

**HD** Roy Hill mines \$7.2bn jumbo loan  
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Roy Hill sealed a \$7.2bn jumbo debt package for its **iron ore** project on March 20, provided by a combination of commercial banks and export credit agencies, making it the largest ever project financing in the **mining** sector.

The **mining** giant's loan has been in the works for almost a year, with GlobalCapital Asia reporting in November last year that banks had finished making their bids for the financing.

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Roy Hill, which will use the debt for a \$10bn project in West Australia's Pilbara region, obtained roughly \$3bn from banks, and around \$4bn from ECAs, said a banker.

Japan Bank for International Cooperation, Korea Eximbank, Korea Trade Insurance Corporation, Nippon Export and Investment Insurance and Export Import Bank of the United States were the ECAs that supported the fundraising.

A consortium of 19 lenders also chipped in to the transaction — including Australia and New Zealand Bank, Commonwealth Bank of Australia, National Australia Bank and Westpac, as well as some of the big Japanese banks.

BNP Paribas and NAB were financial advisers to Roy Hill, with the loan having a maturity of 10.5 years.

While \$7.2bn came via loans, the remaining portion of the \$10bn project was through **equity** commitments from shareholders of Roy Hill. It is 70% owned by Australian **billionaire** Gina Rinehart's Hancock Prospecting, 15% by Marubeni Corp, 12.5% by POSCO and 2.5% by **China** Steel Corp.

Currently under construction, the Roy Hill project is expected to produce around 55m tonnes per annum of premium quality **iron ore**, meant for export globally.

Its fundraising makes it the largest ever project financing in the **mining** sector, according to a statement issued by the **company**.

The loan was signed in Singapore.

**CO** expimp : Export-Import Bank of Korea | neaii : Nippon Export and Investment Insurance | peopf : National Life Finance Corp | jfsjap : Japan Finance Corporation  
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**RE** austr : Australia | apacz : Asia Pacific | ausnz : Australia/Oceania  
**IPD** Roy Hill

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