
Harbinger buys 8% stake in Midwest

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New York based investment house Harbinger Capital Partners has purchased an 8.1% stake in Midwest Corporation Ltd, adding to the likelihood Midwest's merger with Murchison Metals Ltd will win shareholder backing.

Harbinger, who already holds an 18.9% stake in Murchison Metals, purchased 17 million shares in the iron ore miner.

With both Murchison Metals and Chinese steel trader Sinosteel placing offers to take over Midwest, the 8.1% stake purchased by Harbinger will give the company increased power when shareholders vote on the merger proposals.

This comes after Sinosteel revealed yesterday that it would not increase its offer for Midwest beyond USD 6.38 per share, extending the closing date to June 13.

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