
Jinchuan Group inks LoI with Belvedere Resources

Sunday, 03 May, 2009

Interfax China reported that Jinchuan Group has signed a non binding letter of intent with Canada based nickel miner Belvedere Resources Limited and its wholly owned subsidiary Finn Nickel Oy to convert all outstanding debts owed by the latter two parties to Jinchuan into equity stakes in Belvedere and Finn Nickel.

It may be noted that Belvedere has been unable to repay Jinchuan Group USD 7.5 million under the terms of a prepayment agreement entered on August 20th 2008 and owes another USD 2.55 million to Jinchuan Group under the terms of an off take agreement, due to price differences between initial and final payments caused by falling nickel prices.

Belvedere said that the parties have pledged to resolve the outstanding debt within 45 days and the deal is still subject to due diligence and regulatory approvals.

(Sourced from www.interfax.cn)

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