
Interros and Metalloinvest to set up mining giant

Thursday, 29 May, 2008

Interfax reported that the Interros holding company and Gallagher, a company representing Mr Alisher Usmanov main owner of the Metalloinvest holding company, have reached agreement to set up an international mining and metal company.

Gallagher has offered to buy a maximum stake of 10% in Russian palladium and nickel mining and smelting operator MMC Norilsk Nickel while Interros is considering buying a stake of 25% plus one share a blocking stake in Metalloinvest and will soon ask the Anti Monopoly Service for approval of the planned purchases.

The two sides value the planned investment at USD 50 billion to USD 60 billion.

The report said "One of the possible aims of this investment is participation in the project to develop the Udokanskoye [copper] deposit."

The report said consolidation of assets in the mining and metal industry has indisputable advantages, the report said. So Interros and Gallagher as principal stakeholders of Norilsk Nickel and Metalloinvest have decided to invite Oleg Deripaska's Basic Element company to join the planned partnership for organizing a mining and metal company.

For more news visit at www.steelguru.com