
BHPB denies Rio back sliding on iron ore JV

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Global miner BHP Billiton dismissed talk on Thursday that its iron ore partner Rio Tinto was baulking at their proposed USD 116 billion joint venture and said they were close to a binding agreement.

Rio Tinto and BHP Billiton plan to combine their Australian iron ore operations, aiming to save around USD 10 billion a year on capital and production costs.

Responding to media reports that Rio Tinto was getting cold feet over the deal, struck in June when Rio Tinto's share price was 25% lower Mr Don Argus chairman of BHP Billiton denied that commitment to the deal had been weakened.

Mr Argus said that "That's not the case within both parties. And that's certainly not the case from a majority of shareholders. They want to see this go through."

Mr Kloppers said CEO of BHPB said that the companies expect to have the main submissions on the joint venture to regulators by the end of this year adding that the main terms of the agreement should be hammered out shortly. He said that "By the end of this year we would like to be in the position where the definitive agreements have been concluded, where required submissions to regulators have been done."

(Sourced from Reuters)

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