

## Anglo agrees revised terms for sale of Amapá to Zamin

Resources group Anglo American has agreed revised terms for the sale of the Amapá iron-ore operation in Brazil to Zamin.



In January Anglo announced the sale of its 70% interest in Amapá to Zamin Ferrous.

In March, prior to the completion of that transaction, a major geological event occurred at the Santana port facility, in which six people died. It also caused the destruction of the port ship-loader infrastructure and sampling tower.

In light of these circumstances, Anglo agreed to buy partner Cliffs Natural Resources' 30% stake in Amapá and has now agreed to amend the sale agreement with Zamin, to reflect its disposal of a 100% interest in Amapá to Zamin.

Anglo has agreed to sell 100% of Amapá to Zamin for US\$136m, subject to certain adjustments on completion plus the repayment of any inter-company balances.

In addition, Zamin will pay Anglo conditional deferred consideration of up to a maximum of US\$130m in to payable over five years and calculated on the basis of the market price for iron ore.

Anglo American will use the proceeds to reduce debt.

As part of the transaction, Anglo will assume responsibility for, and the risks and rewards of, the insurance claim in relation to the Santana port incident by acquiring the claim at full claim value.

"After the tragic incident at the Santana port, the successful completion of this transaction will allow a more certain future for all the stakeholders of Amapá and for Anglo to deliver on its strategic objectives," it said.

The transaction is expected to close by the end of the year and is subject to Amapá state regulatory approval.