

# Debutant Sable Pt to seek \$30m in funds

David McKay | Fri, 23 Nov 2012 11:33

[[miningmx.com](http://miningmx.com)] – SABLE Platinum, the newly listed platinum and vanadium exploration company, is to seek \$30m in funds following its debut on the JSE, said CEO, James Allan.

"We have had a lot of interest from investors who recognise in us a long-term strategic opportunity. We are looking at \$30m (about R267m at the current rand/dollar exchange rate).

"Some investors have been put off by the events in South Africa lately," said Allan who added that UK investors were still "shell-shocked" by the investment climate in their own country. But backers, mainly institutional support was to be found in other countries, Allan said.

Sable Platinum brings to the market a total resource of 42 million to 70 million ounces of so-called '4E', consisting of platinum, palladium, rhodium and gold across five different exploration properties on the western Bushveld.

One of the projects, Klipfontein is a joint venture with Toronto-listed Platinum Group Metals (51% to Sable Platinum), whilst Sable Platinum's Syferfontein project is held in joint venture with the Bakwena community and borders Xstrata's Eland Platinum.

"It's the right place to be. And we think we're listing at the right time. The market has probably bottomed out in September," Allan said.

It's an unusual time for the public debut of a platinum exploration business given the severe labour, pricing and demand-side ructions in the industry.

Speaking to CNBCAfrica, however, Allan said that as an exploration firm, Sable Platinum's risk was relatively low. It had only about 16 employees and while there was "a lot of hard work to do", the market had turned in its favour.

"I think the South African platinum industry will work through the labour problems that it's had," he said. Analysts believe that the platinum industry has been sent into a supply deficit this year of between 200,000 to 400,000 ounces owing to the shuttering of shafts - a 180 degree turn on the market surplus estimated to be as high as 400,000 oz.

Structurally, Sable Platinum is reverse listing into New Corpcapital. The name change to Sable Platinum has to clear regulatory hurdles first.

"New Corpcapital has, in effect, ceased to carry on any business and has some 110 cents per share of net asset value, with its assets being principally cash or cash equivalents," said Sable Platinum in a press statement. Some 185.5 million New Corpcapital shares are in issue of which Sable Platinum shareholders will own 80%.

The share was untraded by midday. At R1.05 per share, the business is valued at just under R40m on the JSE against the R203.5m implied by the company's calculation of net asset value.