
BHPB may bid for United Minerals - Report

Wednesday, 14 Oct, 2009

The Australian reported that BHP Billiton is believed to be in talks to buy iron ore junior United Minerals for about USD 220 million.

In a deal that was supposed to have been stitched up last week, BHP is thought to have offered about USD 1.40 a share for United, a 50% premium to the latest share price of 92 cents. United's shares went into a trading halt last week. This was converted to a suspension when a change of control transaction could not be bedded down in time.

It is unclear whether the USD 1.40 offer will be raised or lowered during negotiations if a deal is reached. BHP would not comment on the matter yesterday and United could not be contacted.

Meanwhile, BHP's iron ore production appears to have recovered after an overhaul of its safety systems in the wake of five deaths at its West Australian operations last financial year.

According to calculations done using Port Hedland harbor and Fortescue Metals Group reports, the big miner's Pilbara operations shipped about 32.7 million tonnes of iron ore in the first quarter of this financial year.

(Sourced from www.theaustralian.news.com.au)

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