

SE Business
HD **Malone flies under radar as satellite play holds course**
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Michael Malone's first post-iiNet project is off to an encouraging albeit muted start.

One of three non-executive independent directors of SpeedCast International, the iiNet founder and former chief executive emerged with 259,000 shares in the satellite **company** ahead of last month's float.

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The **company**'s listing on August 12 was overshadowed by the start of the reporting season but the stock has at least managed to retain a premium to its issue price of \$1.96, trading in a thin range between \$1.99 and \$2.05 since day two.

Malone's appointment was announced in May as SpeedCast simultaneously established another WA link with the **purchase** of Perth-owned SatComms Australia.

The **acquisition** was the last in a string of deals which bulked up the **Hong Kong**-based group ahead of its \$150 **million** float.

SatComms was founded as a division of WA marine services **company** JN Taylor, whose rich history includes periods of ownership by Robert Holmes a Court and then Alan Bond.

The business, which has a teleport and **operations** centre in Henderson, provides mobile and fixed satellite communications to the **mining**, government and maritime sectors.

Its integration has given SpeedCast more than 1000 customers in mainly remote locations — mine sites, **oil** rigs and ships — and predominantly in the Asia Pacific.

The **company** has forecast a net profit of \$8.1 **million** for 2014-15 on revenue of \$128.5 **million** but those numbers could change given the **company**'s intent to wrap in more acquisitions.

Malone and his fellow non-executive directors hold less than one per cent of SpeedCast. US private **equity** group TA Associates retains 24.6 per cent, while SpeedCast's long-serving chief executive Pierre-Jean Beylier is the biggest individual holder with 5.9 per cent, or 7.1 **million** shares.

Exploration in doldrums

Yesterday's official exploration data confirms the parlous state of the WA industry.

The Australian Bureau of Statistics' initial estimates have minerals exploration for the June quarter down nearly 10 per cent in trend terms on the previous three-month period at \$438.8 **million**.

Almost all of the fall was due to WA, which was \$38.4 **million**, or 14.5 per cent, lower.

They are the worst numbers in nearly eight years, though the seasonally adjusted numbers were less confronting.

The Association of **Mining** and Exploration Companies predictably renewed its call for the speedy repeal of the **mining** tax and the quick introduction of the proposed Exploration Development Incentive.

Neither, however, is going to make a difference unless those explorers wanting to have a crack are able to raise cash and those companies sitting on funds awaiting better times regain their appetite for risk and resume exploration.

CO spdcst : SpeedCast International Ltd. | asatco : Asia Satellite Telecommunications Holdings Ltd |
citic : CITIC Group

IN i7902 : Telecommunications

NS ccat : Corporate/Industrial News

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