



Mining

Moho chairman Terry Streeter on his possible nickel hattrick

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Special Report: When it comes to exploration success, storied mining investor Terry Streeter has the magic touch.

He made his name on nickel-focused Jubilee Mines and Western Areas – two companies that he helped build from junior explorers into mid-tier success stories.

Jubilee, which was worth about \$20m when it discovered the Cosmos nickel deposit, was eventually sold for over \$3 billion.

Similarly, Western Areas (ASX:WSA), which floated with a market cap of \$5m in 2000, is now an established WA producer with a market cap over \$680m.

Streeter is currently on the board of [Moho Resources \(ASX:MOH\)](#), a talent-packed junior nickel-gold explorer which listed late last year.

Right now, nickel and gold prices are going gangbusters.

At the same time, the Moho management team – which has a history of exploration success – has been methodically exploring some very prospective greenfields (underexplored) ground in WA and QLD.

The company has just kicked off the second phase of its nickel sulphide exploration at its Silver Swan North project in WA, which neighbours **Poseidon Nickel's (ASX:POS)** Black Swan nickel processing and concentrator facility and the high-grade, underground Silver Swan mine and Black Swan open pit.

Streeter knows, from experience, that a major discovery can deliver massive share price multiples, and change an explorer's fortunes, in a very short amount of time.

Where does your love affair with nickel come from?

"Back in 1969, I took an interest in a (now defunct) company called Great Boulder Gold Mines. I bought about 100 shares in that company at \$7 each. Cost me \$700.

They went to \$20 – this was prior to the big nickel boom in 1969 – they then dropped back a bit. I ended up about doubling my money.

That was my first foray into the stock market and also my introduction to nickel, which I didn't know a lot about at that time.

Then I moved into other stocks, which were mainly big industrials like BHP, but that was a bit boring – you were just waiting for the dividend.

So, I got back into the resources side. I also decided that I would try to take a bigger position in a company.

In 1993, I was introduced to a company called Jubilee Mines, which was called Jubilee Gold Mines at the time.

I took up a 14 per cent stake in the gold explorer early in the year, and then joined the board soon after.

Then [in 1997] we discovered the Cosmos nickel deposit, on the southern end of the Kathleen Valley tenements in WA.

That took the share price from around 20c to \$1.20. Jubilee was eventually sold to Xstrata for over \$3 billion in 2007.

In the interim period, I formed Western Areas with Julian Hanna and Tim King, who had approached me with some nickel tenements in WA. I funded that company to flotation in 2000.

Two years later, we bought the Forrestania tenements from Finnish company Outokumpu, where we had immediate success. In 2003, we targeted some anomalies in [Outokumpu's] old Flying Fox mine.

We picked up an intersection there of 6m grading 6 per cent nickel which drove the stock price right up.

Flying Fox was developed, then we discovered – 6km to the south – the Spotted Quoll deposit which both complimented one another. Now, [~\$680m market cap] Western Areas is producing around 22,000 tonnes of nickel a year.

I stood down as Western Areas chairman after about 10 or 11 years.

I was approached to come on board with Moho Resources. I had a look at their project portfolio, and I was interested in the nickel potential at their ground north of the Silver Swan nickel mine [owned by Poseidon Nickel].

Now I'm chairman and excited about where Moho is going, where management is taking the business.

I have been quite successful on the nickel side of things – Western Areas, Jubilee and Western Australia have looked after me very well."

Do you get excited by the discovery phase?

"Most certainly. That's why I'm still here – the excitement.

It's amazing that investor support of the resource sector isn't as strong as it should be.

Nickel sulphide deposits are rare, and they are in demand.

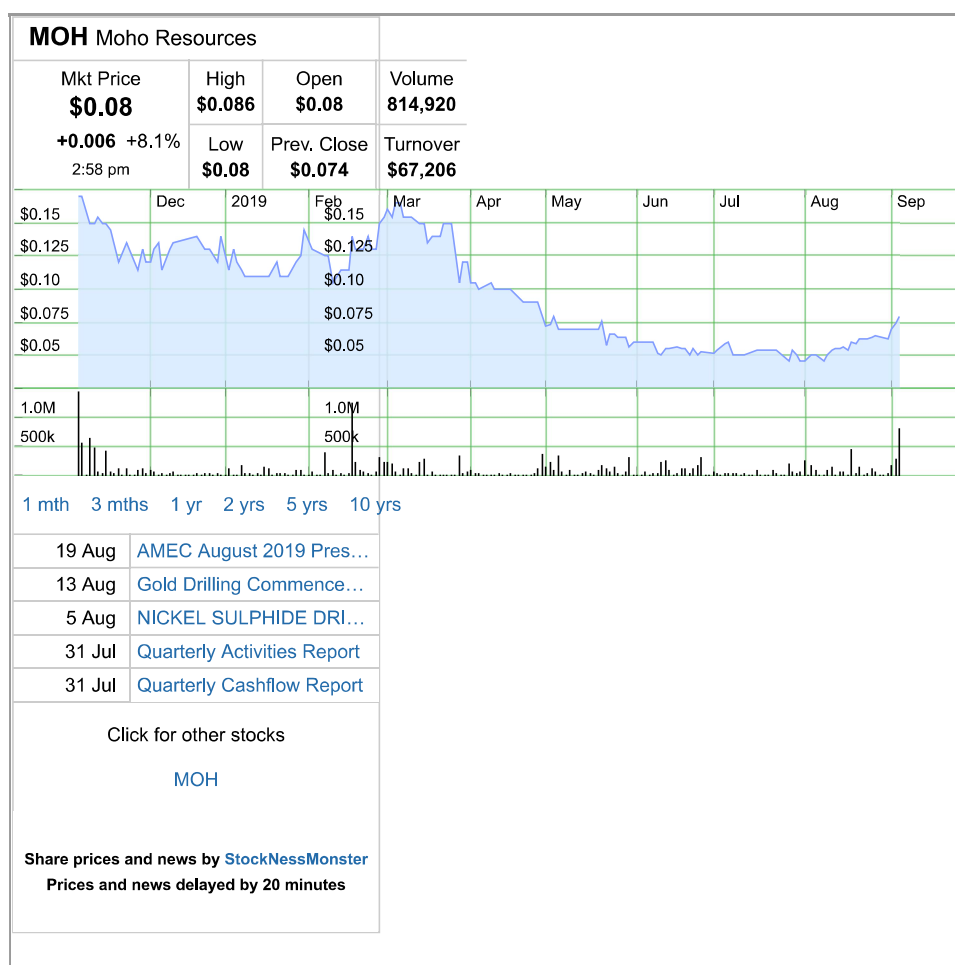
About two months ago, when nickel was \$13,920/t, I predicted the nickel price would be \$16,000 sometime in October. It beat me to it."

Do you think this is the start of a new nickel boom?

"I believe it is, yes. Despite talk about economies falling over here, there, and everywhere nickel demand will remain strong.

People bang on about demand from the battery market, but the applications of nickel go far beyond that — there will be tremendous demand for nickel regardless.

You're going to get market fluctuations all the time but nickel, I believe, is on the way up."



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