

**HD Sundance appoints Mota-Engil**

**BY** Fraser Beattie

**WC** 330 words

**PD** 6 June 2014

**SN** Business News

**SC** WABN

**LA** English

**CY** © Copyright 2014 Business News Pty Ltd.

**LP**

Sundance Resources has appointed Portuguese construction **company** Mota-Engil Africa to build the \$US3.5 **billion** port and rail infrastructure for the Mbalam-Nabeba **iron ore** project.

Mota-Engil Africa will design and construct a 510km railway in Cameroon, a 70km rail spur line from the Nabeba mine to the Cameroon railway, and a 35mtpa deep water mineral terminal facility, capable of loading **China**-max vessels.

**TD**

Standard Bank, Africa's largest bank by assets and earnings, has been appointed as financial adviser and mandated **lead** debt arranger for the project.

Sundance CEO and managing director Giulio Casello said the appointment of these groups marked a pivotal point in the project's development.

"The Mbalam-Nabeba **iron ore** project will be one of the lowest cash-cost producing assets in the world," he said.

"Now that we have confirmed capital costs for the project, I believe it is positioned as the most attractive large-scale, high grade **iron ore** project in the world that is ready for development."

Mota-Engil Africa and Sundance yesterday signed the binding and bankable EPC contract for the construction of the Cameroon portion of the port and rail infrastructure component of the project.

A separate EPC contract for the spur line rail component of the Nabeba project will be signed in the coming days.

In order to secure agreed terms for the EPC contract and indicative terms for debt funding, Sundance, along with the assistance of Standard Bank, will proceed with delivering the project **equity** funding strategy.

Construction expected to take 3.5 years following financial close, which Sundance aims to achieve by mid-2015.

Sundance has also received three proposals for construction of the mine plants and associated infrastructure, which includes accommodation villages, workshops, a diesel power plant and an aerodrome.

Sundance has not awarded a formal **mining** contract at this time.

Sundance's share price fell by 9 per cent to 9.1 cents at 10:15am WST.

**CO** engsg : Mota-Engil SGPS SA

**IN** i5020017 : Harbor Construction | i211 : Metal Ore Mining | i221 : Iron/Steel/Ferroalloys | i22 : Primary Metals | i502 : Heavy Construction | ibasicm : Basic Materials/Resources | iconst : Construction | icre : Real Estate/Construction | imet : Mining/Quarrying

**NS** c411 : Management Moves | c41 : Management Issues | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpx : FC&E Executive News Filter | nfcpx : FC&E Industry News Filter

**RE** austr : Australia | wastr : Western Australia | apac : Asia Pacific | ausnz : Australia/Oceania

**PUB** Business News Pty Ltd

**AN** Document WABN000020140606ea660005I