

Burrup Fertilisers IPO plan set for relaunch

12-May-08 by Mark Pownall

Pankaj Oswal's Burrup Fertilisers' stock market float is back on the drawing board, with the company close relaunching a revised offer to investors, possibly within the week.

Mr Oswal confirmed he was awaiting audited results later this week before pressing the button on the float, with the partners seeking a slightly reduced raising in recognition of the recent market volatility which caused the original offer to be withdrawn in March.

While the mechanics of float plan appear the same - Burrup is seeking to sell 20 per cent of company via an IPO to raise between \$500 million and \$600 million, valuing the company between \$2.5 billion and \$3 billion - Mr Oswal confirmed the market had tightened and his expectations were lower.

"The market has shifted a little bit," he said, .

Interests associated with Mr Oswal will sell down from 70 per cent to 53 per cent of the company, while its European partner will reduce its stake to 27 per cent from 30 per cent.

Perth businessmen Roger Steinepreis and Michael Perrot will join the board of the public company, bringing its directors to five.

Burrup completed construction of its \$700 million liquid ammonia plant on the Pilbara's Burrup Peninsula in early 2006, and made its first export shipment from the Port of Dampier in June of that year.

The existing plant is operating slightly above its nameplate capacity.

The IPO relaunch comes amid speculation of a decision by the company to go ahead with an ammonium nitrate plant at its existing Burrup Peninsula site near Karratha.

It is understood Burrup has investigated sites elsewhere in the state, with previously reported rumours that the South West may have been an option.