

**HD** **Posco looks east for growth**

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**LP**

THE head of South Korean giant Posco's recent Australian business developments, Richard Lee, is leaving the **company** with plans to establish himself in Perth.

Mr Lee, who was involved in the group's attempt to win the major contract for the Roy Hill project and led its involvement in a **coal**-linked rail project in Queensland, is understood to have plans to remain in Perth with his family.

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Last month he established a **company**, ESP Global, with a trading name ESP Consulting Services.

Posco has shifted its investment focus from Western Australia to Queensland after initially entering the Australian market as an **equity** partner in the \$10 **billion** Roy Hill project.

The focus on the east coast follows its construction business, Posco E&C, missing out on Roy Hill's major subcontract, which was awarded last year to national rival Samsung C&T for \$5.6 **billion**.

Posco, which is the world's third largest steel producer, is continuing to invest heavily in Australian **mining** projects, such as the Hume **Coal** project in New South Wales.

In WA it has a 49 per cent interest in half of the joint venture Australian Premium **Iron**, which is developing the massive West Pilbara **Iron Ore** project. **China** steel giant Boasteel took control of 50 per cent of the joint venture earlier this year when it took over Aquila Resources.

In July, Posco E&C agreed, along with a subsidiary of India's Adani Group, to develop a 388-kilometre heavy haul railway to open up **coal** reserves in Queensland's Galilee Basin.

It is understood Posco E&C is also interested in further construction opportunities with Adani's \$16 **billion** project, including developing the mine's **coal** handling and preparation plant and expanding Abbot Point port.

In May, Posco E&C signed a memorandum of understanding with TNG to construct the Mount Peake vanadium, titanium and **iron** project in the Northern Territory.

**CO** samsng : Samsung C&T | pohn : Posco Co

**IN** i22 : Primary Metals | i221 : Iron/Steel/Ferroalloys | i8396 : Diversified Holding Companies | ibasicm : Basic Materials/Resources | ibcs : Business/Consumer Services | isteel : Steel Production

**RE** austr : Australia | queensl : Queensland | waustr : Western Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

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