

---

## Minmetals to buy stake in Hunan Nonferrous soon - Official

*Monday, 16 Nov, 2009*

Reuters quoted an official from the China Nonferrous Metals Association as saying that Minmetals CHMIN.UL is expected to buy a stake in the Hunan Nonferrous Group soon.

Ms Zhao Cuiqing head of the lead and zinc department at the China Nonferrous Metals Industry Association, told a conference that the provincial government of Hunan, in central China was strongly backing the deal.

Ms Zhao said that "The Hunan government is keen to push it through." She did not know the size of the stake or how long it would take to complete the acquisition.

In September 2008, Minmetals signed a strategic cooperation pact with Hunan Nonferrous, giving it the option to acquire 40% stake in the company, the owner of China's biggest zinc producer, Zhuzhou Smelter. Other large state owned metals conglomerates were also trying to make inroads into the lead and zinc industry.

Jiangxi Copper will be capable of producing 100,000 tonnes of zinc and 120,000 tonnes of lead once its expansion plans are completed. Tongling Nonferrous 000630.SZ is also building 100,000 tonnes of lead capacity and 100,000 tonnes of zinc capacity in Chizhou in eastern China's Anhui province.

Ms Zhao said that "Companies owned by the central government will be a major force in regional industry consolidation in some areas."

(Sourced from Reuters)

For more news visit at [www.steelguru.com](http://www.steelguru.com)