

From Boom to Bust or Bust to Boom? The ASX Resources IPO Rollercoaster

Introduction

During 2020, while the world sat at home and dinner table conversations drifted from sourdough starters to the latest spike in cryptocurrencies or the gravity-defying “GME to the moon” saga, Aussie punters, both seasoned and starry-eyed, turned their attention to something stirring on the streets of West Perth, which unleashed itself during 2021 and into 2022. The ASX witnessed a frenzy of small-cap resource IPOs, as a new wave of exploration companies flooded onto the exchange. It was a gold rush of the modern kind, with investor decks, number-heavy ticker codes and suited and booted brokers swapping in for the picks, shovels and ragged denim of the original “49ers”.

The Alchemist has mused before on [the ripple effects of Covid-19](#) and the IPO market was no exception. Now that the dust (and drill cuttings) have settled in 2025, The Alchemist believes it’s the perfect moment to look back — not just to tally up the wins and losses, but to ask: were these IPOs golden opportunities, or just fool’s gold? And more importantly, is the groundwork now laid for a new wave?

A Look Back

Between Q4 2020 and Q4 2022, the ASX was flooded with over 170 resource IPOs with this peak (illustrated in Figure 1) dwarfing the 34 listings we’ve seen since, and almost quadrupling the rate from just 4.5 listings per quarter prior to Q4 2020 to almost 20 listings per quarter. Fast forward to 2025, and the glow has well and truly faded, with activity dropping back to just 3.5 listings per quarter.

Most boom-era listings now trade well below their issue price, with median annualised returns of around negative 30%. Figure 2 tells the story: a handful of outliers excelled, but most ended up in the red, with many annualised losses exceeding 50%.

Anatomy of a Boom: Why It Happened

The surge of IPOs on the ASX was fuelled by structural, thematic and speculative forces.

Pandemic stimulus and record-low interest rates drove capital toward higher risk opportunities. With safe yields plummeting, risk appetite grew, bringing junior resource listings, long overlooked, back into favour.

Thematic tailwinds amplified this surge: electrification and decarbonisation thrust critical minerals like lithium, copper, nickel and rare earths into the spotlight and juniors in this space, once niche, became momentum plays, whether or not their role in the energy transition was real.

Early IPO wins may have triggered a positive feedback loop, as more investors jumped in and promoters rushed to meet demand, sustaining the market for exploration IPOs.

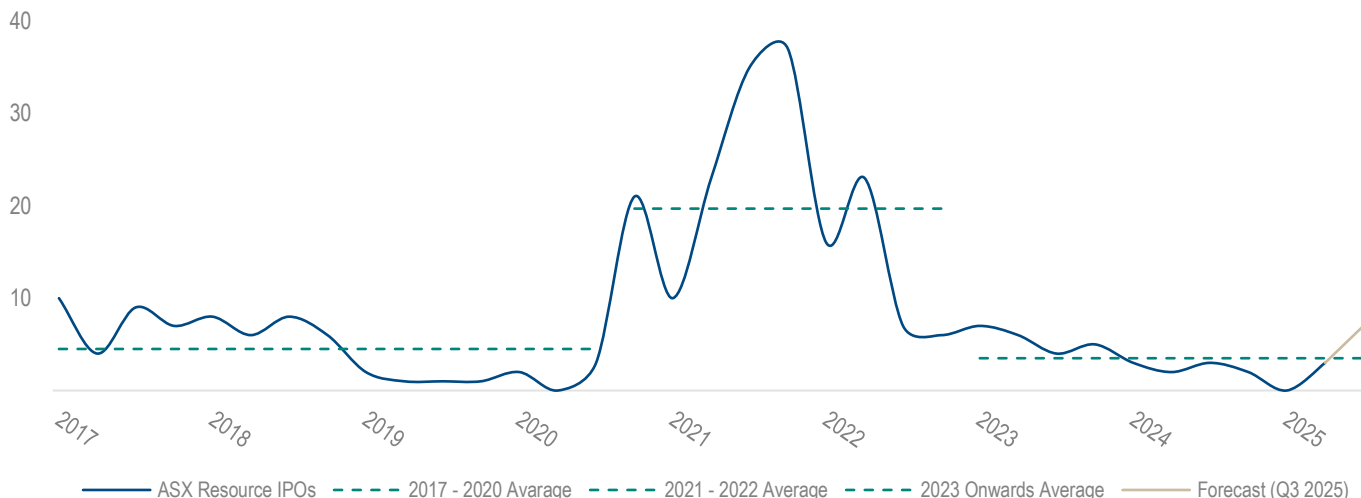


Figure 1. Number of ASX Resource IPO's by Quarter

The Collapse: Why Resource IPO Listings Have Plummeted

After two short but incredibly busy years, the same structural shifts and cyclical forces then went into reverse, predictably bringing the ASX resource IPO boom to a screeching halt. Many junior resource companies have since lamented that capital has become harder to come by.

The sharp fall in IPO numbers reflects both the normal ebb and flow of the resources cycle and caution from finite shareholder capital that once burned, is slower to return. Experience suggests however, that when prices and sentiment turn, capital often returns faster than expected, driven by those seeking to repeat past successes and FOMO from those that missed out last time.

The Few Still Standing

Amid the wash out, a limited cohort defied the trend, including just 10% that beat the ASX benchmark, with early backers of these winners enjoying substantial gains, in some cases many multiples of their original investment (see Figure 2).

Common traits amongst these companies included:

- High-quality assets (foundation, or acquired) or with credible scale and favourable locations;
- Disciplined management teams with proven track records;
- Capital effectively deployed to advance assets, either through drilling metres in the ground or progressing restart studies;
- Exposure to commodities with lasting tailwinds; and
- Plain, old-fashioned good luck.

We cover some of these standout groups in more detail within the Appendix.

The Lessons Learned

Given the mixed legacy, it's worth pausing to reflect on the lessons and legacies from this period:

- **Thematic alignment is not a moat:** Riding a hot commodity can open the door, but only tangible success, such as drill hits, permits, offtakes and studies can keep it open. When sentiment turns, those without substance, cash, or the ability to pivot are stranded
- **Execution and adaptability were decisive:** Delivering on plans or shifting quickly to better-fit assets drove the best results. IPOs are a start, not an end. The strongest stayed nimble, managed cash well, engaged investors, and delivered in the field. The rest ended up shunned by investors

- **Capital discipline matters:** Nine of the top ten performers raised \$6m or less at IPO, showing the value of disciplined sizing and effective use of funds. Raise enough to deliver the plan without over-diluting and muting upside, and not so little you're underfunded and reliant on a poorly timed follow-on raise.
- **Cycles turn:** Momentum can reverse abruptly, as seen when 2022's hot market gave way to risk aversion in 2023–24. Projects stalled, valuations collapsed, and funding dried up. Now that signs of reopening are emerging, the question is whether this is the start of a broader upswing or just a short-lived thaw.

Those patterns remain relevant today and perhaps provide a useful filter for reading the current market.

Is the IPO freeze thawing out into the next upswing?

Momentum appears to be returning, but it's selective. Capital is gravitating toward juniors with near-term catalysts: production restarts, toll-milling cash flow, or drill results that materially shift project viability. Many others remain capital-constrained, waiting on the sidelines. This shift is best illustrated in Figure 3, where a lift in both the S&P/ASX Small Ordinaries Resources Index (AXSRD) and IPO activity stands out against the backdrop of a still-cautious operating environment.

Gold continues to dominate exploration spend and the IPO pipeline, led by groups with clear, tangible delivery roadmaps. In tandem, battery metals, energy and critical minerals are starting to step into gear with recent developments in China and shifting U.S. policy have nudged sentiment for lithium and rare earths.

It's a pattern familiar from early-cycle recoveries: capital first flows to proven commodity stories, then trickles down to riskier thematic bets.

Of note, in Q3 2025, three resource IPOs have already crossed the line, Ballard Mining Ltd, Tali Resources Ltd, and Orezone Gold Corporation, with four more slated for the quarter: Ariana Resources Plc, Dundee Precious Metals Inc, Golden Globe Resources Ltd, and PC Gold Ltd. That's seven resource IPOs in a single quarter, heavily weighted to gold. It marks a clear lift from the 3.5 quarterly average since early 2023, a revival from zero listings in Q1, and a solid rise from the two that trickled in during Q2.

For now, market sentiment feels more like a disciplined reopening than a speculative frenzy. If macro conditions hold and deal flow broadens beyond gold, this could form the base of the next up-cycle. But, as history shows, only those who show tangible milestone deliveries, disciplined capital use and clear upside are likely to emerge as the next cycle's winners.

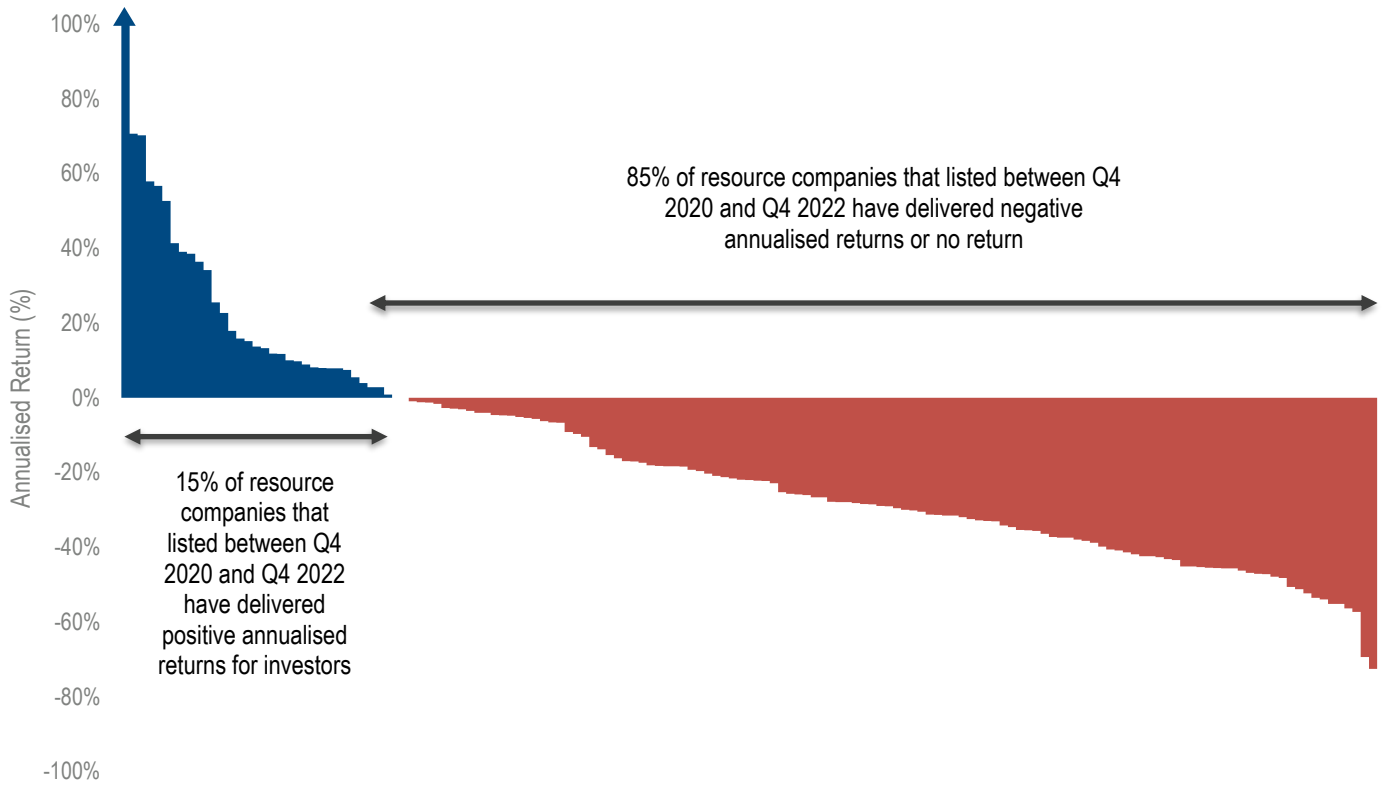


Figure 2. Annualised Returns of ASX Resource IPOs from Q4 2020 to Q4 2022 (Source: S&P Capital IQ)

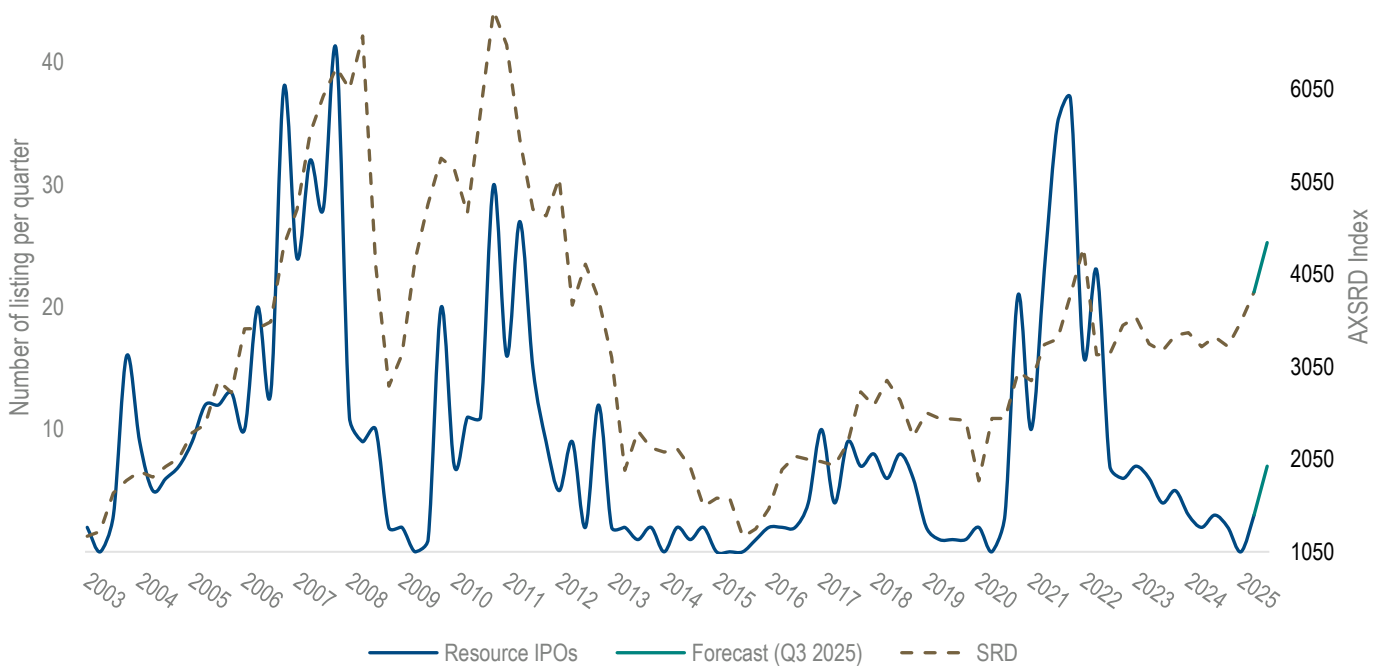


Figure 3. Number of resource IPOs on the ASX plotted against the S&P / ASX Small Ordinaries Resources Index (Source: S&P Capital IQ & Refinitiv)

Appendix – The Standouts

While each outperformer has a story worth telling, The Alchemist has applied a simple set of criteria to decide which stars deserve a spotlight in this write-up. Companies that have grown their Market Capitalisation (MC) more than fourteen-fold and delivered share price gains of over 200% from listing earn a well-deserved shout-out, having clearly delivered value to shareholders while building scale and critical mass.

WA1 Resources Ltd

Stock Code: ASX:WA1	Listing Date: 20/01/2022
Listing Price: \$0.20 / share	02/09/2025 Price: \$18.03 / share
Listing MC: \$9.0m	02/09/2025 MC: \$1.3bn
Stock annualised return: 247%	MC growth: 149x

Definitely not to be mistaken for the name of a COVID variant, WA1 was the standout listing of the boom, a Western Australian explorer that hit the boards with a mandate to explore its flagship West Arunta Project. The company has delivered with exploration success leading to the discovery of Luni, a world-class, carbonate-hosted niobium deposit.

Luni rates as one of the most significant niobium discoveries for some time. Since listing, WA1 has been drilling continuously and has now defined a 200Mt resource at 1.0% niobium. Considering that only three mines globally currently produce niobium as a primary commodity, Luni's grade and scale put it firmly on the radar as a potential peer. We'd wager the phrase "that's a mine" has been uttered more than once in reference to Luni.

Metallium Limited

Stock Code: ASX:MTM	Listing Date: 13/07/2021
Listing Price: \$0.20 / share	02/09/2025 Price: \$0.79 / share
Listing MC: \$8.6m	02/09/2025 MC: \$480.4m
Stock annualised return: 39%	MC growth: 56x

Metallium Limited relisted in July 2021 under the name Mt Monger Resources, with a focus on gold and rare earths exploration at its Mt Monger and East Laverton Projects. They pursued this strategy without any significant success until May 2024, when it secured an exclusive licence for the Flash Joule Heating process from Rice University. The deal came with an upfront payment of \$300,000, various other milestone-based cash payments, and the issue of 15 million options. Flash Joule Heating aims to enable efficient and sustainable metal recovery from minerals and waste streams.

Since then, Metallium shareholders have been handsomely rewarded for the company's faith in the technology. In the first half of 2025 alone, they have locked in multiple E-scrap supply agreements, securing approvals for a Texas production plant, and raising a hefty \$50 million at \$0.55 per share to bring it all to life. Flash by name and now flash by nature.

Andean Silver Limited

Stock Code: ASX:ASL	Listing Date: 28/09/2021
Listing Price: \$0.20 / share	02/09/2025 Price: \$1.62 / share
Listing MC: \$6.8m	02/09/2025 MC: \$304.9m
Stock annualised return: 70%	MC growth: 45x

Andean Silver Limited (formerly Mitre Mining) commenced trading on ASX in September 2021, embarking on exploration of NSW copper-gold porphyry targets. But the real game-changer came in February 2024 with the acquisition of the Cerro Bayo Silver Project in Chile, a past producing mine boasting multiple prospects and \$150 million worth of infrastructure, including a 500ktpa plant placed into care and maintenance in October 2022.

Since then, Andean's been forging ahead in Chile, growing high-grade mineralisation, uncovering near-mine targets, and pushing hard on expansion. A \$30 million placement in July 2025 is now fuelling the next leg, aimed at accelerating mine-restart studies at Cerro Bayo and scaling its silver-gold resource into something globally significant.

Larvotto Resources Limited

Stock Code: ASX:LRV	Listing Date: 01/12/2021
Listing Price: \$0.20 / share	02/09/2025 Price: \$0.68 / share
Listing MC: \$11.2m	02/09/2025 MC: \$332.3m
Stock annualised return: 39%	MC growth: 30x

Larvotto Resources arrived on ASX courtesy of its December 2021 IPO and has since charged toward the \$1 mark in 2025. While still holding its original trio of assets, Mt Isa, Eyre, and Ohakuri, the real breakout came with its 2024 acquisition of Hillgrove, Australia's largest (and the world's 8th largest) antimony deposit.

The May 2025 DFS lit a fire under the stock, outlining an 8-year mine life and ~\$250M average LOM EBITDA. With gold and antimony both on a tear, central banks (China leading the charge) stacking bullion, and geopolitical tension rising, especially with China restricting antimony exports, investors have started to pay close attention. Production is pegged for 2026, just as global supply tightens and Western governments ramp up the hunt for this silvery strategic metal. Larvotto may have started as a quiet explorer, but it's now shaping up to be a serious contender in the gold and antimony game.

Viridis Mining and Minerals Limited

Stock Code: ASX:VMM	Listing Date: 20/01/2022
Listing Price: \$0.20 / share	02/09/2025 Price: \$1.39 / share
Listing MC: \$7.1m	02/09/2025 MC: \$138.8m
Stock annualised return: 71%	MC growth: 20x

Viridis Mining and Metals listed in 2022 with a broad exploration mandate, targeting gold, nickel, copper, PGMs, and kaolin-halloysite across Canada and Australia. The company had a relatively quiet 2022 and first half of 2023, until in August 2023 it realigned its strategy with the acquisition of Colossus, an ionic clay rare earths project in Brazil, for US\$2 million.

Since then, Viridis has been steadily progressing the project, completing drilling, metallurgical test work, and most recently, delivering a Pre-Feasibility Study in July 2025. Shareholders have been on a rollercoaster ride since, with considerable giving way to malaise across the broader rare earths market, before a more recent surge again on fresh US policy signals and actions from the Trump administration to secure supply chains, and the company's release of the PFS.

Polymetals Resources Limited

Stock Code: ASX:POL	Listing Date: 25/07/2021
Listing Price: \$0.20 / share	02/09/2025 Price: \$0.86 / share
Listing MC: \$15.9m	02/09/2025 MC: \$229.0m
Stock annualised return: 41%	MC growth: 14x

Polymetals Resources Limited listed on the ASX in July 2021 as a mineral exploration company focused primarily on gold exploration in Guinea. From IPO through to 2023, the company remained relatively quiet, however momentum began to build in 2023 following the acquisition of Orana Minerals Pty Ltd, the owner of Endeavor mine with an issue of \$10m of shares to Orana Minerals shareholders. The operation is a prior operating underground silver, lead, and zinc operation located in central-western New South Wales. After completing a quick restart study and having significant success in exploration Polymetals successfully funded the project restart in November 2024.

Certainly one to watch as Polymetals executes on its business plan of Making Endeavour Great Again.

How we accumulated data

The data for this analysis was sourced from S&P Capital IQ by running a screen to identify all ASX-listed resource IPOs between 1 January 2021 and 31 December 2022. The annualised return for each company was calculated based on the time since IPO and the total performance of their share price to 02/09/2025.

Conclusion

The last boom left a trail of both spectacular wins and heavy losses, underscoring patterns that tend to repeat across cycles. Today's market shows early signs of a rebound, but in a currently measured and more selective way, capital is favouring credible stories with clear catalysts while still leaving most juniors constrained. Gold remains the dominant focus, with battery metals only just beginning to see renewed interest amid shifting U.S. policy support for lithium and rare earths.

If history is any guide, this disciplined phase could form the foundations of the next up-cycle - but only for those who have learned, or remembered, the core lessons: raise the right amount, deploy it effectively, deliver tangible milestones, and stay agile when sentiment shifts. The rest risk being stranded once the momentum inevitably fade.

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