

Display Options

+

Related Dow Jones Intelligent Indexing™

 Listen to Article |  Translate Article |  Share

HD Lundin Mining Announces Agreement to Sell Interest in TF Holdings for \$1.136 Billion
WC 366 words
PD 16 November 2016
SN [Resources News \(RWE\)](#)
SC RESNEW
LA English
CY Copyright 2016 RWE Australian Business News Pty Ltd. All Rights Reserved.

LP Sydney - Wednesday - November 16: (RWE) - Lundin Mining Corporation [TSX:LUN] announces that it has entered into a definitive agreement to sell its indirect interest in TF Holdings Limited to an affiliate of BHR Partners, a Chinese private equity firm, for \$1.136 billion in cash and contingent consideration of up to \$51.4 million, consisting of \$25.7 million if the average copper price exceeds \$3.50 per pound and \$25.7 million if the average cobalt price exceeds \$20 per pound, both during a 24-month period beginning on January 1, 2018.

The consideration to be received by Lundin Mining is equal to the implied value of the company's stake in TF Holdings based on the transaction between [Freeport-McMoRan Inc](#) and [China Molybdenum Co, Ltd](#) announced on May 9, 2016.

TD TF Holdings is a Bermuda holding company that owns an 80 per cent interest in Tenke Fungurume Mining SA.

[Lundin Mining](#) has an indirect 30 per cent interest in TF Holdings and therefore, an effective 24 per cent interest in Tenke.

In connection with the Transaction, [Lundin Mining](#) has waived its right of first offer to acquire Freeport's indirect interest in TF Holdings.

The Transaction is subject to the receipt of certain regulatory approvals, the completion of Freeport's sale of its interest in TF Holdings to CMOC and other customary closing conditions.

A termination fee of \$100 million, which has been secured by a letter of credit that has been received by the company, is payable to Lundin Mining in certain circumstances, including upon termination of the Transaction due to the failure to obtain necessary regulatory approvals.

Mr Paul Conibear, President and CEO commented: "The decision to sell our minority interest in Tenke has been arrived at following a careful and lengthy consideration of all options open to us.

It was a difficult decision, respecting the 20 years of Lundin involvement in Tenke, and the special nature of this world class asset.

The sale will enable [Lundin Mining](#) to advance its strategy to incrementally grow the company with projects and operations we control, while maintaining a strong balance sheet.

CO chmoly : China Molybdenum Co Ltd | fmcc : Freeport-McMoRan Inc. | sadiac : Lundin Mining Corporation

IN i211 : Metal Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying

NS c181 : Acquisitions/Mergers/Divestments | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter

RE china : China | nswals : New South Wales | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | austr : Australia | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

PUB RWE Australian Business News Pty Ltd

AN Document RESNEW0020161116ecbg00001

UI Ver:98.6.0 Mod:13:30 ID:FWEB10

© 2017 Factiva, Inc. All rights reserved. [Terms of Use](#) | [Privacy Policy](#) | [Cookie Policy](#) |