

## **White Rejigs Merger Deal July 6th, 2009**

(Source: MiningNews.com.au)

AUSTRALIAN clean coal company White Energy has revised its previously announced proposed merger with Asia Special Situation Acquisition Corporation, with the US-listed company to chip in \$US100-140 million.

The new arrangement will see White take control of both the management and board of ASSAC, with White shareholders holding about 83% of the equity in the merged entity.

The revised deal has White valued at \$US2.50 per share, about \$1 higher than in the previous agreement, and ASSAC contributing minimum funds of \$100 million to a maximum of \$140 million.

If all goes to plan, the merged company will retain the White Energy name and will be dual-listed on both the Australian Securities Exchange and the New York Stock Exchange.

White noted that clean energy and carbon emission policy developments around the world, along with the company's recent contract wins and successful equity raising, had increased global sentiment for clean coal stocks.

White shareholders are expected to vote on the merger deal in October.

### **Operational update**

White has completed the construction of the world's largest clean coal upgrading plant at Bayan Resources' Tabang mine in East Kalimantan, Indonesia, with commissioning due by the end of this month.

The plant can upgrade 1 million tonnes per annum of coal, though White and Bayan are currently working with banks to gain financing for an expansion to 5Mtpa capacity.

Of a joint development agreement with Peabody Energy announced in May, White said once the definitive documents had been finalised, it would own 55% of the joint venture and Peabody would hold the remaining stake.

The agreement also gives Peabody the right to acquire a 14.9% stake in White Energy.

The JV will jointly develop and operate plants capable of upgrading 20 million tons of coal per annum.

White holds the patent to the binderless coal briquetting process that upgrades lower-rank coal to increase its energy efficiency.

Shares in the clean coal company soared 27% to \$A2.30 on Friday.