

AngloGold Ashanti blames ALP policy for funding drought

by: Matt Chambers, From: The Australian; August 08, 2012 4:41PM

THE head of AngloGold Ashanti, the world's third-biggest miner, says Australian government policies are hampering small miners' attempts to access funding, which in turn aids big miners by providing cheap acquisition targets at a time of industry consolidation.

AngloGold chief Mark Cutifani, an Australian who used to run the Kalgoorlie Super Pit goldminer, has been a strident critic of the Julia Gillard's carbon and mining taxes.

At the Diggers & Dealers mining conference in Kalgoorlie, he did not change tack when commenting on the current cheap gold-asset prices and difficult access to junior funding that is spurring increased consolidation worldwide.

"Our experience in the market, probably more so in any time I've seen it in the past five years at least, is we're getting lots of inquiries from smaller companies, even mid-caps, looking for support in projects," Mr Cutifani told The Australian.

"It tells me the market is tough out there in terms of financing, meaning there are lots of opportunities out there - I would expect to see more consolidation, certainly in the smaller end of the market."

Mr Cutifani said that Australia's climate of policy uncertainty was making it more difficult for smaller players to get funding for projects.

"It's creating opportunities for a company like ours, and we still see lots of opportunities from an exploration point of view, and through to potentially doing deals with the smaller groups finding funding hard to come by."

Mr Cutifani said AngloGold Ashanti was focused on growth through exploration but was open to acquisitions near current assets or in interesting new areas it did not yet have exposure to.