

New to the stock market: commodity stock QMines profits from copper boom

By Achim Mautz

Not only Freeport McMoran is currently popular

For weeks, the copper price has known only one direction, up. Most recently, the price of the industrial metal reached a new all-time high and now costs well over USD 10,000 per ton. The price rally was triggered not only by the economic recovery after the Corona crash, but also by the increasing demand for electromobility. The positive price trend drove up the share price of many copper producers, such as Freeport McMoran, Southern Copper and Copper Mountain.

Just a few days ago, QMines Limited (symbol Frankfurt: 81V, ISIN: AU0000141533), a promising copper and gold company went public on the Australian ASX and is now also listed on the Frankfurt Stock Exchange and Tradegate.

Old copper and gold mine to come back on stream

The company's flagship project, Mount Chalmers, was a producing, high-grade copper and gold mine for many decades in the past. From the end of the 19th century until 1982, about 4.5 tons of gold and about 25,000 tons of copper were brought to the surface. As there are still immense copper and gold reserves in the ground, the mine is to be revived. To this end, the company is currently carrying out extensive drilling programs in the almost 200 km² area and has already had several rock samples officially examined. In addition to Mt Chalmers, QMines owns three other promising projects in the Australian state of Queensland with a total area of 978 km². By the way, the young company also aims to become Australia's first CO₂ neutral copper and gold company and has already installed several solar and wind renewable energy solutions on the mine site for this purpose.

Speculative buy in times of the great copper boom

Currently, the share is still trading in the range of the IPO price of AUD 0.29 or the equivalent of approx. EUR 0.19 and thus the valuation on the stock exchange is only around AUD 33 million or EUR 21 million. Through the IPO, QMines has received about AUD 11.5 million, so that the development of the projects can be advanced quickly. First results are expected soon from the current drilling program. If the assumptions of the experienced management are confirmed, this could provide positive news for the stock market. If the company's proven copper and gold reserves (according to JORC 2012 rules) actually increase significantly, this could give a strong boost to the share price. The stock of this SmallCap is undoubtedly speculative, but accordingly also offers opportunities on the profit side. Especially in this time of a big copper boom, which could continue for some time. Further information can be found on the company's website, which is also available in German: <https://qmines.com.au/de/>.