

IPOs Forging Ahead In The Virus Era

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The IPOs forging ahead in the coronavirus era

The coronavirus has pulled the plug on many proposed initial public offerings (IPOs), with the Australian Securities Exchange's 'upcoming listings' feed looking decidedly barren.

But some promoters are quietly forging ahead, in the sectors that have been largely impervious to – or have benefited from – the COVID-19 mayhem.

We're talking about resources (especially gold), biotech and – of course – technology.

We've already seen a solid start for **Manuka Resources (MKR)**, which listed last Tuesday at a 25% premium to its 20c a share offer price.

Manuka is not a honey supplier but a putative precious metals producer from its NSW projects in the Cobar Basin. The company's key assets are the Wonawinta silver project and the acquired (and gloriously monickered) Mt Boppy gold mine.

In the west, gold play **Aurumin** has appointed KG Capital Partners to work on a prospectus, in view of an IPO later this year.

Aurumin is all about bringing life back to its recently acquired Mt Dimer and Mt Palmer gold mines in WA.

Mt Dimer ceased production in 1997, but not before producing 125,000oz of the yellow metal. Mt Palmer was last worked in 1944, having produced 158,000oz at a tasty average grade of 15.8 grams per tonne.

"Both projects have high potential around the existing mine footprint and regionally with significant contiguous exploration tenure around the historical production centres," the company says.

Still in the comforting bubble of the West, **Miramar Resources** is planning to launch a prospectus in view of an IPO that would showcase its three exploration-stage projects in the eastern goldfields region near Kalgoorlie.

The company is targeting a raising of \$4 million to \$6m, for a modest total market valuation of \$7-9m.

The intrigue here is that Miramar is led by Allan Kelly, who headed Doray Minerals. Gold sector tragics will recall that Doray was adjudged the most successful float of 2010 after the stock rose eight-fold.

While lithium market sentiment has waxed and waned, the conditions for the battery

metal are propitious enough for **Pan Asia Metals** to forge ahead with its promised IPO.

Pan Asia's key projects are the Reung Kiet Lithium Project and Khao Soon Tungsten Projects near Phuket in southern Thailand. As well as being Southeast Asia's only lithium project, Reung Kiet would also mine lepidolite, which can be cheaply processed into lithium carbonate or lithium hydroxide using a simple hydro-metallurgical process.

Lepidolite is also known as a crystal healing stone and we could all do with a bit more of that in these troubled times.

In the biotech sector, the Auckland-based **Aroa Biosurgery (ARX)** is poised to list on July 23, having raised \$45m for an indicative valuation of \$225m.

Aroa's key product Endoform is a scaffold that aids tissue regeneration in cases such as complex wounds, hernias and breast reconstruction. Derived from sheep stomach material, The Endoforms promote new tissue and re-establish blood supply before being absorbed by the body. Because the material is derived from sheep stomachs, it's quality baa none.

The company already has five approved products in the US and chalked up \$NZ22m of revenue in the year to March 2020.

A pending IPO in the popular allied health sector is **Advent Health (AH1)**, which had planned to list on July 16 by way of a reverse takeover of Millennium Ltd.

As it happens, the \$21m raising has been extended to July 31, with a revised August 11 listing date.

Advent has aggregated 300 clinics across 12 operators, specialising in physiotherapy, chiropractic, osteopathy, exercise physiology, podiatry, occupational therapy, dietetics, psychology and mental health.

Advent is raising \$21 million at \$1 apiece, for an overall valuation of \$44.5m.

Still in health: with the growing awareness of Acute Respiratory Distress Syndrome – the condition responsible for most COVID-19 fatalities - **Inspira Technologies** has chosen a topical juncture to plan an ASX backdoor listing.

Formerly called Insense Medical, the Israeli-based outfit is developing an alternative method for patients requiring ventilation support (such as severe COVID-19 patients).

Rather than using a ventilator, the company's Oxspira device oxygenates the blood using a catheter and a proprietary gas exchange device.

The device seeks to eliminate the risk of ventilator induced lung injury by avoiding the need for intubation. It also promises to improve on the poor mortality rate for patients receiving mechanical ventilation.

Inspira is seeking to raise funds to complete preclinical and clinical studies, ahead of an expected market launch in 2023.

The company was founded in 2018, based on the work of an Israeli Navy hyperbaric specialist called Dr Udi Nussinovitch.

For the tech nerds, **DUG Technology** this month was expected to lodge a prospectus ahead of a listing on August 25.

Backed by broker Cannacord Genuity, DUG is looking to raise \$26 million at \$1.35m for a \$134m market capitalisation.

Dug is at the forefront of high-performance computing, based on applied physics. One of its offerings is high-performing computer-as-a-service, or HPCaaS, “powered by some of the largest computer engines on Earth.”

DUG provides data and analysis services and software to the tech and resource sectors.

While concepts such as full waveform inversion and petrophysical processing and interpretation are far too high falutin’ for your columnist, DUG must be doing some things right: last month the company won a \$US6.3 million contract to supply high-level computing expertise to seismic vessels in Brazil and the US.

Ahead of the IPO the company has upped its board bench strength with the appointment of iiNet founder Michael Malone as a director; and former WA Chief Justice Wayne Martin as chairman.

Another IPO candidate reportedly is the Macquarie Group backed **Nuix Technologies** – as in New Universal Intelligence Exchange. The Sydney based Nuix has software that searches and analyses unstructured data for applications such as cybersecurity and email privacy.

That all’s all too much geek speak for us, but what we do ‘get’ in a heartbeat is the company is touted as being worth more than \$1 billion.



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