

# JSW Steel to invest \$120 mn in Australian mining firm

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JSW Steel on Monday announced acquisition of up to 66.67 per cent in Australian miner M Res NSW HCC Pty Ltd (M Res NSW) in a bid to boost raw material security. In an exchange filing, the company said the board at its meeting on August 12 has approved the acquisition of an economic interest of up to 66.67 per cent in M Res NSW by way of subscription to non-voting Class-B shares, for an investment of \$120 million.

The investment would be made through wholly owned subsidiary JSW Steel (Netherlands) BV.

According to the terms of the investment, the company would have to further invest \$50 million in M Res NSW towards deferred consideration payable in 2030.

In its regulatory filing, the company mentioned that raw material security and cost optimisation were key strategic priorities for JSW Steel and this acquisition was a step forward in achieving the objectives.

M Res NSW is owned by Matthew Latimore, the owner of M Resources Pty Ltd (M Resources), an international mining, investment, marketing and trading company, with headquarters in Australia.

M Res NSW owns a 30 per cent interest in Golden M NSW Pty Ltd (Golden M), the proposed ultimate owner of Illawarra Coal Holdings Pty Ltd (Illawarra Metallurgical Coal), whose operations consist of the Appin and Dendrobium coking coal mines and associated infrastructure in New South Wales, Australia.

These mines have total marketable reserves of 99 million tons (mt) of prime hard coking coal and have produced, on average, 6.5 mtpa in the past five years.



**Move to ensure raw material security, cost optimisation for the firm**