Sydney Stock Exchange.

If successful, Torque will become the first company to list on the new look rejuvenated Sydney Stock Exchange following an 18-month period of dormancy and an unsuccessful experiment floating Chinese backed companies.

“We are able to list companies of all sizes and maturity, yet have a focus on growth companies – businesses that have a track record and are looking to take the next step but may not be big enough to easily list on a main bourse. So far there has been strong interest from the mining and resources, property, tech and ESG sectors.”

Sydney Stock Exchange CEO Michael Go

Torque will have about 64 million to 69 million shares on issue after the IPO, including 12m for HHH/Paris vendors Austral Pacific who will also receive \$500,000 from the raise. Mr Finch said the reason the company was not raising more in the planned IPO was because it was confident of producing a modest mineable resource quiet cheaply in the short term that can be toll treated in the region.

The basic theory is to extract shallow ore that has already been partly identified and use the money from that ore to pay for a more substantial mining plan that will involve cutbacks at the old Paris and HHH open pits.

It will also drill for down-dip and along strike extensions.

Interestingly, the Paris and HHH projects already have a scoping study that was completed by Kalgoorlie geology consultants, BMGS, last year for the previous owners.

Paris and HHH, already hosts an indicated resource of 314,000 tonnes at 3.23g/t gold for a contained 32,700 ounces.

As part of the PFS, the company intends undertaking metallurgical, geotechnical and infill exploration drilling.

The Paris/HHH project is located just east of the Boulder Lefroy fault in a similar package of rocks that are host to some of the most prolific gold mines in WA – including the celebrated Golden Mile, New Celebration and St Ives gold camps.

According to Torque’s prospectus, gold mineralisation extends over a known length of 800m within the Paris/HHH project area where there is a potential trove of primary mineralisation begging for a drill hole.

Notably at Paris, original underground workings and previous drilling underneath the oxide pit, point to four separate high-grade gold shoots - the Lister, Walter’s, Fletcher’s and Senators shoot.

Geologically, this indicates the potential for further repetitions of higher-grade gold lodes within the overall structural architecture - the puzzle can only be solved now with the assistance of the mobile truth diviner.

Additional lodes beyond the southern end of the Paris pit and the Paris North shear are hosted in a parallel shear and have potential to replicate the mineralisation found at the Paris and HHH deposits according to the company.

At Paris North, historical drilling returned several high-grade intersections above 8g/t gold including 5.2m at 14.2g/t.

In April, Torque entered into a joint venture agreement to earn up to an 80% interest in the Jindalee tenements, which are adjacent to the eastern and southern borders of the former Austral tenements. The Jindalee ground provides a further 10km of prospective strike length on top of Paris and features isolated drill hits such as 3m grading 28g/t from the Maynard's Dam prospect.

In May the company entered into an agreement to acquire the Bullfinch project, which lies within an historic gold province about 40km north of Southern Cross in the Yilgarn mineral fields of WA.

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