

New World's cobalt spin-off Koba Resources ready to test the mettle of the ASX

New World's cobalt spin-off Koba Resources has launched its initial public offering which seeks to raise \$8m to fund exploration and development (reports Stockhead).

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This launch coincides with a sky-rocketing cobalt price – which has risen from around US\$33,000/tonne in early 2021, to around US\$82,000/tonne today. Timing is everything!

The rising price is because cobalt is an integral element in rechargeable batteries. And around the world, sales of electric vehicles (EV's), which use a lot of rechargeable batteries, are going through the roof!

Koba's IPO comprises an offer of 40 million shares priced at 20c each. This is being carried out in conjunction with a proposed in-specie distribution of 20 million Koba shares to New World Resources (ASX:NWC) shareholders.

At least 15 million of the IPO shares have been offered to New World's shareholders under a priority offer.

Proceeds from the IPO will be used to carry out exploration and development of Koba's high-grade North American cobalt assets.

These are the Blackpine, Colson, Panther and Elkhorn cobalt-copper projects in the Idaho Cobalt Belt; and the Goodsprings copper-cobalt project in Nevada.

Both Blackpine and Panther were acquired in November last year and have a history of mining, with about 2,000t of ore extracted from underground workings at Blackpine and historical workings present at the Sweet Repose prospect at Panther.

Historical drilling at Blackpine intersected thick cobalt mineralisation with results such as 6.2m at 0.61% cobalt and 6.4g/t gold (including 2.8m at 1.25% cobalt and 14g/t gold), together with some extremely high-grade intersections such as 0.15m @ 4.79% cobalt and 4.0 g/t gold.

Strong cobalt and copper soil anomalism is evident at Blackpine over more than 5,000 metres of strike, and mineralisation remains completely open at depth. Yet there has been no drilling since 1996.

At the Colson Project, samples from the historical underground workings returned assays including 2.5m at 0.59% cobalt, 5.33% copper and 2.24 g/t gold in the 1970s. Limited follow-up drilling intersected 5.5m at 0.20% cobalt and 0.69 g/t gold, which included very high-grade intervals of 0.3m @ 1.26% cobalt and 2.95 g/t gold; and 0.7m @ 0.49% cobalt and 0.30 g/t gold.

Multiple, very strong IP anomalies were subsequently defined immediately along strike from this previous drilling, and these coincide with very large and high-tenor cobalt-in-soil geochemistry anomalies. Koba will drill test these targets, for the first time, shortly after completing its IPO.

The company's other projects also have substantial potential, with the Goodsprings project containing several historical high-grade copper-cobalt deposits.

Source: <https://www.resourcesrisingstars.com.au/news-article/new-world%E2%80%99s-cobalt-spin-koba-resources-ready-test-mettle-asx>