

THE AUSTRALIAN

SE Business

HD DATAROOM

WC 1098 words

PD 20 April 2015

SN The Australian

SC AUSTLN

ED Australian

PG 20

LA English

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LP Newcrest's Telfer mine up for grabs The starting gun has been fired for the **sale** of Newcrest's Telfer **gold** and **copper** mine in Western Australia, with flyer documents sent out to potential buyers this month.

Telfer is among at least \$1 **billion** of resources assets currently up for **sale** nationally.

TD Adviser Bank of America Merrill Lynch is said to have reached out to a wide range of potential bidders, such as Australia's Newmont **Mining**, Northern Star and Regis Resources, along with South Africa's **Gold** Fields and **China**'s Zijin Group.

One source said a smaller operator could scale down the country's second-largest goldmine to boost profitability.

Newcrest has not previously offered any insight into the value of the Telfer **gold** and **copper** mine, which is one of Australia's largest.

However, there is a suggestion it could sell for between \$400 **million** and \$500m. The moves by miners to divest projects come as part of a global trend for major resources companies to reposition portfolios to shore up cash positions as commodity prices tumble.

First-round bids have already been submitted for a Credit Suisse-run process to sell Barrick **Gold**'s mines.

It is understood that Zijin, Newcrest, **Gold** Fields and Regis are also likely to be among the groups that have submitted bids for Barrick's NSW Cowal mine, which may sell for \$500m.

Operational issues at Barrick's Pogeru mine in PNG could make a **sale** of that asset more challenging.

There are also questions around whether prospective acquirers would buy into what is thought to be a very aggressive business plan by Barrick for the project.

The **company** is banking on expansions that some argue are low grade. Anglo American's **sale** process for its Queensland **coal** assets, also being run through BAML, is expect to be launched in May.

The London-based miner is selling the Callide coalmine in Queensland, along with stakes in the Dawson and Foxleigh mines in the state. Its mothballed Dartbrook mine in NSW is also on offer. La Mancha's Australian **gold** assets are also for **sale** through Rothschild, with Evolution **Mining** said to be an interested buyer.

Suitors circle Bradken It appears that the **mining** services **company** Bradken has not only been on the radar of Pacific **Equity** Partners and Koch Industries, which recently made an unsuccessful \$2.50 per share takeover attempt, but quite a number of other parties.

Apparently, the business has been of interest to British engineering firms Amec Foster Wheeler and Atkins, while another US-based suitor has been looking at the **company**.

Champ Private **Equity** gave some thought to an **acquisition** in November before turning its attention elsewhere.

Attempts have also been made by [Macquarie Capital](#) to find a partner with which it can launch a rival offer.

Bradken's shares on Friday closed at \$2.24. PEP and Koch's attempt to buy Bradken is a clear example of a broader theme in parts of the market where a number of deals are just not getting across the line.

This is despite Mergermarket figures showing merger and **acquisition** activity lifted 72 per cent for the first three months of the year to \$24.7 **billion**, on the previous corresponding quarter.

[Guangdong Rising Assets Management's](#) attempts to take over Australian **gold** and **copper** miner PanAust for \$1.1bn have so far gone nowhere.

GRAM already held a 22 per cent **stake** in the **company** before it recently launched a bid for PanAust, which has been rejected by the **company's** board.

Other suitors are thought to be interested in the business, but would not make a bid while GRAM is in pursuit, sources say.

One theory is that GRAM would creep up the register and count on more shareholders being prepared to sell, as the stock became less liquid.

But if shareholders held on, then GRAM may lose interest, paving the way for other potential suitors to launch a higher offer.

Meanwhile, there is an impasse in another deal: the merger proposal made by [Iron Mountain](#) in December to Recall for \$7 per share, which was rejected at the time.

Security logistics firms US-based Brinks and the Linfox-owned Armaguard have been mentioned as groups that could be encouraged to make an offer for Recall, although some believe **Iron Mountain** is the most logical candidate for a **purchase**.

Recall shares are now trading at \$7.74.

MYOB roadshow Following the domestic leg of MYOB's roadshow last week for its listing as a **company** worth at least \$1.9 **billion**, the verdict from fund managers is that the accounting software provider is a solid business that will draw strong demand for its initial public offering.

Retail investors are said to have retreated because of the wide pricing range of \$3 to \$4, leaving a lack of clarity as to what they will pay for the business.

The question remains whether there will be challenges three years down the track with the shift in the market towards cloud-based software.

MYOB has desktop, hybrid and cloud versions of its software, which makes it more complicated for downloading than others that provide solely cloud-based software, such as rival Xero.

While MYOB has made a lot of progress in embracing the cloud, it still has some way to go.

Some believe MYOB has similarities to the credit ratings agency Veda, which last year staged a strong market debut, and is likely to be priced at either the mid to high point of the range due to the lack of similar businesses.

Swiss bid for Select Global asset manager Adveq is believed to be among the parties that lodged first round bids for Select Harvest, along with others that had been predicted to enter the contest, such as Laguna Bay Pastoral **Company**, US-based agricultural asset manager Westchester and funds out of Europe.

The almond grower's managing director Paul Thompson announced last month that the **company** was launching a process through advisory **firm** PPB, seeking expressions of interest from long-term investors to fund 5000 acres of orchard expansion.

Select Harvest, which is Australia's largest vertically integrated nut and health food **company**, is understood to be looking for an **equity** injection of \$250m.

The latest process is happening at a time almond prices are soaring — currently about \$10 per kilo, well above the average price of \$6. Switzerland-based Adveq, with Laguna Bay Pastoral **Company**, last year paid \$211m for Olam Australia, which accounts for about half of the country's almond production.

CO jowell : Regis Resources Limited | newmoh : Newcrest Mining Ltd

IN i211 : Metal Ore Mining | i2114 : Copper Ore/Nickel Ore Mining | igoldm : Gold Ore Mining | ibasicm : Basic Materials/Resources
| imet : Mining/Quarrying

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