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Resource Mining Corp in "transformational" agreement to acquire Tanzanian nickel projects

"This is an exciting acquisition and will transform Resource Mining Corporation into a significant participant in one of the most prospective nickel regions globally," says chairman Trevor Matthews.



The company has conditionally agreed to acquire the whole of the issued capital of Massive Nickel Pty Ltd (MNPL) which indirectly holds a quality portfolio of nickel exploration assets in the east African country.

Consideration for the acquisition is the issue of 75 million RMC shares and the grant of a net smelter return royalty.

Looking ahead, the completion of the acquisition is conditional on certain conditions being satisfied, including shareholder approval and grant of all prospecting licences.

“Exciting acquisition”

RMC chairman Trevor Matthews said: “This is an exciting acquisition and will transform Resource Mining Corporation into a significant participant in one of the most prospective nickel regions globally.

“Opportunities to acquire projects of this quality are rare and the company looks forward to completing the acquisition and moving into what promises to be an exciting exploration phase for shareholders.”

Prospective portfolio

MNPL’s Tanzanian subsidiary Massive Nickel Tanzania Limited (MNTL) holds 100% interest in prospecting licences that are granted or in the application that comprises the Kabanga North Nickel Project, Kapalagula Nickel (Copper and PGEs) Project and in the southwest of Tanzania, the Mbinga, Liparamba and Kitai nickel projects.

The acquisition of the MNTL projects positions RMC with a significant and highly prospective landholding comprising 1,415 square kilometres in Western Tanzania, all complementing the company’s existing Kabulanywele Nickel Project.

Notably, the Kabanga North Nickel Project is along strike from Kabanga Nickel’s Kabanga Project which hosts a total mineral resource of 58 million tonnes at 2.62% nickel.

Further, Kapalagula Nickel Project complements the KNP with mapped ultramafic lithologies noted to host nickel, along with platinum group elements and copper mineralisation.

Similarly, the southwest projects of Mbinga, Liparamba and Kitai all host ultramafic lithologies over considerable strike lengths with noted nickel anomalism confirmed.

Exploration plan

Upon completion of the acquisition, RMC intends to begin exploration activities on the MNTL projects as soon as possible.

The company intends to verify historical exploration work within the next 12 months via confirmation and extensional drilling confirmatory and extensional surface geochemistry and validation of previous geophysical surveys.

Proposed capital raising

RMC intends to raise \$4 million through a capital raising to be conducted in connection with this acquisition.

As the acquisition remains conditional, the company intends to proceed with the capital raising closer to the time of completion of the proposed acquisition.

RMC intends to use the funds raised from any such capital raising as follows:

- ▶ About \$1.85 million on exploration activities on the MNTL projects;
- ▶ About \$1.2 million on exploration expenditure on RMC's existing projects; and
- ▶ The balance for general working capital purposes.

Source: <https://www.proactiveinvestors.com.au/companies/news/981674/resource-mining-corp-in-transformational-agreement-to-acquire-tanzanian-nickel-projects-981674.html>