Company Searches for Missing Chairman

JOE McDONALD, Associated Press

BEIJING (AP) — A Chinese tycoon with ties to mining companies in the United States, Australia and Africa is missing and a newspaper says he has been detained by police.

Sichuan Jinlu Group said Thursday it is looking for its chairman, Liu Han, and has been unable to contact him by phone.

The newspaper Shanghai Securities News said Liu was detained by Beijing police in mid-March while on a business trip to the Chinese capital but gave no indication why he might have been picked up. Chinese police regularly detain people for lengthy questioning without charge or public notice.

Liu's main company, Sichuan Hanlong Group, owns a 13 percent stake in General Moly, a Colorado miner of molybdenum, a mineral used to harden steel. Hanlong was arranging financing for a General Moly mine in Nevada.

A Hanlong spokesman who would give only his surname, Su, said, "I am unclear about this," when asked whether Liu was detained and where he was.

General Moly said in a statement Wednesday it suspended work on a $665 million loan for its Mt. Hope mine from the state-run China Development Bank until it receives clarification from Hanlong.

Hanlong also owns 14 percent of Australia's Sundance Resources, which is developing an iron mine in Congo and neighboring Cameroon in central Africa. Hanlong is offering 1.5 billion Australian dollars ($1.5 billion) to acquire the rest of the company but Sundance said this week the deal has yet to receive final approval from China's economic planning agency.

Sundance asked Wednesday for trading in its shares on Australian markets to be suspended while it seeks information from Hanlong about Liu.

Liu's Hanlong is part of a wave of Chinese energy and mining companies that are buying assets abroad in Australia, Africa and elsewhere in hopes of profiting from growing global demand.

The biggest acquisitions have been made by state-owned companies, but the role of smaller, private companies is growing.

Liu and his ex-wife were detained in Beijing before they returned to his home province of Sichuan, the Shanghai Securities News said, citing unidentified sources. It said other relatives were detained in Sichuan.

Beijing police did not respond Thursday to questions by phone and fax about whether Liu was detained.

A search for Liu's name on China's most popular microblog service, Sina Weibo, returned the notice, "according to relevant laws and regulations, the results for 'Liu Han' are not displayed" — a possible sign authorities were trying to suppress discussion of his disappearance.

Liu was No. 148 last year on Forbes magazine's list of the richest Chinese businesspeople, with a fortune estimated at $855 million.

Hanlong was founded in 1997 and has interests in mining, construction of hydroelectric power, highway and tourism infrastructure and other businesses with a total workforce of more than 12,000 people, according to its website.

Sichuan Jinlu Group, where Liu also is chairman, produces polyvinyl chloride and other chemicals.

In 2010, a Hanlong subsidiary said it planned to invest $5 billion in steel-related materials including molybdenum and manganese and renewable energy projects in Australia.

In an interview the same year with The Wall Street Journal, Liu said his car was once shot up by an investor who suffered losses due to his aggressive investment style.

"They call me, 'Liu Han, the only survivor,' " Liu was quoted saying.

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