
Doe Run may take on partner for smelter in Peru

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Bloomberg reported that Doe Run Peru may sell a stake in its shuttered smelter to help finance the restart of operations.

Mr Fernando Gala deputy mining minister of Peru said that Doe Run, which closed the facility in June after suppliers demanded payment of USD 156 million in debt, is unlikely to be able to reopen the smelter before February.

Mr Gala said that the company will have to bring in a partner if it can't get the financing. Suppliers aren't going to give them any more credit.

This is the first time the government has said Doe Run, a unit of Renco Group Inc could sell a stake in the smelter which closed June 2 after suppliers refused to sell it raw materials. Banks halted lending in February after copper, zinc and lead prices fell at least 49% in London last year.

Mr Jose Mogrovejo VP of Doe Run said that the company is negotiating with a strategic partner to finance the purchase of concentrates from suppliers.

(Sourced from Bloomberg)

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