



HD Australia leases world's biggest coal port for \$1.6 bn

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An Australian and Chinese consortium on Wednesday won a 98-year lease on the world's biggest coal export port for Aus\$1.75 billion dollars (US\$1.62 billion), the New South Wales government said.

New South Wales Premier Mike Baird said some Aus\$1.5 billion raised from the sale of the lease of Newcastle Port, north of Sydney, would be redirected into state infrastructure.

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"This momentous result exceeds all expectations," Baird said of the deal, which is reportedly worth more than twice the Aus\$700 million the government had previously hoped to raise from the sale.

"Transactions such as this bring enduring benefits to communities and the economy, and build on the NSW government's successful track record in recycling mature state-owned assets to deliver major infrastructure projects."

The winning consortium -- Port of Newcastle Investments, in which Australian investment firm Hastings Funds Management and China Merchants are equal partners -- was one of five final bids.

The lease follows New South Wales' sale of power stations, the long-term lease of Sydney's Port Botany and Port Kembla further south, and the refinancing of Sydney's desalination plant.

"We see Australia as an attractive investment destination and the Port of Newcastle continues our long history of investment in this country," said China Merchants' vice president Liming Yu, according to Dow Jones Newswires.

The NSW government will retain regulatory oversight for the Port of Newcastle as well as responsibility for a range of maritime safety and security functions.

Newcastle is the world's largest coal export port, with a record 150.5 million tonnes of coal exported from there in 2013.

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CO hasfml : Hastings Funds Management Limited | wstpac : Westpac Banking Corporation Limited

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RE austr : Australia | china : China | nswals : New South Wales | sydney : Sydney | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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