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Patricia Olasker Speaks to *M&A by Reorg* on Possible Activist Push for More Mining M&A

With deal-making in the global mining sector continuing amid COVID-19, *M&A by Reorg* (available to subscribers) featured Patricia Olasker for her insights on a possible push for more consolidation by activist investors once the pandemic subsides – and the challenges the current climate may pose for public campaigns.

Patricia states that deal activity in the mining industry this year may be partly due to a resurgence in gold prices, which are up nearly 30% year over year, creating “huge optimism in that sector.”

She notes, however, that smaller companies are even more vulnerable now because they are likely to be disproportionately hit by COVID-19, and that corporations with a pattern of “value destructive acquisitions” are even more susceptible to activism.

Although COVID-19 has created challenges for deal-making in the mining space, Patricia nonetheless expects more M&A deals to emerge from the crisis, with the stronger companies acquiring the weaker ones. She points to several recent rounds of “robust” financing, indicating that executives may be “building war chests” to use for acquisitions of less-financeable companies.