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Sydney - Monday - August 11: (RWE Australian Business News) - An operating thermal coalmine in Indonesia developed and managed by coal entrepreneur Mrs Ibu Ratna Handini forms the centrepiece of new \$10m resources IPO, **Handini Resources** Ltd (ASX:HDI), which is aiming to list on the Australian Securities Exchange later this month.

Handini Resources, which has headquarters in Perth, has lodged a prospectus with the Australian Securities and Investments Commission for the issue of 20m shares at 50c each to raise \$10m, with a facility for oversubscriptions to issue a further 10m shares to raise \$5m.

While the IPO is not underwritten, major international steel and IPP companies have reportedly indicated strong interest to subscribe for a significant proportion of the shares being offered.

The float brings to the public arena a unique, advanced coal asset located in Jambi Province in Sumatra, Indonesia which was acquired by Mrs Handini's private company, BRN, four years ago and developed privately as a niche thermal coal export operation currently generating strong cashflows.

Handini Resources acquired the operation through a transaction completed earlier this year with PT Nusantara Termal Coal (NTC), which holds a 30-year concession over the mine under a coal contract of work with the Indonesian Government.

This Muara Bungo Concession, which covers an area of 28.6 sq km, has JORC Code compliant proved ore reserves of 22.9m tonnes and probable ore reserves of 1.1m tonnes, as well as measured resources of 31.7m tonnes and indicated resources of 5.2m tonnes.

Mining commenced in March 2006 with 1.4m tonnes of coal produced up until December 2007.

Subject to a successful capital raising, the company is planning to double production from the current rate of 1.2Mtpa to 2.4Mtpa within a period of two years.

Proceeds of the float will, together with existing cash resources, predominantly be used to fund the infrastructure upgrades required to facilitate the expansion, as well as consider new project acquisitions and ventures.

Also, **Handini Resources** will undertake a feasibility study on a potential mine-mouth power plant utilising the proceeds of any oversubscriptions received.

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