

Metals & Mining

Shearman & Sterling's metals & mining group has played an instrumental role in many of the world's most significant precious, base and specialty metals matters.



Our international team utilizes a multidisciplinary approach to provide a wide breadth of industry and geographic coverage. The multinational experience we provide serves to meet the demands of the most complex transactions and projects in the world. We bring to bear our extensive metals and mining industry expertise in various disciplines, including capital markets, M&A, antitrust/competition, projects, finance, derivatives and litigation/international arbitration.

We represent all manner of companies – from major, multinational corporations with significant asset portfolios and extensive development and operational experience – to junior metals and mining companies acquiring or developing and financing their initial properties – to the financiers of all such companies.

Our team has advised metals & mining companies and issuers on market-shaping corporate transactions and on important capital raising transactions, as well as on resolution of significant commercial and foreign investment disputes. We also have advised our clients during the pre-dispute period, at the time disputes with joint venture partners, host states and others are just emerging. During this critical period, we are often able to assist in avoiding litigation or arbitration; alternatively, if it is unavoidable, we can help best position our clients. Companies with which we work include Anglo American, AngloGold Ashanti, ArcelorMittal, Arch Coal, Barrick Gold, Corus Group, Essar, Goldcorp, Newcrest, Nyota Minerals, Pan American Silver, Peabody Energy, Sundance Resources, Teck Resources and Yamana Gold.

We also have advised on a wide range of financing transactions including acquisition, corporate, project and structured financings. The metals & mining projects we have participated in worldwide range from the Pascua-Lama gold/silver project in Chile and the Pueblo Viejo gold/copper project in the Dominican Republic - to the Tulu Kapi gold project in Ethiopia and the Nui Phao tungsten-fluorspar mine in Vietnam – to the Essar open pit iron ore mine/pellet plant in Minnesota and Blue Pearl's acquisition and expansion of Thompson Creek's molybdenum mines in across the U.S.

Corporate

AFRICAN BARRICK GOLD

Regularly advise African Barrick Gold and Barrick Gold, including in connection with African Barrick Gold's £2.3 billion initial public offering on the London Stock Exchange.

ALBRAS | ALUNORTE

Advised Japan Bank for International Cooperation with respect to a loan to ALBRAS – Alumínio Brasileiro and related security interests in connection with the sale by Vale to Norsk Hydro of a 51% interest in Alumina do Norte do Brasil.

ANGLO AMERICAN

Advising Anglo American in its sale of Moly-Cop and AltaSteel to OneSteel for a total consideration of \$932 million on a debt and cash free basis.

ANGLOGOLD ASHANTI

Regularly advise AngloGold Ashanti on capital markets and M&A matters, including in its initial public offering and numerous follow-on offerings; its \$1.9 billion stock-for-stock merger with Ashanti Goldfields to form AngloGold Ashanti; its acquisition of a 45% stake in the Kibali project in the Democratic Republic of Congo; its \$1.0 billion inaugural investment grade note offering; its \$1.1 billion sale of its 33.3% joint venture interest in Boddington Gold Mine to Newmont Mining; and its \$1.7 billion SEC registered rights offering.

ARCELORMITTAL

Advised ArcelorMittal and predecessor entities on over 15 major corporate transactions involving M&A, financing and antitrust advice, including its \$22 billion combination with LNM Holdings; its \$4.2 billion acquisition of International Steel Group; its \$4.7 billion unsolicited acquisition of Dofasco; its acquisition of a 12.6% interest in General Moly; and its \$1.4 billion acquisition of Siderúrgica Lázaro Cárdenas las Truchas from Grupo Villacero.

ARCH COAL

Acted for the underwriters on multiple securities offerings by Arch Coal, including the financing of Arch Coal's acquisition of International Coal Group with the proceeds from a concurrent offering of a \$2 billion Rule 144A/Regulation S offering of high yield notes and a \$1.3 billion registered public offering of common stock.

AURIZON MINES

Regularly advise Aurizon Mines on U.S. securities and acquisition matters, including its successful defense against a hostile takeover by Northgate Minerals.

BARRICK GOLD

Regularly advise Barrick Gold on U.S. securities and corporate matters, including advising Barrick Gold in a \$4 billion public offering of common shares and in a \$1 billion Rule 144A/Regulation S offering of copper bonds.

BLUE PEARL | THOMPSON CREEK

Advised Blue Pearl in its acquisition of Thompson Creek, which transformed Blue Pearl into the world's largest publicly traded molybdenum mining company.

CHINA COAL ENERGY

Acted for the underwriters in an initial public offering in Hong Kong and a Rule 144A/Regulation S offering of H shares related to the privatization of China Coal Energy.

CORUS | TATA STEEL

Advised Corus Group in its \$12.2 billion acquisition by Tata Steel UK, a subsidiary of Tata Steel, as well as the associated competition clearance.

Corporate

FORESIGHT ENERGY LLC

Acted for the underwriters in a \$400 million Rule 144A/Regulation S offering of high yield notes.

GERDAU

Acted for the underwriters on numerous securities offerings for Gerdau, including a \$2.5 billion series of equity offerings and a Rule 144A/Regulation S offering of its high yield guaranteed perpetual bonds.

KINROSS GOLD CORPORATION

Acted for the underwriters in connection with numerous securities offerings, including a \$1 billion a Rule 144A/Regulation S offering of investment grade notes.

METALLURGICAL CORPORATION

Deal of the Year 2009 —*Asian Counsel Magazine*

Acted for the underwriters in the \$2.35 billion Hong Kong initial public offering of Metallurgical Corp. of China, the country's biggest metallurgical engineering company.

NEWCREST

Advised Newcrest on the \$9 billion acquisition of Lihir Gold in relation to Lihir's African mining assets in Ivory Coast.

PEABODY ENERGY

Acted for the underwriters on multiple securities offerings of Peabody Energy, including a \$650 million registered offering of high yield notes.

PECHINEY | ALCAN

Advised Pechiney in its initially unsolicited and later recommended \$6.7 billion public offer for its shares by Alcan, as well as the associated antitrust clearances.

SHADEED IRON & STEEL

Advised Al Ghaith in its \$464 million sale of Oman-based Shadeed Iron & Steel Co. LLC to Jindal Steel & Power Ltd., an Indian company.

SPROTT PHYSICAL GOLD AND SILVER TRUSTS

Acted for the underwriters in the \$460 million initial public offering and \$597 million of follow-on offerings of units in the United States and Canada of Sprott Physical Gold Trust and in the \$575 million initial public offering of units in the United States and Canada of Sprott Physical Silver Trust.

STERLITE INDUSTRIES (INDIA)

Acted for the underwriters in the \$2 billion initial public offering of American depository shares of Sterlite Industries (India) and Sterlite Industries (India) Limited, a wholly-owned subsidiary of Vedanta Resources plc, and in its acquisition of substantially all of the operating assets of ASARCO LLC for \$1 billion in cash and a \$600 million note, as well as antitrust clearances.

TATA STEEL

Advised Tata Steel on its \$469 million sale of Teesside Cast Products to Sahaviriya Steel Industries of Thailand and related joint venture to operate Redcar Wharf.

TECK

Acted for the underwriters in connection with various bond tenders and bond offerings of Teck, including a \$2 billion registered MJDS shelf takedown of investment grade notes.

USIMINAS

Advised USIMINAS on numerous securities offerings, including in the public offering of its shares in Brazil and a Rule 144A/Regulation S offering of its shares and global depository shares by selling securityholders.

VEDANTA

Acted for the lead underwriters in a \$1.25 billion Rule 144A/Regulation S global offering of high yield notes of Vedanta Resources plc.

International Arbitration

EXPROPRIATION DISPUTE

Advised a multinational consortium of aluminum producers as Claimants in an ad hoc arbitration in Geneva against an African state. The applicable law was French, as was the language of the arbitration. The dispute concerned expropriation of the Firm's clients' interests in the defendant state and non-performance of a shareholder agreement.

FEASIBILITY STUDY DISPUTE

Advised Argosy, Inc. and Balzan Investment Ltd. as Respondents in an ICC arbitration in Paris initiated by NN Investment Holding SA. The dispute arose out of an agreement to conduct a feasibility study concerning minerals treatment and production in New Caledonia. French law applied and the language of the proceedings was English. Favorable settlement was achieved.

MINING JOINT VENTURE DISPUTE

Advised a multinational mining corporation in a dispute subject to ICC arbitration proceedings in London arising from a mining joint venture. Laws of Western Australia applied. Sums involved amounted to \$1.6 billion. Early settlement was reached.

PRIVATIZATION DISPUTE

Advised a European industrial group against a European company in an arbitration under the auspices of the International Arbitral Centre of the Federal Economic Chamber of Vienna. Austrian and Hungarian laws applied, and German was the language of the arbitration. The client was defending a claim arising from the privatization of a Hungarian company and settlement was reached after the exchange of written pleadings.

SALE OF MAJORITY STAKE DISPUTE AND ALLEGED IMPROPER PRE-BID ARRANGEMENTS

Advised Latin American parties as Respondents in a AAA arbitration in New York initiated by a North Asian company. The dispute, governed by Brazilian law, arose from the sale by the Respondents of their majority stake in a large Latin American iron ore producer to the Claimant. The counterclaim involved allegations of improper pre-bid arrangements by the Claimant in the course of the auction that preceded the sale. The amount of the counterclaim was in excess of \$150 million.

ALLEGED NON-COMPLIANCE WITH SHAREHOLDER PRE-EMPTION RIGHTS

Advised four metal companies as Respondents in an ICC arbitration in Paris initiated by a North American investment company and its principal shareholder. Turkish law applied. The dispute arose from the alleged non-compliance with shareholder pre-emption rights. An early settlement was reached.

CONSTRUCTION CONTRACT DISPUTE

Advised a North American company as Respondent in an ICC arbitration in Geneva brought by an Asian mining company. The dispute arose from a construction contract. The applicable law was Indian law and the proceedings were heard in English.

CONTRACT DISPUTE

Advised a North American metals company as Claimant in both a AAA arbitration in New York against a North American contractor and an ICC arbitration in New York against a European industrial company. The disputes arose from a contract for the relining of a blast furnace. The governing law was the law of the State of Pennsylvania and the language of the proceedings was English. Over \$300 million was at stake.

Projects and Finance

ALCOA

Middle East Industrial Deal of the Year 2010 —*Project Finance International*
Advised project sponsor Alcoa on its joint venture with Ma'aden, the Saudi Arabian mining company, to develop and finance an integrated aluminium smelter and rolling mill complex in Saudi Arabia.

ANGLOGOLD ASHANTI

Advised AngloGold Ashanti on its \$1 billion term loan facility agreement with Standard Chartered Bank to refinance its convertible bonds, enabling AngloGold Ashanti to secure a longer term, cost-effective refinancing.

CERRO CASALE | ZALDIVAR | LAS CRISTINAS

Advised Placer Dome on the Cerro Casale gold/copper project in Chile, the Zaldivar Copper Mine in Chile and the Las Cristinas gold/copper project in Venezuela.

VALE

Advised Credit Suisse, UBS Securities, ABN AMRO and Santander as joint lead arrangers and joint bookrunners of an \$18 billion financing for Vale's acquisition of Inco and in relation to a mining earn-in agreement for a nickel mine in Yemen.

EL MORRO

Goldcorp in connection with the development of its approximately \$2.2 billion El Morro gold/copper project in Chile.

ESSAR

Advised Essar in the financing of their approximately \$1.097 billion Integrated Iron Ore Pellet Plant Project in Northern Minnesota.

LAFARGE

Advised a consortium of lenders, including the European Investment Bank, Proparco, Bank Audi and EKF, on the financing of the development by Lafarge of a cement plant in northern Syria, the first project financing to close in Syria.

MOZAMBIQUE COAL MINE POWER GENERATION FACILITY

Advising Vale in connection with the development of a power generation facility at the mouth of its coal mine in Mozambique.

MT. HOPE

General Moly, Inc. in connection with the proposed Chinese bank financing of the \$1.2 billion Mt. Hope Project in Nevada.

NUI PHAO

Advising Dragon Capital, Tiberon Minerals and other sponsors in the proposed development and financing of the Nui Phao mining project, a tungsten, fluorospar, copper, bismuth and gold mine in Vietnam.

NYOTA MINERALS LIMITED

Advising Nyota Minerals Limited on the financing and development of the Tulu Kapi gold project in Ethiopia.

PUEBLO VIEJO

Mining Deal of the Year 2010 (Americas) —*Project Finance International*
Best Project Finance 2010 —*Latin Lawyer*

Advised Barrick Gold and Goldcorp in the \$1.035 billion project financing for their gold/copper resource in the Dominican Republic.

SUNDANCE RESOURCES

Advising Sundance Resources on the Mbalam/Nabeba iron ore mine rail and port integrated project in Cameroon and the Congo.

TIMMINS GOLD CORPORATION

Advised Timmins Gold Corp. in connection with the financing for the reactivation of its San Francisco Gold Mine in Mexico.

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SÃO PAULO
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TOKYO
TORONTO
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Our long-standing metals & mining clients value access to a unified, global legal team who efficiently advise across jurisdictions and substantive practice areas – involving all aspects of their business.

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