
China Minmetals confirms \$1.7 bln offer to buy OZ Minerals

BEIJING, Feb. 17 (Xinhua) -- China Minmetals Non-ferrous Metals Co. Ltd. (CMN) on Tuesday confirmed its 1.7-billion- U.S.-dollar offer for Australian miner OZ Minerals Ltd., and said it was waiting for the regulators' approval.

"We don't know how long it will take to get approval and we can't predict any outcome. We have applied for the deal in accordance with commercial standards, and will have to wait," said CMN deputy head Jiao Jian.

OZ Minerals announced Monday that CMN had offered 82.5 Australian cents per share, a 50 percent premium over OZ Minerals' last trading price on Nov. 27.

OZ Mineral, Australia's third-largest mining company and the world's second-largest zinc producer, is involved in copper, lead, zinc and nickel operations.

"The acquisition will strengthen both of our market positions and it can provide adequate resources to our business. This is a strategic cooperation," Jiao said.

However, he declined to reveal how the company planned to raise the capital.

"The 1.7 billion U.S. dollars would comprise our own money and loans from banks. But we cannot say what banks will be involved or what portion each of us are going to take," he said.

The deal needs to be approved by Australia's Foreign Investment Review Board before it can be passed on to the shareholders for discussion. OZ Minerals said it would recommend the deal to the shareholders.

The deal also needs Chinese regulators' approvals, including the top economic planner, the National Development and Reform Commission and the State Administration of Foreign Exchange.

"These required approvals are no different from any other overseas acquisitions," Jiao said.

The OZ Minerals' share price jumped 17 percent to 64.5 Australian cents on the Australian market when it resumed trading on Tuesday.