



ENERGY

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Whitehaven Coal buying Aston, Boardwalk for \$3 billion

By Reuters Staff



MELBOURNE (Reuters) - Whitehaven Coal [WHC.AX](#) has agreed to take over Aston Resources [AZT.AX](#) and another miner in a \$3 billion deal to create Australia's biggest independent coal miner, looking for scale as it taps into booming Asian coal demand.

The tie-up marks the latest in Australia's hottest deal sector over the past three years, topped by U.S. miner Peabody Energy's [BTU.N](#) takeover of Macarthur Coal for \$5 billion last month.

Whitehaven will get Aston's 75 percent stake in the Maules Creek project close to Whitehaven's mines in New South

Wales state, which will help boost production from 6 million tonnes a year in 2012 to 25 million tonnes a year by 2016.

About 60 percent of production from 2016 will coking coal for steel mills.

Aston shareholders will receive 1.89 Whitehaven shares for each Aston share, valuing Aston at A\$2.25 billion, a 13 percent premium on Friday's close.

Existing Whitehaven shareholders will receive a special dividend of A\$0.50 a share, or A\$247 million.

Whitehaven has also agreed to buy Boardwalk Resources, which is partly owned by Aston's founder and chairman Nathan Tinkler, offering 85.88 million Whitehaven shares, plus up to 34 million more shares if Boardwalk wins mining leases on two projects.

“I believe the merged entity will represent an extremely attractive investment of scale in the rapidly consolidating

Australian listed coal sector and is positioned to deliver substantial synergy benefits to shareholders,” Tinkler said in a statement.

Whitehaven managing director Tony Haggarty will be managing director of the merged group.

The move by Whitehaven follows its own failed attempt to sell itself earlier this year after receiving bids from Chinese and Indian companies.

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