

# Offshore miners in demand

**Stephen Shore**

Australian miners with offshore assets are attracting funds at the expense of their locally based counterparts, as investors seek to avoid companies hit by the resources super profits tax.

Mundo Minerals is an Australian gold developer with mines in Brazil and Peru. Its chief executive, John Langford, said the phone had been ringing since last week with institutional investors and broking firms wanting to know more about the company.

"They are obviously starting to move the magnifying glass away from Australian-based companies and looking for alternatives," Mr Langford said.

Petra Capital mining and industrials analyst George Marias said there was now a preference among foreign investors for companies with assets offshore.

"Such is the concern of foreign investors, they are not only pulling out of Australian mining companies, they are also concerned about industrial companies," he said.

More than 60 resources companies are in Sydney from Monday to Wednesday for the



**Golden opportunity . . . investors looking at offshore ventures.** Photo: PETER BRAIG

annual Resources Round-up conference.

Gryphon Minerals is a gold explorer with a mine in Burkina Faso, West Africa.

Managing director Steve Parsons said fund managers he had been talking to said they were going through their portfolios and re-evaluating the percentage of Australian assets versus overseas assets.

"Investors are taking it [the resource rent tax] seriously and looking to increase their overseas

exposure," he said. "I thought a lot of people would be sitting on the fence waiting to see what happens, but they are actually weighing up their portfolios now to see how they can get exposure to overseas assets."

Mr Parsons said he expected more interest from local investors following the Henry tax review.

"I think our investor base will change now as some of these funds in Australia start to look to invest in other jurisdictions.

"Without a doubt the tax is a potential boon for us."