

BANKING/FINANCE

Gold Giant Newmont Raises Newcrest Bid to \$19.5 Billion



ADOBE STOCK

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by James Fernyhough and Jacob Lorinc

US gold giant Newmont Corp. has made a fresh bid for Australian rival Newcrest Mining Ltd., sweetening its record offer to A\$29.4 billion (\$19.5 billion) to bring closer the prospect of a precious metal behemoth.

The revised proposal, which comes two months after Newcrest rejected Newmont's earlier \$17 billion all-stock offer, would give Newcrest holders 0.4 shares in the world's largest gold miner for each held.

The deal also allows Newcrest to pay a franked special dividend of up to \$1.10 per share. That adds up to a combined implied value of A\$32.87 per share, representing a more than 46% premium to Newcrest's undisturbed price before February's bid.

The Australian miner jumped on the news, closing 5.2% higher at A\$29.74 in Sydney. Newmont shares dropped 3.3% to \$49.40 as of 7:52 a.m. in pre-market trading in New York on Tuesday.

The deal — the largest gold mining takeover, if completed — is key to Newmont's effort to increase output and extend its lead over other bullion mining rivals like Barrick Gold Corp., increasing its appeal to generalist investors. It will also increase Newmont's exposure to copper, a key material in the clean energy transition, at a time when analysts are predicting major shortages of the wiring metal over the coming decade. Newcrest wants copper to make up more than 50% of revenue by the end of the decade, up from around a quarter now.

"Together as the clear gold-mining leader, we would be well-positioned to generate strong, stable and lasting returns with best-in-class sustainability performance for decades to come," Newmont Chief Executive Tom Palmer said in a statement.

Major Newcrest shareholder Allan Gray Ltd. described itself as "positively disposed to this transaction." The asset manager holds a 7.3% stake in Newcrest, according to data compiled by Bloomberg, making it the second-biggest shareholder behind BlackRock Inc.

"Previously I felt that the scrip ratio on offer didn't strike the right balance,

and unnecessarily favored Newmont shareholders. It's clear that this is an improvement," Simon Mawhinney, chief investment officer of Allan Gray Australia Pty Ltd., said.

"Even though I feel the market, and possibly Newmont, underappreciates Newcrest's assets, I don't feel anywhere near aggrieved enough to try and scupper a transaction like this."

Morgans Financial analyst Sharad Bhat described the offer as "a reasonable price."

Newmont's New Bid Could Be Win-Win Given Production, Reserves

Dealmaking activity in the mining sector has ramped up in recent months, after two years of rising commodity prices have left many mining companies awash with cash — but still short of future production. Last week, Canadian miner Teck Resources Ltd. rejected a takeover bid from Anglo-Swiss commodities giant Glencore PLC for \$23 billion.

Newmont's offer follows other large gold deals including the \$5.2 billion takeover of Yamana Gold Inc. and Anglo Eagle Mines Ltd.'s \$10.4 billion takeover of Kirkland Lake Gold Ltd. a year ago.

The dividend component of the proposal takes advantage of an Australian tax law that grants domestic shareholders in local companies tax credits, but would not be available following the acquisition by the US company. These credits — based on the principal that corporation tax and personal income tax are interchangeable — can be "incredibly attractive to Australian-domiciled shareholders," Mawhinney said, adding it was a key reason he liked the offer.

Newcrest said it had opened its books for "confirmatory due diligence," but the deal still has several hurdles to cross, including securing a recommendation from Newcrest's board. Due diligence is expected to take approximately four weeks. Newmont has indicated its offer is its "best and final."

Newcrest is being advised by JPMorgan Chase & Co. and Gresham Advisory Partners Ltd. Newmont has engaged BofA Securities, Centerview Partners LLC and Lazard Ltd. as its financial advisers.

James Fernyhough and Jacob Lorinc report for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **COUNCIL ZONING MEETING** on **April 26, 2023 beginning at 6:00 PM** to consider amendments to the City's Official Zoning Map. The City Council will consider this item for **FIRST READING**. The meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166.**

The City of Doral proposes to adopt the following Ordinance:

ORDINANCE No. 2023-12

AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING AN AMENDMENT TO THE CITY'S OFFICIAL ZONING MAP FROM GENERAL USE DISTRICT (GU) TO CORRIDOR COMMERCIAL DISTRICT (CC) FOR ±11.6412 ACRES GENERALLY LOCATED SOUTH OF NW 41 STREET BETWEEN NW 107 AVENUE AND THEORETICAL NW 109 AVENUE, AND FROM GENERAL USE DISTRICT (GU) TO PRIVATE PARKS AND RECREATION DISTRICT FOR ±16.0994 ACRES GENERALLY LOCATED SOUTH OF NW 41 STREET BETWEEN THEORETICAL NW 109 AVENUE AND THEORETICAL NW 113 AVENUE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE

HEARING NO.: 23-04-DOR-08

APPLICANT: Bridge Point Doral 2700, LLC (the "Applicant")

PROJECT NAME: Bridge Point Retail Parcel

PROPERTY OWNER: Doral Farms, LLC

LOCATION: ±11.6412 acres generally located south of NW 41 Street between NW 107 Avenue and theoretical NW 109 Avenue and ±16.0994 acres generally located south of NW 41 Street between theoretical NW 109 Avenue and theoretical NW 113 Avenue

FOLIO NUMBER: A portion of 35-3030-000-0020

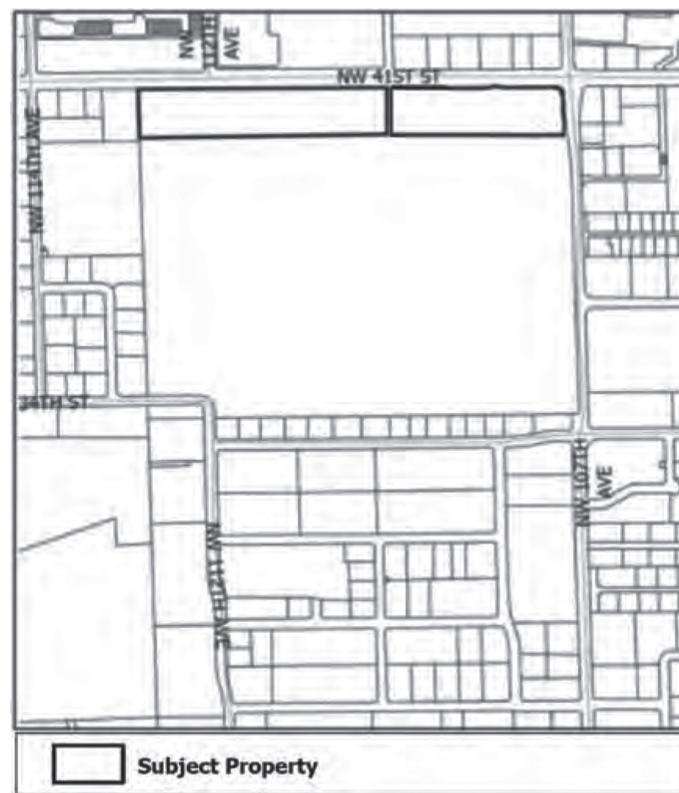
SIZE OF PROPERTY: ±11.6412 acres (General Use to Corridor Commercial) and ±16.0994 acres (General Use to Private Parks and Recreation). The overall size of the property is ±175 acres.

FUTURE LAND USE MAP DESIGNATION: Office and Residential and Business

ZONING DESIGNATION: General Use (GU) District

REQUEST: The Applicant is seeking to amend the City's Official Zoning Map from General Use District (GU) to Corridor Commercial District (CC) for ±11.6412 acres generally located south of NW 41 Street between NW 107 Avenue and theoretical NW 109 Avenue, and from General Use District (GU) to Private Parks and Recreation District for ±16.0994 acres generally located south of NW 41 Street between theoretical NW 109 Avenue and theoretical NW 113 Avenue.

Location Map



Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL. The application file may be examined at the City of Doral Planning and Zoning Department located at 8401 NW 53 Terrace, Doral, FL 33166.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, any person who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

Connie Diaz, MMC
City Clerk
City of Doral