
China declines Guinea offer for Rio Tinto ore mine - Report

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Business spectator reported that China offered an African iron ore field seized from Rio Tinto but declined out of sensitivity to international repercussions.

According to the report, the late Guinea dictator Lansana Conte offered Rio's Simandou iron ore tenement to China's state-owned companies in exchange for railways, roads, ports and hydroelectricity projects, last year.

Chinalco, which is looking to invest USD 19.5 billion in Rio in return for an 18% stake in the dual-listed miner, told Fairfax that the Guinea government was trying everyone in China including Chinalco.

Mr Wang Wengfu who is leading Chinalco bid for Rio Tinto said "The Chinese government encourages Chinese companies to go to Africa, but they are also sensitive to the international results. He said that Chinalco said no it would have been unprofessional."

Mr Wengfu said the offer was demonstrative of China's role within Africa. He said that "It's an example of how Chinalco could enhance the position of Rio Tinto. This sort of thing is happening wherever you go in Africa."

(Sourced from Business spectator)

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