

SE Finance
HD **Padbury's talks raise hopes for Oakajee**
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PADBURY Mining, the junior company that wants to breathe life back into the failed \$6 billion Oakajee port and rail project, has given the market hope it is on track to do just that.

The company revealed yesterday that it had signed numerous non-disclosure agreements to allow interested parties to examine its data on the ambitious West Australian project. "A number of international consultants have completed their assessment of the data and discussions continue," Padbury said.

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Oakajee Port & Rail, which is owned by Mitsubishi, once had exclusive rights to develop the project. However, it shelved plans and its associated Jack Hills iron ore mine in June last year, blaming weaker iron ore prices and a failure to secure an equity partner to fund the massive project.

Padbury never believed OPR's project would be successful and the company spent \$2.25 million in 2011 to acquire the intellectual property from Chinese-backed Yilgarn Infrastructure, which lost a government tender to build the project in 2008.

The company has put its focus firmly on this infrastructure project and told investors last month that executive chairman Terry Quinn and managing director Gary Stokes were returning to Korea for further talks, after an initial visit in October.

Padbury said yesterday Mr Quinn and Mr Stokes had been invited back to Korea to continue negotiations for the EPC (engineering, procurement and construction) contractor selection process at the end of the month.

Mr Stokes told The Australian last year the company always believed the massive project would get up, but it was a matter of having the right players and the right team, which he had been working on non-stop for the past year.

But given the spectacular failure of the previous attempt to develop the port and rail infrastructure needed to support development in Western Australia's Mid-West region, Padbury has been careful not to over-promise and under-deliver.

"This project has a 30-year history of building expectations up and then dropping everyone in the manure and we don't want to be another player in that field," Mr Stokes has said.

The Perth-based company also announced yesterday that it had held talks with potential international EPC contractors and international and domestic rail and port operators to assist Padbury in bringing the project to fruition.

Shares in Padbury received a lift yesterday following the announcement, closing the day 16.67 per cent higher at 1.4c.

The **company** had received a speeding ticket from the Australian Securities Exchange last week -- its second in three months -- after its share price hit an intraday high of 1.4c on March 10. The ASX also noted an increase in the volume of trading in Padbury's securities.

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