

# Mining bonds buttressed by Colombian assets

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Drummond, an American company with mining operations in Colombia, has made a US\$400 million offering of senior bonds in the US, buoyed by its Colombian business.

"The transaction required strong cooperation from lawyers in the US, where the offer was to be performed, and in Colombia, where the issuing company has important assets and contracts in the coal industry that support the whole transaction," says Martín Carrizosa of [Prieto & Carrizosa Abogados](#), who advised Drummond in Colombia.

"The analysis of regulatory and contractual issues in Colombia was crucial in order to present comprehensive information to purchasers of the notes."

The 7.38 per cent notes, due 2016, were offered in a deal that closed on 15 February. The notes were offered and sold on a private placement basis to qualified institutional buyers, in accordance with Rule 144A under the US Securities Act, and outside the US in accordance with Regulations.

The initial purchasers of the offering were led by joint book-running managers Citigroup Global Markets and Merrill Lynch, Pierce, Fenner & Smith.

## **Counsel to the initial purchasers**

- [Shearman & Sterling LLP](#)

Partner Jason Lehner, and associates David Wilson, Brent Westrop and Tasmin Waley

## **Counsel to Drummond**

- In-house counsel - Bruce Webster

## **US**

- [Simpson Thacher & Bartlett LLP](#)

Partners John Tehan and Ken Wallach, and associate Bret Ganis

## **Colombia**

- [Prieto & Carrizosa Abogados](#)

Partner Martín Carrizosa and associate Felipe Cuberos