



HD Australia, **Hong Kong** : Xanadu Mines acquires Mongolian **copper-gold** exploration project

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ASX-listed Xanadu Mines Ltd today announced that it, and its joint venture **company** Mongol Metals LLC, have completed the **acquisition** of a 90% interest in Oyut Ulaan LLC from a wholly owned subsidiary of Turquoise Hill Resources Ltd. Oyut Ulaan LLC owns 100% of the Kharmagtai porphyry **copper-gold** exploration project located in the South Gobi region of Mongolia. Minter Ellison acted as legal counsel to Xanadu Mines, with an advisory team led by Elisabeth Ellis, with Sebastian Rosholt and Dunnaran Baasankhuu in Ulaanbaatar and Bruce Cowley, Simon Scott and Jordan Phillips in Brisbane (Australia). Commenting on the transaction, Ms. Ellis said the **acquisition** marks a significant milestone in Xanadu's Mongolian strategy and is good news for Mongolia, which is seeking to encourage direct foreign investors back to the country.

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"The team on the ground in Mongolia drew on our **firm's** specialist **mining** expertise and worked closely with our colleagues in Brisbane to bring the transaction to a successful conclusion. Mongolia offers enormous opportunities for private sector investment, not only in natural resources but also in infrastructure development and in associated services industries. This deal is a good and positive sign for renewed growth in this market," Ms Ellis said. In November 2013, the Mongolian Government passed its new Investment Law, which repealed previous legislation that required approval for foreign investment by private companies. Earlier this year, the Government also adopted a new Minerals Law Policy, which is designed to establish a stable investment environment and strengthen the competitiveness of the Mongolian **mining** sector on the international market. The US\$14 **million acquisition** is being funded by Xanadu with a US\$4.0 **million**, 3-year loan agreement with the Noble Group and US\$4.0 **million equity** in Mongol Metals from its joint venture partner as initial consideration. Xanadu Mines Ltd is an ASX listed mineral **company** that has assembled a significant exploration portfolio across Mongolia's porphyry belts. Kharmagtai is one of the most advanced, undeveloped **copper** projects in Mongolia and places Xanadu and Mongol Metals at the forefront of unlocking Mongolia's **copper** potential.

CO ellhw : Minter Ellison | inchgl : Turquoise Hill Resources Ltd. | xdmin : Xanadu Mines Limited | craaus : Rio Tinto Ltd | rtz : Rio Tinto PLC

IN i211 : Metal Ore Mining | i2114 : Copper Ore/Nickel Ore Mining | i835 : Legal Services | ibascm : Basic Materials/Resources | ibcs : Business/Consumer Services | igoldm : Gold Ore Mining | imet : Mining/Quarrying

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

RE mongla : Mongolia | austr : Australia | brisbn : Brisbane | china : China | queensl : Queensland | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | casiaz : Central Asia | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

IPD Minerals and Mining

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