

# Bell Potter launches \$200m Indonesian nickel IPO

- [street talk](#)
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Indonesian nickel company Nickel Mines Ltd is seeking to raise \$200 million in an initial public offering valuing the company at \$485.8 million.

Nickel Mines' broker Bell Potter Securities sent terms to fund managers on Monday to launch the \$200 million equity raising and set out its proposed path to the ASX-boards.

Nickel Mines is seeking to raise equity via the sale of 571.4 million shares at 35¢ each.

Fundies were asked to bid for stock at a bookbuild next week and if successful Nickel Mines was due to commence trading on the ASX on a normal basis on August 2.

Nickel Mines is an Australian company with an 80 per cent interest in the Hengjaya nickel mine in Indonesia.

The company comes to market with \$US217 million net assets and funds raised were to expand its Hengjaya mine and provide funding to increase its stake in an electric kiln furnace plant nearby.

The termsheet named Bell Potter as sole lead manager and bookrunner. Potential investors were told Nickel Mines was due to lodge a prospectus for its proposed listing on July 5.

Street Talk first flagged the upcoming listing in May.

Nickel Mines will tell fundies it has a world class nickel resource, a strategic partnership with global industry leader, proven low cost processing technology and ability to leverage existing infrastructure.

At the end of the day, demand for its IPO is expected to come down to the outlook for nickel prices.

Nickel Mines has a handful of charts for fundies pointing to global nickel demand and supply, and points to a \$US22,050 a tonne long term price forecast. It is currently trading at about \$US15,000 a tonne on the London Metal Exchange.