

Blockbuster £1.9 billion gold mining bid tarnishes London's precious metals crown



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A blockbuster, £1.9 billion bid in the mining sector came as another blow to the London stock exchange today, setting it up to lose another big-name listing from a once-renown sector of the market.

AngloGold Ashanti made a £1.9 billion offer for rival precious metal producer Centamin, which was backed by the Egypt-focused firm's board.

The offer came at a premium of almost 37% to Centamin's closing price on Monday and was priced at 163p per share. AngloGold dropped London as the primary home for its shares in

2023, moving to arch-rival New York, where valuations are generally higher, due to a deeper pool of capital.

Jochen Tilk, AngloGold Ashanti's chair, called the offer "highly compelling", adding:

"It adds to our portfolio the pre-eminent [gold](#) producer in Egypt, and offers enormous geological potential that we are very well placed to develop."

James Rutherford, Centamin's chair, said it "occurs as the Egyptian Government has taken important steps to attract foreign investment to develop the country's significant geological potential."

He added that the deal "will result in the continued support for our operations, communities, and our talented and committed people."

It will mean that London will be the main home for shares in only one major precious metals miner, Endeavour Mining, which has a market value of around £7 billion.

The City was once home to an array of precious metals miners, which were among the jewels in its crown as a global financial centre.

London's Randgold Resources merged with New York listed Barrick Gold in 2018, in a deal worth over \$18 billion. And there was a run of Russian gold miners leaving after Moscow's invasion of Ukraine and the sanctions which followed.

[FTSE](#) 250 constituent Centamin was advised on the deal by Merrill Lynch International and BMO Capital Markets.

Its shares rose 29p to 148p taking them up by a quarter and sending them toward the offer price.