

SE News  
HD EXCLUSIVE; Palmer faces 'drop-dead date'  
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LP Clive Palmer's lawyer has told a court his businesses are facing a "drop-dead date" within days as the MP intensifies legal pressure to win a quick cash injection from his Chinese adversaries.

Palmer faces 'drop-dead date'

TD Mr Palmer yesterday launched a "critical" grab for cash from his estranged Chinese business partner Citic, with his senior legal counsel Simon Couper QC asking the WA Supreme Court to hold a trial next week.

The push is the latest indication that financial pressures are mounting in the business empire of Mr Palmer, the Palmer United Party founder and the federal member for the Queensland seat of Fairfax.

In recent weeks, Mr Palmer has put his Cessna Citation private jet up for sale and has raided the coffers of resources company Gladstone Pacific and the body corporate at his Coolum resort. Mineralogy also recently held talks with the Queensland government over the prospect of emergency funding assistance to Mr Palmer's [Queensland Nickel refinery](#).

Mr Couper, who has previously told the court that the failure of China's Citic to pay disputed royalties to Mr Palmer from Citic's Sino Iron project in WA was causing Mineralogy cash flow "problems", said it was "critical" for Mineralogy that the matter was heard as quickly as possible given a looming "drop-dead date". The serious and sensitive nature of the latest issue at Mineralogy was reflected in the application by Mr Couper for two affidavits in the matter to be made confidential — one from Mineralogy chief executive, Mr Palmer's nephew Clive Mensink, and another from [Queensland Nickel](#) chief financial officer Daren Wolfe.

When the judge hearing the matter, John Chaney, said he would be unable to hold a trial next week due to commitments with another matter, Mr Couper asked the court to appoint an alternative judge given the urgency of the case.

"If it can be heard next week it undoubtedly should be," Mr Couper said.

Justice Chaney noted that Mineralogy's application was "unusual", but agreed to explore options for a trial under a different judge next week.

While the details of the latest cash push were not aired yesterday, Mr Couper told the court that Citic was continuing to mine and export iron out of the Sino Iron project without paying royalties to Mineralogy.

If it was unable to secure money from Citic next week, he said Mineralogy would attempt to shut down the Sino Iron mine. Citic has been paying all owed state royalties since it started mining at Sino Iron, and has been paying Mineralogy the so-called Royalty A payment for each tonne of ore out of the mine.

But the bigger payment to Mr Palmer, dubbed Royalty B and potentially worth hundreds of millions of dollars a year, remains embroiled in various legal disputes between Citic and Mineralogy.

Mr Palmer has not received any of those Royalty B payments given the two groups have been unable to agree on an alternative mechanism for calculating the royalty after the international benchmark annual iron ore price to which it was linked was disbanded.

Any order by the court for Citic to extend an interim payment to Mineralogy would likely require Mr Palmer to prove he could repay the money in the event he eventually loses the dispute.

That would require the MP to offer the court and Citic a detailed picture of his finances.

Since striking a landmark deal to sell two billion tonnes of Pilbara iron ore deposits to Citic in 2006 for \$US415m, Mr Palmer has spent widely, acquiring assets that currently generate little to no income.

[Queensland Nickel](#) has been hit by a slump in nickel prices to their lowest level in a decade, prompting the recent failed talks with the Queensland government over \$25m in government assistance.

His installation of robotic dinosaurs and a motor car museum at his Coolum resort failed to arrest plummeting visitor numbers and it shut its accommodation and conference facilities in March. The resort's golf course was shut this week.

Two of his four private jets have been parked up on the tarmac at Brisbane Airport for a number of years, while a third — the Cessna Citation — has been put up for sale with an asking price of more than \$7m.

Earlier this month, The Australian revealed Mr Palmer siphoned off \$1.35m in "loans" from the nearly insolvent Gladstone Pacific Nickel without consulting the group's other shareholders.

Mr Palmer had to repay more than \$20m to Citic after taking money from a Citic port fund and using it to bankroll his party's 2013 election campaign.

CO qnicpl : Queensland Nickel Pty Ltd

IN i211 : Metal Ore Mining | i2114 : Copper Ore/Nickel Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying

NS gcrim : Crime/Courts | gvsup : Judicial Branch | gcat : Political/General News | gpir : Politics/International Relations | gpol : Domestic Politics | gvbod : Government Bodies

RE austr : Australia | brisbn : Brisbane | apacz : Asia Pacific | ausnz : Australia/Oceania | queensl : Queensland

IPD drop-dead date | Chinese business | fast cash | financial pressures | chief financial officer | owed state royalties | annual iron ore | alternative mechanism | senior legal counsel | interim payment | disputed royalties | alternative judge | resources company | paying royalties | business empire | WA Supreme Court | Daren Wolfe | John Chaney | Palmer | Chinese business partner | PAUL GARVEY | international benchmark | conference facilities | iron ore price | emergency funding assistance | government assistance | Chinese adversaries | sensitive nature | benchmark annual iron | legal pressure | federal member | secure money | export iron | cash injection | port fund | ore deposits | legal disputes | visitor numbers | asking price | Gold Coast | Queensland | Australia | Brisbane | Queensland Airport | Queensland Nickel

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