



Alberta Korea Office

Korea Market Intelligence

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\$800 Mil Resources Development Fund Created by South Korea

The Ministry of Knowledge and Economy of Korea announced that South Korea will create a fund of 1 trillion won (\$802.5 mi) to secure overseas resources such as mineral mines, oil fields and gas wells. Korea National Oil Corp. (KNOC) and Korea Resources Corp. (KORES) will invest about 110 billion won as start-up money that could help attract up to 890 billion won of private funds. The fund will be used for direct investment in resource development projects such as purchasing and securing existing operations or stakes, and M&A arrangements. The fund will be collected in a five year period and will be maintained for the next 10 years with a possible extension to 20 years. The Ministry will select 2 companies or consortiums to manage funds by early September of 2009 and applications will be received by June 12. Any foreign company can apply but it will require to set up a local branch and the successful bidders must invest a mandatory 3 billion won into the fund.

Source : The Alberta Korea Office

For more on the latest developments in the Korean marketplace, please [contact the Alberta Korea Office](#).