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## **Korea Resources sells part of its Madagascar nickel mine**

*Friday, 03 Sep, 2010*

Korea Resources Corp a state run resources explorer, will sell part of its stake in a nickel mine in Madagascar to Korean companies for USD million to raise cash for future mining projects abroad.

Seoul based Korea Resources in a statement said that the company will sign an agreement to sell a 5% stake in the Ambatovy mine.

Trading house Samsung C&T Corp will buy 3%, Hyundai Heavy Industries Co 1.5 % and Hyundai Corp 0.5%. Korea Resources held a 22.5% stake in the mine before the sale.

According to the statement, South Korea, which imports almost all its energy and minerals, is competing with China and Japan to secure supplies of raw materials. The USD 4.65 billion Madagascar mine will produce 60,000 tonnes of nickel a year starting from 2011.

It said that Korea Resources and other companies will receive 30,000 tonnes of the metal from the mine's processing plant each year, meeting about a quarter of the North Asian nation's annual needs.

Nickel is used to make stainless steel and in rechargeable batteries.

(Sourced from Bloomberg)

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