



Tian Poh looks for \$6m IPO for Mongolian coal hunt

IPO watch

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Perth-based coal exploration company Tian Poh Resources is targeting exploration in Mongolia and hopes to raise up to \$6 million on the Australian Stock Exchange.

Singapore-backed Tian Poh is looking to issue 10 million shares at 20¢ to raise a minimum of \$2 million to explore thermal and coking coal deposits and porphyry copper-gold deposits across southern Mongolia.

There is no record of an appointed broker and an Australian representative was unable to be contacted in time for publication.

Recent changes in Mongolian law have allowed foreigners to invest in any industry without the previous restrictions of strict governmental approval.

If Tian Poh raises the full \$6 million, about \$3.1 million will be spent on exploration and the remainder on working capital, administration costs and potential tenement acquisitions.

The company will have a market capitalisation of between \$28 million and \$32 million following the IPO.

The company hopes to capitalise on strong demand from neighbouring China. Recently discovered deposits in the same geological trend have experienced rapid development to pro-

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Poh Kay Ping, Tian Poh Resources

duction thanks to their proximity and access to the Chinese border and internal Chinese transport infrastructure.

"The board believes the favourable geology, improving economy and developing mining industry makes Mongolia an excellent investment location and considers this to be an excellent opportunity for the company to involve itself with gold, copper and coal projects," managing director Poh Kay Ping said in the prospectus.

Currently Tian Poh holds the rights to 10 tenements covering 125,000 hectares close to the Oyu Tolgoi deposit, a significant porphyry copper system in the Gobi Desert.

Tian Poh is backed by Singapore-based investment firm POH Group and the offer will close on September 15.

The IPO market has seen a few floats of this size recently, **Duketon Mining** raising \$6 million in June and **Stavelly Minerals** raising \$6.1 million in May.

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