



SE Inward & Outward Investment

HD Baosteel in joint cash offer for Australia's Aquila Resources

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SHANGHAI -- Baosteel Resources Australia, a unit of **China's** largest steel maker Baosteel, and Australian rail freight operator Aurizon **Operations** Ltd. on May 5 announced a joint all-cash offer to acquire Aquila Resources Ltd.

The two offered to pay 3.4 Australian dollars (3.2 U.S. dollars) per share in cash, valuing the Australian development-stage **mining company** at about 1.4 **billion** Australian dollars (1.3 **billion** U.S. dollars), Baosteel said in a statement.

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The cash offer represents a 38.8% premium to the closing price of 2.45 Australian dollars per share on May 2, the last trading day prior to the announcement.

Baosteel Resources Australia is a wholly owned subsidiary of Baosteel Resources International Co., the overseas resources development arm of Baosteel Group Corporation. Aurizon is a wholly owned subsidiary of Aurizon Holdings Limited, Australia's leading bulk rail freight operator.

Baosteel Resources International Co. currently holds a 19.8% **stake** in Aquila.

If the **acquisition** goes smoothly, Baosteel Resources International will own up to 85% of Aquila and Aurizon will own the remaining 15%, said the statement.

The **acquisition** is in line with Baosteel Resources International's strategy of building a leading global resource business through the development of the West Pilbara **Iron Ore** Project and the Queensland Eagle Downs Hard Coking **Coal** Project, it said. (XBW)

CO aques : Aquila Resources Ltd. | baois : Shanghai Baosteel Group Corp | qmntl : Aurizon Holdings Limited | dorval : Aurizon Mines Ltd | hclamn : Hecla Mining Co

IN i211 : Metal Ore Mining | i2112 : Gold Ore/Silver Ore Mining | i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | i71 : Railroads | ibasicm : Basic Materials/Resources | icargo : Freight/Cargo Transport | imet : Mining/Quarrying | irailtr : Road/Rail Transport | irfght : Railroad Freight | isteel : Steel Production | itsp : Transportation/Shipping

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

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