



Canada's First Family of Resources

Description

I came across an interview earlier today that made me sit up and literally say “wow”. The subject was Canadian mining legend Lukas Lundin.

Background

Lukas is one of two sons (the other is Ian) of the late Adolf Lundin. Adolf began the Lundin Group of companies more than 35 years ago and was initially involved in oil and gas exploration in the Middle East. This turned out to be a pretty good place to look for oil and gas 35 years ago.

Since, the company has extended its tentacles dramatically in the world of resources. From its base in Vancouver, the Lundin Group currently has interests in a total of 12 companies with a combined market cap of more than \$13 billion. These companies participate in almost all aspects of the resource life cycle, from production right down to grass roots exploration.

Talk about pulling a fast one

There is perhaps no better indication of the Lundin's feel for the resource world than its sale of Red Back Mining, which owned the Tasiast project in Mauritania (Africa). **Kinross Gold** ([TSX:K](#)) purchased Red Back for a remarkable \$9.2 billion – a move that essentially put the career of its CEO Tye Burt on the line. A pretty nice price tag for an asset that Lundin had only put \$806 million into.

To say that the Lundin's got the better end of this deal may be the understatement of the century. Let's just say Mr. Burt is no longer the CEO of Kinross.

Names

A collection of the bigger Lundin Group companies is provided below.

Company Name	Market Cap	Commodities

Lundin Petroleum (TSX:LUP)	\$7.6B	Energy
Lundin Mining (TSX:LUN)	\$2.4B	Base metals
Africa Oil (TSXV:AOI)	\$1.6B	Energy
BlackPearl Resources (TSX:PXX)	\$660M	Energy
Denison Mines (TSX:DML)	\$468M	Uranium

According to the interview, the family motto is “no guts, no glory”. It might take some guts to own these names, but if the Tasiast example is representative of the Lundin’s ability to create shareholder value, there could be an abundance of glory for all at some point down the line.

With their Denison stake, the Lundin’s have exposure to what could be *the* energy source of the 21st century. The supply/demand dynamics that currently surround uranium are outstanding, and the best part is, nobody seems to realize it! Yet! [Click here now](#) for instant access to our **FREE** report titled “**Fuel Your Portfolio With This Energetic Commodity**”. We think you’ll be surprised just how bright the future is for uranium, just how far two Canadian names have fallen, AND **how fast** they could rebound. [Click here](#) to access this free report, and hop on for the nuclear ride of your life.

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Fool contributor Iain Butler does not own shares in any of the companies mentioned in this report at this time. The Motley Fool has no positions in the stocks mentioned above.

CATEGORY

- Investing

TICKERS GLOBAL

- TSX:DML (Denison Mines Corp.)
- TSX:LUN (Lundin Mining Corporation)

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