

**SE** News  
**HD** **Aquila urges shareholders to accept Baosteel-Aurizon takeover offer**

**BY** Marnie Hobson

**WC** 276 words

**PD** 18 June 2014

**SN** Platts Coal Trader International

**SC** CLTRDI

**VOL** ISSN: 1746-8914, Volume 14, Issue 116

**LA** English

**CY** © 2014 McGraw-Hill, Inc.

**LP**

Aquila Resources urged its shareholders Wednesday to accept the A\$1.4 billion (\$1.3 billion) joint takeover offer from China's Baosteel Resources and Australian freight company Aurizon at A\$3.40/share, the company said Wednesday.

In light of the termination of discussions with Australia's Mineral Resources about a rival takeover bid, and Baosteel's recent announcement that it would not increase its share offer price or extend the acceptance period beyond July 11, Aquila has recommended that its shareholders accept the Baosteel and Aurizon offer, the miner said in a statement Wednesday.

**TD**

Aquila chairman Tony Poli who holds 28.92% of Aquila also said Wednesday he intends to accept the Baosteel-Aurizon offer in the absence of a superior proposal.

Baosteel already holds 19.8% of Aquila and if the deal goes through Aurizon would then hold 15% of Aquila, and Baosteel, the other 85%.

Both companies would also take control of Aquila's stake in the 30 million mt/year West Pilbara iron ore project — a 50:50 joint venture with American Metals & Coal International.

The project also requires a 282-km railway and port capacity to be built at the undeveloped Anketell Point, located west of Port Hedland.

Aquila is also developing the Eagle Downs coking coal project — via a 50:50 joint venture with Brazil's Vale — located south of Moranbah in the Bowen Basin, close to BHP Billiton-Mitsubishi Alliance's Peak Downs mine.

Eagle Downs is due to start production in 2017 at a rate of 4 million-5 million mt/year.

Marnie Hobson

**CO** aqres : Aquila Resources Ltd. | baois : Shanghai Baosteel Group Corp | qrntrl : Aurizon Holdings Limited

**IN** i211 : Metal Ore Mining | i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | i71 : Railroads | ibasicm : Basic Materials/Resources | icargo : Freight/Cargo Transport | igoldm : Gold Ore Mining | imet : Mining/Quarrying | irailtr : Road/Rail Transport | irfrgt : Railroad Freight | isteel : Steel Production | itsp : Transportation/Shipping

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

**RE** austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

**IPD** Mining

**PUB** The McGraw-Hill Companies, Inc.

