
Straits Resources well-placed for acquisitions after PTT deal

Tuesday, 24 Mar, 2009

STRAITS Resources said that it is well placed for acquisitions after selling a stake in its coal assets for USD 335 million.

The transaction will give Thailand's PTT International a 28.26% interest in Straits' Singapore listed coal subsidiary Straits Asia Resources, which operates two thermal coal mines in Indonesia.

The base and precious metals miner had been reviewing its 47.1% holding in Straits Asia since receiving a number of unsolicited expressions of interest for the stake in late 2008.

Mr Milan Jerkovic CEO of Straits said that the part sale would provide the company with the funds to pursue potential acquisitions, particularly in precious metals, copper or bulk commodities. He told reporters that "Straits will be well placed to look at attractive acquisitions at a low point in the cycle. While we don't have anything specific in mind, copper and precious metals are probably the initial areas that we'll look at."

Mr Jerkovic added that the company was looking at other uses for the funds, including a distribution to shareholders and the repayment of debt facilities.

(Sourced from theaustralian.news.com)

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