
Gindalbie finishes USD 162 million share placements to Ansteel

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Gindalbie Metals is debt free with USD 43 million cash on hand after completing its USD 162 million share placement to China's Anshan Iron and Steel Group Corporation.

Ansteel lifted its stake in the iron ore explorer from 12.6% to 36.28% under the transaction. The placement enabled Gindalbie to secure equity funding for its USD 1.8 billion Karara project in WA's mid west region.

Mr Garret Dixon MD of Gindalbie said that Ansteel and Gindalbie's JV Company, Karara Mining Limited held cash reserves of about USD 350 million to be spent on the project. This follows equity contributions by the JV partners of USD 143.6 million each into Karara Mining's bank account. Karara Mining has already spent about USD 200 million on pre-development activities and other items.

Gindalbie said that "The balance of the capital required for the Karara project will be provided through a project loan facility of up to USD 1.2 billion to be provided by the China Development Bank."

(Sourced from news.com)

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