

CLM Top Stories
HD **Yanzhou Drops Plans for Buyout of Yancoal**
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SYDNEY--China's Yanzhou Coal Mining Co. (YZC) has abandoned plans for a buyout of Yancoal Australia Ltd. (YAL.AU), the Australian-listed coal producer said Monday.

"Yanzhou today notified Yancoal that [it] no longer wishes to pursue with its indicative non-binding proposal regarding the possible privatization of Yancoal Australia," Yancoal said in a statement to the Australian Securities Exchange, without elaborating further.

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The planned deal was announced last July and would have seen Yanzhou buy out minority investors in the unit--in which it holds a 78% stake--and delist the stock.

Hong Kong-listed Yanzhou, one of China's largest coal mining companies, said at the time that it could better manage the impact of weak coal prices if it had full control of the Australian unit.

Last December, Australian Treasurer Joe Hockey relaxed ownership restrictions on Yanzhou, which had committed in 2009 to sell down its holding so it could secure government approval for a 3.5 billion Australian dollar (US\$3.2 billion) takeover of Felix Resources Ltd. The restrictions would have forced Yanzhou to reduce its stake below 70% by the end of last year.

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CO yaptl : Yancoal Australia Limited | ynzmn : Yanzhou Coal Mining Co Ltd | yankua : Yankuang (Group) Corp
IN i111 : Coal Mining | iindstrls : Industrial Goods | i1 : Energy | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | i112 : Coal Mining Support Activities
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