
Sinochem near USD 320 million deal to buy Kazakh oil firm

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Reuters reported that China Sinochem Corp is near a USD 320 million deal to buy an independent oil firm in Kazakhstan deepening Chinese state investment in the central Asian nation's oil sector.

One source familiar with the talks said "The deal will be concluded soon, adding that the target firm is currently producing about 4,000 barrels per day of oil."

The deal, which has won Kazakh government approval, follows a USD 939 million investment by China sovereign wealth fund for 11% stake in Kazakhstan No 2 oil producer.

In April, China top energy group CNPC agreed with Kazakh state oil KazMunaiGas to jointly buy oil producer MangistauMunaiGas for USD 3.3 billion. As part of the deal China agreed to lend Kazakhstan USD 10 billion in a loan for oil deal.

Sinochem Corp, China No 4 oil firm has been an increasingly active acquirer recently.

(Sourced from Reuters)

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