

# Herald Sun

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DEALS GLENCORE, the Swiss commodities trader that approached Rio Tinto with a takeover proposal, has explored plans to list in Australia.

The group has spoken with major investors to gauge their interest, sources say. The Swiss **company** has not made a final decision and it is unclear if the group is still considering the plan.

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Executives at Glencore, which is based in the city of Baar, are understood to have discussed the proposal with key investors mid year.

The news comes after it emerged this week that Glencore had approached Rio in July about a potential buyout.

Rio revealed on Tuesday it had unanimously rejected the plan and there had been "no further contact between the companies on this matter".

If the companies were to **merge**, it would spawn a \$182 **billion** titan — the world's biggest **mining company** with commanding positions in **iron ore**, **copper**, nickel, zinc and **coal**.

Glencore is listed in London, **Hong Kong** and Johannesburg. If the group were to list in Australia, it would be a secondary listing.

Australia would be an attractive addition as it offered the opportunity to broaden the **company's** shareholder base in a country where investors understood **mining** stocks, one of the sources said.

After being rebuffed by Rio's board, Glencore reached out to Rio's biggest investor — Aluminium Corporation of **China** — to gauge its interest in a potential deal in the next year, people familiar with the matter said earlier in the week.

Glencore has said it is no longer actively considering an offer for Rio, barring it in most circumstances from making a renewed bid for six months under UK takeover rules.

Glencore's interest in an Australian listing is believed to have predated the approach to Rio.

But trading shares in the country would make it easier for Rio's Australian shareholders to participate in an offer that included stock, a source said.

Rio is listed in Australia and the UK. The **company** is an investor mainstay in Australia and derives more than 80 per cent of its profit from **iron ore** mines in Western Australia's Pilbara region.

Glencore is one of the biggest **mining** companies operating in Australia. Glencore shares have risen 8.4 per cent this year in London, compared with a 4 per cent decline in the benchmark FTSE 100 Index.

Rio shares tumbled 3 per cent to \$57.26 yesterday, outstripping falls in the broader market.BLOOMBERG

**CO** craaus : Rio Tinto Ltd | march : Glencore PLC | rtz : Rio Tinto PLC

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