
Xstrata and Komipo agree for 2009 coal tonnage at USD 63

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Reuters reported that South Korean utility Korea Midland Power Company has agreed to buy part of its 2009 term contract tonnage from Xstrata's coal unit at about USD 63 per tonne.

The source said that KOMIPO's current annual contract tonnage with Xstrata is at 500,000 tonnes and it has agreed earlier this week to buy 375,000 tonnes of coal at around USD 63 per tonne, based on coal with a heating value of 6,080 kcal per kilogram.

Annual contract negotiations between South Korean utilities and Australian producers, led by Xstrata have dragged on since the start of the year as both parties have been unable to agree prices.

(Sourced from Reuters)

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