
Indonesia urges Antam to buy shares in Newmont unit

Thursday, 19 Nov, 2009

Reuters reported that Indonesia has asked state miner PT Aneka Tambang Tbk to join a consortium to buy 14% stake worth nearly USD 500 million in the local unit of Newmont Mining Corporation.

An arbitration court in late March ordered the foreign shareholders of PT Newmont Nusa Tenggara to sell part of their stake to local investors or to the government within 6 months, resolving a long running dispute over ownership.

The government and Newmont agreed last week to an extension to November 23rd 2009 to complete the sale of another 14% stake worth USD 493.6 million after Antam dropped plans to join a consortium of local governments.

Mr Hatta Rajasa chief economics minister of Indonesia said that "We extended the deadline to give time for the local governments and Antam to talk again to find the best solution. The State Enterprises Ministry insists Antam should join in."

Mr John Teja head of sales at Ciptadana Sekuritas said that "There is the potential that Antam may bid for Newmont, as the government wants them to be a part of the divestment again. The deadline is November 23rd 2009, so there's still a chance for them."

(Sourced from Reuter)

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